

Progress report Q4 2022

Issuer:	Patriam Invest AB
Progress report period:	Q4 2022
Info:	Volume (frame): SEK 400M (SEK 1 500M) Maturity (due date): 36 months – 28 months left
Status permit/agreements:	<p>Patriam Torsvik</p> <ul style="list-style-type: none">• Zoning plan: Yes• Building permit: Yes• Contractor agreement: Part 1 and Part 2, including total production. <p>Comments:</p> <ul style="list-style-type: none">- All the building permits are accepted for the Torsvik project. No other authority requirements need to be approved in the project. <p>Patriam Lilla Essingen – Primus 4</p> <ul style="list-style-type: none">• Zoning plan: Yes• Building permit: Design of building permit is ongoing in final stage.• Contractor agreement: Yes, for the initial groundwork. Procurement of building contractor is ongoing <p>Comments:</p> <ul style="list-style-type: none">- Project planning is progressing according to plan. Program documentation was established during Q4 2022 and is currently under review from the project group.- Appliance for building permit for the project will according to plan be sent to the municipality of Stockholm for review during Q1 2022. <p>Patriam Lilla Essingen – Primus 6</p> <ul style="list-style-type: none">• Zoning plan: Yes• Building permit: No• Contractor agreement: No

	<p>Comments:</p> <ul style="list-style-type: none"> - Project planning is ongoing and the project pilot study was completed during Q4 2022. <p>Project Linde Dialogue is ongoing with Stockholm municipality regarding the time schedule for zoning plan.</p> <p>Project Enebyborg Initiary start-pm for the new zoning plan will be presented for the Danderyd municipal board during Q1 2023.</p>												
<p>Status financials:</p>	<p>Patriam Torsvik</p> <ul style="list-style-type: none"> • Construction loan: Yes • Advance payments: Yes, SEK 19,2M. <p>Comments:</p> <ul style="list-style-type: none"> - Per year-end 2022, 42% of sales volume of are completed corresponding to SEK 192M in secured revenue. - In November Patriam received a total of 10% in advance payments from buyers of sold apartments amounting to SEK 19,2M. <p>Patriam Lilla Essingen – Primus 4</p> <ul style="list-style-type: none"> • Construction loan: Initial dialogue is ongoing with credit providers. • Advance payments: No <p>Comments:</p> <ul style="list-style-type: none"> - Project marketing launched in December and for now 650 interest applications have been received for the projects planned 14 apartments. - Pre-sale of apartments are planned to start in Q3 2023. - According to plan, building permit will be applied for in Q1 2023. <p>Patriam Lilla Essingen – Primus 6</p> <ul style="list-style-type: none"> • Construction loan: No • Advance payments: No <p>Comments:</p> <ul style="list-style-type: none"> - The project is in its early stages and information regarding planned pre-sale and building permit application will follow in the upcoming progress report. 												
<p>Project timeline: Actual vs plan</p>	<p>Patriam Torsvik</p> <table border="1" data-bbox="582 1921 1313 2033"> <thead> <tr> <th></th> <th>Actual</th> <th>Deviation</th> <th>Actual/new plan</th> </tr> </thead> <tbody> <tr> <td>Milestone 1</td> <td>2021-01-20</td> <td>None</td> <td>2021-01-20</td> </tr> <tr> <td>Milestone 2</td> <td>2021-05-15</td> <td>2 months</td> <td>2021-07-26</td> </tr> </tbody> </table>		Actual	Deviation	Actual/new plan	Milestone 1	2021-01-20	None	2021-01-20	Milestone 2	2021-05-15	2 months	2021-07-26
	Actual	Deviation	Actual/new plan										
Milestone 1	2021-01-20	None	2021-01-20										
Milestone 2	2021-05-15	2 months	2021-07-26										

Milestone 3	2021-07-31	4,5 months	2021-12-20
Milestone 4	2021-09-30	None	2021-09-30
Milestone 5	Q2 2022	None	Q2 2022
Milestone 6	Q2 2023	+ 1Q	Q3 2023

Comments on deviations:

- Construction follows the “new timeline” for Milestone 6 that was established in earlier progress report. The new timeline is a conscious decision where the move-in process has been given extra time to ensure a flawless experience for the buyers. The initial timeline was also too close to the Swedish summer vacation.

Definition of Milestones

Milestone 1 – Access (Jan 21)

Milestone 2 – Demolition start (May 21)

Milestone 3 – Building permit (Jul 21)

Milestone 4 – Construction- / sales start (Sep 21)

Milestone 5 – Foundation completed (Q2-22)

Milestone 6 – Move in (Q2-23)

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	Actual	Deviation	Actual/new plan
Milestone 1	2022-08-15	None	2022-08-15
Milestone 2	Q4 2022	None	Q4 2022
Milestone 3	Q2 2023	None	Q2 2023
Milestone 4	Q3 2023	None	Q3 2023
Milestone 5	TBD	N/A	TBD
Milestone 6	Q4 2024	None	Q4 2024

Comments on deviations:

The timeline for milestone 5 will be determined when contractor agreement is procured.

Definition of Milestones

Milestone 1 – Access (Q3 22)

Milestone 2 – Early groundwork (Q4 22)

Milestone 3 – Building permit (Q2 23)

Milestone 4 – Construction / Sales start (Q3 23)

Milestone 5 – Foundation completed (to be decided)

Milestone 6 – Move in (Q4 24)

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	Actual	Deviation	Actual/new plan
Milestone 1	2022-08-15	None	2022-08-15
Milestone 2	Q4 2022	+1Q	Q1 2023
Milestone 3	Q1 2024	None	Q1 2024
Milestone 4	Q3 2024	None	Q3 2024
Milestone 5	TBD	N/A	TBD
Milestone 6	Q4 2025	None	Q4 2025

	<p>Comments on deviations: The deviation for milestone 2 is related to ongoing discussions with other developers in the Primus area whether one or two separate garages are needed for the residential development. The timeline for milestone 5 will be determined when contractor agreement is procured.</p> <p>Definition of Milestones Milestone 1 – Access (Q3 22) Milestone 2 – Decision Garage (Q4 22) Milestone 3 – Building permit (Q1 24) Milestone 4 – Construction / Sales start (Q3 24) Milestone 5 – Foundation completed (to be decided) Milestone 6 – Move in (Q4 25)</p>																												
<p>Project costs: Actual vs budget (Accumulated MSEK)</p>	<p>Cash on blocked account: SEK 17m</p> <p>Patriam Torsvik</p> <table border="1" data-bbox="584 904 1390 1167"> <thead> <tr> <th></th> <th>Actual</th> <th>Budget</th> <th>Deviation</th> </tr> </thead> <tbody> <tr> <td>Milestone 1</td> <td>110</td> <td>110</td> <td>0</td> </tr> <tr> <td>Milestone 2</td> <td>118</td> <td>131</td> <td>- 13</td> </tr> <tr> <td>Milestone 3</td> <td>120</td> <td>141</td> <td>- 21</td> </tr> <tr> <td>Milestone 4</td> <td>122</td> <td>146</td> <td>- 24</td> </tr> <tr> <td>Milestone 5</td> <td>223</td> <td>258</td> <td>- 35</td> </tr> <tr> <td>Milestone 6</td> <td>0</td> <td>330</td> <td></td> </tr> </tbody> </table> <p>Comments on deviations:</p> <ul style="list-style-type: none"> - As per 2022-12-31 the actual is up, totaling SEK 249M. - The updated total budget amounts to SEK 398M. This is approximately a SEK 6M increase in cost which is derived from an increase in forecasted interest rates on the project’s construction loan. The remaining SEK 62M increase in budget relates to higher remediation cost and conscious add-on to the turnkey contract as explained in the last progress report. The add-ons relate to quality upgrades that are necessary to defend a higher overall price tag. <p>Definition of Milestones Milestone 1 – Access (Jan 21) Milestone 2 – Demolition start (May 21) Milestone 3 – Building permit (Jul 21) Milestone 4 – Construction- / sales start (Sep 21) Milestone 5 – Foundation completed (Q2-22) Milestone 6 – Move in (Q2-23)</p>		Actual	Budget	Deviation	Milestone 1	110	110	0	Milestone 2	118	131	- 13	Milestone 3	120	141	- 21	Milestone 4	122	146	- 24	Milestone 5	223	258	- 35	Milestone 6	0	330	
	Actual	Budget	Deviation																										
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Milestone 6	0	330																											

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	Actual	Budget	Deviation
Milestone 1	89	89	0
Milestone 2	0	96	
Milestone 3	0	102	
Milestone 4	0	106	
Milestone 5	0	TBD	
Milestone 6	0	177	

Comments on deviations:

Quotation inquiries were sent in December to several building contractors. Target pricing for the construction will be received during Q1 2022. An updated total budget along with project timeline will be presented in the next progress report.

A Construction agreement will be signed in Q2 2022.

Definition of Milestones

Milestone 1 – Access (Q3 22)

Milestone 2 – Early groundwork (Q4 22)

Milestone 3 – Building permit (Q2 23)

Milestone 4 – Construction / Sales start (Q3 23)

Milestone 5 – Foundation completed (to be decided)

Milestone 6 – Move in (Q4 24)

Patriam Lilla Essingen – Primus 6

	Actual	Budget	Deviation
Milestone 1	161	161	0
Milestone 2	0	163	
Milestone 3	0	170	
Milestone 4	0	174	
Milestone 5	0	TBD	
Milestone 6	0	332	

Comments on deviations: As per reporting date, there are no project cost deviations

Definition of Milestones

Milestone 1 – Access (Q3 22)

Milestone 2 – Decision Garage (Q4 22)

Milestone 3 – Building permit (Q1 24)

Milestone 4 – Construction / Sales start (Q3 24)

Milestone 5 – Foundation completed (to be decided)

Milestone 6 – Move in (Q4 25)

Other information:	<p>Financial update for the Group</p> <p>Group figures for 2021 (last published audited figures) resulted in a profit of SEK 25 M. The total equity was SEK 139 M, corresponding to an equity ratio of 44 percent. The annual report was released in May 2022.</p> <p>The solid result was mainly driven by a strong housing market in Sweden which we have been able to transfer into the Torsvik project.</p> <p>Audited group figures for 2022 will be published at the end of Q1 2023 and the group’s annual report for 2022 will be published in Q2 2023.</p> <p>New project – Patriam Kungsholmen</p> <p>In October 2022 a down payment was made on a new infill project located in the central part of Stockholm, Kungsholmen (Stockholm Municipality). The project is estimated to provide 11-13 apartments with a useable floor area (BOA) of 1,326 sqm. Patriam gains access to the property in Q1 2024 with a completed demolition permit. The project is a great addition in Patriam’s project portfolio and align with the company’s vision of real estate development in attractive and prosperous locations in Stockholm.</p> <p>Upcoming project – Patriam Bromma</p> <p>In January 2022 a down payment was made on another infill-project located in Bromma (Stockholm municipality). The zoning plan is ongoing and expected to be adopted in late 2023. The final payment and access will occur only after the adoption.</p> <p>Acquisitions like this with its option-like nature will secure a solid long-term pipeline.</p>
Visuals (pictures)	Torsvik and Lilla Essingen

Torsvik - Visuals





2023-01-16

Lilla Essingen- Visuals

Lilla Essingen Primus 4



Lilla Essingen Primus 6

