

Q2

**Annehem Fastigheter
Half-year report
January–June 2024**

Continued increase in income from property management and positive net letting

January–June¹

- Rent revenue for the period amounted to SEK 136.8 million (124.9)
- Net operating income amounted to SEK 117.1 million (107.1)
- Income from property management amounted to SEK 46.1 million (35.9)
- Income from property management excl. currency effects amounted to SEK 50.9 million (47.9)
- Earnings per share, amounted to SEK 0.05 (-1.84)²
- Investments in existing properties amounted to SEK 47.5 million (34.4)
- Valuations of investment properties yielded a decrease in fair value of SEK -39.9 million (-183.6)
- The fair value of investment properties amounted to SEK 4,682.6 million (4,343.3)
- Net letting amounted to SEK 14.1 million (18.0)
- Net reinstatement value (EPRA NRV) per share amounted to SEK 30.8 (41.9)

1) In this report, the comparison figures in brackets for income statement items pertain to the period January–June 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 second quarter

- Annehem has deepened its partnership with the defence authorities in Ljungbyhed Park.
- Annehem named a "Healthy Place to Work" by OneLab.

Net operating income
January–June 2024

SEK million

117.1

Fair value of investment properties
30 June 2024

SEK million

4,682.6

Economic occupancy rate
30 June 2024

92.5%

Summary of the Group's performance

Summary of the Group's performance, SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Rent revenue	70.4	63.8	136.8	124.9	247.2
Net operating income	59.1	56.5	117.1	107.1	209.7
Income from property management	24.8	18.2	46.1	35.9	90.5
Income from property management excl. currency effects	24.7	27.5	50.9	47.9	92.7
Income from property management excl. currency effects per share, SEK ¹	0.28	0.40	0.62	0.70	1.35
Income for the period	13.6	-33.2	4.4	-126.8	-200.6
Earnings per share for the period, SEK ¹	0.15	-0.48	0.05	-1.84	-2.92
Economic occupancy rate, %	92.5	94.4	92.5	94.4	94.9
Surplus ratio, %	83.9	88.6	85.6	85.8	84.8
Return on equity, %	0.5	-1.4	0.2	-5.3	-8.7
EPRA NRV per share, SEK	30.8	41.9	30.8	41.9	41.2
Net loan-to-value ratio, %	41.1	41.3	41.1	41.3	43.4
Equity/assets ratio, %	52.5	51.2	52.5	51.2	49.9
Interest-coverage ratio, RTM, multiple	2.1	2.5	2.1	2.5	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 targets	Profits shall essentially be reinvested in order to utilise growth opportunities and achieve Annehem's growth			

SUSTAINABILITY TARGETS

	Long-term target 2030	Outcome as of 30 June 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%	43%	35%	27%

CEO's comments

Geopolitical tensions remain high, which impacts the general willingness to invest since the conditions in the finance market can change quickly and risk assessments become difficult. Despite this, the future looks brighter.

After the ECB lowered the key policy rate to 3.75 percent in early June, Sweden's Riksbank opted in late June to leave the key policy rate unchanged at 3.75 percent while simultaneously revising its forecast going forward. The Riksbank is already indicating a decrease to the interest rate in August, and potentially one or two additional decreases during the autumn, provided that the inflation outlook holds.

These are eagerly awaited signals that will create conditions for a better investment climate in our Swedish companies, enabling us to emerge from this downturn and stabilise the rental market. Finland stands out in the Nordics with a weaker economic performance, which is impacting companies and their needs for premises. Forecasts indicating falling interest rates and adjusted yields are improving the conditions for property transactions. During the quarter, the transaction volume was the highest in the market since December 2022.

Owing to our strong balance sheet, good liquidity and close customer relationships, Annehem has a stable position with high occupancy rates and positive net lettings despite the challenging business climate.

Property operations delivering good earnings

I am satisfied with the fact that we strengthened our earnings. Income from property management excluding currency effects increased 6.3 percent to SEK 50.9 million (47.9) compared with the year-earlier period despite higher interest costs. Net operating income for the period increased 9.3 percent to SEK 117.1 million, and the increase is attributable primarily to improved rent revenue as a result of indexation of rents, contributions from our new acquisitions and effects of new leases. These increases are naturally a result of the acquisition of the Corner at the end of 2023, which was made possible by the successful new share issue at the beginning of the year. It is gratifying to see that this quarter as well, we delivered positive net lettings totalling SEK 2.1 million. Important contributions to this include a number of newly signed housing contracts in Partille Port residential as well as new lettings of commercial premises.

The return requirement in the market continued upward by approximately 5–10 points for our properties in Stockholm and Helsinki. Changes in value in the property portfolio are simultaneously offset by value-adding investments in the existing portfolio. We have already utilised 75 percent of the remaining issue proceeds for value-creating investments in the existing portfolio – for example, Ljungbyhed Park, where we modified the premises for Saab's operations while at the same time extending the lease. The return on equity for the investments will be approximately 25 percent.

Deepened partnership linked to total defence

Sweden's entry into NATO also impacts the property sector, as the Swedish Armed Forces are reviewing and developing its operations across the country. We have previously partnered with the Swedish Armed Forces and defence authorities, with parts of Ljungbyhed Park being used for larger exercises. During the spring, our partnership deepened as regards collaboration on exercises as well as the possibility of shorter set-up times for camps and muster sites, premises for command and control, and repair of materials and vehicles as well as lodgings for larger groups. Moreover, dialogues are being held with fire and rescue services, which are already using Ljungbyhed Park as a training site, regarding an expansion of the number of training sessions and access to practice sites.

Social sustainability on the agenda

Annehem is working to become the most sustainable property company in the Nordics. We have a strong focus on the climate, but social sustainability is becoming increasingly important in our work. Our business parks fulfil a key function here as local hubs in the community. Together with our tenants, Annehem promotes social sustainability by creating meeting spaces for children, young people, educational institutions and businesses. Two events were arranged in Ljungbyhed Park in May: a Campus Day and a "Framtidsmässa" (Future fair). The events were held in partnership with local stakeholders including Klippan Municipality, Lund University School of Aviation, Lund University, the Swedish Armed Forces, Saab, fire and rescue services and others.



"Owing to our strong balance sheet, good liquidity and close customer relationships, Annehem has a stable position."

During the quarter, Annehem was recognised as a “Healthy Place to Work” by OneLab, which works with preventive occupational health care, for our efforts at creating a healthy and sustainable workplace. Annehem prioritises the well-being of its employees, and our preventive measures are designed to promote active occupational health and safety initiatives.

New approach impacts leasing and office design

With our modern properties in attractive locations, with high-quality and flexible office spaces, we are well positioned in the rental market. This is a strength at a time when businesses are reviewing their needs for premises. In the short term, we are noting weaker demand for office premises owing to the economic downturn. Tenants are demanding flexible solutions and modification of their premises for hybrid work in their renegotiations, and vacant spaces are taking longer to lease. This is particularly apparent in Finland, where we are finding that working from home has been established to a greater extent. Competition among property owners is also increasing here, with a larger offering of premises in combination with lower demand, which is resulting in rent levels being pushed back. However, Annehem's premises stand out with regard to ancillary services, modernity and flexibility as well as high levels of sustainability performance.

Over the longer term, there is a clear focus on how to design the offices of the future. The trend toward fewer square metres per employee is continuing, and we are getting better at using these spaces efficiently in combination with the increase in demand for ancillary services, which we are used to managing since we do so in several of our properties.

Increased activity in the property transaction market

Activity in the Swedish transaction market has gained further momentum, and we are noting both large and small transactions in the direct market and corporate mergers as well, even if the transactions still are taking longer. Provided that inflation stabilises and interest rates fall going forward, the business climate will improve further. At the same time, I see that the housing segment is becoming more attractive, with yield adjustments for residential in combination with interest rate reductions and rent increases that are expected to exceed inflation in coming years. Recovery in Finland is slow, and the transaction market remains weak. The majority of the few transactions that were concluded took place in the Helsinki area. Overall, the transaction volume in the Nordics rose by 23 percent in the first two quarters, compared with the year-earlier period.

I am optimistic about the future. With our professional property management, we are close to our tenants and create solutions that meet their needs. This, in combination with our long-term strategy with modern and flexible premises, risk spread in several segments, and high levels of sustainability performance means we are well positioned to benefit from new opportunities that will arise in the market going forward.

In conclusion, I would like to thank our employees for their commitment, and our tenants and shareholders for their continued trust. I want to take this opportunity to wish you all a pleasant summer!

Ängelholm, 18 July 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, effective management and adding value.

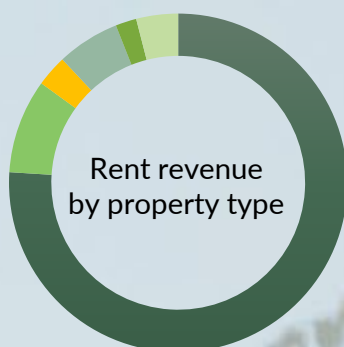
Create risk diversification over time through a diversified and green property portfolio

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

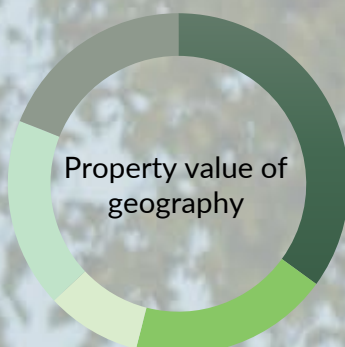
Annehem Fastigheter has a clear growth plan for the property portfolio, enabled by a strong financial position with a high equity/assets ratio and low

Rent revenue by property type

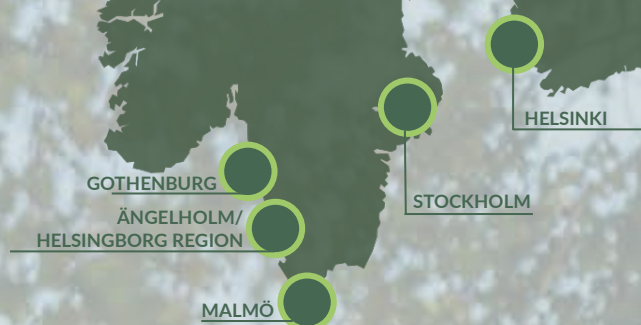


- Commercial offices 76 %
- Community properties 9 %
- Grocery store 3 %
- Residential 6 %
- Logistics 2 %
- Other 4 %

Property value of geography



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



Market

Comments on the business environment

During the second quarter of the year, the geopolitical situation remained turbulent. At the same time, the external economy is stabilising to an extent, which gives hope that the downturn will not be prolonged. Monetary policy measures continue to push the inflationary trend downward, and an initial interest-rate reduction came from the Riksbank in early May.

Core (CPIF) inflation in Sweden is currently lower than the Riksbank target of 2 percent. In June, the CPIF was 1.3 percent and the CPI was 2.6 percent. At the last monetary policy meeting in June, the Riksbank opted to leave the key policy rate unchanged at 3.75 percent. The Riksbank announced that the key policy rate could be lowered further two or three times during the second half of the 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 worsen.

Macro data Nordics

Country	Key policy rate ¹	Inflation	Transaction volume (Apr–Jun) ⁴
Sweden	3.75%	2.6% ²	SEK 30.7 billion
Finland/ECB	3.75%	3.0% ³	SEK 10.2 billion

¹ Trading Economics.

² Refers to CPI. SCB July 2024.

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

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

Property transaction market

Activity levels in the property transaction market were higher during the first half of the year compared with the year-earlier period, which indicates that buyers and sellers are nearing each other in their pricing expectations. The increase in transaction activity provides the appraisers with more data to work with. During the first half of 2024, the property transaction volume in the Nordics totalled SEK 140.8 billion¹, which entailed an increase of 23 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 during the spring. 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 adapted to new forms of work such as hybrid work.

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

Comments on the Group's performance

Income statement

January to June period

Rent revenue amounted to SEK 136.8 million (124.9), other property income to SEK 27.8 million (26.3), and total property expenses to SEK -47.5 million (-44.0), which means that net operating income increased to SEK 117.1 million (107.1). 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.

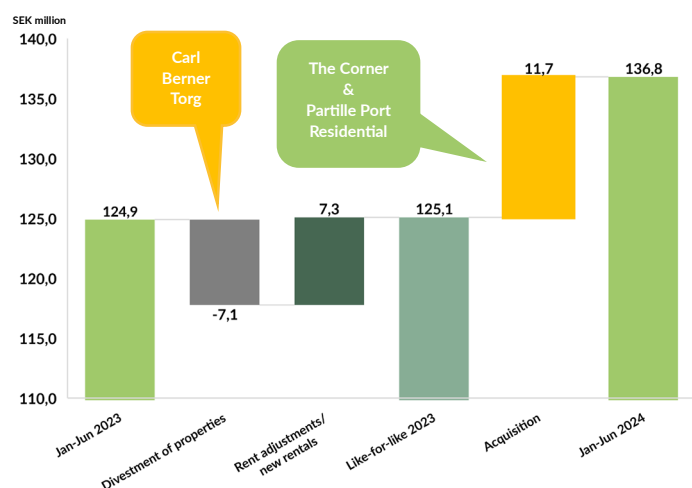
Other property income, which amounted to SEK 27.8 million (26.3), comprised invoiced operating costs, income from short-term leases and the rental guarantees issued by Peab for the Jupiter 11 and The Corner properties, which amounted to SEK 3.6 million (2.6) for January–June. Rental guarantees were issued for 100 percent of the vacant spaces in Jupiter 11 (from 1 May 2021) and The Corner (from 1 January 2024) by Peab. 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 June 2024. In the second quarter of 2023, the company received an electricity subsidy of SEK 1.6 million, which was a positive non-recurring effect.

Operating costs totalled SEK -29.5 million (-25.6), which is an increase in relation to previous years and is attributable primarily to the properties added. Property tax totalled SEK -6.4 million (-6.4), and owing to reassessment of some properties in 2023 that led to lower tax rates, property tax has not increased against the preceding year despite the addition of properties. Total property expenses amounted to SEK -47.5 million (-44.0).

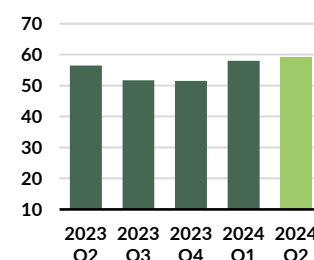
Income from property management amounted to SEK 46.1 million (35.9) for the January–June period, an increase year-on-year despite higher interest expenses. Interest expenses amounted to SEK -65.0 million (-60.2) due to key policy rates that increased compared to the previous year, and borrowing in order to finance the additional properties. The interest expenses was offset in part by interest income from fixed-interest derivatives, which amounted to SEK 19.4 million (23.5) for the period.

Other financial items amounted to SEK -4.8 million (-12.0) and comprise currency effects of SEK 3.5 million (2.8) and changes in value of currency futures of SEK -8.3 million (-14.8). The effect of unrealised changes in value of properties amounted to SEK -39.9 million (-183.6), which was due primarily to changed return requirements. The effects of changes in value of fixed-interest derivatives amounted to SEK 3.7 million (-8.8). The tax effect for the period amounted to SEK -4.5 million (29.7). The tax effect largely comprises deferred tax on the changes in value of the property portfolio and the measurement of fixed-interest derivatives at fair value. In the January–June 2023 period, the property value was impaired by a total of SEK 183.6 million, which explains the major discrepancy in deferred tax between January–June 2024 and January–June 2023. Income for the period amounted to SEK 4.4 million (-126.8).

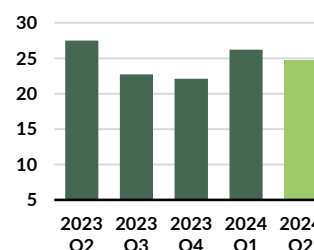
Rent revenue performance, like-for-like portfolio



Net operating income per quarter
SEK million



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



Balance sheet

The value of the company's investment properties amounted to SEK 4,682.6 million (4,343.3) on 30 June 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–June period, Annehem Fastigheter acquired the Partille Port residential property at an underlying property value of SEK 250.0 million less incomplete projects of SEK -5.7 million, and settled 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 47.5 million (34.4). Unrealised changes in value totalled SEK -39.9 million (-183.6). Together with currency translations of SEK 20.9 million (43.4) for the portfolio in Finland, the total changes in value for the period amounted to SEK 269.9 million (34.1) compared to 31 December 2023. Refer to the “Summary of value trend” table on Page 12.

The company's equity amounted to SEK 2,599.6 million (2,391.4). Interest-bearing liabilities totalled SEK 2,107.9 million (1,982.6), of which SEK 2.0 million comprised lease liabilities attributable to leasehold rights in Kamaxeln 2. During the January–June 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 22.0 million (19.6). The change was due to higher income from property management adjusted for unrealised currency effects as well as lower operating liabilities and higher operating receivables. For the January to June period, the corresponding figure was SEK 20.5 million (48.8).

Cash flow from investing activities for the quarter amounted to SEK -16.3 million (-20.1), and mainly pertained to the final purchase price of SEK -4.3 million for The Corner, investments related to Saab in Ljungbyhed Park and completion of The Corner as well as investments in other properties totalling SEK -11.7 million (-20.1). For the January to June period, cash flow from investing activities amounted to SEK -306.4 million (-169.4), and mainly pertained to the acquisition of the Partille Port residential property, which amounted to SEK -244.3 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 -47.5 million (-34.4).

Cash flow from financing activities for the quarter amounted to SEK -6.5 million (-2.9), related to repayment of the Group's credit facility as well as forthcoming costs regarding the preferential rights issue. The corresponding figure for the January to June period amounted to SEK 347.1 million (70.1), which pertains to loans 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 -0.8 million (-3.4), where the corresponding figure for the January to June period was SEK 61.2 million (-50.6).

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 and are continually improving our property management and the measurability of sustainability actions in our property operations.

Highlights during the quarter

During the second quarter, we focused more on social sustainability, both internally and externally. We have completed the second year of partnership with #HusförHus and carried out our first recycling days in both Ljungbyhed Park and Valhall Park. We have updated the table relating to our sustainability targets and follow-up below with our sustainability targets for 2024 and beyond. Efforts and examples of where the greatest progress has been made during the quarter in our operations in terms of sustainability are presented below.

Campus Day and "Framtidsmässan" at Ljungbyhed Park

Ljungbyhed Park – a cluster for education, research and development on the ground and in the air, displayed its multifaceted nature during the Campus Day and "Framtidsmässan" (Future Fair). These events exemplified how Annehem, together with its tenants, promotes social sustainability by creating meeting spaces for children, young people, educational institutions and businesses.

On 4 May, Ljungbyhed Park, in partnership with its tenants, arranged a Campus Day in the park that was visited by 3,000 young people, veterans and large parts of the local community. Campus Ljungbyhed presented the broad range of courses from high school up to university level available at the park. Representatives from the following organisations/companies participated: Flygteknikcenter Ljungbyhed, Lund University, Lund University School of Aviation, the Swedish Armed Forces, the Swedish Defence Materiel Administration, Saab, the Swedish Police, Fire and Rescue Services, Ljungbyhed Motorbana and Annehem, as well as many others.

On 24 May, Klippan Municipality invited 1,400 young people to Framtidsmässan in Ljungbyhed Park. The goal was to inspire and guide young people in their future educational choices. Exhibitors from the area, together with representatives from other schools and tech companies, offered a broad variety of information and opportunities.

"Healthy Place to Work"

In May, Annehem was recognised as a "Healthy Place to Work" by OneLab for our efforts at creating a healthy and sustainable workplace through preventive and active occupational health and safety initiatives. This is a key component of our internal social sustainability efforts, and we are convinced that a healthy workplace benefits everyone – us, as employers, the community and of course our important employees.

#HusförHus, 2023–2024 season

The 2023–2024 season of the "Hus för Hus" partnership concluded at the end of April after numerous interesting meetings, shared experiences and discussions about the importance of continuing the joint efforts around energy issue, with a focus on sustainable energy systems and the climate transformation. This season, we focused on Ljungbyhed Park and our sustainable property management.

We worked actively along with our district heating supplier, Krafringen, in the park to review and optimise the return flows in selected properties. Adjustments that were made in conjunction with this commitment included lowered temperatures in most of the properties and the replacement of electrical substations and ventilation units. Energy-saving measures and improvements to ventilation systems were implemented in partnership with our tenant Lund University School of Aviation, along with changes in behaviour to positively impact the measurement period. In a comparison between the measurement periods for 2022–2023 and 2023–2024, the result was a 12 percent reduction in energy consumption.

Recycling Days

Our first Recycling Day in Ljungbyhed Park and Valhall Park was met with a positive reception from our tenants. The goal was to facilitate recycling of items that they otherwise would have had to transport to the recycling station themselves. We plan to offer this service at least once a year and hope that more tenants will see the benefit and work together for the green transition.



Measurable progress Q2 2024 (compared with outcome for full year 2023)

- 43 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 Annehem'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
	Average contract period	years	Seek long-term relationships	Measurement	4,2	5,2
6. We care about each other	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 at 30 June 2024 at a fair value of SEK 4,682.6 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 2.1 million (10.0), distributed among newly signed leases amounting to SEK 3.9 million (12.0) less terminated leases amounting to SEK 1.8 million (2.0). Net letting for the January–June period amounted to SEK 14.1 million (18.0), distributed among newly signed leases amounting to SEK 33.0 million (21.5) less terminated leases amounting to SEK 18.9 million (3.5). Average remaining contract term at 30 June 2024, excluding residential properties, is 4.5 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 June 2024

Property	Property name	City	Area, sqm	Rent-revenue SEK million	Annualised rental value, SEK million
Valhall Park	Barkåkra 50:3	Ängelholm	51,564	40.6	41.6
Ljungbyhed Park	Sjöleden 1:5-1:17	Ljungbyhed	73,234	34.2	39.2
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 42	Stockholm	13,494	13.7	19.8
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	6.7	6.7
The Corner	Hemvistet 2	Malmö	7,432	26.8	26.8
Partille Port residential	Partille 11:70	Partille	4,946	10.8	11.8
Ultimes Business Garden	Ultimes I & II	Helsingfors	17,015	63.9	74.0
Total			206,950	303.1	327.6

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.

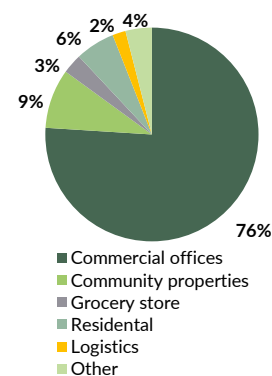
Summary of value trend

Changes in the property portfolio	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
SEK million	2024	2023	2024	2023	2023
At beginning of the period	4,688.7	4,336.3	4,412.7	4,309.2	4,309.2
Acquired properties	-	-	241.4	139.9	534.9
Investments in existing properties	11.7	20.1	47.5	34.4	95.8
Divestments of properties	-	-	-	-	-252.1
Unrealised changes in fair value	-4.7	-61.6	-39.9	-183.6	-266.0
Currency effect on properties abroad	-13.1	48.5	20.9	43.4	9.1
At end of the period	4,682.6	4,343.3	4,682.6	4,343.3	4,412.7

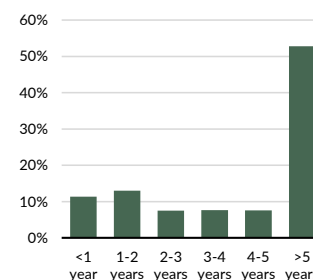
Acquisitions and investments

During the January–June period, Annehem Fastigheter took possession of the Partille Port residential property in Gothenburg at a total underlying property value of SEK 250.0 million less incomplete projects of SEK -5.7 million, and settled the final purchase consideration of SEK -2.9 million for the Carl Florman property. Investments totalling SEK 47.5 million (34.4) were also made in existing properties, 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 based on internal valuations that are carried out in cooperation with the company's appraiser, with the value date 30 June 2024. Fair value decreased by SEK 39.9 million during the January to June period, primarily due to changed return requirements. At 30 June 2024, the average valuation yield amounted to 5.35 percent (5.24 percent, 31 December 2023). During the January to June period, Annehem Fastigheter also invested in existing properties in an amount of SEK 47.5 million. The investments were attributable to modernisation of Saab's premises in Ljungbyhed Park 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 June 2024, the average valuation yield amounted to 5.35 percent. 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%	-195.0/ 212.5
+/- 0.5%	-390.9 / 451.2

Current earnings capacity

SEK million	2024-06-30
Rent revenue	327.6
Vacancy	-23.8
Other property income	21.4
Rent revenue	325.2
Property expenses	-88.9
Property tax	-15.0
Net operating income	221.3
Other operating income	-2.9
Central administration	-37.0
Net financial items	-97.0
Income from property management	84.4

Annehem Fastigheter presents its earnings capacity on a 12-month basis at 30 June 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 June 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 June 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 increased compared with the earnings capacity on 31 March 2024. The positive trend for rent revenue was mainly attributable to new lettings. Rental guarantees were issued for vacant spaces in The Corner (from 1 January 2024 to 31 December 2026) by Peab. If the vacancies are leased to other tenants, the guarantees are not paid. At the end of June 2024, the economic occupancy rate was 92.5 percent (94.4).

Financing

Summary of the company's financing situation

At the end of the second quarter, interest-bearing liabilities amounted to SEK 2,107.9 million (1,982.6); 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 2.1 (2.5) for the quarter, which means the loan covenants are met. The interest-coverage ratio, multiple RTM, was 2.1 (2.5). At 30 June, the net loan-to-value ratio in the portfolio was 41.1 percent (41.3).

The average remaining fixed interest term and loan maturity including fixed-interest derivatives was 2.85 years and 1.64 years, respectively. At the end of the quarter, the average interest rate was 4.2 percent.

Change in loan structure during the period

	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
SEK million			
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	-0.2	-0.2	-0.3
Amortisations of external bank loans	-67.7	-5.8	-183.6
Changes in capitalised loan costs	1.1	0.2	2.5
Currency effects	13.3	23.0	-17.1
Interest-bearing liabilities at end of the period	2,107.9	1,982.6	2,036.3

Available liquidity

	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
SEK million			
Cash and cash equivalents	181.1	186.8	119.4
Unused loan facility	-	125.0	125.0
Total	181.1	311.8	244.4

Fixed-interest and loan maturity structure

Year	Volume active contract, SEK million	Future-started swaps SEK million	Fixed interest ² SEK million	Share	Average interest rates in the swap portfolio ⁵	Capital commitment ³ SEK million	Share
within a year	559.6	-	559.6	26.5%	-	-	-
1-2 years	591.2	-675.8 ⁴	-84.6	-36.0%	1.6%	1,662.2	78.7%
2-3 years	479.0	-	479.0	22.7%	0.8%	450.6	21.3%
3-4 years	240.2	475.8 ⁴	716.0	56.6%	2.7%	-	-
4-5 years	180.0	-	180.0	8.5%	2.6%	-	-
5-6 years ¹	57.9	-	57.9	2.7%	2.8%	-	-
6-7 years	-	200.0 ⁴	200.0	18.9%	-	-	-
Total at the end of the period	2,107.9	0.0	2,107.9	100%	-	2,112.8	100%

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

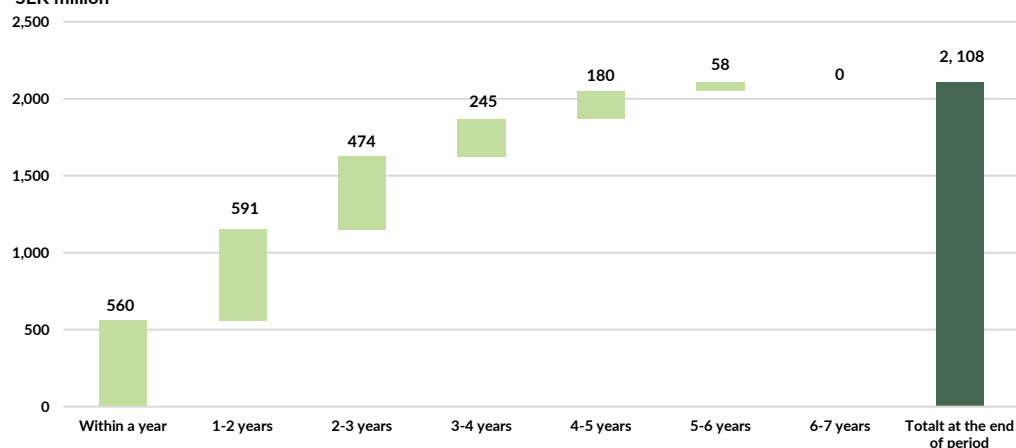
2) Including fixed-interest derivatives.

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

4) The contracted interest rate for forward swaps amounts to 2.06 percent.

5) Excluding future-started swaps.

Fixed-interest structure, SEK million



Summary of financial key figures

Mkr	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Interest bearing debt (Mkr)	2,107.9	1,982.6	2,036.3
Unused facility, (Mkr)	-	125.0	125.0
Volume interest swaps, (Mkr)	1,553.1	2,223.0	1,365.1
Value interest swaps, (Mkr)	0.0	84.7	29.7
Debt/equity ratio, multiple	0.81	0.83	0.90
Net loan to value ratio, %	41.1	41.3	43.4
Interest coverage multipel, quater, ICR	2.1	2.5	2.2
Interest coverage multipel rolling 12 months	2.1	2.5	2.2
Average interest rate %	4.2	3.6	4.3
Average interest rate including unused loan facility, %	4.2	3.6	4.4
Average fixed interest period, Years	2.85	2.12	2.41
Average capital commitment period, Years	1.64	2.22	2.04

Sensitivity analysis

The average interest for the January to June 2024 period was 4.2 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%	-/+	3.7
+/- 2,0%	-/+	7.4

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	5,204,895	5.9	11.3
Volito AB	6,350,000	7.2	5.7
PriorNilsson Fonder	4,782,693	5.4	2.7
Mats Paulssonstiftelserna	4,492,773	5.1	2.5
Alcur Select	4,038,083	4.6	2.2
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	56,442,853	63.8	81.2
Other share owners	32,045,968	36.2	18.8
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 26, 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 in the second quarter of 2024. Including resources working on a consultative basis, the number of employees amounts to 18. Annehem Fastigheter had 17 employees and 1 resource on a consulting basis during the 2023 comparative period.

Significant events after the end of the period

No significant events to note.

Financial calendar

Interim Report January–September 2024	24 October 2024
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

Review

This report has not been subject to review by the company's auditors.

Assurance of the Board of Directors and the CEO

The Board of Directors and the CEO give their assurance that the half-year 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, 18 July 2024

Henrik Saxborn
Chairman of the Board

Pia Andersson
Board member

Karin Ebbinghaus
Board member

Jesper Göransson
Board member

Anders Hylén
Board member

Lars Ljungälv
Board member

Monica Fallén
CEO

This information is information that Annehem Fastigheter AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, on 19 July 2024 at 8:00 a.m. CEST.

Consolidated income statement

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Rent revenue	70.4	63.8	136.8	124.9	247.2
Other property income	12.5	14.3	27.8	26.3	44.9
Total income	82.9	78.1	164.6	151.2	292.1
<i>Property expenses</i>					
Operating costs	-13.1	-11.2	-29.5	-25.6	-47.5
Maintenance costs	-4.0	-3.5	-5.5	-5.3	-11.6
Property tax	-3.6	-3.3	-6.4	-6.4	-9.8
Property administration	-3.1	-3.5	-6.1	-6.7	-13.4
Net operating income	59.1	56.5	117.1	107.1	209.7
Central administration	-10.5	-10.4	-19.5	-21.5	-36.1
Other operating income	0.6	0.8	4.0	1.7	5.2
Other operating costs	-1.9	-1.5	-5.1	-2.7	-10.3
Interest income	9.7	13.3	19.4	23.5	53.4
Interest expenses	-32.2	-31.3	-65.0	-60.2	-129.3
Other financial items ¹	0.1	-9.3	-4.8	-12.0	-2.2
Income from property management	24.8	18.2	46.1	35.9	90.5
Changes in values of properties, realised	-1.0	-	-1.0	-	-11.8
Changes in values of properties, unrealised	-4.7	-61.6	-39.9	-183.6	-266.0
Changes in values of derivatives	-11.2	4.4	3.7	-8.8	-61.8
Income before tax for the period	7.9	-39.1	8.9	-156.5	-249.1
Current tax	-0.3	-0.2	-0.5	-0.4	0.0
Deferred tax	6.0	6.2	-4.0	30.2	48.5
Net income for the period attributable to the company shareholders	13.6	-33.2	4.4	-126.8	-200.6
Numbers of shares, before and after dilution	88,488,821	58,992,548	88,488,821	58,992,548	58,992,548
Average numbers of shares, before and after dilution	88,488,821	68,781,704	81,450,565	68,781,704	68,781,704
Earnings per share, before and after dilution, SEK²	0.15	-0.48	0.05	-1.84	-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

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Profit for the period	13.6	-33.2	4.4	-126.8	-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	-	-0.4	-0.7
Fiscal effect on derivative instruments	-	0.1	-	0.1	0.1
Translation differences from foreign operations for the period	-2.9	13.6	4.8	17.4	2.3
Total other comprehensive income	-2.9	13.5	4.8	17.1	1.7
Comprehensive income for the period attr. to parent company shareholders	10.7	-19.7	9.2	-109.7	-198.9

Consolidated balance sheet

SEK million	2024-06-30	2023-06-30	2023-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	0.2	0.1	0.2
Investment properties	4,682.6	4,343.3	4,412.7
Equipment and machinery	5.7	5.6	6.2
Derivative instrument	37.6	90.4	33.3
Other fixed assets	1.4	1.4	1.4
Total fixed assets	4,727.5	4,440.8	4,453.9
Current assets			
Accounts receivables	10.7	4.7	3.5
Current receivables	31.0	37.7	34.0
Derivative instruments	-	1.0	0.0
Cash and cash equivalents	181.1	186.8	119.4
Total current assets	222.7	230.2	156.8
TOTAL ASSETS	4,950.2	4,671.0	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	28.1	36.5	23.3
Retained earnings including net income for the year	496.0	567.5	491.6
Equity attributable to parent company shareholders	2,599.6	2,391.4	2,302.3
Non-current liabilities			
Current interest-bearing liabilities	2,052.1	1,748.6	1,920.1
Derivative instruments	2.3	5.7	3.6
Other non-current liabilities	1.9	1.9	1.8
Deferred tax liabilities	161.9	165.0	157.6
Provisions for pensions	1.8	1.7	1.7
Total non-current liabilities	2,220.0	1,922.9	2,084.9
Current liabilities			
Current interest-bearing liabilities	55.9	234.0	116.2
Accounts payable and other liabilities	7.3	13.9	25.6
Current tax liabilities	0.0	1.1	0.6
Other current liabilities	67.4	107.7	81.2
Total current liabilities	130.6	356.7	223.5
Total liabilities	2,350.5	2,279.6	2,308.4
TOTAL EQUITY AND LIABILITIES	4,950.2	4,671.0	4,610.7

Consolidated cash flow statement

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Income from property management	24.8	18.2	46.1	35.9	90.5
<i>Items not affecting cash flow</i>					
Depreciation	0.1	-	0.3	0.1	0.9
Unrealised currency effects	2.5	-2.7	-5.4	-6.7	7.6
Other non-cash items	0.8	-2.3	1.7	-3.4	1.9
Income tax paid	0.0	-0.4	0.0	-0.4	0.0
Cash flow before changes in working capital	28.2	12.8	42.7	25.5	100.8
Changes in working capital					
Operating receivables	-1.7	-7.7	-4.2	-17.7	-14.7
Operating liabilities	-4.5	14.6	-17.9	41.0	16.3
Cash flow from operating activities	22.0	19.6	20.5	48.8	102.4
<i>Investing activities</i>					
Investments in existing properties	-11.7	-20.1	-47.5	-34.4	-95.8
Acquisitions of investment properties	-4.3	-	-258.7	-135.0	-527.9
Divestment of fixed assets	-	-	-	-	245.0
Investments in machinery and equipment	-0.2	-	-0.2	-	-4.7
Cash flow from investing activities	-16.3	-20.1	-306.4	-169.4	-383.4
<i>Financing activities</i>					
Borrowings	-	-	125.0	75.9	345.2
Repayment of loans	-3.8	-2.9	-67.7	-5.8	-183.6
Rights issue	-2.7	-	289.8	-	-
Cash flow from financing activities	-6.5	-2.9	347.1	70.1	161.6
Cash flow for the period	-0.8	-3.4	61.2	-50.6	-119.4
Cash and cash equivalents at the beginning of the period	181.3	190.2	119.4	237.9	237.9
Exchange rate difference in cash and cash equivalents	0.5	-	0.5	-0.6	0.9
Cash and cash equivalents at the end of the period	181.1	186.8	181.1	186.8	119.4

1) Interest received and paid is included in income from property management and corresponds to interest expense and interest income respectively for each period.

Condensed consolidated statement of changes in equity

SEK million	2024-06-30	2023-06-30	2023-12-31
Opening balance, equity	2,302.3	2,501.1	2,501.1
Net income for the period	4.4	-126.8	-200.5
Other comprehensive income for the period	4.8	17.1	1.7
Comprehensive income for the period	9.2	-109.7	-198.8
Rights issue	288.2	-	-
Closing balance, equity attributable to Parent Company shareholders	2,599.6	2,391.4	2,302.3

Parent Company income statement

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Revenue	10.5	14.2	23.5	32.2	46.1
Administration costs	-10.9	-10.8	-20.8	-21.0	-40.3
Operating result	-0.4	3.4	2.7	11.2	5.8
Financial items					
Financial net	36.2	7.5	62.2	32.4	94.4
Result after financial items	35.9	10.9	64.9	43.6	100.2
Appropriations	-	-	-	-	-11.8
Result before tax	35.9	10.9	64.9	43.6	88.3
Deferred tax	0.9	-1.0	0.5	-0.4	0.5
Result for the period	36.7	9.9	65.4	43.2	88.9

Parent Company balance sheet

SEK million	2024-06-30	2023-06-30	2023-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	0.2	0.1	0.2
Equipment and machinery	1.5	1.9	3.2
Financial fixed assets			
Shares in Group companies	116.1	19.1	116.1
Long-term receivables, Group companies	2,316.2	1,907.9	2,134.0
Derivative instruments	24.1	41.6	26.3
Other fixed assets	1.4	1.3	1.4
Total financial fixed assets	2,457.8	1,969.9	2,277.8
Total fixed assets	2,459.4	1,971.9	2,281.2
Current assets			
Accounts receivables	88.4	85.0	70.4
Accounts receivables from related parties	5.1	6.8	7.1
Derivative instruments	0.0	1.0	0.0
Cash and cash equivalents	118.7	106.9	27.8
Total current assets	212.3	199.6	105.3
TOTAL ASSETS	2,671.7	2,171.5	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	65.4	43.2	88.9
Total equity	2,533.7	2,135.9	2,181.6
Provisions			
Provision for pensions and similar obligations	1.8	1.7	1.7
Provision for deferred tax	5.1	6.6	5.6
Total provisions	6.9	8.3	7.4
Non-current liabilities			
Derivative instruments	0.8	5.5	0.3
Total non-current liabilities	0.8	5.5	0.3
Current liabilities			
Derivative instruments	-	0.2	1.9
Liabilities to Group companies, accounts payable	118.5	3.3	118.8
Accounts payable	1.6	2.3	4.3
Other current liabilities	10.0	16.1	72.3
Total current liabilities	130.2	21.9	197.3
TOTAL EQUITY AND LIABILITIES	2,671.7	2,171.5	2,386.5

Parent Company cash flow statement

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Result before tax	35.9	10.9	64.9	43.6	88.3
<i>Items not affecting cash flow</i>					
Depreciations	0.1	0.0	0.3	0.1	0.4
Unrealised currency effects	4.6	-4.4	0.9	-8.8	10.8
Other items not affecting cash flow	0.1	4.5	0.1	4.5	-1.8
Cash flow before changes in working capital	40.6	11.0	66.1	39.4	97.7
Changes in working capital					
Operating receivables	-9.9	-30.5	-16.1	-45.1	-30.8
Operating liabilities	-8.1	-5.1	-66.5	1.2	77.9
Cash flow from operating activities	22.6	-24.6	-16.5	-0.5	144.8
Investing activities					
Investments in machinery and equipment	-0.2	-	-0.2	-	-2.1
Cash flow from investing activities	-0.2	-	-0.2	-	-2.1
Financing activities					
Changes interest-bearing receivables, Group companies	-24.9	-10.7	-182.2	-97.0	-323.3
Rights issue	-2.7	-	289.8	-	-
Cash flow from financing activities	-27.6	-10.7	107.6	-97.0	-323.3
Cash flow for the period	-5.2	-35.3	90.9	-101.5	-180.6
Cash and cash equivalents in the beginning of the period	123.9	142.2	27.8	208.4	208.4
Cash and cash equivalents at the end of the period	118.7	106.9	118.7	106.9	27.8

1) Interest received and paid is included in profit before tax and corresponds to interest expense and interest income respectively for each period.

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 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

Annehem 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 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 Annehem 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). Annehem 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 June 2024, the average valuation yield amounted to 5.35 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. Annehem recognises deductions received for deferred tax as unrealised changes in value on the property directly on the date of the acquisition.

Tax assessments

At the end of the second quarter of 2024, there was approximately SEK 2.2 million in loss carryforwards that had not been capitalised.

NOTE 3 SEGMENTS

Annehem Fastigheter's operations comprise two operating segments, meaning the operations consist of one business operation that generates income and costs. The operating segment is organisationally divided into two different segments:

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

2024	Jan-Jun			
SEK million	Sweden	Other Nordics	Staff	Total
Rent revenue	109.1	27.7	-	136.8
Net operating income	91.3	25.9	-	117.1
Income from property management	82.0	7.9	-43.7	46.1
Income before tax	57.5	-7.3	-41.2	8.9
Investment properties, fair value	3,796.6	886.0	-	4,682.6

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-Jun			
SEK million	Sweden	Other Nordics	Staff	Total
Rent revenue	89.3	35.6	-	124.9
Net operating income	70.5	36.2	0.4	107.1
Income from property management	63.4	19.9	-47.4	35.9
Income before tax	-62.9	-36.8	-56.8	-156.5
Investment properties, fair value	3,128.4	1,214.9	-	4,343.3

NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Property tax	1.7	-0.9	6.4	1.1	3.9
Rental guarantees	1.7	1.1	3.6	2.6	3.0
Other property revenue	9.0	14.0	17.8	22.6	37.9
Total other property revenue	12.4	14.3	27.8	26.3	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

Annehem 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 Annehem Fastigheter's financial policy, and not for speculation.

As of 30 June 2024, the Group holds fixed-interest derivatives in SEK and EUR, and currency futures in EUR. As of 30 June 2024, the market value of fixed-interest derivatives amounted to SEK 35.3 million (84.7) and currency futures to SEK 0.0 million (1.0).

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 June 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 June 2024. Fredrik Paulsson therefore controlled more than 50 percent of votes in Annehem through his direct and indirect holding on 30 June 2024.

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Acquired properties	-	0.0	241.4	139.9	534.9
Accounts receivables	-26.2	0.3	0.3	0.5	0.2
Accounts payable	-0.9	2.2	2.2	4.9	12.3

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.

Mkr	Apr-Jun 2024	Jan-Jun 2024	Apr-Jun 2023 After recount	Apr-Jun 2023 Before recount	Jan-Jun 2023 After recount	Jan-Jun 2023 Before recount	Full year 2023 After recount	Full year 2023 Before recount
Income fr. prop. management excl. currency effects per share	0.28	0.62	0.40	0.47	0.70	0.81	1.35	1.57
Earnings per share, before and after dilution, SEK	0.15	0.05	-0.48	-0.56	-1.84	-2.15	-2.92	-3.40
Average numbers of shares	88,488,821	81,450,565	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

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
Number of shares ¹	2024	2023	2024	2023	2023
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	81,450,565	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

Annehem 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.

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Currency swaps	2.2	-17.7	-8.3	-14.8	2.5
Revaluation of internal loans	-2.1	8.4	3.6	2.8	-4.7
Currency effects	0.1	-9.3	-4.8	-12.0	-2.2

Income from property management, excluding currency effects per share¹

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Income from property management	24.8	18.2	46.1	35.9	90.5
Currency effects	-0.1	9.3	4.8	12.0	2.2
Income fr. property management excl. currency effects	24.7	27.5	50.9	47.9	92.7
Average number of shares	88,488,821	68,781,704.2	81,450,565	68,781,704	68,781,704
Income fr. property management excl. currency effects per share	0.28	0.40	0.62	0.70	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, Annehem 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 Annehem's case deferred tax liabilities.

SEK million	2024-06-30	SEK/share	2023-06-30	SEK/share	2023-12-31	SEK/share
Equity according to balance sheet	2,599.6	29.4	2,391.4	40.5	2,302.3	39.0
Add back						
Deferred tax according to balance sheet	161.9	-	165.0	-	157.6	-
Interest rate derivatives	-35.3	-	-84.7	-	-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)	2,726.3	30.8	2,471.7	41.9	2,430.1	41.2

Interest-coverage ratio

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Income from property management	24.8	18.2	46.1	35.9	90.5
Add back					
Interest net	22.6	18.0	45.7	36.8	75.9
Currency effects	-0.1	9.3	4.8	12.0	2.2
Interest coverage, multiple	2.1	2.5	2.1	2.3	2.2
Interest coverage, multiple rolling 12 month	2.1	2.5	2.1	2.5	2.2

Net loan-to-value ratio

SEK million	2024-06-30	2023-06-30	2023-12-31
Interest-bearing liabilities	2,107.9	1,982.6	2,036.3
Cash and cash equivalents	-181.1	-186.8	-119.4
Net interest-bearing liabilities	1,926.8	1,795.8	1,916.9
Investment properties	4,682.6	4,343.3	4,412.7
Net loan-to-value ratio, %	41.1%	41.3%	43.4%

Surplus ratio

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Income from property management	24.8	18.2	46.1	35.9	90.5
Add back					
Property expenses	34.3	38.4	71.0	71.2	119.2
Net operating income	59.1	56.5	117.1	107.1	209.7
Rent revenue	70.4	63.8	136.8	124.9	247.2
Surplus ratio, %	83.9%	88.6%	85.6%	85.8%	84.8%

Return on equity

	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full year
SEK million	2024	2023	2024	2023	2023
Net income for the period attributable to the Parent Company's share	13.6	-33.2	4.4	-126.8	-200.6
Equity attributable to the Parent Company's shareholders	2,599.6	2,391.4	2,599.6	2,391.4	2,302.3
Return on equity, %	0.5%	-1.4%	0.2%	-5.3%	-8.7%

Multi-year overview, key figures

Mkr	2024-06-30	2023-06-30	2023-12-31	2022-12-31	2021-12-31	2020-12-31
Rent revenue	136.8	124.9	247.2	217.9	187.8	151.5
Net operating income	117.1	107.1	209.7	181.3	155.8	115.0
Income from property management	46.1	35.9	90.5	74.2	86.2	16.0
Income from property management excl. currency effects	50.9	47.9	92.7	90.5	86.2	45.0
Income from property management excl. currency effects per share, SEK ¹	0.62	0.70	1.35	1.32	1.25	0.65
Net income for the period	4.4	-126.8	-200.6	207.3	209.7	71.8
Net income for the period per share, SEK ¹	0.05	-1.84	-2.92	3.01	3.05	1.04
Economic occupancy rate, %	92.5	94.4	94.9	95.8	94.0	90.1
Surplus ratio, %	85.6	85.8	84.8	83.2	83.0	75.9
Return on equity, %	0.2	-5.3	-8.7	8.3	9.2	3.5
EPRA NRV per share, SEK ²	30.8	41.9	41.2	44.1	40.9	36.3
Net loan-to-value ratio, %	41.1	41.3	43.4	38.3	38.3	33.1
Equity/assets ratio, %	52.5	51.2	49.9	53.4	53.9	54.4
Interest-coverage ratio, multiple RTM	2.1	2.5	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 during 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 spaces.
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: +46 (0)70-209 01 14

E-mail: monica.fallenius@annehem.se

ADELA COLAKOVIC, CFO
Telephone: +46 (0)73-251 47 09

E-mail: adela.colakovic@annehem.se

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