



WALLENSTAM

ANNUAL REPORT 2023

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Wallenstam's statutory sustainability report is found on the following pages: business model page 1, climate and environmental questions pages 15–18, 21, 23 and 107–112, social sustainability and personnel-related questions pages 19–20, 23, 25–26 and 107–109, respect for human rights pages 3, 19–20 and 107–109, anti-corruption pages 3, 19–20, 23 and 109 as well as diversity in the Board pages 26 and 95.

This Annual Report is not an xHTML document compliant with the ESEF (European Single Electronic Format) regulation.

This is Wallenstam

Wallenstam's vision

Wallenstam shall be the natural choice for housing and premises.

Wallenstam's business concept

We develop and manage people's homes and workplaces based on a high level of service and long-term sustainability in selected metropolitan areas in Sweden.

Wallenstam's goal in the business plan 2030

The net asset value shall amount to SEK 100 per share. During the business plan 2030, Wallenstam's goal is to increase the net asset value through a continued productive, cost-efficient and service-oriented business in the growth regions of Gothenburg, Stockholm and Uppsala. Successful letting, efficient management, value-creating investments, profitable new construction and profitable transactions will contribute to this net asset value growth. During the business plan, the equity/assets ratio shall not be less than 35 percent.

SEK 2,730 million

RENTAL INCOME

97%

OCCUPANCY RATE, FLOOR SPACE

SEK 1,040 million

INCOME FROM PROPERTY MANAGEMENT

SEK 63 billion

PROPERTY VALUE

SEK 56.20

NET ASSET VALUE PER SHARE

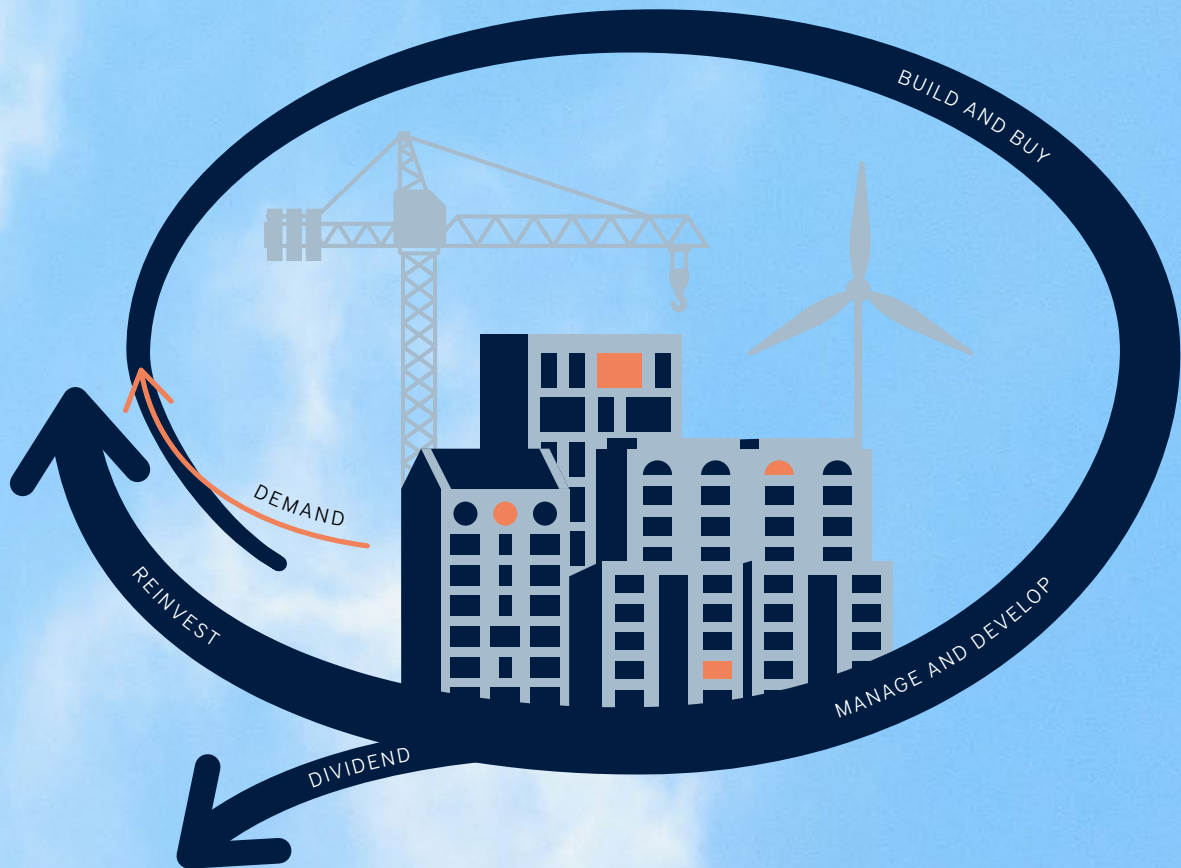
46%

EQUITY/ASSETS RATIO

1,081

NUMBER OF APARTMENTS UNDER CONSTRUCTION



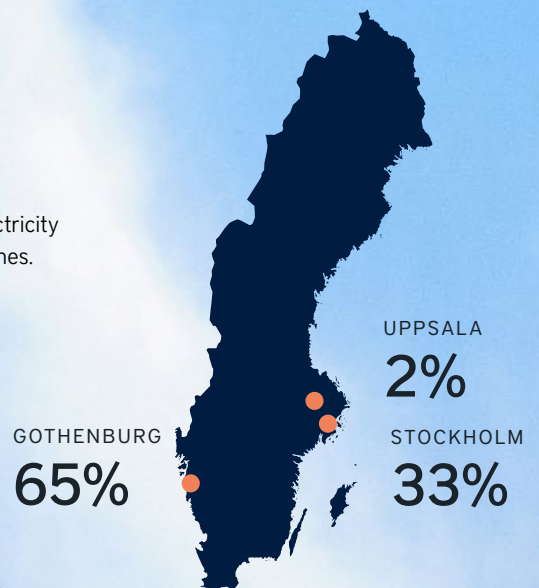


Wallenstam builds, acquires, develops and manages properties and areas based on the needs of people and society, and according to the wishes and requirements of customers. We create value growth through construction, development, refinement and management with a high level of service and long-term sustainability. Profits are reinvested and used to further develop the business. The shareholders receive a share of the value growth through these reinvestments and through dividends.



100% renewable property electricity from our own 53 wind turbines.

DISTRIBUTION OF WALLENSTAM'S PROPERTY FLOOR SPACE



Kvarteret Skogsvaktaren, Mölnlycke Fabriker.

Comments by the CEO

Wallenstam stands strong with good liquidity and high demand for our product, even in these turbulent times. The year 2023 began with high inflation and a Riksbank, which raised its policy rate, something that affected both us and the entire property sector during the year. In the second half of 2023, we saw inflation fall back to levels in line with the Riksbank's target. The decrease in inflation is explained by the fact that policy makers have actually succeeded in reducing growth and consumption in the economy, which naturally also has a downside. Individuals have faced cuts in real wages for a couple of years and quite a lot of companies are having a tough time. The interest rate is still comparatively high, and the hope is that interest rates will fall during 2024.

Strong demand for apartments

In such an external environment, I am very happy to have properties in locations that are sought after! Our apartments are found in attractive areas. Demand is strong, over 280,000 people – in other words more than 2.5 percent of Sweden's population – have registered an interest in our apartments. This is an indication that we have attractive apartments, but also that there is a really enormous need for more housing in the market.

High surrender rate reflects satisfied customers

It is noticeable that our commercial premises, which are primarily located in Gothenburg CBD, are attractive, as we made a number of lettings in the fall to stable customers. The occupancy rate for commercial premises in Gothenburg is now 95 percent. I can also state that our customers are happy with us. The surrender rate is 90 percent, which means that nine out of ten tenants choose to remain a customer of ours when their lease expires. This is extremely gratifying!

Belief in more transactions in 2024

There were few transactions in the property market during 2023. We have managed to complete a few, and we also settled previously made agreements. Now as the interest rate is stabilizing, it is my belief that the number of transactions in the property market will gradually increase somewhat. Wallenstam has the financial strength to both buy and sell, and to hopefully be in a position to take advantage of the opportunities presented. Against this backdrop, Erik Klang, Business Strategist, is joining our Group Management.

Interest rate and electricity price affect income from property management

Income from property management has decreased during the year, and this is primarily attributable to the increase in our interest expense, but also to the fact that the electricity expenses in our management operations have gone up radically. However, the higher electricity prices are offset by our own electricity production, which means that it is cost-neutral for the Group but it has a negative impact on our property management. In 2024, we expect that both the electricity price and interest rates will fall.

Financially strong

Wallenstam is financially strong with an equity/assets ratio of 46 percent. We have a total of 98 percent of our financing in the form of bank loans from Swedish banks and the European Investment Bank and almost 60 percent of our loans are hedged using interest rate derivatives. During the quarter, we have also extended our interest rate derivatives in order to increase the fixed interest term and thereby further strengthen our financial position.

Hope of new project starts

Our construction of new rental apartments has unfortunately decreased in line with the increasing global turbulence. During the year, we have adapted our new construction operations so that the organization matches the decrease in the number of project starts. We now see that the increase in construction costs has stagnated and this means that we are once again looking to start new construction projects. I hope to be able to return soon with concrete news regarding construction starts and this feels both hopeful and gratifying, particularly in view of the acute housing need in our locations.

Sustainability work that delivers results

There are many challenges regarding our new construction in terms of costs, but it is also a challenge to build as

Our apartments are found in attractive areas. Demand is strong, over 280,000 people – in other words more than 2.5 percent of Sweden's population – have registered an interest in our apartments.



ways we strive to create improved wellbeing and security for our tenants that live and work in our properties. Probably the most important social contribution we make is to provide new homes – having a home is fundamental to a person's life. For me, few things feel as good as seeing our residential projects take shape and being filled with new tenants!

Wallenstam has already signed the UN Global Compact, which means that we support and work on the basis of the ten principles in the areas of human rights, labor, the precautionary approach, anti-corruption and taking responsibility for environmental issues.

sustainably as possible. Our climate targets are approved by the Science Based Targets initiative in line with the Paris Agreement and this means that we shall reduce the CO₂ emissions from our operations. One of the targets, Scope 3, specifically concerns CO₂ emissions from our construction operations, which we shall reduce by 55 percent through 2030. Here, we already see good results: a reduction of 19 percent compared to the base year 2019!

In 2023, we have also worked on preparing ourselves for upcoming reporting requirements according to the CSRD (Corporate Sustainability Reporting Directive). Both the CSRD and the EU's taxonomy regulation will be compulsory for us in financial year 2025. Since last year, we have voluntarily chosen to report how large a share of our assets is defined as sustainable under the EU taxonomy. Here I can happily confirm an improvement: 42 percent of our turnover is taxonomy-aligned, compared to 37 percent in the previous year.

We have also worked on clarifying our social sustainability work. Wallenstam has a long tradition, actually ever since my father started the company in 1944, of being engaged in society and taking social responsibility, even though the efforts have not always been as structured as in recent years. We collaborate with a number of organizations that work to combat social exclusion, and in different

Looking forward to an exciting 2024

Despite unusually tough challenges in 2023, Wallenstam's business has functioned well, thanks to engaged and perseverant employees and the fact that we worked diligently on the basis of our long-term strategies. Our properties are found in attractive locations and we have a diversified property portfolio with both commercial premises and residential properties. Our financing mainly consists of bank loans and we have refrained from a rating, which gives us flexibility. We focus on controlled growth – to grow and create value without risking the company's equity/assets ratio.

I am extremely proud of what we have accomplished together in the entire organization during the year. Wallenstam has fantastic properties and a stable financial position, and I am looking forward to an exciting, challenging and hopefully brighter 2024!

Hans Wallenstam, CEO

Comments by the Chairman

Things do not always turn out as you expect, sometimes they turn out better. This sentence summarizes quite well how the economy developed in 2023. Quite rightly, the Swedish consumer was negative amid the economic headwinds during the past year, and certainly we saw a slightly negative GDP development in Sweden in 2023, but it may be considered a mild recession or what economists usually call a soft landing of the economy.

The year 2023 can also be considered as a year where we experienced a recession and an economic boom at the same time. Because while we consumers were struggling, many areas of manufacturing industry performed very strongly thanks to well-filled order books that needed to be worked through. This has been most noticeable among engineering companies in the Gothenburg area and has been a positive contributing factor to employment in the region. We now see signs of a kind of normalization of the economic development after a decade of economic excesses.

The Board's work during the year

The year 2023 was the first year of Wallenstam's new business plan, and in line with our expectations, there were few construction starts during the year. Construction inflation, which has been a scourge for construction starts, has finally come down to human levels. Now we are looking forward to a lower and more stable interest rate level and then our construction starts should get going again. All the signals that central bankers want to see gradually came during the fall. Inflation fell back, inflation expectations generally came down in society while the Swedish krona started to strengthen and the fixed income market immediately began to speculate about interest rate cuts. One of our most important parameters for achieving our net asset value goal of SEK 100 per share by 2030 is that we are active in our housing construction, and if we have a favorable interest rate trend, we can hope for a number of construction starts in 2024.

During the energy price turbulence of recent years, we have reaped the rewards of being self-sufficient in electricity thanks to our 53 wind turbines. The Board received a comprehensive review of our entire wind power business

during the year and we feel both secure and convinced that Wallenstam shall continue to produce its own electricity with the same goals as before.

It is both fun and stimulating to work in Wallenstam's Board and I always look forward to every Board meeting. It is extra inspiring when the Board has the opportunity to make project visits, either to our ongoing construction projects or to one of our existing buildings. In 2023, the Board decided to return to Wallenstam's major project in Kallebäck. The last time the Board visited was three years ago, and now the area is really established with several beautiful buildings constructed according to a high Wallenstam standard. At every apartment we saw, I had the same feeling; what a fantastic living environment. I can recommend a walk in the area to take in both the beautiful architecture and the inspiring businesses.

At the Annual General Meeting in spring, Rebecka Wallenstam was elected as an ordinary Board member which has contributed positively to the Board's work. As Rebecka was previously a co-opted member of the Board and knows the company well, she was able to participate fully in the Board work from the outset.

Volatile stock market but our strong balance sheet creates opportunities

The Board decided to restart a share buyback program in connection with the publication of our Q3 report at the end of October. Our share was valued at about SEK 37 on that date and the Board considered that buybacks created shareholder value based on the conditions we had at the time. At year-end, the Wallenstam share had risen in value by almost 50 percent since the end of October.

I see many reasons to believe that the recent earnings trend for Wallenstam – which, incidentally celebrates 80 years in 2024 – will be a small blip in the curve when we look back at this period in a few years.



Wallenstam's balance sheet is strong which helps us to complete transactions, start new construction projects and carry out share buybacks. In connection with the launch of Wallenstam's new business plan for 2030, an updated dividend policy has also been adopted which means that the company's dividend is expected to be approximately one third of the income from property management. In line with our dividend policy, the Board therefore proposes a dividend of SEK 0.50 per share for 2023.

An 80-year old perspective

Of course it has been both difficult and challenging for us as a company during the past two years but I see many reasons to believe that the recent earnings trend for Wallenstam – which, incidentally celebrates 80 years in 2024

– will be a small blip in the curve when we look back at this period in a few years. The main reason that we are successfully navigating this turbulent time is hard and long-term work and the fact that Wallenstam is basically an extremely well-managed company, which is led by our fantastic CEO, Hans Wallenstam. The 80-year old Wallenstam AB stands stronger than ever.

A handwritten signature in black ink that reads "Lars Åke Bokenberger". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lars-Åke Bokenberger, Chairman



Board of Directors

VICE CHAIRMAN

Karin Mattsson

Born 1972, Master of Science in sociology (human resources specialist). Board member since 2016.

Previous experience including as chairman of the Swedish Sports Confederation and deputy membership manager of the Federation of Swedish Farmers.

Other assignments, inter alia, chairman of Länsförsäkringar Jämtland, Svenska Skidförbundet, Frösö Hästgård AB and Prins Carl Philips och Prinsessan Sofias Stiftelse. Board member of Länsförsäkringar AB, WCR 2019 Jämtland Härjedalen AB, Astrid Lindgrens Värld AB, Svenska Hockeyligan AB and Skogsägarna Mellanskog Ekonomisk Förening.

Shareholding in Wallenstam: 19,000 B shares*.

BOARD MEMBER

Rebecka Wallenstam

Born 1991, Bachelor of Science (Economics). Board member since 2023.

Previous experience including as board member of Convendum Corporation AB and as Group Controller at Wallenstam.

Other Assignments, inter alia, Head of Letting, Residential, Gothenburg (Wallenstam).

Shareholding in Wallenstam: 2,323,337 B shares* and 40,000 synthetic options.

* Including family members.

The information refers to the year-end status.



CHAIRMAN

Lars-Åke Bokenberger

Born 1968, Bachelor of Science (Economics). Board member since 2020.

Previous experience including as Swedish Head of Equity at AMF and as an equity analyst and Head of Analysis at Alfred Berg Fondkommission.

Other assignments, inter alia, chairman of Mattssons Fastighetsutveckling AB and vice chairman of Convendum Corporation AB. Board member in Ferroamp AB, Mertzig Asset Management AB and Colive AB.

Shareholding in Wallenstam: 30,000 B shares.

BOARD MEMBER

Mikael Söderlund

Born 1965, Bachelor of Arts in Political Science. Board member since 2020.

Previous experience including as partner in the consulting firm Kreab and commissions of trust within the Moderate Party and as Vice Mayor in the City of Stockholm.

Other assignments, inter alia, founder and CEO of Sthlm Urban Advisors. Board member of the Svenska Dagbladet foundation.

Shareholding in Wallenstam: 1,000 B shares.

BOARD MEMBER

Agneta Wallenstam

Born 1952, educated in theology, ethnology, archaeology and social anthropology. Master of Cultural Anthropology. Ordained as a pastor in 1987. Board member since 2010.

Previous experience from working as a pastor and parish director for a number of parishes since 1987.

Other assignments, inter alia, pastor in Equmenia Church and chairman of the Bethlehem Church congregation. Board member of the Refugee Mission in Gothenburg and Ulla och Lennart Wallenstamstiftelsen. Runs Kolboryd estate since 2003.

Shareholding in Wallenstam: 23,368,000 B shares.



Group Management

COMMUNICATIONS DIRECTOR

Elisabeth Vansvik

Born 1970, employed since 2002.

Education: M.A., Media and Communications Science.

Previous executive positions at

Wallenstam: Head of Communications, Communications and HR Director.

External assignments: Board member of Barn i Nöd.

Shareholding in Wallenstam:

53,000 B shares and 100,000 synthetic options.

VICE CEO WALLENSTAM AB,
REGIONAL DIRECTOR STOCKHOLM
AND UPPSALA BUSINESS AREA

Mathias Aronsson

Born 1972, employed since 1996.

Previous executive positions at

Wallenstam: CEO Wallenstam Stockholm AB, Regional Director Stockholm Wallenstam Bostad AB, CEO Wallenstam Bostad AB.

Shareholding in Wallenstam:

446,700 B shares and 100,000 synthetic options.

VICE CEO WALLENSTAM AB,
REGIONAL DIRECTOR
GOTHENBURG BUSINESS AREA

Marina Fritsche

Born 1967, employed since 2005 and 2010.

Education: Master of Science, Civil Engineering.

Previous executive positions at

Wallenstam: Technical manager Företag Göteborg, Business area manager Bostad Region Göteborg.

External assignments: Board member of Fastighetsägarna Göteborg första regionen, Itsumo AB and of Fastigo.

Shareholding in Wallenstam:

181,578 B shares** and 100,000 synthetic options.



CEO WALLENSTAM AB

Hans Wallenstam

Born 1961, employed since 1986.

Education: Bachelor of Science (Economics).

Previous executive positions at

Wallenstam: Finance Director, CEO Wallenstam i Göteborg AB.

External assignments: Board member of Ulla och Lennart Wallenstamstiftelsen.

Shareholding in Wallenstam:

69,000,000 A shares,
98,799,600 B shares** and
100,000 synthetic options.

CFO AND HEAD OF INVESTOR RELATIONS

Susann Linde

Born 1979, employed since 2001.

Education: Bachelor of Science (Economics).

Previous executive positions

at Wallenstam: Group Controller.

Shareholding in Wallenstam:

317,500 B shares* and
100,000 synthetic options.

AUDITOR

Mathias Arvidsson, Born 1975, Authorized Public Accountant, KPMG AB. Appointed as chief auditor in 2023. Other assignments, inter alia, IKEA of Sweden, Fagerhult Group, Christian Berner, MQ Marqet and Nelly.

* Including family members.

** Including shares held via companies and family members.

The information refers to the year-end status.

The Wallenstam share

Wallenstam's B share has been listed since 1984 and is on the Large Cap segment of Nasdaq Stockholm. On closing day, the company had 20,157 shareholders (20,243).

The total number of shares amounts to 660,000,000, of which 69,000,000 are A shares (ten votes per share) and 591,000,000 are B shares (one vote per share).

Buyback

In accordance with the AGM's resolution, Wallenstam has the possibility to acquire its own B shares up to 10 percent of all shares in the company. In 2023, 2,000,000 shares were repurchased. On closing day, the company held a total of 3,000,000 repurchased shares, acquired at an average price of SEK 43.28 per share, including brokerage.

Trading and turnover

The highest price paid during the year on Nasdaq Stockholm was SEK 55.25 and the lowest was SEK 34.00. At year-end, the share price was SEK 54.70 (43.90), which represents an increase of 24.6 percent during 2023. This may be compared to the OMX Stockholm Real Estate PI index, which increased by 17.0 percent and the OMX Stockholm PI index, which increased by 15.5 percent during the same period.

The share had a standard deviation of 5.2 in 2023. The beta value is 1.00 in relation to the OMXC All PI index. In addition to Nasdaq Stockholm, where around 35 percent of the share turnover took place in 2023, the share was also traded, for example, via CBOE Global Markets and LSE Group (Source: Holdings).

SHARE DATA

	2023	2022
Market capitalization, SEK million	36,102	28,974
Profit after tax per share, SEK	-0.7	1.7
Equity per share, SEK	46.40	47.70
Net asset value per share, SEK	56.20	57.40
Share price, SEK	54.70	43.90
Dividend, SEK	0.50*	0.60
Yield, %	0.9	1.4
Total yield, %	26.0	Neg.**
Turnover on Nasdaq, number of Wallenstam shares, millions	163.1	188.3
Turnover per trading day on average, number of Wallenstam shares	649,992	744,291
Turnover on Nasdaq Wallenstam shares, SEK million	6,858	9,416
Turnover per trading day on average, Wallenstam shares, SEK million	27.3	37.2

* Proposed dividend for the 2023 financial year.

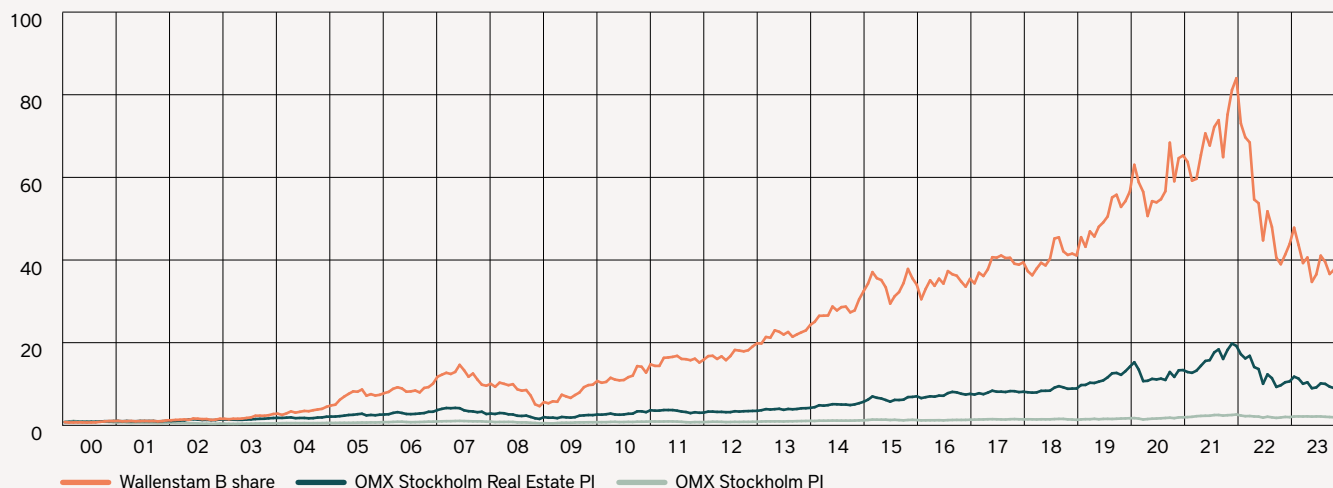
** The total yield in 2022 was negative due to the fall in value of the share.

Dividend to shareholders

According to Wallenstam's dividend policy, when determining the size of the dividend, consideration should be given to the Group's investment requirements, need to strengthen its balance sheet and its financial position in general, and the ability of the Group to develop further in the future while maintaining its financial strength and freedom of action. The dividend is based on the income from property management, which is

SHARE PRICE TREND 2000-2023

SEK/share





Kallebäck's Terrasser,
Gothenburg.

generated by the business. The dividend over time is expected to amount to approximately one third of the income from property management.

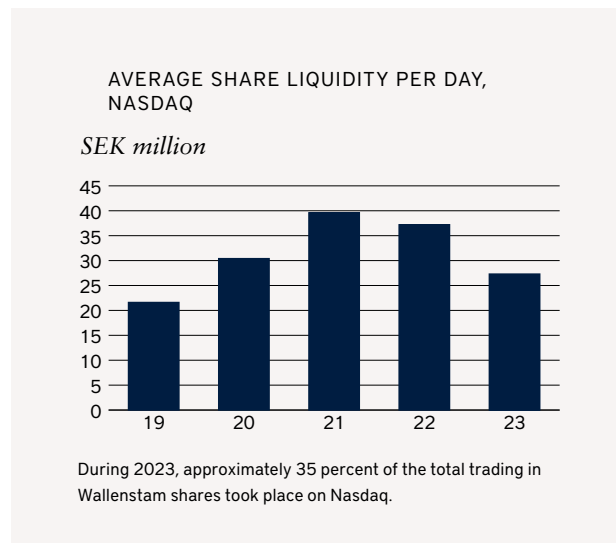
For the 2023 financial year, the Board of Directors will propose a dividend of SEK 0.50 per share (0.60), spread over two payment dates of SEK 0.25 each per share. The proposed dividend is expected to amount to SEK 328,5 million in total, based on the number of outstanding shares as of February 8, 2024.

Net asset value

Net asset value on closing day amounted to SEK 36,930 million (37,825), equivalent to SEK 56.20 per share. Net asset value describes the Group's total created value and includes equity and deferred tax liability related to investment properties due to differences between carrying amounts and fiscal values of the Group's properties. The goal for the business plan 2030 is that the net asset value shall amount to SEK 100 per share.

Information to the market

Financial information is mainly provided in interim reports, year-end reports and annual reports, and through press releases. In connection with every interim report, the results



are commented upon in a film and in a conference call. Presentations are made in connection with interim reports, during visits from investors and analysts and during investor meetings in Sweden and abroad. Information about the company is available at www.wallenstam.se.

SHAREHOLDINGS, DECEMBER 31, 2023

Owner	A shares	B shares	Equity, %	Votes, %
Hans Wallenstam and family, and company	69,000,000	98,799,600	25.42	61.72
AMF – Insurance and funds		85,115,201	12.90	6.66
Henric and Ulrika Wiman		23,955,504	3.63	1.87
Agneta Wallenstam		23,368,000	3.54	1.83
Anna-Carin B Wallenstam and Anders Berntsson		21,529,200	3.26	1.68
David Wallenstam		17,040,276	2.58	1.33
Christian Wallenstam		16,000,000	2.42	1.25
Monica and Jonas Brandström		13,468,604	2.04	1.05
Swedbank Robur Fonder		12,886,972	1.95	1.01
Bengt Norman		12,440,000	1.88	0.97
Other owners		263,396,643	39.93	20.63
Total number of shares	69,000,000	588,000 000		
Repurchased own shares*		3,000,000	0.45	
Total registered shares		660,000,000	100.00	100.00
Total outstanding shares		657,000,000		

The proportion of institutional ownership amounted to around 21 percent of equity and around 11 percent of the votes.

Source: Euroclear Sweden AB

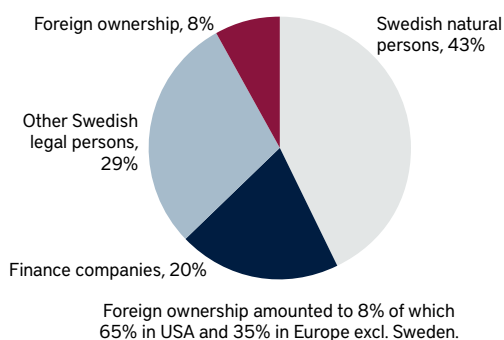
Foreign ownership amounted to around 8 percent of equity and around 4 percent of the votes.

* Repurchased shares do not carry voting rights.

SHARE CAPITAL DEVELOPMENT

Year	Emission	Change in share capital, SEK	Share capital, SEK	Number of shares	Nominal value, SEK
1960	Original capital		200,000	200	1,000
1984	Bonus issue 9:1	1,800,000	2,000,000	2,000	1,000
1984	Split 1,000:1		2,000,000	2,000,000	1
1984	New share issue 1:2 to SEK 32	1,000,000	3,000,000	3,000,000	1
1986	Bonus issue nom. SEK 1 to 10	27,000,000	30,000,000	3,000,000	10
1986	New share issue 1:3 to SEK 75	10,000,000	40,000,000	4,000,000	10
1987	Bonus issue 1:1	40,000,000	80,000,000	8,000,000	10
1995	New share issue in kind to SEK 43	109,302,320	189,302,320	18,930,232	10
2000	Redemption of shares	-9,396,690	179,905,630	17,990,563	10
2001	Reduction	-7,376,200	172,529,430	17,252,943	10
2002	Reduction	-11,363,000	161,166,430	16,116,643	10
2003	Reduction	-13,115,000	148,051,430	14,805,143	10
2004	Reduction	-10,051,430	138,000,000	13,800,000	10
2005	Split 5:1		138,000,000	69,000,000	2
2005	Reduction	-7,000,000	131,000,000	65,500,000	2
2006	Reduction	-3,000,000	128,000,000	64,000,000	2
2007	Reduction	-4,000,000	124,000,000	62,000,000	2
2008	Reduction	-6,000,000	118,000,000	59,000,000	2
2011	Split 3:1		118,000,000	177,000,000	0.67
2011	Reduction	-3,333,333	114,666,667	172,000,000	0.67
2012	Fondemission	57,333,333	172,000,000	172,000,000	1
2013	Reduction	-2,000,000	170,000,000	170,000,000	1
2015	Split 2:1		170,000,000	340,000,000	0.50
2017	Reduction	-5,000,000	165,000,000	330,000,000	0.50
2022	Split 2:1		165,000,000	660,000,000	0.25

HOLDING BY OWNER CATEGORY



DISTRIBUTION OF SHARES, DECEMBER 31, 2023

	No. of share-holders	Shareholders, %	Total no. of shares	Shares, %
1-500	12,948	64.2	1,556,917	0.2
501-1,000	1,908	9.5	1,472,018	0.2
1,001-5,000	2,907	14.4	6,954,146	1.1
5,001-10,000	842	4.2	6,127,440	0.9
10,001-15,000	380	1.9	4,745,669	0.7
15,001-20,000	222	1.1	3,966,773	0.6
20,001-	950	4.7	635,177,037	96.3
Total	20,157	100.0	660,000,000	100.0

Source: Euroclear Sweden AB



Financing

Wallenstam strives to achieve a balance between an acceptable level of risk and a good return on equity. Wallenstam's long-term funding strategy is to be financed primarily via banks.

The value of the Group's assets on December 31, 2023 amounted to SEK 66,841 million (67,049), financed partly by equity of SEK 30,500 million (31,432), and partly by liabilities of SEK 36,341 million (35,617). At year-end, Wallenstam's equity/assets ratio, which in the business plan 2030 shall not be less than 35 percent, amounted to 46 percent (47).

Finance policy

Financing activities are conducted according to our finance policy, which aims to limit the company's financial risks, which consist chiefly of liquidity, refinancing and interest rate risks. The policy is approved by the Board of Directors and is reviewed annually.

Interest-bearing liabilities

Total interest-bearing liabilities amounted to SEK 29,075 million (28,283). Wallenstam has 98 percent of its financing in the form of traditional loans from Swedish banks and the European Investment Bank (EIB). The remaining share consists of commercial paper of SEK 373 million and bond loans of SEK 334 million. Wallenstam's bonds are green and are contained within the framework of the green MTN program (Medium Term Notes), which has a total framework amount of SEK 3 billion. The bonds, which

mature in April 2024 are listed on Nasdaq Stockholm's sustainable bond market. Total green financing amounts to SEK 10,828 million, equivalent to 37 percent.

Financing of the loan portfolio is mainly secured by mortgage deeds for properties. The bond loans, commercial paper and the loan from the EIB are unsecured. The commercial paper program has underlying credit commitments in the form of overdraft facilities. Covenants are issued for the loan from the EIB in order to maintain the loan as unsecured. If the covenants are not met, the loan must be secured, see also page 68.

Fixed interest terms and capital tied up

One of the largest single expense items is interest expenses, which is mainly affected by changes in market interest rates and changing conditions in the credit market. Wallenstam aims for a distribution among different lenders.

Interest rate derivatives are a flexible and cost-efficient way of extending loans with short fixed interest terms. From a cash flow perspective, the outcome over time is essentially the same as raising a loan with fixed interest. Interest rate derivatives shall be marked to market and if the agreed price deviates from the market interest rate, a theoretical surplus or deficit value arises in profit or loss. Unrealized changes in value of interest rate derivatives

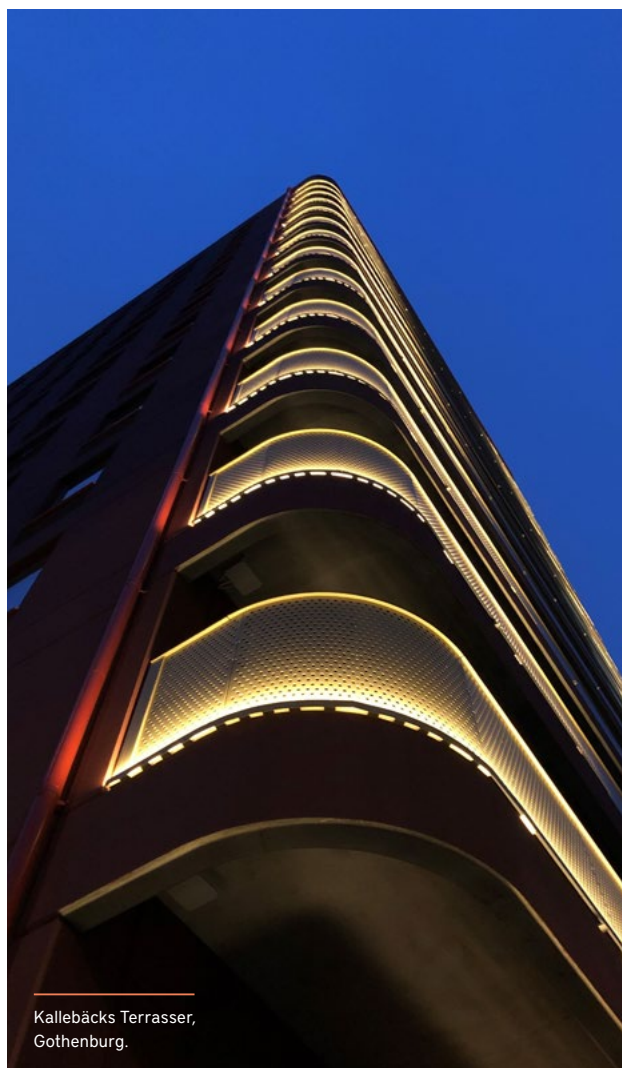
do not affect cash flow and when a derivative contract matures, its market value is dissolved in its entirety and the change in value over time does not affect equity.

The total volume of outstanding interest rate derivatives, where Wallenstam pays fixed interest amounts to SEK 16.0 billion (16.3), equivalent to 55 percent of the total loans. During the year, the market value of derivatives developed negatively, however, the value of the interest rate derivative portfolio remains positive and amounted to SEK 1,000 million (1,874) at year-end.

	2023	2022
Share of loans with capital tied up for long terms (>12 months), %	14	18
Share of loans with long fixed interest terms (>12 months), %	57	59
Average fixed interest term, months	40	44
Average interest rate during the year, %	2.89	1.55
Average interest rate on closing day, %	3.24	2.21

Available liquid assets

Available liquid assets, including available bank overdraft facilities, amounted to SEK 1,285 million (2,093), of which SEK 378 million is reserved for back up for issued outstanding commercial paper. During the year, Wallenstam has chosen to reduce its overdraft facilities. Approved overdraft facilities amounted to SEK 1,325 million (1,912), where SEK 90 million (-) was used on closing day.

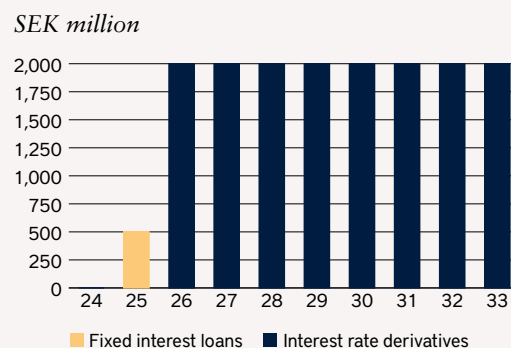


FIXED TERMS, AVERAGE INTEREST RATES

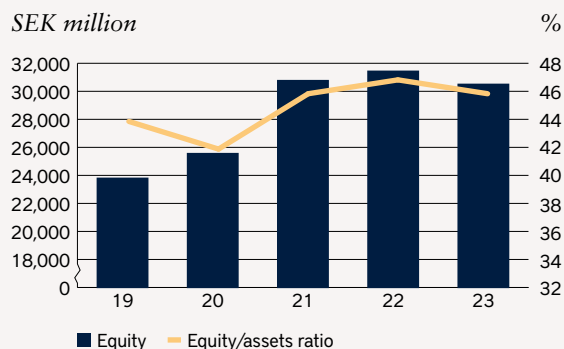
Year	Dec 31, 2023		Dec 31, 2022	
	Amount, SEK million	Average interest rate, %	Amount, SEK million	Average interest rate, %
2023			11,533	3.96*
2024	12,575	6.06*	-	-
2025	500	0.52	2,000	0.72
2026	2,000	0.78	2,000	0.78
2027	2,000	1.05	2,000	1.05
2028	2,000	1.16	2,000	1.16
2029	2,000	0.93	2,000	0.93
2030	2,000	0.95	2,000	0.95
2031	2,000	0.67	2,000	0.67
2032	2,000	1.31	2,000	1.31
2033	2,000	2.02	750	2.21
Total	29,075	3.24	28,283	2.21

*Includes effects of swap agreements.

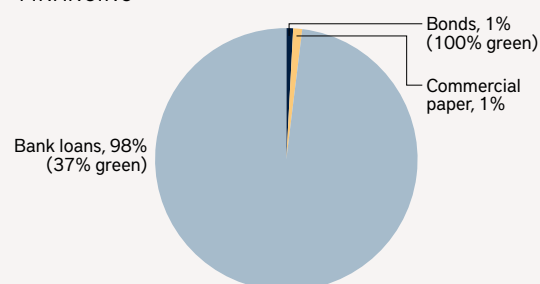
MATURITY STRUCTURE INTEREST RATE DERIVATIVES AND FIXED INTEREST LOANS



EQUITY/ASSETS RATIO AND EQUITY



FINANCING



Interest-bearing liabilities with credit institutions totaled SEK 29,075 million (28,283). The loan-to-value ratio is 46 percent (45).

Wallenstam's sustainability report

Wallenstam wants to conduct responsible enterprise and contribute to a sustainable society, today and for future generations. We want to take long-term responsibility for the impact of our operations on society, people, the climate and the environment.

By both developing and managing our properties, we can take long-term responsibility. We believe that integrated sustainability work and social engagement go hand in hand with long-term profitability, and therefore sustainability is a core part of our entire business. The sustainability work creates further control, reduces risks and generates new transactions and solutions. In addition, the sustainability work contributes to more engaged employees, more satisfied customers and security for investors. To clarify our sustainability ambitions, we have chosen to link the business plan to our new climate targets, which are approved by the Science Based Targets initiative. Both the climate targets and the business plan extend until 2030.

Wallenstam has reported its sustainability work since 2006. For a number of years, we have chosen to prioritize five of the UN's global sustainable development goals relating to ecological, social and economic sustainability. The sustainability work is based on the materiality analysis that was carried out in 2018 with calibration in 2021 and the reporting is inspired by GRI (Global Reporting Initiative) Universal Standards 2021, see also page 107. We support the UN Global Compact and we work based on the ten principles in respect of human rights, labor, the environment and anti-corruption. The current Communication on Progress (CoP) for Wallenstam is available on the UN Global Compact's website.





Solar panels at Söra Kvarter in Åkersberga, Österåker.

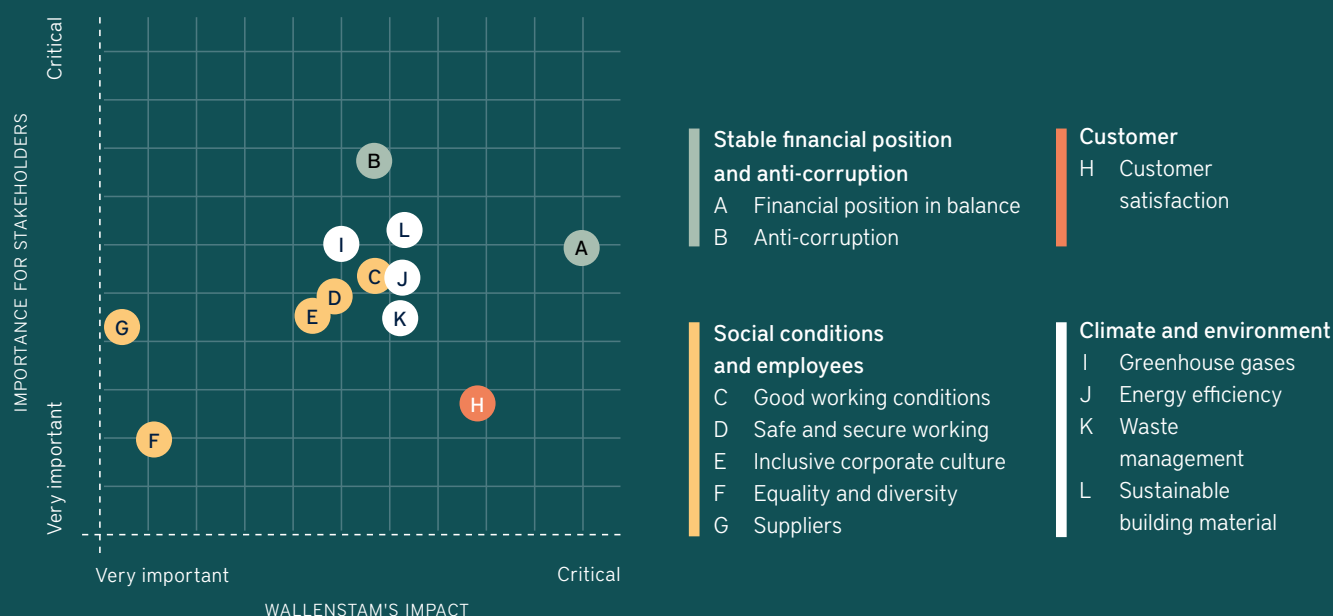
Wallenstam has voluntarily chosen to report how large a share of its assets are defined as sustainable under the EU's Taxonomy regulation, see also page 21. In 2023, we also began the work on preparing ourselves for upcoming reporting requirements according to the CSRD (Corporate Sustainability Reporting Directive). During the year, we reported our greenhouse gas emissions and our water supply to the CDP (Carbon Disclosure Project).

Governance of the sustainability work

The sustainability work covers all areas of the organization and is an integrated part of our business. The work is based on the company's sustainability policy and strategy and on the climate targets approved by the Science Based Target initiative. Wallenstam's policies and guidelines are updated annually and adopted by the Board and Group Management. The Sustainability Manager regularly reports updates and results to Group Management and the Board. Our CEO has the ultimate responsibility for the sustainability work.

MATERIAL SUSTAINABILITY AREAS BASED ON STAKEHOLDER DIALOGUE

The materiality analysis was carried out in 2018 with calibration in 2021. Stakeholder dialogues were carried out with employees, lenders, major owners, Board representatives and tenants.



Climate and environment



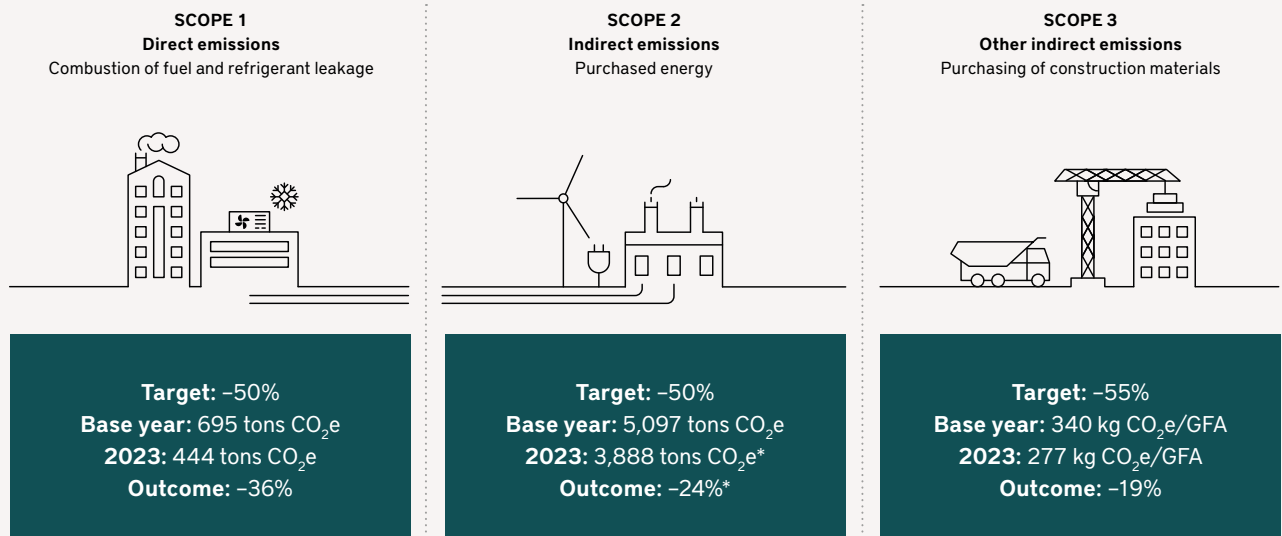
Wallenstam's climate targets 2023–2030

The construction and property sector accounts for a significant share of the overall carbon footprint in society. We want to take responsibility and contribute to the green transition, therefore we have climate targets that are science-based and aligned with the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius. The targets were approved by the global climate action partnership The Science Based Targets initiative (SBTi) in late 2022 and are so-called near-term targets.

The validated climate targets mean that Wallenstam shall reduce its Scope 1 and 2 emissions by 50 percent through 2030, with base year 2018. Scope 1 refers to emissions from gas used for heating as well as emissions that occur in connection with

refrigerant leakage in our heat pumps. Scope 2 refers to emissions from production of district heating, electricity and district cooling. Our property electricity is carbon dioxide-free since it is produced in our own wind turbines and solar cells, thus no emissions are reported for electrical energy in Scope 2 as market based. Scope 1 and 2 are reported in absolute values.

In addition to the validated climate targets in Scope 1 and 2, Wallenstam has also chosen to define a voluntary target in Scope 3, according to the Science Based Targets initiative's methodology. This target means that Wallenstam shall measure and reduce the emissions from its construction operations by 55 percent through 2030, with 2019 as a base year. Scope 3 is reported as an intensity value, based on the year's new construction.



During the year, cooling systems with refrigerants have been replaced in our properties, reducing the risk of refrigerant leakage, which causes emissions.

We continually measure and optimize the operation of our properties to ensure increased energy efficiency, reduced energy consumption and lower emissions. The projects to improve energy efficiency, for instance include upgrades of technical equipment, replacing windows, additional insulation and solar cell installations.

*As data for actual emissions from certain district heating providers for 2023 was not available during preparation of this report, the values are based to a lesser extent on emission data for 2022.

In order to streamline the use of materials in our new construction operations and minimize the project's overall climate impact, we perform climate calculations. Based on these calculations, we make climate-smart material choices, such as climate-improved concrete, and reduce the amount of material whenever possible. A comprehensive climate roadmap has been drawn up as support for the operations in the work on reducing the carbon footprint from our new construction.

Renewable energy

By investing in renewable energy from solar cells and wind turbines, we are taking active responsibility for our climate impact. Wallenstam has been self-sufficient in 100 percent renewable electrical energy since 2013, the first property company in Sweden to achieve this feat. Our 53 wind turbines are located between Skåne and Gästrikland and have a total installed output of 112 MW (112). During the year, the wind turbines have generated a total of 292 GWh (338). Since Wallenstam does not own any grid, the electricity that we produce is distributed to the Nordic electricity market. We then purchase renewable wind power from that market for our properties. We have continued the work with solar cell installations and we now have 11,760 (6,300) solar cell panels in service with an installed output of 4.1 MW (1.8). The solar cells produced 1,930 MWh (1,006) during 2023.

Wallenstam supports the government's initiative *Roadmap for fossil-free competitiveness – the Heating industry*. We actively participate in research and development within urban development, construction and property management, and we have an Innovation Council at Wallenstam which works to develop and create new sustainable solutions. In addition, we are a co-owner of Ferroamp, a listed company that develops new tools for energy optimization and load balancing in properties' electrical systems, and we use their technology in parts of our new construction operations.

Environmental certification

Wallenstam shall environmentally certify all new residential construction according to Miljöbyggnad Silver level. At the end of 2023, Wallenstam has certified a total of 18 properties according to Miljöbyggnad Silver level. We are also working on certifying our existing holdings. At present, one commercial property has been certified according to BREEAM In-Use and three commercial properties have been certified according to Miljöbyggnad iDrift (Environmental Building In-Use) Gold level.

Biological diversity. We want to promote biological diversity. During the year, among other initiatives, we have placed insect hotels at some of our properties, and created thriving meadow areas in several of our courtyards, in some cases close to our beehives. We have also placed dead wood in some courtyards in order to benefit biological diversity.

Resource efficiency and circular construction in focus

By streamlining the use of resources such as energy, water and construction materials, we can reduce our climate impact and also lower our costs. In 2023, we have started to measure the amount and type of construction waste in our reconstruction projects, so that we can formulate relevant targets, impose requirements and encourage improvements. We strive to create flexible, optimized and sustainable premises and increase the proportion of lettings that do not require comprehensive renovations and adaptations of premises. We are doing this to reduce the use of resources and our climate impact, and this also helps to ensure a more efficient letting process. Moreover, we started offering green leases to our commercial tenants during the year, which means that we will strive to reduce the environmental and climate impact together with our tenants. Wallenstam also participates in the collaborative *Handshake* initiative for circular construction in the City of Gothenburg, where we are working to develop and establish a recycling market with other organizations in the sector.

Aside from the work on reducing our construction waste, we are continuing to make efforts to reduce the residual waste from our properties. During the year, we have introduced a new and uniform signage system in all environmental rooms, aimed at facilitating and improving the waste management process. Our textile containers, which we place at our properties, in collaboration with Human Bridge, continues to be a successful initiative. All in all, we collected 42.5 tons (41) of textiles during the year.

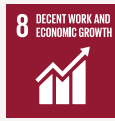
Sustainable transports

We want to offer both our tenants and employees practical and climate-smart transport solutions. Wallenstam's employees are encouraged to use public transport, and at our offices there are electric bikes as well as carpools with electric cars, enabling carbon-free business travel. In addition, in both our new construction and in our existing holdings, we are working to develop different mobility solutions. We are also installing charging points for electric cars in both our new construction and in some existing properties.



In early 2023, Wallenstam's commercial property at Östra Hamngatan in Gothenburg was certified according to Environmental Building In-Use (Miljöbyggnad iDrift), at Gold level.

Social responsibility



Wallenstam strives to be an engaged corporate citizen. In order to summarize and describe all the initiatives and efforts that we make, Management has adopted a strategy for Wallenstam's social sustainability work. Our social sustainability work is primarily directed towards the geographical areas where we operate and the initiatives can be divided into four focus areas:

- » Work proactively to combat social exclusion and promote equal life chances.
- » Promote wellbeing, security and participation
 - for people who live and work in our properties
 - for our employees
 - for our suppliers and contractors.
- » Contribute to a positive development of society through urban development.
- » Business ethics and anti-corruption.

Work proactively to combat social exclusion and promote equal life chances

Wallenstam wants to take long-term social responsibility by creating equal districts and areas where everyone can feel a sense of belonging. We support marginalized groups and individuals who find themselves on the fringes of society. We collaborate with organizations such as Mitt Liv and TalangAkademin, which strive to reduce social exclusion and help people to enter the labor market. Moreover, we want to promote active leisure time for children and young people in the local communities where we operate, for example by providing premises for associations, creating meeting places and supporting various types of activi-

Donations. Cooperation and support mainly occur through sponsorship and non-commercial collaborations, in other words donations. On an annual basis, Wallenstam donates 1 percent of its income from property management to these non-commercial collaborations.



ties. Some of our partners include Project Playground, the City Mission, the Rescue Mission, Majornas samverkansförening, Låxhjälp foundation, Maskrosbarn, BRIS – Children's Rights in Society as well as different sports associations for children and young people.

We work to ensure that all employees at Wallenstam shall have equal conditions in relation to recruitment, development and salary setting, and we strive for an organization where preventive measures are taken in connection with all grounds of discrimination.

Promote wellbeing, security and participation

We want to promote wellbeing, security and participation for people who live and work in our properties, for our employees and for our suppliers and contractors. We strive to ensure increased security and comfort for our tenants who live and work in our properties, and also for visitors, both during daytime and in the evenings. We want to contribute to the individual's health and wellbeing, with the aim of creating good quality of life. We do this, among other ways by creating and developing attractive indoor environments as well as inviting outdoor areas featuring greenery and recreation spaces.

Security is a focus area for us at Wallenstam and we are working systematically with our *Secure properties* action plan. Here, we are making a series of efforts both in the early stages when we design the property, and also in the day-to-day management of our residential buildings and commercial premises. Sometimes selective measures are also required to promote increased security and safety. Some examples of the efforts we are making include security inventories, surveys via AktivBo and structured collaboration and dialogue with tenants, local police, social services, municipalities, partners and other property owners. We have also developed a model, inspired by Huskurance's methodology, which we are actively working with to prevent domestic violence in our residential buildings.

A further example is Wallenstam's mobile app where it is possible for our tenants to communicate with us and with their neighbors, which promotes a sense of security and togetherness. Some of our collaborations and collaboration projects that aim to promote wellbeing, security and participation include Safer Sweden Foundation, Purple Flag, Sports Without Borders and other sports associations in the areas we operate in.

Contribute to a positive development of society through urban development

The right to adequate housing is laid down in both the UN's Universal Declaration of Human Rights and in the Swedish Constitution, yet there is still a housing shortage in Sweden, especially in metropolitan areas. We want to help to provide the market with more homes, primarily rental apartments. Despite the strained situation in the world around us, we started the construction of

We want to create and develop good indoor environments as well as inviting outdoor areas with greenery and recreation spaces.

172 apartments in Stockholm while we completed 837 apartments in Gothenburg, Härryda and Uppsala.

We aim to create safe and welcoming areas and properties where people want to live, work and stay in, now and in the future. By developing and managing our buildings, we can take a long-term responsibility for our properties and their surrounding areas. We mainly develop and construct rental apartments, and sometimes we also build co-op apartments and coliving apartments as a form of tenure. Coliving apartments are a modern form of collective housing which promote a sense of togetherness for young people who want to enter the housing market. We develop these units together with Colive, of which we are a co-owner since 2020.

Already in the early stages, we plan to develop properties and areas that are safe, inclusive, lively and that have good access to services and meeting places such as restaurants, cafés, grocery stores, coworking facilities, schools, sports and public transport. We also develop our existing properties and carry out activities in collaboration with our commercial tenants, the city, other property owners and organizations in society. Some examples of collaborative organizations are Hallonbergslyftet, Handslag Hallonbergen, Innerstaden Göteborg, B(id) Stigberget and IOP Majorna.

Business ethics and anti-corruption

There are risks in the construction and property sector, for instance related to the working environment, corruption, human rights, climate and the environment. The supply chains in our projects and in our management operations are sometimes long, involving the procurement of many organizations, products and services. Our Code of Conduct with pertaining guidelines is based on the company's core values – respect, commitment and progress – and clarifies what is expected from our employees and suppliers with regard to working conditions, sustainability issues, human rights and corruption/bribery. We conduct our business in accordance with laws and other regulations, the UN Global Compact's ten principles, and apply responsible business methods, which are characterized by high business ethics.

Wallenstam's Ethics Council drives the company's central work with business ethics and anti-corruption. The council works proactively to minimize the risks internally and among our suppliers and is responsible for training and information regarding business ethics, anti-corruption and the Code of Conduct. This training is compulsory for all employees. No case was reported to the Ethics Council in 2023 that has required further investigation. Wallenstam also has a whistleblower function, which can be used both internally and externally and which is accessible via a link on Wallenstam's website. One case was reported to our whistleblower function during 2023. This matter is being handled according to existing routines but does not qualify as a whistleblower case.

Using Wallenstam's mobile app, it is possible for our tenants to communicate with us and with their neighbors, which promotes a sense of security and togetherness.

Economic sustainability



Long-term sustainable finances

Long-term profitability is a fundamental requirement for us as a company and our owners want to see a return on the capital they have invested in the business. Through an efficient organization, responsibility for sustainability, cost-efficiency and a focus on locations with good growth and strong demand, we can ensure long-term economic stability. Long-term profitability also means that we should generate a profit, which we can reinvest in the business. By providing apartments and developing our properties profitably, we create value for society and our customers and also for the company's employees and owners.

Thanks to our sustainability work, we have been able to secure green financing. Green financing accounts for 37 percent of Wallenstam's total funding. Green bank loans and green bonds are used for financing our green assets such as wind turbines, environmentally certified properties, properties that meet energy class B or better and taxonomy-aligned properties. All of Wallenstam's bonds are green bonds and have been issued according to the company's green framework, which holds the highest rating, Dark Green.



EU Taxonomy

Wallenstam is not covered by the EU's taxonomy regulation this year as the company has less than 500 employees, but the company has voluntarily chosen to report how large a share of its assets are defined as sustainable under the taxonomy. Wallenstam's operations are deemed to meet the regulation's technical screening criteria with regard to articles 4.3 *Electricity generation from wind power* and 7.7 *Acquisition and ownership of investment properties*. Wallenstam is a developer but does not carry out any construction contracts under its own management, thus it is assessed that the company is not covered by further articles.

In order to be able to report an economic activity as taxonomy-aligned, the activity must make a substantial contribution to an environmental objective and do no significant harm (DNSH) to any of the other environmental objectives and comply with minimum safeguards in relation to human rights, bribery/corruption, taxation and free competition. Wallenstam has reported alignment with the taxonomy's environmental objective 1 *Climate change mitigation*. Economic activities that are deemed to meet the requirements of the first environmental objective have an energy audit with energy class A or an energy consumption that is placed in the best 15 percent of the national building stock (Top 15 percent).

Assumptions, delimitations and clarifications

Wallenstam has chosen a balanced interpretation of the criteria, and has preferred to define fewer economic activities as green, rather than more. Based on the fact that there is still scope for interpretation in the EU taxonomy's technical screening criteria, Wallenstam has made a number of assumptions, delimitations and clarifications:

- » All rental increments are included in turnover.
- » Capital expenditures (CapEx) include investments in taxonomy-aligned assets and investments in newly constructed buildings, which upon completion will be aligned assets.
- » Tables for nuclear power and fossil gas-related activities are not reported since Wallenstam does not perform, finance nor is exposed to this type of activity.

Top 15 percent. Thresholds for Top 15 percent were defined by Fastighetsägarna in December 2022 as 80 kWh/sq m A_{temp} for office properties and 81 kWh/sq m A_{temp} for apartment blocks.

KEY PERFORMANCE INDICATORS, EU TAXONOMY 2023

Refers to articles 4.3 and 7.7.

	SEK (million)	Share Taxonomy-aligned, %
Turnover	1,255 (1,010)	42 (37)
CapEx	1,263 (1,649)	52 (37)
OpEx	95 (95)	25 (33)*

Information in parenthesis refers to outcomes in 2022.

* Corrected data for 2022.

For complete taxonomy tables, see page 110.

Risk management

Minimizing risks is an integrated part of our business. Wallenstam's employees participate in both the risk inventory and the preventative work. The risks are assessed based on harmfulness and probability, and are prioritized by Management and the Board. The work aims to develop guidelines, strategies and measures to reduce the risks. This is ongoing work, which is being continually developed and the company's compliance function is responsible for the follow-up.

All events cannot be foreseen. For this reason, part of our risk work is to be prepared for crisis management. We conduct regular drills of our crisis management organization based on special guidelines and crisis checklists. This helps to minimize losses to the operations and our stakeholders.

SENSITIVITY ANALYSIS, CASH FLOW

	SEK million
Change in rental income, residential, 1%	14.7
Change in rental income, negotiable commercial contracts, 1%	2.1
Change in operating costs, 1%	7.3
Change in loan interest rate, 1 percentage point (annual basis)	125.8

OPERATIONAL RISKS

Construction and management



Description of risk

- » Occupational accidents.
- » Unpredictable events that result in increased costs, such as environmental factors, for example substances in soil or leakage that requires decontamination or areas of natural value that need to be protected.



Wallenstam's management

- » A working environment plan is prepared early on and followed up during the entire project. Building work environment coordinators are appointed to ensure occupational safety in the planning stage. In contractor agreements, coordinators are appointed with equivalent responsibility during the construction phase. Sufficiently long time plans to avoid stress and mistakes.
- » Analysis of environmental risks during acquisition of land, soil investigations during new construction and continual investigations of environmental risks.
- » Efficient organization of projecting, planning, procurement, construction and choice of contractor.

Partners



Description of risk

- » Competition for contractors.
- » That procurements are not conducted/agreements are not correctly entered into, which can cause uncertainty about responsibility and increased costs.
- » That partners do not follow entered into agreements or our Code of Conduct.



Wallenstam's management

- » Develop long-term relationships and well-established collaboration with contractors and suppliers.
- » Developed processes and templates for procurement and purchasing, the right competencies in the process and at least two people always review tenders and agreements before they are signed.
- » Requirements on contractors to follow Wallenstam's Code of Conduct.
- » Project managers are highly knowledgeable about and closely involved in their projects. Routines for follow-up of agreements and on-site checks.
- » Routines for logbooks and ID checks etc. at workplaces. Spot-checks at partners are conducted regularly.
- » Routines regarding supplier checks.
- » Internal spot-checks are performed.

Information and IT security



Description of risk

- » That IT systems are attacked and the operations manipulated or that information falls into the wrong hands.
- » That sensitive information is circulated to the wrong people.
- » Non-compliance with legal requirements.



Wallenstam's management

- » Continual work with security-enhancing measures surrounding IT security, upgrades of firewalls, antivirus protection and systems, anti-hacking tests, routines for IT security etc.
- » Policy and guidelines for information security as well as continual internal information and training. Routines for information sharing and handling.
- » A Data Protection Officer and a GDPR Council that works continually with GDPR issues.



Mölnlycke Fabriker.

SUSTAINABILITY RISKS

Employees



Description of risk

- » Less confidence or attractiveness among existing and potential employees.
- » To be unable to recruit and retain employees with the right competencies and commitment.
- » That employees do not uphold the company's values.



Wallenstam's management

- » Offer a good working environment with attractive and market-related benefits and working conditions.
- » Strategic plan for our employee journey (Attract, Recruit, Introduce, Develop, Motivate, Terminate) with clear areas of responsibility that require collaboration between HR and managers/leaders.
- » Continual management support and management training for all managers/leaders in order to create the right conditions for desirable leadership.
- » Continual work with our values and corporate culture and employeeship (own responsibility).
- » Regular employee surveys resulting in action plans aimed at maintaining and increasing engagement.
- » Synthetic options scheme for employees which offers clear participation in the company's development.

Anti-corruption



Description of risk

- » Risk of corruption linked to allocation of apartments/premises.
- » Risk of corruption during procurements and investments.



Wallenstam's management

- » Clear processes and templates for procurements, investments and letting. Routines where two persons jointly shall review and authorize lettings and investments and also check tenders and agreements prior to signing.
- » Internal spot-checks for checking agreements.
- » Focus on checking existing contracts, for example unlawful subletting.
- » An Ethics Council tasked with driving and monitoring the anti-corruption work at Wallenstam. Internal information, training and support through the Ethics Council.
- » Accessible whistleblower function, internally and externally.
- » Internal transparency about side-line jobs and assignments that may affect interests.

Climate change



Description of risk

- » Climate changes are expected to result in climate risks such as larger volumes of rainfall, heat waves, more powerful winds, higher sea levels and increased flows in watercourses, soil erosion as well as avalanches and landslides. These phenomena can impact our properties negatively.



Wallenstam's management

- » In connection with new construction planning, possible consequences of a changing climate are considered.
- » We ensure, among other things, that roofs and hardened surfaces on the properties can handle large amounts of rain during a short period.
- » In order to handle increased water flows, for example, collection reservoirs are built in the form of stone cisterns underground. Water protection equipment is also placed in vulnerable locations in properties.
- » We are working actively to reduce our Scope 1, 2 and 3 emissions.
- » Production of renewable energy contributes to a lower global climate impact.

Financing



Description of risk

- » Weak liquidity impedes investments and the ability to meet payment obligations.



Wallenstam's management

- » Attractive property holdings.
- » Proximity to the market and the banks. Good relationships with several lenders provides good financing possibilities.
- » Strong equity/assets ratio and liquidity in focus.
- » Liquidity forecasts are continually updated with the aim of optimizing cash management.

Interest rates



Description of risk

- » Interest rate increases that result in higher costs and a large impact on the results.



Wallenstam's management

- » Loan portfolio with different maturities and spread among various forms of credit and lenders.
- » Interest rate derivatives are used to diversify risk, to protect the underlying portfolio and as a flexible means of influencing the fixed interest terms in the loan portfolio.

Economic cycle



Description of risk

- » Weaker property values.
- » Increased land prices.
- » Lack of resources and increased costs.



Wallenstam's management

- » Having properties in attractive locations lowers the risk of falling values during an economic downturn.
- » Profitability is also ensured in the event of a change in market conditions through high demands in relation to return on invested capital.
- » Own production of renewable electrical energy ensures lower price sensitivity in relation to electricity.

Infrastructure and urban development



Description of risk

- » Changes and construction of infrastructure or other matters that can negatively affect the attractiveness of our properties.



Wallenstam's management

- » Continual monitoring of the development of our areas.
- » Cooperation with the municipality, other property owners, tenants and center associations.
- » Initiatives in collaboration with tenants to strengthen the attractiveness of the inner city through events, offers, accessibility, marketing and communication etc.

Changes in laws and regulations



Description of risk

- » Changes in laws, regulations and regulatory requirements, for example relating to the environment, design, tax issues, charges etc., which result in increased costs and additional administration.



Wallenstam's management

- » Follow development of issues concerning our operations. Interpret legal cases and regulatory changes that may result in changed conditions.
- » Proactivity in order to meet new requirements, practice and laws.
- » Comments on proposals, meetings with decision-makers in order to clarify the consequences for the property sector.

Supply and demand



Description of risk

- » Lower demand, for example for commercial premises, rental apartments or co-op apartments.
- » Protracted planning processes and a shortage of available land.



Wallenstam's management

- » Own and manage properties in attractive areas, which are characterized by growth and strong demand.
- » Proximity and close relationships with tenants.
- » Follow market trends and be prepared for changes in demand.
- » Flexible business model with the possibility to convert and adapt supply, form of tenure and conditions etc. in the event of changing demand.
- » Long-term planning, close collaboration with municipalities, and several concurrent development projects.
- » Land acquisition for the future in focus.



Employees at Wallenstam

We believe in the connection between dedicated employees and our profitability. We are proud of the corporate culture that we have developed and continue to nurture with great dedication and care in order to create a positive journey for all employees who work at Wallenstam.

Our vision is to be the natural choice for housing and premises and we believe that society benefits from an active city life. By having our offices as a starting point, we can continue to build the culture we are proud of. A sense of togetherness and ideas are born when people meet and this is an important cornerstone in creating a workplace that our employees want to come to.

Attractive employer

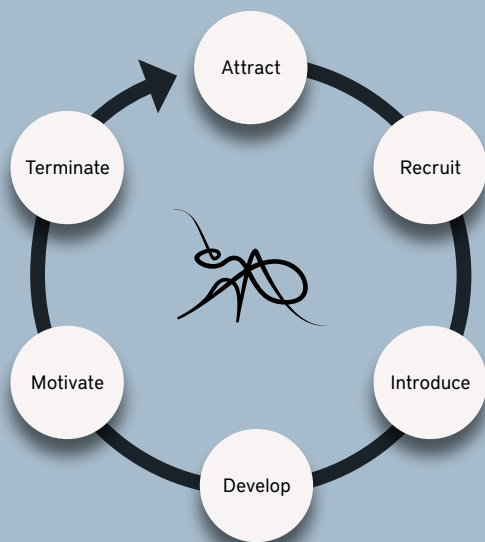
Wellbeing and consideration are key parts of our employment offer and our culture. In fall 2023, we were named for

the second year in a row as one of Sweden's most attractive workplaces by the organization Karriärföretagen with the motivation: "Wallenstam has successfully created a workplace where employers are happy and are given opportunities to grow. With a strong focus on sustainability and social engagement they give you a meaningful career where you can be proud of influencing societal developments. If you want to be part of a company that values your commitment, your development and a positive work environment, Wallenstam is the perfect employer for you."

We work actively with training and offer activities that promote our employees' development and health. In 2023,

Wallenstam's organization

Wallenstam is organized into two regions: the Gothenburg business area, and the Stockholm business area, which also includes the operations in Uppsala. Letting, property management and construction operations are conducted in each business area with Wallenstam's own letting agents, managers and construction project managers who collaborate with external suppliers and contractors. This local presence enables close relationships with our customers and good knowledge about the local property market, and provides the basis for understanding our customers' needs and businesses. This promotes commitment and drive, both in the organization as a whole and on the part of each employee. Our customer service is organized as a central function within the company. Our administrative staff supports the operations.



Our strategic work with our employees in focus is summarized in brief in our employee plan. The goal is to offer everyone a positive and memorable employee journey, from the time we are noticed as a potential employer until we part company.

we have conducted a leadership program for all managers in order to create a shared view of what expectations we have of our leaders and what they should do to help ensure a positive employee journey. Another appreciated initiative during the year has been our quarterly health themes that focus on a different topic every three months, where we provide inspiration regarding overall health to create an understanding about what we need to feel good on a daily basis.

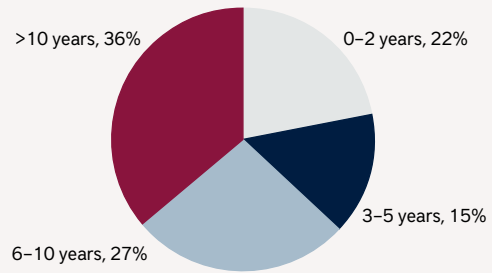
What do our employees think?

In our latest employee survey, it was clearly shown that an important parameter for feeling happy and performing

well is to have fun at work. A good manager, interesting duties and working in a healthy work environment are other factors that many of us think are important and that will form part of our strategic agenda in 2024.

We use the generally accepted eNPS method for measuring engagement and to what extent our employees can recommend us as an employer. According to this method, an outcome above 50 is considered excellent. We are proud of our latest result, where the eNPS value was 57 and where a total of 67 percent of our employees are ambassadors – in other words belonging to the group that can warmly recommend Wallenstam as an employer.

PERIOD OF EMPLOYMENT



The average length of employment for permanently employed personnel at Wallenstam is 10 years. Employee turnover during the year was 9 percent (7).

EMPLOYEES IN NUMBERS, DEC 31, 2023

	Number	Proportion women	Proportion men
The entire company	264	56%	44%
Managers/leaders	44	45%	55%
Group Management	5	60%	40%
Board of Directors	5	60%	40%

264

PERSONS EMPLOYED

at year-end 2023. 92 percent are permanent employees. Our managers have line management responsibility for an average of six employees. 26 percent of the employees are based in Stockholm, the rest are in Gothenburg. Wallenstam's employees are covered by the collective bargaining agreement with Fastigo.

98.4%

HEALTHY ATTENDANCE DURING 2023

Property management

Property management with development, satisfied customers, efficiency and profitability in focus is fundamental to our business model. We manage 208 properties with a total of 1.4 million square meters, with a property value of SEK 63 billion. Residential properties are concentrated in the growth regions of Gothenburg, Stockholm and Uppsala, while the commercial properties are mainly concentrated in Gothenburg's inner city.

Property holdings

Investment properties include properties under current management and project properties for the company's own holdings that are under construction, extension or reconstruction. The properties that are constructed with the intention of being sold, so-called development properties, are not included as investment properties.

We have a well-balanced distribution between residential and commercial properties in good and attractive locations. Of our approximately 11,800 apartments, 5,550 are located in Gothenburg, 5,800 in Stockholm and 450 in Uppsala. Apartment sizes where 64 percent of the apartments have 1–2 bedrooms correspond well to market demand. Our commercial holdings, mainly consisting of office, retail and restaurant space, are mainly concentrated in inner city areas and attractive office locations in Gothenburg. In all, we have around 1,000 commercial tenants.

During the year, we sold one commercial property in Uppsala, and some residential properties in Gothenburg, Stockholm and Uppsala. For details, see table on page 106.

PROPERTY HOLDINGS, SQ M THOUSANDS

Type of premises	Dec 31, 2023	Dec 31, 2022	Change
Residential	697	670	27
Office	257	259	-2
Retail/restaurants/cinema	107	109	-2
Industry/warehouse	100	101	-1
Education/health care	54	45	9
Other	10	10	0
Garage	163	160	3
Total	1,388	1,356	32

Active letting

Proximity to the local market and great commitment in taking care of customer relationships, are a strong basis for successful letting operations with a uniform and high occupancy rate. The occupancy rate in our properties amounts to 97 percent in terms of floor space.

Demand, and the rental rate, has been stable in our commercial premises during 2023. During the year, we signed around 110 new commercial leases covering about 26,000 sq m. The surrender rate, which reflects how large a proportion of the cancellable leases are extended, was 90 percent in 2023. The occupancy rate for our commercial properties in Gothenburg amounted to 95 percent in terms of floor space. The occupancy rate for all commercial properties, in other words, also including Stockholm, which represents around 10 percent of the floor space, amounts to 92 percent. The total rental value of unlet commercial floor space in Gothenburg and Stockholm amounted to about SEK 134 million at year-end.

Our apartments are fully let and we notice strong demand for both our new construction and the apartments which are let out in our existing holdings. In our own housing queue, about 280,000 people had registered as of year-end 2023. Both our newly constructed apartments and apartments that become vacant in the existing holdings are allocated via our queue. We also allocate some apartments through HomeQ in Gothenburg and via the municipal housing agencies in Stockholm and Uppsala.



Södra Larmgatan,
Gothenburg.

SERVICE INDEX

81.3%
RESIDENTIAL

84.7%
COMMERCIAL PREMISES

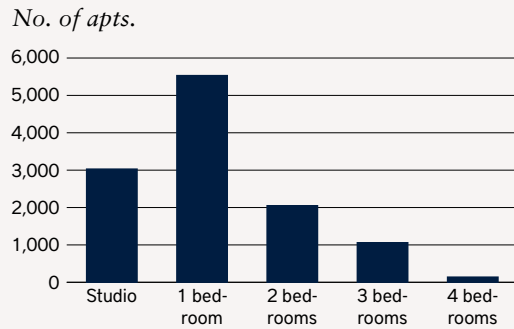
The service index is a weighting of the tenants' ratings with regard to security, response and service. The latest CSI survey (Customer Satisfaction Index) survey showed that the service index for both residential and commercial premises has continued to develop positively.

10 LARGEST COMMERCIAL TENANTS

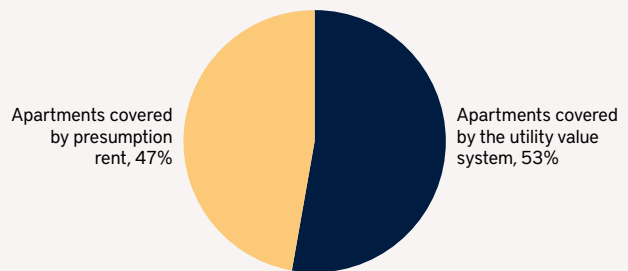
Tenant	Floor space, sq m
City of Gothenburg	20,621
Essity Hygiene and Health AB	15,639
Filmstaden AB	14,508
Gothenburg Regional Archives	11,000
Västra Götaland County Council	10,832
Convendum AB	10,497
Frida Utbildning AB	8,088
ICA Fastigheter AB	6,906
Dagab Inköp & Logistik AB	6,308
Frisk Service i Göteborg AB	5,874
Total	110,273

At year-end, the rental value of our ten largest tenants corresponded to 8 percent of the total rental value or 17 percent of the rental value in the commercial holdings. The let area is equivalent to 21 percent of the total floor space in the commercial holdings.

DISTRIBUTION, APARTMENT HOLDINGS



DISTRIBUTION UTILITY VALUE RENT/ PRESUMPTION RENT RESIDENTIAL



Efficient management with energy saving projects and security in focus

We are strongly committed to the development of our properties in order to create value for our customers, visitors, for the company and our shareholders. Renovation, operational optimization and energy saving measures are carried out according to plans for each property. Property care and regular maintenance of our properties are services that are procured from external suppliers through a well-developed partner concept, Wallenstam Partner.

In 2023, we put extra focus on energy projects. We are investing to make our properties more energy efficient, replacing and optimizing technical equipment and installing solar cells. Aside from the fact that these investments are positive for the climate, they also contribute to lower operating expenses.

Security is another focus area where we carried out systematic work during the year for increased comfort and security in and around our properties. We make an inventory of each property to obtain a view of the situation and create an action plan based on our developed security standard. The measures in the action plan are implemented in collaboration within Wallenstam and also with other property owners, partners, organizations and public authorities when required. Security, comfort and long-term profitability are key words when we, for example, modernize the courtyards of residential buildings, or when we

develop inner city environments to contribute to meeting places and a city pulse.

When we work with the development of an area, we always take a holistic approach so that different businesses and activities can complement each other, and contribute to an attractive streetscape featuring services, stores and restaurants. Activities and efforts take place both on our own initiative and together with other local players, and with the city and joint action associations such as Avenyöreningen, Innerstaden Göteborg and Göteborg Citysamverkan.

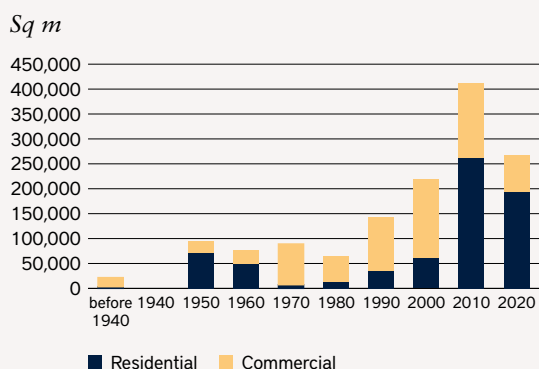
Our customer is in focus

We want to be able to offer the right product and service to our residential and commercial tenants. Satisfied customers that are happy are loyal and rent longer with us, which among other things, contributes to lower relocations and increased security.

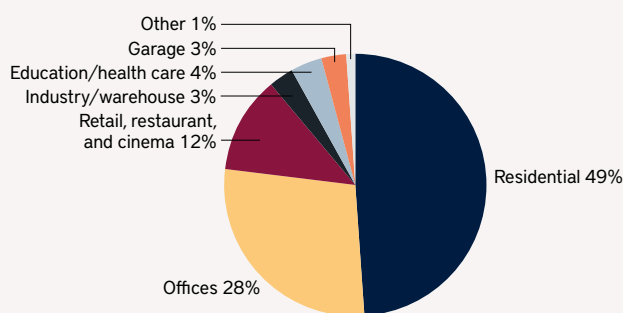
We meet our customers every day, through telephone calls, e-mail and personal contacts, including through our customer service that receives customer cases. On the commercial side, account managers maintain close contact with the customers in order to quickly identify changing needs and requirements.

We conduct regular customer surveys where we ask our customers what they think about our service, our product and our image. The latest major survey showed continued improvements of ratings from our tenants in several areas.

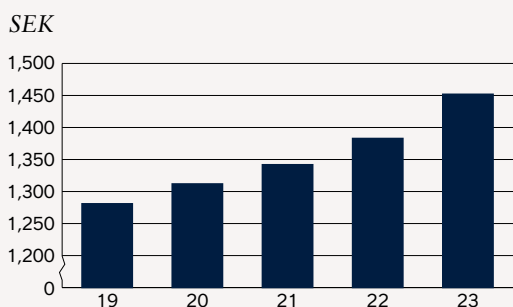
PROPERTY HOLDINGS AGE STRUCTURE



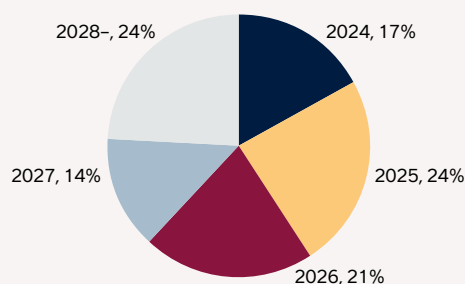
DISTRIBUTION RENTAL VALUE



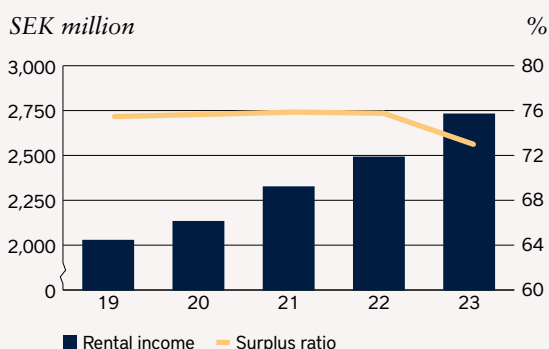
NET OPERATING INCOME PER SQ M



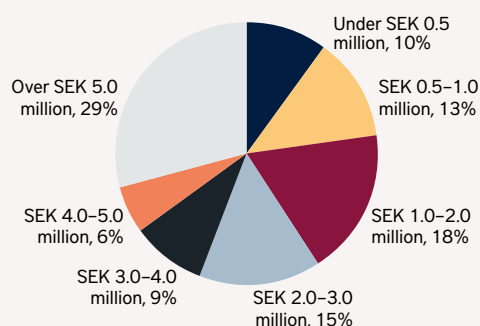
TERMS RENTAL AGREEMENT PREMISES, RENTAL VALUE



RENTAL INCOME AND SURPLUS RATIO



RENTAL AGREEMENT SIZE, PREMISES



The availability and response from our customer service is top class, our capable partners obtained high ratings in relation to property care in our properties and the tenants are happy in their block and in their area. Our information to tenants received good reviews and the proportion of customers that want to recommend us as a landlord remains high.

Based on the results from our surveys, we identify areas for improvement that we continue to work on. The action plans relate for example to security, cleaning and maintenance as well as operation, such as ventilation and indoor climate.

Rental income

Rental income in 2023 amounted to SEK 2,730 million (2,490). Leases for apartments and parking spaces run for three months with automatic renewal, and rents are

generally renegotiated once a year. During 2023, the rental increases in the base rent in comparable residential holdings amounted to 2.8 percent on average. 47 percent of our apartments are covered by presumption rent, which means that the rent is based on the new construction cost upon completion.

The average lease term in our commercial holdings is 2.5 years (2.4). Of the contracts' rental value, 17 percent (17) may be renegotiated during 2024 but a business assessment is made for every lease. Rental agreements above SEK 1 million constitute 77 percent of the company's commercial rental income. The base rent for Wallenstam's commercial premises in comparable holdings in Gothenburg and Stockholm increased by 9.1 percent, before increments, compared to the previous year, mainly due to completed new lets, renegotiations and indexations.

Value of the properties

The market value of investment properties amounted to SEK 63,090 million (62,092) at year-end, and includes both properties in operation and apartment buildings for our own management under construction. Excluding new constructions in progress, this is equivalent to about SEK 41,600 per sq m (41,200).

A property's unique characteristics determine its value, where a great emphasis is placed on location and standard. Our property holdings are concentrated in good locations in attractive metropolitan areas. The average yield requirement for Wallenstam's commercial properties amounted to 4.6 percent and to 3.6 percent for the residential properties.

CHANGE IN INVESTMENT PROPERTIES DURING THE YEAR

	Book value, SEK million
Investment properties, January 1, 2023	62,092
+ Acquisitions	20
+ Construction	2,293
- Sales	-464
- Unrealized changes in value, properties	-851
Investment properties, December 31, 2023	63,090

Property valuation

Wallenstam values its properties internally. In the annual accounts for 2023, an external valuation of land and building rights for future new construction has been carried out. We enjoy good market and property intelligence through active monitoring, which provides us with a firm basis for performing internal valuations of our property holdings. However, we must emphasize that a property's fair value only becomes a reality when the property is sold, for which reason a valuation is always an estimation. See also Wallenstam's valuation model on page 58.

AVERAGE YIELD REQUIREMENTS INVESTMENT PROPERTIES

Place	Property type	%
Stockholm	Residential	3.6
Stockholm	Commercial premises	5.7
Stockholm	Public use properties	3.3
Gothenburg	Residential	3.6
Gothenburg	Commercial premises	4.5
Gothenburg	Public use properties	5.1

PROPERTY VALUE USING OTHER YIELD REQUIREMENTS

	SEK million
0.50 percentage points lower	71,985
0.25 percentage points lower	67,216
Property value according to our estimate	63,090
0.25 percentage points higher	59,482
0.50 percentage points higher	56,300

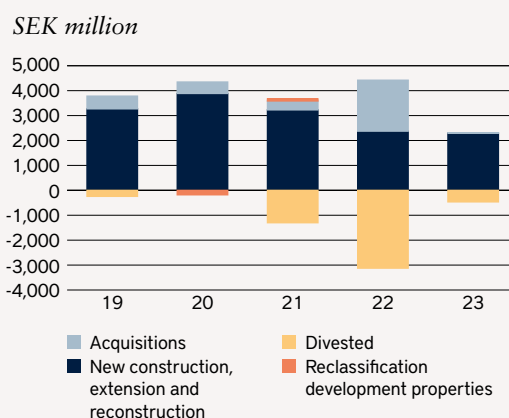
PROPERTY HOLDINGS'* DISTRIBUTION, MARKET VALUE

55%
RESIDENTIAL

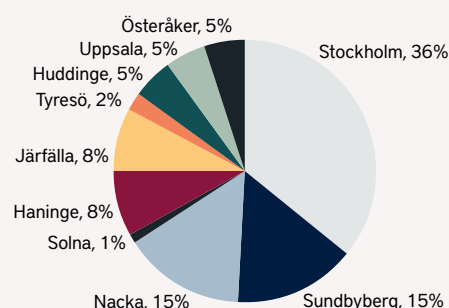
45%
COMMERCIAL

* Refers to properties in operation.

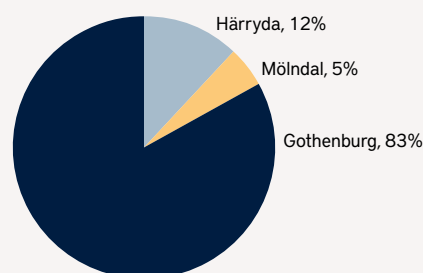
ACQUISITION, CONSTRUCTION AND SALES OF INVESTMENT PROPERTIES



PROPERTY HOLDINGS' DISTRIBUTION FLOOR SPACE BY MUNICIPALITY, STOCKHOLM REGION



PROPERTY HOLDINGS' DISTRIBUTION FLOOR SPACE BY MUNICIPALITY, GOTHENBURG REGION



SUSTAINABLE CONSTRUCTION

Sustainable construction and development is something natural for us. Our new construction is continually being improved with climate-smart construction materials and energy-efficient solutions to reduce negative climate impacts. We are also keen to create areas and outdoor environments where residents and visitors enjoy being in and feel safe. Read more about our sustainability work on page 15.



New construction

As an urban developer, we want to provide the market with new housing in pleasant and attractive areas. Through our construction of both residential properties and commercial premises, we create value for the city, the company and our shareholders and make it possible for more people to get their own home, and for companies to establish and grow in our regions.

Ongoing projects have progressed and were completed on schedule, and in total 837 new apartments were finished and occupied in Gothenburg, Härryda and Uppsala during the year. However, the number of construction starts has fallen considerably compared to previous years, mainly due to the current cost level. Ahead of project starts, it has also become even more important to secure deliveries and ensure that contractors and subcontractors have the financial means to manage the project together with us. In May, after having ensured the calculations, deliveries and choice of contractor, we were able to start the construction of 172 apartments in the Ädellövet project in Farsta, Stockholm.

In total, SEK 2,293 million (2,374) was invested during the year in new construction, extension and reconstruction of investment properties, and SEK 86 million (143) in con-

struction of development properties. At the end of 2023, we had 1,081 apartments and 2,000 sq m of commercial floor space under construction, a total investment volume of about SEK 2.1 billion in progress. There has been a strong focus during the year on energy projects to ensure improved energy performance in our properties.

Building for our own management operations

Wallenstam mainly builds rental apartments for the company's own management and expects to take care of the buildings for many years. Commercial floor space is mainly built in the ground floors of residential properties, but some projects also involve purely commercial properties. We also construct a smaller share of so-called development properties, for example co-op apartments, which are constructed with the intention of being sold upon completion.



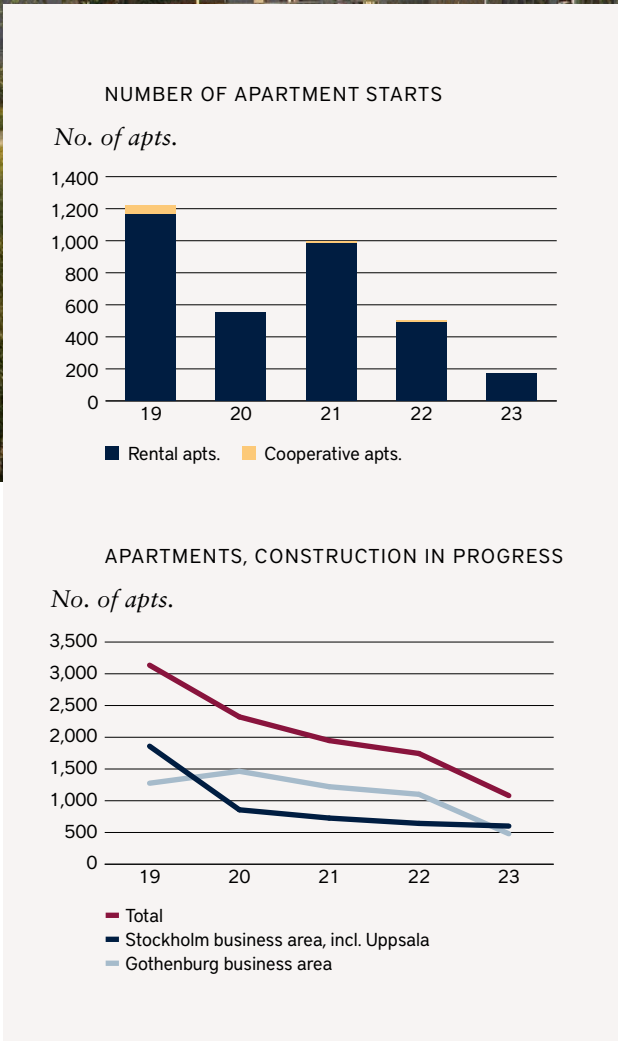
Ådellövet, Farsta, Stockholm.

Efficient new construction process

Wallenstam's efficient new construction process makes it possible to build quality housing and commercial premises while maintaining good control over production and costs. This methodology is brought together in the company's new construction standard, Wallenstam Base – from material choice and what technical systems shall be used to how kitchens shall be fitted out and how the division of apartment sizes shall look. We strive to build every square meter smartly, both in terms of the apartment's layout and how we use the land that we build on. Adaptations are made in every project, for example depending on the specific characteristics of the project or on the special requirements a municipality has.

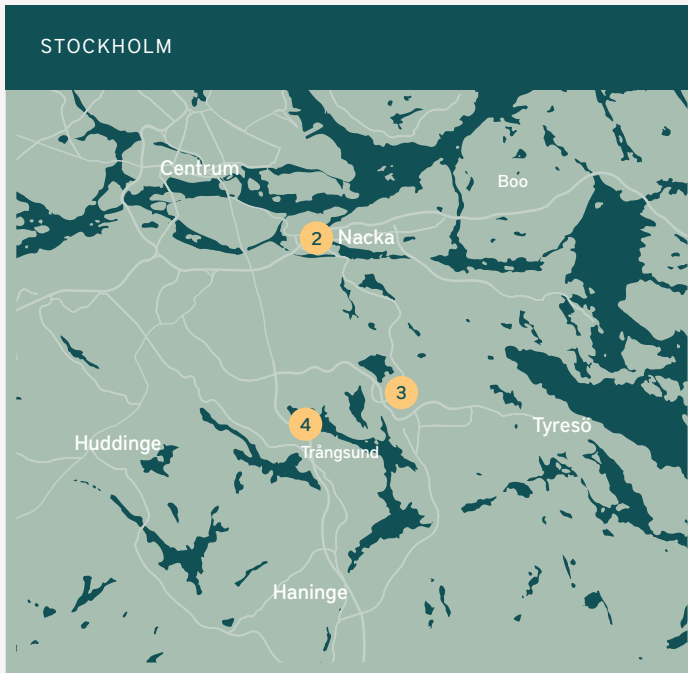
Lively districts

Wallenstam has extensive experience of urban development and a unique combination of both residential and commercial properties. The layout, design and style are important parameters for the attractiveness of the district, the property and of the specific apartment or premises. By building mixed-use districts with different looks and places for different activities, the area gains the right conditions for life and vibrancy, which helps to improve security 24-7.



Strong project portfolio for the future

Our project portfolio comprises potential future construction of about 12,200 apartments and we are continually working on replenishing our portfolio with new interesting projects, preferably in areas where we already have properties. The project portfolio includes a mix of our own land and land allocations from the municipalities in the regions we work in.



New constructions in progress, Dec 31, 2023

STOCKHOLM BUSINESS AREA

Project	No. of apts.	Expected occupation*	Sq m**	Of which completed apts. to date
1. Kompositören, Rosendal, Uppsala	185	Q2 2023	9,000	116
2. Nacka Grace, Nacka	169	Q3 2024	13,000	
3. Älta Torg Kv. 1, Nacka	191	Q4 2024	21,000	
4. Ädellövet, Farsta***	172	2025	8,500	
Total	717		51,500	
	601			

GOTHENBURG BUSINESS AREA

Project	No. of apts.	Expected occupation*	Sq m**	Of which completed apts. to date
5. Kallebäcks Terrasser Kv. 5	182	Q1 2024	12,000	
6. Kallebäcks Terrasser Kv. 6	298	2025	17,000	
Total	480		29,000	

Commercial	Expected occupation*	Sq m**
7. Stampgatan, reconstruction and extension	Q1 2024	2,000
Total		2,000

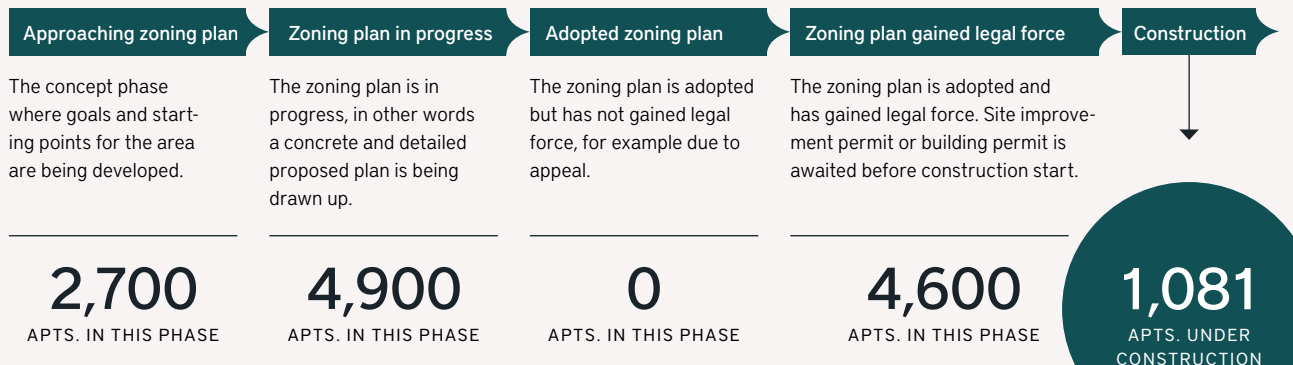
* Refers to estimated start of occupation. Occupation will occur gradually, often over several quarters.

** Number of sq m includes garage, and is rounded off to the nearest 500.

*** Started during 2023.

Project status

The time required for each phase can vary.



12,200

APARTMENTS IN TOTAL IN THE PROJECT PORTFOLIO

Five-year summary

SEK million	2023	2022	2021	2020	2019
CONDENSED INCOME STATEMENT					
Rental income	2,730	2,490	2,324	2,131	2,026
Operating expenses	-730	-602	-561	-519	-497
Net operating income, properties	2,000	1,888	1,763	1,613	1,529
Management costs and administrative expenses	-293	-272	-249	-243	-228
Net financial items	-668	-364	-235	-239	-194
Income from property management	1,040	1,252	1,280	1,131	1,108
Participation in profits/losses of associated companies	-3	-3	-3	-1	-5
Profit/loss co-op apartments and development property sales	95	30	20	167	92
Other income and expenses, including other financial expenses	58	113	5	-48	-26
Profit before changes in value and impairment losses	1,190	1,392	1,303	1,249	1,169
Changes in value, investment properties	-847	-2,627	3,674	1,339	2,600
Changes in value, financial instruments	-916	1,646	484	-158	-264
Changes in value, synthetic options	-68	-	-89	-36	-40
Impairment losses and reversals, wind turbines	59	300	-	-	0
Profit before tax	-582	711	5,371	2,393	3,464
Taxes	132	393	-654	-485	-727
Profit for the year, after tax	-450	1,103	4,717	1,908	2,737
CONDENSED BALANCE SHEET					
Investment properties	63,090	62,092	63,480	57,457	51,951
Site leasehold rights	534	500	469	476	402
Wind turbines	985	1,017	943	1,017	1,092
Land leases	9	9	15	16	17
Participations in associated companies	285	255	217	220	133
Financial derivative instruments	1,018	1,900	138	10	8
Other non-current assets	372	387	783	610	620
Development properties	77	217	123	126	175
Other current assets	471	670	531	648	290
Total assets	66,841	67,049	66,698	60,581	54,689
Equity	30,500	31,432	30,767	25,558	23,794
Provisions for deferred tax	5,830	5,963	6,358	5,811	5,322
Provisions	94	77	51	142	188
Interest-bearing liabilities and lease liabilities	29,619	28,793	28,318	27,785	24,302
Financial derivative instruments	18	26	170	525	358
Non-interest-bearing liabilities	780	758	1 033	761	725
Total equity and liabilities	66,841	67,049	66,698	60,581	54,689

ALTERNATIVE PERFORMANCE MEASURES (APM)

Wallenstam presents a number of financial measures that are outside IFRS definitions (Alternative performance measures, according to ESMA's guidelines) with the aim of enabling effective evaluation of the company's financial position and performance for investors and for the company's management. This means that these measures are not always comparable with measures used by other companies and shall therefore be considered as a complement to measures defined according to IFRS. Wallenstam applies these alternative key ratios consistently over time. The definitions describe how Wallenstam's key ratios are calculated. The key ratios are alternative performance measures according to ESMA's guidelines unless otherwise stated.

	2023	2022	2021	2020	2019
PROPERTY-RELATED KEY RATIOS					
Net operating income, properties, SEK million	2,000	1,888	1,763	1,613	1,529
Surplus ratio, property management, %	73.3	75.8	75.9	75.7	75.5
Income from property management, SEK million	1,040	1,252	1,280	1,131	1,108
Changes in value, investment properties, SEK million	-847	-2,627	3,674	1,339	2,600
Value of investment properties, SEK million	63,090	62,092	63,480	57,457	51,951
Area, sq m (thousand)	1,388	1,356	1,330	1,235	1,201
Occupancy rate, lettable area, %	97	97	98	98	98
Development properties, SEK million	77	217	123	126	175
FINANCIAL KEY RATIOS					
Profit after tax, SEK million	-450	1,103	4,717	1,908	2,737
Return on equity, %	-1.4	3.4	16.9	7.8	12.3
Return on total capital, %	0.2	1.6	8.9	4.6	7.2
Interest coverage ratio, times	2.6	4.7	6.1	5.8	6.3
Loan-to-value ratio, %	46	45	43	46	45
Average interest rate on closing day, %	3.24	2.21	1.17	1.21	1.22
Average fixed-interest term, months	40	44	40	41	38
Equity/assets ratio, %	46	47	46	42	44
Equity, SEK million	30,500	31,432	30,767	25,558	23,794
Net asset value, SEK million	36,930	37,825	37,795	31,746	29,501
Market capitalization, SEK million	36,102	28,974	55,440	43,098	37,356
Dividend paid, SEK million	395	396	392	162	614
Repurchase of shares, SEK million	130	43	-	-	-
PER-SHARE DATA					
Net asset value, SEK	56.20	57.40	57.30	49.10	45.70
Profit after tax, SEK	-0.7	1.7	7.2	3.0	4.3
P/E ratio, times	Neg.	26.3	11.7	22.1	13.4
Cash flow from operating activities, SEK	2.0	1.8	1.5	1.9	2.1
Equity, SEK	46.40	47.70	46.60	39.60	36.80
Share price, SEK	54.70	43.90	84.00	65.30	56.60
Dividend, SEK (2023 refers to proposed dividend)	0.50	0.60	0.60	0.60	0.25
Repurchased shares at end of period, thousands	3,000	1,000	-	-	-
Shares outstanding, average thousands	658,449	659,904	655,334	646,000	646,000
Shares outstanding at end of period, thousands	657,000	659,000	660,000	646,000	646,000

Earnings-based key ratios are calculated on the average number of outstanding shares; yield figures are calculated on rolling twelve-month profit or loss. Key ratios per share have been restated after the 2-for-1 split executed in May 2022.

Equity and total assets on average:

SEK million	2023	2022	2021	2020	2019
Equity, excl. non-controlling interests	30,500	31,432	30,767	25,557	23,792
Average equity	31,139	32,074	27,915	24,528	22,329
Total assets	66,841	67,049	66,698	60,581	54,689
Average total assets	67,290	68,079	63,075	57,708	51,306

For average values, add the latest five periods and divide by five.

Administration report

The Board of Directors and the Chief Executive Officer of Wallenstam AB (publ), corporate identity number 556072-1523, hereby submit the following annual accounts and consolidated financial statements for 2023. Information in parenthesis refers to the preceding financial year.

This is Wallenstam

Wallenstam was founded in 1944 and is a property group that builds, develops, owns and manages properties for sustainable living and enterprise, in the Stockholm and Gothenburg regions. The business focuses on residential properties in both regions and also on commercial properties in Gothenburg. In addition, Wallenstam is self-sufficient in renewable electrical energy. The Wallenstam B share is listed on Nasdaq Stockholm, Large Cap.

Business concept

We develop and manage people's homes and workplaces based on a high level of service and long-term sustainability in selected metropolitan areas in Sweden.

Operational goals

In the business plan 2023–2030, a goal was adopted to achieve a net asset value of SEK 100 per share. Net asset value growth shall be created by successful letting, efficient management, value-creating investments, profitable new construction and profitable business operations. The equity/assets ratio shall not be less than 35 percent.

Operations and organization

The Board of Directors has its registered office in Gothenburg, where the head office is also located on Kungssportsavenyen 2. In 2023, the average number of employees in the Group totaled 263 (268). Operations are conducted in two overall business areas: properties in the Gothenburg region and properties in the Stockholm region, which also includes Uppsala. Both business areas include responsibility for letting and management of residential properties and commercial premises as well as planning and construction work. The administrative support functions provide the business areas with skills and expertise in accounting, finance, IT, law, communications, customer service, sustainability, security and HR.

Construction

Wallenstam mainly builds rental apartments for its own management but also development properties, which are properties that are constructed in order to be sold upon completion. During the year SEK 2.4 billion (2.5) was invested, while at year end, investments in progress amounted to SEK 2.1 billion (3.2). In the Stockholm business area, we are currently constructing about 600 apartments and in the Gothenburg business area, construction of about 500 apartments is in progress.

Property management

The property holdings comprise a total of 1.4 million sq m, distributed among 208 properties. In all, Wallenstam has around 11,800 apartments and 1,000 commercial tenants. Residential properties represent just over half of the lettable area, while the remainder consists of commercial floor space and parking. Of the apartment holdings, just over 5,800 apartments are found in the Stockholm area, around 450 in Uppsala and about 5,550 in the Gothenburg area. The commercial holdings are mainly found in Gothenburg where we have about 900 commercial tenants that rent office and retail premises, primarily in Gothenburg inner city. The property holdings' apartments are fully let and the occupancy rate in terms of floor space for commercial premises is 92 percent. The occupancy rate in terms of floor space for commercial properties in Gothenburg amounts to 95 percent. The value of investment properties amounts to around SEK 63 billion, of which approximately SEK 58 billion consists of properties in operation.

Wallenstam's sustainability work

Wallenstam wants to conduct responsible enterprise and contribute to a sustainable society, today and for future generations. We want to take long-term responsibility for the impact of our operations on society, people, the climate and the environment. Wallenstam's sustainability work is based on the company's sustainability policy, the materiality analysis and on the Scope 1 and 2 climate targets validated by the Science Based Targets initiative. Apart from the validated climate targets, a voluntary goal has been defined for Scope 3 emissions. This target means that Wallenstam shall measure and reduce the emissions from the construction operations. We support the UN Global Compact and work based on the ten principles in respect of human rights, labor, the environment and anti-corruption. For several years now, we have chosen to prioritize five of the UN's global sustainable development goals relating to ecological, economic and social sustainability. The sustainability report is inspired by the GRI, (Global Reporting Initiative), Universal Standards 2021.

We work actively to reduce our climate impact, our carbon emissions and our energy consumption. Wallenstam has been self-sufficient in renewable electrical energy since 2013. By investing in renewable energy, we are taking active responsibility for our climate impact.

Wallenstam wants to be an engaged corporate citizen. Our social sustainability work is primarily directed towards the geographical areas where we operate and the initiatives can be divided into four focus areas:

- Work proactively against social exclusion and promote equal life chances.
- Promote wellbeing, security and participation.
- Contribute to a positive development of society through urban development.
- Business ethics and anti-corruption

Annually, Wallenstam donates 1 percent of income from property management to non-commercial collaborations.

Sustainability Report

In accordance with Chapter 6, Section 11 of the Annual Accounts Act, Wallenstam has chosen to prepare the sustainability report as a separate report from the Annual Report. The sustainability report is found on the following pages: business model page 1, climate and environmental questions pages 15–18, 21, 23 and 107–112, social sustainability and personnel-related questions pages 19–20, 23, 25–26 and 107–109, respect for human rights pages 3, 19–20 and 107–109, anti-corruption pages 3, 19–20, 23 and 109 as well as diversity in the Board pages 26 and 95. The sustainability report was submitted to the auditor simultaneously with the annual report.

Important events during the financial year

The year 2023 has been another unusual and somewhat turbulent year which began with rising inflation, continued high electricity prices and a Riksbank that raised its policy rate, something that affected both Wallenstam and the entire property sector during the year. During the second half of the year, inflation fell back.

The market development has meant that construction activity in the property sector overall has decreased dramatically. At Wallenstam, ongoing projects have continued while our construction starts of new rental apartments have decreased in line with the increased global turbulence. During the year, we have adapted our new construction operations so that the organization matches the decrease in the number of project starts. However, as the increase in construction costs stagnated towards the end of the year, we see that it is once again becoming possible to start new construction projects. During the year, the electricity expenses in our operations also increased significantly. As Wallenstam is also an electricity producer, the increased electrical prices have not affected the Group's results as a whole, however. In 2024, we expect that both the electricity price and interest rates will fall.

Group results

Rental income

Group rental income increased by SEK 240 million and amounted to SEK 2,730 million (2,490). Adjusted for transactions, the increase was SEK 284 million where just over 40 percent came from added properties and larger projects and the remainder from comparable properties. Growth was mainly the result of occupations in our recently constructed rental apartment buildings. The base rent in comparable holdings increased by about 2.8 percent for residential properties. For commercial premises, the corresponding increase before increments compared to the previous year was 9.1 percent, mainly due to completed new lets, renegotiations and indexations.

Operating expenses and net operating income, investment properties

Operating expenses for the year amounted to SEK 730 million (602). Seasonal effects at Wallenstam consist mainly of climate-related variations. In 2023, these were SEK 6 million higher than the preceding year. Net operating income increased by 112 million and amounted to SEK 2,000 million (1,888). The surplus ratio amounted to 73.3 percent (75.8).

Management costs and administrative expenses

Management costs and administrative expenses mainly refer to personnel expenses and are distributed into SEK 293 million (272) for property management, SEK 11 million (6) for energy management and SEK 13 million (19) in total for property transactions. In addition to this, the Group had project management expenditures totaling SEK 98 million (105), of which SEK 62 million (105) was capitalized and SEK 36 million (-) was expensed in Changes in value investment properties, due to the fact that several new construction projects had to be postponed.

Financial income and expenses

Financial income amounted to SEK 7 million (6) and financial expenses to SEK 726 million (385). Financial expenses are distributed among property management in operation SEK 675 million (370), expensed project-related interest SEK 13 million (-) and other SEK 38 million (14), which mainly consists of wind power and financial investments.

Other income and Other expenses

The Group's electricity production was mainly recognized as Other income and Other expenses.

Electricity production during the year amounted to 292 GWh (338). The decrease in production was mainly due to divestment of 13 wind turbines in May 2022. In comparable holdings, production increased by 7 GWh owing to more wind in 2023. Other income during the year includes Swedish Government electricity support of almost SEK 11 million while the previous year's result included SEK 69 million from wind power transactions including contingent consideration from previous years.

Change in value of investment properties

Changes in value for the year amounted to SEK -847 million (-2,627). The largest change in value relates to land and building rights for future new construction. Changes in value investment properties includes project management expenses of SEK -36 million (-), internal administrative expenses property transactions of SEK 10 million (19) and interest expenses of SEK -13 million (-) due to the fact that several new construction projects had to be postponed. The average yield requirements on closing day, which refer to the properties owned on each closing day, amounted to 3.6 percent (3.5) for residential and to 4.6 percent (4.6) for the commercial holdings.

Change in value financial instruments

The Change in value of financial instruments includes changes in value of interest rate derivatives and holdings of shares.

The value of interest rate derivatives is still positive, however, there was a negative development during the year of SEK -874 million (1,908), due to falling interest rate levels. On closing day, the 10-year swap rate amounted to 2.34 percent, compared to 3.12 percent at the

start of the year. Profit/loss from shareholdings amounted to SEK -42 million (-261).

Tax

The recognized tax for the year amounted to SEK 132 million (393) net, of which SEK 134 million (397) was deferred tax and SEK -2 million (-4) was current tax. Decreased property and derivative values affected the tax positively.

The Group's largest tax expenditures consist primarily of VAT expenses – for which we have a limited right of deduction as a property company – and property and energy taxes, stamp duty and income tax as well as personnel-related taxes and charges. This expense, which amounted to SEK 602 million (626) for the full-year 2023, is recognized among operating expenses within income from property management and investments in the construction operation.

SPECIFICATION OF TAXES PAID

SEK million	2023	2022
VAT	390	414
Property and energy taxes, stamp duty and income tax	142	153
Social security contributions	70	59
Total paid taxes	602	626

Consolidated balance sheet

Investment properties

During the year, we invested SEK 2,313 million (4,421) in investment properties, of which acquisitions amounted to SEK 20 million (2,046), and new construction, extensions and reconstructions totaled SEK 2,293 million (2,374). The estimated market value of the properties amounts to SEK 63,090 million (62,092). All of Wallenstam's properties are valued quarterly by an internal valuation team. Land rights and building rights for future new construction are measured at market value and are externally valued on closing day. See also Note 15.

Development properties

Development properties are properties that are constructed with the intention of being sold on completion and are recognized at cost in the balance sheet. The profit is recognized when the properties are completed and handed over to the buyer. Investments in construction of development properties amounted to SEK 86 million (143) during the year. On closing day, the value of Wallenstam's development properties totaled SEK 77 million (217) and consisted mainly of co-op terraced houses in Pixbo Sjöterrass, Mölnlycke, and in Söra radhus, Österåker. During the year, Bersån in Uppsala was completed and divested.

Wind power

On closing day, Wallenstam had 53 wind turbines in operation, divided among 17 wind farms. The installed output amounted to 112 MW (112).

During the year, a previous impairment loss of SEK 59 million was reversed in electricity price zone 2, during the previous year SEK 300 million of previously recognized impairment losses in electricity price zone 3 was reversed.

Wind turbines are recognized at the lowest of cost less depreciation and impairment losses and the estimated net realizable value. Depreciation for the year amounted to SEK 91 million (74). Estimated value in use of land leases, based on so-called minimum rents, amounted on closing day to SEK 9 million (9). On December 31, 2023, the consolidated book value of wind turbines amounted to SEK 985 million (1,017).

Equity

Shareholders' equity amounted to SEK 30,500 million (31,432), which is equivalent to SEK 46.40 per share (47.70). The equity/assets ratio was 46 percent (47).

Net tax liability

A net tax liability of SEK 5,830 million (5,963) is recognized in the Group. The deferred tax asset amounted to SEK 1,088 million (907)

and mainly refers to the value of loss carryforwards in Group companies. Deferred tax liabilities amounted to SEK 6,918 million (6,870) where SEK 6,430 million (6,393) is property-related and SEK 488 million (477) relates to derivative instruments, site leasehold rights and wind turbines.

Interest-bearing liabilities

Wallenstam's interest-bearing liabilities amounted to SEK 29,075 million (28,283). The loans are primarily secured against mortgage deeds in properties. The loan-to-value ratio is 46 percent (45). Of the loan portfolio, 57 percent (59) has fixed interest terms longer than one year. The average remaining fixed interest term is 40 months (44). On closing day, the average interest rate on our loans, which takes into account the effect of entered into derivatives, was 3.24 percent (2.21). Of the interest-bearing liabilities with credit institutions, loans with capital tied up for long terms amounted to 14 percent (18) of the total portfolio. Lease liability amounted to SEK 544 million (511).

For information on all of the Group's financial instruments and financial risk management, see Note 28.

Available liquid assets

Available liquid assets, including available bank overdraft facilities, amounted to SEK 1,285 million (2,093), of which SEK 378 million is reserved for back up for issued outstanding commercial paper. Wallenstam has chosen to reduce its overdraft facilities during the year in line with the decrease in commercial paper. Approved overdraft facilities amounted to SEK 1,325 million (1,912), where SEK 90 million (-) was utilized on closing day.

Opportunities and risks

Minimizing risks and optimizing opportunities is an integrated part of our business plan. Wallenstam's employees participate in both the risk inventory and the preventative work. All events cannot be foreseen. For this reason, part of Wallenstam's risk work involves being prepared for crisis management.

There are risks in construction and management of properties, e.g. of occupational accidents and unforeseen events, which are handled by adopting a working environment plan at an early stage and appointing coordinators. We develop long-term relationships with contractors and suppliers and have established routines for random inspections and checks to ensure that our partners follow agreements entered into and our Code of Conduct.

Clear processes and routines for procurements, investments and lettings help offset the risk of corruption. For instance, at least two persons shall jointly review and authorize lettings and also check tenders and agreements prior to signing.

Good relationships with several lenders provides good financing possibilities.

We work continually to maintain well-functioning and fit-for-purpose IT security for our operations and ensure that information is handled securely.

A focus on employees is important for quality and satisfied customers. By offering a good working environment with attractive and market-related benefits and employment conditions, we can recruit and retain employees with the right competencies and commitment.

Property values are affected by our own property management activities and general market conditions. Having properties in attractive locations lowers the risk of falling values during an economic downturn. Small changes in the yield requirement can generate large changes in value. As of December 31, 2023, the estimated market value of the properties amounted to around SEK 63 billion. A change in value of plus/minus 10 percent is thus equivalent to about plus/minus SEK 6.3 billion. A general change of plus/minus 0.25 percentage points in property yield requirements is equivalent to about SEK -3.6 billion or SEK +4.1 billion, while a general change in revenue of 5 percent is equivalent to about plus/minus SEK 3.6 billion.

A change in the market interest rate of plus/minus 50 points is equivalent to about plus/minus SEK 63 million (58) in interest expenses for the full year.

Factors such as interest rate increases result in higher costs and

have a large impact on profits. Wallenstam's management includes a loan portfolio with different maturities, where the loans are spread among various forms of credit and lenders. Interest rate derivatives are used to obtain a desired interest maturity profile.

Supply and demand for Wallenstam's products can vary over time. Wallenstam owns and manages properties in attractive areas, which are characterized by growth and high demand. We have a flexible business model, which provides the possibility to adapt supply, form of tenure etc. to changing demand. A keen awareness of market trends as well as advance planning are two key factors.

Wallenstam follows developments in legislation and regulations linked to issues concerning our operations. Legal cases and regulatory changes that may result in changed conditions are interpreted and we are proactive in meeting new requirements, practice and laws.

Board work during the year

Wallenstam's Board was composed of five members during 2023. In 2023, the Board held nine recorded meetings in addition to day-to-day contacts.

The Board's most important task is to make decisions on strategic matters. The Board work during the year was dominated by the prevailing global economic situation and focused in particular on strategy discussions, questions relating to market conditions and financing, sustainability and compliance issues, property transactions and investments. The Board's work is described in the Corporate Governance Report, which is separate from the Administration Report and can be read on page 94.

Guidelines for salaries and compensation for senior executives

The 2021 Annual General meeting adopted the following guidelines for remuneration to senior executives.

These guidelines cover the CEO, Vice CEOs and other members of the company's Group Management, which as of this date includes the Communications Director, Technical Director and CFO. The guidelines also cover consultancy fees for a Board member who performs other work than pure Board work for the company. The guidelines shall be applied to remuneration that is agreed, and changes made in already agreed remuneration, after the guidelines were adopted by the 2021 AGM. The guidelines do not cover remuneration that is approved by the general meeting of shareholders.

Guidelines for promoting the company's business strategy, long-term interests and sustainability

The company's business strategy in brief is to cost-efficiently build, develop and manage properties and areas, based on a high level of service and long-term sustainability in selected metropolitan areas. In addition, Wallenstam shall be the natural choice of people and companies for housing and commercial premises, annually reduce the company's environmental impact and be an attractive employer. By following the business strategy, net asset value growth is created for the company and its shareholders, which is the company's goal for the business plan 2019–2023. For further information about the company's business strategy, see www.wallenstam.se.

Successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability, requires the company to be able to recruit and retain qualified employees. For this, the company must be able to offer competitive remuneration. These guidelines make it possible to offer senior executives competitive total compensation.

Variable cash remuneration, which is covered by these guidelines shall aim to promote the company's business strategy, long-term value creation in the company and the company's long-term interests, including its sustainability.

The forms of remuneration etc.

The remuneration shall be market-related and may be composed of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The general meeting of shareholders in addition to this – and independent of these guidelines – can resolve, for example, on share-based and share-price-based payments.

The variable cash remuneration may, when applicable, not exceed 50 percent of the fixed annual cash salary.

For the CEO, pension benefits, including health insurance shall be defined contribution. Variable cash remuneration shall not be pensionable. The pension premiums for defined contribution pensions shall amount to a maximum of 40 percent of the fixed annual cash salary. For other senior executives, pension benefits, including health insurance, shall be defined contribution unless the senior executive is covered by defined benefit pension under compulsory collective agreement provisions. Variable cash remuneration should be pensionable to the extent it arises under compulsory collective agreement provisions which are applicable for the executive. The pension premiums for defined contribution pensions shall amount to a maximum of 40 percent of the fixed annual cash salary.

Other benefits may include home property protection, life insurance, medical costs insurance, health checks, benefit in the form of domestic services and car benefit. Premiums and other expenses due to such benefits may amount to a maximum of 20 percent of the fixed annual cash salary.

Neither the CEO nor other senior executives may save more than 40 vacation days with pay to a subsequent vacation year. In the event that the saved number of vacation days with pay exceeds 40, such vacation days shall be compensated in the form of vacation pay.

If a Board member performs work for Wallenstam in addition to the Board assignment, the Board may decide that a reasonable fee should be payable for such work.

Termination of employment

Upon termination of employment, the period of notice may be a maximum of twelve months. Fixed cash salary during the period of notice and termination benefits in total may not exceed an amount equivalent to the fixed cash salary for two years. In the event of notice from the executive, the notice period may be not more than six months, without right to termination benefits.

Criteria for payment of variable cash remuneration etc.

Wallenstam does not currently apply variable cash remuneration. If variable cash remuneration would be applied, which has occurred historically in a few individual cases, the remuneration shall be linked to predetermined and measurable criteria that may be financial or non-financial. The criteria can also consist of individually-adapted quantitative or qualitative goals. The criteria shall be designed so that they promote the company's business strategy and long-term interests including its sustainability, by for example having a clear connection to the business strategy or promoting the executive's long-term development.

The fulfillment of criteria for payment of variable cash remuneration must be measurable over a period of one or more years. When the measurement period for fulfillment has been completed, the extent to which the criteria have been met shall be assessed. The remuneration committee is responsible for the assessment regarding variable cash remuneration to the CEO. Regarding variable cash remuneration to the other executives, the CEO is responsible for the assessment. As far as the financial goals are concerned, the assessment shall be based on the latest financial information published by the company.

Salary and terms of employment for employees

In preparing the Board's proposal for these remuneration guidelines, salaries and terms of employment for the company's employees have been taken into account by including information about employees' total remuneration, the components of the remuneration and the remuneration's increase and rate of increase over time as part of the remuneration committee's and the Board's decision data when evaluating the reasonableness of the guidelines and the limitations arising from these. The development of the gap between the remuneration of senior executives and the remuneration of other employees will be reported in the remuneration report.

Decision-making processes for approving, reviewing and implementing the guidelines

The Board has established a remuneration committee. The committee's

duties include preparing the Board's resolution regarding proposed guidelines for remuneration of senior executives. The Board of Directors shall draw up proposals for new guidelines at least every four years and submit the proposal for resolution at the AGM. These guidelines shall apply until amended guidelines have been adopted by the general meeting. The remuneration committee shall also follow and evaluate variable remuneration programs for company management, the application of guidelines for remuneration to senior executives as well as remuneration structures and rates of compensation in the company. When the Board is dealing with and deciding on remuneration-related issues, the CEO or other members of company management are not present, to the extent that they are affected by the issues concerned.

Departures from the guidelines

The Board of Directors may decide to temporarily deviate from the guidelines, in whole or in part, if there are special reasons for this in an individual case and a departure is necessary to meet the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As stated above, it is part of the remuneration committee's duties to prepare the Board's resolutions on remuneration issues, which includes resolutions on departures from the guidelines.

Description of significant changes in the guidelines

No significant changes to the guidelines have been made since they were adopted by the 2020 Annual General Meeting, however, an addition has been made that neither the CEO nor other senior executives may save more than 40 vacation days with pay to a subsequent vacation year.

Ahead of the 2024 Annual General Meeting, the Board presents the following proposal for new guidelines for salaries and remuneration to senior executives:

The Board's proposal for guidelines for salaries and remuneration to senior executives

These guidelines cover the CEO, Vice CEOs and other members of Group Management. The guidelines also cover remuneration to a Board member who performs other work than pure Board work for the company. (The guidelines shall not prevent a Board member who is an employee of the company from receiving the usual market-related salary and other benefits on account of their employment). The guidelines shall be applied to remuneration that is agreed, and changes made in already agreed remuneration, after the guidelines are adopted by the 2024 AGM. The guidelines do not cover remuneration that is approved by the general meeting of shareholders.

Guidelines for promoting the company's business strategy, long-term interests and sustainability

The company's business strategy in brief is to cost-efficiently build, develop and manage properties and areas, based on a high level of service and long-term sustainability in selected metropolitan areas. In addition, Wallenstam shall be the natural choice of people and companies for housing and commercial premises, and shall be an attractive employer. By following the business strategy, net asset value growth is created for the company and its shareholders. For further information about the company's business strategy, see www.wallenstam.se.

Successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability, requires the company to be able to recruit and retain qualified employees. For this, the company must be able to offer competitive remuneration. These guidelines make it possible to offer senior executives competitive total compensation.

A synthetic options scheme has been established in the company. This was adopted by the general meeting of shareholders and therefore is not covered by these guidelines. The scheme covers all personnel in the company including the CEO, Vice CEOs and other members of Group Management. The outcome of the scheme is directly linked to the price of the Wallenstam share, which in itself is a clear connection to the business strategy and thus to the company's long-term value creation, including its sustainability.

Variable cash remuneration, which is covered by these guidelines shall aim to promote the company's business strategy, long-term value creation in the company and the company's long-term interests, including its sustainability.

The forms of remuneration etc.

The remuneration shall be market-related and may be composed of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The general meeting of shareholders in addition to this – and independent of these guidelines – can resolve, for example, on share-based and share-price-based payments. The variable cash remuneration may, when applicable, not exceed 50 percent of the fixed annual cash salary.

For the CEO, pension benefits, including health insurance, shall be defined contribution. Variable cash remuneration shall not be pensionable. The pension premiums for defined contribution pensions shall amount to a maximum of 40 percent of the fixed annual cash salary.

For other senior executives, pension benefits, including health insurance, shall be defined contribution unless the senior executive is covered by defined benefit pension under compulsory collective agreement provisions. Variable cash remuneration shall be pensionable to the extent that it arises under compulsory collective agreement provisions which are applicable for the executive. The pension premiums for defined contribution pensions shall amount to a maximum of 40 percent of the fixed annual cash salary.

Other benefits may include home property protection, life insurance, medical costs insurance, health checks, benefit in the form of domestic services and car benefit. Premiums and other expenses due to such benefits may amount to a maximum of 20 percent of the fixed annual cash salary.

Neither the CEO nor other senior executives may save more than 40 vacation days with pay to a subsequent vacation year. In the event that the saved number of vacation days with pay exceeds 40, such vacation days shall be compensated in the form of vacation pay.

If a Board member, who is not employed by Wallenstam, performs work for Wallenstam in addition to the Board assignment, the Board may decide that a reasonable fee should be payable for such work.

Termination of employment

Upon termination of employment, the period of notice may be a maximum of twelve months. Fixed cash salary during the period of notice and termination benefits in total may not exceed an amount equivalent to the fixed cash salary for two years. In the event of notice from the executive, the notice period may be not more than six months, without right to termination benefits.

Criteria for distribution of variable cash remuneration etc.

Wallenstam does not currently apply variable cash remuneration. If variable cash remuneration would be applied, which has occurred historically in a few individual cases, the remuneration shall be linked to predetermined and measurable criteria that may be financial or non-financial. The criteria can also consist of individually-adapted quantitative or qualitative goals. The criteria shall be designed so that they promote the company's business strategy and long-term interests including its sustainability, by for example having a clear connection to the business strategy or promoting the executive's long-term development.

The fulfillment of criteria for payment of variable cash remuneration must be measurable over a period of one or more years. When the measurement period for fulfillment has been completed, the extent to which the criteria have been met shall be assessed. The remuneration committee is responsible for the assessment regarding variable cash remuneration to the CEO. Regarding variable cash remuneration to the other executives, the CEO is responsible for the assessment. As far as the financial goals are concerned, the assessment shall be based on the latest financial information published by the company.

Salary and terms of employment for employees

In preparing the Board's proposal for these remuneration guidelines, salaries and terms of employment for the company's employees have

been taken into account by including information about employees' total remuneration, the components of the remuneration and the remuneration's increase and rate of increase over time as part of the remuneration committee's and the Board's decision data when evaluating the reasonableness of the guidelines and the limitations arising from these. The development of the gap between the remuneration of the CEO and Vice CEOs on the one hand and the remuneration of other employees on the other will be reported in the remuneration report.

Decision-making processes for approving, reviewing and implementing the guidelines

The Board has established a remuneration committee. The committee's duties include preparing the Board's resolution regarding proposed guidelines for remuneration of senior executives. The Board of Directors shall draw up proposals for new guidelines at least every four years and submit the proposal for resolution at the AGM. These guidelines shall apply until amended guidelines have been adopted by the general meeting. The remuneration committee shall also follow and evaluate variable remuneration programs for company management, the application of guidelines for remuneration to senior executives as well as remuneration structures and rates of compensation in the company. When the Board is dealing with and deciding on remuneration-related issues, the CEO or other members of company management are not present, to the extent that they are affected by the issues concerned.

Departures from the guidelines

The Board of Directors may decide to temporarily deviate from the guidelines, in whole or in part, if there are special reasons for this in an individual case and a departure is necessary to meet the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As stated above, it is part of the remuneration committee's duties to prepare the Board's resolutions on remuneration issues, which includes resolutions on departures from the guidelines.

Description of significant changes in the guidelines

No significant changes have been made to the guidelines since they were adopted by the 2021 AGM, however, a reference to the current business plan has been added and an explanation of how the guidelines relate to the salary received by a Board member due to employment at Wallenstam.

More information

For more information about remuneration at Wallenstam, including, where applicable, approved remuneration, which has not fallen due for payment, see the annual report.

Parent Company

The parent company's primary operations involve the performance of Group-wide services. In addition, the parent company owns a small number of properties. Since 2023, the parent company has been part of an income tax law commission with subsidiaries. As a principal in the income tax law commission, the commissionaire companies' profits/losses are reported and taxed at the parent company. The commissionaire contributions include the entire results of the subsidiaries and consist, in addition to profits/losses from current operations of SEK 94 million (-), of dividends and impairment losses from participations in subsidiaries, net SEK 978 million (-). In 2023, the average number of employees in the parent company was 261 (266).

Total sales for the year amounted to SEK 481 million (479), of which SEK 146 million (132) was rental income. Changes in the value of financial interest rate derivative instruments amounted to SEK -874 million (1,908). Profit after tax amounted to SEK 424 million (2,107). Investments in non-current assets during the period amounted to SEK 33 million (82). Parent company external loans amounted to SEK 11,060 million (11,406) on closing day.

The parent company's tax is positive at SEK 115 million (-40), which is explained by the year's large decline in the value of interest rate derivatives that reduces the company's deferred tax liability.

The Wallenstam share

The number of shares in Wallenstam AB consists of 69,000,000 A shares, which carry ten votes each, and 591,000,000 B shares, which carry one vote each, a total of 660,000,000 shares. The Wallenstam B share is listed on Nasdaq Stockholm, Large Cap. The registered share capital totaled SEK 165,000,000, corresponding to a quota value per share of SEK 0.25. During 2023, the Wallenstam share price has increased by 24.6 percent. The property index OMX Stockholm Real Estate increased by 17.0 percent and the OMX Stockholm PI index increased by 15.5 percent during the same period.

At the end of the period, the Wallenstam share price was SEK 54.70 (43.90) and the market capitalization was SEK 36,102 million (28,974) based on the total number of registered A and B shares. Equity per share amounted to SEK 46.40 (47.70). The highest price paid during the year was SEK 55.25 (85.30) and the lowest was SEK 34.00 (32.80).

A total of 163.1 million (188.3) Wallenstam shares were traded at a value of SEK 6,858 million (9,416) on Nasdaq Stockholm. The average daily turnover totaled around SEK 27.3 million (37.2).

Wallenstam's Board has a mandate from the AGM to carry out repurchases of shares. In 2023, a total of 2,000,000 (1,000,000) shares were repurchased, corresponding to 0.3 percent (0.2) of the share capital and a quota value of SEK 0.5 million (0.25). Total expenditure, including brokerage, on treasury shares amounted to SEK 130 million (43), equivalent to SEK 43.28 (42.56) per share. The repurchases were made to provide the Board with the freedom of action to adjust the company's capital structure and create value for the company's shareholders.

Events after the end of the reporting period

No significant events have occurred after the end of the reporting period.

Future

Wallenstam manages its operations in the form of business plans. A new business plan was adopted in December 2022 and extends through 2030. This includes the goal to achieve a net asset value of SEK 100 per share.

Wallenstam will continue to operate in the Gothenburg and Stockholm regions. We will strive to become even more service-oriented, productive and cost-efficient, in order to create even more value for our shareholders, employees, customers and society as a whole. During the business plan, the equity/assets ratio shall not be less than 35 percent.

Dividend policy

When determining the size of the dividend, consideration should be given to the Group's investment requirements, need to strengthen its balance sheet and financial position in general, and that the Group's future development should occur with maintained financial strength and continued good freedom of action.

The dividend is based on the income from property management, which is generated by the business. The dividend over time is expected to amount to approximately one third of the income from property management.

The Board of Directors proposes that the Annual General Meeting approve the following:

PROPOSED APPROPRIATION OF PROFIT, SEK

The following earnings are at the disposal of the Annual General Meeting:

Profit brought forward	13,681,405,533
Net profit for the year	424,352,276
Total	14,105,757,810
Shareholder dividend SEK 0.50 per share	328,500,000
To be carried forward	13,777,257,810
Total	14,105,757,810

The Board of Directors proposed appropriation of profit is that a dividend of SEK 0.50 per share (0.60) be distributed, spread over two payment dates of SEK 0.25 each per share. The record day for the first payment is proposed to be April 29, 2024, and October 29, 2024, for the second payment. If the AGM resolves in accordance with the proposal, Euroclear Sweden AB is expected to execute the first payment on May 3, 2024, and the second payment on November 1, 2024.

In the company, there is a total of 660,000,000 shares, of which 3,000,000 are non-dividend-paying repurchased own shares up to February 8, 2024. Taking the non dividend-paying own shares into account, the total amount of the proposed dividend amounts to SEK 328,500,000. The amount may change if the number of repurchased own shares changes before each record day for dividend.

Statement by the Board of Directors on the proposed distribution of profits

Consolidated equity has been determined in accordance with the IFRS standards adopted by the EU, and in accordance with Swedish legislation, including by application of the Swedish Financial Reporting Board's recommendation RFR 1. Parent company adjusted equity has been determined in accordance with Swedish legislation and by application of the Swedish Financial Reporting Board's recommendation RFR 2.

According to the company's dividend policy, the distributable amount is based on the income from property management, which is generated by the business. The dividend over time is expected to amount to approximately one third of the income from property management.

In determination of the size of the dividend, the Board also considered the Group's investment requirements, need to strengthen its balance sheet and financial position in general, and that the future development of the Group should occur with maintained financial strength and continued good freedom of action.

The proposed dividend to the shareholders reduces the company's equity/assets ratio from 35 percent to 34 percent. The Group's equity/assets ratio decreases from 46 percent to 45 percent after the proposed dividend. The equity/assets ratio is satisfactory considering that the company's and the Group's operations continue to be run profitably. It is expected that liquidity in the company and Group can be maintained at a similarly satisfactory level.

Derivative instruments have been measured at fair value according to Chapter 4, Section 14a of the Swedish Annual Accounts Act (1995:1554). Accordingly, a surplus value totaling SEK 794,311,309 after tax impacted equity.

In the view of the Board, the proposed dividend will not prevent the company or any other Group companies from fulfilling their obligations in either the short or the long term, nor from carrying out necessary investments. The proposed dividend can thus be justified with regard to the provisions of the Swedish Companies Act (2005:551), Chapter 17, Section 3, paragraphs 2-3 (the prudence rule).

Consolidated income statement

SEK million	Note	2023	2022
Rental income	3	2,730	2,490
Operating expenses	4	-730	-602
Net operating income, properties		2,000	1,888
Management costs and administrative expenses	4, 5, 6	-293	-272
Financial income	8	7	6
Financial expenses	8	-675	-370
Income from property management operations		1,040	1,252
Participation in profits/losses of associated companies	9	-3	-3
Revenue, development property sales	10	348	79
Expenses, development property sales	10	-254	-49
Other income	11	273	283
Other expenses	11	-176	-156
Other financial expenses	8	-38	-14
Profit/loss before changes in value and impairment losses		1,190	1,392
Change in value, investment properties	4, 8, 12	-847	-2,627
Change in value, financial instruments	8, 13	-916	1,646
Change in value, synthetic options	5	-68	-
Reversal of impairment loss on wind turbines	17	59	300
Profit before tax		-582	711
Current tax	14	-2	-4
Deferred tax	14	134	397
Profit for the year after tax		-450	1,103
Consolidated comprehensive income corresponds to Profit for the year after tax.			
DISTRIBUTION OF PROFIT/LOSS FOR THE YEAR AFTER TAX			
Attributable to non-controlling interests		-	-
Attributable to parent company shareholders		-450	1,103
PER-SHARE DATA			
Profit after tax, SEK (dilution does not occur)		-0.7	1.7
Dividend per share, SEK (proposed 2023)		0.50	0.60
Average number of outstanding shares, thousands		658,449	659,904

Consolidated balance sheet

SEK million	Note	Dec 31, 2023	Dec 31, 2022
ASSETS			
NON-CURRENT ASSETS			
<i>Intangible non-current assets</i>			
Capitalized expenditure, computer software		16	19
Total intangible non-current assets		16	19
<i>Property, plant and equipment</i>			
Investment properties	12, 15	63,090	62,092
Site leasehold rights	16	534	500
Wind turbines	17	985	1,017
Land leases	16	9	9
Equipment	18	80	82
Total property, plant and equipment		64,698	63,700
<i>Financial assets</i>			
Securities held as non-current assets and shares of property interests	19, 28	28	61
Participations in associated companies	9	285	255
Other non-current receivables	19, 28	248	227
Financial derivative instruments	13, 28	1,018	1,900
Total financial assets		1,579	2,443
TOTAL NON-CURRENT ASSETS		66,293	66,161
CURRENT ASSETS			
Intangible assets		6	1
Development properties	20	77	217
Trade receivables	3, 28	15	12
Other receivables	21, 28	157	291
Prepaid expenses and accrued income	22, 28	180	176
Participations	23, 28	63	9
Cash and cash equivalents	24, 28	50	181
Total current assets		548	887
TOTAL ASSETS		66,841	67,049
EQUITY AND LIABILITIES			
EQUITY			
Share capital	25	165	165
Other contributed capital		359	359
Other reserves		-3	-3
Profit brought forward		29,979	30,911
Total equity		30,500	31,432
NON-CURRENT LIABILITIES			
Deferred tax liability	26	5,830	5,963
Provisions	27, 28	94	77
Interest-bearing liabilities	28	4,058	5,131
Financial derivative instruments	13, 28	18	23
Lease liability	16, 28	543	510
Other liabilities	28	16	16
Total non-current liabilities		10,559	11,720
CURRENT LIABILITIES			
Interest-bearing liabilities	28	25,017	23,151
Lease liability	16, 28	1	1
Financial derivative instruments	13, 28	0	3
Trade payables	28	118	180
Current tax liability		2	4
Other liabilities	28	74	75
Accrued expenses and deferred income	28, 29	570	483
Total current liabilities		25,782	23,897
TOTAL EQUITY AND LIABILITIES		66,841	67,049

Consolidated statement of changes in equity

SEK million	Note 25	ATTRIBUTABLE TO THE PARENT COMPANY'S SHAREHOLDERS				Total equity
		Share equity	Other contributed capital	Other reserves	Profit brought forward	
OPENING BALANCE, JAN 1, 2022		165	359	-3	30,246	30,767
Profit for the year after tax		-	-	-	1,103	1,103
TRANSACTIONS WITH THE COMPANY'S OWNERS						
Dividend		-	-	-	-396	-396
Repurchase, own shares		-	-	-	-43	-43
CLOSING BALANCE, DEC 31, 2022		165	359	-3	30,911	31,432
OPENING BALANCE, JAN 1, 2023		165	359	-3	30,911	31,432
Profit for the year after tax		-	-	-	-450	-450
TRANSACTIONS WITH THE COMPANY'S OWNERS						
Dividend		-	-	-	-395	-395
Repurchase, own shares		-	-	-	-87	-87
CLOSING BALANCE, DEC 31, 2023		165	359	-3	29,979	30,500

Classification of equity

Share capital

Refers to the registered share capital of the parent company. Share capital consists of 69,000,000 A shares (quota value SEK 0.25) and 591,000,000 B shares (quota value SEK 0.25).

Other contributed capital

Includes the total amount from transactions that Wallenstam AB had with its shareholders. The transactions that took place were share issues at a premium where the capital received above the nominal amount of the issue constitutes other contributed capital.

Profit brought forward

Equivalent to the accumulated profits and losses generated in the Group, less dividends paid and repurchases of shares.

Capital management

Consolidated equity amounted to SEK 30,500 million (31,432) at year-end. The return on equity was -1.4 percent (3.4). The Group's financial strategy is based on the creation of satisfactory financial conditions for operation and refinement of our property holdings and development of new construction. Wallenstam has a goal during

the period 2023–2030 to achieve a net asset value of SEK 100 per share. Net asset value includes equity and deferred tax liability. On December 31, 2023, the net asset value per share was SEK 56.20 (57.40).

The equity/assets ratio is an important metric for our capital management with the goal that it should not be less than 35 percent. At the end of 2023, the equity/assets ratio was 46 percent (47).

In the first instance, Wallenstam reinvests profits generated in the business for continued development of the property holdings and increased net asset value growth in the company. According to the Group's dividend policy, the dividend shall be based on the income from property management, which is generated by the operations. The dividend over time is expected to amount to approximately one third of the income from property management. The Board of Directors proposes a dividend of SEK 0.50 per share (0.60) for 2023. Calculated on outstanding dividend-paying shares, the proposed dividend amounts to SEK 329 million (395).

Wallenstam may carry out share repurchases as a way to modify the company's capital structure, which occurred during the year. In total, 3,000,000 shares (1,000,000) were repurchased at an average price of SEK 43.28 per share (42.56) including brokerage.

Consolidated statement of cash flows

SEK million	Note	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before changes in value and impairment losses*		1,190	1,392
Adjustment for items not included in the cash flow	32	-6	-16
Change provisions		-7	-44
Taxes paid		-5	-4
Cash flow before change in working capital		1,172	1,328
CHANGE IN WORKING CAPITAL			
Current receivables		146	-226
Current liabilities		26	98
Change in working capital		172	-129
CASH FLOW FROM OPERATING ACTIVITIES			
		1,344	1,199
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in properties and individual co-op apartments		-2,438	-4,562
Investment in intangible assets & property, plant and equipment		-11	-27
Investment in financial assets		-75	-5
Divestment of financial assets		6	137
Expensed project expenditures relating to interest and administration*		-50	-
Investment in associated companies		-33	-41
Divestment of properties, development properties and property, plant and equipment		817	3,179
CASH FLOW FROM INVESTING ACTIVITIES		-1,785	-1,318
CASH FLOW FROM FINANCING ACTIVITIES			
Raised interest-bearing liabilities		27,120	23,159
Amortization of interest-bearing liabilities		-26,418	-22,709
Change in overdraft facilities		90	-
Amortized promissory notes		-	72
Issued promissory notes		-	-14
Dividend paid		-395	-396
Repurchase of own shares		-87	-43
CASH FLOW FROM FINANCING ACTIVITIES		309	69
CHANGE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the year		181	232
Cash flow for the year		-131	-51
Cash and cash equivalents at the end of the year		50	181
Unutilized overdraft facility at year-end		1,235	1,912
Available liquid assets	24	1,285	2,093

*Includes interest paid and received, including gross flows from interest rate swap contracts, of SEK -824 million (-400) and SEK 7 million (4) in Profit before changes in value and impairment losses and SEK -13 million (-) relating to project-related interest within Changes in value, investment properties, net SEK -830 million (-396). In total, SEK 129 million (81) of these items have been capitalized as non-current assets.

Group accounting principles and notes




Note 1. Group accounting principles

General information

Wallenstam AB is a public property company with its registered office in Gothenburg, Sweden. The Wallenstam B share is listed on Nasdaq Stockholm, Large Cap segment. The parent company is Wallenstam AB (publ), with corporate identity number 556072-1523 and the company's address is SE-401 84 Gothenburg, Sweden with visiting address Kungssportsavenyen 2.

The annual accounts and consolidated financial statements for Wallenstam AB (publ) for the financial year ending December 31, 2023, were approved by the Board of Directors and the Chief Executive Officer on March 21, 2024, and will be presented to the Annual General Meeting (AGM) on April 25, 2024, for approval.

Accounting principles, Assessments and estimates and Risks are presented in direct connection to each note in order to give the reader a better understanding of the respective income statement and balance sheet items.

- Accounting principles are indicated by 
- Assessments and estimates are indicated by 
- Risks are indicated by 

Basis of accounting

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, that apply to financial years beginning on or after January 1, 2023. In addition, the Group applies the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups.

The parent company applies the same accounting principles as the Group with the exceptions and additions described in the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities.

The functional currency of the parent company and the Group's presentation currency is the Swedish krona (SEK). All amounts are stated in millions of Swedish kronor (SEK million) unless otherwise indicated. As a result of rounding off, figures presented in this

annual report do not, in some cases, sum up exactly to the total and percentages may differ in order for them to correspond to the actual numerical data.

Consolidated financial statements

Consolidated financial statements are prepared according to the purchase method, which means that equity in subsidiaries at the time of acquisition is eliminated in its entirety, and are based on accounting information prepared for all Group companies as of December 31, 2023. Consolidated equity includes only the portion of a subsidiary's equity earned since the acquisition. Profits/losses from companies acquired or divested during the year are included in the consolidated financial statements at amounts corresponding to the holding period.

Changes in Swedish regulations

Swedish Financial Reporting Board

Changes made in 2023 have not had any impact on Wallenstam's reporting.

Amendments of accounting principles and disclosures

New or amended standards and new interpretations which entered into force in 2023 have had the following impact on Wallenstam's financial reporting:

- Changes in IAS 1 Presentation of Financial Statements – meaning that the company only discloses and describes significant accounting principles.
- Changes in IAS 12 Income taxes – which means that deferred tax assets and deferred tax liabilities related to finance leases are recognized gross.

New standards and interpretations which enter into force in 2024 or subsequently

The new standards and interpretations that apply from January 1, 2024 have not been early adopted. Nor are they expected to have any material impact on the consolidated financial statements.

Note 2. Segment information



Accounting principle

In the Other segment, income and expenses related to electricity production and certain central items are reported which are not allocated to the business areas, such as listing costs. Intra-Group

transactions are eliminated in the eliminations column.

SEGMENT INFORMATION

SEK million	2023					2022				
	Gothenburg business area	Stockholm business area	Other	Eliminations	Total	Gothenburg business area	Stockholm business area	Other	Eliminations	Total
INCOME STATEMENT										
Rental income	1,854	902	0	-27	2,730	1,679	838	0	-27	2,490
Operating expenses	-479	-250	0	-	-730	-390	-212	0	-	-602
Net operating income	1,375	652	0	-27	2,000	1,289	626	0	-27	1,888
Management costs and administrative expenses	-181	-107	-31	27	-293	-168	-100	-32	27	-272
Net financial items	-467	-210	9	-	-668	-275	-135	46	-	-364
Income from property management	727	335	-21	-	1,040	846	391	15	-	1,252
<i>Unapportioned items</i>										
Participation in profits/losses of associated companies					-3					-3
Profit from sales of development properties					95					30
Other income and expenses					97					127
Other financial expenses					-38					-14
Profit/loss before changes in value and impairment losses					1,190					1,392
Changes in value					-1,772					-681
Profit before tax					-582					711
BALANCE SHEET										
Investment properties	41,077	21,991	22	-	63,090	39,739	22,354	-	-	62,092
Site leasehold rights	52	482	-	-	534	52	448	-	-	500
Wind turbines	-	-	985	-	985	-	-	1,017	-	1,017
Land leases	-	-	9	-	9	-	-	9	-	9
Development properties	54	23	-	-	77	31	186	-	-	217
Unapportioned assets	-	-	-	-	2,146	-	-	-	-	3,213
Total assets					66,841					67,049
Equity	-	-	-	-	30,500	-	-	-	-	31,432
Interest-bearing liabilities and lease liabilities	17,711	10,078	1,830	-	29,619	16,703	10,261	1,829	-	28,793
Unapportioned liabilities	-	-	-	-	6,722	-	-	-	-	6,824
Total equity and liabilities					66,841					67,049
Investments in progress property, plant and equipment	2,000	3,064	-	-	5,064	3,291	3,157	-	-	6,448

Note 3. Rental income

Accounting principle

All lease agreements are classified as operating leases. Rental income is notified in advance and is recognized as income during the rental period concerned. Rental income includes items relating to invoiced costs for property tax, electricity and heating, among other expenses. Larger rent discounts are allocated over the term of the lease.

A provision for unpaid residential tenant receivables is made on a quarterly basis or in the case of outstanding receivables in excess of SEK 10,000. For receivables from commercial tenants individual estimates are made.

Provision for unpaid rent receivables is recognized as a decrease in the Group's total rental income.

cases where a counterparty's ability to pay is considered uncertain, in accordance with its credit policy, Wallenstam will demand a bank guarantee, a surety or in the case of a new let, rent in advance (deposit). Wallenstam has a large diversification of risks in its contract portfolio with just over 1,700 commercial contracts and just over 19,000 residential and parking contracts.

The Group's exposure to credit risk from individual customers is limited considering the terms of Wallenstam's rental agreements and the relative importance of customers. Wallenstam's ten largest commercial tenants represent approximately 8 percent (8) of Wallenstam's assessed full-year value. Rental income is mainly based on agreements and fixed rental payments, as turnover-based rent only occurs to a very limited extent. The table below shows the terms and size of rental agreements for both commercial and residential tenants.

Credit risk

Losses from trade receivables occur when customers are unable for some reason to fulfill their payment obligations. The risks are limited as Wallenstam mainly works with established customers that have competitive operations and a documented ability to pay. In

Trade receivables amounted to SEK 30 million (23) of which a provision has been made for SEK 15 million (11). Trade receivables due more than two months amounted to SEK 15 million (10).

RENTAL INCOME

SEK million	2023	2022
Residential, parking	1,500	1,391
Commercial premises	1,230	1,099
Total rental income	2,730	2,490
Change in rental income between 2022 and 2023		
Rental income according to income statement	2,490	2,324
Change in rental income, existing properties	164	65
New construction	120	160
Acquired properties	4	35
Sold properties	-49	-95
Rental income according to income statement	2,730	2,490
Vacancies and vacated properties during the year	154	120
Adjusted rental income, December 31	2,883	2,610

RENTAL CONTRACT SIZES

	Number of contracts	Assessed full-year value on closing day, SEK million	Total, %
Above SEK 5.0 million	37	360	12
SEK 4.0–5.0 million	18	77	3
SEK 3.0–4.0 million	34	115	4
SEK 2.0–3.0 million	77	193	6
SEK 1.0–2.0 million	154	219	7
SEK 0.5–1.0 million	231	166	6
Under SEK 0.5 million	1,193	124	4
Total commercial premises	1,744	1,253	42
Vacant property	564	134	4
Residential and parking	19,210	1,601	54
Total	21,518	2,989	100

Note 3. Rental income, cont.

RENTAL CONTRACT TERMS

	Number of contracts	Assessed full-year value on closing day, SEK million	Total, %
2024	701	211	7
2025	392	302	10
2026	312	262	9
2027	217	174	6
2028-	122	306	10
Total commercial premises	1,744	1,253	42
Vacant property	564	134	4
Residential and parking	19,210	1,601	54
Total	21,518	2,989	100

Note 4. Operating, management and administrative expenses



Accounting principle

Operating expenses

Wallenstam's operating expenses consist of expenses incurred in connection with property management such as property care, electricity, water, cleaning, repairs, fuel expenses, maintenance, property tax and other operating expenses. Operating expenses are recognized in the period they concern.

Management costs and administrative expenses

Wallenstam's management costs and administrative expenses consist of the Group's administration expenses such as expenses for personnel, offices, premises, consultants, marketing and depreciation of fixtures and fittings. Expenses are recognized in the period they concern. Management costs and administrative expenses are distributed among: property management, wind power management, property transactions and project administration.

Management costs and administrative expenses attributable to the Group's property management operations amounted to SEK 293 million (272). Management costs and administrative expenses attributable to wind power amounted to SEK 11 million (6) and are recognized in the item Other expenses. Administrative and direct transaction costs related to property transactions amounted to SEK 10 million (19) and internal project management expenses amounted to SEK 36 million (-). These costs are included in the item Change in value, investment properties. The item Expenses, development property sales includes internal administration of SEK 3 million (0).

OPERATING EXPENSES

SEK million	2023	2022
District heating expenses	77	73
Maintenance costs	160	150
Electricity expenses	182	80
Water expenses	41	37
Insurance expenses	5	5
Property tax	107	106
Other operating expenses	158	150
Total operating expenses	730	602

Due to the high occupancy rate, direct costs attributable to investment properties that did not generate income are only marginal. In properties partly vacated in order to carry out reconstruction

projects, operating expenses were incurred of about SEK 1 million (2), for which there was no income.

Note 4. Operating, management and administrative expenses, cont.

OPERATING EXPENSES PER SQ M

SEK/sq m	2023	2022
District heating expenses	56	54
Maintenance costs	116	110
Electricity expenses	132	59
Water expenses	30	27
Insurance expenses	4	3
Property tax	77	78
Other operating expenses	115	110
Total operating expenses	530	442

MANAGEMENT COSTS AND ADMINISTRATIVE EXPENSES

SEK million	2023	2022
Depreciation of non-current assets	12	9
Marketing expenses	20	16
Other external services and expenses	35	29
Personnel expenses	228	184
Cost of premises, rent for non-current assets, office supplies	55	41
Other expenses	3	19
Total management costs and administrative expenses	353	297

AUDIT EXPENSES

SEK million	2023	2022
Audit assignment, KPMG	2.4	1.7
Other auditing work, KPMG	0.1	0.3
Audit advisory services, KPMG	0.0	0.0
Total	2.5	1.9

Note 5. Salaries, other remuneration and social security expenses

Accounting principle Provisions for pensions

The Group has both defined benefit pension plans and defined contribution pension plans. The latter consists of pension to persons covered by defined benefit ITP plans with ongoing payments to Alecta under ITP 2. Plans where the company's obligation is limited to the fees that the company has undertaken to pay are classified as defined contribution plans, in other words, without any other obligations from the company except to pay an annual premium during the period of employment. Defined contribution pension expenses include payments to endowment insurance taken out to meet future pension obligations. Wallenstam only recognizes defined contribution pension obligations as the ITP 2 plan is financed through insurance with Alecta as a defined benefit plan. For defined contribution plans, after employment has been terminated, the employee is entitled to decide the period during which the earlier defined contribution payments and the return on these is taken out as pension. The company's obligations in respect of premiums for defined contribution plans are recognized as a consolidated expense as they are earned by employees.

Employee synthetic options scheme

In May 2023, all permanently employed staff received an offer to receive 20,000–100,000 synthetic options free of charge. The CEO, Vice CEOs and other senior executives were invited to acquire 100,000 options each. 243 employees accepted the offer at the start. In total, 10,000,000 options may be issued in the scheme, 6,013,000 were issued at the start. The estimated cost in the event of a maximum outcome is SEK 350 million. The options are measured according to the Black & Scholes model. Important input data for the model are: a share price on closing day of SEK 54.70, an exercise price of SEK 45 with a ceiling of SEK 75, an anticipated share price volatility of 27 percent, term of the option through March 1, 2027, and an annual risk-free interest rate of 2.18 percent. The total number of outstanding options at year-end amounted to 5,960,000.

Remuneration

The CEO received a salary along with benefits of SEK 5.2 million (4.6) in total. Senior executives are offered market-related fixed salaries. In addition to fixed salary, variable remuneration may be offered in accordance with guidelines approved by the AGM for remuneration.

Note 5. Salaries, other remuneration and social security expenses, cont.

ration to senior executives. The principles for these are approved by the AGM. Salaries and other benefits to senior executives in the company are prepared and proposed to the Board by the remuneration committee, which is composed of the Chairman of the Board and the Vice Chairman, respectively.

In accordance with the resolution passed by the AGM, the Board of Directors will receive fees for the period from May 2023 until the 2024 AGM of SEK 1,680,000 (1,820,000), of which SEK 1,025,000 (1,000,000) to the Chairman of the Board, SEK 285,000 (280,000)

to the Vice Chairman and SEK 185,000 (180,000) each to the other Board members. Apart from directors' fees to the Chairman of the Board as above, additional fees of SEK 1,000,000 (1,000,000) are paid for assisting the company management. Rebecka Wallenstam does not receive directors' fees but a salary and is one of the senior executives below.

No additional remuneration other than the fees approved by the AGM was paid to the Board.

GROUP SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY EXPENSES

SEK million	2023					2022				
	Basic salary	Benefits	Variable remuneration	Social security expenses	Pension expenses	Basic salary	Benefits	Variable remuneration	Social security expenses	Pension expenses
Chairman of the Board	1.0	-	1.0	0.6	-	0.9	-	1.2	0.7	-
Board members	0.7	-	-	0.2	-	0.8	-	-	0.2	-
Total remuneration to the Board of Directors	1.7	-	1.0	0.8	-	1.7	-	1.2	0.8	-
CEO, parent company	4.6	0.6	-	3.0	1.7	4.4	0.2	-	0.7	1.5
Vice CEOs, 2 persons (2)	6.8	0.9	-	3.1	2.0	6.2	0.1	-	1.8	1.9
Other senior executives, 3 persons (3)	4.7	1.1	-	2.1	1.3	4.7	0.1	-	1.8	1.6
Other employees	154.2	25.1	-	53.1	19.3	145.7	3.3	-	51.5	21.1
Total remuneration employees	170.3	27.7	-	61.4	24.4	161.0	3.8	-	55.8	26.1
Total salaries and remuneration	172.0	27.7	1.0	62.2	24.4	162.7	3.8	1.2	56.6	26.1

Pensions and termination benefits

The company takes out pension insurance for the CEO with an annual premium of 30 percent (30) of the gross salary in addition to survivors' pension insurance equivalent to a premium expense of SEK 242,000 (223,000) for 2023. The company has also taken out a life insurance policy to provide a survivor's pension in the event of death while in service. This obligation is provided by payment into a defined premium insurance policy for which the costs in 2023 amounted to SEK 153,000 in total (154,000). If the CEO resigns his position, six months' notice must be given. Termination of the CEO's employment by the company is also subject to a period of notice of six months.

At year-end, the company had two Vice CEOs (2). Other senior executives consist of the CFO and Head of Investor Relations and the Communications Director. (Rebecka Wallenstam is not covered by other senior executives' pensions and termination benefits).

Pensions for Vice CEOs and other senior executives are in accordance with the remuneration policy for defined contribution pensions. To fulfill pension benefits for other senior executives, the company has taken out pension insurance equivalent to 30 percent of gross salary. The period of notice is six months. With regard to the Vice CEO and other senior executives, 18 months' termination

benefits will apply in the case of termination of employment by the company.

In the event of absence due to illness, senior executives – like other employees – are entitled to 90 percent of the fixed monthly salary for days 2–90 and 75 percent of fixed salary for days 91–365, less what can be obtained from Försäkringskassan, the Swedish Social Insurance Agency.

The retirement age for the CEO and other senior executives is 67 unless separate agreements are concluded on an extension, up to a maximum of 70.

Pension insurance with Alecta

Pension insurance contributions for the year in Alecta in respect of ITP 2 totaled SEK 6.9 million (8.9). Alecta's surplus can be distributed to the policyholders and/or the insured. At year-end 2023, Alecta's surplus in the form of the collective consolidation level was 158 percent (172). The collective consolidation level is defined as the market value of Alecta's assets as a percentage of the insurance commitments calculated in accordance with Alecta's actuarial calculation assumptions. Wallenstam's share of the total number of savings premiums for ITP 2 with Alecta was 0.04463 percent (0.04416).

Note 5. Salaries, other remuneration and social security expenses, cont.

SHARE-BASED PAYMENTS TO GROUP MANAGEMENT AND OTHER EMPLOYEES

Synthetic options scheme costs

SEK million	2023	2022
CEO	1.1	-
Vice CEOs, 2 persons (2)	2.2	-
Other senior executives, 3 persons (3)	2.7	-
Other employees	61.8	-
Total cost of synthetic options	67.8	-

The costs of the synthetic options scheme includes attributable expenses.

Note 6. Average number of employees

Average number of employees	2023			Average number of employees	2022		
	of whom:	women	men		of whom:	women	men
263		146	117	268		146	122

The Group's personnel are mainly employed by the parent company.

BOARD MEMBERS AND SENIOR EXECUTIVES ON CLOSING DAY

	Dec 31, 2023			Dec 31, 2022		
	Number	of whom: women	men	Number	of whom: women	men
Board members	5	3	2	5	2	3
CEO, Vice CEOs and senior executives	5	3	2	5	3	2

Note 7. Related party transactions

In order to ensure that no extraneous factors are taken into consideration when entering into related-party agreements, two people must always approve the agreement on behalf of Wallenstam. Moreover, authorized individuals may not authorize expenditures for their own benefit. Wallenstam has adopted procedures for defining related parties, for managing transactions and monitoring related party agreements. Prior to the preparation of the annual accounts, individual members of Wallenstam's Board of Directors and company management provide an assurance as to whether they or their close family have entered into any transactions during the financial year that can be considered related-party transactions with Wallenstam Group companies.

Transactions with related parties

Transactions with related parties mainly consist of administrative fees and the renting of premises between Group and associated companies. Individuals related to Board members and Group Management rent apartments and premises. Insurance services are purchased from companies where a member of Wallenstam's Board of Directors is a Board member, for a total equivalent to about SEK 5 million in net expenditure for the year. The CEO is a joint owner (50 percent) of Aranea Holding AB. Aranea is a tenant of Wallenstam with an annual rental value equivalent to SEK 0.7 million. In addition,

the CEO has acquired two co-op shares in Pixbo Sjöterrass for an amount of SEK 24.3 million.

A member of Wallenstam's Board, through his own consulting company, sold consulting hours to Wallenstam for SEK 0.1 million.

The Convendum and Colive groups, where Wallenstam's Chairman is a board member of each parent company, have paid SEK 41 million and SEK 13 million, respectively, in rent during the year. Ferroamp AB, where Wallenstam's Chairman is a board member, has been a tenant since the second half of 2023 and has paid a total of SEK 1.5 million in rent during the year.

Wallenstam's involvement in climate, environmental and social responsibility issues is described in more detail on pages 15–21 of the 2023 Annual Report. As part of its social responsibility work, the Wallenstam Group not only contributes financially to a number of organizations but also gives its time in the form of e.g. board work. As a result of such board positions, related party status arises in the case of the Rescue Mission in Gothenburg and Barn i Nöd (Swedish International Help for Children). During the year, the Rescue Mission in Gothenburg received contributions and discounts equivalent to SEK 3.5 million and Barn i Nöd received contributions of SEK 1.8 million. The Rescue Mission in Gothenburg and Barn i Nöd rent premises and apartments from Wallenstam equivalent to annual rental income of SEK 6.4 million and SEK 0.1 million, respectively.

Note 8. Financial income and expenses

Accounting principle

Financial expenses for a reporting period consist of the actual interest both as a result of agreed interest rates and the effect of realized derivative contracts entered into. Average interest corresponds to the other interest paid in relation to the period's average interest-bearing debt.

Expenditures for taking out mortgages is capitalized as a property investment.

Net financial items are not affected by market valuations of entered into interest rate derivative contracts, which are instead recognized as changes in value under their own heading. The financial expenses component that refers to major new construction, extensions or reconstructions is capitalized as a property investment. The capitalized interest is based on the average weighted borrowing cost for the Group.

FINANCIAL INCOME AND EXPENSES

SEK million	2023	2022
FINANCIAL INCOME		
Interest income, current assets	6	3
Dividend	1	3
Foreign exchange gain	0	0
Total financial income	7	6
FINANCIAL EXPENSES		
Interest expenses properties	-659	-354
Interest expenses projects	-13	-
Other interest expenses	-38	-14
Interest expenses leases	-15	-15
Other financial expenses	-1	-1
Total financial expenses	-726	-385

During the year, SEK 129 million (81) in interest relating to investments in projects was capitalized. The average interest rate was used for capitalization, which amounted to 3.0 percent (1.8). Net

financial items including Change in value of financial interest rate derivatives amounted to SEK -1,593 million (1,529), see Note 13.

Note 9. Participation in profits/losses of associated companies

Accounting principle

Holdings in associated companies are recognized according to the equity method.

The Group's participations in the profits of associated companies are based on preliminary financial statements from each company. These were not adjusted to the Group's accounting principles as the effect is not considered material. There have been no significant transactions or events after reporting.

market conditions, the value of the investment also decreases.

Holdings in associated companies consist of the investments in Convendum Corporation AB (publ) (Convendum) and Colive AB (Colive). Investments during the year consisted of new issues in both of the companies, Convendum SEK 28 million (41) and Colive SEK 5 million (-).

Convendum offers modern and efficient office solutions, in the central business districts of major cities. Colive is one of Sweden's first operators of coliving housing through so-called coliving hubs.

Market risk

Holdings in associated companies are impacted by market conditions in the associated companies' markets. During weaker

PARTICIPATIONS IN ASSOCIATED COMPANIES

	Share of equity, %	Carrying amount Dec 31, 2023	Carrying amount Dec 31, 2022
Convendum Corporation AB (publ), 559020-5182	37.2 (37.2)	260	232
Colive AB, 559145-6008	22.8 (22.3)	25	23
Total		285	255

Note 9. Participation in profits/losses of associated companies, cont.

CHANGE IN PARTICIPATIONS IN ASSOCIATED COMPANIES

SEK million	Dec 31, 2023	Dec 31, 2022
Carrying amount, Jan 1	255	217
Investments during the year	33	41
Net profit/loss for the year from associated companies	-3	-3
Carrying amount participations in associated companies	285	255

FINANCIAL POSITION, CONDENSED

SEK million	Convendum		Colive		Wallenstam's participating interest	
	2023	2022	2023	2022	2023	2022
CONDENSED INCOME STATEMENTS						
Revenue	40	32	1	1	15	12
Operating expenses	-37	-30	-15	-15	-17	-15
Operating income	3	2	-14	-13	-2	-2
Net interest income/expense	-3	-2	0	0	-1	-1
Profit before tax	0	0	-14	-13	-3	-3
Tax	0	0	0	0	0	0
Net profit for the year	0	0	-14	-13	-3	-3
CONDENSED BALANCE SHEETS						
Assets	355	306	28	24	138	119
Equity	313	275	24	19	122	107
Liabilities	41	31	4	5	16	12

Note 10. Revenue and expenses, development property sales

Accounting principle

Revenue from sales of development properties refers to property that is constructed with the intention of being divested, either in its entirety or per unit, upon completion. In the balance sheet, investments are continually recognized at cost in the line item Development properties. In conjunction with sales of shares the compensation received is recognized as revenue and the unit's estimated share of the construction cost is recognized as an expense, or in the case of co-op apartment units acquired from an external party, the book value of the apartment. Revenue and expenses are

recognized in the income statement when the purchaser takes control and possession of the unit/property, while marketing and selling expenses are recognized on an ongoing basis.

During the year, the property Kvarngärdet 71:1 in Uppsala, with the project name Bersån, was vacated. In addition, a total of three co-op units in Pixbo Sjöterrass and Söra radhus and nine externally acquired co-op units were sold.

Includes administrative and selling expenses of SEK 7 million (8).

Note 11. Other income and other expenses

Accounting principle

Other income consists of electricity revenue, sales revenue wind turbines and other. Other expenses consists of electricity expenses, selling expenses wind turbines, depreciation, administrative expenses attributable to electricity generation and profit from renewable energy certificates, guarantees of origin and other.

Electricity price risk

The electricity price is affected by a number of different factors such as the economic situation, weather, the hydrological balance and supply and demand for other types of energy.

Note 11. Other income and other expenses, cont.

DISTRIBUTION OTHER INCOME AND OTHER EXPENSES

SEK million	2023	2022
REVENUE		
Electricity revenue	258	200
Sale of wind turbines	-	69
Other income	14	14
Total other income	273	283
EXPENSES		
Electricity expenses	-72	-64
Depreciation wind power	-91	-74
Management costs and administrative expenses wind power	-11	-6
Other expenses	-2	-12
Total other expenses	-176	-156

In 2023, Swedish Government electricity support of SEK 11 million was received which is reported under Other income.

Note 12. Change in value, investment properties

Accounting principle

Wallenstam's valuation process is internal and is made in conjunction with each quarterly financial statements. Properties that are contracted for sale with taking of possession after the closing day are valued at the selling price on the reporting date with consideration of any remaining uncertainty.

A sale is recognized on the date of taking possession unless this contravenes particular terms in the purchase agreement. This also applies in the case of sales of property via companies. Profits/losses on the sale of property comprise the difference between the agreed purchase price and the estimated market value in connection with the immediately preceding quarterly report, taking account of investments made subsequently. Direct selling expenses and a share of internally distributed administration expenses are deducted.

Changes in value during the year amounted to SEK -847 million (-2,627) and were mainly affected by the development in the value of land and building rights for future new construction, which developed negatively during the year. The development in the rental market, completed projects and divestments had a positive impact. The average yield requirements on closing day, which refer to the properties owned on each closing day, amounted to 3.6 percent (3.5) for residential properties and to 4.6 percent (4.6) for commercial premises.

Note 13. Financial derivative instruments

Accounting principle

Wallenstam's financial derivative instruments consist of interest derivatives recognized at fair value.

In order to determine fair value, market interest rates are used for each maturity, as if they were quoted on the market on closing day.

Interest rate swaps are measured by discounting future cash flows to present value while instruments with an option feature are measured at the current repurchase price. When derivatives are realized, this results in interest to receive or pay. Realized results are recognized as a part of interest expenses. Unrealized change in value, financial derivative instruments consists of the change in

the fair value of the derivative portfolio between two accounting periods. Fair value is determined as level 2.

If the agreed interest rate deviates from the market interest rate, a surplus or deficit value will arise for the interest rate derivatives. The difference in value that arises, which does not affect cash flow, is recognized through profit or loss.

The total change in value of derivative instruments during the year amounted to SEK -874 million (1,907). All derivatives are measured at fair value and are recognized in the income statement.

Note 13. Financial derivative instruments, cont.

FINANCIAL DERIVATIVE INSTRUMENTS

SEK million	Dec 31, 2023		Dec 31, 2022	
	Assets	Liabilities	Assets	Liabilities
NON-CURRENT DERIVATIVE INSTRUMENTS				
Interest rate swap contracts	1,018	-18	1,900	-23
Carrying amount non-current derivative instruments	1,018	-18	1,900	-23
CURRENT DERIVATIVE INSTRUMENTS				
Interest rate swap contracts	-	0	-	-3
Carrying amount current derivative instruments	-	0	-	-3
Total derivative instruments	1,018	-18	1,900	-26

MATURITY STRUCTURE, FINANCIAL DERIVATIVE INSTRUMENTS

SEK million	Dec 31, 2023	Dec 31, 2022
0–3 months	-	-
3 months–1 year	0	-3
1–5 years	271	423
>5 years	729	1,454
Total	1,000	1,874

Under the Group's financial policy, the Group's average fixed interest term should be within the 24–60 month range. This is largely managed by using interest rate derivatives. Permitted instruments for managing interest rate risk include interest rate swaps, extendable interest rate swaps (interest rate swap + swaption), FRA, caps and floors combined with caps (collars) and performance swaps. Permitted counterparties are Swedish banks and foreign banks with established operations in Sweden.

Wallenstam's contracts for financial instruments are recognized at gross value, as no legally binding netting agreements exist.

In connection with measurement of derivatives at fair value, no adjustment is made for counterparty risk in the form of Credit

Value Adjustment (CVA) and Debt Value Adjustment (DVA), as the differential is not significant.

The nominal amount of the Group's outstanding interest rate swaps as of December 31, 2023, amounted to SEK 16,423 million (17,274), of which SEK 16,000 million (16,250) are swaps where we pay a fixed interest rate and SEK 423 million (1,024) are swaps where we obtain a fixed interest rate. On December 31, 2023, the fixed swap interest rates varied between 0.1–2.13 percent (0.1–0.79) and the fixed swap interest rates obtained from the banks amounted to 2.4 percent (1.4–2.4). The variable swap interest rates correspond to STIBOR 3M.

Note 14. Tax

Accounting principle

The current tax rate for limited liability companies in Sweden in 2023 is 20.6 percent (20.6). The tax in the income statement is distributed between two items, current tax and deferred tax.

Deferred tax

Deferred tax is calculated, using the liability method, on all temporary differences arising between the carrying amounts and values for tax purposes of assets and liabilities according to the principles described in more detail in Note 26.

TAX RECOGNIZED IN THE INCOME STATEMENT

SEK million	2023	2022
Current tax	-2	-4
Deferred tax	134	397
Total tax	132	393

Note 14. Tax, cont.

DIFFERENCE BETWEEN THE GROUP'S RECOGNIZED TAX AND TAX BASED ON THE CURRENT TAX RATE OF 20.6 PERCENT (20.6)

SEK million	2023	2022
Recognized profit before tax	-582	711
Tax according to current tax rate	120	-146
Tax effect of:		
Change in value, financial assets	-12	-49
Non-taxable profit on divested properties and shares	38	381
Changes in value, which do not generate deferred tax	56	-129
Non-deductible interest	-27	-
Adjustment of tax, previous years	-6	337
Other fiscal adjustment items	-37	-2
Tax on profit for the year in the income statement	132	393

DISTRIBUTION OF DEFERRED AND CURRENT TAX

SEK million	2023		2022	
	Basis current tax	Basis deferred tax	Basis current tax	Basis deferred tax
Profit before tax	-582		711	
Tax deductible:				
Reconstructions	-423	423	-402	402
Depreciation	-858	858	-716	716
Additional depreciation	-553	553	-4	4
Retirements, impairment losses and reversals	-59	59	-300	300
Change in value, financial assets	42	17	261	-21
Unrealized change in value, investment properties	851	-851	2,684	-2,684
Change in value which does not generate deferred tax	-	-271	-	624
Change in value, financial instruments	874	-874	-1,907	1,907
Divestment of properties and shares	17	-203	122	-1,978
Change interest deduction	102	28	-	-
Other fiscal adjustment items	178	3	1	8
Current profit/loss for tax purposes	-412	-258	450	-722
Loss carryforwards at start of the year	-4,279	4,279	-3,079	3,079
Changed valuation rolled-up deficit	29	-29	-1,631	1,631
Loss carryforwards at year-end	4,670	-4,670	4,279	-4,279
Taxable profit	8	-678	19	-291
Tax for the year	-2	140	-4	60
Previously assessed / non-assessed deficit	-	-6	-	336
Tax for the year in the income statement	-2	134	-4	397

Note 15. Investment properties



Accounting principle

Investment properties are our rental apartment buildings, which are held for our own management operations with the aim of receiving rental income or appreciation in value or a combination of both. Investment properties are recognized at fair value where fair value corresponds to the estimated market value calculated using a yield model as described below. Changes in value are recognized in the income statement. A complete valuation of each building is made by an internal valuation team in connection with the preparation of each interim and annual accounts. The valuation model is based on estimates of future payment streams with differentiated market-related yield requirements per property.

Property valuations are based on the following, among other things:

- yield requirements in each market
- each property's specific circumstances such as condition and location
- rental rates, contract lengths, vacancy and rental trends
- analysis of existing tenants
- credit market conditions
- analysis of concluded and non-concluded property transactions.

Valuation process

The valuation is based on an individual assessment of each property's earning capacity where its net operating income is set in relation to a yield requirement. The yield requirement reflects market conditions and differs based on where the property is located and what type of property it is (residential or commercial), e.g. As our properties are valued separately, no consideration is given to the portfolio premium that may exist in the property market.

The yield valuation is calculated based on the properties' standardized net operating income. In the annual accounts for 2023, data for 2024 provides the basis for the valuation of the properties. Net operating income thus corresponds to the company's expected actual revenue and expenses. Expected actual expenses are adjusted for such items that vary significantly between different years, for example, repair and maintenance expenses. These items are instead replaced by standard amounts normalized on an annual basis. In relation to the net operating income recognized in the consolidated accounts, a deduction is also made for any site leasehold rents. In all commercial contracts, a deduction for general vacancies of 3 percent is also made. For residential, no standardized vacancy deduction is made as the holdings are, and are expected to remain, fully let. In our calculation, we make the assumption that the budgeted cash flow for the coming year with the above adjustments corresponds to a perpetual cash flow with respect to our applied valuation model. The net operating income that is computed is divided by a yield requirement for each property whereupon a yield value (present value of perpetual net operating income) is obtained per property.

From the calculated yield value, deductions are then made corresponding to two years' rents for all actual vacancies as well as for the value of the estimated future investment needs for maintaining the current valuation standard.

Wallenstam's valuation model

- + Rental value (is calculated on the basis of expected rental rates in 2024)
- General vacancies of 3 percent in the commercial holdings
- Operating expenses including property tax and site leasehold rents, excluding administration
- = Net operating income
- ÷ Calculated yield requirement for the property
- = The property's gross yield value
- Two years' rent for vacant floor space (actual vacancy)
- Planned investments and significant repairs
- +/- Present value of temporary additions/deductions
- = **The property's estimated fair value**

The Group's effective general yield requirements are determined by setting the Properties' estimated fair value in relation to Net operating income according to the above model and thus differs from the yield requirement used in the calculation procedure. At the time of each valuation, the calculation is adjusted in cases where significant changes have taken place in the underlying factors, such as the yield requirement, rental rate, occupancy rate as well as confirmed changes in value in connection with contracted sales.

The yield requirement varies depending on the market, geographical location and type of property and is set individually per property. The yield valuation is based on a division into residential floor space and commercial floor space, with different yield requirements for each area. Analyses and comparisons are made with current price statistics for similar items of property.

If an investment begins in a new or existing investment property that is intended for continued use as an investment property within the Group, the property is also recognized as an investment property during its construction or reconstruction phase.

New constructions of rental apartments are measured at fair value, which is determined as cost plus the estimated surplus on the completion date in relation to the degree of completion of the construction. This is in turn based on expenditures incurred. The surplus value on new construction is gradually recognized during the entire construction period. Given the uncertainty now prevailing in the market, no gradual value growth in new construction has been recognized from fall 2022. In the case of investment properties that undergo a more large-scale reconstruction, the fair value during the reconstruction period is generally considered to equal the value that the investment property had at the start of the project with the addition of subsequently made investments. Land rights and building rights are measured at market value and are externally valued according to the sales comparison approach.

Property acquisitions and property sales are recognized on the day of taking possession, when control has been transferred to the purchaser. Properties that are contracted for sale with taking of possession after closing day are valued at the selling price on the reporting date with consideration for any uncertainty.

Additional expenditures including directly attributable project management fees are capitalized if it is probable that the future economic rewards associated with the asset will accrue to the Group. In the case of large new constructions, extensions and reconstructions, interest expenses are capitalized during the project period until the property is taken into use. Expenditures in respect of day-to-day maintenance and repairs are expensed in the period in which they arise.

The total value of new construction in progress as well as land and building rights amounted to SEK 4,987 million (6,231).

Wallenstam's view is that property valuations are at level 3 of the fair value hierarchy. Fair values, attributable to level 3 for land and building rights, have been valued externally based on the sales comparison method. Selling prices for comparable buildings in the immediate vicinity have been adjusted for differences in essential characteristics, such as the size of the property. The most significant input data for this valuation is the price per square meter.

Wallenstam's properties are classified as investment properties apart from properties that constitute development properties. These properties are instead recognized in the balance sheet as Development properties, see also Note 20.

Recognition of site leasehold rents

Site leasehold rents are paid where Wallenstam's buildings are located on land held with site leasehold rights. Site leasehold agreements are treated as perpetual lease agreements, which means that the right of use to land granted with site leasehold rights is recognized as an asset, and an equally large lease liability, in the

Note 15. Investment properties, cont.

balance sheet and that the entire leasehold fees are presented as a financial expense in the income statement. In 2023, SEK 15 million (15) was recognized as a financial expense relating to site leasehold rents. The weighted average interest was 3.0 percent. The right of use for the land has been estimated at SEK 534 million (500) and is recognized as a part of the properties' value. See also Note 16.



Assessments and estimates

Assessments and estimates made in connection with investment property valuation may have a significant impact on the Group's recognized earnings and position. Valuations of investment properties, which are internal, require assessments of and assumptions about for example future cash flows and the determination of yield requirements for each individual property. Assessments made

affect the carrying amount of the item Investment properties in the balance sheet, and the item Change in value, investment properties in the income statement. When a transaction is completed, a cross-check is made of the assumptions made. Wallenstam also monitors relevant completed property transactions. Internal valuations of the entire property holdings are carried out on a quarterly basis.

In connection with acquisitions, an assessment is made of whether the acquisition is an asset acquisition or a business combination. During the year, no acquisitions were carried out, the previous year's transactions were all deemed to constitute asset acquisitions. In the case of asset acquisitions, no deferred tax is recognized in relation to the property acquisition. Any tax discount negotiated reduces the property's acquisition cost, which means that changes in value during the initial valuation are affected by the tax discount.

CHANGE DURING THE YEAR, INVESTMENT PROPERTIES

SEK million	Dec 31, 2023	Dec 31, 2022
Carrying amount, Jan 1	62,092	63,480
Acquisitions	20	2,046
Constructions	2,293	2,374
Divestments	-464	-3,124
Unrealized change in value, investment properties	-851	-2,684
Carrying amount, investment properties	63,090	62,092

Capitalized interest during the year amounted to SEK 129 million (81). The average interest rate for the capitalized interest was 3.0 percent (1.8).

YIELD REQUIREMENTS, INVESTMENT PROPERTIES

The following yield requirements have been used in valuations:

Property type	Region	Dec 31, 2023, %	Dec 31, 2022, %
Residential	Stockholm	3.00–4.00	3.00–4.00
Residential	Gothenburg	3.00–4.00	3.00–3.70
Commercial	Stockholm	4.00–5.30	4.00–5.50
Commercial	Gothenburg	4.10–6.60	4.00–6.50
Public use properties	Stockholm	3.00–5.50	3.00–5.50
Public use properties	Gothenburg	3.00–5.60	3.00–5.50

Effective yield requirement per region and type of property:

Property type	Region	Average effective yield requirement 2023, %	Average effective yield requirement 2022, %
Residential properties	Stockholm	3.6	3.4
Residential properties	Gothenburg	3.6	3.5
Commercial properties	Stockholm	5.7	5.9
Commercial properties	Gothenburg	4.5	4.5
Public use properties	Stockholm	3.3	3.3
Public use properties	Gothenburg	5.1	4.7
Average yield requirement residential		3.6	3.5
Average yield requirement commercial holdings		4.6	4.6
Average yield requirement public use properties		4.5	4.2

Note 15. Investment properties, cont.

INVESTMENT COMMITMENTS

Future expenditures for contracted investments, acquisitions as well as repair, maintenance and improvement commitments as of closing day, which have not been recognized in the financial statements in respect of properties:

SEK million	Dec 31, 2023	Dec 31, 2022
Contracted construction investments	1,198	1,535

SENSITIVITY ANALYSIS

Fair value is an estimation of a probable selling price on the market at a given valuation date. However, the actual price can only be determined when a transaction is completed and paid for. To illustrate the uncertainty surrounding estimates of fair value, a value range is often specified, usually +/- 5 to 10 percent. However, this may vary depending on such things as the market situation, the standard of the property and investment requirements. As of December 31, 2023, Wallenstam had investment properties valued at SEK 63,090

million (62,092). With an uncertainty range of +/- 5 to 10 percent, this means their estimated fair value varies by +/- SEK 6.3 billion (6.2) and by +/- SEK 3.2 billion (3.1). Furthermore, changes to the yield requirement have a substantial effect on the valuation. In the event of a 0.25 percentage point adjustment in the yield requirement, property values will change by around SEK +4.1 billion (4.2) and SEK -3.6 billion (-3.6) respectively, which is equivalent to a change in net asset value of around +/- SEK 5.90 per share (5.90).

PROPERTY VALUES WITH OTHER YIELD REQUIREMENTS FOR CALCULATION PURPOSES, ACCUMULATED

SEK million	Dec 31, 2023	Dec 31, 2022
0.50 percentage points lower	71,985	71,168
0.25 percentage points lower	67,216	66,288
Property value according to our estimate	63,090	62,092
0.25 percentage points higher	59,482	58,444
0.50 percentage points higher	56,300	55,241

PROPERTY VALUES WITH OTHER YIELD REQUIREMENTS FOR CALCULATION PURPOSES, PER CATEGORY

SEK million	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
	Residential	Residential	Commercial	Commercial	Public use properties	Public use properties
0.50 percentage points lower	42,205	42,212	27,883	27,292	1,897	1,664
0.25 percentage points lower	39,390	39,297	26,062	25,446	1,764	1,546
Property value	36,980	36,822	24,461	23,827	1,649	1,443
0.25 percentage points higher	34,892	34,694	23,042	22,396	1,549	1,354
0.50 percentage points higher	33,067	32,845	21,774	21,121	1,459	1,275

PROPERTY VALUES WITH CHANGED RENTAL INCOME, ACCUMULATED

SEK million	Dec 31, 2023	Dec 31, 2022
5 percentage points higher	66,708	65,565
Property value according to our estimate	63,090	62,092
5 percentage points lower	59,472	58,620

PROPERTY VALUES WITH CHANGED RENTAL INCOME, PER CATEGORY

SEK million	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
	Residential	Residential	Commercial	Commercial	Public use properties	Public use properties
5 percentage points higher	39,030	38,815	25,929	25,218	1,750	1,532
Property value	36,980	36,822	24,461	23,827	1,649	1,443
5 percentage points lower	34,930	34,829	22,993	22,437	1,549	1,355

Note 15. Investment properties, cont.

PROPERTY VALUES WITH CHANGED OPERATING EXPENSES, ACCUMULATED

SEK million	Dec 31, 2023	Dec 31, 2022
5 percentage points higher	62,291	61,324
Property value according to our estimate	63,090	62,092
5 percentage points lower	63,889	62,860

PROPERTY VALUES WITH CHANGED OPERATING EXPENSES, PER CATEGORY

SEK million	Dec 31, 2023 Residential	Dec 31, 2022 Residential	Dec 31, 2023 Commercial	Dec 31, 2022 Commercial	Dec 31, 2023 Public use properties	Dec 31, 2022 Public use properties
5 percentage points higher	36,470	36,326	24,189	23,572	1,631	1,427
Property value	36,980	36,822	24,461	23,827	1,649	1,443
5 percentage points lower	37,489	37,318	24,733	24,083	1,667	1,459

Note 16. Lease liability



Accounting principle

Site leasehold rents are paid where Wallenstam's buildings are on leased land. Site leasehold agreements are treated as perpetual lease agreements, which means that the entire leasehold fees are recognized as a financial expense in the income statement.

In land leases, land rent is paid where Wallenstam's wind turbines are constructed. This consists of two types, minimum rent and turnover-based rent. Variable charges, such as turnover-based rents, are recognized as they arise.

The right of use for site leasehold rights and land leases amounted to SEK 534 million (500) and SEK 9 million (9), respectively, on closing day. The difference between obligations for future lease fees and the opening lease liability as of January 1, 2023, related to depreciation of land leases and amortization of lease liability.

SEK 1 million (1) of the closing lease liability of SEK 544 million (511) falls due for payment within one year, SEK 4 million (4) within 2-5 years and SEK 539 million (506) after five years.

LEASE LIABILITY

SEK million	2023	2022
SITE LEASEHOLD RIGHTS		
Interest expense	-15	-15
Total cash flow site leasehold rights	-15	-15
Carrying amount right of use on closing day	534	500
Carrying amount lease liability on closing day	-534	-500
LAND LEASE		
Depreciation amount	-1	-1
Interest expense	0	-1
Cost of turnover-based rents (not included in the measurement of the lease liability)	-11	-7
Total cash flow land leases	-11	-7
Carrying amount right of use on closing day	9	9
Carrying amount lease liability on closing day	-10	-11

Note 17. Wind turbines

Accounting principle

Wind turbines are recognized at cost less accumulated depreciation and impairment losses.

When there are indications that an asset has fallen in value, or in order to estimate if previous impairment losses are no longer justified, the asset's recoverable amount is calculated, which is the higher of the asset's fair value less selling expenses and its value in use.

Assessments and estimates

The expected economic life for a wind turbine is estimated to be 22.5 years.

To calculate an asset's value in use, company management must make a number of assessments and estimates. This value in use is based on cash flow forecasts for the useful life. Cash flows are affected by commercial factors such as market growth, competitiveness, prices, margins, cost trends, investment levels, tied up working capital, expected price and demand levels relating to electricity, guarantees of origin and renewable energy certificates as well as weather and wind conditions. Additional assessment of such factors

as the interest rate situation, borrowing costs, market risk, beta values and tax rates is performed in connection with discounting.

The production volume is based on the budget and was assessed in the impairment test as a normal year in accordance with the latest available statistics. As an input for the electricity price, an average price is used based on expectations of future electricity prices based on the Board's and Management's best estimate using external, independent, market reports. This price forms the basis for estimating cash flows for the period 2024–2030. For periods after 2030, an average annual growth rate of 1.5 percent was assumed. Yield requirement before tax has been fixed at 6 percent (6).

The impairment test has resulted in a reversal of SEK 59 million (300) for wind turbines in electricity price zone 2 while the previous year's reversal related to electricity price zone 3. Remaining impairment losses relate to wind turbines in electricity price zone 2. Sensitivity analyses have been carried out using differentiated assumptions for the components in order to ensure that impairment losses and reversals are enduring over time.

WIND TURBINES

SEK million	Dec 31, 2023	Dec 31, 2022
Opening acquisition cost	1,808	2,409
Divestments and retirements during the year	-	-601
Closing accumulated acquisition cost	1,808	1,808
Opening depreciation	-718	-862
Depreciation for the year	-90	-73
Divestments and retirements during the year	-	218
Closing accumulated depreciation	-808	-718
Opening impairment losses	-74	-606
Divestments and retirements during the year	-	232
Reversal of impairment loss	59	300
Closing accumulated impairment losses	-15	-74
Carrying amount wind turbines	985	1,017
Future investment commitments	33	33

Note 18. Equipment

Accounting principle

Depreciation occurs according to plan over the useful life: 10 years equivalent to 10 percent for furniture and 5 years equivalent to 20 percent for other equipment. Depreciation of equipment is

included in the income statement item Management costs and administrative expenses.

Note 18. Equipment, cont.

CHANGES DURING THE YEAR, EQUIPMENT

SEK million	Dec 31, 2023	Dec 31, 2022
Opening acquisition cost	125	115
Investments during the year	8	20
Divestments/retirements during the year	-4	-10
Closing accumulated acquisition cost	128	125
Opening depreciation	-43	-45
Depreciation for the year	-9	-7
Divestments/retirements during the year	4	10
Closing accumulated depreciation	-48	-43
Carrying amount equipment	80	82

Note 19. Financial assets



Accounting principle

Wallenstam's holdings consist of listed and unlisted shares as well as shares of property interests. Listed shares on the stock exchange are valued at the market price on closing day. For other shareholdings and shares of property interests, the fair value assessment is based on currently available information such as the price of a recently carried out issue or profit from sales of similar participations. These constitute level 3 in the fair value hierarchy. Financial assets also includes promissory note receivables, which are recognized at amortized cost and constitute level 2 in the fair value hierarchy.



Market risk

Losses on other securities held as non-current assets and shares of property interests arise if the value of the shares falls.



Credit risk

Losses on promissory note receivables occur when the counterparty for some reason cannot fulfill its payment obligations. For a further description of credit risk, see Note 3 and Note 28.

SECURITIES HELD AS NON-CURRENT ASSETS AND SHARES OF PROPERTY INTERESTS

SEK million	Dec 31, 2023	Dec 31, 2022
Carrying amount, Jan 1	61	454
Change in value for the year	-48	-220
Investments during the year	16	5
Sales during the year	-	-177
Carrying amount securities held as non-current assets and shares of property interests	28	61

During the year, SEK 16 million (5) was invested in Ferroamp Elektronik AB, where the total holding amounted to SEK 20 million (52) on closing day. Shares of property interests amounted to SEK 9 million (9). During the year, the previously written down, remaining shareholding in Klarna Holding AB was divested. During the previous

year, the holdings in Samhällsbyggnadsbolaget i Norden AB (SBB) and the majority of Klarna Holding AB were divested. The holding in Tmpl Solutions AB is unchanged since the previous year and is written down in its entirety.

OTHER NON-CURRENT RECEIVABLES

SEK million	Dec 31, 2023	Dec 31, 2022
Carrying amount, Jan 1	227	242
New receivables	69	14
Reclassification to current receivables	-15	-1
Repayments	-32	-28
Carrying amount other non-current receivables	248	227

Other non-current receivables consist mainly of promissory note receivables. The weighted average effective interest rate for interest-bearing non-current receivables was 4.1 percent (2.7). All

non-current receivables follow payment plans, which means that there are no non-current receivables that are overdue.

Note 20. Development properties



Accounting principle

The properties, which are under construction in order to be sold on completion, either in their entirety or by apartment, are recognized in the balance sheet in the line item Development properties. Development properties are continually recognized at the lower

of cost and net realizable value. A profit/loss is recognized when the development property is completed, sold and handed over to the buyer. See also Note 10.

DEVELOPMENT PROPERTIES

SEK million	Dec 31, 2023	Dec 31, 2022
Carrying amount, Jan 1	217	123
Constructions	86	143
Provision uncertain projects and sunk planning costs	-	-16
Sold properties	-203	-
Sold co-op apartment units	-24	-32
Carrying amount development properties	77	217

Note 21. Other receivables

SEK million	Dec 31, 2023	Dec 31, 2022
Receivables during property transactions	0	1
VAT receivables	121	241
Receivables from suppliers	2	0
Receivables electricity generation	12	30
Promissory note receivables	14	-
Other	8	19
Carrying amount other receivables	157	291

Note 22. Prepaid expenses and accrued income

SEK million	Dec 31, 2023	Dec 31, 2022
Prepaid operating expenses	3	10
Prepaid administrative expenses	14	10
Estimated deductible VAT in projects in progress	73	107
Prepaid financing costs	3	4
Accrued interest income	58	3
Accrued electricity revenue	23	38
Accrued rental income	5	4
Carrying amount prepaid expenses and accrued income	180	176

Note 23. Participations

SEK million	Dec 31, 2023	Dec 31, 2022
Opening acquisition cost	9	4
Investments during the year	69	25
Sales during the year	-15	-21
Carrying amount participations	63	9

Note 24. Cash and cash equivalents

SEK million	Dec 31, 2023	Dec 31, 2022
Available liquid assets	1,285	2,093
Of which approved amount, overdraft facilities	-1,325	-1,912
Of which, utilized amount, overdraft facilities	90	-
Available amount, overdraft facilities	-1,235	-1,912
Cash and cash equivalents	50	181

On December 31, 2023, available liquid assets totaled SEK 1,285 million (2,093), of which SEK 378 million (1,045) represents overdraft facilities (back-up facilities) for issued outstanding commercial paper.

Note 25. Equity

Accounting principle

Repurchased own shares including related repurchase expenses are recognized as a reduction of retained earnings. Dividends paid to the parent company's shareholders are recognized as a reduction in retained earnings once approved by the AGM.

The number of shares in Wallenstam AB consists of 69,000,000 A shares, which carry ten votes each, and 591,000,000 B shares,

which carry one vote each. The total number of shares amounts to 660,000,000 and the registered share capital is SEK 165,000,000, corresponding to a quota value of SEK 0.25 per share (0.25). The proposed dividend per share amounts to SEK 0.50 (0.60).

During the year, 2,000,000 shares (1,000,000) were repurchased at an average price of SEK 43.28 per share including brokerage (42.56). The total holdings of repurchased shares amounts to 3,000,000 shares (1,000,000) with a value of SEK 130 million (43).

Note 26. Deferred tax liability

Accounting principle

In Wallenstam there are mainly four items where temporary differences occur that constitute a basis for recognition of deferred tax: properties, wind turbines, derivative instruments and loss carryforwards. Exceptions are made for temporary differences that arose on initial recognition of assets and liabilities that constitute asset acquisitions. No deferred tax is recognized for these items.

Deferred tax assets include measured loss carryforwards totaling SEK 962 million (881), which corresponds to the value for tax purposes of the Group's Swedish loss carryforwards. The Group also has non-assessed, accumulated losses of SEK 147 million (146), corresponding to a value for tax purposes of SEK 30 million (30), which is mostly attributable to the divestment of financial instruments.

Deferred tax has been calculated on the items below of 20.6 percent (20.6).

Estimates and assessments

When measuring loss carryforwards, like other temporary differences, an assessment is made of the probability that these items can be utilized in the future and at what point in time.

Note 26. Deferred tax liability, cont.

DEFERRED TAX LIABILITY, NET

SEK million	Dec 31, 2023		Dec 31, 2022	
	Basis	Tax	Basis	Tax
Loss carryforwards	4,670	962	4,279	881
Properties	-31,213	-6,430	-31,029	-6,393
Derivatives	-1,000	-206	-1,874	-386
Wind turbines	-828	-171	-447	-92
Lease assets	544	112	-	-
Lease liability	-544	-112	-	-
Other temporary differences	55	11	79	16
Tax reduction purchase of equipment	-	3	-	9
At year-end in the balance sheet	-28,315	-5,830	-28,992	-5,963
Opening balance	-28,992	-5,963	-30,917	-6,364
Acquisition / sale of company / equity	-	0	-	4
Changes during the year according to the income statement	678	134	1,925	397
At year-end in the balance sheet	-28,315	-5,830	-28,992	-5,963

Note 27. Provisions



Accounting principle

Recognized provisions consist of those for pensions, commitments in sold properties, provision for synthetic options and an estimated amount for risks in disputes. For more information about the synthetic options scheme, see Note 5.

Provisions for pension commitments constitute a liability for which there is an equal amount of assets in the form of endowment insurance. These are recognized at fair value and net.



Assessments and estimates

During recognition of provisions, assessments and estimates may have a significant impact on the Group's recognized earnings and position. These assessments and estimates are based on historical experience and expectations about future events that are considered reasonable in the current circumstances. By their very nature, actual outcomes may differ significantly from these assessments and estimates if other assumptions are made or other conditions exist or arise. Changes to estimates are recognized during the period in which they are made if they affect that period only, or in the period in which they are made and future periods if the change affects both current and future periods.

PROVISIONS

SEK million	Dec 31, 2023	Dec 31, 2022
Opening balance provisions	77	51
Change in value provision options liability	44	-1
Change in value special payroll tax relating to endowment insurance	1	-3
Provision for the year for future obligations aftermarket measures, completed transactions	-	44
Reversal of obligations aftermarket measures, completed transactions	-28	-14
Closing balance provisions	94	77

Note 27. Provisions, cont.

PROVISIONS ENDOWMENT INSURANCE

SEK million	Dec 31, 2023	Dec 31, 2022
Opening capital value, provision for pension commitments	53	64
Provision for the year future obligations	2	2
Change in value for the year	5	-8
Payments during the year	-5	-5
Closing debt capital value, provision for pension commitments	55	53
Closing asset capital value of pension commitments	-55	-53
Net provisions pension commitments	-	-

Note 28. Financial instruments and financing



Accounting principle

Wallenstam recognizes its financial contracts at gross value for financial instruments such as interest rate swaps as no legally binding netting agreements exist. The Group assesses the credit risks for a financial asset on an ongoing basis. When a risk of loss is identified, a provision is made of the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted by the original effective interest rate.

Wallenstam has mainly loans with the major Swedish banks. According to Wallenstam's finance policy, an individual bank may at most account for 50 percent of the financing to safeguard the spread of risks in relation to financiers. Wallenstam's capital tied up including credit commitments at year-end was 10 months (11). Of the interest-bearing liabilities, loans with capital tied up for long terms amounted to 14 percent (18) of the total loan portfolio. Wallenstam has diversified property holdings in attractive locations with approximately equal proportions of residential and commercial space. Combined with the company's stable development over time, this means no immediate substantial changes in counterparty risk are anticipated for the Wallenstam Group. The fair value of the Group's borrowed capital is considered to essentially correspond to the liabilities' amortized cost.

Financial assets and financial liabilities measured at fair value through profit or loss

This category consists of two sub-groups: financial assets and financial liabilities held for trading, i.e. whose main purpose is to be sold or repurchased in the short term, and derivatives. Derivatives are classified as held for trading if they are not identified as hedges and hedge accounting is applied. This category mainly includes interest rate derivatives as well as holdings in listed companies such as Ferroamp Elektronik AB. The value of investments in listed shares is calculated using quoted market prices.

Derivative instruments are recognized in the balance sheet on the date of contract at fair value, both initially and during subsequent remeasurement.

SUMMARY FAIR VALUE HIERARCHY FINANCIAL INSTRUMENTS

	Fair value hierarchy	Note
Holdings in listed companies	1	19
Holdings in unlisted companies	3	19
Interest rate derivatives	2	13

Other liabilities are measured at amortized cost, which corresponds to nominal value plus additional or outgoing valuation items.

Financial assets measured at amortized cost

This category includes rent and trade receivables, cash and cash equivalents, promissory note receivables, participations and other receivables. Amortized cost is determined on the basis of the effective interest rate that was calculated on the date of acquisition. Trade receivables are recognized at nominal amounts without discounts as their expected terms are short. Financial assets measured at amortized cost are recognized at the amounts expected to be received, in other words less doubtful receivables. Cash and cash equivalents are recognized at nominal value. Trade receivables consist chiefly of rent receivables and trade receivables in respect of electricity production sales. Promissory note receivables are mainly related to property transactions.

Participations are recognized under current assets and consist of externally acquired shares in housing co-ops.

Financial liabilities recognized at amortized cost

Wallenstam's liabilities consist primarily of liabilities to credit institutions and operating liabilities such as trade payables. Liabilities with a term of more than 12 months are recognized as non-current, others as current. The majority of Wallenstam's liabilities have a shorter maturity than 12 months and are recognized as current. Overdraft facilities refer to loans under current liabilities. Loans are raised in Swedish kronor and are recognized in the balance sheet on settlement day at fair value less transaction costs.



Financial risk factors

Through its operations Wallenstam is exposed to various financial risks such as interest rate risk, liquidity risk, currency risk and financing risk. These risks arise in the Group's reported financial instruments such as cash and cash equivalents, interest-bearing receivables, trade receivables, trade payables, borrowings and derivatives and are described further per category below.

Financial risk management

To minimize its risks, Wallenstam works through its finance department according to the financial policy that is reviewed and approved

Note 28. Financial instruments and financing, cont.

by the Board annually. This policy describes the purpose, organization and distribution of duties for financing activities, along with rules for financial risk management. It seeks to limit the company's financial risks, which mainly consist of interest rate risk, refinancing risk and liquidity risk.

Wallenstam's financial operations are centralized in the parent company's finance department, which acts as an internal bank with responsibility for borrowing, cash management and financial risk management. Wallenstam strives to achieve a balance between a good return on equity and an acceptable level of risk. The finance department has instructions, systems and a division of duties that aim to achieve good internal control and operational follow-up. Major financing solutions must be approved by the Board of Directors and the Board is informed about financial matters at every Board meeting.

Liquidity risk

A liquidity risk involves a situation where cash and cash equivalents for payment of commitments cannot be secured.

Wallenstam prioritizes a low loan-to-value ratio, which provides greater freedom of action to fulfill approved investments and payment obligations. Wallenstam makes forecasts on an ongoing basis regarding Group liquidity based on anticipated cash flows. The Group's liquidity risk is limited by aiming to hold liquid assets corresponding to at least three months of known net payments at any given time.

Available liquid assets, including available bank overdraft facilities, amounted to SEK 1,285 million (2,093), of which SEK 378 million (1,045) is allocated as back up for issued outstanding commercial paper. Approved overdraft facilities amounted to SEK 1,325 million (1,912), where SEK 90 million (-) was utilized on closing day.

Financing risk and covenants

Financing risk corresponds to difficulties in obtaining financing for the operations at a given time.

Wallenstam works actively to achieve low financing risk in relation to market pricing, i.e. the best possible net financial items within a given risk framework. The Board of Directors sets the level of capital

tied up in the loan portfolio on a continuous basis. The Group has long-term collaboration with the major Swedish business banks. The goal is to have financing from at least three of the major Swedish commercial banks and a loan portfolio with a spread of maturities and terms in relation to pricing. The Group should limit refinancing risk by always planning refinancing negotiations in advance.

To optimize the terms of the loan portfolio, the Group's borrowing is generally guaranteed by the parent company. The loans mostly consist of traditional loans with property mortgages as security, but also of bond loans and commercial paper. The issue proceeds for green bonds can only be allocated to projects and assets that qualify according to Wallenstam's green framework. During 2023, no bonds were issued (-), however, bond repurchases were made. Total outstanding bonds on closing day amounted to SEK 334 million (890), from a framework amount of SEK 3 billion.

The financing of wind farms is mainly secured through the bond market. For the commercial paper program and outstanding bond loans, no sureties are pledged.

For commercial paper, with a framework of SEK 4,000 million (4,000), Wallenstam has undertaken, at each given time, to have access to liquidity facilities that in terms of maturity and total nominal amount are at least equivalent to outstanding commercial paper. To fulfill these conditions, the Group has overdraft facilities of SEK 525 million (1,112). Outstanding commercial paper on closing day amounted to SEK 373 million (1,045).

The approved credit facility of SEK 2,500 million from the EIB (European Investment Bank) for new construction of energy-efficient rental apartments was fully drawn down in 2020. In 2023, a total of SEK 500 million has been amortized. Current interest-bearing bank loan agreements below includes SEK 200 million (500) as a debt to the EIB, the remaining part of SEK 1,800 million (2,000) is included in the non-current liabilities. The loan is unsecured provided that the following conditions are met:

- the interest coverage ratio shall not be less than 1.5 times
- the loan-to-value ratio shall not exceed 65 percent
- unpledged assets shall not be less than 18 percent and
- indebtedness in Group companies excluding Wallenstam AB shall not exceed 75 percent of the Group's total liabilities.

All conditions are met. Should any of the above covenants be breached, it would mean that Wallenstam needs to pledge collateral to the EIB for the remaining liability at the time.

EXTERNAL FINANCING

SEK million	Dec 31, 2023		Dec 31, 2022	
	Agreement	Utilized	Agreement	Utilized
Current interest-bearing bank loan agreements	24,220	24,220	21,627	21,627
Non-current interest-bearing bank loan agreements	4,058	4,058	4,731	4,731
Overdraft facility	1,325	90	1,912	-
Total interest-bearing loan agreements	29,602	28,367	28,271	26,359
Current bonds, MTN	334	334	490	490
Non-current bonds, MTN	2,666	-	4,510	400
Commercial paper (framework of SEK 4 billion)	4,000	373	4,000	1,034
Total bonds, commercial paper back-up facilities	7,000	707	9,000	1,924
Total	36,602	29,075	37,271	28,283

Note 28. Financial instruments and financing, cont.

BOND LOANS

Date of issue	Outstanding balance, SEK million	Term, year	Maturity	Interest rate	Other
April 2021 (green)	334	3	2024	variable, STIBOR 3M +66 points	Within the MTN program
Total bond loans	334				

LOAN AGREEMENT MATURITY STRUCTURE

SEK million	Dec 31, 2023			Dec 31, 2022		
	UTILIZED IN		Total interest-bearing liabilities	UTILIZED IN		Total interest-bearing liabilities
Banks	Commercial paper/Bonds	Banks		Commercial paper/Bonds		
0-3 months	5,932	373	6,305	5,415	839	6,254
3 months-1 year	18,378	334	18,712	16,212	685	16,897
1-2 years	1,323	-	1,323	2,009	400	2,409
2-3 years	660	-	660	1,323	-	1,323
3-4 years	1,475	-	1,475	400	-	400
4-5 years	400	-	400	400	-	400
5-6 years	200	-	200	400	-	400
6-7 years	-	-	-	200	-	200
	28,367	707	29,075	26,359	1,924	28,283

All financial instruments are shown in the table Classification of financial instruments on page 70. Trade payables are normally due within 30 days while other current liabilities are due within one year. Other non-current liabilities are due after five years.

Interest rate risk

Interest rate risk refers to how changes in interest rates will affect the Group's net financial items and the value of financial instruments.

Wallenstam's loan portfolio consists of loans with different terms from different lenders. A good balance between a long fixed interest term providing stability and a short fixed interest term that normally provides the lowest interest expense is important in achieving a stable interest expense trend.

The Group's average fixed interest term should fall within the 24-60 month range.

Interest rate derivatives are used to spread risk and with the aim of protecting the underlying portfolio. These are used to limit interest rate risks in the loan portfolio and in order to influence the fixed interest term in the loan portfolio in a flexible way.

Thus derivative instruments are used for the purpose of reducing risk and should be linked to an underlying exposure. The Group currently has derivative instruments, which are recognized in the category financial assets and liabilities measured at fair value through profit or loss. The corresponding interest paid is recognized as an interest expense including the effect of realized interest derivatives and the net change in the value of outstanding derivative liabilities for the year is recognized as change in value, derivative instruments.

The average interest rate on closing day, which takes into account the effects of swaps entered into in line with being realized through payment of agreed interest, amounted to 3.24 percent (2.21). In rela-

tion to liabilities to credit institutions on closing day, interest expense for 2023 is estimated to be in the region of SEK 942 million (625), based on the average interest rate on closing day. The average effective interest rate for the financial year was 2.90 percent (1.60) and the loan-to-value ratio on closing day was 46 percent (45).

The average fixed interest term was 40 months (44). With the distribution of fixed interest terms existing at the beginning of 2024 and considering the effects of entered into interest rate swap agreements in addition to fixed interest agreements, a change in the interest rate of one percentage point at the beginning of the year would affect Wallenstam's liquidity and interest expenses by about SEK 126 million (115) before tax, equivalent to about 10 percent (10) of Wallenstam's cash flow from operating activities. The equivalent effect after tax was SEK 100 million (91).

Currency risk

Currency risk refers to the risk of an impact on the Group's earnings and financial position as a result of changed exchange rates.

Wallenstam is exposed to currency risks through exchange rate fluctuations in future payment flows (transaction exposure). The Group's transaction-related currency exposure mainly arises during purchasing of building components, service relating to wind turbines as well as external services and IT systems.

Note 28. Financial instruments and financing, cont.

FIXED INTEREST PERIOD FOR AVERAGE INTEREST

Year	Dec 31, 2023		Year	Dec 31, 2022	
	Amount, SEK million	Average interest, %		Amount, SEK million	Average interest, %
2023			2023	11,533	3.96*
2024	12,575	6.06*	2024	-	-
2025	500	0.52	2025	2,000	0.72
2026	2,000	0.78	2026	2,000	0.78
2027	2,000	1.05	2027	2,000	1.05
2028	2,000	1.16	2028	2,000	1.16
2029	2,000	0.93	2029	2,000	0.93
2030	2,000	0.95	2030	2,000	0.95
2031	2,000	0.67	2031	2,000	0.67
2032	2,000	1.31	2032	2,000	1.31
2033	2,000	2.02	2033	750	2.21
Total	29,075	3.24		28,283	2.21

* Includes effects of swap agreements.

Credit risk

Wallenstam's credit risks can mainly be attributed to outstanding trade/rent receivables, promissory note receivables, cash and cash equivalents and financial derivatives.

The maximum credit risk corresponds to the carrying amount of the assets. As the majority of the promissory note receivables are secured, only a small proportion are exposed to credit loss risk.

Wallenstam's credit risks in respect of rent receivables are described in Note 3.

Promissory note receivables amounted to SEK 182 million (154), of which SEK - million (-) mature within 0–3 months, SEK 14 million (-) mature within 3–12 months, SEK - million (14) mature within 1–5 years and SEK 169 million (140) after five years. There are pledged assets for all promissory note receivables (140).

Derivative assets amounted to SEK 1,018 million (1,900), of which SEK - million (-) mature within 3–12 months, SEK 289 million (446) mature within 1–5 years and SEK 729 million (1,454) after five years. Other financial instruments such as trade receivables and current receivables mainly mature within three months of closing day and amounted to SEK 119 million (93).

CLASSIFICATION OF FINANCIAL INSTRUMENTS

SEK million	Financial assets measured at fair value through profit or loss		Financial assets measured at amortized cost		Total		Income statement
	Dec 31, 23	Dec 31, 22	Dec 31, 23	Dec 31, 22	Dec 31, 23	Dec 31, 22	
FINANCIAL ASSETS							
Promissory notes	-	-	182	154	182	154	Financial income
Participations	-	-	63	9	63	9	Expense, development property sales
Securities held as non-current assets and shares of property interests	20	52	9	9	28	61	Net financial items, Other comprehensive income
Interest rate derivatives	1,018	1,900	-	-	1,018	1,900	Change in value, financial instruments, Financial expenses
Trade receivables	-	-	15	12	15	12	Revenue
Other current receivables	-	-	104	81	104	81	-
Cash and cash equivalents	-	-	50	181	50	181	-
Total financial assets	1,038	1,952	423	446	1,460	2,398	

Note 28. Financial instruments and financing, cont.

CLASSIFICATION OF FINANCIAL INSTRUMENTS, CONT.

SEK million	Financial liabilities measured at fair value through profit or loss		Financial liabilities measured at amortized cost		Total		Income statement
	Dec 31, 23	Dec 31, 22	Dec 31, 23	Dec 31, 22	Dec 31, 23	Dec 31, 22	
FINANCIAL LIABILITIES							
Synthetic options scheme	60	1	-	14	60	15	Changes in value, synthetic options
Non-current liabilities	-	-	4	5	4	5	-
Interest rate derivatives	18	26	-	-	18	26	Change in value, financial instruments, Financial expenses
Interest-bearing liabilities	-	-	29,075	28,283	29,075	28,283	Financial expenses
Trade payables	-	-	118	180	118	180	Operation and administration
Accrued expenses	-	-	260	202	260	202	Operation and administration
Other current liabilities	-	-	55	56	55	56	Operation and administration
Total financial liabilities	77	27	29,512	28,740	29,589	28,767	

Note 29. Accrued expenses and deferred income

SEK million	Dec 31, 2023	Dec 31, 2022
Accrued salary expenses	47	38
Accrued interest expenses	138	66
Accrued operating expenses	57	55
Accrued administrative expenses	6	4
Prepaid rental income	310	281
Accrued expenses development properties, aftermarket	2	6
Accrued expenses development contributions	0	1
Accrued expenses connected to transactions	9	32
Carrying amount accrued expenses and deferred income	570	483

Note 30. Pledged assets



Accounting principle

Security is pledged for the Group's obligations, mainly in the form of mortgage deeds for properties. No collateral is provided for commercial paper, bonds and the EIB loan. For commercial paper, Wallenstam has undertaken, at each given time, to have access to liquidity facilities that in terms of maturity and total nominal amount

are at least equivalent to outstanding commercial paper. Also see Note 28.

Of the Group's total property mortgages of SEK 32,415 million (30,926), SEK 4,007 million (4,535) is unmortgaged.

PLEGDED ASSETS

SEK million	Dec 31, 2023	Dec 31, 2022
Property mortgages relating to property-linked loans	27,136	24,337
Property mortgages relating to overdraft facilities	1,129	1,912
Property mortgages relating to future projects	143	143
Pension commitments	55	53
Carrying amount pledged assets	28,463	26,445

Note 31. Contingent liabilities

SEK million	Dec 31, 2023	Dec 31, 2022
Guarantee Fastigo	3	3
Investments in wind turbines	33	33
Guarantees to municipalities	131	139
Guarantees to County Administrative Board	5	5
Carrying amount contingent liabilities	173	180

Note 32. Statement of cash flows



Accounting principle

The statement of cash flows is prepared according to the indirect method.

In the Group, there are no items affecting cash flow in financing

activities to specify in accordance with IAS 7 Statement of Cash Flows apart from leases of SEK 15 million (15).

ADJUSTMENT FOR ITEMS NOT INCLUDED IN THE CASH FLOW

SEK million	2023	2022
Capital gains, properties incl. development properties	-107	-99
Participation in profits/losses of associated companies	3	3
Depreciation/Retirements	106	87
Other adjustments	-8	-7
Total adjustment for items not included in the cash flow	-6	-16

Note 33. Post-balance sheet events

No significant events have occurred after the end of the reporting period.

Note 34. Presentation new consolidated income statement

From 2024, Wallenstam will present the Group's results in accordance with the format below, which implies a change from the current layout. The change refers only to presentation with the aim of achieving a more refined format with fewer functional divisions.

Important performance measures such as income from property management will also continue to be presented but in notes.

The changes are being made in order to adapt the presentation to current regulations and to facilitate comparability.

Note 34. Presentation new consolidated income statement, cont.

CONSOLIDATED INCOME STATEMENT

SEK million	2023	2022
Rental income	2,730	2,490
Other income	621	363
Total revenue	3,351	2,852
Operating expenses investment properties	-730	-602
Central management and administration	-352	-297
Participation in profits/losses of associated companies	-3	-3
Financial income	7	6
Financial expenses	-726	-385
Other expenses	-416	-199
Profit/loss before changes in value and impairment losses	1,129	1,373
Change in value, investment properties	-787	-2,608
Change in value, financial instruments	-916	1,646
Change in value, synthetic options	-68	-
Reversal of impairment loss on wind turbines	59	300
Profit before tax	-582	711
Current tax	-2	-4
Deferred tax	134	397
Profit for the year after tax	-450	1,103

NOTE INCOME FROM PROPERTY MANAGEMENT OPERATIONS

SEK million	2023	2022
Rental income	2,730	2,490
Operating expenses investment properties	-730	-602
Net operating income, properties	1,999	1,888
Management costs and administrative expenses investment properties	-293	-272
Net financial items investment properties	-668	-364
Income from property management operations	1,039	1,252

Parent company income statement

SEK million	Note	2023	2022
Management revenue	2	319	336
Rental income	2	146	132
Revenue sales renewable energy certificates		11	5
Other income	2	4	6
Total revenue		481	479
Management costs and administrative expenses	5, 6, 12	-423	-396
Operating expenses	7	-46	-38
Depreciation, properties	12	-36	-29
Expenses sales renewable energy certificates		-15	-11
Changes in value, synthetic options	6	-68	-
Other expenses		-4	-7
Total expenses		-591	-481
Operating income		-110	-2
Profit from participations in Group companies	8, 13	47	224
Interest income and similar profit/loss items	9	830	550
Interest expenses and similar profit/loss items	9	-634	-338
Change in value, derivative instruments	10	-874	1,908
Profit/loss from financial items		-630	2,343
Profit after financial items		-741	2,341
Appropriations			
Commissionaire contribution		1,072	-
Additional depreciation		-22	-
Group contributions paid		-	-194
Profit before tax		309	2,147
Tax on net profit for the year	11	115	-40
Profit for the year after tax		424	2,107

Parent company income statement corresponds to Profit of the year after tax.

Parent company balance sheet

SEK million	Note	Dec 31, 2023	Dec 31, 2022
ASSETS			
NON-CURRENT ASSETS			
<i>Intangible non-current assets</i>			
Capitalized expenditure, computer software		16	19
Total intangible non-current assets		16	19
<i>Property, plant and equipment</i>			
	12		
Investment properties		1,372	1,383
Equipment		26	27
Total property, plant and equipment		1,397	1,411
<i>Financial assets</i>			
Participations in subsidiaries	13	4,067	5,692
Receivables from Group companies	13, 20	34,490	25,631
Deferred tax assets	14	123	8
Other shares of property interests	20	7	7
Other non-current receivables	20	2	4
Financial derivative instruments	10, 20	1,018	1,900
Total financial assets		39,707	33,242
TOTAL NON-CURRENT ASSETS		41,120	34,672
CURRENT ASSETS			
Intangible assets		6	1
Trade receivables	20	3	2
Other receivables	20	24	23
Current tax receivables		6	6
Prepaid expenses and accrued income	15, 20	72	16
Cash and cash equivalents	16, 20	49	181
Total current assets		160	229
TOTAL ASSETS		41,280	34,901
EQUITY AND LIABILITIES			
EQUITY			
17			
<i>Restricted equity</i>			
Share capital		165	165
Statutory reserve		122	122
Total restricted equity		287	287
<i>Non-restricted equity</i>			
Retained earnings		13,681	12,057
Net profit for the year		424	2,107
Total non-restricted equity		14,106	14,164
TOTAL EQUITY		14,393	14,451
UNTAXED RESERVES			
Additional depreciation		27	5
PROVISIONS			
Provisions	18	73	28
NON-CURRENT LIABILITIES			
Interest-bearing liabilities	19, 20	1,800	2,400
Liabilities to Group companies	20	15,572	8,870
Financial derivative instruments	10, 20	18	23
Other liabilities	20	0	1
Total non-current liabilities		17,390	11,294
CURRENT LIABILITIES			
Interest-bearing liabilities	19, 20	9,260	9,006
Financial derivative instruments	10, 20	0	3
Trade payables	20	11	11
Other liabilities	20	15	18
Accrued expenses and deferred income	20, 21	111	85
Total current liabilities		9,398	9,123
TOTAL EQUITY AND LIABILITIES		41,280	34,901

Parent company statement of changes in equity

SEK million	Note 17	Share capital	Statutory reserve	Non-restricted equity	Total equity
OPENING BALANCE, JAN 1, 2022		165	122	12,495	12,782
Net profit for the year		-	-	2,107	2,107
TRANSACTIONS WITH THE COMPANY'S OWNERS					
Dividend		-	-	-396	-396
Repurchase, own shares		-	-	-43	-43
CLOSING BALANCE, DEC 31, 2022		165	122	14,164	14,451
<hr/>					
OPENING BALANCE, JAN 1, 2023		165	122	14,164	14,451
Net profit for the year		-	-	424	424
TRANSACTIONS WITH THE COMPANY'S OWNERS					
Dividend		-	-	-395	-395
Repurchase, own shares		-	-	-87	-87
CLOSING BALANCE, DEC 31, 2023		165	122	14,106	14,393

Parent company statement of cash flows

SEK million	Note	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES			
Operating income		-110	-2
Adjustment for items not included in the cash flow	24	113	44
Change provisions		-15	-
Interest received and interest subsidies received		777	551
Interest payments		-607	-348
Cash flow before change in working capital		158	245
CHANGE IN WORKING CAPITAL			
Current receivables		-5	-5
Current liabilities		14	-24
Change in working capital		9	-29
CASH FLOW FROM OPERATING ACTIVITIES		167	216
CASH FLOW FROM INVESTING ACTIVITIES			
Sale of participations in subsidiaries		1,708	1,474
Dividends and withdrawals from subsidiaries		38	984
Shareholders' contribution paid		-90	-1,062
Investments in properties, equipment and intangible assets		-52	-93
Sale of properties, equipment and intangible assets		11	5
CASH FLOW FROM INVESTING ACTIVITIES		1,615	1,308
CASH FLOW FROM FINANCING ACTIVITIES			
Raised interest-bearing liabilities		3,472	9,287
Amortization of interest-bearing liabilities		-3,907	-12,110
Change in overdraft facilities		90	-
Change in liabilities to Group companies		6,701	1,866
Change in receivables from Group companies		-8,858	17
Group contributions		-	-194
Commissionaire contribution		1,072	-
Dividend paid		-395	-396
Repurchase, own shares		-87	-43
CASH FLOW FROM FINANCING ACTIVITIES		-1,913	-1,571
CHANGE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the year		181	228
Cash flow for the year		-132	-47
Cash and cash equivalents at the end of the year		49	181
Unutilized overdraft facility at year-end		710	1,387
Available liquid assets	16	759	1,568

Parent company accounting principles and notes

Note 1. Accounting principles for the Parent Company

The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities.

Since 2023, Wallenstam AB has been part of an income tax law commission with subsidiaries. As a principal in the income tax law commission, the commissionaire companies' profits/losses are reported and taxed at the parent company. The profit/loss is transferred to the principal through a commissionaire contribution, which is reported as an appropriation with the same name in the income statement.

Differences between the accounting principles of the parent company and the Group

RFR 2 states that a legal entity must apply the same IFRS/IAS as are applied in the consolidated financial statements as far as this is possible within the framework of the Swedish Annual Accounts Act, the Swedish Pension Obligations Vesting Act and taking into account the relationship between accounting and taxation. The recommendation

states the exceptions from and additions to IFRS that should be made.

In those cases where the accounting principles differ between the Group and the parent company, the parent company's accounting principle is described in direct connection to each Note. Otherwise, the accounting principles of the Group and the parent company correspond. The accounting principles for the parent company have been applied consistently for all periods presented in the parent company's financial statements.

Changes in Swedish regulations

The changes in RFR 2 Accounting for Legal Entities, which became effective for the financial year 2023 have not had any material impact on the parent company's accounting.

The Swedish Financial Reporting Board has not decided on or proposed any material changes, which have not yet become effective.

Classification and presentation

The parent company's income statement and balance sheet are prepared according to the Swedish Annual Accounts Act's layout.

Note 2. Intra-group revenue

Accounting principle

The parent company's net sales consist of administrative and project management services for subsidiaries. This income is recognized in the period it relates to. In the case of subsidiaries that are limited partnerships in which the parent company is a partner, the

parent company receives compensation for management services in the form of dividends.

Of the total income, SEK 322 million (339) was income from Group companies.

Note 3. Average number of employees

Average number of employees	2023		Average number of employees	2022	
	of whom:	of whom:		of whom:	of whom:
	women	men		women	men
261	145	116	266	145	121

Board members and senior executives are presented in the Group's Note 6.

Note 4. Related party transactions

For information about related-party transactions, see the Group's Note 7.

Note 5. Audit expenses

SEK million	2023	2022
Audit assignment	2.4	1.3
Other auditing work	0.0	0.0
Audit advisory services	0.0	0.0
Total	2.4	1.3

Wallenstam uses the services of KPMG for audit. The Group's expenses for auditing are handled by the parent company and subsequently allocated to the subsidiaries.

Note 6. Salaries, other remuneration and social security expenses

SEK million	2023					2022				
	Basic salary	Benefits	Variable remuneration	Social security expenses	Pension expenses	Basic salary	Benefits	Variable remuneration	Social security expenses	Pension expenses
Chairman of the Board	1.0	-	1.0	0.6	-	0.9	-	1.2	0.7	-
Board members	0.7	-	-	0.2	-	0.8	-	-	0.2	-
Total remuneration to the Board of Directors	1.7	-	1.0	0.8	-	1.7	-	1.2	0.8	-
CEO, parent company	4.6	0.6	-	3.0	1.7	4.4	0.2	-	0.7	1.5
Vice CEOs, 2 persons (2)	6.8	0.9	-	3.1	2.0	6.2	0.1	-	1.8	1.9
Other senior executives, 3 persons (3)	4.7	1.1	-	2.1	1.3	4.7	0.1	-	1.8	1.6
Other employees	153.2	24.9	-	53.5	19.2	144.7	3.3	-	51.2	21.1
Total remuneration employees	169.4	27.5	-	61.8	24.4	160.0	3.8	-	55.5	26.1
Total salaries and remuneration	171.2	27.5	1.0	62.6	24.4	161.7	3.8	1.2	56.3	26.1

For other information about personnel-related expenses, see the Group's Note 5.

Note 7. Operating expenses

SEK million	2023	2022
District heating	2	2
Electricity	8	3
Water	1	1
Maintenance costs	14	16
Property tax	10	10
Other operating expenses	10	6
Total operating expenses	46	38

There are no (-) operating expenses in properties that do not generate income as they were vacated for projects.

Note 8. Profit from participations in Group companies

*** Accounting principle**
Participations in the net profit for the year in limited partnerships are recognized in profit or loss under the heading Profit from participations in Group companies.

Profit from participations in Group companies refers to participations in the profits of subsidiaries of SEK 38 million (159). Profit/loss from sales of participations in subsidiaries amounted to SEK 9 million (194). No impairment of participations in subsidiaries (-162) or reversal of previous impairment losses (32) occurred during the year. Dividends from subsidiaries did not occur (-).

Note 9. Interest income/expenses and similar profit/loss items

Interest income and similar profit/loss items amounted to SEK 830 million (550), while interest expenses and similar profit/loss items amounted to SEK -634 million (-338). Of financial income, SEK

825 million (547) is interest income from receivables from Group companies while interest expenses on liabilities to Group companies amounted to SEK -530 million (-111).

Note 10. Financial derivative instruments

SEK million	Dec 31, 2023		Dec 31, 2022	
	Assets	Liabilities	Assets	Liabilities
NON-CURRENT DERIVATIVE INSTRUMENTS				
Interest rate swap contracts	1,018	-18	1,900	-23
Carrying amount non-current derivative instruments	1,018	-18	1,900	-23
CURRENT DERIVATIVE INSTRUMENTS				
Interest rate swap contracts	-	0	-	-3
Carrying amount current derivative instruments	-	0	-	-3
Total derivative instruments	1,018	-18	1,900	-26

MATURITY STRUCTURE, FINANCIAL DERIVATIVE INSTRUMENTS

SEK million	Dec 31, 2023	Dec 31, 2022
0-3 months	-	-
3 months-1 year	-	-3
1-5 years	271	423
>5 years	729	1,454
Total	1,000	1,874

Note 11. Tax

TAX RECOGNIZED IN THE INCOME STATEMENT

SEK million	2023	2022
Current tax	-	-
Deferred tax	115	-40
Total tax	115	-40

DIFFERENCE BETWEEN THE PARENT COMPANY'S RECOGNIZED TAX AND TAX BASED ON THE APPLICABLE TAX RATE OF 20.6 PERCENT (20.6)

SEK million	2023	2022
Recognized profit before tax	309	2,147
Tax according to current tax rate	-64	-442
Tax effect of:		
Non-deductible expenses, non-taxable income	-48	3
Non recognized but tax deductible expenses	-	44
Adjustment of tax, previous years	-6	336
Pensions commitments secured via endowment insurance	0	0
Deferred tax due to disposal of limited partnerships	21	20
Taxation commissionaire companies' profits/losses	211	-
Tax on profit for the year in the income statement	115	-40

Note 11. Tax, cont.

DISTRIBUTION OF CURRENT AND DEFERRED TAX

SEK million	2023		2022	
	Basis current tax	Basis deferred tax	Basis current tax	Basis deferred tax
Profit before tax	309		2,147	
Tax-deductible depreciation	-4	4	-11	11
Reversal of depreciation allowance due to sold properties	-	-	5	-5
Non-deductible expenses, non-taxable income	233	0	-18	2
Non recognized but tax deductible expenses	-	-	-212	-
Non-taxable change in value of derivatives	874	-874	-1,908	1,908
Pension commitments secured via endowment insurance	-2	2	-4	5
Adjustment of tax, previous years	-	29	-	-1,631
Deferred tax due to disposal of limited partnership	-	-104	-	-96
Taxation commissionaire companies' profits/losses	-1,026	-	-	-
Current profit/loss for tax purposes	383	-943	0	194
Utilization of loss carryforwards during the year	-383	383	0	0
Taxable profit	0	-560	0	194
Tax on net profit for the year	-	115	0	-40
Total tax	0	115	0	-40

Note 12. Property, plant and equipment

Accounting principle

The parent company's investment properties are measured at cost less accumulated depreciation according to plan over their useful life and with necessary impairment charges. Depreciation according to plan is applied over 50 years, equivalent to 2 percent on buildings.

Cost consists of the acquisition price, land registration costs and improvements that increase value. Interest arising during the production period of larger new constructions, extensions or reconstructions is not capitalized. Reconstruction expenses of a

maintenance nature are charged to earnings.

The carrying amount of investment properties and equipment is tested for impairment when events or changed circumstances indicate that the carrying amount may not be recoverable. If such indications exist and if the carrying amount exceeds the expected recoverable amount, the assets are written down to the recoverable amount.

INVESTMENT PROPERTIES

SEK million	Dec 31, 2023	Dec 31, 2022
Opening acquisition cost	1,658	1,589
Investments during the year	25	64
Allocation of VAT to particular periods	-1	4
Closing accumulated acquisition cost	1,682	1,658
Opening depreciation	-274	-245
Depreciation for the year	-36	-29
Closing accumulated depreciation	-310	-274
Carrying amount, investment properties	1,372	1,383

Land is included with a value of SEK 245 million (245). The fair value of investment properties amounts to SEK 3,147 million (3,022).

Note 12. Property, plant and equipment, cont.

EQUIPMENT

SEK million	Dec 31, 2023	Dec 31, 2022
Opening acquisition cost	66	64
Investments during the year	5	11
Divestments/retirements during the year	-4	-10
Closing accumulated acquisition cost	66	66
Opening depreciation	-38	-42
Depreciation for the year	-6	-6
Divestments/retirements during the year	4	10
Closing accumulated depreciation	-41	-38
Carrying amount equipment	26	27

Note 13. Financial assets



Accounting principle

Participations in subsidiaries are recognized in the parent company at cost. For participations in limited partnerships, the carrying amount is adjusted annually by the reporting company's participation in the subsidiary's net profit and the year's deposits and withdrawals.

In cases where the carrying amount of the participations exceeds the subsidiaries' fair value, an impairment loss is charged to the income statement. Where the grounds for a previous impairment loss no longer exist, the impairment loss is reversed.



Credit risk

The risk of loss in respect of Group receivables does not give rise to any provision, as all receivables are guaranteed with pledged assets.

RECEIVABLES FROM GROUP COMPANIES

Receivables from Group companies are non-current and are expected to continue in order to manage liquidity flows in subsidiaries. The parent company has taken out interest rate swaps on behalf of Group

companies. The weighted average interest rates on receivables from subsidiaries amounted to 3.0 percent (1.8).

PARTICIPATIONS IN SUBSIDIARIES

The number of shares and the carrying amounts are specified for directly-owned companies. Other companies that are part of the Group are owned indirectly and shown in each subsidiary's annual report.

	Corporate identity number	Registered office	Participation, %	Number of participations	Carrying amount, SEK million
Wallenstam Art AB	556089-7000	Gothenburg	100	2,000	1
Wallenstam Förvaltning AB	556692-0251	Gothenburg	100	1,000	0
Wallenstam Stacken AB	556720-9910	Gothenburg	100	100,000	4,066
KB Myran nr 60	916443-3410	Gothenburg	100		-
KB Myran nr 193	916446-7905	Gothenburg	100		-
KB Killingen 8 och 9	916447-4851	Gothenburg	100		-
KB Myran nr 269	916644-2567	Gothenburg	100		-
KB Stårteredsvägen 24	916849-7361	Gothenburg	100		-
KB Länsmansvägen 2	916849-7387	Gothenburg	100		-
KB Myran nr 325	916852-6961	Gothenburg	100		-
KB Myran nr 347	969614-6381	Gothenburg	100		-

4,067

Note 13. Financial assets, cont.

TRANSACTIONS OF SUBSIDIARIES DURING THE YEAR

Wallenstam AB has sold the following companies within the Group during the year:

	Corporate identity number	Registered office
Wallenstam Fastigheter 11 AB	556763-8522	Gothenburg
KB Myran nr 13	916442-2520	Gothenburg
KB Uttern	916444-4391	Gothenburg
KB Myran nr 178	916614-5475	Gothenburg
KB Myran nr 294	916775-5793	Gothenburg
KB Myran nr 349	969614-9443	Gothenburg
KB Myran nr 345	969614-9476	Gothenburg
KB Myran nr 409	969637-6400	Gothenburg
KB Wallenstam Avenyn 1	969637-6681	Gothenburg
KB Gårda-Stampen	969646-4065	Gothenburg
KB Göteborg Lorensberg 53:5	969659-8755	Gothenburg
Xuleh New York 1 KB	969690-0761	Gothenburg

No companies were sold or acquired externally during the year.

PARTICIPATIONS IN SUBSIDIARIES, CHANGE DURING THE YEAR

SEK million	Dec 31, 2023	Dec 31, 2022
Opening acquisition cost	6,846	7,066
Sales during the year	-1,944	-1,282
Shareholders' contribution paid	90	1,062
Closing accumulated acquisition cost	4,992	6,846
Opening impairment losses	-1,153	-1,040
Sales during the year	229	18
Impairment losses for the year	-	-162
Reversed impairment losses for the year	-	32
Closing accumulated impairment losses	-925	-1,153
Carrying amount participations in subsidiaries	4,067	5,692

Note 14. Deferred tax

SEK million	Dec 31, 2023	Dec 31, 2022
DEFERRED TAX LIABILITY		
Differences booked/tax depreciation	-18	-41
Temporary differences, interest rate derivatives	-206	-386
DEFERRED TAX ASSETS		
Loss carryforwards	337	422
Pension commitments secured via endowment insurance	9	9
Other	1	4
Total closing deferred tax assets, net	123	8

All tax losses run for unlimited periods.

Note 15. Prepaid expenses and accrued income

SEK million	Dec 31, 2023	Dec 31, 2022
Prepaid administrative expenses	14	10
Prepaid financing expenditure	2	4
Accrued interest income	54	-
Other accrued income	1	2
Total prepaid expenses and accrued income	72	16

Note 16. Cash and cash equivalents

SEK million	Dec 31, 2023	Dec 31, 2022
Available liquid assets	759	1,568
Of which approved amount, overdraft facilities	-800	-1,387
Of which, utilized amount, overdraft facilities	90	-
Available amount, overdraft facilities	-710	-1,387
Cash and cash equivalents	49	181

Cash and cash equivalents consist of cash balances deposited in accounts with major Swedish banks.

Note 17. Equity

Accounting principle

Wallenstam AB recognizes group contributions paid and received as appropriations in the income statement.

Shareholders' contributions are recognized by the parent company (donor) as an increase in the book value of shares and by the subsidiary (recipient) as an increase in non-restricted equity. The value of shareholders' contributions made and capitalized by the parent company is tested as described under Participations in subsidiaries, changes during the year.

Dividends received from subsidiaries are recognized as revenue provided that they derive from income earned after the acquisition. Dividends which exceed this earned profit are treated as a repayment of the investment and reduce the carrying amount of the participation.

A specification of change in equity is provided in the Parent Company Statement of Changes in Equity, immediately after the balance sheet.

The number of shares in Wallenstam AB consists of 69,000,000 A shares, which carry ten votes each, and 591,000,000 B shares, which carry one vote each. The total number of shares amounts to 660,000,000 and the registered share capital is SEK 165,000,000, corresponding to a quota value of SEK 0.25 per share (0.25). The proposed dividend per share amounts to SEK 0.50 (0.60).

During the year, 2,000,000 shares (1,000,000) were repurchased at an average price of SEK 43.28 per share including brokerage (42.56). The total holding of repurchased shares amounts to 3,000,000 shares (1,000,000) with a value of SEK 130 million (43).

The Board has proposed that the profits at the disposal of the Annual General Meeting, SEK 14,105,757,810, shall be allocated so as to distribute SEK 0.50 per share to the shareholders, total SEK 328,500,000 as of February 8, 2024, and that SEK 13,777,257,810 be carried forward.

Note 18. Provisions

SEK million	Dec 31, 2023	Dec 31, 2022
Opening capital value, provision for pension commitments	53	64
Provision for the year future obligations	2	2
Change in value for the year	5	-8
Payments during the year	-5	-5
Closing debt capital value, provision for pension commitments	55	53
Closing asset capital value of pension commitments	-55	-53
Net provisions pension commitments	-	-

Note 18. Provisions, cont.

SEK million	Dec 31, 2023	Dec 31, 2022
Opening balance other provisions	28	32
Change in value provision options liability	44	-1
Change in value special payroll tax relating to endowment insurance	1	-3
Closing balance other provisions	73	28

Note 19. Interest-bearing liabilities

SEK million	Dec 31, 2023	Dec 31, 2022
NON-CURRENT LOANS		
Liabilities to credit institutions	1,800	2,400
Carrying amount, non-current liabilities to credit institutions	1,800	2,400
CURRENT LOANS		
Committed credit facilities	90	-
Liabilities to credit institutions	9,170	9,006
Carrying amount, current liabilities to credit institutions	9,260	9,006
Total liabilities to credit institutions	11,060	11,406

LOAN AGREEMENT MATURITY STRUCTURE

SEK million	Dec 31, 2023	Dec 31, 2022
0-3 months	1,794	1,685
3 months-1 year	7,466	7,321
1-2 years	400	600
2-3 years	400	400
>3 years	1,000	1,400
Total	11,060	11,406

FIXED INTEREST PERIOD FOR AVERAGE INTEREST

Year	Dec 31, 2023		Year	Dec 31, 2022	
	Amount, SEK million	Average interest, %		Amount, SEK million	Average interest, %
2023			2023	-4,421	0.16
2024	-4,517	2.07	2024	-	-
2025	-423	2.40	2025	1,077	0.15
2026	2,000	0.78	2026	2,000	0.78
2027	2,000	1.05	2027	2,000	1.05
2028	2,000	1.16	2028	2,000	1.16
2029	2,000	0.93	2029	2,000	0.93
2030	2,000	0.95	2030	2,000	0.95
2031	2,000	0.67	2031	2,000	0.67
2032	2,000	1.31	2032	2,000	1.31
2033	2,000	2.02	2033	750	2.21
Total	11,060	0.66		11,406	1.30

Note 19. Interest-bearing liabilities, cont.

All of the Group's interest rate derivatives are raised through banks by the parent company. The volume of the parent company's interest rate derivatives exceeds the volume of loans held by the parent company. The variable component of the interest rate swaps where STIBOR 3M is obtained together with the loan volume where we pay STIBOR 3M, ends up in the year 2024 (2023). The fixed component of the interest rate derivatives is recognized in the range when it is the final maturity

of the derivatives. Interest derivatives raised by the parent company on behalf of subsidiaries are attributed to the subsidiaries concerned and therefore form part of the inter-company transactions. The reason for this is that interest derivatives are not attributable to the parent company but to the financing of each respective subsidiary.

The unutilized overdraft facility amounts to SEK 710 million (1,387).

LIABILITIES TO GROUP COMPANIES

Liabilities to Group companies are expected to run until further notice in order to handle liquidity flows in subsidiaries.

Note 20. Financial instruments

Accounting principle

According to RFR 2, parent companies that are covered by the consolidated financial statements should recognize certain financial instruments at fair value. Since Wallenstam does not apply hedge accounting in respect of interest rate derivatives, all changes in value are recognized directly among financial income and expenses in

the income statement. The parent company administers borrowing including hedging of interest rates through interest rate derivative agreements. All the financial circumstances described for the Group, see the Group's Note 28, also apply to the parent company.

FINANCIAL INSTRUMENTS

SEK million	Financial assets measured at fair value through Profit or loss		Financial assets measured at amortized cost		Total		Income statement
	Dec 31, 23	Dec 31, 22	Dec 31, 23	Dec 31, 22	Dec 31, 23	Dec 31, 22	
FINANCIAL ASSETS							
Receivables from Group companies	-	-	34,490	25,631	34,490	25,631	Interest income
Other shares of property interests	-	-	7	7	7	7	Net financial items, Other comprehensive income
Interest rate derivatives	1,018	1,900	-	-	1,018	1,900	Changes in value, derivative instruments, Interest expenses
Trade receivables	-	-	3	2	3	2	Revenue
Other current receivables	-	-	12	10	12	10	-
Cash and cash equivalents	-	-	49	181	49	181	-
Total financial assets	1,018	1,900	34,560	25,831	35,578	27,731	

Note 20. Financial instruments, cont.

SEK million	Financial liabilities measured at fair value through Profit or loss		Financial liabilities measured at amortized cost		Total		Income statement
	Dec 31, 23	Dec 31, 22	Dec 31, 23	Dec 31, 22	Dec 31, 23	Dec 31, 22	
FINANCIAL LIABILITIES							
Synthetic options scheme	60	1	-	14	60	15	Changes in value, synthetic options
Liabilities to Group companies	-	-	15,572	8,870	15,572	8,870	Interest expenses
Interest rate derivatives	18	26	-	-	18	26	Changes in value, derivative instruments, Interest expenses
Interest-bearing liabilities	-	-	11,060	11,406	11,060	11,406	Interest expenses
Trade payables	-	-	11	11	11	11	Operation and administration
Accrued expenses	-	-	98	75	98	75	Operation and administration
Other current liabilities	-	-	7	9	7	9	Operation and administration
Total financial liabilities	77	27	26,747	20,385	26,825	20,413	

Note 21. Accrued expenses and deferred income

SEK million	Dec 31, 2023	Dec 31, 2022
Accrued salary expenses	47	37
Accrued interest expenses	43	17
Accrued operating expenses	2	1
Prepaid rental income	13	10
Accrued administrative expenses	6	4
Accrued expenses connected to transactions	-	16
Carrying amount accrued expenses and deferred income	111	85

Note 22. Pledged assets

SEK million	Dec 31, 2023	Dec 31, 2022
Property mortgages	1,754	1,697
Internal promissory notes and property mortgages	947	3,836
Pledged endowment insurance	55	53
Carrying amount pledged assets	2,756	5,587

Note 23. Contingent liabilities

Accounting principle

The parent company's financial guarantee contracts mainly consist of loan guarantees in favor of subsidiaries. Financial guarantees mean the company has a commitment to compensate the holder of a liability instrument for losses that the holder suffers as a result of a named debtor's failure to meet its obligations and/or pay-

ments according to the terms of agreement. Contingent liabilities in favor of subsidiaries are financial guarantee agreements and therefore are not recognized as provisions but are instead disclosed.

Note 23. Contingent liabilities, cont.

CONTINGENT LIABILITIES

SEK million	Dec 31, 2023	Dec 31, 2022
Guarantees for Group companies	18,015	16,877
Guarantees for other companies	129	137
Responsibility as a general partner for the liabilities of limited partnership companies	0	37
Guarantee Fastigo	3	3
Carrying amount contingent liabilities	18,147	17,054

Note 24. Statement of cash flows

ADJUSTMENT FOR ITEMS NOT INCLUDED IN THE CASH FLOW

SEK million	2023	2022
Realized profit assets	5	6
Changes in value attributable to synthetic options scheme	60	-
Depreciation	48	40
Other	1	-2
Total adjustment for items not included in the cash flow	113	44

Note 25. Post-balance sheet events

No events of material importance for Wallenstam's position have occurred after the end of the reporting period.

The income statements and balance sheets will be submitted to the Annual General Meeting on April 25, 2024.

The Board of Directors and the CEO affirm that the consolidated financial statements have been prepared in accordance with international accounting standards, IFRS as adopted by the EU and provide a true and fair view of the Group's financial position and results of operations. The financial statements have been prepared in accordance with generally accepted accounting principles and give a true and fair view of the parent company's financial position and results of operations. The statutory administration report for the Group and the parent company provides a true and fair review of the development of the Group's and the parent company's operations, financial position and results of operations and describes material risks and uncertainties facing the parent company and the companies forming part of the Group.

Gothenburg, March 21, 2024

Wallenstam AB (publ)

Lars-Åke Bokenberger
Chairman of the Board

Karin Mattsson
Vice Chairman

Mikael Söderlund
Board member

Agneta Wallenstam
Board member

Rebecka Wallenstam
Board member

Hans Wallenstam
Chief Executive Officer

Our audit report concerning these annual accounts and the consolidated financial statements was issued on March 21, 2024.

KPMG AB

Mathias Arvidsson
Authorized Public Accountant

Auditor's Report

To the general meeting of the shareholders of Wallenstam AB (publ), corp. id 556072-1523

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Wallenstam AB (publ) for the year 2023, except for the corporate governance statement on pages 94-98 and the sustainability report on pages 15-21. The annual accounts and consolidated accounts of the company are included on pages 36-93 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 94-98 and sustainability report on pages 15-21. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of directors in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

VALUATION OF INVESTMENT IN PROPERTIES

See disclosure 15 and accounting principles on pages 58-61 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The fair value of Wallenstam's investment properties amounts to MSEK 63,090 per December 31, 2023. This value includes investment properties under construction. The carrying value of the properties per 31 December 2023 is based on property valuations carried out by an internal valuation team. These valuations are based on assumptions such as investment yield, future occupancy rates and expected rentals. With regards to the valuation of investment properties under construction, it is also necessary to consider the company's processes for project management, in particular the monitoring of construction costs and any obligations they have in relation to these projects.

There is a risk that the underlying assumptions used to determine the carrying value of investment properties and investment properties under construction are proven to have been inappropriate and may need to be adjusted, which would directly affect the financial reporting and the reported results for the period.

Response in the audit

We have assessed the competency and independence of the internal property valuation team, for example by looking at the applied valuation methods and by comparing used assumptions such as investment yield and vacancies against comparable objects.

We have tested and evaluated the company's controls for determining the completeness and accuracy of the underlying data

We have selected samples for testing from the completed property valuations. We carry out our assessments with reference to sources independent of the client entity, in particular with regards to assumptions about investment yield, occupancy rates and vacancies.

We have challenged whether the applied valuation methods seem reasonable by comparing them to methods that are, from our experience, used by other property companies and valuation experts, and considered which assumptions may be deemed reasonable when valuing similar properties.

With regards to investment properties under construction, we have evaluated the assumptions used by the company by looking at comparable projects, recent market data and historical information. Moreover, we have selected samples for testing of budgets for ongoing projects and compared those to budgets for projects that have already been completed. Furthermore, we have considered the completeness of the underlying data and circumstances that are disclosed in the notes in the Financial Statements and evaluated whether the information provided is sufficiently detailed to understand management's assessments and the key assumptions used.

ACCOUNTING OF INCOME TAXES

See disclosure 14 and 26 and accounting principles on pages 56 and 65 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The Group's method of accounting for current tax is based on an ongoing process whereby assessments and estimates in relation to matters concerning tax and concerning demands from, or claims made by, the tax authorities regarding interpretations of current and former income tax regulations. The regulations concerning taxation of property companies in Sweden are vast and complex.

There are deferred tax liabilities of MSEK 5,830 on the Group's consolidated balance sheet, related to temporary differences between the tax base and the carrying value of investment properties. The method of accounting for deferred tax liabilities in property management companies may differ considerably from how such liabilities are accounted for in other industries.

The accumulated temporary differences can be significant since properties as a rule are acquired indirectly through acquisition of shares in property management companies. As a result, the Group assumes the property from the vendor at the value of its tax base, which often is much lower than the acquisition price. In addition, the temporary differences are affected by change in values.

In view of the fact that the current and deferred tax value in the financial statements is based on assessments and estimates made by the company there is a risk that the carrying value of the company's tax liability may be under- or overstated. Any adjustment to its value will have a direct impact on the results of the period.

Response in the audit

We have evaluated whether the Group's assessments and interpretations of income tax regulations for property companies are reasonable. We have used our collective knowledge and experience regarding the regulations and their legal application, to analyse and challenge the principal assumptions and estimates upon which the Group base their calculation of tax liabilities.

Furthermore, we have considered the completeness of the underlying data and circumstances that are disclosed in the notes to the Financial Statements and evaluated whether the information provided is sufficiently detailed to understand management's assessments and the key assumptions used.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-35 and 94-113. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Wallenstam AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally

accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Wallenstam AB (publ) for year 2023.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Wallenstam AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the

Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

KPMG AB, Box 11908, 404 39 Gothenburg, was appointed auditor of Wallenstam AB (publ) by the general meeting of the shareholders on the 3 May 2023. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2020.

Gothenburg, March 21, 2024

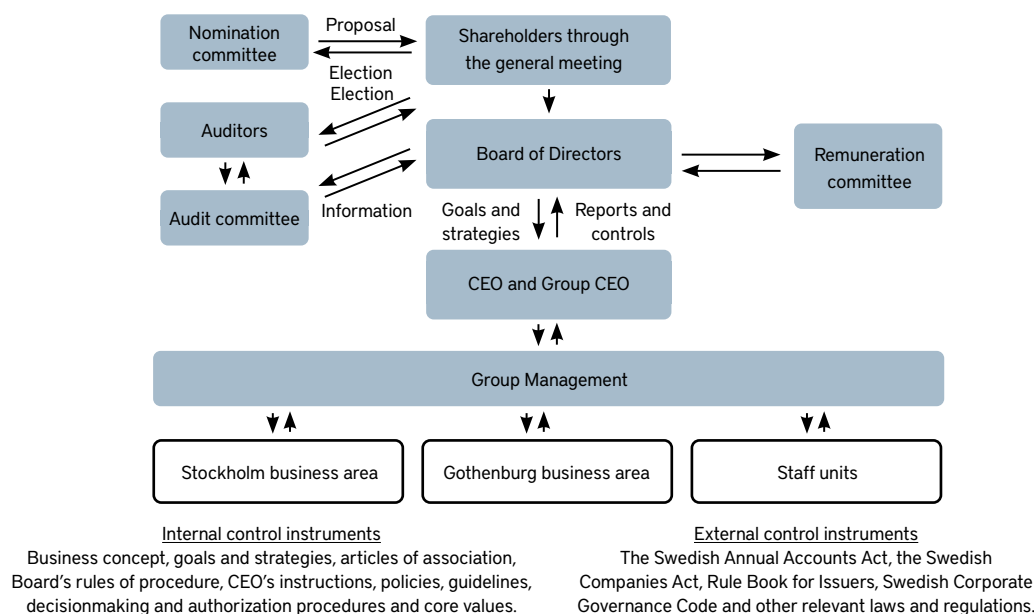
KPMG AB

Signed on the Swedish original

Mathias Arvidsson
Authorized Public Accountant

Corporate Governance Report 2023

Wallenstam's corporate governance structure



Principles of corporate governance

Wallenstam AB is a Swedish public company with its registered office in Gothenburg. The company's B shares are listed on Nasdaq Stockholm, Large Cap. In order to ensure good governance of the Group, responsibility is clearly divided among the shareholders and Board as well as the CEO and Management. The articles of association, the Board's rules of procedure, including CEO instructions, adopted policies and guidelines, the Swedish Companies Act and other applicable legislation and regulations form the basis for control of the Group. Wallenstam also applies the Swedish Corporate Governance Code (the Code). Wallenstam follows the Code with the exception of the provision regarding composition of the nomination committee. This deviation is explained in more detail below.

The share and owners

The number of shareholders in Wallenstam amounted to about 20,200 at year-end. Wallenstam's principal shareholder is Hans Wallenstam who, together with his family and companies, holds about 25 percent of the equity and about 62 percent of the voting rights. Foreign share ownership amounted to 8 percent of the equity and 4 percent of the voting rights. The ten largest shareholders represented the equivalent of around 60 percent of the equity and about 80 percent of the voting rights. No warrants, convertibles or equivalent securities exist, which can result in additional shares in the company.

As of December 31, 2023, Wallenstam's share capital amounted to SEK 165 million, distributed among 69,000,000 A shares (ten votes per share) and 591,000,000 B shares (one vote per share). There are no limits to how many votes each shareholder may cast at annual general meetings. The shares all carry equal rights to the company's assets and profits. However, repurchased own shares carry no dividend rights. There are 3,000,000 repurchased shares as of February 8, 2024. Wallenstam's market capitalization at year-end amounted to SEK 36,102 million.

According to Wallenstam's dividend policy, consideration should be given to the Group's investment requirements, need to strengthen its balance sheet and financial position in general, and that the Group's

future development should occur with maintained financial strength and continued good freedom of action. The dividend is based on the income from property management, which is generated by the business. The dividend over time is expected to amount to approximately one third of the income from property management.

Annual General Meeting

The Annual General Meeting (AGM) is Wallenstam's highest decision-making body where shareholders have the opportunity to make decisions on questions concerning the company. The AGM is held in Gothenburg within six months from the end of the financial year. Shareholders have the right to participate in the AGM – personally or by proxy – if the shareholder is recorded in the share register on the record day and has notified his participation in the meeting to the company within the period prescribed in the convening notice. In order to exercise voting rights at the meeting, shareholders whose shares are nominee-registered must temporarily reregister their shares in their own name in accordance with the notice to the AGM.

The AGM elects the Chairman of the Board, the other Board members and the company's auditors. It is also tasked with adopting the balance sheets and income statements for the company and the Group, deciding on the appropriation of the company's profits, discharging the members of the Board and the CEO from liability for the financial year, adopting the remuneration report, approving guidelines for remuneration to senior executives and the appointment of a nomination committee.

Notice to attend the AGM is given through the Official Swedish Gazette (Post- och Inrikes Tidningar) and on Wallenstam's website. It shall also be announced in Dagens Industri that notice has been given. The convening notice includes the agenda and the resolutions proposed by the Board of Directors and the nomination committee. Shareholders who wish to have a matter dealt with at the AGM can request this in good time to Wallenstam's Board of Directors prior to the meeting.

A total of 350 shareholders were represented at Wallenstam's AGM on May 3, 2023, representing 61.5 percent of the shares and

80.2 percent of the total number of votes in the company. The exercise of voting rights occurred either through physical attendance at the meeting or through postal voting.

The following resolutions were adopted by the AGM on May 3, 2023:

- Adoption of the income statements and balance sheets of the Group and the parent company for 2022.
- A dividend of SEK 0.60 per share.
- Fees to the Board of SEK 1,025,000 to the Chairman of the Board, SEK 285,000 to the Vice Chairman and SEK 185,000 to each of the other Board members. In addition, the AGM resolved on extra fees to the Chairman of the Board of SEK 1,000,000. The total fees thus amounts to SEK 2,680,000. Amounts include remuneration for committee work.
- Discharge from liability of the CEO and Board of Directors.
- Re-election of the Board members Lars-Åke Bokenberger, Karin Mattsson, Agneta Wallenstam and Mikael Söderlund. New election of Rebecka Wallenstam. Lars-Åke Bokenberger was elected as Chairman of the Board.
- Re-election of KPMG AB as auditor with Mathias Arvidsson as chief auditor.
- Adoption of the remuneration report.
- Establishment of a synthetic options scheme.
- Authorization for the Board of Directors to take decisions regarding acquisition and assignment of the company's own shares.
- Establishment of a nomination committee ahead of the AGM 2024. Minutes and a presentation from the AGM are available at www.wallenstam.se.

Nomination Committee

The 2023 AGM resolved to establish a nomination committee ahead of the 2024 AGM in order to present proposals, including for the election of the Chairman and other members of the Board, election of the auditor, the chairman of the AGM, and questions relating to fees.

The following persons were elected as members of the nomination committee ahead of the AGM 2024:

- Dick Brenner (nomination committee chairman)
- Lars-Åke Bokenberger (Chairman of the Board, Wallenstam AB)
- Hans Wallenstam (largest shareholder, Wallenstam AB)
- Anders Oscarsson (representing the shareholder AMF).

The composition of the nomination committee implies a deviation from the Code's provision 2.3 as the CEO is a member of the nomination committee. The reason for the deviation is that the CEO is also the principal shareholder in the company and is thus a member of the nomination committee in that capacity.

The members of the nomination committee have carefully considered and stated that there is no conflict of interest in accepting the assignment as a member of Wallenstam's nomination committee.

Shareholders have the possibility of submitting proposals to the nomination committee using the address provided on Wallenstam's web-

site. The nomination committee's proposals to the AGM are published in connection with the convening notice. The nomination committee also submits a reasoned opinion regarding the proposed Board and a report on how the nomination committee carried out its work. In its work, the nomination committee aims to maintain a uniform gender distribution in the Board and that the Board in other respects should be characterized by versatility and breadth with regard to competencies, experience and background. The nomination committee applies rule 4.1 of the Swedish Corporate Governance Code for this purpose as a diversity policy, in drawing up its proposal for election of Board members.

The nomination committee held one recorded meeting in March 2023 ahead of the 2023 AGM at which all of the matters that are incumbent on the committee to deal with under the Code were discussed. The nomination committee discussed and considered the size of the Board, what areas of expertise should be represented on the Board, fees to Board members and a proposal for election of the auditor and for election of the chairman of the meeting. As a basis for its opinion, the nomination committee studied the result of the annual evaluation of the Board that was carried out during 2022.

The Board of Directors

Shareholders elect the Board at the AGM every year. The Board of Directors has overall responsibility for the Group's organization and administration, and to ensure that the control of accounting, management of funds and economic conditions in general are satisfactory. It is therefore incumbent on the Board to ensure that a functioning reporting system is in place and that the Board receives the necessary information regarding the company's position, profit/loss, financing and liquidity through periodical reporting. In addition to its responsibility for the company's organization and administration, the Board's most important task is to take decisions on strategic matters such as approval of strategic plans, business and profitability targets and policies. The Board also takes decisions on major acquisitions and divestments of properties and companies and major investments in construction and wind power as well as financing questions.

Composition of the Board of Directors

According to the articles of association, Wallenstam's Board must comprise at least four and not more than eight members, with no deputies. There are no provisions in the articles of association concerning the appointment and removal of Board members or about changes to the articles of association. Board members are elected annually at the AGM for the period until the end of the next AGM. New Board members receive an overview of the company and its operations and participate in Nasdaq Stockholm's training for board members in listed companies.

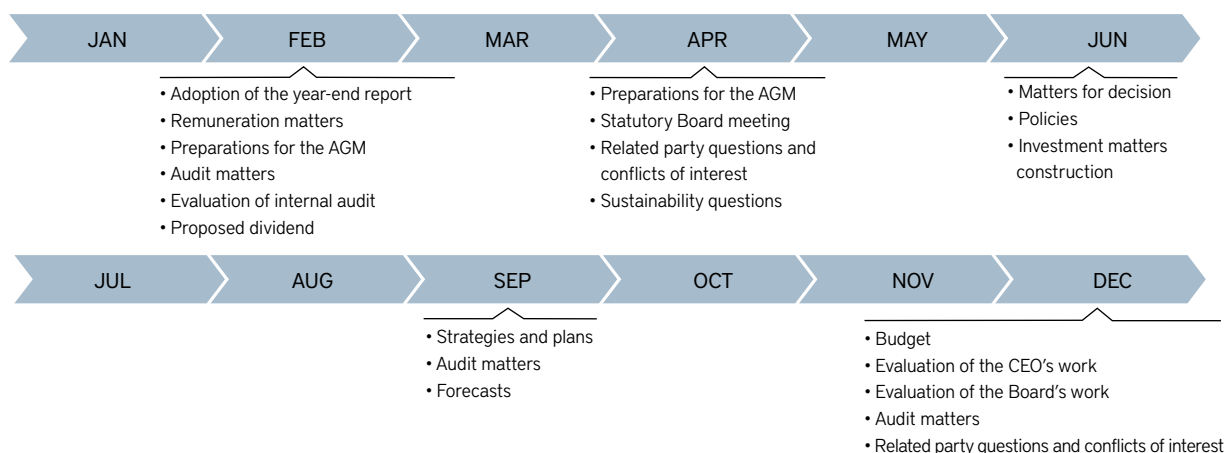
During 2023, Wallenstam's Board was composed of five members elected by the AGM, with no deputies. Board members are presented in more detail on page 6. Rebecka Wallenstam, who was elected as a new Board member at the AGM on May 3, 2023, had prior to that attended as a co-opted member of the Board at two Board meetings during the period January to April. The CEO does not sit on the Board.

Name	Function	Elected	Attendance Board meetings	Attendance audit committee meetings	Attendance remuneration committee meetings	Independent*
Lars-Åke Bokenberger	Chairman	2020	9/9	3/3	2/2	Yes
Karin Mattsson	Vice Chairman	2016	9/9	3/3	2/2	Yes
Anders Berntsson	Board member	1997	3/3			No
Agneta Wallenstam	Board member	2010	8/9			No
Mikael Söderlund	Board member	2020	8/9			Yes
Rebecka Wallenstam	Board member	2023	5/6			No

* Independent means independent in relation to the company, company management and to the company's major shareholders under the provisions of the Code.

Annual planning by the Board

Apart from standing items such as investment decisions and information from the CEO in the form of financial reports, market analysis etc.



The work of the Board

The Board's work is governed by rules of procedure that are adopted annually at the statutory meeting. Among other things, the rules of procedure contain instructions about the division of duties within the Board and in relation to the CEO and the duties of the committees.

The Chairman of the Board leads the Board's work and ensures that the Board performs its duties. The Chairman monitors the Group's operations through continual contacts with the CEO and is responsible for ensuring that other members continually receive the information necessary to carry out the Board work in the best way. The Chairman is also responsible for conducting an annual evaluation of the Board's and CEO's work.

Board decisions require that both more than half of the members are present and more than one third of the total number of members vote for the resolutions. The Chairman has the casting vote in the event of the same number of votes.

Meetings during 2023

In 2023, the Board held 9 recorded meetings, of which one was the statutory meeting. At these meetings, the Board dealt with the matters described in the chart above and other matters of material importance for the company. The Board work during the year has been dominated by the prevailing global economic situation and focused in particular on strategy discussions, questions relating to market conditions and financing, sustainability and compliance issues, property transactions and investments. The CEO and officers of the company attend Board meetings in a reporting capacity.

The Board conducted an evaluation of its work during 2023. The evaluation was conducted under the leadership of the Chairman of the Board in the form of interviews with each of the Board members. The Board also evaluated the CEO, without him being present.

Remuneration Committee

Within the Board, there is a remuneration committee tasked with preparing the Board's decisions on matters concerning remuneration principles as well as compensation and other terms of employment for Group Management. In addition, the remuneration committee must monitor and evaluate the application of guidelines for remuneration to senior executives that the AGM has adopted as well as current compensation structures and levels in the company.

Where appropriate, the remuneration committee must also monitor and evaluate ongoing programs for variable remuneration to Group Management as well as programs concluded during the year.

The remuneration committee held two recorded meetings during 2023. Matters dealt with at the meetings included the remuneration report, an evaluation of current remuneration to senior executives and proposals for future remuneration to these persons and allotment of synthetic options to senior executives.

The committee's members are appointed by the Board once every year and its areas of responsibility are governed by the rules of procedure adopted by the Board annually. The remuneration committee is composed of the Chairman of the Board and Vice Chairman.

Audit Committee

The audit committee is composed of the Chairman and Vice Chairman. The duties of the audit committee include:

- monitoring the company's financial reporting and making recommendations and proposals to ensure the reliability of the reporting
- monitoring the effectiveness of the company's internal control, internal audit and risk management in respect of the financial reporting
- keeping informed about the audit of the annual accounts and consolidated financial statements
- following the outcome of the audit
- evaluating and reviewing the auditor's impartiality and independence
- submitting proposals to the AGM for the election of auditor or to consider giving the nomination committee the task of submitting such proposals to the AGM.

During 2023, the audit committee met three times to deal with the above matters, among other things. During the year, the company's auditors attended all meetings with the audit committee. On one occasion during the year, the audit committee met the auditor without the CEO or anyone from the Management team being present.

CEO and Group Management

The CEO is responsible for the company's day-to-day administration and leads the company's operations according to the Board's guidelines and directives, including the adopted CEO instructions. The

CEO is responsible for preparing complete information and decision data prior to Board meetings, presenting matters for discussion and for justifying his proposals for actions and decisions.

Wallenstam's CEO Hans Wallenstam is the company's largest shareholder. It is a great advantage for Wallenstam to have a CEO with a long-term interest in the company. Apart from continuity, it also means quick decisions, which has proved to be a competitive advantage on a number of occasions.

In his day-to-day work the CEO leads the Group Management. Wallenstam's Group Management includes the CEO, the Vice CEO and Regional Director Stockholm business area incl. Uppsala, the Vice CEO and Regional Director Gothenburg business area, the CFO and Head of Investor Relations and the Communications Director. Wallenstam's Group Management is presented on page 8. The CEO and other members of Group Management meet continuously in order to monitor developments and results in the business areas, update forecasts and plans, and to discuss current issues. Reporting from Group Management to the CEO, in respect of each operational area, occurs on a monthly basis. In connection with this, an evaluation takes place together with annual development discussions to ensure that the right competencies are found in key positions.

Remuneration to the CEO and Group Management

Guidelines for remuneration to senior executives are decided by the AGM and can be found in the Administration report on page 36.

External auditors

Wallenstam's auditors are elected annually by the AGM. At the 2023 AGM, KPMG AB was re-elected as auditor with the Authorized Public Accountant Mathias Arvidsson as chief auditor until the end of the 2024 AGM. The auditor examines the Board's and the CEO's administration of the company and the quality of the company's accounting. The auditor reports the outcome of his examination to the shareholders through his audit report, which is presented at the AGM. Moreover, as a general rule the auditor presents detailed statements to the audit committee at audit committee meetings at least three times per year. The audit committee meets the company's auditor without Group Management being present once per year.

In addition to the audit, KPMG AB performs certain audit-related services for Wallenstam. These services mainly relate to accounting and audit advisory services, tax and company law-related matters, and Wallenstam is of the opinion that the performance of these services does not jeopardize KPMG AB's independence. Further information regarding remuneration to the auditors can be found in the Group's Note 4.

Internal control over financial reporting

The Board has overall responsibility for ensuring that Wallenstam has a satisfactory system for internal control over financial reporting. This system is designed through collaboration among the Board, Group Management and the company's personnel aimed at ensuring the following:

- that the company has reliable financial reporting
- that the company has a suitable and efficient financial reporting organization
- that the company complies with applicable legislation and other applicable regulations regarding the financial reporting.

The company uses the established COSO framework (Internal Control – Integrated Framework) in its financial reporting work.

Control environment

To ensure internal control over financial reporting, Wallenstam's control environment is based on a clear division and distribution of responsibilities and duties between the Board and the CEO, and also

within the company's operational activities. The Board's rules of procedure and CEO instructions aim to ensure such a distinct division of roles and responsibilities in order to facilitate the efficient management of operational risks. Correspondingly, there are also decision-making and authorization procedures covering all of the Group's operations, among other things, aimed at ensuring good order and at preventing or detecting irregularities/fraud (non-approved purchases, unauthorized use of the company's assets etc.) in time, which can have a significant impact on the company's financial reporting.

Policies adopted by the Board, such as the Code of Conduct and finance policy, are also important for the internal control work. There are also established guidelines for the company's employees in order for them to understand the importance of their respective roles in the maintenance of good internal control. The financial reporting guidelines are updated in the event of changes in legal requirements, listing requirements and/or accounting standards.

Risk assessment

Wallenstam's Group Management continually evaluates and identifies the risk for material errors in the financial reporting based on discussions and meetings in the organization. The Board, in its capacity as an audit committee, reviews the company's material risks with the company's auditors and also decides on necessary measures that need to be taken. Higher risks have been identified in the following areas:

- valuation of investment properties
- property transactions/construction
- fiscal estimates including interpretation of legal cases and regulatory changes.

Control activities

Control activities are designed both to prevent and detect shortcomings in the identified risk areas above and also to ensure that any errors in the financial reporting are corrected. There are also control activities to ensure that reporting occurs in accordance with applicable accounting rules and standards. Other controls include various forms of system support, built into established routines and division of duties such as quarterly reporting from the business areas to the CFO and through the principle that all documents should be reviewed and approved by at least two people. The company has an ethics council, which employees can contact for guidance and an external whistleblowing function where suspected irregularities can be reported.

The Board reviews the interim and annual accounts prior to publication.

Instructions, procedures and manuals are drawn up, updated and communicated to the employees concerned on an ongoing basis to ensure they have up-to-date information. Employees also undergo training to ensure they have the necessary competencies.

Information and communication

Both the internal information within Wallenstam and the external communication are governed by the Group's overall information disclosure guidelines. Group Management is responsible for informing the relevant employees about their responsibility for maintaining good internal control, with the aim of ensuring efficient and accurate disclosure of financial reporting. This occurs through regular information meetings in each business area, among other ways. Employees are also kept informed via Wallenstam's Intranet about adopted policies, guidelines, instructions and manuals.

The IR department is responsible for external information disclosure in respect of the financial reporting. This work is conducted in compliance with the principle of current and correct disclosure as described in Nasdaq Stockholm's rule book for issuers (Nordic Main Market Rulebook for Issuers of Shares).

Follow-up of internal control

Wallenstam's Group Management continually evaluates that the internal control over financial reporting is working in the intended way. This occurs through internal analyses and by reviewing the accounting department's work, with the aim of identifying measures needed or proposals for improvements. The Board subsequently receives Group Management's comments regarding the operations and the internal control. The company's auditors as a general rule participate in meetings with the audit committee three times per year and inform members of their observations regarding the company's internal routines and control system. Audit committee members also have the opportunity to ask questions to the external auditors at these meetings. It is the duty of the Board to ensure that action is taken regarding possible shortcomings and proposed measures resulting from Group Management reports and in the audit and information from the auditors.

Internal audit

Wallenstam's Group Management continually reviews the procedures and documentation concerning the internal control system. Nothing has emerged to indicate that the control system is not working as intended. In light of this, the Board has decided not to establish an internal audit function. This decision is reviewed annually.

Non-compliance

During 2023, no breaches of regulations or etiquette at the stock exchange where Wallenstam's shares are traded have taken place according to decisions by the exchange's disciplinary committee or pronouncements by the Swedish Securities Council.

This report is not part of the formal annual report.

Gothenburg, March 21, 2024

Lars-Åke Bokenberger
Chairman of the Board

Karin Mattsson
Vice Chairman

Mikael Söderlund
Board member

Agneta Wallenstam
Board member

Rebecka Wallenstam
Board member

Auditor's report on the corporate governance statement

To the general meeting of the shareholders in Wallenstam AB, corporate identity number 556072-1523

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2023 on pages 94-98 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Gothenburg, March 21, 2024
KPMG AB

Signed on the Swedish original

Mathias Arvidsson
Authorized Public Accountant

Auditor's opinion regarding the statutory sustainability report

To the general meeting of the shareholders in Wallenstam AB, corporate identity number 556072-1523

Engagement and responsibility

It is the board of directors who is responsible for the sustainability report for the year 2023 on page 15-21 and that it is prepared in accordance with the Annual Accounts Act.

The scope of the examination

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards

in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Gothenburg, March 21, 2024
KPMG AB

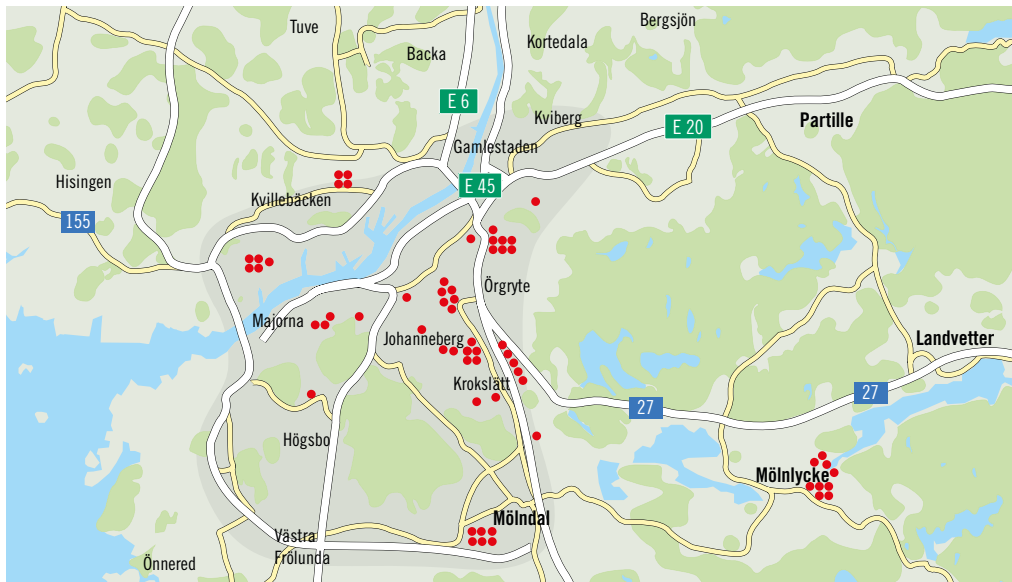
Signed on the Swedish original

Mathias Arvidsson
Authorized Public Accountant

Property list, Gothenburg Business Area

• = Residential properties • = Commercial properties * = Public use properties

Name of property	Address	Year of construction/conversion	Residential sq m	Office sq m	Retail/Restaurant/Cinema sq m	Industry/warehouse sq m	Education/Care sq m	Garage sq m	Other sq m	Total sq m	Assessed value, SEK thousands	Leasehold	No. of apts.	Largest tenants
GOTHENBURG MUNICIPALITY														
Avenue area														
• Lorensberg 7:15	Geijersgatan 7, 7A-7B / Götaplatsen 9 / Viktor Rydbergsgatan 1, 1A-1B	1936/2002	3,804	45	1,684		537			6,070	271,600		60	Filmstaden
• Lorensberg 43:1	Kungssportsavenyen 1 / Parkgatan 29 / Storgatan 30 / Teatergatan 2	1883/2008	553	2,925	707				10	4,195	153,200		10	Advokatfirman Nordia Göteborg
• Lorensberg 44:2	Kungssportsavenyen 2 / Parkgatan 31 / Storgatan 32, 34A-34B / Södra vägen 1	1910/2005		4,682	782					5,464	194,000			Wallenstam
• Lorensberg 45:21	Kungssportsavenyen 4 / Storgatan 51	1940/2000	1,946		1,070					3,016	130,800		27	Gondoliere
• Lorensberg 52:4	Kristinelundsgatan 10 / Kungssportsavenyen 21-25 / Teatergatan 22-26	1941/1996	6,890	4,986	2,578	215	68	2,970		17,707	637,600		79	Convendum
• Lorensberg 53:1	Kungssportsavenyen 16 / Vasagatan 43A	1896/1998		1,500	705					2,205	87,000			Nilson Group
• Lorensberg 53:2	Lorensbergsgatan 1 / Vasagatan 43B	1966/2009		994	846		536			2,376	67,600			Eminent Hälsostudio Göteborg
• Lorensberg 53:5	Kristinelundsgatan 14 / Lorensbergsgatan 7	1920/1984	1,179		540					1,719	59,064		13	Göteborgs Natliv
• Lorensberg 53:6	Kristinelundsgatan 12 / Kungssportsavenyen 22	1929		1,184	574					1,758	56,400			Opalen Fastighetsförvaltning SEB
• Lorensberg 53:7	Kungssportsavenyen 20	1929/1983		635	210		272			1,117	44,000			Willhem
• Lorensberg 54:9	Vasagatan 45	1979/2010		4,648	1,541	348		567		7,104	202,000			Apoteket
• Lorensberg 55:14	Engelbrektsgratan 34AA-34AB, 34B-34C / Lorensbergsgatan 18-20 / Södra Vägen 29	1936/2014	6,428	150	1,251	60	489		2	8,380	311,360		89	Bokio Group
• Lorensberg 56:8	Engelbrektsgratan 32 / Kungssportsavenyen 32-34 / Lorensbergsgatan 17-19	1962/2010	1,360	5,137	2,157	241		700		9,595	301,600		13	Kungssportsläkarna
• Lorensberg 57:8	Engelbrektsgratan 30 / Kungssportsavenyen 29-37 / Teatergatan 30-38	1962/2014	7,097	7,112	2,968	430	325			17,932	820,345		93	Mullvad VPN
• Lorensberg 58:6	Chalmersgatan 26 / Engelbrektsgratan 26-28 / Teatergatan 25	1929/1988	1,565	4,214	349	67				6,195	195,400		14	Sjölin's gymnasium
* Vasastaden 3:1	Erik Dahlbergsgatan 1 / Karl Gustavsgatan 2 / Parkgatan 9-11, 10-12	1898/1980	1,578	965	196	4	2,489			5,232			15	The Rescue Mission in Gothenburg
• Vasastaden 9:7	Bellmansgatan 13 / Vasagatan 14	1929/1990	2,079							2,079				
Gamlestaden														
• Gamlestaden 740:22	Marieholmsgatan 60B-60C	1929/1969				389				389	882	2024		Prezero Recycling
• Gamlestaden 740:23	Marieholmsgatan 60-62	1970				4,142				4,142	1,486	2024		Traffic Tech Nordics
Guldheden														
• Guldheden 5:5	Guldhedstorget 1, 1A-1B / Reutersgatan 1	1945/2015	2,708		611	50	1,010			4,379	85,434		57	
Gårda														
• Gårda 18:22	Drakegatan 5 och 7	1989	9,335			303		2,850	107	12,595	264,000			Max Matthiessen
• Gårda 20:1	Fabriksgatan 15 / Gärdavägen 1	1986/2007	4,431	93	129			204		4,857	114,000			Msc Sweden
• Gårda 22:24	Fabriksgatan 26 / Vådursgatan 5	1989/2008	5,138	820	434	2,471	1,713			10,576	103,400			Kunskapsskolan
• Gårda 46:9	Södra Gubberogatan 4-8, 18-20	1936/1995	12,485	544	785	1,990	2,950	375		19,129	200,161			Västra Götaland County Council
Heden														
• Heden 24:13	Skånegatan 19 / Sten Sturegatan 34-36	1964/1997	3,693	414	750	36		1,423		6,316	146,400		34	Dagab Inköp & Logistik
• Heden 24:14	Skånegatan 21-23 / Sten Sturegatan 38-44	1962/2020	10,501	1,766	2,490	622	63	3,000		18,442	517,000		116	Coop Väst
• Heden 37:4	Skånegatan 16B	2006			10,610					10,610		2026		Filmstaden
Högsbo														
• Högsbo 5:7	A Odhners gata 6 / Olof Askklunds gata 25	1967/1998			1,369	1,872				3,241	17,512			Rätby, Onni Olavi
• Högsbo 34:12	Gruvgatan 4	1980		215		1,700				1,915	12,259			Rätby, Onni Olavi
• Högsbo 34:21	Gruvgatan 6-8 / J A Wettergrens gata 16	1989		4,914	269	261	3,107	1,450		10,001				GHP Spine Centre Göteborg
• Järnbrott 195:1	Högsbogatan 21-25	2009	6,838	81				1,000		7,919	212,145		100	
Inom Vallgraven														
• Inom Vallgraven 6:1	Kungssportsplatsen 2	1929/2011		1,647	1,086					2,733	116,000			Advokatfirman Styrks
• Inom Vallgraven 15:1	Drottninggatan 24-26 / Korsgatan 2-6 / Södra Hamngatan 25	1809		1,995	1,119					3,114	96,000			Wiktor Ahlströms konditori
• Inom Vallgraven 15:13	Östra Hamngatan 23, 25, 27 / Södra Hamngatan 33, 35 / Drottninggatan 34, 36	1991/2019		8,787	2,472	536			148	11,943	376,000			Svenska Handelsbanken
• Inom Vallgraven 16:6	Korsgatan 1 / Södra Hamngatan 17-23	1891		2,981	287	139	1,846			5,253	27,800			Ljud & Bildskolan
• Inom Vallgraven 16:24	Korsgatan 3	1885		1,398	225	94			105	1,822	49,800			Advokatfirman Credo
• Inom Vallgraven 16:25	Drottninggatan 22 / Korsgatan 5	1885		552	188	40				780	25,800			Inteq Solutions
• Inom Vallgraven 17:13	Drottninggatan 9-11, Västra Hamngatan 8	1929/1998		2,626	29	100				2,755	86,524			Infotiv
• Inom Vallgraven 18:3	Korsgatan 11, 11B / Kyrkogatan 32	1929/2002	863		711					1,574	61,800		18	Buttericks Leco



• = Residential properties

LAND Name	
Almekärr 2:10	Kärra 2:11
Gårda 52:2	Kärra 26:5
Gårda 52:3	Lorensberg 21:3
Gårda 52:10	Mölnlycke 1:166
Gårda 52:11	Mölnlycke 1:167
Hjällsnäs 11:17	Mölnlycke 2:1
Hälle 1:3	Mörten 6
Kallebäck 18:9	Nejonögat 16
Kallebäck 18:13	Nejonögat 17
Kallebäck 18:14	Rangelgårdet 1:10
Kallebäck 18:15	Skår 57:15
Kallebäck 18:16	Släps-Hagen 1:29
Kallebäck 18:17	Storegården 1:70
Kallebäck 18:18	Älvsborg 755:505
Kallebäck 18:19	

Name of property	Address	Year of construction/conversion	Residential sq m	Office sq m	Retail/Restaurant/Cinema sq m	Industry/warehouse sq m	Education/Care sq m	Garage sq m	Other sq m	Total sq m	Assessed value, SEK thousands	Leasehold	No. of apts.	Largest tenants
• Inom Vallgraven 19:16	Korsgatan 12 / Kyrkogatan 34-36	1929		1,355	863	221				2,439	57,575			Knapp-Carlsson
• Inom Vallgraven 20:18	Korsgatan 14-18 / Kungsgatan 42-44 / Kyrkogatan 15-19	1810/2004		6,306	2,429	166				8,901	390,000			Ropo Capital Sweden
• Inom Vallgraven 21:10	Kungsgatan 59 / Östra Hamngatan 41-43	1804/1998		1,465	503	21			61	2,050	97,000			WERKS Advokater
• Inom Vallgraven 21:11	Vallgatan 42 / Östra Hamngatan 45	1929/2015		2,142	332					2,474	138,240			DB Banklokaler
• Inom Vallgraven 23:7	Södra Larmgatan 16 / Vallgatan 21, 21A-21D	1929/2019		1,658	1,033	115				2,806	91,000			Funkis Multimedia
• Inom Vallgraven 23:8*	Södra Larmgatan 18 / Vallgatan 23	1878			416					416				
• Inom Vallgraven 23:11	Korsgatan 17 / Södra Larmgatan 20-22 / Vallgatan 25-29, 25A-25B, 27A-27B	1929/2006		2,174	1,128	6				3,308	165,000			Fortex International
• Inom Vallgraven 23:13	Södra Larmgatan 10-14 / Vallgatan 15-19	1929/2002	323	2,684	2,062	28			59	5,156	156,977		5	Linderoths Mediaproduktion
• Inom Vallgraven 25:1	Basargatan 10-12 / Kungssportsplatsen 1 / Kungstorget 10-14, 11-13	1929/2008		3,165	2,524				6	5,695	235,432			Dunross & CO
• Inom Vallgraven 26:8	Basargatan 4-8, 6A-6B, 5-7 / Grönsakstorget 3 / Kungstorget 1-3, 2 / Lilla Korsgatan 2 / Södra Larmgatan 11-15, 13C	1929/2011	3,252	8,400	7,114	261		1,071		20,098	700,000		38	Filmstaden
• Inom Vallgraven 27:1	Grönsakstorget 1 / Södra Larmgatan 7 / Västra Hamngatan 24-26	1929/2011		2,424	802	10			80	3,316	109,000			Recorded Future
• Inom Vallgraven 32:1	Kaserntorget 6 / Vallgatan 1	1939/2001		2,033	580	172				2,785	92,000			Biståndsforeningen Humana Sverige
• Inom Vallgraven 32:2	Vallgatan 3	1929/2008		333	231					564	17,539			Vink io
• Inom Vallgraven 32:8	Magasinsgatan 15 / Vallgatan 5	1814		386	322					708	21,000			Kaffelabbet MWJ
• Inom Vallgraven 32:12	Magasinsgatan 19 / Södra Larmgatan 2	1929/2020		370	3,228					3,598	98,000			Götaplatsgruppen Restauranger
• Inom Vallgraven 32:13	Kaserntorget 8, 9	1929/2007		123	471					594	10,791			Musik utan gränser
• Inom Vallgraven 32:14	Magasinsgatan 17	2019			61					61	11,800			Kaffelabbet MWJ
• Inom Vallgraven 35:12	Kaserntorget 1, 2 / Kungsgatan 13	1956		1,415	465	56				1,936	54,600			Protek Projektstyrning i Göteborg
• Inom Vallgraven 53:15	Lilla Torget 2 / Otterhällegatan 1	1986/2006		2,620		375				2,995	78,600			Jobtip
• Inom Vallgraven 55:1	Drottninggatan 2 / Ekelundsgatan 2 / Magasinsgatan 1 / Otterhällegatan 2	1850/2002		2,863	416	84				3,363	85,000			Walborg
• Inom Vallgraven 57:7	Kyrkogatan 12-16 / Västra Hamngatan 7A-7C	1907/2003		997		24	2,844			3,865				Frisk Service i GBG
• Inom Vallgraven 60:8	Ekelundsgatan 1-3 / Otterhällegatan 4	1965/1997		11,776	365	1,064		1,098	1	14,304	317,000			County Administrative Board
• Inom Vallgraven 60:9	Ekelundsgatan 5-7 / Otterhällegatan 6	1964		2,600	66	48		3,900	3	6,617	107,000			Västra Götaland County Council
• Inom Vallgraven 60:10	Ekelundsgatan 9-11 / Kungsgatan 20-22 / Käppslängareleden 2 / Otterhällegatan 8	1964/2002		4,599	2,581					7,180	176,000			Biljardpalatset Göteborg
Johanneberg														
• Johanneberg 15:31	Volrat Thamsgatan 2	2018	1,620					223		1,843	95,600		36	
• Johanneberg 47:4	Örnehufvudsgatan 7	1939/1986	1,904			42				1,946	73,031		31	
Järntorget														
• Haga 31:5	Haga Östergata 10, 12 / Skolgatan 1, 3 / Södra Allégatan 6 / Östra Skansgatan 4	1992		1,978			3,030	500		5,508				Medborgarskolan Region Väst
• Masthugget 10:3	Första Långgatan 22	1960/1994		2,133	173	110				2,416	41,000			Zikta Invest
• Masthugget 10:15	Första Långgatan 16-18 / Andra Långgatan 15-19 / Nordhemsgatan 13-15	1957/1989		8,393	2,359	455	3,659	800		15,666	254,000			The City of Gothenburg

* Share in BRF Larmtrumman



• = Commercial properties • = Public use properties

Name of property	Address	Year of construction/conversion	Residential sq m	Office sq m	Retail/Restaurant/Cinema sq m	Industry/warehouse sq m	Education/Care sq m	Garage sq m	Other sq m	Total sq m	Assessed value, SEK thousands	Leasehold	No. of apts.	Largest tenants
• Masthugget 10:20	Första Långgatan 24-26 / Värmlandsgatan 14	1962/1991		4,804	467	150	1,800			7,221	128,000			Cloud Software Group Sweden
• Pustervik 2:19	Lilla Pusterviksgatan 1-3 / Norra Allégatan 6 / Pusterviksgatan 11	1968/1994					4,300			4,300				Folkuniversitetet
Kallebäck														
• Kallebäck 3:4	Mejerigatan 1	1971		8,400	485	21,431			221	30,537	112,000			ICA Fastigheter
• Kallebäck 18:2	Smörkärnegatan 21-29	2021	14,335					1,613		15,948	385,152		270	
• Kallebäck 18:3	Smörkärnegatan 1 / Smörgatatan 1, Filmjöksgatan 6 / Filmjöksgatan 4	2021	8,461					1,021		9,482	290,552		165	
• Kallebäck 18:4	Långhögsgatan 1, 3, 5, 7, 9, 11, 13, 15, 17, 19	2021		12,531		46	2,335	8,764		23,676	301,000			Cellink Bioprinting
• Kallebäck 18:6	Separatorgatan 10, 12, 14, 16 / Skummjöksgatan 2, 4A, 4B, 4C, 6, 8	2022	9,291		381			1,095		10,767	93,868		189	
• Kallebäck 18:7	Filmjöksgatan 1, 3, 5 / Skummjöksgatan 10, 12, 14, 16 / Separatorgatan 6, 8	2021	14,259		153			705		15,117	294,759		266	
• Kallebäck 18:8	Smörkärnegatan 3, 5, 7, 9, 11, 13, 15	2022	6,932					950		7,882	91,148		85	
• Kallebäck 18:11	Smörkärnegatan 17-19	2023					1,260			1,260	5,000			
• Kallebäck 18:12	Kallebäcksgatan 32-36	2023					5,319			5,319	21,600			
Krokslätt														
• Illern 6	Krokslättsgatan 46A-46D	1944/1975	884			39			8	931	18,345		24	
• Krokslätt 9:15	Bomgatan 1 / Framnäsgratan 2 / Mölndalsvägen 47-51	2008	2,873							2,873	101,000		60	
• Krokslätt 21:1	Drivhusgatan 6A-6B / Milpåglegatan 5 / Thorburnsgatan 12A-12D	1948/1994	2,517			13				2,530	75,026		47	
• Krokslätt 21:2	Drivhusgatan 4A-4C / Helmutsgatan 7A-7B	1950/1994	1,761			122				1,883	51,250		33	
• Krokslätt 21:3	Helmutsgatan 9 / Milpåglegatan 3, 3A-3C	1950/2008	1,506			132				1,638	41,591		20	
• Krokslätt 154:7	Nordgårdsgatan 2, 6, 8, 10 / Ebbe Lieberathsgatan 2A-D / Fredriksdalsgatan 4C-D	2020	17,195		209	34		6,196		23,634	597,153		336	
Kvillebäcken														
• Brämaregården 62:1	Fjärdingsgatan 3-9 / Gustaf Dahléngsgatan 4-8, 6A / Långängen 14-16	2015	5,803	54	249	22		1,250		7,378	230,452		112	
• Kvillebäcken 3:1	Gustaf Dahléngsgatan 10-14 / Långängen 11, 11A / Solventilsgatan 20-22	2014	6,009		85	30		1,167		7,291	223,592		115	
• Kvillebäcken 73:1	Fjärdingsgatan 23-29 / Gustaf Dahléngsgatan 22-26	2013	6,280		108	33	594	2,336		9,351	234,984		108	
• Kvillebäcken 74:1	Gustaf Dahléngsgatan 7A-7F / Rundbäcksgatan 14	2013	5,124	78		2	800	2,268		8,272	200,678		98	
Kyrkbyn														
• Kyrkbyn 9:6	Estlandsgatan 1 / Prebendegatan 32A-32D / Östra Bräckeavägen 52	1942/1975	652						54	706	13,067		16	
• Kyrkbyn 10:14	Estlandsgatan 4A-4D / Finlandsgratan 3 / Östra Bräckeavägen 54	1942/1994	684			7				691	13,184		16	
• Kyrkbyn 10:15	Estlandsgatan 2A-2D / Finlandsgratan 1 / Vårbroddsgatan 1	1942/1975	658						47	705	12,845		16	
• Kyrkbyn 11:14	Finlandsgratan 4A-4D / Hullgatan 3 / Östra Bräckeavägen 56	1942/1975	652							652	13,764		16	
• Kyrkbyn 13:14	Londongatan 4 / Tilburygatan 2A-2D / Vårbroddsgatan 7	1943/1984	766			50				816	14,484		14	
• Lindholmen 1:21	Polstjärnegatan 6	1955				11,147	1,350			12,497	33,994			Riksarkivet
• Lindholmen 5:1	Polstjärnegatan 8, 8A	1968				11,510				11,510	19,633			The City of Gothenburg
Källtorp														
• Bagaregården 27:1	Lilla Munkebäcksgatan 9A-9E	1939/1999	1,062			18				1,080	31,228		25	
Linnéstaden														
• Olivedal 3:12	Övre Djupedalsgatan 7, 7A-7D	1929	1,143			192				1,335	38,896		16	

Name of property	Address	Year of construction/conversion	Residential sq m	Office sq m	Retail/Restaurant/Cinema sq m	Industry/warehouse sq m	Education/Care sq m	Garage sq m	Other sq m	Total sq m	Assessed value, SEK thousands	Leasehold	No. of apts.	Largest tenants
Lunden and Olskroken														
• Bø 72:20	Danska vägen 20	1861		428		12			432	872				Gothia Akademi
• Gårda 64:1	Redbergsvägen 11, 11A-11B	1939/2015	2,940		310					3,250	93,272		43	
• Gårda 67:29	Mäster Johansgatan 15-17	2006	3,725					80		3,805	128,397		53	
• Gårda 69:1	Gradmansplatsen 1 / Redbergsvägen 17, 17A-17B	1938/1998	1,728		435	10				2,173	51,504		28	
• Gårda 69:24	Kobbarnas väg 8	1937/1994	1,610							1,610	49,200		26	
• Gårda 70:8	Kobbarnas väg 15	1944/1985	1,573			15				1,588	47,845		25	
• Lunden 14:12	Karlagatan 1-3 / Mäster Johansgatan 14-16 / Wrangelsgatan 1	1974	4,434	47		43	517	1,469		6,510	133,910		63	
• Lunden 61:9	Ulfspärregatan 14-18	2018	4,961		50	8		750		5,769	232,199		115	
Majorna														
• Majorna 223:4	Fiskhamnen 9, 16	1991		300		2,327				2,627	12,421	2026		Johan i Hallen & Bergfalk
• Majorna 303:29	Amiralitetsgatan 2A-2B, 4-8 / Bangatan 21-39 / Djurgårdsgatan 26-40	1965/2014	34,779	279	1,813	92		10,949	346	48,258	1,011,144		460	Dagab Inköp & Logistik
• Majorna 350:5	Dahlströmsgatan 8-20, 20B-20C, 22-44, 44B, 46-52 / Kolumbusgatan 1-3 / Stenklevsgatan 5	1959/2012	17,255	207		349			18	17,829	485,335		246	
• Majorna 350:6	Kolumbusgatan 1-5, Stenklevsgatan 7A-B, 9, 11	2020	6,539		217					6,756	295,627		138	
• Majorna 721:75	Fiskhamnen 27	1973				1,207				1,207	3,221	2033		Bröderna Hansson i Göteborg Export
• Majorna 721:78, 721:81	Fiskhamnen 23 / Fiskhamnen 25	1974				2,416				2,416	9,650	2033 & 2028		Bröderna Hansson i Göteborg Export
Rosenlund														
• Inom Vallgraven 69:5	Rosenlundsgatan 6-8 / Rosenlundsplatsen 2	1974/1998		12,394	3,799	1,709		2,282	261	20,445	391,000			The Swedish Enforcement Authority
Stampen														
• Stampen 5:6	Polhemsplatsen 1 / Stampgatan 12-18	1990/2009		7,405		102	1,730	2,975		12,212	236,000			The Swedish Public Employment Service
• Stampen 15:18	Friggagatan 25A	1936/1993	1,418		218					1,636	47,303		26	
Torslanda														
• Björlanda 1:61	Björlanda Prästgårdsväg 50	1873	550						898	1,448	6,440		1	The Rescue Mission in Gothenburg
Önnered														
• Önnered 762:369	Önnereds brygga 1-17	1975/2005		1,434	705	228			520	2,887	19,849	2024		Prové
HÄRRYDA MUNICIPALITY														
Mölnlycke														
• Hulebäck 1:23	Biblioteksgatan 9-15 / Centralvägen 14 / Ekdalavägen 3 / Gunnar Runfors gränd 2	1975/2013	2,751		4,898	4				7,653	120,600		46	Dagab Inköp & Logistik
• Hulebäck 1:604	Centralvägen 13A-13D / Råda torg 7	1951	692		493	87			73	1,345	16,591		16	
• Hulebäck 4:90	Badhusgatan 14, 16A-16D / Biblioteksgatan 14A-14C, 16A-16D	2001	1,854		1,086					2,940	56,498		33	Systembolaget
• Hulebäck 4:92	Biblioteksgatan 4A-4E	2002		390	496					886	13,731			Kronans Apotek
• Hulebäck 4:97	Biblioteksgatan 5 / Centralvägen 10-12 / Gunnar Runfors gränd 1-9 / Lennart Kvarnströms plats 2-8	1970/2011	1,339	1,112	637	17				3,105	54,414		20	
• Hulebäck 4:164	Allén 2-6 / Biblioteksgatan 1A-1C / Centralvägen 8A-8E / Lennart Kvarnströms plats 1-13	2012	2,511	102	2,391			1,825		6,829	119,000		52	Lindex Sverige
• Hönekulla 1:157	Längensvägen 9	2021							2,194	2,194				Östermalmshallen Padel
• Hönekulla 1:479	Hönekullavägen 7	1971		608	437	656			1,035	2,736	10,302			Rescue Mission
• Hönekulla 1:571	Åvägen 1	1987/1993		1,463		2,926				4,389	17,578			RZ HB Mekaniska
• Mölnlycke 1:159	Fabriksvägen 2	1890/1981		350						350	1,685			Du & Din Hund Produkter HJ
• Mölnlycke 1:162	Mjölharens väg 7, 9, 11	2021	9,749					772		10,521	273,149		185	
• Mölnlycke 1:163	Disponentvägen 2, 4	2020	6,477					448		6,925	179,930		123	
• Mölnlycke 1:164	Disponentvägen 1-11	2023	7,228					322		7,550	49,800		128	
• Mölnlycke 1:165	Bruksgatan 1, 3, 5, 7 / Viola Gråstens plats 2, 4, 6	2021	6,110		588			371		7,069			116	Kasper Sports Bar
• Mölnlycke 1:168	Viola Gråstens plats 1 / Bruksgatan 9, 11, 13, 15, 17-23, 25 / Kraftgränd 1-2, 6	1890/2001		4,315	520	18,482	3,182	17,270	85	43,854				Essity Hygiene and Health
MÖLNDAL MUNICIPALITY														
Möndal														
• Rödklövern 1	Gunnebogatan 68-160	2018	2,652							2,652	104,400		89	
• Stallbacken 7	Åby Allé 13-19	2016	5,978					2,467		8,445	211,499		113	
• Stallbacken 9	Åby Allé 21-23	2016	4,000							4,000	142,000		75	
• Stallbacken 23	Åby Allé 51-57	2017	4,599					671		5,270	166,080		88	
• Stallbacken 24	Åby Allé 59-63	2017	4,526							4,526	155,000		82	
• Stallbacken 26	Åbyvägen 4 A-D	2019	5,778			98		592		6,468	201,640		109	
• Stallbacken 27	Åby Allé 67	2018	6,252					1,913		8,165	238,161		133	
• Uttern 12	Göteborgsvägen 119-121 / Sörgårdsgatan 1A-1F	1929	1,556		137	50				1,743	33,073		26	
Total			330,592	229,035	93,722	92,071	47,923	98,940	7,149	899,432	18,827,250		5,553	

Property list, Stockholm Business Area

• = Residential properties • = Commercial properties • = Public use properties

Name of property	Address	Year of construction/ conversion	Residential sq m	Office sq m	Retail/ Restaurant/ Cinema sq m	Industry/ warehousing sq m	Education/ Care sq m	Garage sq m	Other sq m	Total sq m	Assessed value, SEK thousands	Leasehold	No. of apts.
HANINGE MUNICIPALITY													
Haninge													
• Söderbyholm 3:518	Poseidons gränd 1-21, 3A-3B, 7A-7B, 11A / Poseidons torg 1A-1C, 2A-2C	2012	11,408	450	911	40		4,150	247	17,206	351,800		196
• Söderbyholm 3:539	Örnens väg 7-9 / Ingrid Horns Torg 4 / Ingrid Horns väg 6-8	2021	6,118		126	50		1,560		7,854	206,241		131
• Söderbyholm 3:540	Örnens väg 1-5 / Ingrid Horns väg 7-9 / Nynsvägen 112-114	2021	10,624					2,637		13,261	344,200		155
HUDDINGE MUNICIPALITY													
Huddinge													
• Kansliet 2	Kansligränd 1-5 / Lännavägen 4 / Rådsvägen 4, 4A-4E	2007	9,206			31				9,237	233,186		138
• Klinton 16	Chronas väg 3 / Gamla Södertäljevägen 139 / Klintvägen 5	1982	1,385	27		20		175		1,607	24,840		22
• Klinton 18	Gamla Södertäljevägen 135 / Klintvägen 9-11	1982	1,393	366		52				1,811	30,763		23
• Runan 1	Drakvägen 2 / Gymnasievägen 2 / Kvarnbergsplan 2-18	1960	10,403	99	1,313	36		300		12,151	218,728		196
JÄRFÄLLA MUNICIPALITY													
Barkarby													
• Barkarby 2:28	Barkarbyvägen 42-52, 42A-42B, 44A-44C / Gripengatan 1-7 / Karlslundsvägen 4-8, 8A / Stora torget 1-3, 1A-1B, 2, 2A-2B	2014	15,615	76	680	45		3,688		20,104	518,995		247
• Barkarby 2:44	Mustangatan 6A-B, 8A, 10 / Viggengatan 1-5 / Flygfältsvägen 1A, 3-5 / Barkarbyvägen 14A, 16A, 18A, 20A-B	2017	12,230		1,203	110	1,278	2,620		17,441	479,400		205
NACKA MUNICIPALITY													
Nacka Strand													
• Sicklaön 368:2	Fyrspannsvägen 3A-3B, 5A-5C / Jacobsdalsvägen 2A / Lokomobilvägen 3-5	2015	7,561					1,694		9,255	296,454	2033	122
Älta													
• Älta 10:62	Oxelbacken 1-3 / Oxelvägen 24	2015	7,509					2,554		10,063	272,000	2034	129
• Älta 14:104	Stensövägen 2-8	2011	4,217					1,175		5,392	139,736		73
• Älta 19:2	Oxelvägen 42	1968		1,344	1,283	908			1,585	5,120	57,600		
• Älta 19:3	Ältavägen 202	1993	5,136	692	210	94				6,132	132,167		82
• Älta 24:2	Oxelvägen 3-35	1965	24,800	264		528			20	25,612	486,568		320
• Älta 25:106	Oxelvägen 26-40	1966	12,598	135		285			16	13,034	232,520		163
SOLNA MUNICIPALITY													
Solna													
• Smaragden 1	Hannebergsgatan 22	1951	2,446	416		143				3,005	82,851		32
STOCKHOLM MUNICIPALITY													
Bandhagen													
• Framkällningen 3	Trollesundsvägen 56 A-F	2020	6,766			9		1,868		8,643	273,377		110
• Murförbandet 1	Trollesundsvägen 3 / Mosstenabacken 2, 4, 6	2022	3,555	189				640		4,384	159,136		84
• Passfotot 2	Trollesundsvägen 58 B / Trollesundsvägen 58 C	2020	3,005					651		3,656	122,191		48
Blackeberg													
• Islänningen 1	Holbergsgatan 82-84	1951	2,548		196					2,744	62,901	2031	84
Hammarby Sjöstad													
• Forsen 1	Båttbyggargatan 66-68 / Vävar Johans gata 12-18	2005	8,214					1,700		9,914	429,200	2034	135
• Skärgårdsbåten 2	Fendergatan 2-4	2009	3,380					750		4,130	185,346	2028	49
• Svallvägen 1	Fartygsgatan 12-18 / Rorgångargatan 22-28 / Vävar Johans gata 29-37	2007	11,734					2,675		14,409	626,800	2025	170
Högdalen													
• Brukslaven 2	Skebokvarnsvägen 163-171	1955	4,752			19			88	4,859	107,408	2034	81
• Nockteglät 3	Sjösavägen 21-31	1953	2,569	88				156		2,813	63,687	2033	45
Midsommarkransen													
• Violen 12	Erikslundsgatan 6 / Nioörtsvägen 36	1938/1987	1,053		296					1,349	40,231		16
• Violen 13	Nioörtsvägen 38	1938/1987	848		127					975	30,335		11
Norra Djurgårdsstaden													
• Domarudden 1	Grythundsgatan 3 / Jaktgatan 38-40	2016					815			815		2034	
• Stora Sjöfallet 3	Grythundsgatan 5-11 / Husarviksgatan 16A / Jaktgatan 37-41	2016	6,626	124	105			1,772		8,627	473,770	2034	121
Råcksta													
• Hälslaget 2	Ullängergatan 5	1953	3,840	51		79			6	3,976	87,972	2032	71
• Hälslaget 3	Ullängergatan 7-19	1953	3,020	150		113	50			3,333	68,716	2032	49
• Hängmappen 1	Multrågatan 34-50	1953	4,033	237		78				4,348	91,338	2031	59
• Kortot 2	Multrågatan 27A-27E, 29	2007	5,009							5,009	150,000	2026	73
• Kortregistret 2	Multrågatan 88-106	1953	4,039	251		115				4,405	90,320	2031	67
• Kortregistret 3	Multrågatan 72-86	1953	3,347	137		166				3,650	74,258	2031	60
• Kortregistret 6	Multrågatan 52-70, 56A-56B	1953	3,904	29	423	51				4,407	96,044	2031	65
• Kulspeppennan 1	Nordingrågatan 2-20, 20A-20B	1953	5,481	36		197		700		6,414	128,661	2032	96
• Kundregistret 4	Multrågatan 128	1953	2,933	32		67				3,032	67,153	2035	54
• Kundregistret 5	Multrågatan 130-156 / Ångermannagatan 123-125	1953	6,784	83	286	212		550	46	7,961	154,877	2035	108



- = Residential properties
- = Commercial properties
- = Public use properties

LAND Name

Bergkristallen 1	Kringlan 11
Bergskristallen 3	Kringlan 12
Tibble 10:8-9	Maren 1:14
Fagerö 1	Maren 1:15
Freden Större 15	Packrummet 12
Freden Större 21	Rankan 3
Freden Större 22	Rankan 4
Hagby 1:98	Sicklaön 134:36
Klockelund 3	Tyresö Strand 1:18
Kringlan 1	Ålta 24:3
Kringlan 2	Ålta 25:107
Kringlan 4	

Name of property	Address	Year of construction/ conversion	Residen- tial sq m	Office sq m	Retail/ Restaur- / Cinema sq m	Indus- try/ ware- housing sq m	Educa- tion/ Care sq m	Garage sq m	Other sq m	Total sq m	Assessed value, SEK thousands	Lease- hold	No. of apts.
• Kundregistret 6	Ångermannagatan 109-121	1953	2,803		64	156				3,023	64,705	2035	56
• Räknetabellen 3	Gudmundrågatan 12 / Långseleringen 5	1953		58	307	78	1,074			1,517		2031	
• Räknetabellen 4	Gudmundrågatan 2-10 / Solleftegatan 15-17 / Långseleringen 1-3	1952/1993	3,739	226	106	71	100		219	4,461	85,636	2031	58
• Samlingspärmen 2	Multrågatan 31-39	1953	1,979	181	29	5				2,194	44,913	2031	35
• Skrivmaskinen 4	Multrågatan 6-32	1952	5,889	83		279		250	17	6,518	136,786	2031	107
• Skrivmaskinen 6	Gudmundrågatan 15-19	1952	1,324							1,324	31,200	2031	24
• Skrivmaskinen 8	Gudmundrågatan 1-9 / Multrågatan 2-4 / Solleftegatan 3-13	1952	5,530	219		251				6,000	123,822	2031	100
Solberga													
• Balettskon 1	Folkparksvägen 91-95 / Skodonsvägen 3-7 / Tåhättvägen 3	2017	8,943					2,584		11,527	346,277	2025	148
• Seglarskon 1	Skodonsvägen 2-10	2018	4,827					1,261		6,088	201,000		80
• Seglarskon 2	Tåhättvägen 7-9 / Skodonsvägen 12-16	2018	4,904					1,487		6,391	209,000		90
Södermalm													
• Pålen 16	Hornsgatan 91 / Hornskroken 1	1938/1996	3,237	879	198					4,314			57
• Urvädersklippan Mindre 4	Klevgränd 10 / Urvädersgränd 11	1964	1,175	213		34		191		1,613	59,159		11
Örby													
• Kolvringen 1	Rävnäsavägen 79-83	1951											
• Sökarlyktan 1	Rävnäsavägen 57-63, 69-83	1951	2,884	50		609				3,543	60,342		44
• Trafikmärket 1	Rävnäsavägen 69-77	1951											
Östermalm													
• Sälgen 2	Birger Jarls gatan 64 / Rådmansgatan 24	1927/2007		3,079	731			583	250	4,643	243,800		
SUNDBYBERG MUNICIPALITY													
Sundbyberg													
• Freden Större 20	Odlingsgatan 3, 5, 5A, 7, 7A-7D, 9, 9A, 11, 11A- 11G / Rissneleden 2A-2C, 4, 4A-4D, 6, 8, 10, 10A-10F, 12, 12A-12H, 14, 14A-14D, 16, 16A-16E, 18, 18A-18G / Östra Madenvägen 3, 5, 13, 15, 17, 19	1974		18,459	2,378	3,002	2,136	12,672		38,647	360,000		
• Purjolöken 1	Fredens Torg 4A, 4B, 4C, 4D, 4E	2020	2,856		325				2	3,183	136,141		75
• Purjolöken 2	Östra Madenvägen 7A, 7D / Gesällvägen 7, 7C, 9 / Odlingsgatan 4 B-D	2019	8,125		838	120		3,040		12,123	364,400		147
• Tobaksladan 1	Rissneleden 20, 22, 24	2020	8,449			101		1,378		9,928	341,600		141
• Årtskidan 1	Östra Madenvägen 9-9C, 11-11D / Odlingsgatan 6A-B	2022	7,195		481	128		2,005		9,809	319,065		133
TYRESÖ MUNICIPALITY													
Tyresö													
• Järnet 1	Telefongränd 1 / LM Ericssons väg 2-10 / Bollmora gårdsväg 3, 5A-5C	2018	9,409		63	7		2,488		11,967	294,142		184
UPPSALA MUNICIPALITY													
Rosendal													
• Käbo 57:2	Rosendalsvägen 6, 8, 10A, 10B / Torgny Segerstedts allé 5, 7	2017	8,420					2,584		11,004	355,991		145
• Käbo 63:2	Torgny Segerstedts allé 71-81 / Prefektgatan 5-7 / Betty Petterssons gata 13	2019	6,114		262					6,376	274,164		141
• Käbo 76:1	Lydia Wahlströms gata 8, 14 / Torgny Segerstedts allé 78A, 80A, 82A	2022	7,035	63	122		532			7,752	329,400		156
ÖSTERÅKER MUNICIPALITY													
Österåker													
• Berga 6:682-683	Margretelundsvägen 1A, 3A-F, 5A-C / Söra Skolväg 4-B / Söra Skolgränd 1, 2, 4	2021	15,674		130					15,804	581,917	2031	305
• Hacksta 1:72	Norrgårdshöjden 1-8	2020	5,633		86			1,195		6,914	184,951	2029	128
Total			366,233	28,786	13,279	8,289	5,985	63,733	2,496	488,801	12,840,181		6,255

Property holdings, total Wallenstam Group

	Residential sq m	Office sq m	Retail/ Restaurant/ Cinema sq m	Industry/ warehousing sq m	Education/ Care sq m	Garage sq m	Other sq m	Total sq m	Assessed value, SEK thousands	No. of apts.
Total Wallenstam Group	696,825	257,821	107,001	100,360	53,908	162,673	9,645	1,388,233	31,667,431	11,808

Fully completed new construction 2023

Name of property	Address	Year of construction/ conversion	Residential sq m	Office sq m	Retail/ Restaurant/ Cinema sq m	Industry/ warehousing sq m	Education/ Care sq m	Garage sq m	Other sq m	Total sq m	No. of apts.
Gothenburg											
Majorna 303:29* (Project: Djurgårdsgatan)	Amiralitetsg. 2A-2B, 4-8 / Bang. 21-39 / Djurgårdsg. 26-40	2023	371	-537						-166	14
Kallebäck 18:6 (Project: Kallebäck's Terrasser Kv.7, Kedjan)	Separatorgatan 10, 12, 14, 16 / Skummjölksgratan 2, 4A, 4B, 4C, 6, 8	2022	9,291		381			1,095		10,767	189
Kallebäck 18:7 (Project: Kallebäck's Terrasser Kv.8, Utsikten)	Filmjölksgratan 1, 3, 5 / Skummjölksgratan 10,12,14,16 / Separatorgatan 6, 8	2021	14,259		153			705		15,117	266
Mölnlycke 1:164 (Project: Kv. Skogsvaktaren)	Disponentvägen 1-11	2023	7,228					322		7,550	128
Kallebäck 18:11 (Project: School, Kallebäck's Terrasser)	Smörkärnegatan 17-19	2023					1,260			1,260	
Kallebäck 18:12 (Project: Preschool, Kallebäck's Terrasser)	Kallebäck's Torggata 32-36	2023					5,319			5,319	
Kvillebäck 5:6* (Project: Lantmätaregatan)	Lantmätaregatan 12A-D, 14A-C / Långängen 19	2023	839							839	18
Pixbo 1:294 (Project: Pixbo Sjöterrass, co-op)	Rådavägen 2	2023	1,276							1,276	8
Uppsala											
Kvarngärdet 71:1 (Project: Bersån, development property)	Gamla Uppsala 61A-E / Kantorsgatan 11-17	2023	4,943	82	78	12		870		5,985	98
Total			38,207	-455	612	12	6,579	2,992		47,947	721

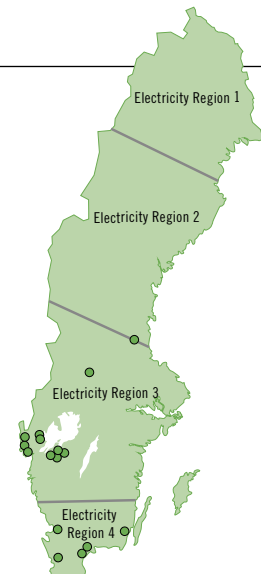
* Reconstruction commercial premises to apartments

Property sales 2023

Name of property	Address	Year of construction/ conversion	Residential sq m	Office sq m	Retail/ Restaurant/ Cinema sq m	Industry/ warehousing sq m	Education/ Care sq m	Garage sq m	Other sq m	Total sq m	No. of apts.
Gothenburg											
Kvillebäck 5:6	Lantmätaregatan 12A-D, 14A-C / Långängen 19	1954	2,089	114	559					2,762	37
Stockholm											
New York 8	Sandhamnsgatan 1	1943	2,212		260					2,472	40
Uppsala											
Dragarbrunn 20:6	Kungsgatan 47 A-E / Vaksalagatan 14	1938/2017	372	1,846	707	80				3,005	3
Kvarngärdet 71:1	Gamla Uppsala 61A-E / Kantorsgatan 11-17	2023	4,943	82	78	12		870		5,985	98
Total			9,616	2,042	1,604	92		870		14,224	178

Wind power

Name	Location	Electricity region	No. of turbines	Output MW
Dan Carlson	Rålanda, Uddevalla Municipality, Bohuslän		3	4.0
Rose-Marie Gulleberg	Lyngby, Kristianstad Municipality, Skåne		4	5.6
Bengt Carlsson	Gategården, Vara Municipality, Västra Götaland		3	1.8
Birgitta Lidbeck	Västergården, Mellerud Municipality, Dalsland		3	3.6
Ann-Marie Forsberg	Tängelsbol, Mellerud Municipality, Dalsland		3	1.8
Anders Adlerborn	Köjkeberget, Vansbro Municipality, Dalarna		3	6.0
Thomas Dahl	Vettåsen/Mårtensklack, Sandviken and Ockelbo Municipality, Gästrikland		2	10
Carola Strandberg	Karstorp, Skara Municipality, Västra Götaland		3	6.0
Bo Strandberg	Kilagården, Skara Municipality, Västra Götaland		3	6.0
Susanne Börjeson	Järnunderöd, Munkedal Municipality, Västra Götaland		3	6.0
Lena Johanson	Södervidinge, Kävlinge Municipality, Skåne		4	4.0
Benny Olsson	Gunnarby, Uddevalla Municipality, Bohuslän		3	8
Rigmor Sköld	Tommared, Laholm Municipality, Halland		4	6
Gun Karlsson	Nyckeltorp, Skara Municipality, Västra Götaland		3	6.0
Louise Wingstrand	Furulund, Kristianstad Municipality, Skåne		4	2
Mathias Aronsson	Påboda, Torsås Municipality, Småland		4	2.0
Total			53	112



Wallenstam's GRI Report

Wallenstam is inspired by GRI, the Global Reporting Initiative, in the preparation of the following sustainability report. The reporting follows the financial year and is published annually as part of the annual report. The latest GRI Report was published on March 23, 2023. This report describes how the Wallenstam Group has worked with sustainability issues during 2023. Wallenstam has defined the scope of the reporting as the areas referred to in the GRI index. A table is provided on the following pages of what GRI disclosures are reported and where information about the disclosures is found in Wallenstam's reporting. This report has not been reviewed by an external party. The contact person regarding this report and its content is Sustainability Manager Karin Mizgalski, karin.mizgalski@wallenstam.se. Information is provided below on the disclosures that are not reported elsewhere in the annual report.

2-7: EMPLOYEES

The average number of employees in 2023 amounted to 263. All of the Group's employees are permanent employees, with the exception of 3 people who are probationary employees and 2 people who are employed on a temporary basis, for example in the form of work as a substitute. Wallenstam had no significant variation in the number of employees during the year. Temporary employees are not reported, as Wallenstam uses temporary employees to a minor extent.

2-23: POLICY COMMITMENTS

In many instances, Wallenstam acts in accordance with the precautionary approach, even though we do not use it as a concept in governance and strategies. For example, the precautionary approach is used in our work on identifying, analyzing and following up risks.

2-28: MEMBERSHIPS ASSOCIATIONS

Wallenstam is represented in the governing bodies of Paradgatan Av- enyn AB, Fastighetsägarna GFR, Fastighetsägarna Centrala Hisingen (FCH), (b)id Stigberget, Innerstaden Göteborg AB, Göteborg Citysam- verkan ideell förening and Johanneberg Science Park Park.

201-1: DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

The table only refers to operating activities. Changes in value are not included.

SEK million	2018*	2019	2021	2022	2023
Economic value generated					
Revenues	2,877	2,652	2,589	3,002	3,343
Economic value distributed					
Operating costs	-481	-497	-561	-602	-730
Employee wages, benefits and pensions	-192	-210	-272	-194	-292
Interest payments to providers of capital	-237	-223	-259	-384	-713
Payments to government (property tax, VAT)	-556	-717	-640	-626	-602
Community investments	-7	-8	-11	-12	-10
Dividend to shareholders	-583	-614	-392	-396	-395
Total economic value distributed	-2,057	-2,269	-2,135	-2,214	-2,742
Economic value retained	820	383	454	788	601

* Base year 2018.

** The item electricity includes electricity consumption for heat pumps.

Outcomes for 2020 can be found in previous GRI reports.

302-1: ENERGY CONSUMPTION WITHIN THE ORGANIZATION

	2018*	2019	2021	2022	2023
Fuel consumption, MWh					
Non-renewable/fossil fuel use	521	496	32	-	-
Heating oil	379	353	-	-	-
Natural gas	142	143	32	-	-
Renewable/recycled/fossil-free fuel use	-	-	257	281	413
Biogas	-	-	257	281	413
Energy consumption, MWh					
Electricity**	41,280	37,889	45,178	42,459	38,775
Heating	89,081	87,611	95,511	82,724	82,608
District heating	88,560	87,115	95,222	82,443	82,195
Heating oil	379	353	-	-	-
Natural gas	142	143	32	-	-
Biogas	-	-	257	281	413
Cooling	557	425	239	598	354
District cooling	557	425	239	598	354
Non-renewable/fossil energy	49,983	47,395	47,288	40,762	10,204
Renewable/recycled/fossil-free energy	80,934	78,531	93,640	85,018	111,533
Total energy consumption	130,917	125,925	140,928	125,780	121,737

Actual energy consumption, i.e., not energy index corrected, decreased during 2023 compared to base year and previous year.

Electricity kWh/sq m **	34.7	31.7	34.4	31.2	27.4
Heating kWh/sq m actual energy consumption	74.9	73.4	72.7	60.8	58.4
Heating kWh/sq m energy index corrected	80.4	79.9	74.7	63.4	59.1

All intensity values decreased compared to base year and previous year. Intensity values are reported per total floor space incl. garage.

Own electricity production from renewable sources, MWh

Wind power	337,880	367,246	352,908	338,020	291,637
Solar power	n/a	n/a	258	1,006	1,930

Lower wind power production, due to sale of 13 turbines at mid-year 2022. Increased solar power production, due to more solar panel installations.

302-3: ENERGY INTENSITY

	2018	2019	2021	2022	2023
kWh/sq m	110	105	107	92	86

Refers to property electricity and actual consumption of district heating, district cooling and bio-gas. Reported per total floor space incl. garage. Not including tenants' electricity consumption.

302-4: REDUCTION OF ENERGY CONSUMPTION WITH BASE YEAR 2018, MWh

	2019	2021	2022	2023
Total reduction	4,992	-10,011	5,136	9,180
Reduction electricity	3,391	-3,898	-1,179	2,505
Reduction not energy index corrected heating	1,470	-6,430	6,357	6,473
Reduction cooling	132	318	-41	203

Energy consumption decreased in all types of energy.

303-5: WATER CONSUMPTION, sq m

2021		2022		2023	
Absolute	Intensity	Absolute	Intensity	Absolute	Intensity
1,256,475	0.956	1,211,462	0.890	1,236,428	0.874

Intensity values decreased marginally. Intensity values are reported per total floor space incl. garage.

305: GREENHOUSE GAS (GHG) EMISSIONS CO₂e****

Absolute value stated in tons CO₂ and intensity value stated in kg CO₂/sq m.

	2018		2019		2021		2022		2023		Comments 2023
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	

Scope 1*

305-1 DIRECT GHG EMISSIONS

Oil	102	0.086	94	0.079	-	-	-	-	-	-	Since 2020, oil boilers have been phased out.
Gas	30	0.026	29	0.024	7	0.005	0	0.000	0	0.000	Only biogas is used.
Refrigerants	n/a	n/a	809	0.677	370	0.281	1,264	0.929	444	0.314	We had decreased refrigerant leakage during the year.
Total Scope 1	132	0.112	932	0.780	377	0.286	1,264	0.929	444	0.314	Scope 1 emissions decreased due to less refrigerant leakage. Intensity values are reported per total floor space incl. garage.

Scope 2*

305-2 INDIRECT GHG EMISSIONS

Electricity – Market-based ***	-	-	-	-	-	-	-	-	-	-	Emissions are zero as our property electricity is produced in our own wind turbines and solar cells.
Electricity – Location-based ***	578	0.486	493	0.413	256	0.195	326	0.239	257	0.181	Shows what the emissions would have been if we did not have only wind and solar power as property electricity. Reported according to the Swedish electricity mix. In 2022, it was 6.62 g CO ₂ /kWh (7.67), source AIB.
District heating	5,097	4.288	4,690	3.929	3,866	2.943	3,826	2.811	3,888	2.747	Calculated on amount of energy used and district heating suppliers' emissions. Properties with agreements for lower climate impact have been taken into account.
District cooling	1	0.001	4	0.004	4	0.003	2	0.002	0	0.000	District cooling generated no emissions in 2023.
Total Scope 2 (market-based)	5,098	4.289	4,694	3.933	3,870	2.946	3,829	2.812	3,888	2.747	Intensity emissions in Scope 2 decreased. Intensity values are reported per total floor space incl. garage.

Scope 3

305-3 OTHER INDIRECT GHG EMISSIONS

Category 1. Purchased goods and services**

Materials in new construction	n/a	n/a	29,118	221	7,100	205	11,564	154	10,923	157	Based on climate calculations. Intensity values are reported per GFA.
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Category 3. Fuel- and energy-related activities

Emissions from district heating and district cooling	n/a	n/a	n/a	n/a	558	0.425	418	0.307	573	0.405	Refers to emissions from district heating suppliers' fuel transports.
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Category 6. Business travel

Car	n/a	n/a	n/a	n/a	24	0.019	20	0.015	13	0.009	Travel by car with leased or staff-owned cars decreased. Reported according to the Swedish Transport Administration's air pollution handbook, 2020.
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Air	n/a	n/a	n/a	n/a	5	0.004	7	0.005	2	0.001	Number of flights decreased and a larger proportion was made using biofuels.
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Taxi	n/a	n/a	n/a	n/a	0	0.000	0	0.000	0	0.000	The company's taxi trips generate marginal emissions.
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Train	n/a	n/a	n/a	n/a	0	0.000	0	0.000	0	0.000	The company's train trips generate marginal emissions.
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Category 13. Downstream leased assets

Tenants' electricity consumption	n/a	n/a	n/a	n/a	74	0.11	76	0.11	49	0.07	Based on properties with submetering. Standard values are used for properties without submetering. Intensity values are reported per weighted residential floor space.
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Total Scope 3			29,118		7,762		12,085		11,560		Scope 3 emissions decreased. Intensity values are not aggregated as they are based on different types of floor space.
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305-5: REDUCTION OF GHG EMISSIONS

	2018		2019		2021		2022		2023		Comments 2023
	Absolute reduction	Reduction per sq m	Absolute reduction	Reduction per sq m	Absolute reduction	Reduction per sq m	Absolute reduction	Reduction per sq m	Absolute reduction	Reduction per sq m	
Scope 1**	-	-	-	-	555	0.49	-332	-0.15	488	0.47	Decrease from base year (932) and from 2022 (1,264).
Scope 2*	-	-	404	0.36	1,228	1.34	1,269	1.48	1,210	1.54	Decrease from base year (5,098) increase from 2022 (3,829). Refers to district heating and district cooling.
Scope 3**	n/a	n/a	-	-	21,356	-	17,033	-	17,558	-	Decrease from base year (29,118) and from 2022 (12,085).

306-2: WASTE BY TYPE AND DISPOSAL METHOD

Absolute value stated in tons and intensity value stated in kg.

	2018		2019		2021		2022		2023		Comments 2023
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	
Waste, for incineration and energy recovery	n/a	n/a	n/a	n/a	3,415	5.12	3,439	5.02	3,182	4.60	Reporting is based on weight data from some municipalities, and otherwise on our company average. Intensity values are reported per weighted residential floor space. Residual waste and food waste decreased.
Food waste, for composting and biogas production	n/a	n/a	n/a	n/a	260	0.39	350	0.51	331	0.48	

401-1: NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

New employees 2023

Age	Number of persons	of whom women/men	of whom Gothenburg/Stockholm
Under 30 years	4	4/0	2/2
30-50 years	5	3/2	3/2
Over 50 years	0	0/0	0/0
Total	9	7/2	5/4

405-2: RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN

The ratio describes the relationship between the agreed average salary of men and women and is calculated by dividing women's salary by men's salary, and men's salary by women's salary. The previous years' figures are provided in parenthesis.

	Women's salary	Men's salary
Including Group Management, excluding CEO	87% (88)	116% (114)
Excluding Group Management	84% (86)	119% (117)

The proportion of women in property management and operation amounts to 59%, the proportion of women in project and business development amounts to 49% and the proportion of women in business support amounts to 57%.

406-1: INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN

No incidents of discrimination were reported in 2023.

* Base year 2018.

** Base year 2019.













*** The item electricity includes electricity consumption for heat pumps.

**** All data regarding CO₂ in this table is based on inputs from suppliers, which report according to prevailing accounting standards. As data for the actual impact in 2023 was not available during preparation of this report, the heating data is based to a minor extent on estimated values based on emission factors for the year 2022.

Outcomes for 2020 can be found in previous GRI reports.

GRI content index

GRI Standard	Disclosure	Page number	Comment
General Disclosures			
GRI 1: Foundation 2021		GRI content index	109
GRI 2: General disclosures 2021	2-1	Organizational details	Cover, 36, 46
	2-2	Entities included in the organization's sustainability reporting	46, 82
	2-3	Reporting period, frequency and contact point	107
	2-5	External assurance	107
	2-6	Activities, value chain and other business relationships	20, 36, 42-43
	2-7	Employees	25-26, 36, 107-108
	2-9	Governance structure and composition	94-98
	2-22	Statement on sustainable development strategy	2-3
	2-23	Policy commitments	3, 15-20, 107
	2-28	Memberships associations	107
2-29	Approach to stakeholder engagement	16	
2-30	Collective bargaining agreements	26	
GRI 3: Material topics 2021	3-1	Process to determine material topics	16
	3-2	List of material topics	16

Wallenstam Material Topics				Agenda 2030 SDG	UN Global Compact Principles*
Stable economy					
GRI 3: Material topics 2021	3-3	Management of material topics	Cover, 1, 13-16, 20-21, 24, 110-112		
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	34-35, 41-43, 50-51, 79, 107		
Anti-corruption					10
GRI 3: Material topics 2021	3-3	Management of material topics	3, 15-16, 23		
GRI 205: Anti-corruption 2016	205-2	Operations assessed for risks related to corruption	20		
Sustainable materials					9
GRI 3: Material topics 2021	3-3	Management of material topics	15-18		
GRI 305: Emissions 2016	305-3	Other indirect GHG emissions	108		
Energy efficiency				 	8
GRI 3: Material topics 2021	3-3	Management of material topics	15-18		
GRI 302: Energy 2016	302-1	Energy consumption within the organization	107		
	302-3	Energy intensity	107		
302-4	Reduction of energy consumption	107			
Water					
GRI 3: Material topics 2021	3-3	Management of material topics	18		
GRI 303: Water and effluents 2018	303-5	Water consumption	107		
Greenhouse gas emissions				 	7, 8
GRI 3: Material topics 2021	3-3	Management of material topics	15-18		
GRI 305: Emissions 2016	305-1	Direct GHG emissions	108		
	305-2	Energy indirect GHG emissions	108		
	305-3	Other indirect GHG emissions	108		
	305-4	GHG emissions intensity	108		
	305-5	Reduction of GHG emissions	108		
Waste management					
GRI 3: Material topics 2021	3-3	Management of material topics	18		
GRI 306: Waste 2020	306-2	Waste by type and disposal method	108		
Fair and decent employment					3, 4
GRI 3: Material topics 2021	3-3	Management of material topics	15-16, 19-20, 23, 25-26		
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	26, 107-108		
Occupational Health and Safety					
GRI 3: Material topics 2021	3-3	Management of material topics	15-16, 23, 25-26		
Wallenstams Own Disclosure (WOD)	WOD-1	Sick leave	26		
Customer satisfaction					
GRI 3: Material topics 2021	3-3	Management of material topics	16, 19-20, 27-29		
Wallenstams Own Disclosure (WOD)	WOD-2	Key conclusions of customer surveys	28		
Diversity and gender equality					6
GRI 3: Material topics 2021	3-3	Management of material topics	15-16, 19-20, 25-26		
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	25-26, 52, 95		
	405-2	Ratio of basic salary and remuneration of women to men	108		
Inclusive business climate					6
GRI 3: Material topics 2021	3-3	Management of material topics	15-16, 19-20, 25-26		
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	108		

* UN Global Compact Principles

Principle 3, Labour: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4, Labour: Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 6, Labour: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Principle 7, Environment: Businesses should support a precautionary approach to environmental challenges.

Principle 8, Environment: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9, Environment: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Principle 10, Anti-corruption: Businesses should work against corruption in all its forms, including extortion and bribery.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023.

Economic activities (1)	2023			Substantial Contribution Criteria							DNSH criteria (Do No Significant Harm)							Proportion of Taxonomy-aligned (A.1) or eligible (A.2) turnover, year 2022 (18)	%	Y/N	E	T
	Code (2)	Turnover (3) SEK (million)	Proportion of turnover (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N						
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1 Environmentally sustainable activities (Taxonomy-aligned)																						
Electricity generation from wind power	CCM 4.3	258*	8.6	Y	N	-	-	-	-	Y	Y	-	Y	Y	Y	Y	7.4	-	-			
Acquisition and ownership of investment properties	CCM 7.7	997	33.2	Y	N	-	-	-	-	Y	-	-	-	-	Y	Y	30.0	-	-			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,255	41.8	41.8	-	-	-	-	-	-	-	-	-	-	-	-	37.4	-	E			
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Of which Transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						

	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Acquisition and ownership of investment properties	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	57.7	57.7	-	-	-	-	-	-	-	-
Turnover of Taxonomy-eligible activities (A.1 + A.2)	2,988	99.5	-	-	-	-	-	-	-	-

62.1
62.1
99.5

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
Turnover of Taxonomy-non-eligible activities (B)	14**	0.5
Total (A+B)	3,002***	100

Turnover – Revenue from rental income and electricity generation less discounts provided, value added tax and other taxes directly linked to turnover.

* Based on outstanding green bonds issued according to Wallenstam's green framework dated April 2019, the turnover in article 4.3 of A.1 shall be adjusted to SEK 171 million.

** See the Group's Note 11.

*** See the Group's Notes 3 and 11.

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023.

Economic activities (1)	Financial year 2023		Substantial Contribution Criteria								DNSH criteria (Do No Significant Harm)						Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, year 2022 (18)	%
	Code (2)	CapEx (3) SEK (million)	Proportion of CapEx (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N		
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1 Environmentally sustainable activities (Taxonomy-aligned)																		
Electricity generation from wind power	CCM 4.3	-	-	Y	N	-	-	-	-	-	Y	Y	Y	Y	Y	Y	-	
Acquisition and ownership of investment properties	CCM 7.7	1,263	51.7	Y	N	-	-	-	-	-	Y	-	-	-	Y	Y	-	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,263	51.7	51.7	-	-	-	-	-	-	-	-	-	-	-	36.8	-	
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of which Transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Acquisition and ownership of investment properties	CCM 7.7	1,084	44.3	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	45.4*	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,084	44.3	44.3	-	-	-	-	-	-	-	-	-	-	-	-	45.4*	
CapEx of Taxonomy-eligible activities (A.1 + A.2)		2,347**	96.0	96.0	-	-	-	-	-	-	-	-	-	-	-	-	82.2*	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
CapEx of Taxonomy-non-eligible activities (B)		97***	4.0															
Total (A+B)		2,444	100															

CapEx (capital expenditure) – New investments in newly constructed assets, which are taxonomy-aligned on completion and investments in existing taxonomy-aligned assets.

* Identified errors that have been corrected.

** See the Group's Notes 15 and 16.

*** See the Group's Notes 18 and 20. SEK 3 million investments in intangible assets.

Annual General Meeting 2024

Wallenstam's Annual General Meeting 2024 will take place on Thursday, April 25, 2024, at 4.00 p.m. at Elite Park Avenue Hotel, Kungsparksavenyen 36–38 in Gothenburg.

Shareholders can exercise their voting rights at the Annual General Meeting by attending in person, by proxy or by postal voting.

More information and instructions on how to register are provided in the notice convening the Annual General Meeting, which is announced through a separate press release and is available, for instance, on www.wallenstam.se/arsstamma.

Glossary

A_{temp}

The total internal area of each floor, attic and basement that are heated to more than 10°C.

Yield requirement

The yield an owner demands for an investment with due consideration for how risky the investment is.

Beta value

A statistical measurement that describes a share's risk. A beta value greater than 1.0 means that the share's yield changes more than its comparative index and the share is deemed to have a high risk. Conversely, the share is deemed to have a low risk in the case of a beta value less than 1.0.

Gross floor area GFA

Gross floor area is the total area of all the floors which is limited by the exterior of the surrounding parts of the building.

Derivative instruments

A financial instrument whose value is related to an underlying asset or obligation. Used to create a hedge against undesirable price trends in the underlying asset. Examples of normal derivative instruments are futures and swap agreements.

Renewable energy certificates

The renewable energy certificate system is based on the provision of certificates to the producers of renewable electricity. Each MWh (megawatt hour) equals one certificate. The sale of certificates is intended to provide producers with revenue in addition to the revenue from electricity sales.

Renewable energy

Energy that comes from renewable sources such as wind power, hydroelectric power, solar power and bio-fuels.

GRI

Global Reporting Initiative, a framework for recording and reporting sustainability information. GRI provides guidelines for the content of sustainability reports, how they should be prepared and the disclosures that should be reported.

Covenant

A contract between a lender and a borrower where the borrower guarantees to fulfil certain key ratios, such as a given equity/assets ratio, as a condition of the loan.

Standard deviation

A statistical measurement that describes the share's volatility in relation to the share's average value.

Synthetic options scheme

A share-related options programme aimed at employees. Synthetic options provide the holder with the right to a final settlement in cash at a given point in time based on the current share price.

Swap agreement

Swaps are financial instruments that entail an exchange of cash flow between two parties on an underlying nominal amount. An interest rate swap is an example of an agreement where an operator lending at fixed interest rates (e.g. fixed for five years) may wish to swap the interest flow with another operator lending at variable rates.

Vacancy rate

Unlet floor space in relation to total floor space.

Volatility

A measurement of how much a price of something varies over a given period..

For additional clarifications, refer to www.wallenstam.se

Definitions

Share yield

The proposed dividend as a percentage of the share price at the end of the period.

Share total yield

The share price trend during the year including distributed dividend as a percentage of the share price at the start of the period.

The number of shares

The number of registered shares at any given time. *Number of shares outstanding*: the number of registered shares less repurchased own shares at any given time.

Average number of shares: weighted average number of shares outstanding during a given period.

Return on equity

Profit after tax on a rolling 12-month basis in relation to average equity. See page 35.

Return on total capital

Profit before tax with reversal of interest expenses for the latest rolling 12-month period in relation to average total assets. See page 35.

Loan-to-value ratio

Interest-bearing liabilities and lease liability less cash and cash equivalents in relation to the Group's investments in properties, site leasehold rights, development properties, wind power and land leases at the end of the period.

Residential property

Property, which predominantly consists of residential space.

Market capitalization

Share price multiplied by the number of registered shares on the closing day.

Net operating income

Rental income less operating and maintenance expenses, and property tax.

Development property

A property that is constructed with the intention of being divested, either in its entirety or per share, upon completion.

Income from property management

Rental income from investment properties less operating expenses, management costs and administrative expenses and net financial items attributable to investment properties.

Average interest rate

Interest expenses for the period in relation to interest-bearing average debt.

Average yield requirement

Normalized net operating income in accordance with the valuation model in relation to the estimated market value of yielding investment properties.

Rental value*

Rental income and the estimated market rent for vacant space.

Cash flow per share

Cash flow for the period in relation to the average number of shares outstanding.

Cash flow from operating activities per share

Cash flow from operating activities for the period in relation to the average number of shares outstanding.

Commercial property

Property, which predominantly consists of commercial space.

Average number of employees

The total number of hours worked during the year divided by normal annual working hours.

P/E ratio

Share price at the end of the period, in relation to profit after tax per average number of outstanding shares for the latest rolling 12-month period.

Earnings per share after tax

Profit after tax in relation to the average number of outstanding shares.

Interest coverage ratio

Profit or loss before changes in value and impairment losses with reversal of net financial items in relation to net financial items.

Public use property

Property, which is predominantly used by tax funded activities and is specifically adapted for community services.

Equity/assets ratio

Equity in relation to total capital employed at the end of the period.

Net asset value

Equity with the addition of deferred tax liabilities related to investment properties.

Net asset value per share

The Group's net asset value in relation to the number of outstanding shares at the end of the period.

Occupancy rate – floor space

Let floor space in relation to total floor space, excluding garage, project properties and voluntary vacation.

Changes in value, investment properties

Profits or losses from sales of investment properties during the period less expenses and the assessed market value of the properties at the immediately preceding reporting period and profits or losses from the change in the assessed market value of investment properties compared to the immediately preceding reporting period.

Surrender rate

Proportion of commercial leases, which are extended, in relation to the proportion of cancellable commercial leases.

Surplus ratio

Net operating income as a percentage of rental income.

For further information, please refer to: www.wallenstam.se/glossary

* *Operational key ratios, are not considered alternative performance measures according to ESMA's guidelines. See page 34.*

CALENDAR

Interim report Q1	April 24, 2024
Annual General Meeting	April 25, 2024
Interim report Q2	July 8, 2024
Interim report Q3	October 22, 2024

Information regarding Wallenstam's business operations, financial reporting and press releases can be found at www.wallenstam.se.

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