

## 2022 Annual General Meeting - Chairman's speech

Thank you, Mr Chairman

Distinguished shareholders, nominating committee, fellow board members, management and all Hemnet employees:

Today is a special day because it is the first Annual General Meeting of Hemnet Group since the IPO almost exactly one year ago. The company, led by Cecilia Beck-Friis, has already delivered 5 quarterly reports. We have come out of the corona pandemic and a war has broken out in Ukraine. A lot can happen in a year. It will continue to do so, but the need to sell one's home and look for a new home is still there and we at Hemnet can put a very strong year behind us despite all that is happening in the outside world.

### **SOME OBSERVATIONS ON THE SWEDISH PROPERTY MARKET**

In Sweden we have one of the most efficient property markets in the world, where it takes on average about 3 weeks to sell a home. We can turn to one large property platform that gives buyers access to virtually the entire Swedish property market. When the estate agents took the initiative over 20 years ago, they could not have imagined that Hemnet would receive 60 million visits a month. With Hemnet's size comes not only the opportunity to build a successful business, but also great responsibility. Our vision is to be the key to your housing journey through life and to promote an efficient, transparent and active property market. Hemnet also strives to be the place in Sweden where anyone can search or advertise brokered property for sale. Our credibility as a marketplace makes us by far the most popular platform and we take the utmost care to maintain that position. This means, much like a stock market, that we are the meeting place for those who own and broker properties and for those who are looking for a new home. We will nurture and never compromise this position because it is the basis of our business idea. For example, Hemnet will not become a real estate agent, this is even stated in our articles of association, but works closely with the industry.

Of course, the Swedish property market also has certain challenges, as you probably know. In particular:

- Lack of new housing as in many other countries with a growing population.
- High entry barriers for young buyers and also difficulties for parts of the older generation to finance home purchases.
- Dysfunctional and regulated rental market where it is not uncommon to see 10-year housing queues.

I will not delve into these issues as it is primarily up to policy makers and authorities to address these structural problems. I am convinced that without these rigidities, activity in the Swedish property market would increase and that would be good for property market participants as well as for society at large.

## A FEW WORDS ABOUT THE FINANCIAL TARGETS WE HAVE SET FOR HEMNET

As you know, prior to the IPO, the Board decided on three financial targets and a dividend policy.

As you can see, the company has delivered growth that meets or exceeds targets in recent years. This is natural as Hemnet is still relatively early in its growth journey and the growth target is a long-term goal. As you know, the service used to be financed by advertising and was free of charge to those who used it. The margin target has also been met in the past year. This target was set for the medium term because the longer term target, in terms of comparable international companies, could be higher. The dividend policy is still untested but the Board proposes to the AGM a dividend in line with the policy. We also propose a mandate on the possibility of repurchasing own shares, which has now become customary among Swedish listed companies. We will evaluate the effectiveness of these tools and be open to how best to return capital to shareholders. In other words, the principle that capital not needed in the business should be returned to shareholders takes precedence over the way to do this.

The financial targets are decided by the Board on an occasional basis. This means that they are valid until otherwise decided. I am aware that there are those who say that we should adjust the targets and give more guidance to the stock market. Especially given the outcome. All I can say today is that we in the Board will evaluate the targets during the year leading up to the next AGM. If we see continued strong delivery and opportunities to achieve higher financial results, the Board will reflect this in our work on the targets.

## FINALLY, I WOULD LIKE TO COMMENT BRIEFLY ON THE WORK OF THE BOARD DURING THE YEAR

The Board held 10 ordinary meetings of the Board and 15 meetings of the Audit and Remuneration Committee. The type of cases dealt with is reported in more detail in the Annual Report. Our focus this year has been on strategic and business planning; quarterly reporting; and the staff and recruitment situation. We have also conducted a Board evaluation with external assistance, which was reported to the members of the Nomination Committee on 15 December 2021 and to the Board the following day.

The Board has consisted of 8 members during the year and I am extremely grateful for your contribution to the progress of Hemnet. I would like to extend a big thank you today to a retiring member. Kerstin Lindberg Göransson has been an outstanding member for the last four years. As Chair of the Audit Committee, she has provided exemplary support to management in preparing to build a stock market-worthy internal control and financial reporting system. My sincere thanks to Kerstin and a personal thank you also for the support you have given me as chairman. Kerstin has been appointed chairman of one of the largest Swedish state-owned companies and we wish her every success with this and other assignments. At the same time, I would like to extend a warm welcome to Maria Redin, the proposed new member. With Maria's experience in digital business models and experience as CFO and now as CEO, I am really looking forward to working with her.

Last but not least, I would like to thank Cecilia and all the Hemneters for their fantastic commitment and hard work over the past year. You are making a big difference and together we have a very strong company with attractive growth opportunities ahead of us.

29/04/2022

Thank you for the floor. Over to Cecilia!