

# **Welcome to the presentation of Neobo's Year-End Report Jan-Dec 2023**

**Stockholm  
February 14<sup>th</sup> 2024**

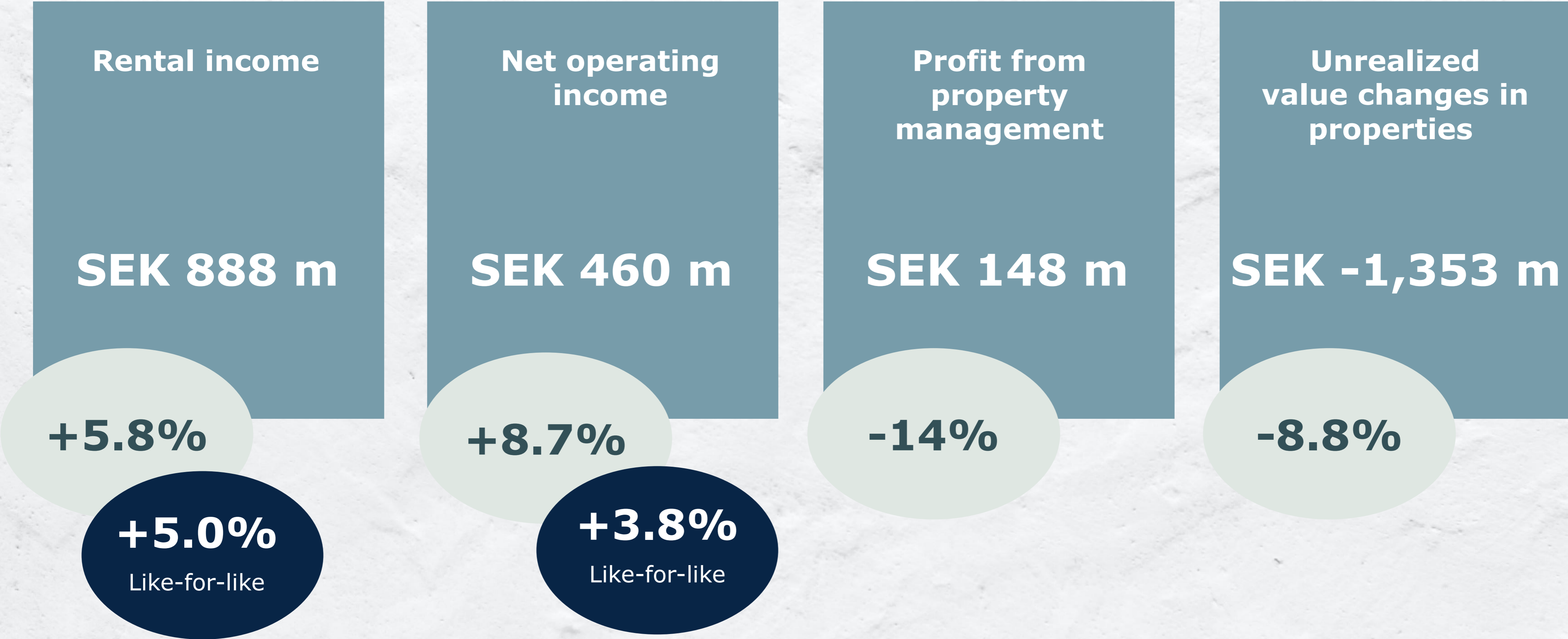


**neobo**

**Ylva Sarby Westman**  
**CEO Neobo**



# Continued positive trend in NOI



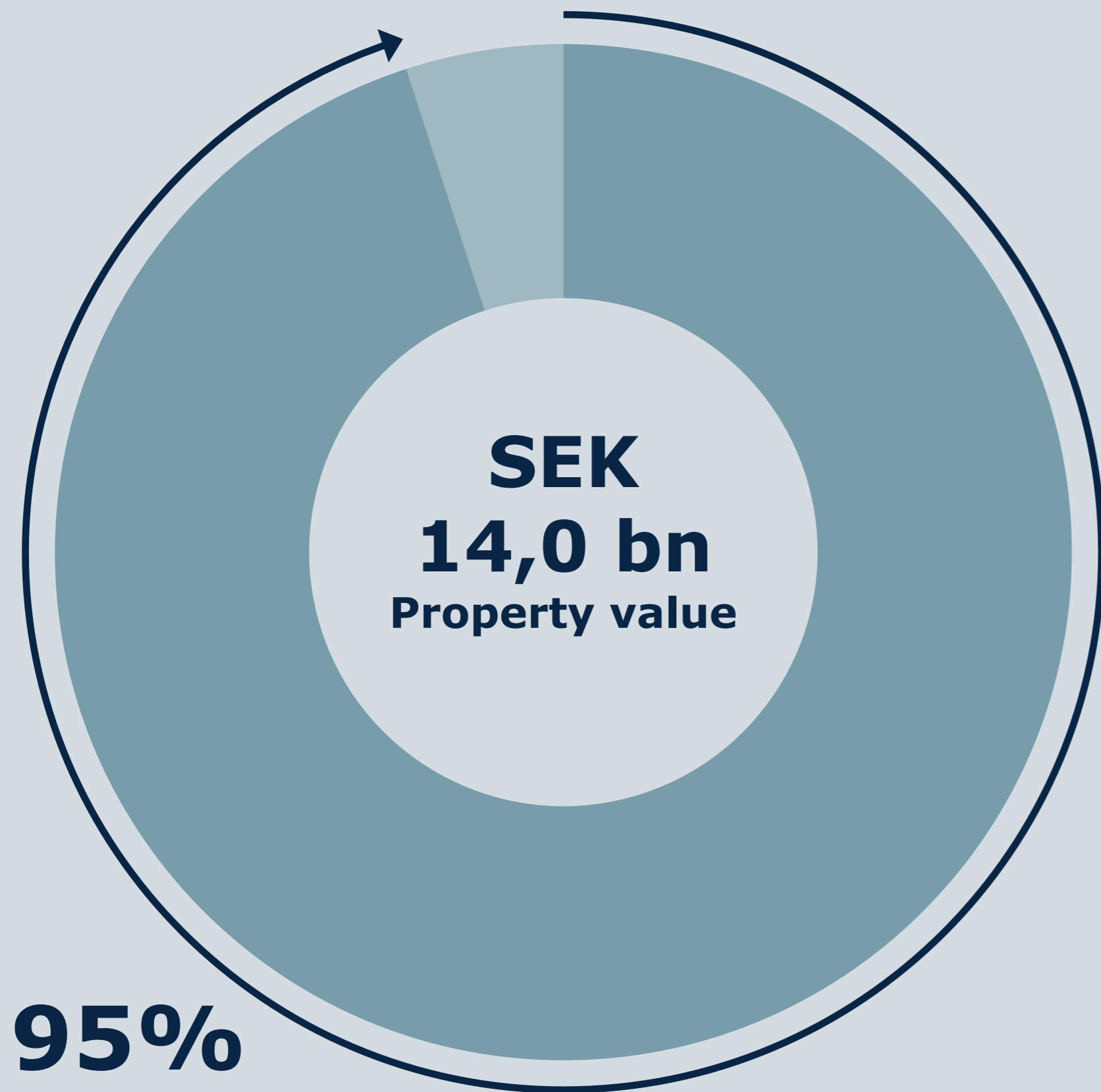


# Company and market overview

***We create attractive  
and sustainable  
living environments  
where people can thrive  
and feel secure***



# Neobo – a residential focused company

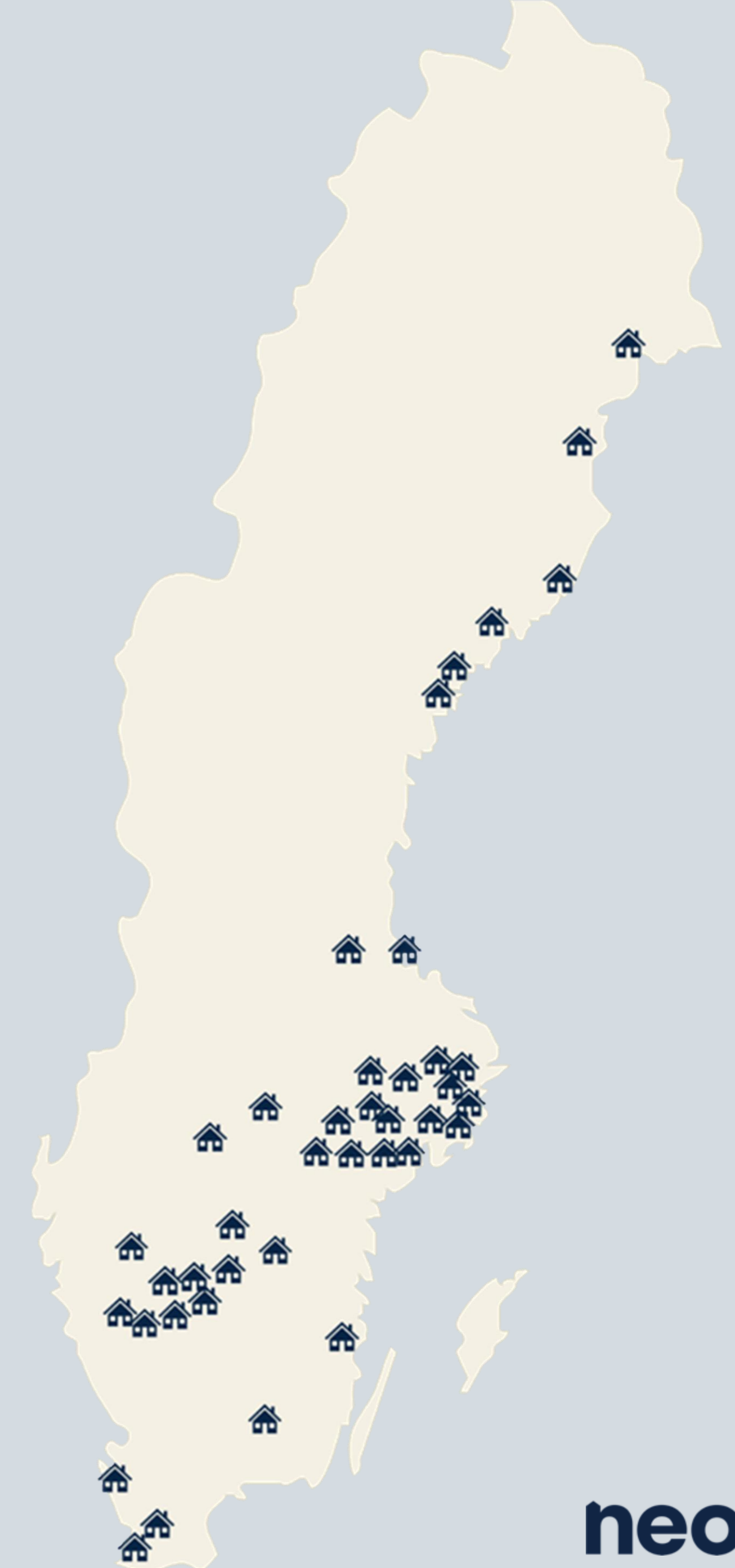


**95%**  
Residential properties

Number of properties  
**267**

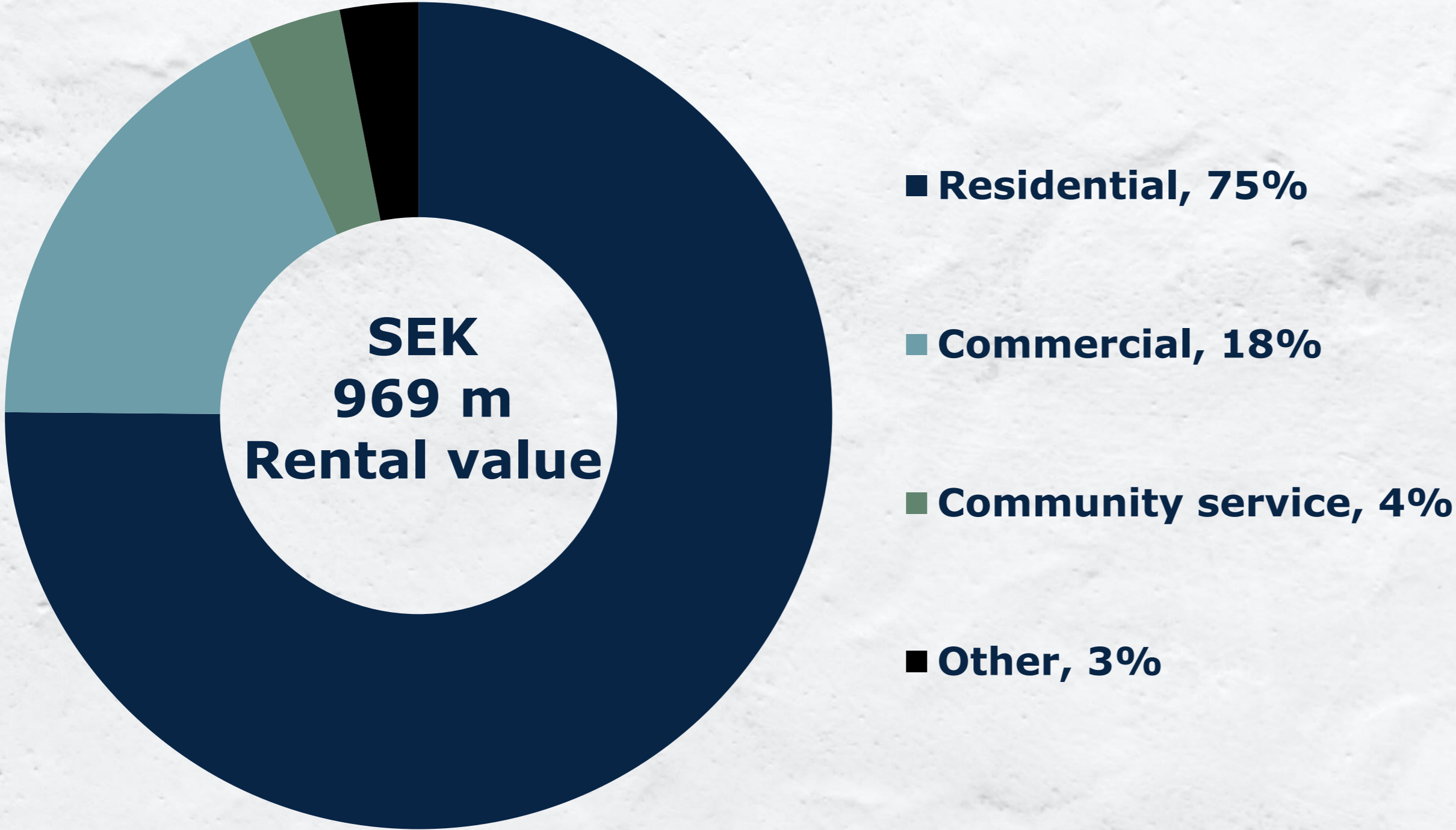
Number of apartments  
**8,400**

Lettable area (sq.m.)  
**713,000**



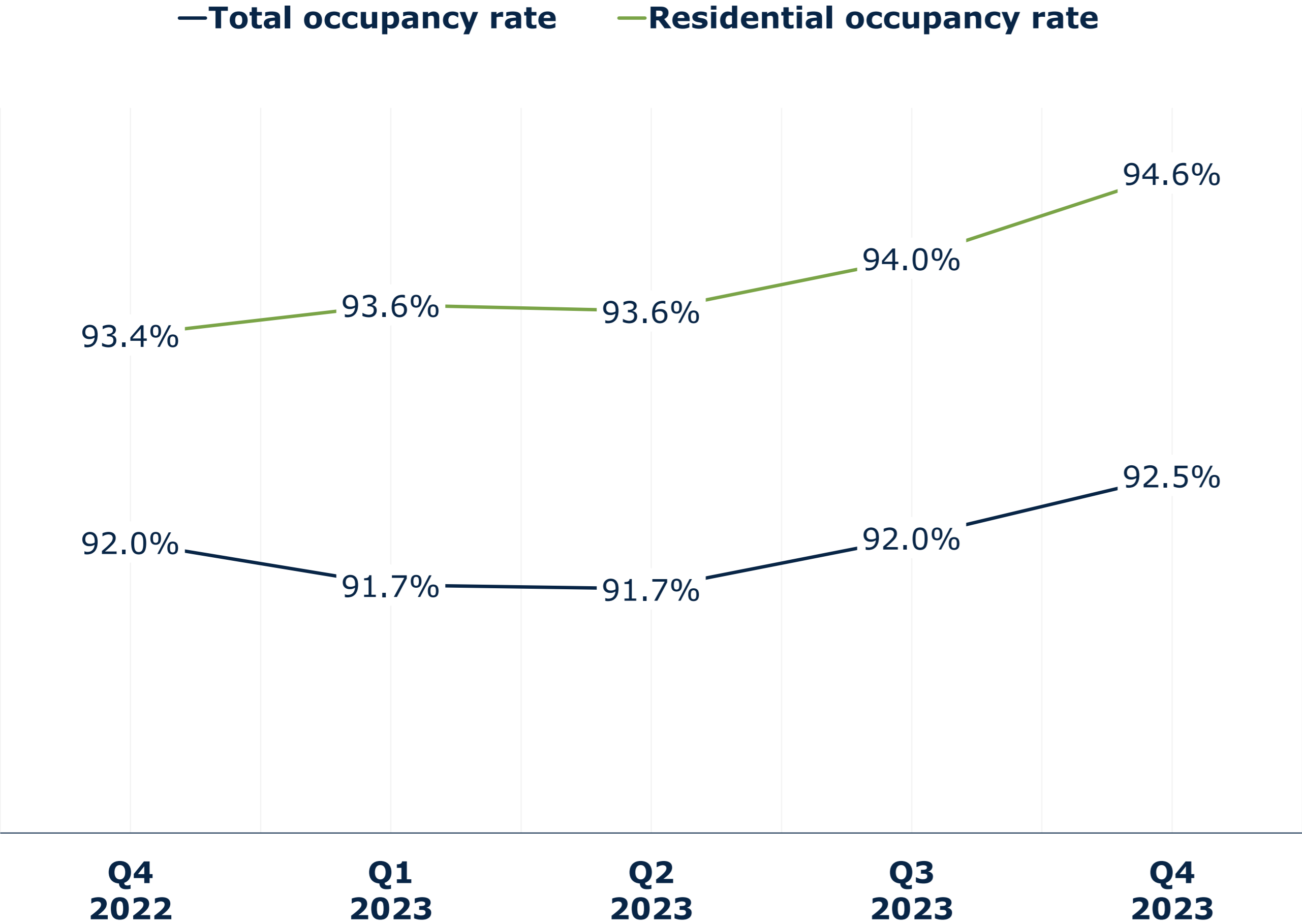
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# Rental value up with 4.9%



**Total rental value for  
residential has  
increased with 4.5%  
during the year**

# Increasing occupancy rate and positive trend



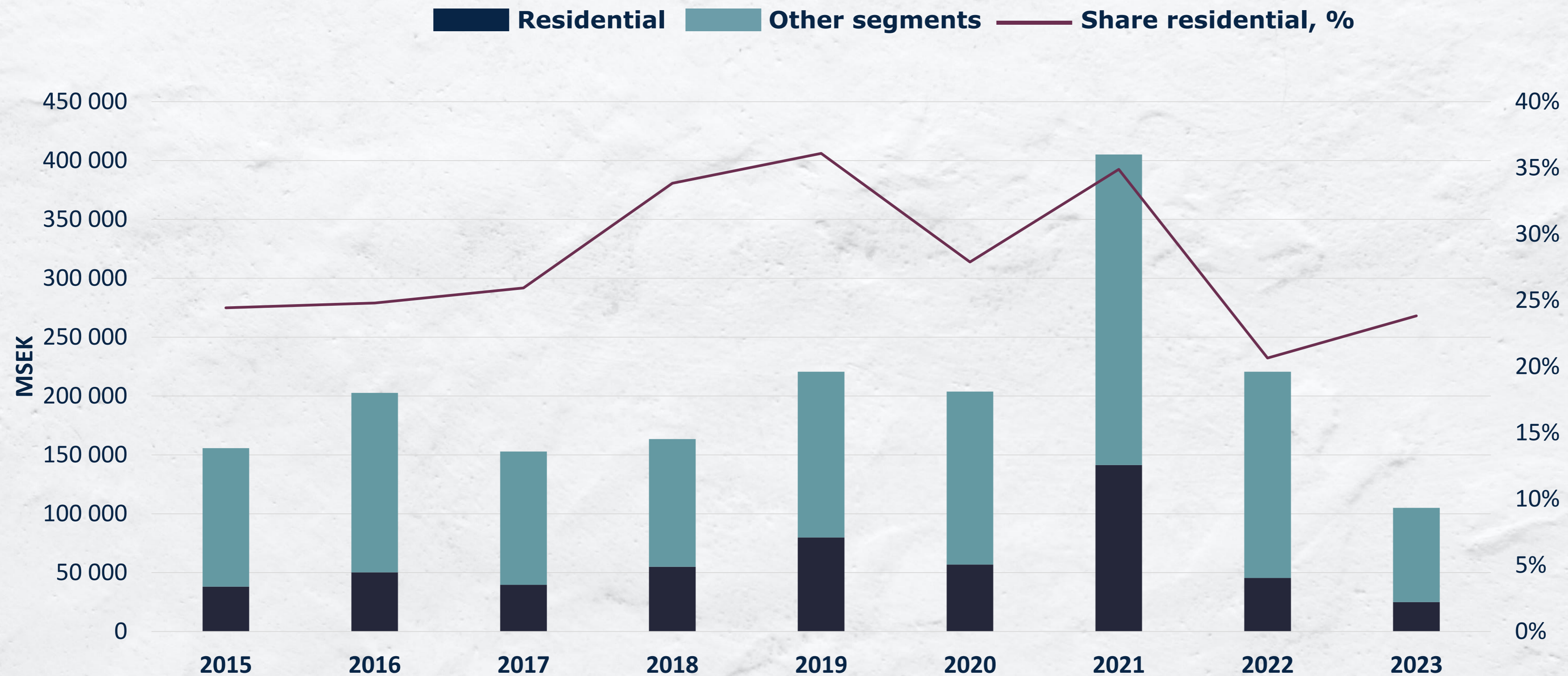
**Residential occupancy rate has improved by 1.2 percentage points during the year**



# Strong demand for rental apartments

- **Low market vacancy in rental apartments**
- **Housing deficit in majority of municipalities**
- **Historically low level of new constructions**

# Transaction volume decreased by 52%



Source: Savills

# Sustainability strategy – sustainability aspects

## A SUSTAINABLE NEOBO

### SUSTAINABLE LIVING ENVIRONMENTS

Attractive and sustainable living environments where people can thrive and feel secure

### CORPORATE SOCIAL RESPONSIBILITY

Consideration and respect for employees, tenants, investors and the society in which we operate

*Safe homes & neighborhoods*

*Energy efficiency & renewable energy*

*Material use & waste*

*Contaminants*

*Terms of employment*

*Diversity & equality*

*Risk of corruption & conflicts of interest*

*Human rights & terms of employment in the value chain*

*Water use*

*Climate change adaptation*

*Climate emissions*

*Biodiversity*

# Value creating investments of SEK 177 m

**Renovation of  
apartments**

**Sustainability  
investments**

**Investments to  
increase customer  
satisfaction**



# Financial performance and key figures

# Result Jan – Dec 2023

Amounts in SEK m	2023-01-01	2022-01-01
	2023-12-31	2022-12-31
Rental income	+5.0% Like-for-like 888	839
Property management costs	-429	-416
<b>Net operating income</b>	460	+3.8% Like-for-like 423
Central administration	-88	-79
<b>Profit before financial items</b>	372	344
Net financial items	-224	-172
<b>Profit from property management</b>	148	172



# Earnings capacity

SEK m	1 January 2024	1 October 2023	1 July 2023	1 April 2023	1 January 2023
Rental value	969	959	956	948	924
Vacancy	-73	-76	-80	-79	-74
<b>Rental income</b>	<b>896</b>	<b>883</b>	<b>877</b>	<b>869</b>	<b>850</b>
Property management costs	-390	-380	-365	-365	-365
Property tax	-24	-24	-24	-24	-23
<b>Net operating income</b>	<b>482</b>	<b>479</b>	<b>488</b>	<b>480</b>	<b>462</b>
Central administration	-55	-55	-50	-50	-50
Net financial items	-250	-231	-227	-222	-190
<b>Profit from property management</b>	<b>177</b>	<b>192</b>	<b>211</b>	<b>208</b>	<b>222</b>
Net initial yield, %	<b>3.5</b>	3.4	3.3	3.2	3.0



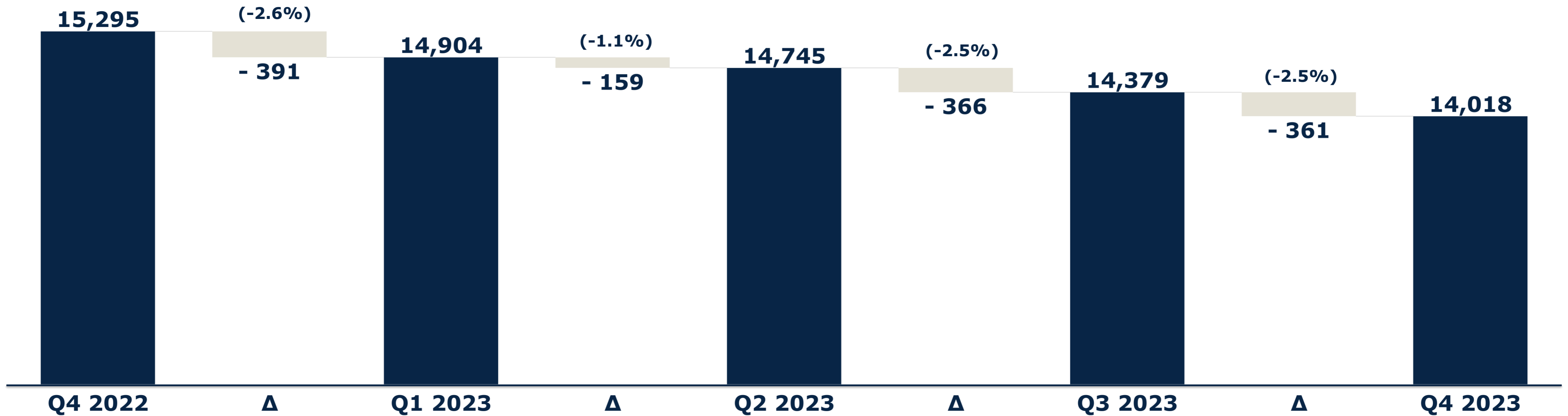
Sovsäckan 2 – Luleå

# Property value decreased by 8.3%

■ Market Value, SEK m

Valuation yield on average

- Q4 2023: 4.7%
- Q4 2022: 4.1%





# Neobo has a strong financial position

## Key debt highlights as of December 2023

**50.2%**  
Loan-To-Value

**3.3y**  
Average debt duration

**3.4%**  
Average interest

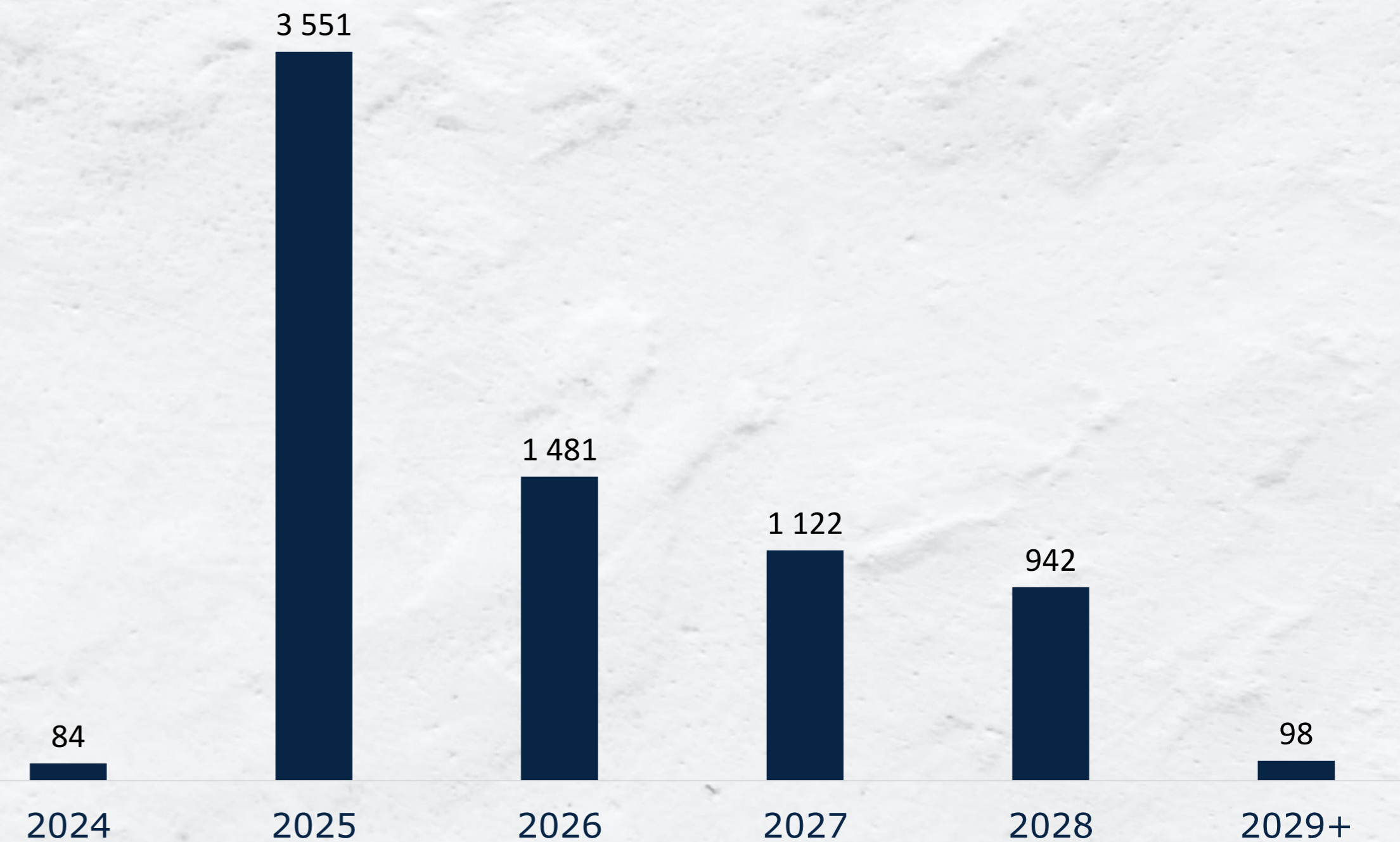
**2.2y**  
Avg. fixed rate period

**74%**  
Hedge ratio

**1.7x**  
Interest Coverage Ratio

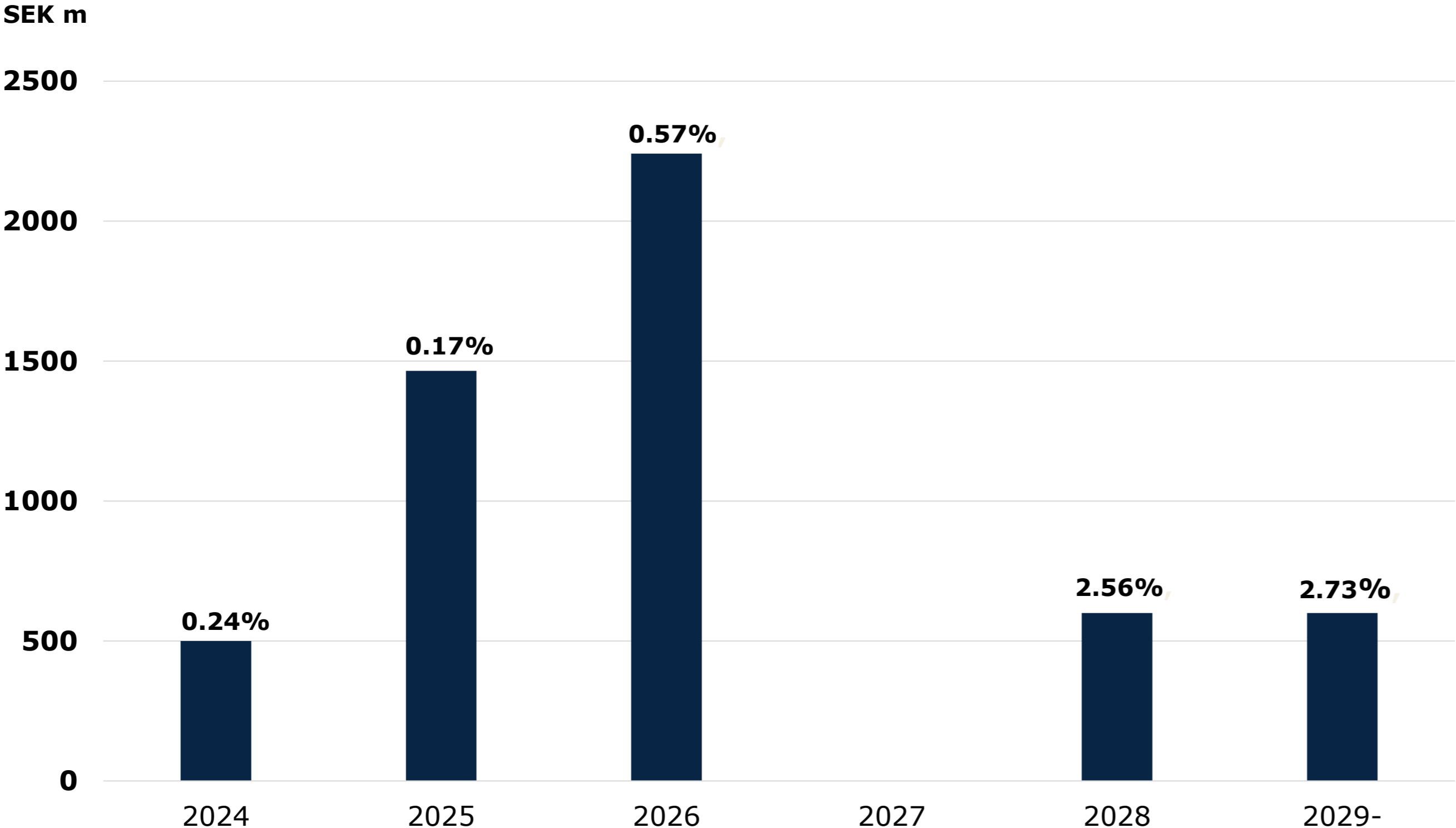
## Debt maturity overview

SEK m



# Interest rate derivatives

## Maturity structure and average interest rate in swap portfolio



**SEK 5,4 bn**  
Aggregated nominal value

**0.89%**  
Average interest rate

# Our largest shareholders

As of January 31, 2024

Shareholder	No. of shares	Percentage of share capital and voting right
ICA-handlarnas Förbund	15,000,000	10.3%
Martin Olof Brage Larsén	13,228,680	9.1%
Avanza Pension	11,200,767	7.7%
Arvid Svensson Invest	6,664,412	4.6%
Sven-Olof Johansson	5,500,000	3.8%
Länsförsäkringar Fonder	5,012,449	3.5%
Nordnet Pensionsförsäkring	4,811,760	3.3%
Futur Pension	3,195,545	2.2%
ÖstVäst Capital Management	3 080 200	2.1%
Gösta Welandson	2,620,848	1.8%
Others	75,086,076	51.6%
<b>Total</b>	<b>145,400,737</b>	<b>100%</b>



Source: Modular Finance AB

# Key take aways

- Residential occupancy rate improved by 1.2 percentage points during the year
- Continued positive development of rental income, +5.0% in like-for-like portfolio and positive outlook
- Average fixed rate period prolonged to 2.2 years, in a market situation with falling long-term interest rates
- Foundation in place for value creation going forward

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Questions are welcome!



# Contact information

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