



Press release

February 16, 2022

## Nyfosa Year-end report January–December 2022

### JANUARY–DECEMBER 2022

- Income amounted to MSEK 3,151 (2,459), up 28.1 percent.
- Profit from property management amounted to MSEK 1,533 (1,302) or SEK 7.80 per share (6.90), up 13.0 percent.
- Distributable cash flow was MSEK 1,596 (1,436) or SEK 8.35 per share (7.64), up 9.3 percent.
- Profit for the period amounted to MSEK 1,694 (3,112) or SEK 8.61 per share after dilution (16.49).
- The Board proposes that the Annual General Meeting resolve on a dividend of SEK 4.00 per share (3.80) with quarterly payments of SEK 1.00 per share, corresponding to MSEK 764.

### OCTOBER–DECEMBER 2022

- Income amounted to MSEK 848 (672), up 26.2 percent.
- Profit from property management amounted to MSEK 384 (345) or SEK 1.95 per share (1.78), up 9.1 percent.
- Distributable cash flow amounted to MSEK 432 (434) or SEK 2.26 per share (2.27), down 0.5 percent.
- Loss for the quarter amounted to MSEK -882 (profit: 1,061) or SEK -4.68 per share after dilution (5.52).

### SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- On October 10 it was announced that the company had acquired eight properties located in Västervik, Halmstad and the Finnish city of Turku in three transactions for MSEK 411. Closing took place on two properties during the quarter.
- At the Extraordinary General Meeting of Nyfosa AB held on November 15, the Board was authorized to resolve to repurchase own ordinary shares, at a maximum of 10 percent of all shares in the company.
- Nyfosa announced on December 13 an expansion of the Nomination Committee due to changes in the ownership structure. Lannebo Fonder will take a seat on the Nomination Committee ahead of the 2023 Annual General Meeting.

### COMMENTS FROM THE CEO

**The conditions for the property sector changed extremely quickly in 2022. The interest rate level together with a cautious capital market has made financing both more expensive and more difficult. Cash flow has always been our focus and I cannot emphasize enough how important this approach was over the past year. Nyfosa's cash flow per share increased 9.3 percent to SEK 8.35 during the year. Income rose 28 percent and net operating income was the highest in the company's history, with growth of 27 percent. Property valuations were stable during the year. The board proposes an increased dividend to SEK 4.00 per share.**

The growth in cash flow comes mainly from the transactions we carried out during the year. In brief, we sold low-yield properties in Sweden and acquired high-yield properties in Finland. In total we

acquired properties for SEK 4.4 billion and divested for SEK 1.7 billion during the year. We will continue to work on our portfolio and strengthen our cash flows by developing properties and being active in the transaction market.

### **Property management**

Net leasing was positive in Sweden again in the past quarter, but a lease termination in Finland broke the overall trend. However, the vacant space in Finland has been leased again in February 2023. Net leasing for the full-year was plus MSEK 5. All regions reported strong activities and moving forward I am positive about the leasing situation of our property portfolio. With the indexation that took place at year-end, with rents increased by about SEK 75 per sqm, we still have competitive rent levels, and the increase were handled well by most of our tenants. The efforts of our property management toward meeting our sustainability targets further intensified during the year and generated results in terms of lower energy consumption.

### **Valuations**

The negative market trend has drawn attention to the valuations of properties. Nyfosa reports a minor negative change in value by approximately –1 percent for the full-year as a result of rising yield requirements in the valuations from 5.8 percent to 6.4 percent. It is positive as such that we received a relatively large yield shift without any major nominal value adjustments. The higher yield requirements are counterbalanced by Nyfosa's positive trend in net operating income from leases, value-adding projects and rent indexation.

### **Financing and capital structure**

As previously mentioned, 93 percent of Nyfosa's loan portfolio is bank financing, and the remainder bonds. 42 percent of the debt portfolio is hedged with an interest rate cap or swap with a remaining term of 2.2 years and our interest-coverage ratio is a multiple of 3.8. I can conclude that the bank market remains stable, and I see signals of a slight increase in activity in the bond market. I believe that we will have to live with a cautious market that is difficult to navigate, but I am also convinced that this will create opportunities. We are looking ahead. There is much to do.

Stina Lindh Hök, CEO

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*The information is inside information that Nyfosa AB is obligated to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication through the agency of the aforementioned contact persons on February 16, 2023 at 7:30 a.m. CET.*

### **About Nyfosa**

*Nyfosa is a transaction-intensive real estate company that creates value by building sustainable cash flows and constantly evaluating new business opportunities. With our opportunistic strategy, we invest in properties in different geographies and categories. We are currently active on the Swedish and Finnish markets with a focus on commercial properties in high-growth municipalities. We manage and develop our properties in close collaboration with tenants and the surrounding community, with the perspective that sustainability and profitability go hand in hand. As of December 31, 2022, Nyfosa's property value amounted to approximately SEK 40.4 billion. Nyfosa's share has been listed on Nasdaq Stockholm Large Cap since 2018. Read more at [www.nyfosa.se](http://www.nyfosa.se).*

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