

A photograph of a tree-lined path in autumn. The trees have vibrant orange and yellow foliage, and the path is covered in fallen leaves. The text "Q3" is overlaid in the top right corner.

Q3

**Annehem Fastigheter
Interim Report
January–September 2024**

Strengthened income from property management and revised financial targets emphasise a continued focus on growth

January-September¹

- Rent revenue for the period increased to SEK 206.5 million (186.3)
- Net operating income increased to SEK 175.0 million (158.2)
- Income from property management increased to SEK 69.7 million (63.4)
- Income from property management excl. currency effects amounted to SEK 75.0 million (70.6), and per share totalled SEK 0.90 (1.03)²
- Income for the period amounted to SEK -18.2 million (-191.4), and per share totalled SEK -0.22 (-2.78)²
- Investments in existing properties amounted to SEK 53.6 million (55.0)
- Valuations of investment properties yielded a decrease in fair value of SEK -56.1 million (-266.0)
- The fair value of investment properties amounted to SEK 4,674.5 million (4,412.7)
- Positive net letting of SEK 13.2 million (30.5)
- Net reinstatement value (EPRA NRV) per share amounted to SEK 30.9 (41.2)

1) In this report, the comparative figures in brackets for income statement items pertain to the period January-September 2023, and for balance sheet items to 31 December 2023. "Annehem" and "the Company" refer to the Annehem Fastigheter Group.

2) The average number of shares and key figures based on this have been restated by an adjustment factor of 1.1659 for all comparative periods, corresponding to the bonus issue element in this year's rights issue; for more information, refer to Note 7.

Significant events during the third quarter

- Annehem has extended a lease with a tenant in Finland, with a maturity of five years.

Significant events after the end of the period

- Annehem revises its financial targets, which will be:
 - Annual growth in income from property management of at least 20 percent
 - Annual growth in EPRA net reinstatement value (NRV) of at least 10 percent
 - Net loan-to-value ratio over time that does not exceed 55 percent
 - Long-term interest-coverage ratio that exceeds a multiple of 2.2
 - Reinvest profits primarily in order to utilise business opportunities and achieve Annehem's growth targets

Net operating income
January-September 2024

SEK million

175.0

Fair value of investment properties
30 September 2024

SEK million

4,674.5

Economic occupancy rate
30 September 2024

91.7%

Summary of the Group's performance

Summary of the Group's performance, SEK million	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Rent revenue	69.8	61.5	206.5	186.3	247.2
Net operating income	57.9	51.5	175.0	158.2	209.7
Income from property management	23.6	27.5	69.7	63.4	90.5
Income from property management excl. currency effects	24.3	22.7	75.0	70.6	92.7
Income from property management excl. currency effects per share, SEK ¹	0.27	0.33	0.90	1.03	1.35
Income for the period	-22.6	-64.7	-18.2	-191.4	-200.6
Earnings per share for the period, SEK ¹	-0.26	-0.94	-0.22	-2.78	-2.92
Economic occupancy rate, %	91.7	94.6	91.7	94.6	94.9
Surplus ratio, %	83.0	83.1	84.7	84.9	84.8
Return on equity, %	-0.9	-2.8	-0.7	-8.3	-8.7
EPRA NRV per share, SEK	30.9	40.4	30.9	40.4	41.2
Net loan-to-value ratio, %	40.4	42.5	40.4	42.5	43.4
Equity/assets ratio, %	52.1	51.2	52.1	51.2	49.9
Interest-coverage ratio, RTM, multiple	2.1	2.3	2.1	2.3	2.2

¹ The average number of shares and key figures based on this have been restated by an adjustment factor of 1.1659 for all comparative periods, corresponding to the bonus issue element in this year's rights issue; for more information, refer to Note 7.

FINANCIAL TARGETS

Growth and returns	Target	Outcome 2023	Outcome 2022	Outcome 2021
Average growth in property portfolio over time ¹	20%	2%	8%	20%
Fair value of property portfolio in 2027	SEK 8.0 billion	SEK 4.4 billion	SEK 4.3 billion	SEK 4.0 billion
Average annual growth in income from property management over time ¹	20%	22%	-14%	52%
Return on equity	At least 10 percent per year	-8.7%	8.3%	9.2%

¹ The goal refers to the development over time from the company's listing in 2020 to 2027. The outcome refers to the annual change compared to the previous years.

Risk and dividends	Target	Outcome 2023	Outcome 2022	Outcome 2021
Equity/assets ratio	>30%	49.9%	53.4%	53.9%
Net loan-to-value ratio over time	<60%	43.4%	38.3%	38.3%
Interest-coverage ratio, long-term (RTM)	>2.2x	2.2x	2.7x	3.0x
Dividend policy	Profits shall essentially be reinvested in order to utilise growth opportunities and achieve Annhem's growth targets.			

SUSTAINABILITY TARGETS

	Long-term target 2030	Outcome as of 30 September 2024	Outcome 2023	Outcome 2022
Proportion of property value that is sustainable in accordance with the EU Taxonomy Regulation, %	90%	85%	75%	81%
Environmentally certified property value, %	90%	82%	82%	76%
Income from green leases, % (relates to Sweden)	80%	44%	35%	27%

CEO's comments

The property operations continued to deliver good earnings, with strong growth in net operating income, and net letting for the period that remained positive in a challenging market. We finalised a key extension of a lease with a major tenant in Finland, and income from property management excluding currency effects was also stronger.

Earnings

Annhem delivered a stronger income from property management, excluding currency effects of 6.2 percent, to SEK 75 million (70.6) compared with the year-earlier period and despite a higher net interest expense. Growth for the third quarter was 7.0 percent. Net operating income increased 10.6 percent to SEK 175.0 million (158.2) for the period, and 12.4 percent for the third quarter. The increase was attributable primarily to improved rent revenue as a result of indexation of rents, contributions from our new acquisitions and effects of new leases.

Net letting for the period remained positive, totalling SEK 13.2 million despite being somewhat negative in the quarter, due primarily to the impact of an individual lease in Finland. The occupancy rate fell nearly 1 percent during the quarter, which was attributable primarily to a tenant vacating the Finnish property. We have a sharp focus on leasing ventures, and I am optimistic that this will generate results going forward.

The return requirement has levelled off and essentially remains at the same level as the previous quarter, and we see that the transactions that have been concluded in the market indicate that we are at the correct level. Investments in the existing portfolio in Ljungbyhed Park had a positive effect on the value in this quarter as well, since the investments in a major tenant have now been completed.

Annhem remains in a stable position with a strong balance sheet and healthy liquidity, which means that I have a positive view of our opportunities for growth going forward, both in our existing portfolio and via acquisitions.

Revised financial targets highlight a continued focus on growth

The Board of Directors has made a decision to revise targets for Annhem. With this decision, we have clarified our direction and our plan for continued growth going forward in the new market conditions that prevail in our business environment.

Annhem Fastigheter is a growth company. Our strategy – creating profitable growth and risk diversification over time through a diversified and sustainable property portfolio, a focus on acquisitions and a stable financial position – has proven successful in a strained market climate. Our revised targets are challenging, and highlight our continued focus on growth. With a strong cash flow, we are prioritising organic growth, thereby creating shareholder value without jeopardising our financial position.

Our objective is to generate annual growth of 20 percent in income from property management, and this defines the framework for how we will pursue growth-promoting efforts in Annhem going forward. We will have a sharp focus on our cash flow and our profitability in order to use the capital that our operations generate, to achieve organic growth with acquisitions and investments in our existing portfolio. A revised target – for the net loan-to-value ratio not to exceed 55 percent, and an unchanged interest-coverage ratio that exceeds a multiple of 2.2 – will continue to provide us with capacity for future growth but under controlled risk.

The role of Offices

We are noticing weaker demand for office premises, due not only to the weak economy but also to the need for businesses to adapt their spaces to enhance efficiency. When leases expire and our customers are reviewing their needs for premises, we work closely with them in order to meet their needs. Here, I can see that our modern properties, in attractive locations with high-quality and flexible office spaces, position us well in the rental market.

One key example of this is our Finnish tenant, with whom we had a discussion in conjunction with the renewal of their leases. We have long had a good partnership with them as regards all types of services in the Finnish properties, from reception and conference space rentals to restaurant operations. Together, we



“ We are in a stable situation with a low loan-to-value ratio, which gives Annhem many opportunities for expansion through acquisitions that supplement our property portfolio.”

reviewed and enhanced efficiency in the use of spaces, which resulted in a new long-term five-year contract but with a reduction in rent for the tenant, primarily as regards conference spaces.

I see that remote working and hybrid working are resulting in long-term challenges for businesses that run their operations through computer screens. Describing and conveying a corporate culture to employees via a policy is difficult, since the corporate culture is the soul of the business and needs to be put into practice. With these insights, many companies are once again requiring physical presence in their offices. It is my conviction that, overall, we will see more people returning to office workplaces going forward, but the significance of an attractive office in a prime location is increasing – and this will support our business.

Our business parks

Our business parks fulfil a key role in society, and we are seeing an increase in activity – primarily in Ljungbyhed Park – linked to the defence authorities, and investments in premises for research and training. This is very interesting, and it is gratifying to follow the progress in the parks. We see great potential for development here, going forward.

Upswing in the property transaction market

I am seeing many positive signs in the property market, with more transactions during the first three quarters compared with the year-earlier period. I note that the capital market has returned to levels that, to a great extent, are competing with loan offerings from the banks, which presents better conditions for continued growth in transaction volumes.

According to Colliers, turnover in the Nordic market was EUR 25 billion in 2024, up 16 percent compared with the year-earlier period. Sweden accounts for the largest share, with 38 percent of the transactions in the Nordic region over the last twelve months, while Finland's performance was weaker and accounted for only 12 percent, with over half of the transactions taking place in the Helsinki area.

It is my hope that the transaction volumes are now increasing further in pace with the fall in the interest rates, that property values are stabilising and that activity in the financial market is now recovering.

I am convinced that sustainable properties in attractive locations are the ones that will do the best in general, and that residential homes with forthcoming rent increases in the wake of high inflation will become more attractive in acquisition assessments.

We are in a stable situation with a low loan-to-value ratio, which gives Annehem many opportunities for expansion through acquisitions that supplement our property portfolio. And we have good conditions for investing in our existing portfolio with high returns. Our committed employees and I are looking forward to working further toward our challenging goals.

Ängelholm, 23 October 2024

Monica Fallenius
CEO

This is Annehem

Annehem is a growth-driven property company with customer-centric property management. We create attractive properties that are sustainable over the long term, where our tenants develop and thrive. We work systematically to increase the sustainability performance of our entire portfolio.

Our modern properties comprise the majority of our property portfolio. They have a high level of sustainability performance and are found in attractive locations in Nordic growth areas. We also manage older properties that have great sustainability potential, where we are promoting a substantial shift.

Most of the portfolio currently comprises office properties that are complemented with selected properties in the segments of logistics properties and community service properties, as well as residential properties.

Vision

We are to be the most sustainable property company in the Nordics.

Our values

Professionalism – Committed – Long-term – Enablers

Our strategic cornerstones

Our four strategic cornerstones guide us in our long-term efforts toward the vision of becoming the most sustainable property company in the Nordics. Our strategy creates stability, profitability and a long-term perspective in our operations.

A sustainable and modern property portfolio in attractive locations in Nordic growth areas

Newly built, environmentally certified properties in locations with good transport links attract long-term tenants.

Focus on sustainable and effective property management through adding value and transitioning

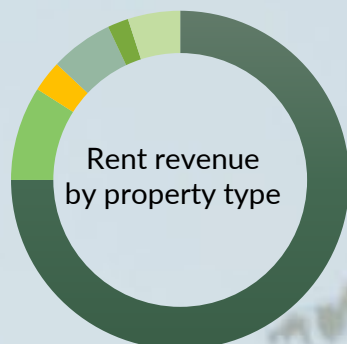
Annehem Fastigheter has a high and measurable sustainability performance. The company strives to increase the value of its existing portfolio through sustainable,

Create risk diversification over time through a diversified and green property portfolio

Our portfolio of office properties is complemented with selected properties in the segments of logistics and community service properties, as well as residential properties – all featuring a high sustainability performance and/or potential.

Focus on acquisitions and a stable financial position enable profitable growth

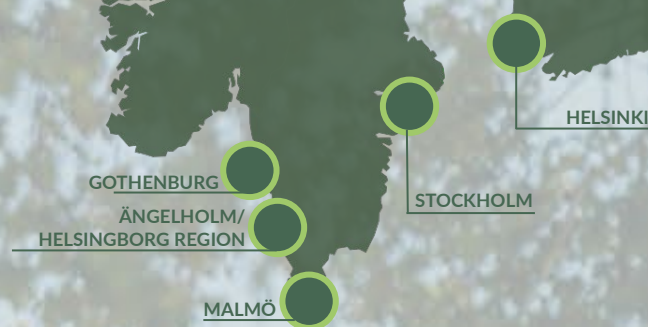
Annehem Fastigheter has a clear growth plan for the property portfolio, enabled by a strong financial position with a high equity/assets ratio and low



- Commercial offices 75 %
- Community properties 9 %
- Grocery store 3 %
- Residential 6 %
- Logistics 2 %
- Other 5 %



- Stockholm 35 %
- Helsinki 19 %
- Gothenburg 9 %
- Malmö 18 %
- Ängelholm/Helsingborg 19 %



Market

Comments on the business environment

Geopolitical turbulence continued to dominate the business environment during the third quarter. At the same time, there are more optimistic signals regarding the global economy, and many central banks have begun to ease the austerity in their monetary policy in the hope of alleviating the recession. In Sweden, core inflation (CPIF) remains lower than the Riksbank's target of 2 percent, which resulted in the Riksbank making a third cut in interest rates in September.

In September, the CPIF was 1.1 percent and the CPI was 1.6 percent. At the last monetary policy meeting in September, the Riksbank opted to lower the key policy rate to 3.25 percent. The Riksbank announced that the key policy rate could be lowered a further two times this year, provided that the inflation outlook remains favourable and that the Swedish krona does not weaken further, or that the geopolitical situation in places such as the Middle East does not deteriorate.

Macro data Nordics

Country	Key policy rate ¹	Inflation	Transaction volume (Jul-Sep) ⁴
Sweden	3.25%	1.6% ²	SEK 21.3 billion
Finland/ECB	3.40%	1.2% ³	SEK 6.8 billion

¹ Trading Economics.

² Refers to CPI. SCB October 2024.

³ Refers to CPI. Colliers Nordic Property Market Update October 2024.

⁴ Translated to SEK, pertains to property transaction volume. Colliers Nordic Property Market Update August–October 2024.

Property transaction market

Activity levels in the property transaction market were higher during the first three quarters of the year compared with the year-earlier period, which indicates that buyers and sellers are continuing to find equal balance in their pricing expectations. The increase in transaction activity provides the appraisers with more data to work with. During the first three quarters of the year, the total property transaction volume in the Nordics was SEK 189.8 billion¹, which entailed an increase of 16 percent compared with the year-earlier period.

The rental market

The prevailing downturn has impacted both Sweden and Finland, with demand for office premises weakening somewhat over the short term during the year. At the same time, long-term demand for office premises in regions with strong growth, such as capital cities, is expected to remain stable or even increase.

In conjunction with renegotiations, customers are demanding more flexible and cost-efficient office solutions as well as various modifications of premises to create attractive workplaces that are suitable for new forms of work such as hybrid working.

¹ Translated to SEK, pertains to property transaction volume. Colliers Nordic Property Market Update August–October 2024

Comments on the Group's performance

Income statement

January to September period

Rent revenue amounted to SEK 206.5 million (186.3), other property income to SEK 38.4 million (36.4), and total property expenses to SEK -69.9 million (-64.5), which means that net operating income increased to SEK 175.0 million (158.2). The positive trend for rent revenue compared with the year-earlier period was mainly attributable to rent increases through the properties added, indexation and new lettings.

Other property income, which amounted to SEK 38.4 million (36.4), comprised invoiced operating costs, income from short-term leases and the rental guarantees issued by the seller for the Jupiter 11 and The Corner properties, which amounted to SEK 4.7 million (2.8) for January–September. Rental guarantees were issued for 100 percent of the vacant spaces in Jupiter 11 (from 1 May 2021) and The Corner (from 1 January 2024) by the seller. This guarantee is valid until the vacant spaces are leased, but for no longer than 36 months from the issuing date. The rental guarantee in Jupiter 11 expired on 30 April 2024, where a 333-sqm space remained vacant as of 30 September 2024.

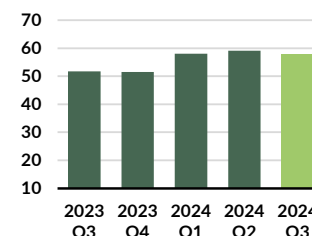
Operating costs totalled SEK -40.3 million (-35.7), which is an increase in relation to previous years and is attributable primarily to the properties added. Property tax totalled SEK -10.6 million (-9.9), and due to reassessment of some properties in 2023 that led to lower tax rates, property tax has not increased markedly against the preceding year despite the addition of properties. Total property expenses amounted to SEK -69.9 million (-64.5).

Income from property management amounted to SEK 69.7 million (63.4) for the January–September period, an increase year-on-year despite higher interest expenses. Interest expenses amounted to SEK -98.4 million (-95.9) due to key policy rates that increased compared to previous years, and to increased borrowing in order to finance the additional properties. The interest expenses were offset in part by interest income from fixed-interest derivatives, which amounted to SEK 27.4 million (38.2) for the period.

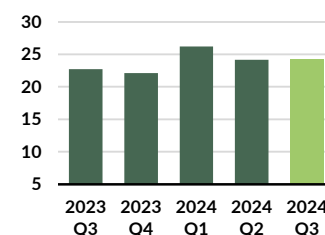
Other financial items amounted to SEK -5.3 million (-7.2) and comprise currency effects of SEK 3.9 million (1.4) and changes in value of currency futures of SEK -9.2 million (-8.6).

The effect of unrealised changes in value of properties amounted to SEK -56.1 million (-291.6), which was due primarily to changed return requirements. The effects of changes in value of fixed-interest derivatives amounted to SEK -32.7 million (-13.8). The tax effect for the period amounted to SEK 1.9 million (50.6). Deferred tax mainly consists of changes in the temporary difference between the carrying amount and tax value of investment properties and fixed-interest derivatives, as well as effects from the limitation rule regarding deferred tax on temporary differences. In the January–September 2023 period, the property value was impaired by a total of SEK 291.6 million, which explains the major discrepancy in deferred tax between January–September 2024 and January–September 2023. Income for the period amounted to SEK -18.2 million (-191.4).

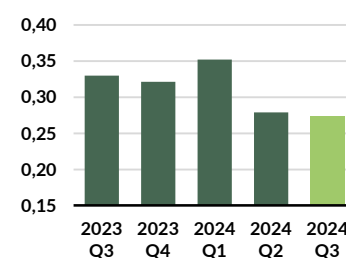
Net operating income per quarter, SEK million



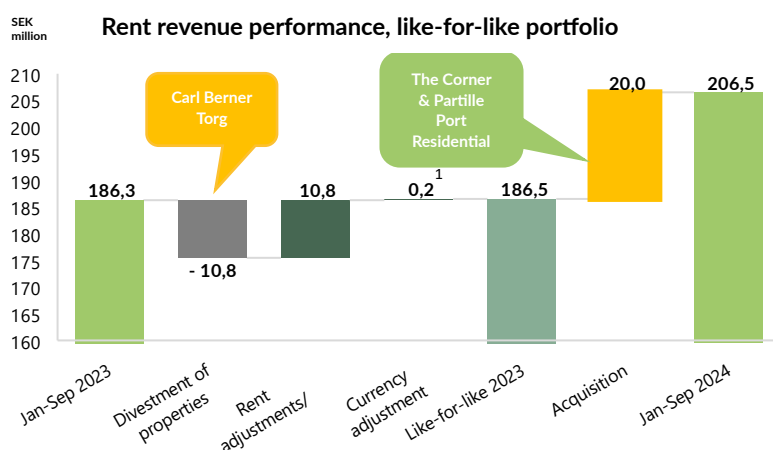
Income from property management per quarter excl. currency effects, SEK million



Income from property management per share¹, per quarter. excl. currency effects, SEK



¹ The average number of shares and key figures based on this have been restated by an adjustment factor of 1.1659 for all comparative periods, corresponding to the bonus issue element in this year's rights issue; for more information, refer to Note 7.



¹ Current period restated at the same exchange rate as the comparative period.

Balance sheet

The value of the Company's investment properties amounted to SEK 4,674.5 million (4,412.7) on 30 September 2024. Of the total value, SEK 2.0 million comprised the effect of lease value of leasehold rights in the Kamaxeln 2 property. During the January–September period, Annehem Fastigheter acquired the Partille Port residential property at an underlying property value of SEK 250 million plus a final purchase consideration of SEK 0.7 million, and adjusted the final purchase price of SEK -2.9 million for the Carl Florman property. The company invested in existing properties in an amount of SEK 53.6 million (95.8). Unrealised changes in value totalled SEK -56.1 million (-266.0). Together with currency translations of SEK 16.4 million (9.1) for the portfolio in Finland, the property value for the period increased SEK 261.8 million (121.7) compared to 31 December 2023. Refer to the "Summary of value trend" table on Page 12.

The company's equity amounted to SEK 2,576.4 million (2,302.3). Interest-bearing liabilities totalled SEK 2,102.3 million (2,036.3), of which SEK 2.0 million comprised lease liabilities attributable to leasehold rights in Kamaxeln 2. During the January–September period, Annehem took possession of the Partille Port residential property, thereby raising total new financing of SEK 125.0 million, and repaid a short-term loan of SEK 60.0 million for The Corner.

Cash flow statement

During the quarter, cash flow from operating activities amounted to SEK 48.1 million (5.9). The change was due to lower income from property management adjusted for unrealised currency effects as well as lower operating liabilities and lower operating receivables. For the January–September period, the corresponding figure was SEK 68.6 million (54.7).

Cash flow from investing activities for the quarter amounted to SEK -12.6 million (-22.6), and mainly pertained to the final purchase price of SEK -6.3 million for the Partille Port residential property, investments related to Saab in Ljungbyhed Park and completion of The Corner as well as investments in other properties totalling SEK -6.0 million (-20.6). For the January–September period, cash flow from investing activities amounted to SEK -319.0 million (-192.0), and mainly pertained to the acquisition of the Partille Port residential property, which amounted to SEK -250.6 million, the final purchase prices of SEK -10.1 million for Carl Florman and SEK -4.3 million for The Corner, investments related to Saab in Ljungbyhed Park, and the completion of The Corner as well as investments in other properties totalling SEK -53.6 million (-55.0).

Cash flow from financing activities for the quarter amounted to SEK -4.1 million (-2.9), related to repayment of the Group's credit facility. The corresponding figure for the January–September period amounted to SEK 343.0 million (67.1), which pertains to loans of SEK 125 million raised related to the financing of the Partille Port residential property and repayment of a short-term loan of SEK 60.0 million for The Corner as well as repayment of the Group's credit facility.

Cash flow for the period amounted to SEK 31.4 million (-19.6), where the corresponding figure for the January–September period was SEK 92.6 million (-70.2).

Sustainable development

We are working systematically to move towards our vision to be the most sustainable property company in the Nordics. This means we acquire properties with high sustainability potential, make sustainable investments in our existing portfolio and continually improve our property management and the measurability of sustainability actions in our property operations.

Highlights during the quarter

During the third quarter we continued our ventures into several large, long-term sustainability projects that are still in progress. These projects include efforts at verifying a selection of our existing property certificates. This process is carried out on a regular basis in order to ensure the quality and standard of the properties, for example, linked to energy efficiency, indoor environments and comfort.

As part of Annehem's long-term efforts towards its vision of being the most sustainable property company in the Nordic region, we opted early on to begin the ground work ahead of the Corporate Sustainability Reporting Directive (CSRD). This will ensure that we are well prepared ahead of the first reporting in the Annual Report for 2026, which will be published in 2027. During the third quarter, we carried out the majority of our double materiality assessment, which will ensure that we are reporting the correct sustainability information that is material to the company from a financial perspective as well as its impact on the business environment.

Measurable progress Q3 2024 (compared with outcome for full year 2023)

- 44 percent (35) of income is from green leases¹ (applies to Swedish operations)
- 82 percent (82) of the property value is environmentally certified
- 85 percent (75) of the property value is sustainable (according to the EU Taxonomy)

¹ A green lease is a commitment by both landlord and tenant to take a variety of concrete measures. The commitment includes sharing information about environmental ambitions and environmental measures, such as reducing energy use, creating opportunities for waste sorting, making good environmental choices when selecting materials, and increasing the rate of recycling when refurbishing.

Sustainability targets and follow-up

Followed up annually		Unit	Long-term target	Target 2024	Outcome 2023	Outcome 2022	
1. We create a sustainable property portfolio	Environmentally certified property value	Share	90%	>85%	82%	76%	
	Property value that is aligned with the taxonomy	Share	90%	>85%	75%	81%	
	Green financing	Share	90%	Measurement	87%	86%	
	Property value with climate and vulnerability analysis	Share	90%	>85%	85%	82%	
	Property value with energy class A and B	Share	90%	Measurement	82%	72%	
2. We optimise energy consumption in our properties	Property energy	MWh	-	Measurement	16 406	16 861	
	Intensity Property energy	kWh/sqm	3% reduction/year	79	81	79	
	Scope 2: CO2e emissions from property energy	tonnes CO2e	Net zero by 2030	Measurement	118	119*	
	Self-generated renewable energy	kWh/sqm	3	Measurement	0,8	0,4	
3. We help our tenants to be sustainable	Intensity Tenant energy	kWh/sqm	Net zero by 2040	Measurement	41	44	
	Scope 3: CO2e emissions from tenant energy	tonnes CO2e	Net zero by 2040	Measurement	634	737	
	Green leases	Share of contract value	80%	>45%	35%	27%	
	Tenant access to waste recycling	Share	100%	100%	100%	100%	
	Water consumption	l/sqm	1% reduction/year	312	315	237**	
4. We take responsibility	Training in Annhem's sustainability policy (incl. CoC)	Share of employees	100%	100%	100%	33%	
	Audit of strategic suppliers	Share	100%	100%	100%	100%	
	Biodiversity: Inventoried species in our properties	number	Draw up an inventory and promote establishment of more species	Measurement	400	175	
	Share of fossil-free fuel in service vehicles	Share	100%	>90%	85%	5%	
	Scope 1: CO2e emissions from company cars and service vehicles	tonnes CO2e	Net zero by 2030	Measurement	17	24	
	Proportion of environmentally certified company cars	Share	100%	100%	100%	100%	
	Scope 3: CO2e emissions from business travel	tonnes CO2e	Net zero by 2040	Measurement	19	70	
	Scope 3: CO2e emissions from projects and maintenance	tonnes CO2e	Net zero by 2040	Measurement	425	1 217	
5. We create satisfied tenants and long-term relationships	Scope 1: CO2e emissions from refrigerants	tonnes CO2e	Net zero by 2030	Measurement	784	0	
	Customer satisfaction index	index 0-100	Above industry average	>80	74	77	
6. We care about each other	Average contract period	years	Seek long-term relationships	Measurement	4,2	5,2	
	Satisfied employees, confidence index	index 0-100	>70	>70	81	83	
	Attendance rate	Share	>97,0%	>97%	99,3%	97,3%	
	Gender distribution	Board (% women men)				29% 71%	25% 75%
		Management team (% of women men)		50% ±10	50% ±10	75% 25%	50% 50%
		Employees (% of women men)				60% 40%	65% 35%
Perceived inclusion	index 0-100	High level of inclusion	Measurement	98	94		

* Figure updated owing to use of climate-neutral district heating in Ultimes I&II in Helsinki

** Corrected data

Our properties

Annehem Fastigheter owned assets in the form of properties on 30 September 2024 at a fair value of SEK 4,674.5 million. All properties are 100-percent owned by the company. The properties largely comprise modern and sustainable commercial, community service and residential properties.

Net letting for the quarter amounted to SEK -0.9 million (12.5), distributed among newly signed leases amounting to SEK 8.8 million (18.5) less terminated leases amounting to SEK 9.7 million (6.0). Net letting for the January-September 2024 period amounted to SEK 13.2 million (30.5), distributed among newly signed leases amounting to SEK 41.8 million (40.0) less terminated leases amounting to SEK 28.6 million (9.5). The average remaining contract term at 30 September 2024, excluding residential properties, is 4.3 years.

Detailed description of property portfolio

Change in portfolio during 2024

Transactions during the year	Event	City	From	Area, sqm	Annualised rental value, SEK million
Partille 11:70	Acquired	Partille	2024-03-28	4,946	11.8

Property portfolio on 30 September 2024

Property	Property name	City	Area, sqm	Rent-revenue SEK million	Annualised rental value, SEK million
Valhall Park	Barkåkra 50:3	Ängelholm	51,564	41.4	42.5
Ljungbyhed Park	Sjöleden 1:5-1:17	Ljungbyhed	73,234	34.9	39.8
Kamaxeln 2	Kamaxeln 21	Malmö	950	1.7	1.7
Stenekullen 2	Stenekullen 2	Malmö	4,937	14.4	15.6
Jupiter 11	Jupiter 11	Helsingborg	4,807	9.6	9.7
Ulriksdals Center	Sadelplatsen 3	Stockholm	12,455	44.7	44.7
Sadelplatsen 4	Sadelplatsen 4 ²	Stockholm	13,494	13.3	19.4
Ledvolten	Solna Ledvolten 1	Stockholm	4,268	15.4	15.4
Almnäs	Almnäs 5:28	Södertälje	2,158	5.6	5.6
Partille Port	Partille 11:60	Partille	6,431	14.9	15.1
Carl Florman	Carl Florman 1	Malmö	3,259	6.5	6.6
The Corner	Hemvistet 2	Malmö	7,432	26.8	26.8
Partille Port residential	Partille 11:70	Partille	4,946	11.0	11.8
Ultimes Business Garden	Ultimes I & II	Helsingfors	17,015	59.1	71.8
	Total		206,950	299.2	326.4

1) Leasing refers to ground leases amounting to SEK 2 million to Kamaxeln.

2) The property largely comprises a multi-storey car park (475 parking spaces) and, in addition, office premises of 2,994 sqm.

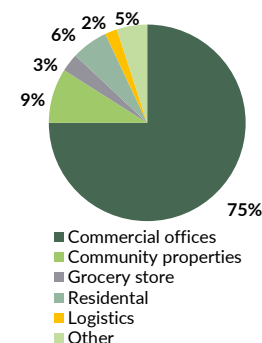
Summary of value trend

Changes in the property portfolio	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
At beginning of the period	4,682.6	4,343.3	4,412.7	4,309.2	4,309.2
Acquired properties	6.4	-	247.8	139.9	534.9
Investments in existing properties	6.1	20.6	53.6	55.0	95.8
Divestments of properties	-	-	-	-	-252.1
Unrealised changes in fair value	-16.2	-108.0	-56.1	-291.6	-266.0
Currency effect on properties abroad	-4.5	-18.1	16.4	25.3	9.1
At end of the period	4,674.5	4,237.8	4,674.5	4,237.8	4,412.7

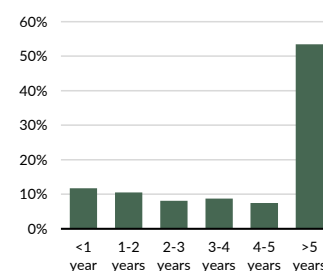
Acquisitions and investments

During the January-September period, Annehem Fastigheter accessed the Partille Port residential property in Gothenburg at an underlying property value totalling SEK 250.0 million plus a purchase consideration of SEK 0.7 million. Annehem also settled the final purchase consideration of SEK -2.9 million for the Carl Florman property. Investments totalling SEK 53.6 million (95.8) in existing properties were also made during the period, with the investments attributable primarily to the Ljungbyhed Park and Valhall Park properties and completion of The Corner.

Specification of income 2024



Summary of lease terms¹ (percentage of rental value for each year)



¹⁾ Excluding housing contracts.

Property appraisals

The fair value is established on a quarterly basis in cooperation with the external property appraisal institute that the company has hired. At least once every year Annehem commissions complete valuations from external property appraisal institutes for all properties in the portfolio. The external appraisers are to be property appraisers authorised by Samhällsbyggarna, or similar Nordic association. The external valuations are to be conducted in accordance with guidelines from IPD Svenskt Fastighetsindex.

The fair value of properties is primarily based on external measurements with the value date 30 September 2024. Fair value decreased by SEK 56.1 million during the January–September period, primarily due to changed return requirements. At 30 September 2024, the average valuation yield amounted to 5.31 percent (5.24 percent, 31 December 2023). During the January–September period, Annehem Fastigheter also invested in existing properties in an amount of SEK 53.6 million. The investments were attributable to modernisation of Saab's premises in Ljungbyhed Park, completion of The Corner and other minor investments in other properties. The properties are measured at fair value where classification is conducted at level 3 in accordance with IFRS 13.

Sensitivity analysis property portfolio

At 30 September 2024, the average valuation yield amounted to 5.31 percent (5.24). Unrealised changes in value in the property portfolio in the case of changes in the valuation yield are presented in the table below.

Change, %-points	SEK million
+/- 0.25%	-169.9/182.4
+/- 0.5%	-328.8 / 379.3

Current earnings capacity

Earnings capacity, SEK million	2024-10-01
Rent revenue	326.4
Vacancy	-26.6
Other property income	22.1
Total revenue	321.9
Property expenses	-87.7
Property tax	-14.0
Net operating income	220.2
Other operating income	-4.0
Central administration	-36.5
Net financial items	-94.5
Income from property management	85.2

Annehem Fastigheter presents its earnings capacity on a 12-month basis at 1 October 2024 in the table above. The earnings capacity is not a forecast for the current year or the next 12 months but should only be viewed as a theoretical snapshot and is solely presented as an illustration. The current earnings capacity does not include an assessment of the future trends for rents, vacancy rates, changes in value, purchases or sales of properties or other factors.

The current earnings capacity is based on the properties owned on 30 September 2024 and their financing, after which the current earnings capacity illustrates the subsequent annualised earnings for Annehem Fastigheter. Transactions involving taking possession of or vacating a property that took place after 30 September are therefore not included in the calculation. Annehem Fastigheter's income statement is also affected by the value growth in the property portfolio and future property acquisitions and/or property sales. None of the above were taken into account in the current earnings capacity. The earnings capacity is based on the property portfolio's contracted rent revenue, normalised property expenses and administration costs pertaining to the current portfolio. Costs for interest-bearing liabilities used the Group's average interest-rate level plus accrued borrowing expenses.

Comments on earnings capacity

The rent revenue decreased 1 percent compared with the earnings capacity on 30 June 2024. The negative trend for rent revenue was mainly attributable to additional vacancies. Rental guarantees were issued for vacant spaces in The Corner (from 1 January 2024 to 31 December 2026) by the seller. If the vacancies are leased to other tenants, the guarantees are not paid. At the end of September 2024, the economic occupancy rate was 91.7 percent (94.6).

Financing

Summary of the company's financing situation

At the end of the third quarter, interest-bearing liabilities amounted to SEK 2,102.3 million (2,036.3); the increase year-on-year is due to further acquisitions. The interest-bearing liabilities consist exclusively of bank loans, all of which are secured with mortgage deeds.

The interest-coverage ratio multiple was 2.0 (2.1) for the quarter, which means the loan covenants are met. The interest-coverage ratio, multiple RTM, was 2.1 (2.3). At 30 September, the net loan-to-value ratio in the portfolio was 40.4 percent (43.4).

The average remaining fixed interest term and loan maturity including fixed-interest derivatives was 2.67 years and 1.39 years, respectively. At the end of the quarter, the average interest rate was 4.1 percent.

Change in loan structure during the period

SEK million	Jan-Sep	Jan-Sep	Full year
	2024	2023	2023
Interest-bearing liabilities at beginning of the period	2,036.3	1,889.6	1,889.6
New external bank loans	125.0	75.9	345.2
Change in lease liability	-0.3	-0.3	-0.3
Amortisations of external bank loans	-71.8	-8.8	-183.6
Changes in capitalised loan costs	2.6	2.3	2.5
Currency effects	10.5	10.7	-17.1
Interest-bearing liabilities at end of the period	2,102.3	1,969.4	2,036.3

Available liquidity

SEK million	Jan-Sep	Jan-Sep	Full year
	2024	2023	2023
Cash and cash equivalents	212.4	167.5	119.4
Unused loan facility	-	125.0	125.0
Total	212.4	292.5	244.4

Fixed-interest and loan maturity structure

Year	Volume active contract,	Future-started swaps	Fixed interest ²	Fixed interest	Average interest rates in the swap	Capital commitment ³	Capital commitment
	SEK million	SEK million	SEK million	Share	portfolio ⁵	SEK million	Share
within a year	554.0	-	554.0	26.4%	-	-	-
1-2 years	589.4	-674,6 ⁴	-85.2	-4.1%	1.6%	1,654.7	78.7%
2-3 years	479.0	-	479.0	22.6%	0.8%	450.6	21.3%
3-4 years	245.0	474,6 ⁴	719.6	34.2%	2.7%	-	-
4-5 years	237.9	-	237.9	11.3%	2.7%	-	-
5-6 years ¹	-	-	-	0.0%	-	-	-
6-7 years	-	200,0 ⁴	200.0	9.5%	-	-	-
Total at the end of the period	2,105.3	0.0	2,105.3	100%	1.9%	2,105.3	100%

1) Pertains to lease liability for ground lease that is regarded as perpetual.

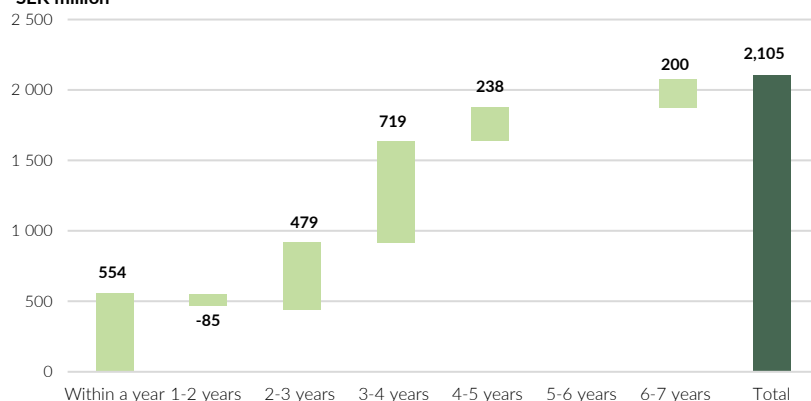
2) Including fixed-interest derivatives.

3) The capital amount pertains to undiscounted values. The balance sheet includes borrowing fees in interest-bearing liabilities.

4) The contracted interest rate for fixed-interest derivatives amounts to 2.06 percent.

5) Excluding future-started fixed-interest derivatives.

Fixed-interest structure, SEK million



Summary of financial key figures

SEK million	2024-09-30	2023-09-30	2023-12-31
Interest bearing debt	2,102.3	1,969.4	2,036.3
Unused facility	-	125.0	125.0
Volume interest swaps	1,551.3	1,489.8	1,365.1
Value interest swaps	-1.2	79.6	29.7
Debt/equity ratio, multiple	0.82	0.85	0.90
Net loan to value ratio, %	40.4	42.5	43.4
Interest coverage multipel, quater, ICR	2.1	2.2	2.2
Interest coverage multipel rolling 12 months	2.1	2.3	2.2
Average interest rate %	4.1	4.1	4.3
Average interest rate including unused loan facility, %	4.1	4.2	4.4
Average fixed interest period, Years	2.67	2.24	2.41
Average capital commitment period, Years	1.39	1.79	2.04

Sensitivity analysis

The average interest for the January-September 2024 period was 4.1 percent. For a 12-month interest-rate sensitivity in an existing loan portfolio, the effect of changes in average interest rates on profit is presented in the table below:

Change, %-points		SEK million
+/- 1,0%	-/+	5.2
+/- 2,0%	-/+	10.3

Other information

The company's shareholders

Shareholders	Numbers of shares	Capital, %	Votes, %
Ekhaga utveckling AB ¹	21,130,923	23.9	49.8
Mats och Fredrik Paulsson med familjer	5,205,519	5.9	11.3
Volito AB	5,297,769	6.0	5.2
PriorNilsson Fonder	4,516,375	5.1	2.5
Mats Paulssonstiftelserna	4,492,773	5.1	2.5
Alcur Select	3,839,697	4.3	2.1
Peabs vinstandelsstiftelse	3,755,700	4.2	2.1
ODIN Fonder	3,340,537	3.8	1.8
Carnegie Fonder	2,960,327	3.4	1.6
UBS Switzerland AG	386,922	0.4	1.4
10 largest share owners, sum	54,926,542	62.1	80.4
Other share owners	33,562,279	37.9	19.6
Total	88,488,821	100.0	100.0

1) Refer to further information in Note 6.

Risks

For a description of Annehem's risks, refer to the Risks section on page 27, and the Risks and risk management section of Annehem's 2023 Annual Report.

Organisation and employees

Annehem Fastigheter had an average of 16 full-time employees during the third quarter of 2024. Including resources working on a consultative basis, the number of employees amounts to 18. Annehem Fastigheter had 15 employees and 3 resource on a consulting basis during the 2023 comparative period.

Financial calendar

Year-end Report January–December 2024	13 February 2025
Annual Report 2024	March 2025
Interim Report January–March 2025	6 May 2025
Half-year report January–June 2025	17 July 2025
Interim Report January–September 2025	23 October 2025

Assurance of the CEO

The CEO gives assurance that the interim report provides a true and fair overview of the development of the Parent Company's and the Group's operations, their financial position and performance, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

Ängelholm, 23 October 2024

Monica Fallenius
CEO

This information is information that Annehem Fastigheter AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 24 October 2024 at 8:00 a.m. CEST.

Review report

Auditor's report on review of interim report.

To the Board of Directors of Annehem Fastigheter AB (publ)

Corp. ID. No. 559220-9083

Introduction

We have reviewed the condensed interim financial information (interim report) of Annehem Fastigheter AB (publ) as of 30 September 2024 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 23 October 2024

KPMG AB

Peter Dahllöf

Authorized Public Accountant

Consolidated income statement

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
SEK million	2024	2023	2024	2023	2023
Rent revenue	69.8	61.5	206.5	186.3	247.2
Other property income	10.6	10.1	38.4	36.4	44.9
Total income	80.3	71.5	244.9	222.7	292.1
<i>Property expenses</i>					
Operating costs	-10.8	-10.1	-40.3	-35.7	-47.5
Maintenance costs	-4.1	-3.6	-9.6	-8.9	-11.6
Property tax	-4.2	-3.5	-10.6	-9.9	-9.8
Property administration	-3.3	-3.3	-9.4	-10.0	-13.4
Net operating income	57.9	51.1	175.0	158.2	209.7
Central administration	-7.0	-5.5	-26.5	-27.0	-36.1
Other operating income	0.7	1.2	4.7	2.9	5.2
Other operating costs	-2.1	-3.1	-7.2	-5.8	-10.3
Interest income	8.0	14.7	27.4	38.2	53.4
Interest expenses	-33.3	-35.7	-98.4	-95.9	-129.3
Other financial items ¹	-0.6	4.8	-5.3	-7.2	-2.2
Income from property management	23.6	27.5	69.7	63.4	90.5
Changes in values of properties, realised	-	-	-1.0	-	-11.8
Changes in values of properties, unrealised	-16.2	-108.0	-56.1	-291.6	-266.0
Changes in values of derivatives	-36.4	-5.0	-32.7	-13.8	-61.8
Income before tax for the period	-29.0	-85.5	-20.1	-242.1	-249.1
Current tax	0.5	-0.2	0.0	-0.7	0.0
Deferred tax	5.9	21.1	1.9	51.3	48.5
Net income for the period attributable to the company shareholders	-22.6	-64.7	-18.2	-191.4	-200.6
Numbers of shares	88,488,821	58,992,548	88,488,821	58,992,548	58,992,548
Average numbers of shares	88,488,821	68,781,704	83,813,775	68,781,704	68,781,704
Earnings per share, SEK²	-0.26	-0.94	-0.22	-2.78	-2.92

1) Other financial items comprise currency effects and realised and unrealised effects of currency futures.

2) Since there are no potential shares, no dilution effect occurs.

3) The average number of shares and key figures based on this have been restated by an adjustment factor of 1.1659 for all comparative periods, corresponding to the bonus issue element in this year's rights issue; for more information, refer to Note 7.

Consolidated statement of profit or loss and other comprehensive income

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
SEK million	2024	2023	2024	2023	2023
Profit for the period	-22.6	-64.7	-18.2	-191.4	-200.6
Other comprehensive income					
<i>Items that will be reclassified to profit or loss</i>					
Change in market value of derivative instruments	-	-0.2	-	-0.6	-0.7
Fiscal effect on derivative instruments	-	0.0	-	0.1	0.1
Translation differences from foreign operations for the period	-0.7	-6.8	4.1	10.6	2.3
Total other comprehensive income	-0.7	-6.9	4.1	10.2	1.7
Comprehensive income for the period attr. to parent company shareholders	-23.3	-71.6	-14.1	-181.3	-198.9

Consolidated balance sheet

SEK million	2024-09-30	2023-09-30	2023-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	0.1	0.0	0.2
Investment properties	4,674.5	4,237.8	4,412.7
Equipment and machinery	5.5	5.7	6.2
Derivative instrument	17.2	81.6	33.3
Other fixed assets	1.5	1.4	1.4
Total fixed assets	4,698.8	4,326.6	4,453.9
Current assets			
Accounts receivables	4.6	2.7	3.5
Current receivables	31.8	37.7	34.0
Derivative instruments	0.0	0.4	0.0
Cash and cash equivalents	212.4	167.5	119.4
Total current assets	248.8	208.3	156.8
TOTAL ASSETS	4,947.6	4,534.8	4,610.7
EQUITY AND LIABILITIES			
Equity			
Share capital	0.8	0.5	0.5
Other contributed capital	2,074.8	1,786.9	1,786.9
Reserves	27.4	31.4	23.3
Retained earnings including net income for the year	473.4	501.1	491.6
Equity attributable to parent company shareholders	2,576.4	2,319.8	2,302.3
Non-current liabilities			
Current interest-bearing liabilities	2,102.3	1,747.9	1,920.1
Derivative instruments	18.8	2.0	3.6
Other non-current liabilities	1.9	1.9	1.8
Deferred tax liabilities	155.9	145.0	157.6
Provisions for pensions	1.8	1.7	1.7
Total non-current liabilities	2,280.7	1,898.5	2,084.9
Current liabilities			
Current interest-bearing liabilities	-	221.5	116.2
Accounts payable and other liabilities	10.3	21.7	25.6
Current tax liabilities	0.0	1.0	0.6
Other current liabilities	80.2	72.3	81.2
Total current liabilities	90.4	316.5	223.5
Total liabilities	2,371.2	2,215.0	2,308.4
TOTAL EQUITY AND LIABILITIES	4,947.6	4,534.8	4,610.7

Consolidated cash flow statement

SEK million	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Income from property management	23.6	27.5	69.7	63.4	90.5
<i>Items not affecting cash flow</i>					
Depreciation	0.1	-0.1	0.4	-	0.9
Unrealised currency effects	1.6	5.8	-3.8	-0.8	7.6
Other non-cash items	1.5	-0.8	3.2	-4.2	1.9
Income tax paid	0.0	-0.2	0.0	-0.7	0.0
Cash flow before changes in working capital	26.8	32.2	69.5	57.7	100.8
Changes in working capital					
Operating receivables	5.3	2.7	1.1	-15.0	-14.7
Operating liabilities	16.0	-29.0	-1.9	12.1	16.3
Cash flow from operating activities	48.1	5.9	68.6	54.7	102.4
<i>Investing activities</i>					
Investments in existing properties	-6.0	-20.6	-53.6	-55.0	-95.8
Acquisitions of investment properties	-6.3	-	-265.0	-135.0	-527.9
Divestment of fixed assets	-	-	-	-	245.0
Investments in machinery and equipment	-0.2	-2.0	-0.4	-2.0	-4.7
Cash flow from investing activities	-12.6	-22.6	-319.0	-192.0	-383.4
<i>Financing activities</i>					
Borrowings	-	-	125.0	75.9	345.2
Repayment of loans	-4.1	-2.9	-71.8	-8.8	-183.6
Rights issue	0.0	-	289.8	-	-
Cash flow from financing activities	-4.1	-2.9	343.0	67.1	161.6
Cash flow for the period	31.4	-19.6	92.6	-70.2	-119.4
Cash and cash equivalents at the beginning of the period	181.3	186.8	119.4	237.9	237.9
Exchange rate difference in cash and cash equivalents	-0.1	0.3	0.4	-0.2	0.9
Cash and cash equivalents at the end of the period	212.4	167.5	212.4	167.5	119.4

Condensed consolidated statement of changes in equity

SEK million	2024-09-30	2023-09-30	2023-12-31
Opening balance, equity	2,302.3	2,501.1	2,501.1
Net income for the period	-18.2	-191.4	-200.5
Other comprehensive income for the period	4.1	10.2	1.7
Comprehensive income for the period	-14.1	-181.3	-198.8
Rights issue	288.2	-	-
Closing balance, equity attributable to Parent Company shareholders	2,576.4	2,319.8	2,302.3

Parent Company income statement

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
SEK million	2024	2023	2024	2023	2023
Revenue	11.4	15.2	35.0	47.4	46.1
Administration costs	-7.2	-8.0	-28.0	-29.0	-40.3
Operating result	4.2	7.2	6.9	18.4	5.8
Financial items					
Financial net	26.7	30.6	88.8	62.9	94.4
Result after financial items	30.9	37.8	95.8	81.3	100.2
Appropriations	-	0.0	-	0.0	-11.8
Result before tax	30.9	37.8	95.8	81.3	88.3
Deferred tax	2.5	-0.1	3.0	-0.5	0.5
Result for the period	33.4	37.6	98.8	80.8	88.9

Parent Company balance sheet

SEK million	2024-09-30	2023-09-30	2023-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	0.1	0.0	0.2
Equipment and machinery	1.2	1.8	3.2
Financial fixed assets			
Shares in Group companies	116.1	19.1	116.1
Long-term receivables, Group companies	2,335.5	1,924.3	2,134.0
Derivative instruments	15.3	38.7	26.3
Other fixed assets	1.4	1.4	1.4
Total financial fixed assets	2,468.3	1,983.5	2,277.8
Total fixed assets	2,469.6	1,985.3	2,281.2
Current assets			
Accounts receivables	103.8	96.2	70.4
Accounts receivables from related parties	5.8	8.5	7.1
Derivative instruments	0.0	0.4	0.0
Cash and cash equivalents	129.5	115.3	27.8
Total current assets	239.1	220.4	105.3
TOTAL ASSETS	2,708.7	2,205.7	2,386.5
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	0.8	0.5	0.5
Other contributed capital	287.9	-	-
Unrestricted equity			
Retained earnings	2,179.7	2,092.2	2,092.2
Result for the year	98.8	80.8	88.9
Total equity	2,567.1	2,173.5	2,181.6
Provisions			
Provision for pensions and similar obligations	1.8	1.7	1.7
Provision for deferred tax	2.6	6.7	5.6
Total provisions	4.4	8.4	7.4
Non-current liabilities			
Derivative instruments	4.1	2.0	0.3
Total non-current liabilities	4.1	2.0	0.3
Current liabilities			
Derivative instruments	0.4	0.0	1.9
Liabilities to Group companies, accounts payable	118.5	3.3	118.8
Accounts payable	2.0	1.6	4.3
Other current liabilities	12.0	16.8	72.3
Total current liabilities	133.0	21.8	197.3
TOTAL EQUITY AND LIABILITIES	2,708.7	2,205.7	2,386.5

Parent Company cash flow statement

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
SEK million	2024	2023	2024	2023	2023
Result before tax	30.9	37.8	95.8	81.3	88.3
<i>Items not affecting cash flow</i>					
Depreciations	0.2	0.3	0.5	0.4	0.4
Unrealised currency effects	12.5	6.6	13.4	-2.2	10.8
Other items not affecting cash flow	0.0	-6.3	0.1	-1.8	-1.8
Cash flow before changes in working capital	43.6	38.4	109.7	77.7	97.7
Changes in working capital					
Operating receivables	-16.0	-12.9	-32.2	-58.0	-30.8
Operating liabilities	2.8	-0.1	-63.7	1.0	77.9
Cash flow from operating activities	30.4	25.3	13.8	20.8	144.8
Investing activities					
Investments in machinery and equipment	-0.4	-0.5	-0.4	-0.5	-2.1
Cash flow from investing activities	-0.4	-0.5	-0.4	-0.5	-2.1
Financing activities					
Changes interest-bearing receivables, Group companies	-19.3	-16.4	-201.5	-113.4	-323.3
Rights issue	0.0	-	289.8	-	-
Cash flow from financing activities	-19.3	-16.4	88.3	-113.4	-323.3
Cash flow for the period	10.8	8.5	101.6	-93.1	-180.6
Cash and cash equivalents in the beginning of the period	118.7	106.9	27.8	208.4	208.4
Cash and cash equivalents at the end of the period	129.5	115.3	129.5	115.3	27.8

Comments on Parent Company

The Parent Company had income related to invoiced management fees and expenses related to personnel and external services, including communication, legal and auditing.

No special risks exist for the Parent Company apart from those named for the Group in the Risks section.

Notes

NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim report is designed in accordance with the EU endorsed IFRS reporting standards and the EU endorsed interpretations of applicable standards, IFRIC Interpretations. This condensed consolidated interim report was prepared in accordance with IAS 34 Interim Financial Reporting, and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act, Interim reports. The accounting policies for the Group and the Parent Company are the same accounting policies and applied calculation bases as in the most recent annual report. Disclosures in accordance with IAS 34.16A occur in the financial statements and also in associated notes in other parts of the interim report.

NOTE 2 ESTIMATIONS AND ASSESSMENTS

The preparation of the interim report requires management to make assessments, estimations and assumptions that affect the application of accounting policies and the recognised amounts of assets, liabilities, income and expenses. The final outcome can deviate from the results of these estimations and assessments.

Valuation of investment properties

Annhem Fastigheter's portfolio is measured in the balance sheet at fair value and changes in value are recognised in the income statement. The fair value is based on internal measurements that are performed regularly and the properties are also valued each year during the third quarter by external independent appraisers, in accordance with the valuation policy. The value of properties is not only affected by the supply and demand in the market but by several other factors, partly property-specific factors such as occupancy rate, rent level and operating costs, partly market-specific factors such as direct-return requirement and cost of capital derived from comparable transactions in the property market.

A deterioration in property or market-specific conditions can lead to drop in the value of properties, which could have an adverse impact on Annhem Fastigheter's operations, financial position and earnings.

The valuation also requires an assessment of and assumptions on future cash flows and determination of the discount factor (return requirement). Annhem routinely monitors inflation, the key policy rate and return requirements, and these assumptions form the basis for calculation of the fair value. The inflation assumption in the values for the coming year is 2 percent. At 30 September 2024, the average valuation yield amounted to 5.31 percent (5.24 percent, 31 December 2023). As a means of reflecting this uncertainty in assumptions made and assessments, the property value is normally stated in an uncertainty range of +/- 5-10 percent. The properties are measured at fair value where classification is conducted at level 3 in accordance with IFRS 13.

Asset acquisitions

Transactions in which the fair value of the acquired assets essentially comprises an asset or a group of similar assets are recognised as a single asset acquisition, using a simplified assessment. When acquisitions of subsidiaries entail an acquisition of net assets without significant processes, the cost is allocated to the individual identifiable assets and liabilities based on their fair value on the acquisition date. Fair value initially includes contingent considerations. Transaction expenses are added to the cost of the acquired net assets in asset acquisitions. Changes in the estimated value on contingent benefits after the acquisition are added to the cost of acquired assets. Deferred tax on temporary differences is not initially recognised. For further information, refer to the section Taxes. Annhem recognises deductions received for deferred tax as unrealised changes in value on the property directly on the date of the acquisition.

NOTE 3 SEGMENTS

Annhem Fastigheter's operations comprise two operating segments and, organisationally speaking, is divided into two different segments:

1. **Sweden Region**, including Stockholm, Malmö, Ljungbyhed, Ängelholm, Gothenburg and Helsingborg
2. **Rest of Nordics Region**, includes Helsinki (comparative figures for 2023 also include the property in Norway, which was divested in October 2023)

2024	Jan-Sep			Total
	Sweden	Other Nordics	Staff	
SEK million				
Rent revenue	165.9	40.6	-	206.5
Net operating income	136.8	38.2	-	175.0
Income from property management	122.7	10.3	-63.2	69.7
Income before tax	76.9	-10.3	-86.6	-20.1
Investment properties, fair value	3,797.6	876.9	-	4,674.5

Group staff includes the Parent Company and holding companies within the Group, which are not operational companies. Transactions within Group staff include management fees and other administrative expenses.

2023	Jan-Sep			Total
	Sweden	Other Nordics	Staff	
SEK million				
Rent revenue	132.9	53.4	-	186.3
Net operating income	104.1	54.6	-0.5	158.2
Income from property management	105.8	28.4	-70.8	63.4
Income before tax	-102.8	-53.3	-86.0	-242.1
Investment properties, fair value	3,064.2	1,173.5	-	4,237.8

NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

SEK million	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
	2024	2023	2024	2023	2023
Property tax	2.5	1.8	8.9	2.9	3.9
Rental guarantees	1.1	0.2	4.7	2.8	3.0
Other property revenue	7.0	8.0	24.8	30.6	37.9
Total other property revenue	10.6	10.1	38.4	36.4	44.9

Other property income largely comprises reinvoiced media costs (electricity, heating, water) to tenants, reinvoiced property tax, compensation related to airports, rental guarantees, and income from leasing ad hoc housing.

NOTE 5 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Annhem Fastigheter holds forward exchange contracts and fixed-interest derivatives to mitigate the impact of fluctuations in currency and interest rates. The derivatives are used solely for financial hedging purposes as part of Annhem Fastigheter's financial policy, and not for speculation.

As of 30 September 2024, the Group holds fixed-interest derivatives in SEK and EUR, and currency futures in EUR. As of 30 September 2024, the market value of fixed-interest derivatives amounted to SEK -1.2 million (31.6) and currency futures to SEK -0.4 million (-1.9).

The Group deems that other carrying amounts for the stated financial assets and liabilities recognised at cost and amortised cost correspond approximately to fair value, due to short maturity dates, that reservations have been made for anticipated credit losses and that any penalty interest will be charged.

NOTE 6 TRANSACTIONS WITH RELATED PARTIES

The company is a related party to Peab AB, through the companies' shared largest shareholders. The shares are held directly and indirectly by Ekhaga Utveckling AB. On 30 September 2024, Fredrik Paulsson controlled more than 50 percent of votes in Ekhaga Utveckling AB. In addition, Fredrik Paulsson held 0.86 percent of shares in Annehem on 30 September 2024. Fredrik Paulsson therefore controlled more than 50 percent of votes in Annehem through his direct and indirect holding on 30 September 2024.

SEK million	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
	2024	2023	2024	2023	2023
Acquired properties	6.4	0.0	247.8	139.9	534.9
Accounts receivables	23.2	0.0	23.5	0.5	0.2
Accounts payable	-1.7	-3.6	0.5	1.3	12.3
Sales	22.2	20.2	68.0	61.7	81.0
Costs/investments	-2.2	-9.2	-36.7	-39.4	-75.2

NOTE 7 RESTATEMENT EFFECTS, RIGHTS ISSUE

Through the rights issue that was conducted in March 2024, Annehem's share capital increased by SEK 249,999.99 from SEK 500,000 to SEK 749,999.99 and the total number of shares in Annehem increased by 29,496,273, of which 3,431,995 Series A shares and 26,064,278 Series B shares. Following the rights issue, the number of shares in Annehem is 88,488,821, of which 10,295,986 Series A shares and 78,192,835 Series B shares. Shares outstanding, the average number of shares, and key figures based on these have been restated by an adjustment factor of 1.1659 for all comparative periods, corresponding to the bonus issue element in this year's rights issue

SEK million	Jul-Sep 2024	Jan-Sep 2024	Jul-Sep 2023	Jul-Sep 2023	Jan-Sep 2023	Jan-Sep 2023	Full year 2023	Full year 2023
			After recount	Before recount	After recount	Before recount	After recount	Before recount
Income fr. prop. management excl. currency effects per share	0.27	0.90	0.33	0.38	1.03	1.20	1.35	1.57
Earnings per share, before and after dilution, SEK	-0.26	-0.22	-0.94	-1.10	-2.78	-3.24	-2.92	-3.40
Average numbers of shares	88,488,821	83,813,775	68,781,704	58,992,548	68,781,704	58,992,548	68,781,704	58,992,548

Risk factors

Risks in the value of the properties

Annehem Fastigheter is exposed to risk related to changes in the value of and incorrect valuation of its properties. Annehem Fastigheter's investment properties are measured at fair value in the balance sheet and realised and unrealised changes in value are recognised in the income statement. According to Annehem Fastigheter's valuation policy, external valuation reports are to be obtained at least once each year for all properties.

Macroeconomic risks

The company's operations are affected by macroeconomic factors such as the overall economic trends, national and regional economic trends, employment, production of properties, infrastructure developments, population growth, inflation and interest rates, as well as war and crises. Annehem Fastigheter operates in Stockholm, Helsinki, Malmö, Gothenburg and Helsingborg/Ångelholm, which are geographic markets that the company considers particularly attractive, based on historical data. Consequently, Annehem Fastigheter is primarily exposed to the regional economic climate in these geographic markets and there is a risk that these geographic markets will not develop as anticipated by the company or in the same way as the markets' historical development, which could have a material negative impact on Annehem Fastigheter's operations and financial position.

Environmental risks

Annehem Fastigheter's operations entail environmental risks and the company is subject to environmental regulations that mean that the company could be liable to claims in the event of non-compliance. Even if Annehem Fastigheter will conduct inspections in conjunction with the acquisition of individual properties, there is a risk that the previous property owner, or Annehem Fastigheter, failed to comply with environmental regulations or that previous property owners or operators caused pollution. See also the Risks and risk management section in the 2023 Annual Report.

Financial key figures

Number of shares

	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Number of shares¹					
A-shares	10,295,986	6,863,991	10,295,986	6,863,991	6,863,991
B-shares	78,192,835	52,128,557	78,192,835	52,128,557	52,128,557
Total number of shares	88,488,821	58,992,548	88,488,821	58,992,548	58,992,548
Total average number of shares	88,488,821	68,781,704	83,813,775	68,781,704	68,781,704

¹ The average number of shares and key figures based on this have been restated by an adjustment factor of 1.1659 for all comparative periods, corresponding to the bonus issue element in this year's rights issue; for more information, refer to Note 7.

Income from property management

Annhem Fastigheter's operations focus on growth in cash flow from day-to-day administration, meaning growth in income from property management. The target is that income from property management per share will increase over time by an average of 20.0 percent per year. Shown below is the income from property management, excluding currency effects, which relate to the Group's currency swap derivatives and the currency translations of internal loans in EUR.

SEK million	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Currency swaps	0.6	6.2	-7.7	-8.6	2.5
Revaluation of internal loans	-1.1	-1.4	2.4	1.4	-4.7
Currency effects	-0.7	4.8	-5.3	-7.2	-2.2

Income from property management, excluding currency effects per share¹

SEK million	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Income from property management	23.6	27.5	69.7	63.4	90.5
Currency effects	0.7	-4.8	5.3	7.2	2.2
Income fr. property management excl. currency effects	24.3	22.7	75.0	70.6	92.7
Average number of shares	88,488,821	68,781,704.2	83,813,775	68,781,704	68,781,704
Income fr. property management excl. currency effects per share	0.27	0.33	0.90	1.03	1.35

¹ The average number of shares and key figures based on this have been restated by an adjustment factor of 1.1659 for all comparative periods, corresponding to the bonus issue element in this year's rights issue; for more information, refer to Note 7.

Net reinstatement value (EPRA NRV)

The net asset value is the accumulated capital managed by the company on behalf of its owners. Using this capital, Annhem aims to generate return and growth at a low level of risk. Net asset value can be determined in various ways, with the main influence from a time perspective and the turnover rate of the property portfolio. The net reinstatement value is based on the balance sheet and adjusted for items that do not require payment in the near future, such as in Annhem's case deferred tax liabilities.

SEK million	2024-09-30	SEK/share	2023-09-30	SEK/share	2023-12-31	SEK/share
Equity according to balance sheet	2,576.4	29.1	2,319.8	39.3	2,302.3	39.0
Add back						
Deferred tax according to balance sheet	155.9	-	145.0	-	157.6	-
Interest rate derivatives	1.2	-	-79.6	-	-29.7	-
Total average number of shares	88,488,821	88,488,821	58,992,548	58,992,548	58,992,548	58,992,548
Long-term net asset value (EPRA NRV)	2,733.6	30.9	2,385.2	40.4	2,430.2	41.2

Interest-coverage ratio

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
SEK million	2024	2023	2024	2023	2023
Income from property management	23.6	27.5	69.7	63.4	90.5
Add back					
Interest net	25.4	21.0	71.0	57.7	75.9
Currency effects	0.6	-4.8	5.3	7.2	2.2
Interest coverage, multiple	2.0	2.1	2.1	2.2	2.2
Interest coverage, multiple rolling 12 month	2.1	2.3	2.1	2.3	2.2

Net loan-to-value ratio

SEK million	2024-09-30	2023-09-30	2023-12-31
Interest-bearing liabilities	2,102.3	1,969.4	2,036.3
Cash and cash equivalents	-212.4	-167.5	-119.4
Net interest-bearing liabilities	1,889.9	1,801.9	1,916.9
Investment properties	4,674.5	4,237.8	4,412.7
Net loan-to-value ratio, %	40.4%	42.5%	43.4%

Surplus ratio

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
SEK million	2024	2023	2024	2023	2023
Income from property management	23.6	27.5	69.7	63.4	90.5
Add back					
Property expenses	34.3	23.6	105.3	94.8	119.2
Net operating income	57.9	51.1	175.0	158.2	209.7
Rent revenue	69.8	61.5	206.5	186.3	247.2
Surplus ratio, %	83.0%	83.1%	84.7%	84.9%	84.8%

Return on equity

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full year
SEK million	2024	2023	2024	2023	2023
Net income for the period attributable to the Parent Company's share	-22.6	-64.7	-18.2	-191.4	-200.6
Equity attributable to the Parent Company's shareholders	2,576.4	2,319.8	2,576.4	2,319.8	2,302.3
Return on equity, %	-0.9%	-2.8%	-0.7%	-8.3%	-8.7%

Multi-year overview, key figures

SEK million	2024-09-30	2023-09-30	2023-12-31	2022-12-31	2021-12-31	2020-12-31
Rent revenue	206.5	186.3	247.2	217.9	187.8	151.5
Net operating income	175.0	158.2	209.7	181.3	155.8	115.0
Income from property management	69.7	63.4	90.5	74.2	86.2	16.0
Income from property management excl. currency effects	75.0	70.6	92.7	90.5	86.2	45.0
Income from property management excl. currency effects per share, SEK ¹	0.90	1.03	1.35	1.32	1.25	0.65
Net income for the period	-18.2	-191.4	-200.6	207.3	209.7	71.8
Net income for the period per share, SEK ¹	-0.22	-2.78	-2.92	3.01	3.05	1.04
Economic occupancy rate, %	91.7	94.6	94.9	95.8	94.0	90.1
Surplus ratio, %	84.7	84.9	84.8	83.2	83.0	75.9
Return on equity, %	-0.7	-8.3	-8.7	8.3	9.2	3.5
EPRA NRV per share, SEK ²	30.9	40.4	41.2	44.1	40.9	36.3
Net loan-to-value ratio, %	40.4	42.5	43.4	38.3	38.3	33.1
Equity/assets ratio, %	52.1	51.2	49.9	53.4	53.9	54.4
Interest-coverage ratio, multiple RTM	2.1	2.3	2.2	2.7	3.0	2.0

1) The average number of shares and key figures based on this have been restated by an adjustment factor of 1.1659 for all comparative periods, corresponding to the bonus issue element in this year's rights issue; for more information, refer to Note 7.

Glossary and definitions

Return on equity	Profit for the period in relation to equity for the period. Purpose: The key figure shows the return generated on the capital attributable to the shareholders.
Gross rent	Gross rent is defined as rent revenue at a yearly basis excluding supplements and discounts.
Yield	Net operating income for RTM in relation to the properties' carrying amount, adjusted for the properties' holding period for the period. The key figure shows the return from operational activities in relation to the value of the properties. Purpose: The key figure shows the return from operational activities in relation to the value of the properties.
Net operating income	Net operating income includes the revenue and expenses that are directly linked to the property, that is to say, rent revenue and the expenses required for running the property, such as operating costs and maintenance costs. Purpose: The metric is used to provide comparability with other property companies and also to show the performance of the business.
Economic occupancy rate¹⁾	Rent revenue in relation to rental value at the end of the period. Purpose: The key figure facilitates the assessment of estimated rent for vacant spaces in relation to the total value of the rented and unrented floor space.
Property	Property held with property rights or leasehold rights.
Fair value of properties	Property value recognised according to balance sheet at the end of the period. Purpose: The key figure provides greater understanding of the value growth in the property portfolio and the company's balance sheet.
Income from property management	Income from property management is comprised of net operating income plus property management and administrative expenses and financial income and expenses. The earnings measure does not include the effects of changes in value of the investment properties and derivatives.
Income from property management excl. currency effects	Income from property management is comprised of net operating income excluding currency effects, plus property management and administrative expenses and financial income and expenses. The earnings measure does not include the effects of changes in value of the investment properties and derivatives.
Rent revenue	Rent revenue less vacancies, rent discount and lost rent.
Rental value¹⁾	Rent revenue with deductions for rent discount, plus rent surcharges and property tax for the rented space, as well as an estimate of market rent for vacant space. Purpose: The key figure enables an assessment of the total potential rent revenue as surcharges are added to the charged rent revenues with an estimated market rent for vacant space.
Items affecting comparability	Annehem Fastigheter regards items of a non-recurring nature as items affecting comparability.
Net reinstatement value (EPRA NRV)	Equity per share with the reversal of fixed-interest derivatives and deferred tax according to balance sheet. Purpose: Net reinstatement value is a metric that reflects the long-term value of a property portfolio, instead of equity.
Net loan-to-value ratio	Interest-bearing liabilities, including lease liabilities, less cash and cash equivalents as a percentage of the carrying amount of the properties. Purpose: Net loan-to-value ratio is a measure of risk that indicates the degree to which the operations are encumbered with interest-bearing liabilities.
Net letting¹⁾	New letting taken out during the period less terminations with notice of vacancy.
Interest-bearing liabilities	Interest-bearing liabilities mean all liabilities on which Annehem pays interest. These items in the balance sheet are: non-current and current liabilities to related parties, non-current and current interest-bearing liabilities (including lease liabilities) and Group account.
Interest-coverage ratio	Income from property management, including reversal of financial income, expenses and currency effects related to financial items as a percentage of financial income and expenses. The interest-coverage ratio is a financial target that shows how many times the company can pay its interest charges with its profit from operational activities. Purpose: The interest-coverage ratio is a measure of financial risk that shows how many times the company can pay its interest charges with its profit from operational activities.
Net interest income	The net of interest expenses on interest-bearing liabilities and interest income on fixed-interest derivatives.
Debt/equity ratio	Interest-bearing liabilities in relation to equity. Purpose: The debt/equity ratio is a measure of financial risk that shows the company's capital structure and sensitivity to interest rate changes.
Equity/assets ratio	Equity in relation to total assets. Purpose: Shows how large a share of the company's assets are financed with equity and has been included to enable investors to assess the company's capital structure.
Lettable area	The total floor area that can be rented out. Purpose: Reflects the total area the company can rent out.
Underlying property value	Agreed transaction price for the property.
Vacancy rent	Estimated market rent for vacant spaces. Purpose: The key figure specifies the potential rent revenue for fully leased spaces.
Currency effects	Currency effects attributable to currency futures and the translation of internal loans in EUR.
Surplus ratio	Net operating income for the period as a percentage of rent revenue. Purpose: The surplus ratio shows the percentage of each Swedish krona earned that the company can keep. The key figure is a measure of efficiency that is comparable over time.

¹⁾ The key figure is property-related and not considered to be an alternative performance measure in accordance with ESMA's guidelines.



Contact persons

MONICA FALLENIOUS, CEO
Telephone: 070-209 01 14

E-mail: monica.fallenius@annehem.se

ADELA COLAKOVIC, CFO
Telephone: 073-251 47 09

E-mail: adela.colakovic@annehem.se

Annhem Fastigheter AB
Corp. ID. No. 559220-9083
Address:
Drottning Kristinas Esplanad 12
SE-170 67 Solna
info@annehem.se