

Vacse AB (publ)

Rating Action Report

LONG-TERM RATING

A-

OUTLOOK

Stable

SHORT-TERM RATING

N2

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Vacse AB (publ) 'A-' long-term issuer rating affirmed; Outlook stable

Nordic Credit Rating said today that it had affirmed its 'A-' long-term issuer rating on Swedish community service property manager [Vacse AB \(publ\)](#). The outlook is stable. The 'N2' short-term issuer rating and the 'A-' senior unsecured issue rating were also affirmed.

Rating rationale

The affirmation reflects Vacse's strong financial position, conservative financial risk management, low financial leverage, robust interest coverage and supportive ownership. On 1 Apr. 2025, Vacse raised SEK 894m in new equity and added Telia Pensionsstiftelse as a new owner, enhancing financial flexibility and reducing leverage. In addition, the company assumed a NIB loan of SEK 550m with a tenor of 15 years in May, increasing average debt maturity by 1.6 years. The loan was taken despite limited refinancing needs, which we believe underscores Vacse's conservative liquidity management.

We expect Vacse to use the proceeds for acquisitions and projects as opportunities arise. However, the timing of any increase in net debt remains uncertain, given the company's disciplined approach to acquisitions and typically long lead times before cash outflows. The company has two contracted acquisitions in 2026 and a longer-term project for the construction of a police station in Täby, a suburb to Stockholm. We expect related cash outflows of approximately SEK 1.2bn through 2026–2027.

We expect Vacse to maintain a sizable cash buffer, supporting a net LTV of approximately 29–33% and interest coverage of 4.8–5.1x over our forecast period ending in 2027. The company's operating cash flow to debt is expected to remain among the strongest in the Swedish real estate sector, with net debt/EBITDA of 6.6–7.7x. Overall, we believe Vacse's financial risk profile has improved, reflecting conservative financial risk management, lower expected financial leverage and greater financial flexibility.

The rating reflects the company's strong portfolio of modern, tailor-made properties leased on long contracts to highly creditworthy public-sector authorities that are essential to Sweden's public security. It also reflects its high operating efficiency and virtually 100% occupancy rate. We take a positive view of the company's low development risk as projects are carried out on fixed-price contracts, typically with payment upon completion. The rating is supported by Vacse's long fixed-interest periods, strong liquidity and balanced debt maturity profile. It is also underpinned by strong owners with a commitment to maintaining a stable financial risk profile.

These strengths are offset by the limited number of Vacse's properties (26) and tenants, with the top 10 tenants generating most of the company's revenues. We believe the concentrations in Vacse's portfolio create some risk at contract expiry, although the risk is low due to negligible lease maturities over the next few years.

Stable outlook

The stable outlook reflects our expectation that Vacse will continue to grow through contracted acquisitions of development projects while maintaining its low risk financial profile. We anticipate interest coverage and debt to operating cash flows will remain strong, supported by stable long term rental contracts with solid counterparties. The outlook also incorporates our view that Vacse will maintain a conservative approach to risk management.

We could raise the rating to reflect stronger credit metrics together with significant portfolio growth and diversification that do not compromise the company's low-risk business profile.

We could lower the rating to reflect net loan-to-value above 45% or EBITDA/net interest below 3.5x over a protracted period, any deviation from the company's low-risk business profile, or an adverse change in ownership or the owners' risk appetite.

Related rating actions

i) [Vacse AB \(publ\) 'A-' long-term issuer rating affirmed; Outlook stable](#), 16 Oct. 2024.

Related publications

i) [Strong financing climate for Swedish real estate companies in an uncertain environment](#), 16 Sep. 2025.

ii) [Swedish real estate snapshot \(Q2 2025\): Compressing credit margins upon refinancing expected to improve interest coverage](#), 1 Sep. 2025.

iii) [Swedish real estate snapshot \(Q1 2025\): Strong access to capital contains financial risk](#), 27 May 2025.

iv) [Comparison of NCR-rated community service property managers](#), 9 Dec. 2024.

Rating list	To	From
Long-term issuer credit rating:	A-	A-
Outlook:	Stable	Stable
Short-term issuer credit rating:	N2	N2
Senior unsecured issue rating:	A-	A-

Figure 1. Vacse rating scorecard

Subfactors	Impact	To	From
Operating environment	20.0%	a	a
Market position, size and diversification	12.5%	bb-	bb-
Portfolio assessment	12.5%	a+	a+
Operating efficiency	5.0%	aa-	aa-
Business risk assessment	50.0%	a-	a-
Ratio analysis		a-	bbb+
Risk appetite		a-	a-
Financial risk assessment	50.0%	a-	bbb+
Indicative credit assessment		a-	a-
Liquidity		Adequate	Adequate
ESG		Adequate	Adequate
Peer calibration		Neutral	Neutral
Stand-alone credit assessment		a-	a-
Support analysis		Neutral	Neutral
Issuer rating		A-	A-
Outlook		Stable	Stable
Short-term rating		N2	N2

Figure 2. Capital structure ratings

Seniority	To	From
Senior unsecured	A-	A-

Type of credit rating:	Long-term issuer credit rating Short-term issuer credit rating Issue credit rating
Publication date:	The rating was first published on 25 Oct. 2018.
Office responsible for the credit rating:	Nordic Credit Rating AS (NCR), Oslo, Norway. NCR is a registered credit rating agency under Regulation (EC) No 1060/2009.
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Were ESG factors a key driver behind the change to the credit rating or rating outlook?	No.
Methodology used when determining the credit rating:	NCR's Corporate Rating Methodology published on 8 May 2023 NCR's Rating Principles published on 14 Feb. 2024 NCR's Group and Government Support Rating Methodology published on 14 Feb. 2024 The methodology and principles documents provide analytical guidance to NCR's rating activities including but not limited to, assumptions, parameters, cash flow analysis, and stress-testing. NCR's methodologies and principles can be found on our website nordiccreditrating.com/governance/policies . The historical default rates of entities and securities rated by NCR will be viewed on the central platform (CEREP) of the European Securities and Markets Authority (ESMA) .
Materials used when determining the credit rating:	Annual- and quarterly reports of the rated entity, Bond prospectuses, Company presentations, Data provided by external data providers, External market reports, Meetings with management of the rated entity, Non-public information, Press reports/public information, Website of rated entity.
Potential conflicts of interest:	The rating is NCR's independent opinion of the rated entity's relative creditworthiness. The rating is solicited, i.e. it is prepared for a fee paid by the rated entity. At the time of analysis and publication neither NCR nor any of the analysts or persons involved in the rating process held any interest, ownership interest or securities in the rated entity. NCR does not have any direct or indirect shareholder with a holding of more than 5% of NCR's shares and votes. For further information, please refer to NCR's conflict of interest policy which is available on: https://nordiccreditrating.com/governance/policies
Additional information:	Prior to publication, the rating was disclosed to the rated entity. The issuer was given 24 hours (of which 8 business hours) to remark on factual errors and/or the inadvertent inclusion of confidential information, if applicable. The rating was not amended after the review by the issuer. No stress test was performed. Standard cash flow forecasting was performed. NCR's rating is an opinion regarding the relative creditworthiness of an entity or an instrument. It is not a prediction, guarantee or recommendation to buy, hold or sell securities. NCR assigns outlooks to issuer ratings to indicate where they could move in the near term, normally 12–18 months. Further information on the rating process, rating definitions and limitations is available on our website: nordiccreditrating.com/governance/policies .
Ancillary services provided:	No ancillary services have been provided in the last 12 months.
Regulations:	This rating was issued and disclosed under Regulation (EC) No 1060/2009.
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