

Progress report Q1 2023

Issuer:	Patriam Invest AB
Progress report period:	Q1 2023
Info:	Volume (frame): SEK 416M (SEK 1 500M) Maturity (due date): 36 months – 26 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.- Project is on par with project timeline and budget. <p>Patriam Lilla Essingen – Primus 4</p> <ul style="list-style-type: none">• Zoning plan: Yes• Building permit: Building permit has been applied for to the municipality of Stockholm.• Contractor agreement: Yes, for the initial groundwork. Procurement of building contractor is ongoing and expected to be finished in April. <p>Comments:</p> <ul style="list-style-type: none">- Project planning is progressing according to plan. <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 expected to start during Q4 2023.

	<p>Project Linde Dialogue is ongoing with Stockholm municipality regarding the time schedule for zoning plan.</p> <p>Project Enebytorg Initiary start-pm for the new zoning plan was approved by the municipality of Danderyd during Q1 2023. The work on the new Zoning plan has begun.</p>																												
<p>Status financials:</p>	<p>Patriam Torsvik</p> <ul style="list-style-type: none"> • Construction loan: Yes • Advance payments: Yes, SEK 19,8M. <p>Comments:</p> <ul style="list-style-type: none"> - Per Q1 2023, 21 out of 48 apartments are sold which corresponds to 44% out of the total number of apartments in the project and SEK 198M in secured revenue. <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 2022 and per end of Q1 2023, over 1500 interest applications have been received for the projects planned 14 apartments. - Pre-sale of apartments are planned to start in Q3 2023. - Building permit was applied for in April 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 reports. 																												
<p>Project timeline: Actual vs plan</p>	<p>Patriam Torsvik</p> <table border="1" data-bbox="584 1733 1311 1998"> <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> <tr> <td>Milestone 3</td> <td>2021-07-31</td> <td>4,5 months</td> <td>2021-12-20</td> </tr> <tr> <td>Milestone 4</td> <td>2021-09-30</td> <td>None</td> <td>2021-09-30</td> </tr> <tr> <td>Milestone 5</td> <td>Q2 2022</td> <td>None</td> <td>Q2 2022</td> </tr> <tr> <td>Milestone 6</td> <td>Q2 2023</td> <td>+ 1Q</td> <td>Q3 2023</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	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
	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)

Patriam Lilla Essingen – Primus 4

	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)

Patriam Lilla Essingen – Primus 6

	Actual	Deviation	Actual/new plan
Milestone 1	2022-08-15	None	2022-08-15
Milestone 2	Q4 2022	+2Q	Q2 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

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.

	<p>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 4M</p> <p>Patriam Torsvik</p> <table border="1" data-bbox="584 763 1390 1021"> <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 2023-03-31 the actual is up, totaling SEK 272M. - The updated total budget amounts to SEK 398M and is unchanged since the last progres report. The increase in overall budget can be derived from an approximate SEK 6M increase in forecasted interest rates on the project's construction loan. The remaining SEK 62M increase in overall budget relates to higher remediation cost and conscious add-on to the turnkey contract as explained in previous progress reports. 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																										
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																											

Patriam Lilla Essingen – Primus 4

	Actual	Budget	Deviation
Milestone 1	89	89	0
Milestone 2	97	96	+1
Milestone 3	0	102	
Milestone 4	0	106	
Milestone 5	0	TBD	
Milestone 6	0	177	

Comments on deviations:

Target price for the construction was received in Q1 2023. The updated total budget amounts to SEK 253M. Budget increase can partly be derived from increased forecasted interest rates of approximately SEK 10M and partly due to heavily indexed construction costs amounting to approximately SEK 20M.

Furthermore, the building's location and unconventional shape along with conscious add-ons to defend a higher selling price constitutes the remaining budget change of approximately SEK 46M.

Pricing for the project is discussed on an ongoing basis with the contracted broker engaged in the project. The product's quality is deemed to motivate an overall higher pricing strategy.

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	

	<p>Comments on deviations: As per reporting date, there are no project cost deviations.</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>
Other information:	<p>Financial update for the Group Group figures for 2022 resulted in a profit of SEK 32M. The total equity was SEK 172M, corresponding to an equity ratio of 25,5 per cent. The group’s annual report for 2022 will be released during Q2 2023.</p> <p>The solid result was mainly driven by the groups strong project portfolio.</p> <p>Upcoming project – Patriam Kungsholmen 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 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





2023-04-20

Lilla Essingen- Visuals

Lilla Essingen Primus 4



Lilla Essingen Primus 6

