

NYFOSA

YEAR-END REPORT **JANUARY-DECEMBER 2022**

FULL-YEAR

January–December 2022

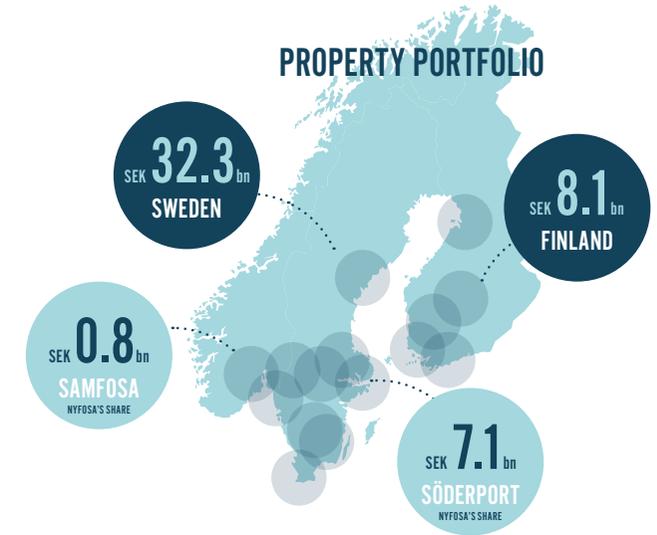
- Income amounted to MSEK 3,151 (2,459), up 28.1 percent.
- Profit from property management amounted to MSEK 1,533 (1,302) or SEK 7.80 per share (6.90), up 13.0 percent.
- Distributable cash flow was MSEK 1,596 (1,436) or SEK 8.35 per share (7.64), up 9.3 percent.
- Profit for the period amounted to 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.

THE QUARTER

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).

PROPERTY PORTFOLIO



Total property value incl. Nyfosa's participations in joint ventures SEK 48.3 billion on December 31, 2022.

VISION

Nyfosa will be the Swedish property company that is the best at creating value.

+9.3%

GROWTH IN DISTRIBUTABLE CASH FLOW PER SHARE

2022

+28.1%

GROWTH IN INCOME

2022

+26.7%

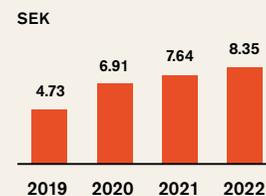
GROWTH IN NET OPERATING INCOME

2022

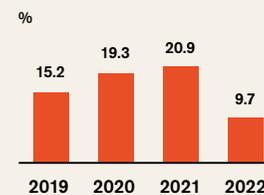
BUSINESS CONCEPT

With its opportunistic approach and its agile, market-centric and bold organization, Nyfosa will create value by accumulating sustainable cash flows and continuously evaluating new business opportunities.

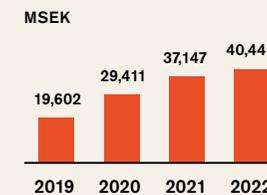
DISTRIBUTABLE CASH FLOW PER SHARE



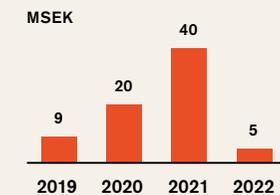
RETURN ON EQUITY



TREND IN PROPERTY PORTFOLIO



NET LEASING



KEY FIGURES

	Full-year		Oct-Dec	
	2022	2021	2022	2021
Income, MSEK	3,151	2,459	848	672
Net operating income, MSEK	2,092	1,651	576	446
Surplus ratio, %	66.4	67.1	67.9	66.3
Profit from property management ¹ , MSEK	1,533	1,302	384	345
Distributable cash flow, MSEK	1,596	1,436	432	434
Profit/loss, MSEK	1,694	3,112	-882	1,061
Interest-coverage ratio, multiple	3.4	4.2	2.9	4.4
Property value on balance-sheet date, MSEK	40,446	37,147		
NAV on balance-sheet date, MSEK	19,250	18,325		
Net loan-to-value ratio of properties on balance-sheet date, %	57.7	55.2		
Key figures per share				
Profit from property management ¹ , SEK	7.80	6.90	1.95	1.78
Distributable cash flow, SEK	8.35	7.64	2.26	2.27
Profit/loss after dilution, SEK	8.61	16.49	-4.68	5.52
NAV on balance-sheet date, SEK	100.78	95.93		

¹) The former term "Profit from property management excluding changes in value and tax in joint ventures" has been replaced with "Profit from property management." Refer to the Condensed statement of profit/loss on page 20 and Definitions on page 32.

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.

ACQUISITIONS IN FINLAND AND SWEDEN FOR MSEK 411

IN SEPTEMBER AND OCTOBER, NYFOSA ACQUIRED eight properties located in Västervik, Halmstad and the Finnish city of Turku in three separate transactions. A common feature of all of the properties is their good locations for their respective purpose and strong cash flows.

The properties have a total area of approximately 37 thousand square meters, of which 7 thousand square meters comprise offices in prime locations in central Västervik and the remaining area comprises warehouses and industry in established industrial areas in Halmstad and Turku. The occupancy rate of the premises is 97.6 percent, and the largest tenants are the Social Insurance Agency, the Social Welfare Office and Region Halland. The total annual rental value is MSEK 38.



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 3.4. 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

TARGETS AND DIVIDEND POLICY

FINANCIAL TARGETS

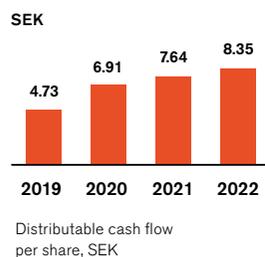
Growth in cash flow per share
Annual growth in distributable cash flow per share of 10 percent over time.

Average growth per year for 2019-2022

+19.6%

Growth in 2022

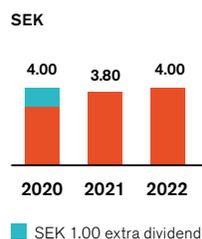
+9.3%



DIVIDEND PER SHARE

Dividend policy

At least 40 percent of the distributable cash flow is to be distributed to the owners. Dividends are, on each occasion, to be considered in light of the company's business opportunities and may comprise a distribution in kind, buyback or cash dividend.



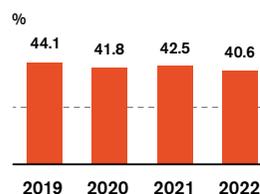
Proposed dividend 2022:

SEK 4.00

FINANCIAL RISK LIMITS

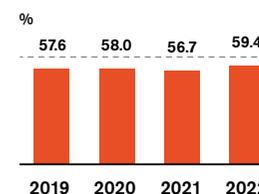
Equity/assets ratio

Long term at least 25 percent.



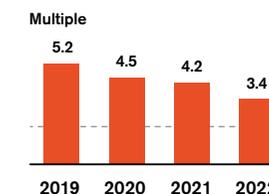
Loan-to-value ratio

Not to exceed 65 percent.



Interest-coverage ratio

Long term at least a multiple of 2.



SUSTAINABILITY GOALS

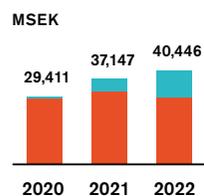
TARGETS 2025

Sustainability certification

By 2025, properties corresponding to 50 percent of the property value will have sustainability certification and 100 percent by 2030.

Outcome 2022

70 properties with a value of SEK 11.8 billion had sustainability certification, corresponding to 29 percent of the total property value.

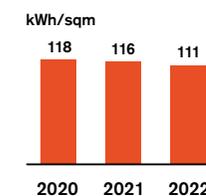


Streamlined consumption

By 2025, energy consumption per sqm will have fallen by 10 percent compared with 2020.

Outcome 2022

The baseline year 2020 amounted to 117.6 kWh per sqm. Energy consumption in 2022 was 110.9 kWh per sqm, corresponding to a 6 percent decline.



LONG-TERM TARGETS

Carbon emissions

Nyfosa will act to minimize the operation's carbon emissions.

Performance 2022

In the like-for-like portfolio, carbon emissions declined by 43 percent per sqm meter. The reduction was primarily an effect of investments in renewable energy and a greater focus on energy efficiency improvements.

PROFIT

JANUARY–DECEMBER 2022

Income

Income amounted to MSEK 3,151 (2,459), up 28.1 percent compared with last year. The larger portfolio was the main reason for the growth. Growth in the like-for-like portfolio amounted to MSEK 108.

The economic occupancy rate for the year was 93.7 percent (93.7). In the like-for-like property portfolio, the economic occupancy rate was 94.0 percent (93.4).

Income, MSEK	2022	2021
Like-for-like portfolio	2,211	2,103
Acquisitions and divestments	939	355
Total	3,151	2,459

Rent receivables for rents invoiced were settled in accordance with the contractual terms, except for a small number of invoices. About 92 percent of the annual rental income in Nyfosa's leases have clauses on annual indexation. The majority of these indexation clauses refer to 100 percent of the base rent and are to follow the CPI, or equivalent, for October. The upward indexation of the annual rent for 2023 in existing leases amounted to MSEK 228, which will impact earnings from January 1, 2023.

Property expenses

Operating expenses amounted to MSEK 635 (439), which is an increase of 44.6 percent. The increase was due to a larger portfolio and higher energy prices in both Sweden and Finland. About 50 percent of total costs for electricity, heating and cooling are charged on to tenants.

Maintenance costs declined year-on-year. Total costs amounted to MSEK 143 (167), a decrease of MSEK 24.

Costs for property administration amounted to MSEK 129 (91), with the increase due to a larger property portfolio.

Net operating income

Net operating income amounted to MSEK 2,092 (1,651), which is an increase of 26.7 percent. The surplus ratio was 66.4 percent (67.1) and was primarily impacted by the higher energy prices during the year.

Net operating income, MSEK	2022	2021
Like-for-like portfolio	1,476	1,437
Acquisitions and divestments	616	214
Net operating income	2,092	1,651

Central administration and share in profit of joint ventures

Costs for central administration amounted to MSEK 161 (128).

Share in profit of joint ventures amounted to MSEK 672 (888), comprising profit from property management of MSEK 252 (218), and changes in value and tax of MSEK 381 (670). At the end of the year, the joint venture Söderport acquired additional shares in its subsidiary Torslanda Property Investment. The acquisition resulted in a non-recurring effect in the share in profit of MSEK 38.

CONDENSED STATEMENT OF PROFIT/LOSS

MSEK	Full-year	
	2022	2021
Income¹	3,151	2,459
Property expenses		
Operating expenses	-635	-439
Maintenance costs	-143	-167
Property tax	-153	-112
Property administration	-129	-91
Net operating income	2,092	1,651
Central administration	-161	-128
Other operating income and expenses	14	5
Share in profit of joint ventures	672	888
<i>- of which, profit from property management</i>	<i>252</i>	<i>218</i>
<i>- of which, changes in value</i>	<i>542</i>	<i>758</i>
<i>- of which, tax</i>	<i>-161</i>	<i>-88</i>
<i>- of which, other</i>	<i>38</i>	<i>-</i>
Financial income and expenses	-664	-443
Profit after financial income and expenses²	1,953	1,973
- of which, profit from property management²	1,533	1,302
Changes in value of properties	-439	1,652
Changes in value of financial instruments	345	19
Profit before tax	1,859	3,644
Tax	-165	-532
Profit	1,694	3,112

1) From October 1, 2022, income is divided into Rental income and Service income in accordance with IFRS 15. Refer to Note 1 on page 24 and Definitions on page 32.

2) From October 1, 2022, the former earnings measure Profit from property management was renamed Profit after financial income and expenses, and the former earnings measure Profit from property management, excluding changes in value and tax in joint ventures was renamed Profit from property management. This change provides better comparability with other listed Swedish property companies with significant holdings of participations in joint ventures.

Financial income and expenses

Financial income and expenses amounted to MSEK –664 (–443). The increase was due to higher net debt, amounting to MSEK 23,342 (20,511) on the balance-sheet date, and higher interest rates. The average interest expense, excluding opening charges, amounted to 3.5 percent (1.9) on the balance-sheet date.

As per December 31, 42 percent of the total debt portfolio was hedged with an interest-rate cap or swap. The average interest-rate cap was 1.56 percent and the average swap was 1.57 percent.

The interest-coverage ratio was a multiple of 3.4 (4.2).

Financial income and expenses, MSEK	2022	2021
Interest income and interest expenses	-590	-373
Allocated borrowing costs, etc.	-74	-70
Total	-664	-443

Profit from property management

Profit from property management amounted to MSEK 1,533 (1,302) or SEK 7.80 per share (6.90), up 13.0 percent.

Changes in value

Changes in values of properties amounted to MSEK –439 (1,652).

The yield requirements of the valuations increased during the year as an effect of macroeconomic developments. The negative valuation effect caused by the higher yield requirements is largely offset by the improved future net operating income due to new leases, renegotiations and rent indexation.

The weighted yield requirement for externally valued properties on December 31, 2022 was 6.39 percent (5.83).

All properties are valued by external independent appraisers at every quarterly closing, except for the properties that were closed on in the past quarter.

Changes in value from financial instruments amounted to MSEK 345 (19), and refer to interest-rate caps and swaps that increased in value due to rising market interest rates.

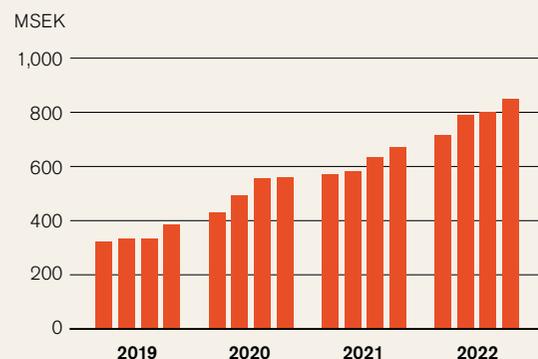
Tax

The tax expense for the period was MSEK 165 (532). The effective tax rate was 8.9 percent (14.6). The deviation from the nominal tax rate of 20.6 percent was mainly due to the profit from participations in joint ventures comprising profit after tax, and thus did not constitute taxable income for Nyfosa, but was also due to any non-taxable capital gains on the divestment of properties via companies, and the use of loss carryforwards changing over time.

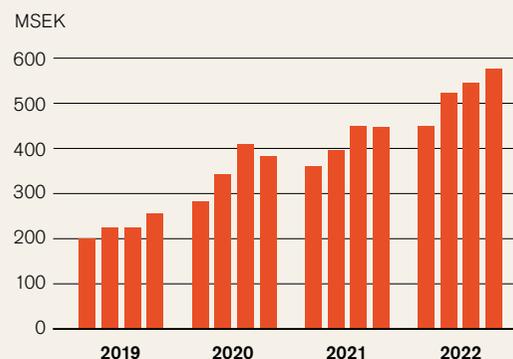
Profit for the year

Profit for the year amounted to MSEK 1,694 (3,112), or SEK 8.61 per share (16.49) after dilution. The decrease was mainly an effect of higher interest expenses and negative changes in value.

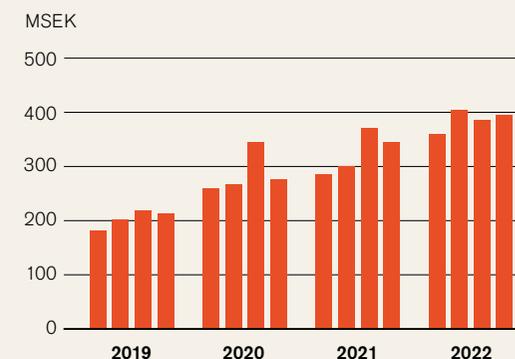
INCOME PER QUARTER



NET OPERATING INCOME PER QUARTER



PROFIT FROM PROPERTY MANAGEMENT PER QUARTER



OCTOBER–DECEMBER 2022

Total income amounted to MSEK 848 (672), which is an increase of 26.2 percent compared with the year-earlier quarter. Net operating income amounted to MSEK 576 (446), which is an increase of 29,1 percent. The surplus ratio for the quarter was 67.9 percent (66.3).

Costs for central administration amounted to MSEK 47 (35). Participations in joint ventures contributed a share in profit of MSEK 66 (57). Financial income and expenses amounted to MSEK -217 (-124).

Profit from property management for the Group amounted to MSEK 384 (345) or SEK 1.95 per share (1.78), up 9.1 percent.

The effect of revaluation of properties amounted to MSEK -1,491 (667). The negative value trend was mainly due to changed yield requirements from an average of 6.08 percent last quarter to 6.39 percent in the current valuation in the accounts.

Revaluations of financial instruments derivatives impacted profit by MSEK 6 (16).

Tax for the quarter amounted to MSEK 228 (-222) and comprised positive deferred tax attributable to the negative revaluation of the property portfolio. The effective tax rate was 20.5 percent (17.3).

Loss for the quarter amounted to MSEK -882 (1,061) or SEK -4.68 per share (5.52), after dilution.



MODIFYING PREMISES FOR FINNISH SCHOOL

In spring 2022, Nyfosa started to develop the Vasarakatu 27 property in Jyväskylä when a 15-year lease was signed with Spesia vocational school that specializes in providing vocational training and coaching to students who need individual support. The renovation is done mainly to better customize the property to the operations. At this site, Nyfosa is developing a diverse learning environment, with modern, safe and accessible spaces to offer support for learning difficulties, functional impairments and other social challenges. The project includes about 3,000 sqm in new construction and 900 sqm in renovation. The renovated areas will be completed in stages and the project is scheduled for completion in June 2023.

CASH FLOW

Total cash flow

During the year, operating activities contributed MSEK 1,644 (1,389) in positive cash flow, of which MSEK 1,309 (1,057) was attributable to the wholly owned portfolio and MSEK 335 (332) was a dividend from participations in joint ventures.

Cash flow allocated to investments amounted to MSEK 3,392 (6,051). Taking possession of and vacating properties, both directly and indirectly via companies, impacted cash by a net MSEK 2,586 (5,556). Investments in existing properties amounted to MSEK 577 (475). Investments in participations in joint ventures amounted to MSEK 192 (17).

Cash flow from financing activities amounted to MSEK 1,889 (4,884) and was attributable to net interest-bearing loans of MSEK 2,628 (3,925) and dividends to shareholders of MSEK -688 (-609).

Total cash flow for the year amounted to MSEK 140 (221).

Total cash flow, MSEK	2022	2021
Cash flow from operating activities	1,644	1,389
– of which distributable cash flow	1,596	1,436
Cash flow from investing activities	-3,392	-6,051
Cash flow from financing activities	1,889	4,884
Total cash flow	140	221

Distributable cash flow

The distributable cash flow is based on profit before tax adjusted for non-cash items, such as revaluation effects and share in profit of joint ventures.

Dividends received from participations in joint ventures, interest paid to hybrid bond holders and tax paid are included in cash flow.

Growth in cash flow per share

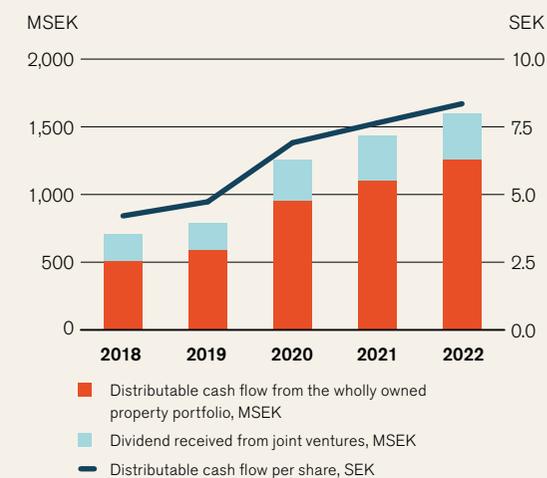
The company's target is to achieve annual growth in distributable cash flow per share of 10 percent over time. During the year, the distributable cash flow was impacted by rising market rates and higher electricity prices. Despite this, growth of 9.3 percent was achieved for the year.

The average growth per year for 2019–2022 was 19.6 percent.

DISTRIBUTABLE CASH FLOW

MSEK	Full-year		Oct–Dec	
	2022	2021	2022	2021
Profit/loss before tax	1,859	3,644	-1,110	1,284
Adjustments for non-cash items	-507	-2,510	1,443	-982
Dividend from holdings in joint ventures	335	332	110	132
Interest paid to hybrid bond holders	-37	-	-12	-
Income tax paid	-54	-29	-	-
Distributable cash flow	1,596	1,436	432	434
– per share, SEK	8.35	7.64	2.26	2.27

CASH FLOW PER SHARE



EARNINGS CAPACITY

CURRENT EARNINGS CAPACITY

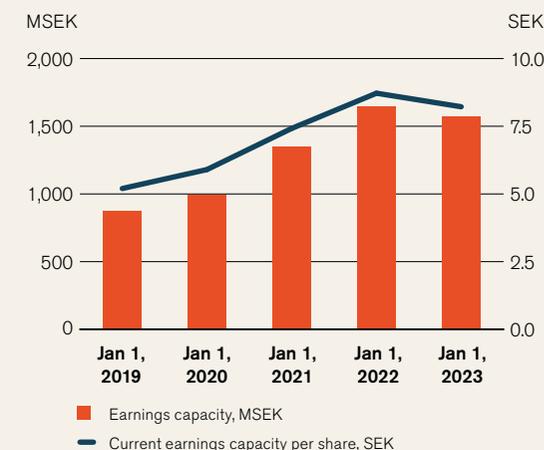
MSEK	Jan 1, 2023	Jan 1, 2022
Rental value	3,739	3,017
Vacancy amount	-280	-190
Rental income according to leases	3,459	2,827
Property expenses	-907	-728
Property administration	-136	-97
Net operating income	2,416	2,002
Central administration	-133	-113
Participations in joint ventures, profit from property management	257	241
Financial expenses	-913	-451
Profit from property management	1,627	1,679
Costs for hybrid bonds	-50	-38
Current earnings capacity	1,577	1,641
Current earnings capacity per share, SEK	8.26	8.59

Current earnings capacity is presented on a 12-month basis and is to be considered solely as a hypothetical instantaneous impression on a given date. It is presented only for illustrative purposes. The aim is to present annualized income and expenses based on the property portfolio, borrowing costs, capital structure and organization at a given point in time. The earnings capacity does not include an assessment of future periods in respect of rents, vacancy rates, property expenses, interest rates, changes in value or other factors impacting earnings, other than the index-linking found in existing leases. The current earnings capacity must be considered together with other information in the interim report.

Information used as the basis for assessing current earnings capacity

- properties owned on the balance-sheet date, which means that agreed possessions and vacancies thereafter are not taken into account;
- rental value is based on annual contractual rental income, including indexes and supplements, from current leases on January 1;
- the vacancy amount also includes allocated rent discounts under current leases;
- property expenses, excluding property tax, are based on average actual outcome for the most recent 24 months, adjusted for the holding period;
- property tax is based on the current tax assessment value of the properties;
- costs for property and central administration have been calculated on the basis of the existing organization and the current size of the property portfolio;
- Nyfosa's shares of profit from property management from joint ventures is calculated using the same method as Nyfosa;
- the assessment of earnings capacity does not assume any financial income;
- financial expenses have been calculated on the basis of the company's average interest rate on the balance-sheet date, including allocated opening charges, a total of 3.8 percent. The item also includes ground rent;
- the exchange rate on the balance-sheet date was used to translate foreign operations.

EARNINGS CAPACITY



KEY FIGURES EARNINGS CAPACITY

MSEK	Dec 31, 2022	Dec 31, 2021
Property value on balance-sheet date, MSEK	40,446	37,147

MSEK	Jan 1, 2023	Jan 1, 2022
Rental value, MSEK	3,739	3,017
Leasable area, 000s sqm	3,012	2,780
No. of properties on balance-sheet date	504	447
Economic occupancy rate, %	93.1	94.6
Remaining lease term, years	3.7	3.9
Surplus ratio, %	69.9	70.8
Yield, %	6.0	5.4
Yield, excl. property admin, %	6.3	5.7

FINANCING

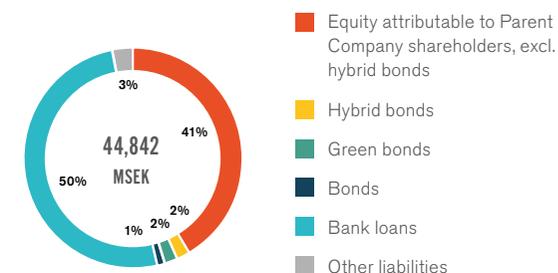
Nyfosa finances its assets through equity, bank loans with Nordic banks and loan funds, and hybrid bonds issued in the Swedish capital market. Equity attributable to the Parent Company's shareholders amounted to MSEK 18,378 on the balance-sheet date, of which hybrid bonds was MSEK 763. Hybrid bonds of MSEK 37 were repurchased during the year.

Interest-bearing loans from the credit and capital markets amounted to MSEK 24,033, including allocated arrangement fees, of which bank loans with properties as collateral represented 93 percent, corresponding to MSEK 22,433, and senior unsecured bond loans 7 percent, corresponding to MSEK 1,600.

The bonds are green bonds issued under a green finance framework. This framework has been drawn up in accordance with the Green Bond Principles set by the International Capital Markets Association (ICMA) and has been audited by an independent third party, CICERO Shades of Green.

The total net loan-to-value ratio of the properties was 57.7 percent (55.2). To support liquidity and growth, the company has four prearranged lines of credit with banks, which have not always been fully utilized. The total scope in these revolving credit facilities can amount to a maximum of MSEK 3,335. This means that, against collateral in existing properties, Nyfosa can rapidly increase its borrowing at fixed terms to, for example, finance property acquisitions. After having utilized the credit scope, the company has the opportunity to renegotiate credit facilities to a standard bank loan, at which point the unutilized portion of the facilities increases. On the balance-sheet date, the company had utilized MSEK 1,048 the total amount granted of MSEK 1,313 against collateral in existing properties. To utilize the remaining MSEK 2,022 under this credit framework, acquired properties are used as collateral. In addition to the revolving credit facilities, the company has unutilized overdraft facilities with banks totaling MSEK 200.

SOURCES OF FINANCING



Changes in interest-bearing liabilities

New bank loans of MSEK 2,268 were raised in Finland during the year in connection with financial closing of property acquisitions. Bank loans totaling MSEK 3,038 were refinanced. Bonds of MSEK 873 were repurchased on the basis of a new

KEY FIGURES FOR INTEREST-BEARING LIABILITIES

	Dec 31	
	2022	2021
Loans with credit institutions, MSEK	22,433	19,276
Bonds, MSEK	1,600	1,873
Debt/equity ratio, multiple	1.3	1.2
Average interest ¹ , %	3.5	1.9
Average remaining fixed-rate period, years	1.0	1.0
Average remaining loan maturity period, years	3.2	2.5
Interest-rate hedged portion of liabilities, %	42	45
Average interest-rate cap, %	1.6	-
Average interest swap, %	1.6	-
Fair value of derivatives, MSEK	372	22

1) Interest expense excluding opening charges charged to earnings over the term of the loan.

REVOLVING CREDIT FACILITIES

MSEK	Frame-work	Amount granted	Amount utilized	Unutilized amount
Total	3,335	1,313	1,048	265

AVAILABLE LIQUIDITY

MSEK	Dec 31	
	2022	2021
Cash and cash equivalents	690	534
Unutilized revolving credit facility ¹	265	676
Unutilized overdraft facilities	200	200
Total	1,155	1,410

1) Unutilized and previously granted loans on the balance-sheet date with existing properties as collateral. The loans are available to the company at short notice.

CHANGES IN INTEREST-BEARING LIABILITIES FOR THE PERIOD

MSEK	Full-year	
	2022	2021
Interest-bearing liabilities at the beginning of the year	21,045	17,055
Bank loans raised	9,751	6,902
Repayment of bank loans	-6,770	-3,297
Bond loans issued	600	1,000
Bond loans repurchased	-873	-628
Changes in borrowing fees	-13	-4
Translation effect, currency	292	17
Interest-bearing liabilities at end of the year	24,033	21,045

issue of green bonds of MSEK 600. Of utilized credit facilities, MSEK 1,082 was refinanced to fixed-period bank loans with longer terms.

Repayments on existing bank loans in connection with divestments totaling MSEK 663 for the period.

The next loan maturity in the loan portfolio is in November 2023. This is a secured bank loan of MSEK 834. A bond of MSEK 1,100 matures in April 2024 and the remaining MSEK 500 in January 2025.

Fixed-rate periods and exposure to interest-rate changes

Nyfosa mainly has floating interest rates in its loan agreements. Exposure to increases in interest rates is managed by making use of derivative instruments, currently both interest-rate caps and swaps. The remaining term of signed derivative agreements was 2.2 years on the balance-sheet date. Interest-rate caps offer the holder security in the form of a maximum impact on total interest expenses if STIBOR 3M and EURIBOR 6M rise. However, rising interest rates that do not reach the interest-rate cap will have full impact on earnings. The interest-rate cap is 1.5–2.0 percent, and an average of 1.56 percent.

Interest-rate swaps of a nominal MSEK 1,120 were signed in the Finnish loan portfolio. Under these derivatives, Nyfosa pays a fixed annual rate of 1.57 percent.

As per December 31, 2022, 42 percent of the total debt portfolio was hedged with an interest-rate cap or swap.

The sensitivity analysis shows that the estimate impact on earnings of STIBOR 3M and EURIBOR 6M changing 1.0 percentage point is an increase of MSEK 126 in interest expenses, given existing derivative agreements. A rise in market rates of 2.0 percentage points would charge earnings with a MSEK 269 increase in higher interest expenses, given existing derivative agreements. In both examples, the interest-rate cap means that the higher rate does not have a full impact on the statement of profit/loss.

SENSITIVITY ANALYSIS, INTEREST-RATE EXPOSURE

December 31, 2022

Earnings effect of change in average interest on debt, MSEK ³	Change, %	2022
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/-2% points	+269/-373
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/-1% point	+126/-195
Interest expenses assuming change in average interest rate ²	+/-1% point	+/-241
Revaluation of fixed-income derivatives attributable to shift in interest rate curves	+/-1% point	+/-180

1) Taking into account existing derivative agreements.

2) Average rate increases/decreases by 1 percentage point. Increase/decrease does not take into account eventual effects of the derivative portfolio.

3) Each variable in the table above has been addressed individually and on the condition that the other variables remain constant. The analysis refers to liability against the wholly owned property portfolio and does not pretend to be exact. It is merely indicative and aims to show the most relevant, measurable factors in the specific context.

LOAN MATURITY AND FIXED-RATE PERIOD¹

Year	Loan maturity, MSEK	Share, %	Interest-rate swaps, MSEK	Interest-rate caps, MSEK	Derivative volumes, MSEK	Share of liabilities, %
Within 1 year	834 ²	3	0	1,576	1,576	7
1–2 years	8,193 ³	34	0	4,008	4,008	17
2–3 years	4,846 ⁴	20	0	2,342	2,342	10
3–4 years	5,138	21	0	1,086	1,086	4
4–5 years	3,438	14	1,120	0	1,120	5
>5 years	1,701	7	0	0	0	0
Total	24,149	100	1,120	9,012	10,132	42

1) Interest-bearing liabilities in the statement of financial position include allocated arrangement fees, which is the reason for the deviation between the table and the statement of financial position.

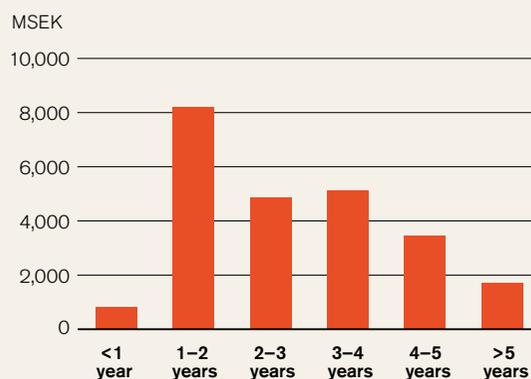
2) Bank loans of MSEK 834 mature in November 2023.

3) Bonds of MSEK 1,100 mature in April 2024. The remaining liabilities pertain to bank loans maturing in 2024.

4) Bonds of MSEK 500 mature in January 2025. The remainder pertains to bank loans.

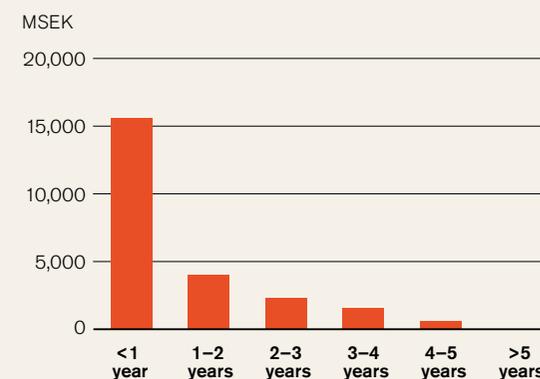
LOAN MATURITY

December 31, 2022



FIXED-RATE PERIOD

December 31, 2022



PROPERTY PORTFOLIO

Nyfosa has a diverse property portfolio due to the company's focus on cash flow ahead of property category, size or region. The investment strategy has no restrictions, but it does prioritize commercial properties in high-growth municipalities in Sweden and regional cities in Finland. It is here that the company can leverage favorable trends such as a growing population and developments in the local business community.

This geographic diversity in the portfolio provides a large contact network of potential tenants and property players. It also spreads risks favorably, at the same time as properties mainly located outside the central areas of the major cities generally have relatively low rent levels, stable property valuations and even demand. Nyfosa has high diversification even in terms of property categories with its property portfolio comprising offices, warehouses/logistics, industry and retail properties, focusing on the big-box retail sector.

At year-end, the property portfolio comprised 504 properties with a total property value of MSEK 40,446 and a rental value of MSEK 3,739 with a leasable area of 3,012 thousand sqm. In addition to the wholly owned property portfolio, Nyfosa owns 50 percent of the property company Söderport in Sweden and Samfosa in Norway, for which Nyfosa's share of the property value amounts to SEK 7.9 billion. Söderport's and Samfosa's properties are not included in the tables and diagrams below but are presented separately on page 18.

Property categories

Offices

The office properties are situated in Swedish high-growth municipalities such as Karlstad, Luleå, Sundsvall, Västerås, Malmö and Växjö as well as Finnish regional cities such as Jyväskylä and Tampere. Office properties are of high quality and most are centrally located in each town.

Logistics/Warehouse

The logistics and warehouse premises are situated in towns such as Malmö, Haninge, Karlstad, Borås, Örebro and Växjö as well as regional cities in Finland. A considerable share of the properties are located in local and regional logistics hubs that are prime warehousing areas, and also warehouse and industrial areas close to city centers.

Retail

The retail properties are primarily situated in expansive and popular big-box retail areas in attractive locations close to public transit. These commercial areas are primarily in Luleå, Borås, Västerås and Huddinge. Tenants include mainly established grocery, DIY and gardening and big-box retail. The retail properties are of generally high quality, offer considerable flexibility in terms of use and have a high

average occupancy rate. Nyfosa views select retail properties to be a good complement to other property categories in the portfolio.

Industry

The industrial properties focusing on light industry are situated in high-growth regions in locations such as Växjö, Värnamo, Tampere, Kuopio and Oulu. A considerable portion of the properties are situated in attractive industrial areas with good access to public communication and a proximity to cities. A large portion of the properties are modern buildings with a highly flexible range of applications. The tenants are typically active in such sectors as manufacturing, workshops and service.

Other

This category includes mixed properties with no clear category. There is also a small number of properties, such as premises for hotel operations, schools, restaurants, health-care and apartments. Properties in this category are located in high-growth regions that have positive population growth, such as Karlstad, Uppsala, Luleå, Stockholm, Örebro, Malmö, Jyväskylä and Helsinki.

504

NO. OF
PROPERTIES

3,012 thousand sqm

TOTAL LEASABLE
AREA

SEK 13,430

PROPERTY VALUE
PER SQM

SEK 1,148

RENTAL INCOME
PER SQM

93.1%

ECONOMIC
OCCUPANCY RATE

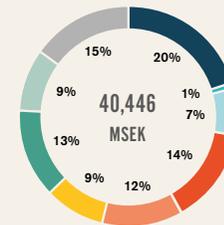
PROPERTY PORTFOLIO

Region	Value, MSEK	SEK per sqm	No. of properties	Leasable area, 000s sqm	Rental value ¹ , MSEK	Annual income ¹ , MSEK	Economic occupancy rate, %	Lease term, years
Finland	8,145	15,562	91	523	927	832	89.9	3.3
Gothenburg	479	10,690	5	45	48	42	90.6	5.6
Malmö	2,972	11,138	53	267	250	237	96.2	4.1
Mälardalen	5,708	13,690	50	417	500	469	94.3	3.4
Coast of Norrland	5,046	12,780	65	395	441	411	93.4	3.6
Småland	3,450	9,516	67	363	337	312	93.0	4.3
Stockholm	5,279	22,137	46	238	391	360	93.3	4.5
Värmland	3,501	15,727	47	223	311	297	95.8	3.1
Other	5,866	10,837	80	541	533	498	94.4	3.8
Total	40,446	13,430	504	3,012	3,739	3,459	93.1	3.7

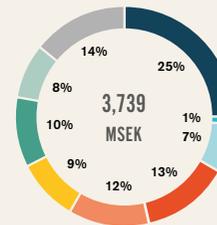
Property category	Value, MSEK	SEK per sqm	No. of properties	Leasable area, 000s sqm	Rental value ¹ , MSEK	Annual income ¹ , MSEK	Economic occupancy rate, %	Lease term, years
Offices	20,192	17,791	179	1,135	1,812	1,644	91.0	2.7
Logistics/Warehouse	7,255	8,750	120	829	640	586	93.0	4.1
Retail	4,770	12,589	73	379	482	458	96.0	4.9
Industry	3,273	8,926	76	367	346	334	96.8	4.8
Other	4,955	16,409	56	302	458	437	95.7	4.5
Total	40,446	13,430	504	3,012	3,739	3,459	93.1	3.7

1) According to current leases on January 1, 2023.

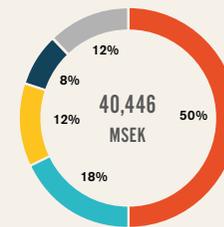
PROPERTY VALUE BY REGION



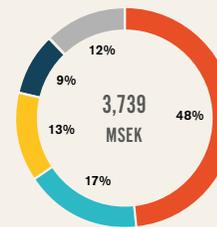
RENTAL VALUE BY REGION



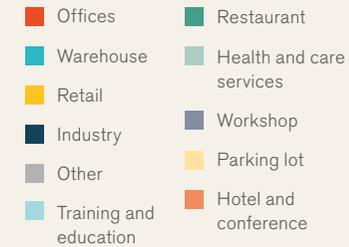
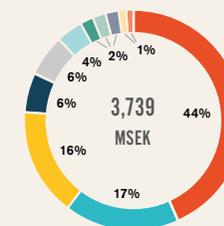
PROPERTY VALUE BY CATEGORY



RENTAL VALUE BY CATEGORY



RENTAL VALUE BY TYPE OF PREMISES



Lease structure

The rental value on January 1, 2023 amounted to MSEK 3,739, of which vacancy rent and discounts was MSEK 280. The share of index-linked annual rental income amounted to about 92 percent. Nyfosa had 6,575 leases including 2,586 leases for garages and parking spaces. The average lease term was 3.7 years. The lease term in the Finnish portfolio was 3.3 years. A large share of rental income in the Finnish portfolio refers to “until further notice leases” that run on a 12-month basis, which is a common form of agreement in Finland. Tenants lease their premises on average for a longer period.

Nyfosa has a highly diverse tenant list featuring only a small number of dominant tenants. The ten largest tenants represent 11 percent of total rental income and are distributed between 171 leases. Among the largest tenants are the Swedish Transport Agency, Delta Auto Oy, Saab, Telia, Social Insurance Agency, City Gross, the Swedish Police, the Swedish Public Employment Service and the City of Helsinki,

meaning a large share of companies that conduct tax-financed operations. Of total rental income, tax-financed rent represented 26 percent.

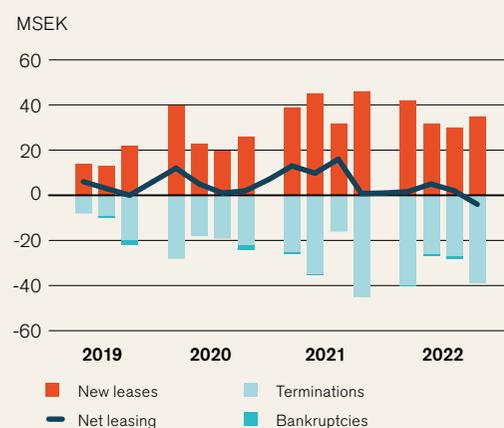
The CPI in October 2022 was 384.04, representing an increase of 10.9 percent compared with October 2021. The corresponding figure in Finland is called the Cost-of-living Index (CLI) and this index had increased 8.3 percent in October 2022 compared with October 2021. Upward indexation of existing leases as per January 1, 2023 resulted in MSEK 228 in annual rental income for the Group and will have an effect on rental income from January 1, 2023.

60 green appendices were signed during the year when new leases were signed or leases were renegotiated. The aim of these green appendices is to identify and follow up on various initiatives to reduce energy consumption in premises, such as more efficient heating and lighting.

Positive net leasing

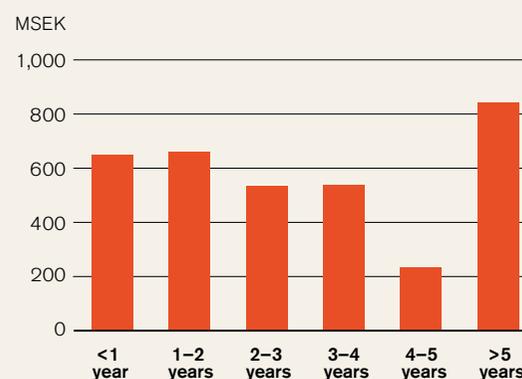
It was another successful year for leasing based on the company's extensive footprint in the country and a creative approach to potential development. Net leasing totaled MSEK +5 for 2022. A number of leases were made possible by converting the use of premises, for example, from former bank offices to dedicated offices and from retail space to schools. Net leasing comprises the annual rental value of new leases of MSEK 139, less annual rental value in terminated leases of MSEK 132 and confirmed bankruptcies among tenants of MSEK 2. Leasing operations in the fourth quarter resulted in a net leasing of MSEK -4. New leases were signed for a total of MSEK 35, while terminations amounted to MSEK 39. Confirmed bankruptcies among tenants amounted to MSEK 0. Of total net leasing of MSEK -4, MSEK +3 was attributable to the Swedish portfolio and MSEK -7 to the Finnish portfolio. The vacant space in Finland that led to negative net leasing in the fourth quarter has been leased again after the end of the year.

NET LEASING



LEASE MATURITY STRUCTURE

December 31, 2022



NYFOSA'S LARGEST TENANTS

December 31, 2022

	Rental income, MSEK	Percentage of total rental income, %	No. of leases	Average remaining term, years
Swedish Transport Agency	48	1	9	1.3
Delta Auto Oy	46	1	12	12.5
Saab AB	40	1	10	9.7
Telia Sverige AB	40	1	57	2.5
City Gross Sverige AB	39	1	4	8.1
Swedish Police	38	1	27	3.1
City of Helsinki	34	1	2	1.1
Fresk Försäljning AB	33	1	10	9.0
Swedish Public Employment Service	33	1	31	2.8
Social Insurance Agency	32	1	9	4.4
Other	3,076	89	6,404	3.5
Total	3,459	100	6,575	3.7

TREND IN PROPERTY PORTFOLIO JANUARY–DECEMBER 2022

Property valuation

The yield requirements of the valuations increased during the year as an effect of macroeconomic developments. The negative valuation effect caused by the higher yield requirements is largely offset by the improved future net operating income due to new leases, renegotiations and rent indexation.

The weighted yield requirements for externally valued properties on December 31, 2022 was 6.39 percent (5.83), and the weighted cost of capital for the present value calculation of cash flows and residual values was a nominal 8.45 percent (7.55) and 8.66 percent (7.86), respectively.

Changes in values of properties amounted to MSEK –439 (1,652).

Valuation techniques

The value of the properties has been assessed based on a market-adapted cash-flow estimate in which, by simulating the calculated future income and expenses, an analysis has been made of the market's expectations with respect to the subject property.

The yield requirement used in the estimate derives from sales of comparable properties. For additional information on valuation techniques, refer to Note 13 of Nyfosa AB's 2021 Annual Report on www.nyfosa.se.

The company engages external, independent appraisers every quarter to quality assure the fair value measurement of the company's properties. All properties are valued every quarter, except for those properties for which possession was taken during the current quarter or properties for which a sales agreement exists. In these cases, the agreed property value is used.

Acquired properties

The value of property acquisitions for the year amounted to SEK 4.4 billion on the balance-sheet date.

Several closings were completed in the Finnish market in the middle of the year, including two major portfolios. The largest portfolio comprises properties located in several municipalities in Finland, with a focus on the Helsinki region, Turku and Jyväskylä. The acquisition price amounted to a corresponding SEK 2.1 billion and the portfolio includes offices, retail, schools and healthcare with a diversified tenant base. The tenants include Delta Auto, Senate Properties, Kesko, Tokmanni, and the City of Helsinki. The occupancy rate is 87 percent, the rental value is MSEK 311 and the remaining lease term is 4.7 years. The second portfolio comprises properties in the Helsinki region, Tampere and several large cities across Finland. The acquisition price amounted to a corresponding SEK 1.4 billion and the portfolio primarily comprises light industry and warehouse properties, as well as some big-box retail and offices. Among the larger tenants are several well-known companies such as Rusta, Motonet, Jysk, Senate Properties and Kesko. The occupancy rate is 91.5 percent, the rental value is MSEK 150 and the remaining lease term is 3.5 years.

Closing took place in August for eight properties for warehouse and light industry purposes in Kalmar. The acquisition price amounted to MSEK 320. The occupancy rate is 99.5 percent and the total average remaining lease term is 2.3 years. The largest tenants are Prestando Kalmar, Halltorp Rördelar and Kalmar Municipality. The total annual rental value amounts to approximately MSEK 26.

Closing also took place for two properties in Halmstad in September. Region Halland is the largest tenant. The acquired properties have a total area of approximately 11 thousand sqm, comprising warehouses and industry in established industrial areas in Halmstad.

Closing on a small portfolio of warehouse and logistics properties in Turku took place at the end of the year.

CHANGES IN VALUE

MSEK	Jan 1–Dec 31	
	2022	2021
Property value at the beginning of the year	37,147	29,411
Acquired properties	4,394	6,243
Investments in existing properties	577	475
Divested properties	-1,735	-663
Realized changes in value	225	-42
Unrealized changes in value	-664	1,694
Translation effect, currency	503	28
Property value at end of the year	40,446	37,147

PROPERTY VALUE WITH SUSTAINABILITY CERTIFICATION



SENSITIVITY ANALYSIS – CHANGE IN VALUE FOR CHANGES IN PARAMETERS IN THE PROPERTY VALUATION

December 31, 2022

	%	MSEK
Change in net operating income ¹	+/-5.00	+/-1,975
Change in yield requirement	+/-0.25	+/-1,640
Change in discount rate	+/-0.25	+/-1,228

¹) Refers to the appraisers' estimated net operating income in the valuation.

Divested properties

A number of divestments were made during the year, partly to streamline the portfolio and partly to realize the increase in value that has been built up over time.

In the first quarter, two properties in Eskilstuna containing residential properties and commercial premises were divested, alongside a logistics property in Örebro that was part of a larger portfolio for which closing took place in 2021.

In June, a portfolio of 13 industrial, warehouse, office and retail properties situated in a number of municipalities in Småland and Östergötland was divested for a selling price of MSEK 947. The portfolio had an annual rental value of MSEK 76 and a occupancy rate of 93 percent.

The Skogskarlen 3 office property in Solna was divested at a selling price of MSEK 400 in September. The property had an annual rental value of MSEK 20 and a occupancy rate of 44 percent.

In October, a property in the center of Valsta, Märsta, was divested at a selling price of MSEK 101. The property had an annual rental value of MSEK 12 and a occupancy rate of 99 percent.

Investments in existing properties

Investments of MSEK 577 were made in the existing property portfolio. The majority of investments were for tenant-specific modifications.

The largest ongoing investments are presented in the table below. A major expansion and renovation project is underway at the Vasarakatu 27 property in Jyväskylä, for which a 15-year lease was signed with Spesia, which conducts education and

training. The premises in Mården 11 in Luleå are undergoing a complete renovation and modification for the Municipality of Luleå, which signed a ten-year lease with occupancy scheduled for 2023. The premises in Norr 12:5 in Gävle are being renovated and modified for the existing tenant the Social Insurance Agency. During the fourth quarter, the expansion and modification of space started at Realgymnasiet school in Norr 25:5 in Gävle, for which a new ten-year lease has been signed. Several projects were completed during the year. These include modifications to about 2 thousand sqm at Snickaren 12 in Växjö for DHL, for which a new five-year lease was signed. In the third quarter, construction of a new McDonald's restaurant was completed at the Filtret 6 property in Borås, with a 20-year lease signed with Food Folk Sverige AB.

The process of environmentally certifying buildings is continuing, with the primary aim of preparing solid data for deciding on any investment in energy-optimization measures. Six buildings in the existing portfolio secured sustainability certification in the quarter. Properties with sustainability certification had a total value of SEK 11.8 billion on the balance-sheet date, corresponding to 29 percent of the total property value.

Specific measures to enhance the cost efficiency of the operation of the premises include analyses to identify investments in energy optimization. Lower energy consumption reduces carbon emissions and also leads to lower operating expenses. A green appendix is offered for when major new leases are signed or leases are renegotiated, the aim of which is to identify and follow up on various initiatives to reduce energy consumption in premises, such as more efficient heating and lighting.

PROPERTY MANAGEMENT OFFICES



BROAD REGIONAL FOOTPRINT

Nyfosa has a broad geographic presence throughout Sweden and in major cities in Finland. Regional property management offices—currently nine offices—can be found in key locations in Sweden with large property portfolios. In Finland, the company's partner Brunswick Real Estate in the country leads operational activities regarding transactions, management and sustainability issues together with Nyfosa's own personnel.

The company's in-house personnel conduct key roles in the property management operations such as tenant relationships, technical management and leasing. This is supplemented with the purchase of external services, mainly in property operations, maintenance and upkeep. With experienced employees in both the in-house management team and external partners, combined with structured work methods, the company's capable of effectively handling a property portfolio that spans over many locations.

ONGOING INVESTMENTS

Municipality	Property	Type of premises	Tenant	Area, 000s of sqm	Total accrued, MSEK	Estimated investment, MSEK	Scheduled completion, year
Jyväskylä	Vasarakatu 27	School	Ammattiopisto Spesia	4	55	90	Q2 2023
Gävle	Norr 12:5	Offices	Social Insurance Agency	6	51	62	Q2 2023
Luleå	Mården 11	Offices	Luleå municipality	11	31	99	Q4, 2023
Gävle	Norr 25:5	School	Realgymnasiet	3	1	22	Q3 2023

JOINT VENTURES

In addition to the wholly owned portfolio, Nyfosa owns 50 percent of the shares in Samfosa AS and Söderport Property Investment AB. The holding is classified as Participations in joint ventures and Nyfosa's share in the company's earnings are recognized in profit after financial income and expenses. These participations contributed SEK 19.33 per share (16.92) to Nyfosa's NAV on the balance-sheet date.

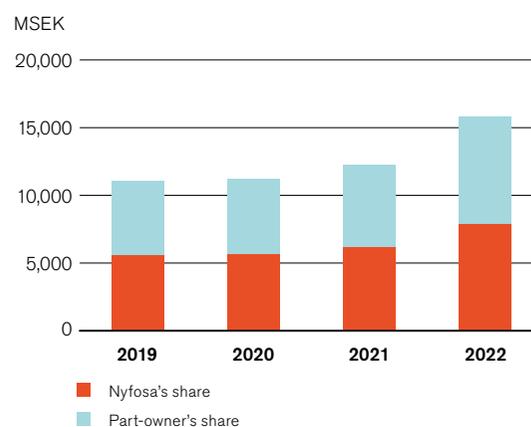
Samfosa

Samfosa AS is a Norwegian property company that is jointly owned with Samfunnsbyggeren AS.

The property company Bratsberg AS was acquired in January 2022. The portfolio serves as a robust platform for continued growth in the country and encompasses a total of 13 properties and 10 projects situated in Skien, Porsgrunn, Grimstad and Horten, in the expansive Grenland region southwest of Oslo. As part of the transaction, Samfosa took over Bratsberg's organization.

The property portfolio is highly diverse with tenants conducting a wide variety of operations and a large number of leases. The largest tenants are Sats Vest and Scandic Hotel. At year-end, the value of the property portfolio was MSEK 1,627. The total rental value amounted to MSEK 120 and leases have an average remaining term of 4.7 years. The occupancy rate was 92.6 percent.

PROPERTY VALUE IN JOINT VENTURES



Söderport

Söderport Property Investment AB is a Swedish property company jointly owned with AB Sagax.

Söderport's property portfolio primarily comprises industrial, warehouse and office properties, which essentially presents a supplement to Nyfosa's wholly owned property portfolio. The focal point of the property portfolio is in the Stockholm region. The largest tenant is Volvo Personvagnar. Söderport does not have its own operational organization. Instead, it procures property management and financial administration from Sagax. A small part of property management is procured from Nyfosa.

At the start of the year, Söderport owned 78.1 percent of Torslanda Property Investment AB (TPI), whose shares were listed on Nasdaq First North Growth Market. In November 2022, following the acquisition of many shares, Söderport announced a cash mandatory bid offer to the other shareholders of TPI. At year-end, Söderport's shareholding was 99.0 percent. The TPI share was delisted in January 2023.

KEY FIGURES PART-OWNED COMPANIES

January–December, MSEK	Söderport		Samfosa	
	2022	2021	2022	2021
Rental income	907	853	103	-
Profit from property management	492	504	15	-
Changes in value	947	1,583	142	-
Profit	1,227	1,900	124	-
<i>of which, Nyfosa's share</i>	<i>611</i>	<i>906</i>	<i>61</i>	<i>-</i>
December 31, MSEK				
Investment properties	14,197	12,882	1,627	-
Cash and cash equivalents	273	386	32	-
Equity attributable to Parent Company shareholders	5,761	4,979	273	-
<i>of which, Nyfosa's share</i>	<i>2,881</i>	<i>2,490</i>	<i>137</i>	<i>-</i>
Interest-bearing liabilities	6,936	6,209	1,290	-
Deferred tax liabilities, net	1,465	1,192	37	-
Derivative liabilities, net	-153	124	-	-
Rental value	1,068	900	120	-
Economic occupancy rate, %	97	98	93	-
Average remaining lease term, years	4.2	4.6	4.7	-
Leasable area, 000s sqm	769	743	102	-

PARTICIPATIONS IN JOINT VENTURES

December 31, MSEK	Söderport		Samfosa	
	2022	2021	2022	2021
Carrying amount at the beginning of the year	2,490	1,916	0	-
Dividends received	-335	-332	-	-
Share in profit of joint ventures	611	906	61	-
Acquisitions/impairment for the year	115	0	77	0
Translation effect, currency	-	-	-1	0
Carrying amount at end of the year	2,881	2,490	137	0

KEY FIGURES

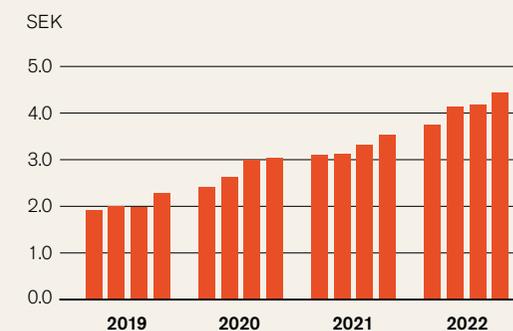
Property-related key figures	Full-year 2022	Full-year 2021	Full-year 2020	Full-year 2019
Income, MSEK	3,151	2,459	2,035	1,370
Property expenses, MSEK	-930	-717	-557	-415
Property administration, MSEK	-129	-91	-63	-50
Net operating income, MSEK	2,092	1,651	1,415	905
Surplus ratio, %	66.4	67.1	69.5	66.0
Profit from property management, MSEK	1,533	1,302	1,147	814
Property value on balance-sheet date, MSEK	40,446	37,147	29,411	19,602

Share-related key figures	Full-year 2022	Full-year 2021	Full-year 2020	Full-year 2019
Profit from property management per share, SEK	7.80	6.90	6.32	4.85
Distributable cash flow per share, SEK	8.35	7.64	6.91	4.73
Earnings per share before dilution, SEK	8.62	16.52	12.25	8.24
Earnings per share after dilution, SEK	8.61	16.49	12.25	8.24
Dividend paid to the Parent Company's shareholders, SEK	3.60	3.24	0.00	0.00
NAV per share on balance-sheet date, SEK	100.78	95.93	79.91	65.37
Adjusted NAV per share on balance-sheet date, SEK	93.63	89.76	75.33	60.11
Equity per share on balance-sheet date, SEK	92.22	86.04	72.27	58.32

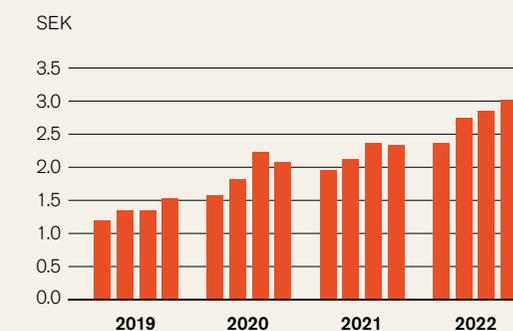
Key financial data	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Return on equity, %	9.7	20.9	19.3	15.2
Equity/assets ratio, %	40.6	42.5	41.8	44.1
Loan-to-value ratio, properties, %	59.4	56.7	58.0	57.6
Net loan-to-value ratio, properties, %	57.7	55.2	56.9	54.6
Interest-coverage ratio for the period, multiple	3.4	4.2	4.5	5.2

Presented above are the key figures that provide supplementary information to investors and the company's management in their assessment of the company's performance. Key figures not been defined by IFRS have been supplemented with a reconciliation. Refer also to the reconciliations and definitions of key figures in the end of the year-end report.

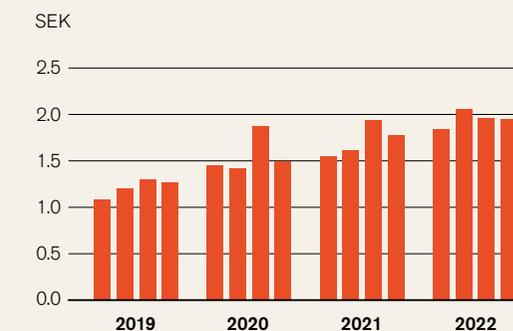
INCOME PER SHARE



NET OPERATING INCOME PER SHARE



PROFIT FROM PROPERTY MANAGEMENT PER SHARE



FINANCIAL PERFORMANCE

CONDENSED STATEMENT OF PROFIT/LOSS

MSEK	Full-year		Oct-Dec	
	2022	2021	2022	2021
Rental income	2,853	2,312	732	629
Service income ¹	297	145	116	43
Income	3,151	2,459	848	672
Property expenses				
Operating expenses	-635	-439	-161	-118
Maintenance costs	-143	-167	-40	-52
Property tax	-153	-112	-39	-29
Property administration	-129	-91	-32	-27
Net operating income	2,092	1,651	576	446
Central administration	-161	-128	-47	-35
Other operating income and expenses	14	5	7	1
Share in profit of joint ventures	672	888	57	312
- Of which, profit from property management	252	218	66	57
- Of which, changes in value	542	758	-47	340
- Of which, tax	-161	-88	-1	-85
- Of which, other	38	-	38	-
Financial income and expenses	-664	-443	-217	-124
Profit after financial income and expenses²	1,953	1,973	375	600
- Of which, profit from property management²	1,533	1,302	384	345
Changes in value of properties	-439	1,652	-1,491	667
Changes in value of financial instruments	345	19	6	16
Profit/loss before tax	1,859	3,644	-1,110	1,284
Current tax	-96	-49	0	1
Deferred tax	-70	-483	227	-223
Profit/loss	1,694	3,112	-882	1,061
<i>Profit attributable to:</i>				
Parent Company shareholders	1,689	3,112	-881	1,061
Non-controlling interests	5	0	-1	0
Profit/loss	1,694	3,112	-882	1,061
Earnings per share before dilution, SEK	8.62	16.52	-4.68	5.53
Earnings per share after dilution, SEK	8.61	16.49	-4.68	5.52

CONDENSED STATEMENT OF PROFIT/LOSS AND OTHER COMPREHENSIVE INCOME

MSEK	Full-year		Oct-Dec	
	2022	2021	2022	2021
Profit	1,694	3,112	-882	1,061
Translation of foreign operations	269	9	57	5
Comprehensive income	1,962	3,121	-825	1,066
<i>Comprehensive income attributable to:</i>				
Parent Company shareholders	1,955	3,120	-826	1,065
Non-controlling interests	7	1	1	1
Comprehensive income	1,962	3,121	-825	1,066

1) From October 1, 2022, income is divided into Rental income and Service income in accordance with IFRS 15. Refer to Note 1 on page 24 and Definitions on page 32.

2) From October 1, 2022, the former earnings measure Profit from property management was renamed Profit after financial income and expenses, and the former earnings measure Profit from property management, excluding changes in value and tax in joint ventures was renamed Profit from property management. This change provides better comparability with other listed Swedish property companies with significant holdings of participations in joint ventures.

CONDENSED STATEMENT OF FINANCIAL POSITION

MSEK	Dec 31	
	2022	2021
ASSETS		
Investment properties	40,446	37,147
Assets with right-of-use	501	237
Participations in joint ventures	3,018	2,490
Derivatives	372	22
Other assets	47	3
Total non-current assets	44,385	39,898
Current receivables	259	193
Cash and cash equivalents	691	534
Total current assets	950	727
TOTAL ASSETS	45,335	40,626
EQUITY AND LIABILITIES		
Equity attributable to Parent Company shareholders ¹	18,378	17,236
Non-controlling interests	39	32
Total equity	18,416	17,268
Non-current interest-bearing liabilities	22,957	16,492
Liabilities attributable to right-of-use assets	484	229
Other non-current liabilities	62	48
Deferred tax liabilities	1,333	1,252
Total non-current liabilities	24,837	18,021
Current interest-bearing liabilities	1,076	4,553
Other current liabilities	1,006	783
Total current liabilities	2,082	5,337
Total liabilities	26,919	23,357
TOTAL EQUITY AND LIABILITIES	45,335	40,626

1) Of which hybrid bonds of MSEK 763 (800).

CONDENSED STATEMENT OF CHANGES IN EQUITY

MSEK	Equity attributable to the Parent Company's shareholders	Non-controlling interests	Total equity
Opening equity, Jan 1, 2021	13,333	-	13,333
Issue/buyback of warrants	3	-	3
New share issue	743	-	743
New issue of hybrid bonds	790	-	790
Dividends to shareholders	-753	-	-753
Change in non-controlling interests	-	31	31
Comprehensive income, Jan–Dec 2021	3,120	1	3,121
Closing equity, Dec 31, 2021	17,236	32	17,268
Opening equity, Jan 1, 2022	17,236	32	17,268
Issue/buyback of warrants	-11	-	-11
Dividends to shareholders	-726	-	-726
Repurchased hybrid bonds	-34	-	-34
Interest to hybrid bond holders	-43	-	-43
Change in non-controlling interests	-	1	1
Comprehensive income, Jan–Dec 2022	1,955	7	1,962
Closing equity, Dec 31, 2022	18,378	39	18,416

CONDENSED STATEMENT OF CASH FLOWS

MSEK	Full-year		Oct-Dec	
	2022	2021	2022	2021
Operating activities				
Profit/loss before tax	1,859	3,644	-1,110	1,284
Adjustments for non-cash items	-507	-2,510	1,443	-982
Dividend from holdings in joint ventures	335	332	110	132
Interest paid to hybrid bond holders	-37	-	-12	0
Income tax paid	-54	-29	0	0
Distributable cash flow¹	1,596	1,436	432	434
– per share, SEK	8.35	7.64	2.26	2.27
Change in operating receivables	-49	22	-66	9
Change in operating liabilities	97	-70	-120	-144
Cash flow from operating activities	1,644	1,389	246	299
Investing activities				
Direct and indirect acquisitions of investment properties	-4,313	-6,211	-141	-1,789
Direct and indirect divestments of investment properties	1,726	655	92	-12
Investments in existing investment properties	-577	-475	-205	-123
Investments in joint ventures	-192	-17	-115	0
Non-current receivables from joint ventures	-29	-	-1	0
Other	-7	-2	15	0
Cash flow from investing activities	-3,392	-6,051	-356	-1,923

MSEK	Full-year		Oct-Dec	
	2022	2021	2022	2021
Financing activities				
Issue of shares/warrants	-	744	-	-
Repurchase of shares/warrants	-11	-	-14	-
New issue of hybrid bonds	-	793	-	793
Repurchased hybrid bonds	-34	-	-33	-
Dividends to shareholders	-688	-609	-181	-143
Loans raised	10,271	7,849	397	1,207
Repayment of loans	-7,643	-3,924	-123	-251
New share issue to non-controlling interests	1	30	0	0
Other	-8	-	0	0
Cash flow from financing activities	1,889	4,884	46	1,606
Cash flow for the period	140	221	-64	-18
Cash and cash equivalents at the beginning of the period	534	312	751	553
Exchange differences in cash and cash equivalents	16	1	4	0
Cash and cash equivalents at the end of the period	691	534	691	534
Interest received	5	0	5	-1
Interest paid	-467	-358	-149	-99

1) Cash flow from operating activities before changes in working capital

PARENT COMPANY STATEMENT OF PROFIT/LOSS

MSEK	Full-year		Oct-Dec	
	2022	2021	2022	2021
Net sales	125	102	36	30
Personnel costs	-93	-97	-21	-26
Other external costs	-58	-48	-18	-14
Depreciation/amortization	0	0	0	0
Loss before financial income and expenses	-26	-43	-2	-9
Profit from participations in joint ventures	0	1,288	0	0
Profit from participations in Group companies	1,215	874	1,215	874
Interest income and similar income items	166	125	60	33
Interest expenses and similar expense items	-107	-82	-41	-22
Profit before appropriations	1,248	2,161	1,231	876
Appropriations				
Provision to tax allocation reserve	0	0	0	0
Group contributions paid/received	25	67	25	67
Profit/loss before tax	1,273	2,228	1,256	942
Tax	1	-5	1	-5
Profit	1,273	2,223	1,257	937

Profit/loss for the period is the same as comprehensive income for the period.

Nyfosa AB is a holding company whose operations comprise owning and managing shares. The company owns 100 percent of the participations in Nyfosa Holding AB, which indirectly owns properties for SEK 40.4 billion. Furthermore, the company owns, via subsidiaries, 50 percent of the participations in Söderport and Samfosa, which indirectly own properties for SEK 15.8 billion.

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

MSEK	Dec 31	
	2022	2021
ASSETS		
Participations in Group companies	0	0
Participations in joint ventures	-	-
Receivables from Group companies	5,277	5,277
Deferred tax assets	0	0
Total non-current assets	5,277	5,277
Current receivables from Group companies	16,014	11,790
Other current receivables	22	10
Cash and bank balances	258	280
Total current assets	16,294	12,080
TOTAL ASSETS	21,571	17,357
EQUITY AND LIABILITIES		
Restricted equity	96	96
Unrestricted equity	11,828	11,368
Equity	11,924	11,464
Untaxed reserves	0	0
Bonds	1,591	991
Other non-current liabilities	7	4
Total non-current liabilities	1,598	995
Bonds	0	873
Liabilities to Group companies	7,794	3,827
Other current liabilities	255	197
Total current liabilities	8,049	4,897
Total liabilities	9,647	5,893
TOTAL EQUITY AND LIABILITIES	21,571	17,357

NOTES

NOTE 1

BASIS OF PREPARATION AND ACCOUNTING POLICIES

This condensed year-end report for the Group has been prepared in accordance with IAS 34 Interim Reporting, as well as the applicable regulations of the Swedish Annual Accounts Act. The year-end report for the Parent Company has been prepared in accordance with Chapter 9 Interim Reports of the Annual Accounts Act. The accounting policies and calculation methods were unchanged compared with 2021 Annual Report, except for the following changes to the presentation format of the statement of profit/loss. Disclosures in accordance with IAS 34.16A are provided not only in the financial statements and the accompanying notes but also elsewhere in this year-end report.

All amounts in the report are stated in millions of SEK ("MSEK") unless otherwise stated. There may be rounding errors in tables that have combined sums from already rounded amounts. Amounts in parentheses refer to the same period in the preceding financial year. Key figures regarding an earnings or cash flow measure, stated per share, are calculated on a weighted average number of shares during the period referred to. Key figures based on an amount in the statement of financial position, stated per share, are calculated on the number of shares on the balance-sheet date. "Rolling 12 months" mean the most recent 12-month period from the balance-sheet date.

Renaming of "income"

From October 1, 2022, income is divided into Rental income and Service income in accordance with IFRS 15. This entails a change compared with the previous classification of income into Rental income and Other property income. The change means that rent guarantees, credit losses on rent receivables and accounts receivable and other rental fees are now recognized as Rental income instead of Other property income. It means that insurance payments, damages received and government grants are now recognized as Other operating income instead of Other property income. Service income was previously recognized under rental income, but was presented as disclosures in the notes of the Annual Report. Comparison figures have been adjusted. The change did not have any earnings effect or other material impact on key figures, etc. For definitions of rental income and service income, refer to Definitions on page 32.

Renaming of "profit from property management"

From October 1, 2022, the former earnings measure Profit from property management was renamed Profit after financial income and expenses. At the same time, the former earnings measure Profit from property management excluding changes in value and tax in joint ventures was renamed Profit from property management. This change provides better comparability with other listed Swedish property companies with significant holdings of participations in joint ventures.

NOTE 2

ESTIMATES AND ASSESSMENTS

The preparation of the interim report requires that company management make judgments and estimates, and make assumptions that affect the application of the accounting policies and the amounts of assets, liabilities, income and expenses recognized. The actual outcome may deviate from these judgments and estimates.

Measurement of investment properties

For significant assumptions and assessments affecting the measurement of Nyfosa's investment properties, refer to Note 13 of the 2021 Annual Report on www.nyfosa.se. Nyfosa's property portfolio is recognized in the statement of financial position at fair value, Level 3 according to IFRS 13, and the changes in value are recognized in profit or loss. The fair value is based on internal valuations that are performed continuously and all properties are also valued every quarter by an external independent appraiser. The value of the properties is affected not only by supply and demand in the market but also by a number of other factors, in part property-specific factors such as the occupancy rate, rent level and operating expenses, and in part such market-specific factors as the yield requirement and the cost of capital, which are derived from comparable transactions in the property market. Deterioration in either a property or the market could cause the value of the properties to decline, which could have a negative impact on Nyfosa's operations, financial position and earnings.

Valuations require assessments of and assumptions about future cash flows and determination of the discount factor (yield requirement). An uncertainty interval of +/- 5–10 percent is usually applied to property valuations to reflect the uncertainty of assumptions and assessments made.

Measurement of loss carryforwards

The regulatory framework governing taxation of the type of business operated by Nyfosa is complex and comprehensive in terms of both income tax and VAT/property taxation. Moreover, interpretation and application of these regulations by courts of law can change over time. Changes in these regulations, or in their interpretation by judicial bodies, could impact Nyfosa's earnings and position either positively or negatively. From time to time, Nyfosa has cases under review by, and ongoing dialog with, the Swedish Tax Agency regarding individual taxation matters. The Tax Agency makes tax rulings that can be appealed and reviewed in administrative courts of appeal. The regulations governing the recognition of taxes, and the property sector's application of these accounting regulations, are also complex. The regulatory framework is complex, the Tax Agency's review possibilities are comprehensive and the judicial bodies' interpretation and reviews take place in many stages, which means that it can take a long time to establish the correct application of legislation in complex taxation matters. This may entail that actions taken or completed transactions that were previously considered permissible according to the regulatory framework may need to be reappraised at a later juncture. Nyfosa monitors the taxation laws and practices that are in effect whenever it files tax returns. Nyfosa's assessments and calculations in the tax area, and the accounting of these matters, are reassessed at the end of each reporting period.

Classification of acquisitions

Nyfosa's corporate acquisitions in 2022 encompass only properties and no material processes, which is why the transactions are deemed to be asset purchases.

NOTE 3

RISKS AND UNCERTAINTIES

Changed market conditions

Nyfosa's financial target is to create annual growth in distributable cash flow per share of 10 percent over time. Growth is created in part through the transaction operations and property acquisitions, and in part by the property management operations through leasing and investments in the existing property portfolio. Changed conditions in the market, such as significantly more costly financing, tenant bankruptcies or more expensive modifications impact the company's ability to achieve its financial growth target.

Risk management

The flexible and opportunistic business model means that the operations can rapidly adapt to new conditions. Close relationships with banks that inspire confidence in the company, thus allowing for rapid changes to new conditions. A diverse lease structure with no exposure to a small number of types of operations or tenants. Investments in the existing property portfolio primarily refer to tenant-specific modifications as stipulated in signed leases.

Changes in value of properties

The property portfolio's total value is the largest asset item in the statement of financial position. Small changes in components that affect the value of an individual property can in total have a major impact on the company's financial position.

The value is affected not only by supply and demand in the market, but by several other factors that are both property specific and market specific. Because the value is based on several components with an element of assumption regarding future rent levels and leasing potential, there is a degree of subjectivity in the value ascribed to the object.

Risk management

The chosen strategy entails owning a large number of properties that are geographically diverse, thereby resulting in a balanced risk profile.

The prioritized property category is commercial properties in high-growth municipalities where there is an increase in migration and well-functioning business.

To minimize the risk of errors in the value of the property portfolio, the company engages external appraisers to value all properties ahead of each quarterly closing. The valuation assignment is shared by at least two appraisers.

Interest-rate risk

Interest-rate risk means the risk that changes in interest rates result in such high interest expenses that the company breaches its financial risk limitation of the interest-coverage ratio being at least a multiple of 2.0.

Risk management

Nyfosa mainly has floating interest rates in its loan agreements. Exposure to increases in interest rates is managed by making use of derivative instruments, currently both interest-rate caps and swaps. Interest-rate caps and swaps are entered into to adapt the company's fixed-rate periods to the decided finance policy and existing loan agreements.

The remaining term of signed derivative agreements was 2.2 years on the balance-sheet date. Interest-rate caps offer the holder security in the form of a maximum impact on total interest expenses if STIBOR 3M and EURIBOR 6M rise. However, rising interest rates that do not reach the interest-rate cap will have full impact on earnings. The interest-rate cap is 1.5–2.0 percent, and an average of 1.56 percent. Interest-rate swaps of a nominal MSEK 1,120 were signed in the Finnish debt portfolio. Under these derivatives, Nyfosa pays a fixed annual rate of 1.57 percent.

NOTE 4

OPERATING SEGMENTS

Nyfosa's operations comprise one operating segment, that is to say, Nyfosa's operations comprise a business that generates income and expenses and whose operating profit is regularly assessed by the company's chief operating decision maker as a basis for monitoring earnings and allocating resources.

NOTE 5

TAX

The Group's effective tax rate for the interim period was 8.9 percent (14.6). The deviation from the nominal tax rate of 20.6 percent was due to the profit from participations in joint ventures comprising profit after tax, and thus did not constitute taxable income for Nyfosa, but was also due to any non-taxable capital gains on the divestment of properties via companies, and valuations of loss carryforwards.

Deferred tax is to include temporary differences on all assets and liabilities, except for temporary differences on properties on the closing date since the acquisition is an asset acquisition. There is a total temporary difference of MSEK 14,765 in the Group that is not included.

Reconciliation of effective tax, MSEK	%	2022
Profit/loss before tax		1,859
Tax according to applicable tax rate for Parent Company	-20.6	-383
Non-deductible costs and tax-exempt income	2.2	40
Profit from participations in joint ventures	6.6	122
Capitalization and utilization of loss carryforwards not capitalized in prior years	4.1	76
Non-taxable sales of properties	2.0	38
Other	-3.1	-58
Recognized effective tax	-8.9	-165

NOTE 6

EARNINGS PER SHARE

Nyfosa currently has three long-term incentive programs based on warrants. A description of the warrants programs is provided in Note 8 on page 102 of the 2021 Annual Report and in the report from the 2022 Annual General Meeting, see <https://nyfosa.se/en/report-from-nyfosa-abs-annual-general-meeting-on-april-19-2022/>. The number of warrants outstanding at the end of the year is presented in the table below.

During the third quarter, the Board offered to repurchase all outstanding warrants on the 2019/2023 warrants program for market-based cash consideration of SEK 13.96 per option. Holders who decide not to accept the offer will remain in the program with no changes to the terms and conditions.

The repurchase is for 1,064,300 warrants and total proceeds of MSEK 14 were generated, which were paid in October 2022.

The dilution from the existing warrants program amounted to 0.1 percent for the period.

Reconciliation of warrants	LTIP2019 Dec 31, 2022	LTIP2021 (I) Dec 31, 2022	LTIP2021 (II) Dec 31, 2022	LTIP2022 Dec 31, 2022	Total
Warrants outstanding at beginning of year	1,304,300	325,241	325,241	-	1,954,782
Warrants subscribed	-	-	-	422,150	422,150
Warrants repurchased	-1,064,300	-	-	-	-1,064,300
Warrants utilized	-	-	-	-	-
Warrants outstanding at end of the period	240,000	325,241	325,241	422,150	1,312,632

NOTE 7

EXPOSURE TO EXCHANGE RATE FLUCTUATIONS

Nyfosa has invested in properties in the Finnish and Norwegian markets. Balance-sheet items in other currencies are translated to SEK and gave rise to a translation difference of MSEK 269 (9) on the balance-sheet date, which is recognized in Other comprehensive income.

Exposure to exchange rate fluctuations is managed by financing acquisitions of assets in foreign currency raising borrowings in the same currency. Net assets in foreign currency amounted to MEUR 336 and the share of equity in joint ventures including receivables from joint ventures to MNOK 155 on December 31, 2022.

Sensitivity analysis currency exposure

December 31, 2022

Earnings effect of exchange rate fluctuations, MSEK	Change, %	2022
SEK/EUR	+/-10%	+/-374
SEK/NOK	+/-10%	+/-17

NOTE 8

FAIR VALUE OF FINANCIAL INSTRUMENTS

Nyfosa measures its financial instruments at fair value or amortized cost in the statement of financial position, depending on the classification of the instrument. Financial instruments encompass rent receivables, which are recognized under current receivables in the statement of financial position, derivatives, cash and cash equivalents among assets, interest-bearing liabilities and accounts payable, which are recognized under other current liabilities in the statement of financial position. All derivatives are classified in Level 2 according to IFRS 13 and are measured at their fair value in the statement of financial position. Nyfosa has binding framework agreements for derivative trading (ISDAs), which enable Nyfosa to offset financial liabilities against financial assets in the event of the insolvency of a counterparty of other event, a process known as netting. No netting currently takes place.

The table below presents the fair value of the Group's derivatives, which is reflected in the statement of financial position. The carrying amount of accounts receivable, other receivables, cash and cash equivalents, accounts payable and other liabilities provides a reasonable approximation of the fair value.

Fair value, MSEK	Dec 31	
	2022	2021
Derivatives with positive values	372	22
Derivatives with negative values	-	-

NOTE 9

FINANCING

For information regarding changes in loans, interest rates and credit terms, refer to the Financing section of this year-end report.

NOTE 10

EQUITY

On December 31, 2022, Nyfosa's share capital amounted to MSEK 96, distributed among 191,022,813 shares with a quotient value of SEK 0.5 per share. According to the Articles of Association, the share capital shall amount to not less than MSEK 80 and not more than MSEK 320, distributed among not fewer than 160,000,000 shares and not more than 640,000,000 shares. The share capital in Nyfosa AB changed according to the table.

Date	Change in share capital (SEK)	Change number of shares	Share capital after change (SEK)	Number of shares after change
Oct 17, 2017	-	-	50,000.00	500
May 21, 2018	-	99,500	50,000.00	100,000
May 21, 2018	78,814,124.50	157,628,249	78,864,124.50	157,728,249
Aug 21, 2018	5,000,000.00	10,000,000	83,864,124.50	167,728,249
Feb 17, 2020	3,231,412.00	6,462,824	87,095,536.50	174,191,073
March 9, 2020	5,155,000.00	10,310,000	92,250,536.50	184,501,073
June 9, 2021	3,260,870.00	6,521,740	95,511,406.50	191,022,813

Hybrid bonds

Nyfosa has hybrid bonds outstanding of a total of MSEK 763 under a framework of MSEK 2,000. Hybrid bonds of MSEK 37 were repurchased during the year. The hybrid bonds are perpetual and Nyfosa governs the payment of interest and the principal of the instruments, which is why they are classified as equity instruments under IAS 32. Issue costs and tax attributable to issue costs and interest to the hybrid bond holders are recognized directly in equity. The bonds have a floating interest rate of 3M STIBOR + 475 basis points per annum until the first call date of November 18, 2025.

NOTE 11

RELATED PARTIES

During the year, an agreement was signed to divest a portfolio of 13 properties to the company Emilshus. Since the Chairman of Nyfosa's Board is also the Chairman of Emilshus, he did not participate in the decision regarding this transaction.

The Group owns participations in joint ventures, refer to relevant section of this interim report. Söderport is managed by AB Sagax, except for property management which is managed by Nyfosa. Samfosa is managed by its own organization and some personnel from the part-owner Samfunnsbyggeren AS.

Property management fees between the companies are based on market terms. Nyfosa's fee totals MSEK 3 per year. The Group had receivables of MSEK 29 from joint ventures on December 31, 2022. The terms of the loan are market-based and stipulated in a promissory note between the parties.

Nyfosa signed a consultancy agreement with Board member Jens Engwall during the year. His assignment under the agreement was to provide advisory services, in the first instance to the company's CEO, and also to serve as the company's Board member in Söderport Property Investment AB and Torslanda Property Investment AB. The agreement came into effect on March 1, 2021 and expired on December 31, 2022. An annual fee of MSEK 1 was paid.

NOTE 12

SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

No significant events have occurred after the end of the year.

THE SHARE

The share

Nyfosa's share has been listed on Nasdaq Stockholm Large Cap since November 2018.

The volume weighted average price of the Nyfosa share on the last day of trading of the year, December 30, 2022, was SEK 81.52, which corresponded to a market capitalization of approximately MSEK 15,572.

Shareholders

At the end of the year, Nyfosa had 17,985 shareholders, of which Swedish investors, institutions and private individuals owned 75.5 percent of the shares and voting rights, and the remaining shares and votes were owned by foreign shareholders.

The ten largest owners jointly controlled 60.2 percent of the share capital and voting rights. The table presents Nyfosa's largest shareholders on December 31, 2022, based on information from Modular Finance Monitor.

SPECIFICATION OF SHAREHOLDERS

Shareholders	Number of shares	Percentage share	
		Capital, %	Votes, %
AB Sagax	40,673,224	21.3	21.3
Länsförsäkringar Funds	18,304,964	9.6	9.6
Swedbank Robur Funds	12,889,761	6.8	6.8
Lannebo Fonder	8,598,231	4.5	4.5
SEB Funds	7,561,525	4.0	4.0
Handelsbanken Funds	7,390,520	3.9	3.9
BlackRock	6,498,818	3.4	3.4
Jens Engwall	4,903,915	2.6	2.6
Kåpan Pensioner	4 880,014	2.6	2.6
Fourth Swedish National Pension Fund	3,370,393	1.8	1.8
Total ten largest owners	110,679,365	60.2	60.2
Other shareholders	80,343,448	39.8	39.8
Total	191,022,813	100.0	100.0

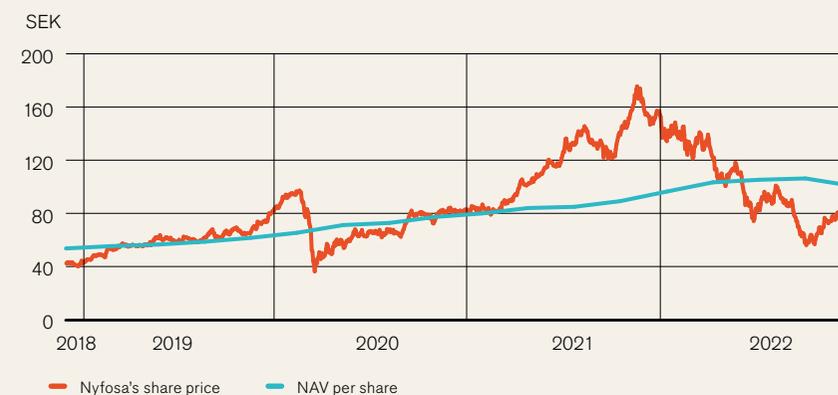
Source: Modular Finance Monitor

SHARE PERFORMANCE



Source: Nasdaq Stockholm

NAV PER SHARE



OTHER DISCLOSURES

Organizational profile

Nyfosa's organization comprises 82 people, who work with property management, transaction operations, Group-wide administrative services and services specific to the listed Parent Company. Relevant services are provided to the subsidiaries in the Nyfosa Group through internal service level agreements. The property portfolio is primarily managed by the company's own personnel, but also by well-established partners, from nine property management offices in Sweden and three property management offices in Finland.

Extraordinary General Meeting in November 2022

Nyfosa held an Extraordinary General Meeting on November 15, 2022. In accordance with the proposal of the Board, the Meeting resolved to authorize the Board, on one or more

occasions for the period until the end of the next Annual General Meeting, to resolve to acquire a maximum number of ordinary shares of Class A so that the company holds a maximum of 10 percent of all shares in the company at any time following the acquisition.

2023 Annual General Meeting

Nyfosa's 2023 Annual General Meeting will be held at Fotografiska museet in Stockholm on April 25, 2023. For more information about the AGM, visit www.nyfosa.se.

Proposed dividends

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.

Assurance from the CEO

The CEO gives his assurance that this year-end report provides a fair review of the company's and the Group's operations, financial position and earnings, and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Nacka, February 16, 2023
Nyfosa AB (Corp. Reg. No. 559131-0833)

Stina Lindh Hök
CEO

FINANCIAL CALENDAR

Interim report January–March 2023	April 25, 2023
2022 Annual Report	March 31, 2023
2023 Annual General Meeting	April 25, 2023
Interim report January–June 2023	July 11, 2023
Interim report January–September 2023	October 26, 2023

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This year-end report is unaudited.

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.

RECONCILIATION OF KEY FIGURES

PROFIT FROM PROPERTY MANAGEMENT

	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019
Profit before tax, MSEK	1,859	3,644	2,399	1,576
Changes in value of properties, MSEK	439	-1,652	-1,063	-472
Changes in value of financial instruments, MSEK	-345	-19	-1	7
Changes in value of tax and other items in Share in profit of joint ventures, MSEK	-420	-670	-187	-298
Profit from property management, MSEK	1,533	1,302	1,147	814
Interest on hybrid bonds, MSEK	-43	-4	0	0
Adjusted profit from property management, MSEK	1,490	1,298	1,147	814
Average number of shares, millions	191	188	182	168
Profit from property management per share, SEK	7.80	6.90	6.32	4.85

INTEREST-COVERAGE RATIO

	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019
Profit before tax, MSEK	1,859	3,644	2,399	1,576
Changes in value of properties, MSEK	439	-1,652	-1,063	-472
Changes in value of financial instruments, MSEK	-345	-19	-1	7
Share in profit of joint ventures, MSEK	-672	-888	-404	-491
Dividends received from participations in joint ventures, MSEK	335	332	300	200
Depreciation of equipment, MSEK	2	1	1	0
Financial expenses, MSEK	678	446	357	195
Adjusted profit before tax, MSEK	2,296	1,864	1,587	1,016
Interest-coverage ratio, multiple	3.4	4.2	4.5	5.2

DISTRIBUTABLE CASH FLOW

	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019
Profit before tax, MSEK	1,859	3,644	2,399	1,576
Changes in value of properties, MSEK	439	-1,652	-1,063	-472
Changes in value of financial instruments, MSEK	-345	-19	-1	7
Share in profit of joint ventures, MSEK	-672	-888	-404	-491
Dividends received from participations in joint ventures, MSEK	335	332	300	200
Depreciation of equipment, MSEK	2	1	1	0
Allocated arrangement fees for loans, MSEK	69	48	35	0
Income tax paid, MSEK	-54	-29	-11	-27
Interest on hybrid bonds, MSEK	-37	0	0	0
Distributable cash flow, MSEK	1,596	1,436	1,254	793
Average number of shares, millions	191	188	182	168
Distributable cash flow per share, SEK	8.35	7.64	6.91	4.73

LOAN-TO-VALUE RATIO AND NET LOAN-TO-VALUE RATIO

	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019
Interest-bearing liabilities, MSEK	24,033	21,045	17,055	11,282
Property value, MSEK	40,446	37,147	29,411	19,602
Loan-to-value ratio, %	59.4	56.7	58.0	57.6
Cash and cash equivalents, MSEK	691	534	312	588
Net loan-to-value ratio, %	57.7	55.2	56.9	54.6

EQUITY/ASSETS RATIO

	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019
Equity, MSEK	18,416	17,268	13,333	9,781
Total assets, MSEK	45,335	40,626	31,907	22,201
Equity/assets ratio, %	40.6	42.5	41.8	44.1

NET ASSET VALUE

	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Equity attributable to Parent Company shareholders, MSEK	18,378	17,236	13,333	9,781
Hybrid bonds, MSEK	-763	-800	0	0
Deferred tax, MSEK	1,333	1,252	760	627
Derivatives, MSEK	-372	-22	-3	-2
Deferred tax in joint ventures, 50%, MSEK	751	596	544	454
Derivatives in joint ventures, 50%, MSEK	-76	62	110	104
NAV, MSEK	19,250	18,325	14,744	10,965
Number of shares, millions	191	191	185	168
NAV per share, SEK	100.78	95.93	79.91	65.37
NAV, MSEK	19,250	18,325	14,744	10,965
Add-back of deferred tax, MSEK	-1,333	-1,252	-760	-627
Estimated actual deferred tax, MSEK ¹	576	541	341	98
Add-back of deferred tax in JV, Nyfosa's share, MSEK	-751	-596	-544	-454
Estimated actual deferred tax in JV, Nyfosa's share, MSEK ¹	142	126	119	100
Adjusted NAV, MSEK	17,885	17,144	13,900	10,082
Number of shares, millions	191	191	185	168
Adjusted NAV per share, SEK	93.63	89.76	75.33	60.11

¹) Assumptions include that loss carryforwards are expected to be used in the next five years with nominal tax of 20.6 percent. The property portfolio is expected to be realized over 50 years when the entire portfolio will be indirectly sold via companies and the purchaser's deduction for deferred tax is 7 percent. The discount rate was 3 percent. The calculation as per December 31, 2018 is not presented.

EQUITY

	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Equity attributable to the Parent Company's shareholders, MSEK	18,378	17,236	13,333	9,781
Hybrid bonds, MSEK	-763	-800	0	0
Adjusted equity, MSEK	17,615	16,436	13,333	9,781
Number of shares, millions	191	191	185	168
Equity per share, SEK	92.22	86.04	72.27	58.32

RETURN ON EQUITY

	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019
Profit attributable to Parent Company shareholders, MSEK	1,689	3,112	2,225	1,382
Interest to hybrid bond holders, MSEK	-43	-4	0	0
Adjusted profit for the year, MSEK	1,646	3,107	2,225	1,382
Average equity attributable to Parent Company shareholders, MSEK	17,807	15,285	11,557	9,087
Average hybrid bonds, MSEK	-781	-400	0	0
Adjusted equity, MSEK	17,026	14,885	11,557	9,087
Return on equity, %	9.7	20.9	19.3	15.2

DEFINITIONS

Adjusted NAV¹⁾

Equity, attributable to the Parent Company's shareholders, less hybrid bonds and with add-back of derivatives and adjusted for actual deferred tax liabilities instead of nominal deferred tax in both the Group and Nyfosa's participations in joint ventures.

Purpose: To show the fair value of net assets from a long-term perspective but under the assumption that assets are traded. Accordingly, assets and liabilities in the statement of financial position that are not adjudged to be realized, such as the fair value of derivatives, are excluded but the market value of deferred tax is included. The corresponding items in the company's participations in joint ventures are also excluded from the performance measure.

Debt/equity ratio, multiple¹⁾

Interest-bearing liabilities as a percentage of equity.

Purpose: The debt/equity ratio is a measure of financial risk that shows the company's capital structure and sensitivity to movements in interest rates.

Distributable cash flow¹⁾

Profit before tax excluding non-cash items in the earnings measure, such as changes in the value of properties and financial instruments, share in profit of joint ventures, depreciation of equipment, allocated opening charges for loans, including dividends received from holdings in joint ventures and tax paid, less interest on hybrid bonds.

Purpose: The performance measure shows the amount of cash flow generated by the existing property portfolio under the company's management.

Earnings per share

Profit after tax attributable to the Parent Company's shareholders less interest on hybrid bonds in relation to average number of shares outstanding.

Economic occupancy rate

Income before rent discounts as a percentage of the rental value at the end of the period.

Purpose: The performance measure facilitates the assessment of rental income in relation to the total value of the leased and unleased floor space.

Equity/assets ratio¹⁾

Equity as a percentage of total assets.

Purpose: To show how large a share of the company's assets is financed by equity and has been included to enable investors to be able to assess the company's capital structure.

Equity per share¹⁾

Equity, attributable to the Parent Company's shareholders less hybrid bonds, according to the statement of financial position, in relation to the number of shares outstanding on the balance-sheet date.

Purpose: The performance measure shows how large a share of the company's recognized equity each share represents.

Interest-coverage ratio¹⁾

Profit before tax with add-back of depreciation/amortization, financial expenses, changes in the value of properties and financial instruments in the Group and share in profit of joint ventures, including dividends received from holdings in joint ventures, in relation financial expenses.

Purpose: The interest-coverage ratio is a measure of financial risk that shows how many times the company can pay its interest charges with its profit from operational activities.

Interest-rate cap

An interest hedging instrument whereby the lender pays a variable interest up to a predetermined interest-rate level. The aim of interest-rate caps is to reduce interest-rate risk.

Leasable area

The total premises area that can potentially be leased.

Purpose: Shows the total area that the company can potentially lease.

Loan-to-value ratio, properties¹⁾

Interest-bearing liabilities at the end of the period in relation to the value of the properties (in the statement of financial position).

Purpose: The loan-to-value ratio is a measure of risk that indicates the degree to which the operation is encumbered with interest-bearing liabilities. The performance measure provides comparability with other property companies.

NAV¹⁾

Equity, attributable to the Parent Company's shareholders, less hybrid bonds and with add-back of derivatives and deferred tax liabilities in both the Group and Nyfosa's participations in joint ventures.

Purpose: To show the fair value of net assets from a long-term perspective. Accordingly, assets and liabilities in the statement of financial position that are not adjudged to be realized, such as the fair value of derivatives and deferred taxes, are excluded. The corresponding items in the company's participations in joint ventures are also excluded from the performance measure.

Net leasing

Signed new leases for the period less terminations and bankruptcies.

Net loan-to-value ratio, properties¹⁾

The net of interest-bearing liabilities and cash and cash equivalents at the end of the period as a percentage of the fair value of the properties in the statement of financial position.

Purpose: The net loan-to-value ratio is a measure of financial risk that indicates the degree to which the operation is encumbered with interest-bearing liabilities, but taking into account bank balances. The performance measure provides comparability with other property companies.

¹⁾ Refers to alternative performance measures according to the European Securities and Markets Authority (ESMA).

Net operating income¹⁾

Net operating income comprises the income and expense directly connected to the property, meaning rental income and the expenses required to keep the property in operation, such as operating expenses, maintenance costs and personnel costs for those who take care of the property and tenant contacts.

Purpose: The measure is used to provide comparability with other property companies, but also to illustrate operational performance.

Profit from property management¹⁾

Profit from property management comprises profit before tax with add-back of changes in the value of properties and financial instruments in the Group and add-back of changes in value of tax and other items in share in profit of joint ventures.

Profit from property management¹⁾ per share

Profit from property management less interest on hybrid bonds in relation to average number of shares outstanding.

Property

Properties held under title or site leasehold.

Property value

The carrying amount of investment properties according to the statement of financial position at the end of the period.

Purpose: The performance measure facilitates better understanding of the value development in the property portfolio and the company's statement of financial position.

Rental income

Rent charged including indexation and additional charges for investments and property tax.

Rental value

Rental income before rent discounts for leased areas and assessed market rent for the vacant floor space.

Purpose: The performance measure facilitates assessment of the total potential rental income since the assessed market rent for vacant floor space is added to the rental income charged.

Return on equity

Profit for the most recent 12-month period less interest on hybrid bonds in relation to average equity, attributable to the Parent Company's shareholders and adjusted for average hybrid bonds, during the same period.

Purpose: The performance measure shows the return generated on the capital attributable to shareholders.

Revolving credit facility

An agreement between a lender and a borrower that gives the borrower the right to use funds for a certain period of time and up to a certain amount, and repay at its own discretion before a certain date.

Service income

Fee charged for such services as electricity, heating, cooling, waste, snow clearing, water, etc.

Surplus ratio¹⁾

Net operating income for the period as a percentage of total income.

Purpose: The surplus ratio shows the percentage of each Swedish krona earned that the company can keep. The performance measure is an indication of efficiency that is comparable over time and among property companies.

Vacancy rent

Assessed market rent for vacant floor space.

Purpose: The performance measure states the potential rental income when all floor space is fully leased.

Yield¹⁾

Net operating income according to earnings capacity in relation to the fair value of the properties on the balance-sheet date.

Purpose: The performance measure indicates the yield from operational activities in relation to the properties' value.

¹⁾ Refers to alternative performance measures according to the European Securities and Markets Authority (ESMA).



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