



Year-end report 2021

In the fourth quarter, John Mattson signed an agreement to acquire three properties at Gullmarsplan in Stockholm. Gullmarsplan is a hub for Stockholm's public transportation and an important part of the Söderstaden development area tying Globenområdet, Slakthusområdet and Gullmarsplan together.

January–December 2021

- Rental revenues totalled SEK 407.9 million (294.0), up 39%.
- Income from property management was SEK 103.1 million (94.7), corresponding to SEK 2.98 per share (2.81). Adjusted for non-recurring costs for the year, growth in income from property management per share increased 14%.
- NAV amounted to SEK 6,396.6 million (4,352.0), corresponding to SEK 175.90 per share (129.25). Growth in NAV per share was 36%.
- Changes in property values amounted to SEK 1,539.0 million (517.7) and changes in the value of interest-rate derivatives to SEK 48.0 million (negative: 4.3).
- Earnings after tax for the year totalled SEK 1,332.5 million (478.8), of which SEK 1,322.0 million pertained to the Parent Company's shareholders, corresponding to SEK 38.21 per share (14.22).
- Property value totalled SEK 15,894.5 million (7,957.9).
- Investments amounted to SEK 6,398.4 million (1,075.0), of which SEK 6,143.8 million (857.7) pertained to acquisitions.
- The Board of Directors proposes to the Annual General Meeting that no dividend, that is a dividend of SEK 0 (0), should be distributed for the 2021 financial year.

October–December 2021

- Rental revenues totalled SEK 143.5 million (78.1), up 84%.
- Income from property management was SEK 22.9 million (19.7), corresponding to SEK 0.63 per share (0.58).
- NAV amounted to SEK 6,396.6 million (4,352.0), corresponding to SEK 175.90 per share (129.25).
- Changes in property values amounted to SEK 682.5 million (455.6) and changes in the value of interest rate derivatives to SEK 15.6 million (8.4).
- Earnings after tax for the period totalled SEK 567.6 million (386.7), of which SEK 560.9 million pertained to the Parent Company's shareholders, corresponding to SEK 15.42 per share (11.48).
- Property value totalled SEK 15,894.5 million (7,957.9).
- Investments amounted to SEK 983.6 million (80.3), of which SEK 875.3 million (0.4) pertained to acquisitions.

JohnMattson

Great neighbourhoods across generations

Q4 – 2021

Significant events

- John Mattson took possession of 456 apartments and commercial premises in Häggvik and Tureberg in the Municipality of Sollentuna.
- An agreement was signed to acquire three properties at Gullmarsplan in central Stockholm with an underlying property value of SEK 670 million before deduction for latent tax. Possession was taken after the end of the year, on 1 February 2022.

Acquisition of Hefab and Efib

In 2021 John Mattson acquired shares in Hefab Fastighets AB (Hefab) and Efib AB (Efib). The acquisitions were completed in steps during the third quarter and by 30 September 2021 a property value of SEK 5,275.0 million was recognised pertaining to Hefab and Efib. During the third quarter, the total purchase consideration for the acquired shares, including transaction costs, amounted to SEK 3,531.6 million, of which SEK 408.2 million was funded through non-cash issues.

For the period from 6 July to 31 August, Efib was reported in the 2021 accounts as an associate. The share of profit, which was attributable to the period as an associate, was recognised in profit for the year as the share of profits of associates in an amount of SEK 2.2 million on 31 December. Both Efib and

Hefab were consolidated as subsidiaries from 31 August. As of 31 December 2021, the positive impact on income from property management was SEK 21.0 million. Given that John Mattson does not own all the shares in the companies, a portion of earnings is reported as attributable to "Non-controlling interests." As of 31 December, John Mattson controls a total of 99.95% of Efib and 97.15% of Hefab.

Financial targets 2021 compared with 2020



36% growth in net asset value



6% growth in income from property management



SEK 15.9 billion in property value 31 December 2021

| Key metrics | Oct–Dec 2021 | Oct–Dec 2020 | Jan–Dec 2021 | Jan–Dec 2020 |
|---|--------------|--------------|--------------|--------------|
| Property-related key metrics | | | | |
| Economic occupancy rate at the end of the period, % | 95.6 | 94.5 | 95.6 | 94.5 |
| Property value at the end of the period, SEK m | 15,894.5 | 7,957.9 | 15,894.5 | 7,957.9 |
| No. of upgraded apartments during the period | 91 | 148 | 339 | 368 |
| Key financial metrics | | | | |
| Rental revenues, SEK m | 143.5 | 78.1 | 407.9 | 294.0 |
| Net operating income, SEK m | 79.8 | 49.6 | 249.8 | 196.0 |
| Income from property management, SEK m | 22.9 | 19.7 | 103.1 | 94.7 |
| LTV ratio at the end of the period, % | 58.0 | 44.7 | 58.0 | 44.7 |
| Interest coverage ratio during the period, multiple | 1.6 | 2.4 | 2.2 | 2.6 |
| Share-related key metrics | | | | |
| Income from property management, SEK/share | 0.63 | 0.58 | 2.98 | 2.81 |
| Growth in income from property management, SEK/share, % | 7.9 | -0.4 | 6.0 | 45.8 |
| Profit after tax, SEK/share | 15.42 | 11.48 | 38.21 | 14.22 |
| NAV, SEK/share | 175.90 | 129.25 | 175.90 | 129.25 |
| Growth in NAV, SEK/share, % | 36.1 | 16.4 | 36.1 | 16.4 |
| NNNAV, SEK/share | 158.54 | 119.01 | 158.54 | 119.01 |

Definitions of key metrics are provided on page 22.

A year of strong growth with a 36% increase in net asset value

Successful acquisitions and diligent integration contributed to John Mattson's healthy growth in 2021 and the company is well-equipped for the future. The company continues to create value through property management, adding value, densification and acquisitions.



Successful year

John Mattson delivered a fantastic performance for 2021. In line with our growth strategy, the company established itself in several attractive areas in Stockholm region. With a significantly larger property portfolio and an expanded project portfolio, we created healthy opportunities for future growth. At the end of 2021, property value increased to SEK 15.9 billion, nearly double the previous year. This means that by the end of 2021, we reached our goal for the Group's property value to amount to at least SEK 10 billion by the end of 2023.

As a new CEO, it is also gratifying to note that the company delivered an increased income from property management and net asset value through successful acquisitions and diligent integration. Growth in income from property management per share increased 14% in 2021, adjusted for non-recurring costs for the year.

In the fourth quarter, John Mattson signed an agreement to acquire properties at a unique location at Gullmarsplan in Stockholm, with possession taken in February 2022. We're looking forward to being part of the new Söderstaden development area, where the company has already established itself in Slakthusområdet and Johanneshov.

Sincere thanks to all of our employees who made 2021 a successful year for John Mattson!

Well positioned for the next step

John Mattson is now well positioned for continued development. The size of the property portfolio means that we have good preconditions to become a more efficient organisation. We are now building a scalable property management organisation with standardised and efficient procedures that enable continued growth by integrating Hefab with our geographically focussed property management areas. The acquisition of Hefab also increases our project development potential. The project portfolio was expanded with ongoing projects, development rights and future development opportunities.

Continued growth

John Mattson continues to create value through its four strategic cornerstones: management, adding value, densification and acquisitions with growth focus in the Stockholm region. In 2021, we continued to successfully upgrade apartments, which increases their underlying value. A total of 179 base upgrades and 160 total upgrades were carried out during the year – the highest number of total upgrades to date.

John Mattson's target is to totally upgrade at least 100 apartments a year. The ambition is to streamline our way of working through increased digitalisation and developing our service offering, which simplifies daily life for our tenants.

Project development is a prioritised area for carrying out continued growth in management and acquisitions. The first step is to expand the development right portfolio and develop our organisation to manage an increased project volume. Here we can capitalise on our expertise and long experience in management when designing new, attractive and sustainable homes for efficient management.

Acquisitions remain part of our growth strategy. We will continue to evaluate acquisitions of investment properties with development potential in attractive market locations in the Stockholm region.

Next step in sustainability

Sustainability is important for John Mattson and is integrated into our business model. The company takes an overall approach toward working with buildings as well as outdoor areas to create safe, attractive and sustainable neighbourhoods and local communities. We have developed a successful way of working where, together with municipalities and other players, we work with safety issues to make our areas more attractive. Our work generates value and John Mattson is a long-term, reliable organisation in social sustainability. We will continue this work to further make our areas even more attractive.

Now we're taking the next step in sustainability by strengthening our environmental sustainability. In 2022, we will establish science-based emissions targets and strengthen the organisation to meet these targets.

John Mattson is well equipped for the future and I look forward very much to working together with my colleagues and the Board to take the next step in the company's development.

Per Nilsson,
CEO of John Mattson Fastighetsföretagen AB

Business idea, goals and strategies

John Mattson's business idea revolves around the long-term ownership, management and development of residential property and attractive local communities in the Stockholm region. We make daily life easier by offering well-managed, attractive homes and safe neighbourhoods.

Strategies

John Mattson's strategy is based on four cornerstones, in which sustainability efforts are integrated in every part.

Property management – Our approach to property management is integrated and near-at-hand. We know our properties and understand our customers. We apply an overall approach taking responsibility for the portfolio and activity in the outdoor areas. We work proactively with property management and continuously make efficiency enhancements and value-generating investments with the aim of achieving more sustainable property operations and increasing net operating income. Focus is on optimising property consumption and thereby reducing operating expenses.

Adding value – We add value to our buildings to secure the buildings' technical longevity and to generate increased net operating income. Value is added by upgrading, extending and converting space to housing or commercial operations. We have a well-established two-step model for upgrades, the Larsberg model. First, the initial base upgrade conducted with tenants in place secures the building's technical status. The following step, the total upgrade, brings the apartments up to contemporary standards, to meet demand from existing and new tenants. Total upgrades are carried

out when apartments are vacant or where tenants so wish. The objective is to totally upgrade at least a total of 100 of the apartments in the portfolio each year. All upgrades take place in dialogue with the tenants and adjusted rent levels are negotiated with Hyresgästföreningen (Swedish Union of Tenants).

Densification – We are increasing the housing density of our own land or adjacent to existing properties, often on already paved land. In addition to new construction, infill development is also taking place in the form of extensions to existing properties. In this way, we are expanding the residential and commercial offering, and meeting the tenants' various needs. The local community is being provided with new attributes, and diversity and variation is increasing, contributing to great neighbourhoods. The aim is to generate growth through value adding construction that concurrently makes the neighbourhoods more attractive. Development is conducted in close collaboration with the municipalities where we operate.

Acquisitions – We strive to acquire properties and development rights with development potential in attractive market locations in the Stockholm region, close to efficient infrastructure. All acquisitions are approached using a long-term ownership and management perspective, and areas with potential for adding value and development are particularly attractive.

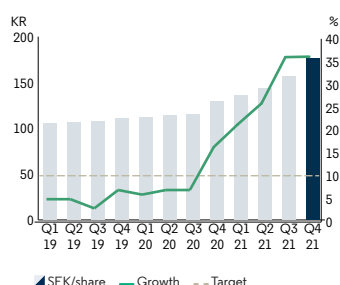
Financial targets

An average annual growth in NAV per share of not less than 10%, including distributions to shareholders, over a business cycle.

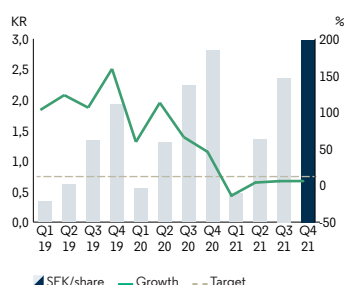
An average annual growth in income from property management per share of not less than 10% over a business cycle.

The value of the Group's property holdings is to total at least SEK 10 billion by 2023. At the end of the year, the property value was SEK 15.9 billion, which means the financial target has been reached.

NAV PER SHARE



INCOME FROM PROPERTY MANAGEMENT, PER SHARE



PROPERTY VALUE



Financial risk mitigation – John Mattson aims for low financial risk. This means that:

- the long-term net loan-to-value ratio should not exceed 50%; and
- the long-term interest coverage ratio should not be less than 1.5.

Dividend policy – Over the long term, dividends are to amount to 50% of annual income from property management. John Mattson will prioritise value-creating investments over the forthcoming years, which means that dividends may drop below 50% or may not even transpire.

Property portfolio

John Mattson is a property company with operations in the Stockholm region. The company has been listed on Nasdaq Stockholm, Mid Cap, since 2019.

Our areas

The portfolio has been divided into four property management areas: Lidingö, North Stockholm, City/Bromma, South Stockholm/Nacka. On 31 December, the property portfolio contained 4,414 rental apartments. The total lettable area amounted to 355,500 square metres, where residentials comprised 82%.

The majority of the properties were built in the 1950s to 1970s, and have good preconditions for adding value. Growth will be through acquisitions and infill development in attractive market locations in the Stockholm region.



4,414
apartments



82%
of total lettable area
is housing



356 thousand sq m
lettable area



| Property portfolio | on 31 December 2021 | | | | | | | January–December 2021 ¹⁾ | | |
|-------------------------|---------------------|---------------|----------------|---------------|--------------|--------------|-------------------------|-------------------------------------|-------------------|----------------------|
| | Apartments | Lettable area | Property value | | Rental value | | Economic occupancy rate | Rental revenues | Property expenses | Net operating income |
| | No. | thousand sq m | SEK m | SEK/sq m | SEK m | SEK/sq m | % | SEK m | SEK m | SEK m |
| Lidingö | 2,288 | 172 | 7,999 | 46,405 | 301 | 1,748 | 96.3 | 285 | 97 | 188 |
| North Stockholm | 995 | 75 | 2,048 | 27,205 | 90 | 1,201 | 92.5 | 96 | 62 | 34 |
| City/Bromma | 464 | 49 | 2,821 | 57,852 | 100 | 2,050 | 96.7 | 95 | 30 | 65 |
| South Stockholm/Nacka | 667 | 59 | 3,026 | 51,219 | 118 | 1,999 | 95.1 | 113 | 38 | 76 |
| Total properties | 4,414 | 356 | 15,895 | 44,710 | 610 | 1,715 | 95.6 | 589 | 226 | 363 |

¹⁾ The above compilation encompasses the properties owned by John Mattson at the close of the year and shows the properties' revenue and expenses as if they had been owned for the entire year. The discrepancy between the net operating income of SEK 363 million reported above and the net operating income in the income statement of SEK 250 million is attributable to the net operating income for acquired properties and completed projects during the year being revised upward by SEK 113 million as if they had been owned for the entire year.

| On 31 December 2021 | Rental value | | | Vacancies and discounts | | | Contract value | | | Economic occupancy rate |
|---------------------|------------------------------|------------|---------------------|--------------------------------|-----------|-----------|-------------------------|------------|-----------------------|----------------------------|
| | Lettable area, thousand sq m | | Rental value, SEK m | Vacancies and discounts, SEK m | | | Let area, thousand sq m | | Contract value, SEK m | Economic occupancy rate, % |
| | No. | | | No. | | | No. | | | |
| Housing | 4,414 | 292 | 455 | 129 ¹⁾ | 9 | 11 | 4,285 | 284 | 445 | 97.6 |
| Commercial | – | 63 | 129 | – | 5 | 11 | – | 58 | 118 | 91.8 |
| Parking places | – | – | 25 | – | – | 5 | – | – | 20 | 79.1 |
| Total | 4,414 | 356 | 610 | 129 | 14 | 27 | 4,285 | 342 | 583 | 95.6 |

¹⁾ Vacancies primarily pertain to properties with ongoing upgrade projects.

Lidingö

John Mattson's largest property management area is in Lidingö, both in terms of number of apartments and property value. The properties mainly comprise residentials in the Larsberg area and in Käppala, which account for 95% of the total lettable area. The commercial premises house local services and educational premises. The portfolio also includes a development property with an ongoing detailed development plan process and identified potential development rights. The majority of the properties were constructed in the 1960s, but also include new buildings from the turn of the century.

Since 59% of the portfolio has received total upgrades or is newly built, the housing is of a generally high standard. Base upgrades that were ongoing in Käppala were completed during the fourth quarter and total upgrades are ongoing both in

Larsberg and in Käppala. During the year, (179) 218 apartments underwent base upgrades and 160 (150) apartments underwent total upgrades. At the end of the year, upgrades were ongoing for 43 (27) apartments. Upgrades follow the Larsberg model.

The planning process for new housing is ongoing for the Fyrtornet 5 property in Larsberg in Lidingö under the project name of Ekporten. Work and dialogues are ongoing with the municipality of Lidingö Stad's politicians and personnel. Possibilities are being investigated in Käppala regarding the construction of loft apartments at existing properties, but the project is at an early stage. A number of additional potential infill development projects have been identified in Larsberg and Käppala. The scope is assessed as around 700 apartments.

| Lidingö | Q4 2021 |
|--|------------------|
| Area, residentials, thousand sq m | 164 |
| Rental value, residentials, SEK/sq m | 1,698 |
| Economic occupancy rate, residentials, % | 96.2 |
| Property value, residentials, SEK/sq m | 46,267 |
| Surplus ratio, residentials, % | 65 ¹⁾ |

SHARE OF LETTABLE AREA



North Stockholm

North Stockholm comprises John Mattson's residential management portfolio in the municipality of Sollentuna, in the areas of Rotebro and Rotsunda as well as, as of 1 October 2021, Häggvik and Tureberg. The acquisition of Häggvik and Tureberg increased the lettable area by 38,200 square metres and 456 apartments. The largest share of properties were built in the 1970s, but some are also older (built in the 1940s and 1950s) and newer (built in the 1990s or later). North Stockholm also includes a development property in the municipality of Upplands Väsby.

Upgrade plans for the properties in Rotebro and Rotsunda are underway. Upgrades in Rotebro are expected to start in 2022.

Production is ongoing of one apartment block with 73 rental apartments in the area of Vilunda in central Upplands Väsby. The property is adjacent to the commuter train station and close to Väsby centrum. The project is Stockholm's first apartment building for sustainable mobility that does not require private parking spaces. Occupancy is scheduled for the second half of 2022.

| North Stockholm | Q4 2021 |
|--|------------------|
| Area, residentials, thousand sq m | 75 |
| Rental value, residentials, SEK/sq m | 1,201 |
| Economic occupancy rate, residentials, % | 92.5 |
| Property value, residentials, SEK/sq m | 25,266 |
| Surplus ratio, residentials, % | 36 ¹⁾ |

SHARE OF LETTABLE AREA



City/Bromma

In City/Bromma, John Mattson residential management portfolio includes properties in Slakthusområdet, Hammarby Sjöstad, Johanneshov, Abrahamsberg and Östermalm. Residential properties account for 56% of the total lettable area. The buildings are from 1930s and 1940s as well as from the 1990s through to 2019, all of which are well-maintained and in good condition. City and Bromma have the largest share of commercial properties, which account for 30% of the total lettable area. The commercial properties contain premises for local services, offices and public sector operations. Development properties are located in Abrahamsberg

and in Söderstaden, an urban development area comprising Globenområdet, Slakthusområdet and Gullmarsplan-Nynäsvägen.

A detailed development plan has been adopted for the construction of a nursing and care home at the Geografiboken 1 property in Bromma. Construction is scheduled to start in 2022.

The planning process for the expansive Slakthusområdet in Söderstaden is scheduled to start in the first quarter of 2022 for the construction of new housing, with a preliminary construction start in 2025. John Mattson's leaseholds are in a prime location near the future Metro station entrance in the area.

| City/Bromma | Q4 2021 |
|--|------------------|
| Area, residentials, thousand sq m | 28 |
| Rental value, residentials, SEK/sq m | 1,910 |
| Economic occupancy rate, residentials, % | 98.9 |
| Property value, residentials, SEK/sq m | 60,957 |
| Surplus ratio, residentials, % | 66 ¹⁾ |

SHARE OF LETTABLE AREA



South Stockholm/Nacka

John Mattson's portfolio in South Stockholm and Nacka is mainly concentrated to Hägerstensåsen, Västberga and Örby. Residential properties account for 72% of the total lettable area and mainly comprise properties built in the 1940s and in the first two decades of this century. Commercial properties account for 17% of the total lettable area and mainly comprise offices, nursing and care homes, and local services. The area has three development properties at different stages of development.

The development of the Gengasen property is ongoing at Örby centrum, a new production project that includes rental apartments, store premises and LSS housing. The project started in 2021 and occupancy is expected for the second half of 2023. Moreover, project planning is in progress for an apartment upgrade project with a planned project start in 2022.

A land allocation has been received in Örnberg for the Pincetten project, where work is ongoing with the detailed development plan for the new construction of 230 rental and tenant-owner apartments, premises and a preschool.

In April 2021, the Sicklaön 37:46 property was acquired, located in Finnboda kaj in Nacka Municipality. The property has a building with a lettable area of 1,400 square metres that is currently let as offices. The property also includes development rights for which housing is planned with a possible construction start in 2023.

A new build project was completed during the fourth quarter for the Trappsteget property in Högdalen centrum. The building has 72 apartments and occupancy began in December.

| South Stockholm/Nacka | Q4 2021 |
|---|------------------|
| Area, residential, thousand sq m | 43 |
| Rental value, residential, SEK/sq m | 1,905 |
| Economic occupancy rate, residential, % | 96.5 |
| Property value, residential, SEK/sq m | 57,865 |
| Surplus ratio, residential, % | 62 ¹⁾ |

SHARE OF LETTABLE AREA



¹⁾ The surplus ratio for residential properties is calculated on the outcomes for January to December, restated to include acquired properties.

Development projects

| Project | Area | Category | Type | No. of Apts. ¹⁾ | Additional lettable area ¹⁾ | Status | Possible construction start ²⁾ |
|------------------------------------|-----------------------|----------------|-------------------------------|----------------------------|--|---|---|
| Vilunda/Upplands Väsby | North Stockholm | Own management | Rental properties | 73 | 4,600 | Production | Ongoing |
| Gengasen, Örby | South Stockholm/Nacka | Own management | Rental properties | 128 | 8,000 | Production | Ongoing |
| Juno, Käppala | Lidingö | Own management | Rental properties | 50 | 1,750 | Early phase | 2022 |
| Geografiboken, Abrahamsberg | City/Bromma | Own management | Nursing and care home | 80 | 5,900 | Detailed development plan adopted | 2022 |
| Finnboda, Nacka | South Stockholm/Nacka | Own management | Rental properties | 20 | 1,300 | Detailed development plan entered force | 2023 |
| Ekporten, Larsberg/Dalén | Lidingö | Own management | Rental properties | 150 | 8,500 | Detailed development plan in progress | 2023 |
| Hjälpslaktaren, Slakthusområdet | City/Bromma | Own management | Rental properties | 100 | 9,000 | Planning notice | 2025 |
| Pincetten, Örnberg | South Stockholm/Nacka | Own management | Rental properties and housing | 230 | 13,500 | Detailed development plan in progress | 2025 |
| Total development portfolio | | | | 831 | 52,550 | | |

¹⁾ The number of apartments and the area are assessments by John Mattson and are therefore only preliminary. The figures could change during the course of the project.

²⁾ The possible construction start is an estimate of when the project could start.

Current earnings capacity

The table illustrates John Mattson's current earnings capacity on a 12-month basis as per 31 December 2021, after taking the entire property portfolio on the balance-sheet date into consideration. The properties acquired and taken possession of, and the projects completed during the year have been restated on an annualised basis. Deductions are made for any property disposals. Possession was taken of the three properties acquired at Gullmarsplan with an underlying property value of SEK 670 million before deduction for latent tax after the end of the year (1 February 2022) and are therefore not included in the earnings capacity as of 31 December 2021.

Current earnings capacity is reported in conjunction with interim and year-end reports. The aim is to highlight the company's underlying earning capacity. It is important to note that the current earnings capacity is not the same as a projection for the forthcoming 12 months.

The earnings capacity includes no assessments of rental, vacancy or interest-rate changes. Moreover, John Mattson's earnings are impacted by changes in the values of properties and derivatives. None of the above was taken into consideration when assessing current earnings capacity. Rental revenues are based on contractual revenue on the balance-sheet date. The vacancy level shown in the earnings capacity primarily pertains to upgrade projects. Property expenses are based on LTM property expenses.

Property administration costs are based on estimated costs on a rolling 12-month basis using the scope and extent of property administration on the balance-sheet date.

Central administration costs are based on estimated costs on a rolling 12-month basis using the scope and extent of central administration at the balance-sheet date. For more information about central administration costs, refer to Note 4, page 10.

Net financial items have been calculated based on net interest-bearing debt on the balance-sheet date with supplements for ground rent. Any interest on cash and cash equivalents has not been taken into account and the interest on interest-bearing liabilities has been calculated using the current average interest rate at the balance-sheet date.

| Amounts in SEK m | 31 Dec 2021 |
|--|--------------|
| Rental value | 609.7 |
| Vacancies and discounts | -26.9 |
| Rental revenues | 582.9 |
| Operating expenses | -138.2 |
| Maintenance expenses | -42.5 |
| Property tax | -11.9 |
| Property administration | -33.7 |
| Net operating income | 356.5 |
| Central administration costs | -54.2 |
| Net financial items | -138.0 |
| Less non-controlling interests | -1.7 |
| Income from property management | 162.6 |



In October, John Mattson took possession of 456 apartments in Häggvik and Tureberg in Sollentuna. Here are some of John Mattson's buildings that are in close proximity to the commuter train station in Häggvik.

Condensed consolidated income statement

| Amounts in SEK m | Note | Oct–Dec 2021 | Oct–Dec 2020 | Jan–Dec 2021 | Jan–Dec 2020 |
|---|----------|-----------------|-----------------|-----------------|-----------------|
| Rental revenues | 2 | 143.5 | 78.1 | 407.9 | 294.0 |
| Operating expenses | 3 | -38.9 | -18.0 | -97.7 | -63.7 |
| Maintenance | 3 | -12.0 | -4.3 | -25.3 | -12.3 |
| Property tax | 3 | -2.9 | -1.4 | -7.3 | -4.9 |
| Property administration | 3 | -9.9 | -4.8 | -27.7 | -17.1 |
| Net operating income | | 79.8 | 49.6 | 249.8 | 196.0 |
| Central administration costs | 4 | -17.4 | -15.1 | -56.8 | -41.7 |
| Net financial items | 5 | -39.4 | -14.8 | -89.9 | -59.6 |
| Income from property management | 1 | 22.9 | 19.7 | 103.1 | 94.7 |
| Share of profits of associates | | – | – | 2.2 | – |
| Changes in property values | 6 | 682.5 | 455.6 | 1,539.0 | 517.7 |
| Change in the value of interest-rate derivatives | 6 | 15.6 | 8.4 | 48.0 | -4.3 |
| EBT | | 721.0 | 483.6 | 1,692.3 | 608.1 |
| Current tax | 7 | -2.9 | -1.8 | -3.0 | -1.8 |
| Deferred tax | 7 | -150.5 | -95.2 | -356.9 | -127.5 |
| Profit for the period/year | | 567.6 | 386.7 | 1,332.5 | 478.8 |
| Other comprehensive income for the period/ year | | | | | |
| Profit for the period/year | | 567.6 | 386.7 | 1,332.5 | 478.8 |
| Other comprehensive income | | – | – | – | – |
| Comprehensive income for the period/year | | 567.6 | 386.7 | 1,332.5 | 478.8 |
| Comprehensive income for the period /year attributable to: | | | | | |
| Parent Company shareholders | | 560.9 | 386.7 | 1,322.0 | 478.8 |
| Non-controlling interests | | 6.8 | – | 10.5 | – |
| Average No. of shares, thousand | | 36,365 | 33,670 | 34,601 | 33,670 |
| Profit for the period/year attributable to Parent Company shareholders before and after dilution, per share | | 15.42 | 11.48 | 38.21 | 14.22 |

January to December 2021 period

The comparative figures pertain to the year-earlier period. Some amounts have been rounded off, which means that tables and calculations do not always tally. The stated SEK per square metre figures pertain to rolling 12 month outcomes, whereby acquired properties and completed projects have been restated at the full-year rate.

Possession was taken of the three properties acquired at Gullmarsplan after the end of the year (1 February 2022) and are therefore not included in the outcome as of 31 December.

Note 1 Income from property management

Income from property management (that is, profit excluding value changes, share of profits of associates and tax) for the year was SEK 103.1 million (94.7), corresponding to SEK 2.98 per share (2.81). This corresponded to annual growth in income from property management per share of 6.0%, which was impacted during the year by high central administration costs, refer to Note 4.

The income from property management includes the acquisitions of 456 apartments and commercial premises in Häggvik and Tureberg in the Municipality of Sollentuna, possession of which was taken in 1 October 2021.

The gradual acquisitions of Hefab and Efib were also completed during the third quarter. Efib has been reported as an associated company for the period from 6 July to 31 August, which entailed a profit participation of SEK 2.2 million as of 31 December. Both of the acquired companies, Hefab and Efib, have been consolidated as subsidiaries from 31 August, which means that revenues and costs for these companies have been included for four months in this report. This entailed a positive impact on income from property management of SEK 21.0 million. Given that John Mattson does not own all the shares in the companies, a portion of earnings is reported as attributable to "Non-controlling interests."

Note 2 Revenue

The Group's revenue for the year amounted to SEK 407.9 million (294.0), corresponding to SEK 1,627 per sq m (1,440). The total revenue increase of SEK 113.8 million was mainly attributable to acquired properties, which increased revenue by SEK 94.1 million for the year. Revenue attributable to the acquisition of shares in Hefab and Efib amounted to SEK 63.7 million. Revenue pertaining to the acquisition of Häggvik and Tureberg amounted to SEK 11.5 million and the acquisition of Sollentuna, where possession was taken in May 2020, accounted for SEK 13.8 million of the increase in revenue. The increase in revenue was also due to completed upgrades and infill development, which increased revenue by about SEK 13 million.

Rental revenues for residential properties totalled SEK 329.0 million (251.3), corresponding to SEK 1,537 per sq m (1,381). The general annual housing rent negotiations for 2021 resulted in increases of 1.1–1.6% from 1 April 2021.

| Revenue | Jan-Dec 2021, SEK m | 31 Dec 2021 SEK/sq m | Jan-Dec 2020, SEK m | 31 Dec 2020 SEK/sq m |
|-----------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| Lidingö | 284.7 | 1,651 | 264.9 | 1,537 |
| North Stockholm | 52.0 | 1,130 | 26.7 | 1,111 |
| City/Bromma | 33.6 | 1,953 | 2.4 | 735 |
| South Stockholm/Nacka | 37.7 | 1,921 | – | – |
| Total | 407.9 | 1,627 | 294.0 | 1,440 |

Note 3 Property expenses

Property expenses totalled SEK 158.0 million (98.0), corresponding to SEK 618 per sq m (495), which is a cost increase of SEK 142 per sq m or 29%. This was due to increased costs per square metre for maintenance and operations compared with the preceding year.

Operating expenses amounted to SEK 97.7 million (63.7), SEK 26.5 million of which pertained to properties acquired during the year. The increased operating expenses are also due to increased media costs as a result of higher energy prices and a colder year.

Maintenance expenses amounted to SEK 25.3 million (12.3), approximately SEK 11 million of which pertained to properties acquired during the year. The increased year-on-year costs are also due to the limited levels of maintenance in 2020 due to COVID-19.

Property administration expenses amounted to SEK 27.7 million (17.1), of which SEK 3.0 million was attributable to costs for four months in the acquired companies, Hefab and Efib. Part of the year-on-year cost increase was attributable to increased resource consumption in the management organisation due to acquisitions. Additionally, more system upgrades were carried out than in the previous year.

| Property expenses | Jan-Dec 2021, SEK m | 31 Dec 2021 SEK/sq m | Jan-Dec 2020, SEK m | 31 Dec 2020 SEK/sq m |
|-----------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| Lidingö | 96.9 | 562 | 85.6 | 488 |
| North Stockholm | 35.6 | 733 | 12.3 | 594 |
| City/Bromma | 11.3 | 614 | 0.1 | 75 |
| South Stockholm/Nacka | 14.2 | 639 | – | – |
| Total | 158.0 | 618 | 98.0 | 495 |

| Property expenses/ sq m | Lidingö | North Stockholm | City/ Bromma | South Stock- holm/ Nacka | Total |
|------------------------------|------------|--------------------|-----------------|-----------------------------------|------------|
| Operating expenses | 361 | 454 | 325 | 367 | 389 |
| Maintenance | 79 | 153 | 156 | 133 | 120 |
| Property tax | 26 | 30 | 43 | 48 | 33 |
| Property adminis- tration | 97 | 97 | 90 | 91 | 95 |
| Total | 562 | 733 | 614 | 639 | 637 |

Note 4 Central administration costs

Central administration costs comprise costs for company management, business development and central support functions. During the year, expenses amounted to SEK 56.8 million (41.7). The cost increase was primarily due to an expensed non-recurring provision that took place in the first quarter pertaining to the previous CEO's future pension and a non-recurring provision pertaining to the acquisition of shares in Hefab and Efib. During the year, non-recurring costs amounted to SEK 8.1 million. The year included central expenses attributable to the acquired shares in Hefab and Efib of SEK 6.6 million, including non-recurring costs.

Note 5 Net financial items

Net financial items amounted to SEK 89.9 million (59.6). The increase in net financial items was attributable to increased

borrowing due to acquisitions and investments in the year. The year included financial expenses attributable to the acquired companies, Hefab and Efib, of SEK 11.8 million. Ground rent is included in net financial items and amounted to SEK 4.4 million (0.9), of which SEK 2.7 million pertained to Hefab and Efib. Capitalised financial expenses for ongoing projects amounted to SEK 2.6 million (4.1). The average interest rate, including the effects of interest-rate derivatives, was 1.35% (1.47). The interest coverage ratio was a multiple of 2.2 (2.6) at the end of the year.

Note 6 Changes in value

Changes in property values amounted to SEK 1,539.0 million (517.7), of which SEK 0.9 million (0.0) pertained to realised changes in value. Unrealised changes in the value of the properties amounted to SEK 1,538.2 million (517.7), of which SEK 986.0 million pertained to changed yield requirements.

During the year, transactions in the Stockholm region were completed with continued falling yield requirements. The average valuation yield for the Group was 2.7% (2.9% per 31 December 2020). The value changes were also attributable to an improved net operating income, linked to measures to raise rents in the form of upgrades.

| Unrealised changes in value | Jan–Dec 2021, SEK m | Jan–Dec 2020, SEK m |
|-------------------------------------|------------------------|------------------------|
| Change in net operating income | 125.5 | 19.9 |
| Ongoing projects/development rights | 152.4 | 79.4 |
| Yield requirement | 986.0 | 385.7 |
| Acquired properties | 274.2 | 32.6 |
| Total | 1,538.2 | 517.7 |

Changes in the value of interest-rate derivatives amounted to SEK 48.0 million (negative: 4.3). The change primarily stemmed from rising long market interest rates, which resulted in a decline in the interest-rate derivatives' deficit values in the year.

Note 7 Tax

Current tax for the year was an expense of SEK 3.0 million (expense: 1.8). Deferred tax amounted to an expense of SEK 356.9 million (expense: 127.5) and was impacted by unrealised changes in net property and derivative values of a negative SEK 326.9 million (negative: 105.8). Other fiscal adjustments are not included in non-deductible interest expenses of SEK 51.0 million (45.4), for which the tax value has not been capitalised since the opportunities to utilise these adjustments in the future is deemed uncertain.

The Group's loss carryforwards are estimated at SEK 533.4 million (468.0 on 31 December 2020), and comprise the basis for the Group's deferred tax assets. The deferred tax liability pertains primarily to temporary differences between the fair values and the fiscal residual values of properties. The properties' fair values exceed their fiscal values by SEK 11,658.0 million (6,067.6 on 31 December 2020). The full nominal tax rate of 20.6% is recognised as deferred tax liabilities, less deferred tax pertaining to asset acquisitions.

| SEK m | Tax base, current tax | Tax base, deferred tax |
|---|--------------------------|---------------------------|
| Income from property management | 103.1 | |
| Tax deductible | | |
| Depreciation | -59.7 | 59.7 |
| New builds and redevelopments | -151.2 | 151.2 |
| Other fiscal adjustments | 55.9 | 1.0 |
| Taxable income from property management | -51.8 | 211.8 |
| Changes in property values | 0.9 | 1538.2 |
| Changes in derivative values | – | 48.0 |
| Taxable earnings before loss carryforwards | -50.9 | 1798.0 |
| Loss carryforwards, opening balance | -468.0 | 468.0 |
| Loss carryforwards, closing balance | 533.4 | -533.4 |
| Taxable profit | 14.4 | 1,732.6 |
| Tax for the year | -3.0 | -356.9 |

| SEK m | Tax base | Nominal tax-liability | Actual tax liability/asset |
|-----------------------------------|------------------|--------------------------|-------------------------------|
| Property | -11,658.0 | -2,401.6 | -699.5 |
| Derivatives | 25.2 | 5.2 | 4.8 |
| Loss carryforwards | 533.4 | 109.9 | 90.7 |
| Untaxed reserves | -38.2 | -7.9 | -2.3 |
| Total | -11,137.7 | -2,294.4 | -606.3 |
| Property, asset acquisitions | 5,179.1 | 1,066.9 | – |
| Total | -5,958.6 | -1,227.5 | -606.3 |
| According to balance sheet | – | -1,227.5 | – |

The nominal tax liability recognised in the balance sheet was a net amount of SEK 1,227.5 million (865.1). However, the actual tax liability was calculated at SEK 606.3 million (271.6). The increase in the actual tax liability was largely attributable to the acquisitions of Hefab and Efib. Since these were recognised as asset acquisitions, no initial deferred tax was recognised in the balance sheet, but the temporary difference still comprises the basis for calculating the actual tax liability.

A tax rate of 6% has been assumed for the estimated, actual deferred tax on the Group's properties, based on a discount interest rate of 3%. This estimation was conducted with regard to the applicable tax legislation, which means that properties can be sold in a corporate wrapper with no tax consequences. The assumption underlying this assessment is that the properties will be divested on an ongoing basis over a 50-year period and where 90% of the properties will be sold using a corporate wrapper and 10% will be divested through direct property transfers.

Tax deductions for the indirect transactions have been estimated at 5.5%. In respect of loss carryforwards and derivatives, the estimated actual tax liability was calculated based on a discount interest rate of 3%, whereby the assessment is that the loss carryforwards will be realised over a ten-year period and the derivatives will be realised over an eight-year period. This means that the estimated actual tax is 17% for loss carryforwards and 19% for derivatives.

Condensed consolidated balance sheet

| Amounts in SEK m | Note | 31 Dec 2021 | 31 Dec 2020 |
|--|------|-----------------|----------------|
| Assets | | | |
| Investment properties | 8 | 15,894.5 | 7,957.9 |
| Right-of-use assets, leaseholds | 9 | 332.8 | 46.6 |
| Other non-current assets | | 11.9 | 11.4 |
| Total non-current assets | | 16,239.2 | 8,015.8 |
| Current receivables | | 79.1 | 37.4 |
| Cash and cash equivalents | | 227.5 | 6.0 |
| Total current assets | | 306.6 | 43.4 |
| Total assets | | 16,545.7 | 8,059.2 |
| Equity and liabilities | | | |
| Equity attributable to Parent Company shareholders | 10 | 5,143.9 | 3,413.7 |
| Non-controlling interests | | 106.2 | – |
| Total equity | | 5,250.2 | 3,413.7 |
| Provisions | | 1.8 | 0.5 |
| Lease liability, leaseholds | 9 | 332.8 | 46.6 |
| Non-current interest-bearing liabilities | 10 | 6,224.6 | 2,896.1 |
| Other non-current liabilities | | 10.1 | – |
| Deferred tax liabilities | 7 | 1,227.5 | 865.1 |
| Interest-rate derivatives | 10 | 25.2 | 73.2 |
| Total non-current liabilities | | 7,901.4 | 3,881.5 |
| Current interest-bearing liabilities | 10 | 3,221.9 | 664.7 |
| Other current liabilities | | 251.8 | 99.4 |
| Total current liabilities | | 3,394.2 | 764.1 |
| Total liabilities | | 11,295.6 | 4,645.6 |
| Total equity and liabilities | | 16,545.7 | 8,059.2 |

Condensed consolidated statement of changes in equity

| Amounts in SEK m | Total shares outstanding, thousand ^{1, 2)} | Share capital | Other contributed capital | Retained earnings | Equity attributable to Parent Company shareholders | Non-controlling interests | Total equity |
|---|---|---------------|---------------------------|-------------------|--|---------------------------|----------------|
| Equity on 1 Jan 2020 | 33,670 | 11.2 | 362.8 | 2,560.8 | 2,934.8 | – | 2,934.8 |
| Profit for the year | – | – | – | 478.8 | 478.8 | – | 478.8 |
| Equity on 31 Dec 2020 | 33,670 | 11.2 | 362.8 | 3,039.7 | 3,413.7 | – | 3,413.7 |
| Non-cash issue | 2,695 | 0.9 | 407.3 | – | 408.2 | – | 408.2 |
| Acquired non-controlling interest | – | – | – | – | – | 95.8 | 95.8 |
| Transactions with non-controlling interests | – | – | – | 0.1 | 0.1 | -0.1 | – |
| Profit for the year | – | – | – | 1,322.0 | 1,322.0 | 10.5 | 1,332.5 |
| Equity on 31 Dec 2021 | 36,365 | 12.1 | 770.1 | 4,361.8 | 5,143.9 | 106.2 | 5,250.2 |

¹⁾ In conjunction with the acquisitions of Hefab and Efib, two shares issues of 2,694,790 shares totalling SEK 408 million were carried out, which were registered on 16 July and 16 October, respectively. The issues were completed with the support of the authorisation from the Annual General Meeting on 22 April 2021. The number of shares on 31 December 2021 was 36,364,827.

²⁾ As of 31 December 2021, the quotient value of the shares was SEK 0.33 per share (0.33).

Balance sheet on 31 December 2021

Note 8 Investment properties

John Mattson's property portfolio is located across five municipalities in the Stockholm region – in Lidingö, Sollentuna, Nacka, Upplands Väsby and in the City of Stockholm.

Property value totalled SEK 15,894.5 million (7,957.9) at the end of the year. The property value has increased SEK 7,936.6 million compared with last quarter, primarily due to the acquisitions of Hefab and Efib and the acquisition of 456 apartments and commercial premises in Häggvik and Tureberg in the municipality of Sollentuna. Residential properties account for 85% of the portfolio's value, commercial properties for 11% and development properties for 4%. The total lettable area amounted to 355,500 square metres (216,000) and the rental value on 31 December amounted to SEK 609.7 million (336.5). The portfolio comprises 4,414 apartments (2,829).

Investments

During the year, total investments amounted to SEK 6,398.4 million (1,075.0), of which SEK 6,143.8 million (857.7) pertained to acquisitions. Investments in new builds amounted to SEK 95.9 million (33.4), and mainly pertain to the new build project in Upplands Väsby. Investments in upgrades amounted to SEK 116.3 million (127.1). A total of 339 (368) apartments were upgraded during the year and 43 (27) apartments were undergoing upgrades. Other investments pertained primarily to heating and ventilation measures in Käppala.

| Change in property value | SEK m |
|---|-----------------|
| Property value, opening balance on 1 Jan 2021 | 7,957.9 |
| + Acquisitions | 6,143.8 |
| + Investments in new builds | 95.9 |
| + Investments in base upgrades | 116.3 |
| + Other investments | 42.4 |
| - Sales | - |
| +/- Unrealised changes in value | 1,538.2 |
| Property value, closing balance on 31 Dec 2021 | 15,894.5 |

Property value

The Group's properties are recognised at fair value in line with level 3 under IFRS. As of 31 December 2021, the majority of the portfolio were externally evaluated by Cushman & Wakefield, which corresponded to 97% of the property portfolio's total value. The remainder of the property portfolio was valued internally.

The valuations of investment properties use a cash-flow model with an individual assessment for each property's future

earnings potential. The valuations are based on an analysis of completed property transactions for similar properties to assess market yield requirements.

Development properties are valued either as development rights or ongoing projects. Development rights are valued based on their assessed market value per GFA. Ongoing projects are valued at their completed value less remaining investments and a risk premium depending on the phase of the project.

The estimates are normally conducted using a calculation period of 10 years, the period from January 2022 to December 2031. For an assessment of residual value at the end of the calculation horizon, net operating income for 2032 has been calculated. A couple of the valuation objects comprise new build projects that are not liable for property tax for a period of 15 years from completion. For these properties, the calculation horizon has been extended to take this into account. In addition to assumed inflation of 2.0%, the assessment of a property's future earnings capacity has also taken into consideration any changes in rent levels, occupancy rates and property expenses. Yield requirements are individual for each property and depend on the analysis of completed transactions and the property's market position.

| Property-related key metrics | Jan-Dec 2021 | Jan-Dec 2020 |
|---|--------------|--------------|
| Rental value SEK/sq m | 1,715 | 1,559 |
| Economic occupancy rate, % | 95.6 | 94.5 |
| Property expenses, SEK/sq m | 618 | 495 |
| Net operating income, SEK/sq m | 1,021 | 945 |
| Property value, SEK/sq m | 44,710 | 36,861 |
| Lettable area at the end of the period, thousand sq m | 356 | 216 |
| Average valuation yield, % | 2.7 | 2.9 |

Note 9 Right-of-use assets and lease liabilities

In accordance with IFRS 16 – Leases, the value of leaseholds is recognised as a right-of-use asset together with a corresponding lease liability. As of 31 December 2021, the total estimated value of the right-of-use assets and liabilities was SEK 332.8 million (46.6). The increase is due to portions of the acquired properties in Hefab and Efib as well as Häggvik and Tureberg held as leaseholds. The estimated value of the right-of-use assets and the liability for the properties acquired during the year was SEK 286.2 million.

Financing

Note 10 Financing

John Mattson strives to keep financial risk low with a long-term LTV ratio that is not permitted to exceed 50% and a long-term interest coverage ratio of not less than 1.5.

Equity

As of 31 December 2021, equity attributable to Parent Company shareholders totalled SEK 5,143.9 million (3,413.7), which corresponds to SEK 141.45 (101.39) per share. During the year, equity attributable to Parent Company shareholders increased with profit for the year of SEK 1,322.0 million (478.8).

Interest-bearing liabilities

John Mattson conducts its borrowing through banks using mortgage deeds as collateral. At the end of the year, John Mattson had credit agreements for SEK 9,581.6 million (4,164.7).

The loan volumes utilised at the end of the year amounted to SEK 9,446.5 million (3,560.8), of which SEK 6,224.6 million (2,896.1) was a non-current liability and SEK 3,221.9 million (664.7) was current. Credits amounting to SEK 1,533.1 million were taken over in conjunction with the acquisition of the shares in Hefab and Efib.

New borrowing in the year amounted to SEK 4,363.7 million (968.8), primarily to finance acquisitions in the year, where the acquisition of the shares in Hefab and Efib and the acquisition of Sollentuna Häggvik and Tureberg, with possession taken on 1 October, account for the majority. Loan repayments during the year amounted to SEK 11.2 million (9.7).

Net interest-bearing liabilities amounted to SEK 9,219.0 million (3,554.8), corresponding to an LTV ratio of 58.0% (44.7).

The year-on-year increase in the LTV ratio was mainly due to the acquisition of shares in Hefab and Efib.

Disposable liquidity, which comprises unutilised overdraft facilities and cash balances, amounted to SEK 262.6 million (109.8) at the end of the year. Moreover, a credit facility for SEK 100 million is in place for future financing needs.

The average loan-to-maturity was 2.1 years (2.3) at the end of the year.

Fixed interest and interest-rate derivatives

The interest-rate maturity structure is allocated over time to ensure the stability of net financial items. John Mattson utilises derivatives in the form of interest-rate swaps to limit risk for float-

ing-rate loans. An interest-rate swap is an agreement between two parties to swap interest payments over a fixed period. By combining floating rate (Stibor) loans with interest-rate swaps, a predetermined interest rate can be secured for the duration of the swap. The agreement means that the company receives a floating interest rate (corresponding to the interest rate under the loan agreement) at the same time as a fixed interest rate (swap interest rate) is paid. None of the company's loan agreements include covenants that prevent the base rate (Stibor) declining to a negative rate when establishing the interest rates for the interest periods. Such covenants would entail rising interest expenses for the company in the case of negative base rates and would substantially limit the efficiency of interest-rate hedging. Therefore, only loan agreements without such terms are entered into.

In accordance with the accounting rules in IFRS 9, these derivatives must be marked to market. Irrespective of the credit margin, if the agreed interest rate for a derivative deviates from the market interest rate, a theoretical surplus or deficit value arises for the interest-rate derivative, and this non-cash item is recognised in profit or loss. On expiry, the derivative contract's market value dissolves entirely and, accordingly, the value change over time has had no impact on equity.

John Mattson has contracted interest-rate swaps to a nominal value of SEK 2,343.0 million (1,593.0), corresponding to 37.1% (53.1) of interest-bearing liabilities with a floating rate (Stibor). During the year, the company entered into two agreements concerning interest-rate swaps, one in the first quarter for a nominal amount SEK 350.0 million that came into effect at signing and another in the fourth quarter for a nominal amount of SEK 400.0 million with a start date in 2025. The interest-rate swaps expire between 2022 and 2031. The market value of interest-rate derivatives at the end of the year was a negative SEK 25.2 million (negative: 73.2). The related reserve of SEK 25.2 million will be gradually reversed and recognised in profit or loss up to the end date of the derivatives, regardless of the interest-rate level. No hedge accounting is applied. The fair value of non-current interest-bearing liabilities does not deviate from their carrying amounts, since the discounting effect is not material.

John Mattson's average fixed-interest tenor, including interest-rate swaps, was 2.0 years (2.2) at the end of the year.

The average interest rate for the Group's total interest-bearing liability, including the effect of interest-rate swaps, was 1.35% (1.47) at year end.

Fixed-interest and loan-to-maturity periods on 31 December 2021

| Fixed-interest period | | | | Loan-to-maturity | | | Interest-rate swaps | |
|-----------------------|----------------|------------------------------------|-----------|----------------------------------|-----------------|-----------|---------------------|---|
| Maturity | Volume (SEK m) | Average interest (%) ¹⁾ | Share (%) | Credit agreements volume (SEK m) | Utilised, SEK m | Share (%) | Volume (SEK m) | Average interest rate (%) ²⁾ |
| 0-1 year | 5,747 | 1.36 | 61 | 3,232 | 3,222 | 34 | 154 | - |
| 1-2 years | 632 | 0.99 | 7 | 3,261 | 3,136 | 33 | 471 | - |
| 2-3 years | 393 | 1.57 | 4 | 922 | 922 | 10 | 0 | - |
| 3-4 years | 823 | 1.58 | 9 | 630 | 630 | 7 | 668 | - |

¹⁾ Average interest rate at the end of the year including derivatives.

²⁾ Volume-weighted average interest for interest-rate derivatives.

Condensed consolidated cash-flow statement

| Amounts in SEK m | Oct-Dec 2021 | Oct-Dec 2020 | Jan-Dec 2021 | Jan-Dec 2020 |
|--|-----------------|-----------------|-----------------|-----------------|
| Operating activities | | | | |
| EBT | 721.0 | 483.7 | 1,692.3 | 608.1 |
| Adjustment for non-cash items | | | | |
| Change in property values | -682.5 | -455.6 | -1,538.2 | -517.7 |
| Change in value of interest-rate derivatives | -15.6 | -8.4 | -48.0 | 4.3 |
| Depreciation and disposals | 0.9 | 0.5 | 3.0 | 1.7 |
| Other non-cash items, etc. | -1.8 | - | -1.8 | - |
| Taxes paid | -1.1 | -2.3 | -5.6 | -2.3 |
| Cash flow from operating activities before changes in working capital | 20.9 | 17.9 | 101.7 | 94.1 |
| Cash flow from changes in working capital | | | | |
| Change in operating receivables | 7.0 | 3.5 | 12.3 | -2.9 |
| Change in operating liabilities | -11.9 | 8.1 | 7.1 | 24.7 |
| Cash flow from operating activities | 16.0 | 29.5 | 121.1 | 115.9 |
| Investing activities | | | | |
| Investments in equipment | -1.1 | -1.9 | -4.4 | -6.0 |
| Net acquisition of investment properties ¹⁾ | -874.2 | -0.4 | -3,994.2 | -855.4 |
| Investments in investment properties | -108.3 | -79.9 | -254.6 | -217.4 |
| Investments/divestments, non-current assets | - | - | 1.0 | - |
| Cash flow from investing activities | -983.5 | -82.2 | -4,252.1 | -1,078.8 |
| Financing activities | | | | |
| Borrowings | 1,030.1 | 54.0 | 4,363.7 | 968.8 |
| Repayments of borrowings | -2.8 | -2.8 | -11.2 | -9.7 |
| Cash flow from financing activities | 1,027.3 | 51.3 | 4,352.5 | 959.2 |
| Cash flow for the period | 59.7 | -1.5 | 221.5 | -3.7 |
| Opening balance, cash and cash equivalents | 167.8 | 7.6 | 6.0 | 9.8 |
| Closing balance, cash and cash equivalents | 227.5 | 6.0 | 227.5 | 6.0 |

¹⁾ Consolidated additional cash-flow statement disclosures

Acquisition of investment properties in corporate wrappers:

| Amounts in SEK m | Oct-Dec 2021 | Oct-Dec 2020 | Jan-Dec 2021 | Jan-Dec 2020 |
|---|-----------------|-----------------|-----------------|-----------------|
| Investment properties | 875.3 | 0.4 | 6,143.8 | 857.7 |
| Operating receivables | 13.7 | - | 39.0 | 17.2 |
| Cash and cash equivalents | 136.6 | - | 294.7 | 5.2 |
| Deferred tax assets, accrual reserves | -5.5 | - | -6.8 | -1.8 |
| Assumed operating liabilities | -9.3 | - | -142.5 | -17.6 |
| Assumed interest-bearing liabilities | - | - | -1,533.1 | - |
| Less: Previously recognised share of profits of associates | - | - | -2.2 | - |
| Net assets acquired | 1,010.8 | 0.4 | 4,792.9 | 860.7 |
| Non-cash issue | - | - | -408.2 | - |
| Acquired non-controlling interest | - | - | -95.8 | - |
| Purchase price paid | 1,010.8 | 0.4 | 4,288.9 | 860.7 |
| Less: Cash and cash equivalents in acquired operations | -136.6 | - | -294.7 | -5.2 |
| Net impact on cash and cash equivalents (positive = decrease) | 874.2 | 0.4 | 3,994.2 | 855.4 |

Parent Company

The operations of the Parent Company, John Mattson Fastighetsföretagen AB (publ) with company registration number 556802-2858, primarily encompass shared Group services pertaining to strategy, communication, business development and accounting/finance.

Condensed Parent Company income statement

| Amounts in SEK m | Oct-Dec 2021 | Oct-Dec 2020 | Jan-Dec 2021 | Jan-Dec 2020 |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|
| Revenue | 10.8 | 6.1 | 20.2 | 13.5 |
| Central administration costs | -9.7 | -14.4 | -36.5 | -39.0 |
| EBIT | 1.1 | -8.2 | -16.3 | -25.5 |
| Net interest | -12.5 | -1.1 | -19.4 | -6.0 |
| Loss after financial items | -11.4 | -9.4 | -35.7 | -31.5 |
| Appropriations | 36.2 | 12.1 | 36.2 | 12.1 |
| EBT | 24.8 | 2.8 | 0.5 | -19.4 |
| Tax | -6.4 | 5.6 | -2.9 | 5.8 |
| Profit/loss for the period | 18.3 | 8.3 | -2.4 | -13.6 |

Condensed Parent Company balance sheet

| Amounts in SEK m | 31 Dec 2021 | 31 Dec 2020 |
|--|----------------|----------------|
| Assets | | |
| Participations in Group companies | 5,317.5 | 1,804.2 |
| Deferred tax assets | 3.0 | 5.9 |
| Receivables from Group companies | 387.4 | 174.0 |
| Other current receivables | 7.6 | 3.6 |
| Cash and cash equivalents | 9.9 | 5.9 |
| Total assets | 5,725.5 | 1,993.5 |
| Equity and liabilities | | |
| Equity | 1,637.5 | 1,231.7 |
| Non-current liabilities to credit institutions | 1,800.0 | - |
| Liabilities to Group companies | 977.7 | 754.9 |
| Current liabilities to credit institutions | 1,300.0 | - |
| Other current liabilities | 10.3 | 6.9 |
| Total equity and liabilities | 5,725.5 | 1,993.5 |

In conjunction with the acquisitions of Hefab and Efib, two shares issues of 2,694,790 shares totalling SEK 408 million were carried out, which were registered on 16 July and 16 October, respectively. The issues were completed with the support of the authorisation from the Annual General Meeting on 22 April 2021. The number of shares on 31 December 2021 was 36,364,827.

Opportunities and risks in the Group and Parent Company

John Mattson has a stable cash flow with 75% of the rental value generated by residential properties in attractive locations in the Stockholm region. It is the company's assessment that demand for rental properties in these locations will remain high.

Opportunities and risks in cash flow

Of John Mattson's total rental revenues, around 75% is generated by residential tenants. The vacancy rate is low and rents are relatively secure and predictable. John Mattson's properties are located in attractive areas with healthy demand in the Stockholm region.

The main operating expenses for John Mattson are for media, which include electricity, heat and water. Electricity and heating costs vary slightly from year to year depending on prices and consumption.

John Mattson has stable cash flow from operating activities before changes in working capital.

Interest expenses are one of John Mattson's single largest expenses and are impacted by changes in market interest rates, whereby rising market interest rates over time are normally an effect of economic growth and rising inflation. Accordingly, the interest-bearing borrowing means that John Mattson is exposed to interest-rate risk, among other risks.

| Full-year effect, next 12 months, SEK m | Change +/- | Impact on income from property management |
|---|--------------------|---|
| Rent level | SEK 100 per sq m | +/-35.6 |
| Economic occupancy rate | 1 percentage point | +/-6.1 |
| Property expenses | 5% | +/-11.3 |
| Underlying market interest rate | 1 percentage point | -49.3/+14.1 |

Opportunities and risks with property values

John Mattson initially recognises its properties at fair value with changes in value recognised in profit or loss. This entails increased volatility, primarily for earnings, but also for the financial position.

The market value of properties is determined by market supply and demand. The properties' values are based on their net operating income and yield requirements. A higher net operating income or lower yield requirement has a positive impact on the value. A lower net operating income or higher yield requirement has a negative impact on the value. The impact of a percentage change in property value on the LTV ratio is illustrated below.

| | -20% | -10% | 0% | +10% | +20% |
|------------------------------|--------|--------|------|-------|-------|
| Change in value, SEK m | -3,179 | -1,589 | 0 | 1,589 | 3,179 |
| Loan-to-value (LTV) ratio, % | 72.5 | 64.4 | 58.0 | 52.7 | 48.3 |

Financial risk

John Mattson strives to limit financial risks with a long-term LTV ratio that is not permitted to exceed 50% and a long-term interest coverage ratio of not less than 1.5. At the end of the year, the loan-to-value ratio was 58.0% (44.7). The year-on-year

increase in the LTV ratio was mainly due to the acquisition of shares in Hefab and Efib. Access to funds is one of the largest risks that the company has to manage. This is kept in check through disposable liquidity, in addition to a low LTV ratio. Disposable liquidity, which comprises unutilised overdraft facilities and cash balances, amounted to SEK 262.6 million (109.8) at the end of the year. Moreover, a credit facility for SEK 100 million is in place for future financing needs. The company's volume-weighted average loan-to-maturity amounted to 2.1 years (2.3) at the end of the year. To limit the company's exposure to increasing interest rates, agreements concerning interest-rate swaps have been concluded with banks for a nominal amount of SEK 2,342.6 million (1,593.0), representing 37.1% (53.1) of interest-bearing liabilities with a floating rate (Stibor).

Sustainability risks

John Mattson's sustainability agenda is integrated into the company's business model. Sustainability-related risks that are deemed the most material for the company's development are social conditions, negative environmental impact and climate change as well as issues related to the company's code of conduct and employees.

John Mattson takes an overall approach towards buildings as well as outdoor areas to create safe, attractive and sustainable neighbourhoods and local communities. The company works together with municipalities, the police, other property owners and organisations on safety issues and works systematically to prevent improper rental conditions.

Now the company is taking the next step in sustainability by strengthening its environmental sustainability. In 2022, John Mattson will establish science-based emissions targets and strengthen the organisation to meet these targets.

The code of conduct is reviewed annually, and each year employees review the supplemental policies relevant to their roles. In areas that involve all employees, the company's core values are continuously reinforced. John Mattson has a clear process for performance appraisals and works systematically to prevent accidents and work-related illness.

Effects of COVID-19

To date, the property industry has been impacted to varying degrees by the COVID-19 pandemic. Residential properties have been impacted to a lesser degree than commercial properties. Approximately 20% of John Mattson's total rental value comes from commercial properties, of which the majority is attributable to activities that have been stable despite COVID-19. The costs for rent discounts connected to COVID-19 have only had a marginal effect thus far in 2021.

Key metrics

| Key metrics | Oct–Dec 2021 | Oct–Dec 2020 | Jan–Dec 2021 | Jan–Dec 2020 |
|---|-----------------|-----------------|-----------------|-----------------|
| Property-related key metrics | | | | |
| Surplus ratio during the period, % | 55.6 | 63.5 | 61.3 | 66.7 |
| Economic occupancy rate at the end of the period, % | 95.6 | 94.5 | 95.6 | 94.5 |
| Rental value at the end of the period, SEK m | 609.7 | 336.5 | 609.7 | 336.5 |
| Rental value, apartments, at the end of the period, SEK/sq m | 1,557 | 1,485 | 1,557 | 1,485 |
| Lettable area at the end of the period, thousand sq m | 355.5 | 215.9 | 355.5 | 215.9 |
| Investments in new builds, extensions and redevelopments, SEK m | 108.3 | 79.9 | 254.6 | 217.4 |
| Investments – acquisitions, SEK m | 875.3 | 0.4 | 6,143.8 | 857.7 |
| Property value at the end of the period, SEK m | 15,894.5 | 7,957.9 | 15,894.5 | 7,957.9 |
| Property value, at the end of the period, SEK/sq m | 44,710 | 36,861 | 44,710 | 36,861 |
| Total number of apartments | 4,414 | 2,829 | 4,414 | 2,829 |
| No. of upgraded apartments during the period | 91 | 148 | 339 | 368 |
| Key financial metrics | | | | |
| Rental revenues, SEK m | 143.5 | 78.1 | 407.9 | 294.0 |
| Net operating income, SEK m | 79.8 | 49.6 | 249.8 | 196.0 |
| Income from property management, SEK m | 22.9 | 19.7 | 103.1 | 94.7 |
| Earnings after tax for the period | 567.6 | 386.7 | 1,332.5 | 478.8 |
| LTV ratio at the end of the period, % | 58.0 | 44.7 | 58.0 | 44.7 |
| Average interest rate at the end of the period, % | 1.4 | 1.5 | 1.4 | 1.5 |
| Interest coverage ratio during the period, multiple | 1.6 | 2.4 | 2.2 | 2.6 |
| Fixed-interest tenor, at the end of the period, years | 2.0 | 2.2 | 2.0 | 2.2 |
| Loan-to-maturity at the end of the period, years | 2.1 | 2.3 | 2.1 | 2.3 |
| NAV, SEK m | 6,396.6 | 4,352.0 | 6,396.6 | 4,352.0 |
| NNNAV, SEK m | 5,765.1 | 4,007.2 | 5,765.1 | 4,007.2 |
| Share-related key metrics | | | | |
| Income from property management, SEK/share | 0.63 | 0.58 | 2.98 | 2.81 |
| Growth in income from property management, SEK/share, % | 7.9 | -0.4 | 6.0 | 45.8 |
| Profit after tax attributable to Parent Company shareholders, SEK/share | 15.42 | 11.48 | 38.21 | 14.22 |
| NAV, SEK/share | 175.90 | 129.25 | 175.90 | 129.25 |
| Growth in NAV, SEK/share, % | 36.1 | 16.4 | 36.1 | 16.4 |
| NNNAV, SEK/share | 158.54 | 119.01 | 158.54 | 119.01 |
| Equity attributable to Parent Company shareholders, SEK/share | 141.45 | 101.39 | 141.45 | 101.39 |
| Market capitalisation at the end of the period, SEK/share | 199.40 | 135.80 | 199.40 | 135.80 |
| Average No. of shares during the period | 36,364,827 | 33,670,032 | 34,600,537 | 33,670,032 |
| No. of shares outstanding at the end of period | 36,364,827 | 33,670,032 | 36,364,827 | 33,670,032 |

Definitions of key metrics are provided on page 22.

Accounting policies

The condensed year-end report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting together with the appropriate provisions of the Swedish Annual Accounts Act. The accounting and measurement policies applied remain unchanged from the annual report. John Mattson monitors the business as a single unit whose earnings in their entirety are reported to and evaluated by the CODM. Accordingly, the Group only reports one segment. As a result of the acquisitions completed during the period, the following supplements are made to the accounting policies in the annual accounts.

Associates

Companies where the Group exercises significant, but not controlling, influence are recognised as associates. This defined as circumstances where the holding amounts to not less than 20% and not more than 50% of the votes. Associates are accounted for using the equity method. This means that the investment is initially valued at cost in the Group's statement of financial position

and the amounts recognised adjusted upward or downward thereafter to recognise the Group's share of the post-acquisition profits or losses and other comprehensive income. On each balance-sheet date, the amounts recognised are tested for any indication of a need for impairment of the investment in an associate. In such an event, a calculation of the impairment amount is made that corresponds to the difference between the recoverable amount and the carrying amount. The impairment is recognised under the item "Share of profits of associates" in profit or loss.

Non-controlling interests

The item "Non-controlling interest" arises when the acquisition of a subsidiary does not pertain to 100% of the shares in the subsidiary. John Mattson has chosen to recognise the non-controlling interest at its fair value on the acquisition date. The fair value has been valued to an amount corresponding to the value of the acquired shares in the subsidiaries.

In the event of acquisitions completed after a controlling influence has been established and divestments that entail a loss of controlling influence, the transactions are recognised as a transfer between equity attributable to Parent Company shareholders and non-controlling interests. Non-controlling interests are recognised separate from equity attributable to Parent Company shareholders in the statement of financial position and in the consolidated statement of changes in equity. The consolidated income statement and the consolidated statement of comprehensive income are included in the share that accrues to non-controlling interests. Disclosures pertaining to this share are provided in connection with the financial statements.

Parent Company

The Parent Company applies the same accounting policies as the Group with the exceptions stipulated in Note 1 of the Parent Company notes in the 2020 Annual Report. For further information on the accounting policies, please refer to the Group's 2020 Annual Report, which is available on John Mattson's website.

Lidingö, 23 February 2022

Johan Ljungberg
Chairman of the Board

Håkan Blixt
Board Member

Ulrika Danielsson
Board Member

Ingela Lindh
Board Member

Christer Olofsson
Board Member

Per Nilsson, CEO
Chief Executive Officer

This year-end report has not been reviewed by the company's auditors.

Significant events after the end of the year

- On 1 February 2022, possession was taken of three properties at Gullmarsplan in central Stockholm with an underlying property value of SEK 670 million before deduction for latent tax.
- Per Nilsson assumed his position as CEO on 10 January 2022.
- Mattias Lundström was appointed new CFO and will assume the role in August 2022.

The John Mattson share

John Mattson's shares are listed on Nasdaq Stockholm, Mid Cap.
As of 31 December 2021, the market capitalisation was SEK 7.3 billion.

John Mattson's share was listed on Nasdaq Stockholm, Mid Cap as of 5 June 2019. The share price in conjunction with the listing was SEK 90 and the closing price on 31 December 2021 was SEK 199.40. The lowest closing price in the quarter was SEK 166.60, recorded on 11 October. The highest closing price of SEK 206.00 was posted on 1 December.

Over the last quarter of the year, stock turnover on Nasdaq Stockholm amounted to 1,715,653 shares with a combined value of SEK 334.70 million, representing an annualised stock turnover of 18.5%. Nasdaq Stockholm accounted for 89.42% of all trading in John Mattson shares.

John Mattson has one class of shares and each share entitles the holder to one vote.

Net asset value

By the end of the year, NAV amounted to SEK 175.90 per share (129.25). NAV increased 36.1% compared with 31 December 2020. NNNAV amounted to SEK 5,765.1 million (4,007.2) or SEK 158.54 per share (119.01) at the end of the year, following deductions for the estimated actual deferred tax liability.

Dividend policy

Over the long term, dividends are to amount to 50% of annual income from property management. Because John Mattson will prioritise value-creating investments in the property portfolio over the years ahead, dividends over the next few years may in the short term drop below the long-term target or may not even transpire.

Main shareholders on 31 December 2021

The table below presents the owners with a shareholding in John Mattson exceeding 3% together with other shareholders.

| | No. of shares | Percentage |
|--------------------------------|-------------------|-------------|
| AB Borudan Ett | 12,277,055 | 35.14% |
| Tagehus Holding AB | 4,336,698 | 11.93% |
| Fidelity Investments (FMR) | 3,391,106 | 9.33% |
| Länsförsäkringar Fonder | 2,841,055 | 7.81% |
| Carnegie Fonder | 2,696,609 | 7.42% |
| Prior & Nilsson Fonder | 1,182,268 | 3.25% |
| Other shareholders | 9 140 036 | 25.13% |
| Total | 36,364,827 | 100% |
| Of which, foreign shareholders | 4,659,950 | 12.81% |

Source: Consolidated and compiled data from Euroclear/Modular Finance

Net asset value

| | 31 Dec 2021 | | 31 Dec 2020 | |
|--|----------------|---------------|----------------|---------------|
| | SEK m | SEK/ share | SEK m | SEK/ share |
| Equity attributable to Parent Company shareholders, according to balance sheet | 5,143.9 | 141.45 | 3,413.7 | 101.39 |
| Add back | | | | |
| Derivatives according to balance sheet | 25.2 | 0.69 | 73.2 | 2.17 |
| Deferred tax liability in balance sheet | 1,227.5 | 33.76 | 865.1 | 25.69 |
| NAV | 6,396.6 | 175.90 | 4,352.0 | 129.25 |
| Less: | | | | |
| Derivatives according to balance sheet | -25.2 | -0.69 | -73.2 | -2.17 |
| Estimated actual deferred tax liability | -606.3 | -16.67 | -271.6 | -8.07 |
| NNNAV | 5,765.1 | 158.54 | 4,007.2 | 119.01 |

Share-related key metrics

| | Jan-Dec 2021 | Jan-Dec 2020 |
|---|--------------|--------------|
| Income from property management, SEK/share | 2.98 | 2.81 |
| Growth in income from property management, SEK/ share, % | 6.0 | 45.8 |
| Profit after tax attributable to Parent Company shareholders, SEK/share | 38.21 | 14.22 |
| NAV, SEK/share | 175.90 | 129.25 |
| Growth in NAV, SEK/share, % | 36.1 | 16.4 |
| NNNAV, SEK/share | 158.54 | 119.01 |
| Equity attributable to Parent Company shareholders, SEK/share | 141.45 | 101.39 |
| Market capitalisation at the end of the period, SEK/share | 199.40 | 135.80 |
| Market capitalisation (SEK/share)/NAV, SEK/share at the end of the period | 1.13 | 1.05 |
| Average No. of shares during the period | 34,600,537 | 33,670,032 |
| No. of shares outstanding at the end of period | 36,364,827 | 33,670,032 |

Development of share capital

| Year | Event | Changes in no. of shares ^{1,2)} | Total no. of shares | Change in share capital (SEK) | Share capital (SEK) | Quotient value (SEK) |
|------|----------------------|--|---------------------|-------------------------------|---------------------|----------------------|
| 2010 | Founded | 1,000 | 1,000 | 100,000 | 100,000 | 100 |
| 2011 | Bonus issue | - | 1,000 | 9,900,000 | | 10,000 |
| 2018 | Share split 10,000:1 | 9,999,000 | 10,000,000 | - | | 1 |
| 2018 | New share issue | 1,223,344 | 11,223,344 | 1,223,344 | | 1 |
| 2019 | Share split 3:1 | 22,446,688 | 33,670,032 | - | | 0.33 |
| 2021 | Non-cash issue | 2,694,795 | 36,364,827 | 898,265 | | 0.33 |

¹⁾ In conjunction with the acquisitions of Hefab and Efib, two shares issues of 2,694,790 shares totalling SEK 408 million were carried out, which were registered on 16 July and 16 October, respectively. The issues were completed with the support of the authorisation from the Annual General Meeting on 22 April 2021. The number of shares on 31 December 2021 was 36,364,827.

²⁾ As of 31 December 2021, the quotient value of the shares was SEK 0.33 per share (0.33).

Definitions

John Mattson Fastighetsföretagen AB (publ) applies the European Securities and Markets Authority's (ESMA) Guidelines on Alternative Performance Measures (APMs). Under these Guidelines, an APM is a financial measure of historic or projected earnings trends, financial position, financial performance or cash flows that are neither defined nor specified in applicable rules for financial reporting, such as IFRS and the Swedish Annual Accounts Act.

| Key metrics | Definition | Objective |
|---|--|--|
| NNNAV, SEK/share | Net asset value (NAV) excluding interest-rate derivatives and estimated actual tax liability at the end of the period divided by shares outstanding on the balance-sheet date. | Used to illustrate John Mattson's current net asset value per share in a manner compatible with other listed companies. |
| NNNAV, SEK m | NAV excluding interest-rate derivatives and estimated actual tax liability at the end of the period. | An established metric for the Group's net asset value that facilitates analyses and comparison. |
| LTV ratio at the end of the period, % | Interest-bearing liabilities, excluding lease liabilities for leasehold properties, less cash and cash equivalents as a percentage of the carrying amount for the properties at the end of the period. | Used to illustrate John Mattson's financial risk and shows how large a share of the operations is mortgaged with interest-bearing liabilities. This metric facilitates comparability with other property companies. |
| Residential properties | Residential property pertains to property that primarily consists of housing, but where a portion of the lettable area may also include other premises and garages. | Not an alternative performance measure. |
| Equity, SEK/share | Recognised equity attributable to Parent Company shareholders divided by the number of shares outstanding on the balance-sheet date. | This metric shows how large a share of John Mattson's recognised shareholders' equity that each share represents. |
| Economic occupancy rate at the end of the period, % | Annualised contracted rents in relation to contracted rents plus annualised discounts and vacancies at the end of the period. | This metric facilitates assessment of John Mattson's efficiency at using the floor area in its investment properties. |
| Property expenses, SEK m | This item includes direct property expenses, such as costs for operations, maintenance and property taxes, as well as indirect property expenses in the form of lettings and property administration. | Not an alternative performance measure. |
| Property value, at the end of the period, SEK/sq m | The fair value of properties excluding ongoing projects divided by lettable area for properties owned at the end of the period. | Used to illustrate John Mattson's average property value per sq m. |
| Income from property management, SEK m | Profit excluding value changes and tax. | This metric facilitates increased understanding of John Mattson's profit generation. |
| Income from property management, SEK/share | Earnings excluding value changes and tax divided by the average number of shares outstanding during the period. | This metric facilitates increased understanding of the trend in income from property management taking shares outstanding into account. |
| Average economic occupancy rate, % | Rental revenues for the period in relation to the period's gross rents. | This metric is used to measure John Mattson's efficiency during the period at using the floor area in its investment properties. |
| Average economic occupancy rate, apartments, % | Residential rental revenue for the period in relation to gross rents during the period. | This metric is used to measure John Mattson's efficiency during the period at using the residential floor area in its investment properties. |
| Average interest rate at the end of the period, % | Weighted average contractual interest rate for all credits in the debt portfolio, including interest-rate derivatives, excluding liabilities and interest rates pertaining to IFRS 16 Leases. | Used to illustrate John Mattson's financial risk. |
| Rental value, apartments, at the end of the period, SEK/sq m | Annualised contractual residential floor area plus the value of vacancies and discounts at period-end divided by lettable residential floor area for properties owned at the end of the period. | Used to illustrate John Mattson's revenue potential in respect of housing, per square metre. |
| Rental value at the end of the period, SEK m | Annualised contractual rent plus the annualised value of vacancies and discounts at the end of the period. | Used to illustrate John Mattson's revenue potential. |
| Contract value at the end of the period, SEK m | This item pertains to contracted annual rents for properties owned at the end of the period. | Not an alternative performance measure. |
| NAV, SEK m | Recognised equity attributable to Parent Company shareholders, adding back interest-rate derivatives and deferred tax. | An established metric for the Group's net asset value that facilitates analyses and comparison. |
| NAV, SEK/share | Recognised equity attributable to Parent Company shareholders, adding back interest-rate derivatives and deferred tax, and divided by the number of shares outstanding on the balance-sheet date. | Used to illustrate John Mattson's long-term net asset value per share in a manner compatible with other listed companies. |
| Net interest-bearing liabilities at the end of the period, SEK m | Interest-bearing liabilities, excluding lease liabilities for leasehold properties, less cash and cash equivalents at the end of the period. | Used to illustrate John Mattson's level of debt. |
| Interest coverage ratio during the period, multiple | Earnings before value changes with the addition of interest expenses in relation to interest expenses, excluding ground rents recognised as an interest expense under IFRS 16. | This metric is used to illustrate how sensitive John Mattson's earnings are to changes in interest rates; i.e. it shows how many times the company could pay the interest it incurs using profit from business operations. |
| Surplus ratio, % | Net operating income for the period as a percentage of recognised rental revenues. | Used to illustrate the proportion of John Mattson's revenue that remains after deducting property expenses. This metric is an efficiency ratio that is comparable over time and also between property companies. |

Reconciliation tables

| | | Oct–Dec 2021 | Oct–Dec 2020 | Jan–Dec 2021 | Jan–Dec 2020 |
|---|---|-----------------|-----------------|-----------------|-----------------|
| NNNAV, SEK/share | | | | | |
| A | NNNAV at the end of the period, SEK m | 5,765.1 | 4,007.2 | 5,765.1 | 4,007.2 |
| B | Number of shares outstanding at the end of the period, thousand | 36,365 | 33,670 | 36,365 | 33,670 |
| A/B | NNNAV, SEK/share | 158.54 | 119.01 | 158.54 | 119.01 |
| LTV ratio at the end of the period, % | | | | | |
| A | Interest-bearing debt, excluding lease liabilities for leasehold properties, at the end of the period according to balance sheet, SEK m | 9,446.5 | 3,560.8 | 9,446.5 | 3,560.8 |
| B | Cash and cash equivalents at the end of the period according to balance sheet, SEK m | 227.5 | 6.0 | 227.5 | 6.0 |
| C | Investment properties according to balance sheet at the end of the period, SEK m | 15,894.5 | 7,957.9 | 15,894.5 | 7,957.9 |
| (A-B)/C | LTV ratio at the end of the period, % | 58.0 | 44.7 | 58.0 | 44.7 |
| Equity, SEK/share | | | | | |
| A | Equity attributable to Parent Company shareholders at the end of the period, SEK m | 5,143.9 | 3,413.7 | 5,143.9 | 3,413.7 |
| B | Number of shares outstanding at the end of the period, thousand | 36,365 | 33,670 | 36,365 | 33,670 |
| A/B | Equity, SEK/share | 141.45 | 101.39 | 141.45 | 101.39 |
| Economic occupancy rate at the end of the period, % | | | | | |
| A | Annualised contract value at the end of the period, SEK m | 582.9 | 318.1 | 582.9 | 318.1 |
| B | Annualised vacancy value at the end of the period, SEK m | 26.9 | 18.4 | 26.9 | 18.4 |
| A/(A+B) | Economic occupancy rate during the period, % | 95.6 | 94.5 | 95.6 | 94.5 |
| Property value, at the end of the period, SEK/sq m | | | | | |
| A | Investment properties according to balance sheet at the end of the period, SEK m | 15,894.5 | 7,957.9 | 15,894.5 | 7,957.9 |
| B | Lettable area at the end of the period, thousand sq m | 355.5 | 215.9 | 355.5 | 215.9 |
| A/B | Property value, at the end of the period, SEK/sq m | 44,710 | 36,861 | 44,710 | 36,861 |
| Income from property management, SEK/share | | | | | |
| A | Income from property management during the period, SEK m | 22.9 | 19.7 | 103.1 | 94.7 |
| B | Average number of shares outstanding during the period, thousand | 36,365 | 33,670 | 34,601 | 33,670 |
| A/B | Income from property management, SEK/share | 0.63 | 0.58 | 2.98 | 2.81 |
| Income from property management, SEK m | | | | | |
| A | Profit for the period | 567.6 | 386.7 | 1,332.5 | 478.8 |
| B | Current and deferred tax | 153.4 | 97.0 | 359.9 | 129.2 |
| C | Change in value of investment properties and interest-rate derivatives | 698.1 | 464.0 | 1,587.0 | 513.4 |
| D | Share of profits of associates | – | – | 2.2 | – |
| A+B-C-D | Income from property management, SEK m | 22.9 | 19.7 | 103.1 | 94.7 |
| Average interest rate at the end of the period, % | | | | | |
| A | Annualised interest expense, excluding interest under IFRS 16 Leases, at the end of the period, SEK m | 127.2 | 52.5 | 127.2 | 52.5 |
| B | Interest-bearing debt, excluding lease liabilities under IFRS 16 Leases, at the end of the period according to balance sheet, SEK m | 9,446.5 | 3,560.8 | 9,446.5 | 3,560.8 |
| A/B | Average interest rate at the end of the period, % | 1.3 | 1.5 | 1.3 | 1.5 |
| Rental value at the end of the period, SEK m | | | | | |
| A | Annualised contract value at the end of the period, SEK m | 582.9 | 318.1 | 582.9 | 318.1 |
| B | Annualised vacancy value at the end of the period, SEK m | 26.9 | 18.4 | 26.9 | 18.4 |
| A+B | Rental value at the end of the period, SEK m | 609.7 | 336.5 | 609.7 | 336.5 |
| Rental value, apartments, at the end of the period, SEK/sq m | | | | | |
| A | Annualised contract value, apartments, at the end of the period, SEK m | 444.5 | 274.7 | 444.5 | 274.7 |
| B | Annualised vacancy value, apartments, at the end of the period, SEK m | 10.9 | 10.2 | 10.9 | 10.2 |
| C | Lettable area of apartments at the end of the period, thousand sq m | 292.4 | 191.8 | 292.4 | 191.8 |
| (A+B)/C | Rental value, apartments, at the end of the period, SEK/sq m | 1,557 | 1,485 | 1,557 | 1,485 |
| NAV, SEK/share | | | | | |
| A | NAV at the end of the period, SEK m | 6,396.6 | 4,352.0 | 6,396.6 | 4,352.0 |

ADDITIONAL INFORMATION

| | | Oct-Dec 2021 | Oct-Dec 2020 | Jan-Dec 2021 | Jan-Dec 2020 |
|---|--|-----------------|-----------------|-----------------|-----------------|
| B | Number of shares outstanding at the end of the period, thousand | 36,365 | 33,670 | 36,365 | 33,670 |
| A/B | NAV, SEK/share | 175.90 | 129.25 | 175.90 | 129.25 |
| EPRA NAV and NNNAV, SEK m | | | | | |
| A | Equity attributable to Parent Company shareholders at the end of the period, SEK m | 5,143.9 | 3,413.7 | 5,143.9 | 3,413.7 |
| B | Derivatives according to the balance sheet at the end of the period, SEK m | 25.2 | 73.2 | 25.2 | 73.2 |
| C | Deferred tax liabilities according to the balance sheet at the end of the period, SEK m | 1,227.5 | 865.1 | 1,227.5 | 865.1 |
| A+B+C=D | NAV, SEK m | 6,396.6 | 4,352.0 | 6,396.6 | 4,352.0 |
| B | Derivatives according to the balance sheet at the end of the period, SEK m | -25.2 | -73.2 | -25.2 | -73.2 |
| E | Estimated actual deferred tax liability at the end of the period, SEK m | -606.3 | -271.6 | -606.3 | -271.6 |
| D-B-E | NNNAV, SEK m | 5,765.1 | 4,007.2 | 5,765.1 | 4,007.2 |
| Net interest-bearing liabilities at the end of the period, SEK m | | | | | |
| A | Annualised interest-bearing liabilities, excluding lease liabilities for leasehold properties, at the end of the period, SEK m | 9,446.5 | 3,560.8 | 9,446.5 | 3,560.8 |
| B | Cash and cash equivalents at the end of the period, SEK m | 227.5 | 6.0 | 227.5 | 6.0 |
| A-B | Net interest-bearing liabilities at the end of the period, SEK m | 9,219.0 | 3,554.8 | 9,219.0 | 3,554.8 |
| Interest coverage ratio during the period, multiple | | | | | |
| A | Income from property management during the period according to income statement, SEK m | 22.9 | 19.7 | 103.1 | 94.7 |
| B | Financial expenses during the period, excluding ground rents recognised as an interest expense under IFRS 16, SEK m | 36.8 | 14.4 | 85.5 | 58.7 |
| (A+B)/B | Interest coverage ratio during the period, multiple | 1.6 | 2.4 | 2.2 | 2.6 |
| Growth in income from property management, SEK/share, % | | | | | |
| A | Income from property management, SEK/share during the period | 0.63 | 0.58 | 2.98 | 2.81 |
| B | Income from property management, SEK/share during the preceding period | 0.58 | 0.59 | 2.81 | 1.93 |
| (A-B)/B | Growth in income from property management, SEK/share, % | 7.9 | -0.4 | 6.0 | 45.8 |
| Growth in NAV, SEK/share, % | | | | | |
| A | NAV at the end of the period, SEK/share | 175.90 | 129.25 | 175.90 | 129.25 |
| B | NAV at the end of preceding 12-month period, SEK/share | 129.25 | 111.07 | 129.25 | 111.07 |
| (A-B)/B | Growth in NAV, SEK/share, % | 36.1 | 16.4 | 36.1 | 16.4 |
| Surplus ratio during the period, % | | | | | |
| A | Net operating income during the period according to income statement, SEK m | 79.8 | 49.6 | 249.8 | 196.0 |
| B | Rental revenues during the period according to income statement | 143.5 | 78.1 | 407.9 | 294.0 |
| A/B | Surplus ratio during the period, % | 55.6 | 63.5 | 61.3 | 66.7 |

Contact information and calendar

Financial calendar

Annual report 2021: week starting 21 March 2022
Annual General Meeting 2022: 21 April 2022
Interim report January–March 2022: 5 May 2022
Interim report January–June 2022: 18 August 2022
Interim Report January–September 2022: 10 November 2022

Information

You can download and subscribe to press releases and interim reports on John Mattson's website corporate.johnmattson.se



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