

Interim Report

January–March 2024

Q1

Important events during the quarter

- > Nasdaq signed a ten-year lease for 8,300 square metres at the Klara Zenit property in central Stockholm, with occupancy 1 April 2025.
- > The Geological Survey of Sweden (SGU) is leasing 3,100 square metres of office and laboratory space at the Lumi project development in Södra city, Uppsala. The property is thereby fully let.
- > A new green, ten-year loan of SEK 590 million was signed with the Nordic Investment Bank. The loan will finance renovations at Lumi in Uppsala and Hötorgshus 2 in Stockholm.
- > The office property Uggleborg 14, SthlmHUB, on Vasagatan in central Stockholm was acquired for an underlying property value of SEK 715 million.

Rental revenue

+5%

Income from property management

+5%

Loan-to-value ratio

42%

Interest coverage ratio, LTM

3.7x

Vasakronan

January–March 2024 in summary

- > Rental revenue increased 5% to a total of SEK 2,338 million (2,221). The increase was primarily due to indexation. In comparable property holdings, the increase in rental revenue was 5%.
- > New lettings corresponding to 28,000 square metres (23,000) and annual rent of SEK 180 million (121) were contracted. Net lettings amounted to a negative SEK 25 million (negative: 46).
- > The occupancy rate was 90.1% at the end of the period, compared with 90.9% at the end of 2023.
- > Operating surplus increased 8% to SEK 1,751 million (1,620). For comparable property holdings, the increase was 7%.
- > Net financial items amounted to an expense of SEK 468 million (expense: 409). The increase was due to higher short market interest rates during the quarter.
- > The LTM interest coverage ratio decreased to a multiple of 3.7 (4.4), due to higher interest expenses.
- > Income from property management amounted to SEK 1,200 million (1,147), up 5%. The increase was due to a higher operating surplus.
- > The change in comparable property value amounted to a decrease of SEK 458 million (decrease: 5,048) for the period, corresponding to a decline in value of 0.3%.

Amounts in SEK million

	Jan–Mar 2024	Jan–Mar 2023	Apr 2023–Mar 2024	Jan–Dec 2023
Rental revenue	2,338	2,221	9,274	9,157
Operating surplus	1,751	1,620	6,993	6,862
Net financial items	-468	-409	-1,789	-1,730
Income from property management	1,200	1,147	4,904	4,852
Change in value of investment properties	-458	-5,048	-11,960	-16,550
Profit/loss for the period	744	-3,309	-6,804	-10,858
Cash flow from operating activities	1,256	967	4,823	4,534
Cash flow after investing activities	-124	417	1,145	1,686
Market value of properties	175,455	183,809	175,455	174,569
Surplus ratio, %	75	73	75	75
Closing average interest rate, %	2.8	2.4	2.8	2.7
Net lettings	-25	-46	-45	-65
Occupancy rate, %	90.1	91.7	90.1	90.9
Interest coverage ratio, multiple	3.6	3.8	3.7	3.8
Loan-to-value (LTV) ratio, %	42	40	42	42
Environmental certification of investment portfolio, share of market value, %	91	88	91	93
Specific energy consumption on closing date, kWh/sq. m., rolling 12 months	72	74	72	73

Statement by the CEO

Stable income from property management

Continued geopolitical uncertainty, high interest rates and rising unemployment set the tone for the first quarter of the year. The economic conditions are making themselves felt and some sectors are experiencing tougher times. Vacancies in the market are rising and we are in dialogue with many organisations who want to review their premises, for cost reasons as well as to optimise them to support a changed way of working. Despite a more challenging lettings market, Vasakronan's revenue increased and we reported improved income from property management compared with the year-earlier period.

Stable lettings rate

We are maintaining a stable lettings rate and are conducting several good lettings. Nonetheless, I can but state that the occupancy rate is declining. This is primarily a consequence of previously announced lease terminations, primarily in Stockholm. These include NetEnt, who is moving out of a larger premises in the Klara C property on Vasagatan and Nordanö, who moved their offices from Jakobsgatan in Stockholm. There is also a high number of renegotiations and we have noticed that some customers wish to reduce their space, often in favour of better quality and location.

We completed the quarter's largest transaction together with Nasdaq, who are leasing a total of 8,300 square metres at Klara Zenit in Stockholm. Nasdaq will move in to the premises on 1 April 2025, taking them over from ARC who will move in to our Grev Tureplan project development on Birger Jarlsgatan in the autumn.

Nasdaq is an excellent example of the trend I've seen in the market whereby customers are becoming more discerning. Location has always been important when choosing premises,

but today it is a central factor. Customers also want high-quality premises in a larger context, ideally in city centre locations. By this I mean attractive surroundings with a wide range of services. We have excellent opportunities to make a difference here and that is why we are working actively with developing and improving all of our areas and retail districts.

The occupancy rate for our retail premises is at a satisfactory level and we can see that sales turnover is increasing for several of our retail customers in city centre locations, even if the differences between different operations are large and the economy is dampening household consumption.

In Fredstan in Gothenburg, there is substantial interest in opening stores and during the quarter we completed two excellent retail lettings. One of these was to Sephora, who is expanding its store at the ideal corner location at Arkaden, and the other was to Arkivet, who opened a store on Kungsgatan.

Project development according to plan

Our major ongoing projects are proceeding according to plan. Several are nearing completion and, even better, are essentially fully let. This applies to Lumi in Södra city in Uppsala as well as Grev Tureplan on Birger Jarlsgatan and Hästskopalatset on Hamngatan in Stockholm.

During the quarter, we signed a lease for the last remaining space at Lumi with the Geological Survey of Sweden (SGU). This is an authority that needs lab as well as office premises and I am proud that we had the opportunity to meet these needs satisfactorily. Lumi is now fully let and we look forward to welcoming our customers to Södra city in the autumn. Evaluation of the conditions for the next stage of development in the area has already begun.



“Despite a more challenging lettings market, Vasakronan's revenue increased and we reported improved income from property management compared with the year-earlier period.”

Continued access to financing

The positive sentiment that characterised the stock and capital markets in the beginning of the year has continued throughout the quarter and access to financing has been good for essentially the entire property sector. For us, the credit margin has gradually improved and the appetite for investing in our green bonds remains substantial. The new, more stringent Green Finance Framework that we launched before the end of last year has been well received and we raised borrowings of a total of SEK 1.7 billion in the bond market during the quarter.

We also signed a new green loan for SEK 590 million with the Nordic Investment Bank (NIB). The loan is unsecured and has a maturity of ten years. It is gratifying that NIB has also enabled financing for renovation projects. We will use this loan to finance our Lumi project in Uppsala and Hötorgshus 2 in Stockholm. Both projects enable significant energy savings, which was one of our loan conditions. At Lumi, we are also using a large share of reused material. This primarily means the concrete frame, but also includes materials from demolished facades, interior walls and glazing. This reduces the climate impact from the construction process considerably and is an important component of our efforts to achieve climate neutrality in the entire value chain by 2030.

Stable property values

The transaction market was cautious and volumes remained low. Despite few transactions in the market, yield requirements in our valuations have gradually been adjusted upwards an average of 83 basis points since mid-2022, though for the present they appear to be plateauing. This is due to increased access to financing for several actors in conjunction with the market's expectations that the Riksbank will start lowering

interest rates as early as this year. This means that our valuation yield is essentially unchanged at 4.5%, as well as the property value of our portfolio which amounted to SEK 175 billion at the end of the quarter.



In March, Vasakronan acquired Sthlm HUB. The acquisition strengthens the company's presence and its offering with Stockholm's best transport links, which is fully in line with the company's strategy.

First acquisition since 2019

For many years, we have chosen to focus on project development without being active in the transaction market. This has been a deliberate strategic choice, where instead of competing to buy at high prices, we have chosen to invest in developing existing properties or building new ones. In hindsight, this strategy has proven both profitable and correct.

As market conditions have changed in recent years, conditions for transactions have also changed and in March we acquired the Uggleborg 14 block, or "Sthlm HUB" as it's also called. Sthlm HUB is across from Stockholm Central Station on Vasagatan 12, adjoining our Klara C property and a stone's throw from our other properties, Pennfåktaren at Vasagatan 7 and Klara Zenit with an address on Mäster Samuelsgatan.

This is a high-quality property located in an area of Stockholm that has changed considerably and that I think will continue to develop well over time. The acquisition strengthens our presence and our offering with Stockholm's best transport links, which is fully in line with our strategy.

In conclusion

Inflationary pressure has fallen since the end of the year, which means that there are expectations for interest rate cuts and there is growing talk of a "soft landing" in the economy. At the same time, unemployment is expected to rise and I can only note that perception of the work place and the office is continuing to change.

Overall, this means I see challenges as well as opportunities in the coming quarter. On the one hand, I am not underestimating the influence of the economy and the volatility in the lettings market. At the same time, we are well prepared for these conditions and I am confident that the organisation can meet our customers' needs in the best way possible, with sensitivity and expertise as well as a strong offering.

Over the long term, I have no doubt about Vasakronan's position or direction. With strong owners, good access to capital and some of the country's best properties in Sweden's four largest cities, we have the best possible conditions for continuing to create value for our customers and owners.

Stockholm 26 April 2024

Johanna Skogestig,
Chief Executive Officer

Earnings and financial position

Rental revenue

Rental revenue for the period increased 5% to SEK 2,338 million (2,221). The increase was primarily due to indexation. Most of Vasakronan's leases include indexation clauses that primarily follow the consumer price index. Approximately two thirds of the portfolio has quarterly indexation, while the remaining portion has annual indexation. In addition to the index, occupancy in completed projects also had a positive impact on revenue. For comparable property holdings, the increase in rental revenue was 5%.

Property expenses

Property expenses decreased 2% during the period to SEK 587 million (expense: 601). For comparable property holdings, the decrease was 2%. The decrease was primarily due to lower property management costs as a result of the unwinding of provisions for profit-sharing to employees for 2023. Excluding this item, property expenses are in line with the previous year.

Operating surplus and revised yield

The operating surplus for the period increased 8% to SEK 1,751 million (1,620). For comparable property holdings, the increase in the operating surplus was 7%. The surplus ratio was 75%, compared with 73% for the year-earlier period.

The reported rolling 12-month yield amounted to 3.8% (3.3) for the total property portfolio and 4.0% (3.4) for the investment portfolio.

Central administration

Central administration costs for the year were SEK 19 million (cost: 23). The decrease was a result of the unwinding of provisions for profit-sharing to employees for 2023.

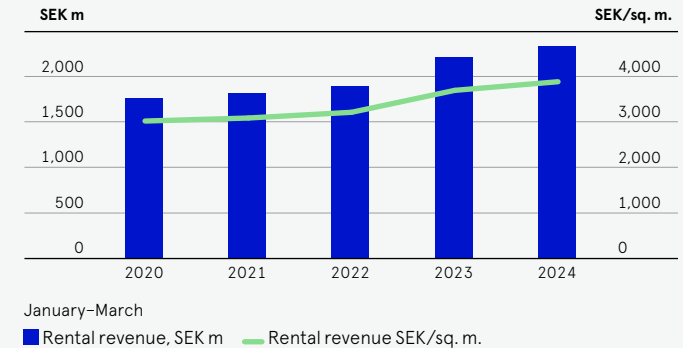
Net financial items

Net financial items for the period deteriorated to an expense of SEK 468 million (expense: 409), due to higher short market interest rates. The average interest rate for loans and derivatives amounted to 2.8% (2.4) at the end of the period. The LTM interest coverage ratio decreased to a multiple of 3.7 (4.4), due to higher interest expenses.

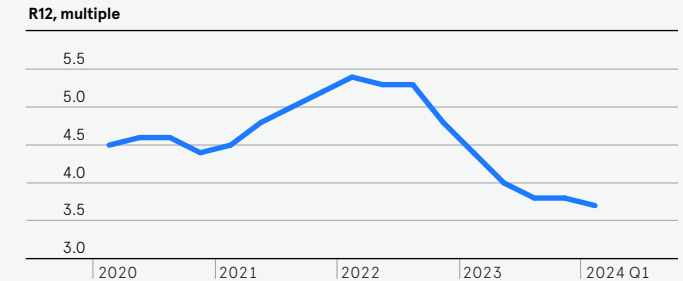
Income from property management

Income from property management increased 5% to SEK 1,200 million (1,147). The increase was due to a higher operating surplus, which was partially offset by higher interest expenses.

Rising rental revenue



Lower interest coverage ratio



Result from participations in associates and joint ventures

The result from associates and joint ventures pertains primarily to Vasakronan's holding in Stora Ursvik KB and Järvastaden AB that develop residential development rights. Earnings also include Vasakronan's share of equity in the associated companies Hydda Holding AB and Idun Real Estate Solutions AB, which are active within PropTech.

Profit for the period from these companies amounted to a loss of SEK 12 million (loss: 30) where the largest portion pertained to earnings from PropTech companies.

SEK m	2024	2023
Income from property management	-1	-1
Change in value	1	-38
Other operating profit/loss	-12	0
Tax	0	9
Total result from participations in associates and joint ventures	-12	-30

Change in value of investment properties

On 31 March 2024, the entire property portfolio had been valued internally. For the period, the change in the property value amounted to a decrease of SEK 458 million (decrease: 5,048), which corresponded to a 0.3% decrease (decrease: 2.7) in value.

The change in value for the investment portfolio amounted to a decrease of SEK 500 million (decrease: 4,850), which corresponded to a 0.3% decrease (decrease: 2.7) in value. The percentage decrease in value was greatest for office properties in Malmö while office properties in Stockholm's CBD posted the best performance, with a positive change in value. The change in value for project developments and development properties amounted to an increase of SEK 93 million (decrease: 175), up 1.5% (down: 2.0).

The average yield requirement used for valuation of the property portfolio was 4.54%, compared with 4.51% for corresponding properties at the end of 2023. For more information about valuation of the property portfolio, refer to Note 4.2 on page 61 in Vasakronan's 2023 Annual Report.

Factors impacting value, comparable properties

	Value impact, %
Yield requirement	-0.6
Market rents	0.5
Vacancies and other valuation parameters, e.g., changed cost and investment assumptions	-0.2
Total	-0.3

Change in value by region

	Change in value, %	Contribution to change in value, percentage points
Stockholm	0.2	0.1
Gothenburg	-1.2	-0.2
Uppsala	-1.2	-0.1
Malmö	-1.4	-0.1
Total		-0.3

Change in value, by category

	Change in value, %	Contribution to change in value, percentage points
Investment properties	-0.3	-0.3
Project developments and development properties	1.5	0.0
Total		-0.3

Change in value of financial instruments

The positive value change in derivatives amounted to SEK 200 million (negative: 229) which was mainly due to the increase in long-term market interest rates during the period.

Derivatives are used to secure energy prices, adjust interest-rate risk in the loan portfolio and to hedge borrowings in foreign currencies. At the end of the period, the derivative portfolio related to the company's borrowings amounted to SEK 94,134 million compared with SEK 95,062 million at year-end 2023, of which SEK 66,800 million (67,850) comprised interest-rate swaps and SEK 27,334 million (27,212) cross-currency basis swaps.

Tax

The Group reported a total tax expense of SEK 195 million (income: 851). Of the tax, an expense of SEK 95 million (expense: 97) comprised current tax expense and SEK 100 million (income: 948) comprised deferred tax expense resulting from temporary differences attributable to a change in value for investment properties and financial instruments.

On 31 March 2024, the deferred tax liability was SEK 25,193 million, compared with SEK 25,093 million at year-end 2023. The deferred tax liability pertained primarily to investment properties.

Cash flow

Cash flow from operating activities before changes in working capital was SEK 1,095 million (1,083). Investments in existing properties amounted to SEK 652 million (540) and property acquisitions to SEK 692 million (0). The acquisition pertains to Uggelborg 14, SthlmHUB, which was acquired in a corporate wrapper with an underlying property value of SEK 715 million. Cash flow after investing activities thus amounted to an outflow of SEK 124 million (inflow: 417).

Net borrowing for the period amounted to a negative SEK 72 million (negative: 31). Other changes in net debt pertain to revaluation of foreign currency borrowings, which did not impact cash flow. In total, cash and cash equivalents declined SEK 403 million (decrease: 895) during the period and amounted to SEK 2,822 million at the end of the period.

Equity

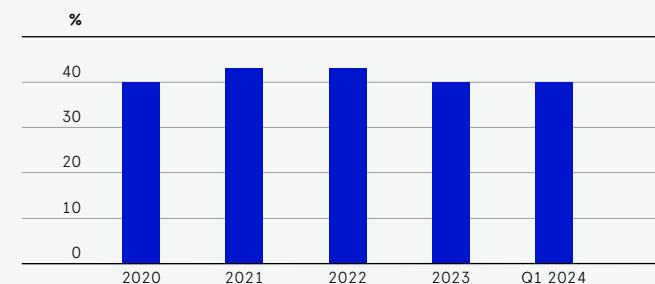
Equity amounted to SEK 79,646 million as of 31 March 2024, compared with SEK 78,902 million at the end of 2023. Comprehensive income for the period amounted to SEK 744 million, compared with a loss of SEK 3,309 million for the corresponding year-earlier period.

At the end of the period, the equity/assets ratio was 40%, unchanged compared with year-end 2023.

Property acquisitions

Property	City	Seller	Purchase price, SEK m	Occupancy
Uggelborg 14, SthlmHUB	Stockholm	Union Investment	715	March 2024
Total property value			715	
Transaction costs, as well as deduction for deferred tax			-23	
Total acquisitions			692	

Solid equity/assets ratio



Property holdings and lease portfolios

Property portfolio

As of 31 March 2024, Vasakronan's entire property portfolio had been valued internally. The assessed market value of the property portfolio was SEK 175,455 million at the end of the period, compared with SEK 174,569 million at the end of 2023. During the period, investments in existing properties amounted to SEK 652 million and the Uggleborg 14/Sthlm HUB property was acquired for SEK 692 million. The change in value during the quarter amounted to a decrease of SEK 458 million (decrease: 5,048), corresponding to a decline in value of 0.3% (decrease: 2.7). A change in the yield requirement of +/- 0.25 percentage points would have an impact of negative SEK 9.1 billion/positive SEK 10.1 billion on the value of the current property portfolio.

The internal valuation was conducted based on the most recent external valuation and applied the same principles as previous internal valuations. Market value is influenced by property-specific events during the period, such as new and renegotiated leases, properties being vacated and investments made. Consideration has also been taken for any assessed changes in market rents and yield requirements since the previous valuation. A more comprehensive description of Vasakronan's property valuation methodology is available in Note 4.2 on pages 61–64 of the 2023 Annual Report.

Change in property values

SEK m	2024	2023
Opening value, 1 January	174,569	188,317
Investments	652	540
Acquisitions	692	0
Sales	0	0
Change in value	-458	-5,048
Closing value, 31 March	175,455	183,809

Large investments in property projects

City	Property	Total investment, SEK m	Capitalised, SEK m	Share capitalised, %	Area of premises, sq. m.	Start Occupancy	Occupancy rate, % ¹⁾	Estimated completion date	LEED environmental certification ²⁾
Gothenburg	Kaj 16	1,600	133	8	30,000	Q2 2027	43	May 2027	Platinum
Uppsala	Lumi	740	654	88	15,000	Q2 2024	100	Dec 2024	Platinum
Stockholm	Sperlingens Backe 47	690	599	87	8,500	Q2 2024	98	Oct 2024	Platinum
Stockholm	Hästskon 9	600	257	43	9,100	Q1 2025	89	Apr 2025	Platinum
Stockholm	Hötorgshus 2	460	399	87	8,000	Q1 2023	51	Mar 2024	Platinum
Gothenburg	Kronhusgatan	90	69	77	2,540	Q3 2024	100	Jul 2024	Gold
Total major property projects		4,180	2,111	50	73,140		69		
Other projects		2,277	1,068						
Total		6,457	3,179						

1) Calculated based on area. 2) Forecast at completion.

Property projects

At the end of the period, the total investment volume of ongoing property projects amounted to SEK 6,457 million (6,831), of which SEK 3,179 million (3,230) or 50% (45) had been capitalised. Additional investments in Hästskon 9 as a result of increased new lettings increased the total investment SEK 30 million to SEK 600 million.

The occupancy rate for major projects totalled 69% (66). During the period, a lease for 3,100 square metres was signed with SGU at Lumi in Uppsala. The property is thereby fully let. In total, leases have been signed in major ongoing projects equivalent to SEK 318 million in annual rent. The total contracted annual rent for these projects when fully let amounts to over SEK 430 million.

Environmental certification

Vasakronan has set high goals for environmental certification of its property portfolio. Our ambition is for the share of properties certified in accordance with LEED Gold or higher to

increase and to obtain environmental certification for the entire investment portfolio. At the end of the period and on a market value basis, 91% (88) of our investment portfolio based was environmentally certified, of which 84 percentage points (83) were certified according to LEED Gold or higher.

Right-of-use assets, leaseholds and land leases

The right-of-use agreements primarily pertain to ground rent agreements. The company has a total of 13 ground rent agreements, of which 11 pertain to properties in Stockholm. Ground rent agreements are treated as perpetual rental agreements that are given market valuations by discounting future fees using a discount rate corresponding to between 3.00 and 3.75%.

On 31 March 2024, right-of-use assets totalled SEK 6,532 million, compared with SEK 6,329 million at the year-end 2023. The increase pertained to the acquisition of the leasehold for Uggleborg 14 in Stockholm.

Lease portfolio

Contracted annual rent amounted to SEK 9,506 million at the end of the quarter, compared with SEK 9,048 million at the end of the year–earlier quarter. The average remaining maturity for the entire lease portfolio was 3.3 years (3.5). Of contracted rent, 25% pertained to the public sector. The average remaining term to maturity for these contracts was 5.1 years (5.4).

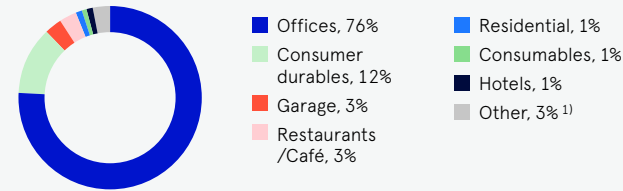
Occupancy rate

The occupancy rate at the end of the period was 90.1%, compared with 90.9% at the end of 2023. Of total vacancies at the end of the period, 0.6 percentage points (0.3) were attributable to ongoing project developments and development properties.

At the end of the period, the occupancy rate was 88.8% for offices and 95.2% for retail, compared with 90.1% and 95.6%, respectively, at the end of 2023.

During the quarter, the previously announced departures of NetEnt at Klara C and Nordanö at Jakob Större 18 in central Stockholm both had a negative impact on the occupancy rate. Together they had a negative impact of 0.7 percentage points on the occupancy rate.

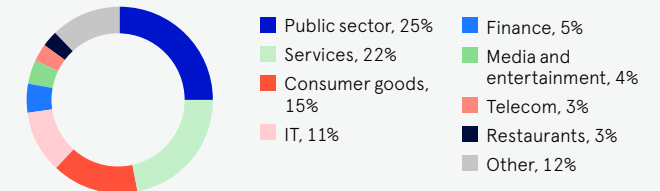
Predominantly office tenants



Breakdown by sector, share of contracted rent.

1) Other encompasses sectors including health and social care, sports and recreation facilities, and warehouses.

Public sector comprises largest share of tenants



Breakdown by sector, share of contracted rent

Widely distributed over many tenants

	Share in %
Swedish Police Authority	3
Ericsson	3
Swedish Prison and Probation Service	2
The Swedish Tax Agency	2
H&M	2
Försäkringskassan (Social Insurance Agency)	2
King	2
Swedish National Courts Administration	1
EY	1
Scandic	1
Total	18

Largest tenants, share of contracted rent.

Even distribution of rents to maturity

	No. of contracts	Annual rent, SEK m	% of total
Q2–Q4 2024	1,235	1,092	11
2025	1,096	1,834	19
2026	699	1,410	15
≥2027	962	4,781	50
Total	3,992	9,117	96
Residential	1,169	115	1
Garage	–	274	3
Total	5,161	9,506	100

Maturity structure for contracted rent.

Net lettings and renegotiations

New lettings corresponding to 28,000 square metres (23,000) and an annual rent of SEK 180 million (121) were contracted during the period, of which 17% (41) of the annual rents impacted on revenue in 2024.

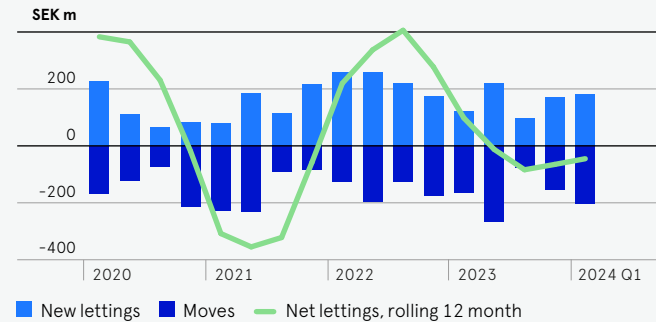
A ten-year lease was signed with Nasdaq for 8,300 square metres at Klara Zenit in central Stockholm. Nasdaq moves into the premises in April 2025. At the Lumi project development in Södra City, Uppsala, a six-year lease was signed with SGU. SGU moves into the premises in March 2025. Following this letting, Lumi is fully let.

Notices to vacate were received during the period corresponding to annual rent of SEK 205 million (167) and net lettings were negative at SEK 25 million (negative: 46).

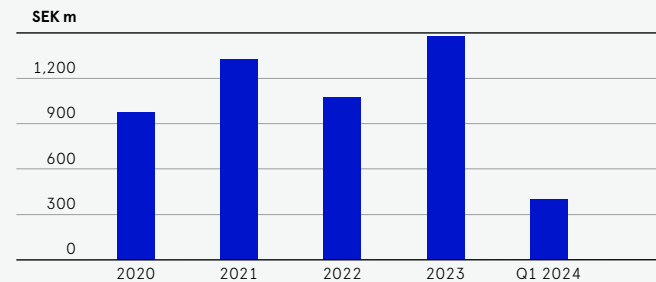
Lettings corresponding to 77,000 square metres (84,000) and annual rent of SEK 399 million (354) were renegotiated during the period. These renegotiations resulted in an increase on the previous rent payable of 2% above index. At Klara Zenit in Stockholm, Verket för Innovationssystem (Vinnova) extended its lease for 3,340 square metres for five years and HiQ extended its lease for 3,700 square metres in Nordstan in Gothenburg.

Of all the contracts that have been the subject of renegotiation in the past twelve months, including those that have moved within the property portfolio, almost 75% (70) have chosen to remain a tenant of Vasakronan.

Increased movement impacted net lettings



High renegotiation volume



Financing

Interest-bearing liabilities

Vasakronan's strong A3 rating from Moody's and its close links to state ownership meant Vasakronan continued to have good access to financing during the period. Vasakronan issued debt for a total of SEK 1.7 billion (1.4) in the bond market. Vasakronan has bonds denominated in eight currencies and 36% (36) of the total liability at the end of the period consisted of borrowing in currencies other than SEK. Borrowing in foreign currencies is fully hedged through cross-currency basis swaps, which eliminate currency risk during the tenor of the loans.

A new, green loan was signed with the NIB for SEK 590 million during the period. The ten-year loan will finance redevelopment and renovations at Lumi in Uppsala and Hötorgshus 2 in Stockholm. No new secured bank loans (0) were raised in the period and, at the end of the period, secured bank loans amounted to 6% of the company's total assets, which is the same portion as at the beginning of the year.

At the end of the period, interest-bearing liabilities amounted to SEK 76,797 million, compared with SEK 76,259 million at the end of 2023. After deduction of cash and cash equivalents, net debt at the end of the year—earlier period amounted to SEK 73,975 million, compared with SEK 73,014 million at the end of 2023. At the end of the period, the loan-to-value ratio was 42%, unchanged compared with year-end 2023. The average interest rate for loans and derivatives amounted to 2.8% at the end of the period, compared with 2.7% at the end of 2023.

Financial risks

	Financial policy in brief	Outcome, 31 Mar 2024
Financing risk		
Loan-to-maturity, excluding unutilised credit commitments	min. 2 years	4.8 years
Loan-to-maturity	–	5.2 years
Loans maturing, 12 months	max. 40%	17%
Credit commitments and cash/loans maturing 12 months	min. 100%	159%
Interest-rate risk		
Interest coverage ratio	min. 2.0x (LTM)	3.7x
Fixed-interest period	min. 2 years	3.8 years
Fixed-interest maturity within 12 months	max. 55%	24%
Credit risk		
Counterpart's rating	min. A-, or BBB+ with CSAs	met
Currency risk		
Currency exposure	No exposure	met

To minimise financing risk and secure its access to capital, the company has a credit facility with its owners, namely the First, Second, Third and Fourth Swedish national pension funds, that totals SEK 18 billion. The agreement extends until further notice with a notice period of two years. As before, the credit facility was unutilised during the period. Cash and cash equivalents of SEK 2,822 million (3,245) and the unutilised credit facility from the owners together correspond to 159% (192) of loans maturing over the next 12 months. The average loan-to-maturity, including the above credit facilities, amounted to 5.2 years (5.2) at the end of the period.

Breakdown of funding sources

SEK m	Carrying amount, SEK m	Share, %
Commercial paper	5,261	7
Bonds, SEK	26,762	35
Bonds, NOK	11,326	15
Bonds, EUR, AUD, USD, HKD, CHF, JPY	16,008	21
Secured bank loans	11,131	14
NIB and EIB	6,309	8
Total	76,797	100

Fixed-interest tenors and loan-to-maturity

Maturity date	Fixed-interest		Loan-to-maturity	
	SEK m	Share, %	SEK m	Share, %
0–1 year	18,869	24	13,072	17
1–2 years	1,497	2	8,749	11
2–3 years	10,453	14	11,088	14
3–4 years	20,598	27	8,711	11
4–5 years	11,100	14	10,510	14
5–6 years	5,600	7	4,248	6
6–7 years	500	1	4,100	5
7–8 years	750	1	2,230	3
8–9 years	0	0	2,491	3
9–10 years	1,547	2	4,902	6
10 years or more	5,883	8	6,696	9
Total	76,797	100	76,797	100

Green financing

The Green Finance Framework was updated in the fourth quarter of 2023. The new framework has been designed in line with the EU Taxonomy together with supplements for areas such as environmental certifications and thresholds for carbon dioxide from building materials in new construction and redevelopment projects.

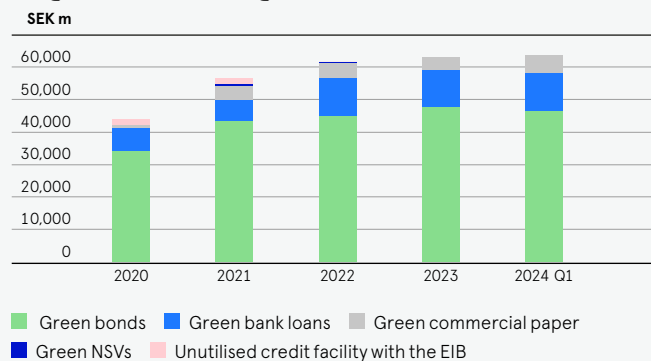
In 2013, Vasakronan issued the world’s first green corporate bond, and in 2018 we issued the world’s first green commercial paper. Vasakronan is also Sweden’s largest issuer of green corporate bonds and commercial paper, and all borrowing during the period has been green. At the end of the period, the volume of green bonds amounted to SEK 46,479 million (47,564) and green commercial paper totalled SEK 5,261 million (4,215). The volume outstanding of green loans with the Nordic Investment Bank and the European Investment Bank increased to SEK 6,309 million (5,855) at the end of the period, and green secured bank loans amounted to SEK 5,603 million (5,603). The percentage of green financing, consisting of green bonds, green commercial paper and green bank loans, amounted to 84% (83) of the total loan portfolio. The projection is that green financing will be raised for all maturing loans.

A more comprehensive description of the company’s green financing and the investments made under Vasakronan’s Green Finance Framework is available in the Impact Report – Green financing on Vasakronan’s website.

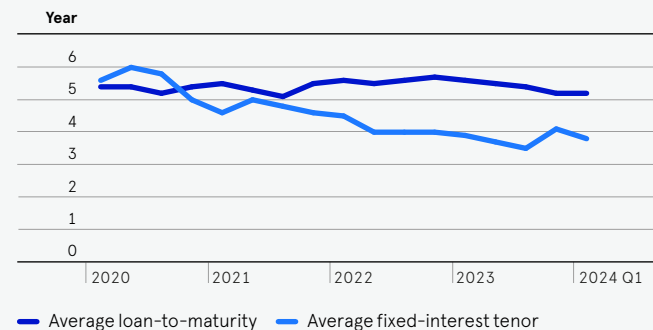
Green financing under the framework

	Amount in SEK million
Green commercial paper	5,261
Green bonds, SEK	26,762
Green bonds, NOK	7,433
Green bonds, EUR, AUD, USD, HKD, CHF, JPY	12,284
Total volume of Green Finance Instruments	51,740
Total volume of Green Assets – Green Pool	65,755
Remaining approved borrowing capacity	14,015

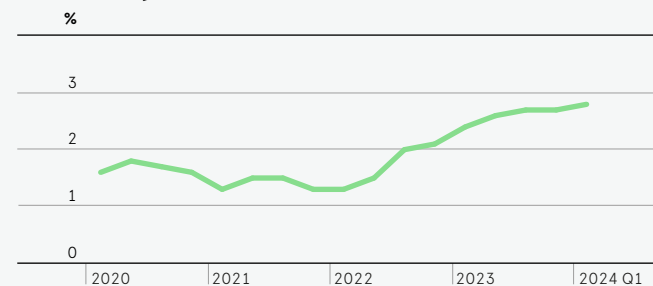
Growing volumes of green financing



Loan-to-maturity remains >5 years



Higher average interest rate in the loan portfolio



Consolidated income statement

Amounts in SEK million	Jan–Mar 2024	Jan–Mar 2023	Apr 2023–Mar 2024	Jan–Dec 2023
Rental revenue	2,338	2,221	9,274	9,157
Operating expenses	-243	-249	-892	-898
Repairs and maintenance	-42	-36	-143	-137
Property management costs	-93	-107	-426	-440
Property tax	-209	-209	-820	-820
Total property expenses	-587	-601	-2,281	-2,295
Operating surplus	1,751	1,620	6,993	6,862
Central administration	-19	-23	-107	-111
Result from participations in associates and joint ventures	-12	-30	-193	-211
Operating profit	1,720	1,567	6,693	6,540
Financial income	57	26	185	154
Financial expenses	-525	-435	-1,974	-1,884
Interest expense lease liability; ground rents and land leases	-53	-40	-178	-165
Profit after net financial items	1,199	1,118	4,726	4,645
<i>– Of which, income from property management</i>	<i>1,200</i>	<i>1,147</i>	<i>4,904</i>	<i>4,852</i>
Change in value of investment properties	-458	-5,048	-11,960	-16,550
Depreciation of right-of-use assets	-2	-2	-7	-7
Change in value of financial instruments	200	-229	-1,291	-1,720
Profit/loss before tax	939	-4,161	-8,532	-13,632
Current tax	-95	-97	-339	-341
Deferred tax	-100	948	2,067	3,115
Profit/loss for the period	744	-3,310	-6,804	-10,858
Of which, attributable to non-controlling interests	0	-1	-2	-3
Of which, attributable to the Parent Company shareholders	744	-3,309	-6,802	-10,855

Amounts in SEK million	Jan–Mar 2024	Jan–Mar 2023	Apr 2023–Mar 2024	Jan–Dec 2023
Other comprehensive income				
<i>Items that will not be reclassified to profit or loss</i>				
Pensions, revaluation	0	0	-14	-14
Restriction for surplus in pension plan with asset cap	0	0	-11	-11
Income tax on pensions	0	0	5	5
Other comprehensive income for the period, net of tax	0	0	-20	-20
Total comprehensive income for the period	744	-3,309	-6,822	-10,875
Key metrics				
Surplus ratio, %	75	73	75	75
Interest coverage ratio, multiple	3.5	3.8	3.7	3.8

Consolidated balance sheet

Amounts in SEK million	31 Mar 2024	31 Mar 2023	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets	2,001	2,019	2,001
Property, plant and equipment (PPE)			
Investment properties	175,455	183,809	174,569
Right-of-use assets, leaseholds and land leases	6,532	5,148	6,329
Equipment	140	151	140
Total property, plant and equipment (PPE)	182,127	189,108	181,038
Financial assets			
Participations in associates and joint ventures	544	681	530
Derivatives	4,350	5,165	3,321
Other non-current receivables	2,279	2,050	2,468
Total financial assets	7,173	7,896	6,319
Total non-current assets	191,301	199,023	189,358
Current assets			
Accounts receivable	50	48	58
Receivables from joint ventures	136	41	136
Current tax assets	0	14	0
Derivatives	113	118	54
Other current receivables, prepaid expenses and accrued income	2,950	2,432	1,989
Cash and cash equivalents	2,822	2,089	3,225
Total current assets	6,071	4,742	5,462
TOTAL ASSETS	197,372	203,765	194,820

Amounts in SEK million	31 Mar 2024	31 Mar 2023	31 Dec 2023
EQUITY AND LIABILITIES			
Equity	79,646	86,458	78,902
Non-current liabilities			
Interest-bearing liabilities	63,725	63,783	65,197
Lease liability, leaseholds and land leases	6,533	5,150	6,330
Deferred tax liability	25,193	27,264	25,093
Derivatives	4,192	3,840	3,964
Other non-current liabilities	91	81	65
Provision for pensions	10	8	10
Total non-current liabilities	99,744	100,126	100,659
Current liabilities			
Interest-bearing liabilities	13,072	12,664	11,062
Accounts payable	160	28	70
Liabilities joint ventures	23	23	23
Current tax liabilities	189	0	113
Derivatives	121	78	59
Other current liabilities, accrued expenses and deferred income	4,417	4,388	3,932
Total current liabilities	17,982	17,181	15,259
TOTAL EQUITY AND LIABILITIES	197,372	203,765	194,820

Consolidated statement of changes in equity

Amounts in SEK million	Share capital	Other contributed capital	Retained earnings	Total equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Equity, opening balance on 1 Jan 2023	4,000	4,227	81,550	89,777	-9	89,767
Profit/loss for the period	-	-	-10,855	-10,855	-3	-10,858
Other comprehensive income	-	-	-20	-20	0	-20
<i>Comprehensive income for the period</i>	-	-	<i>-10,875</i>	<i>-10,875</i>	<i>-3</i>	<i>-10,878</i>
<i>Transactions with owners</i>						
Changes in the Group structure	-	-	0	0	12	12
Dividend	-	-	0	0	0	0
Equity, closing balance on 31 Dec 2023	4,000	4,227	70,675	78,902	0	78,902
Equity, opening balance at 1 Jan 2024	4,000	4,227	70,675	78,902	0	78,902
Profit/loss for the period	-	-	744	744	0	744
Other comprehensive income	-	-	0	0	0	0
<i>Comprehensive income for the period</i>	-	-	<i>744</i>	<i>744</i>	<i>0</i>	<i>744</i>
<i>Transactions with owners</i>						
Dividend	-	-	0	0	0	0
Equity, closing balance on 31 Mar 2024	4,000	4,227	71,419	79,646	0	79,646

Consolidated cash-flow statement

Amounts in SEK million	Jan–Mar 2024	Jan–Mar 2023	Apr 2023–Mar 2024	Jan–Dec 2023
Operating activities				
Operating surplus	1,751	1,620	6,993	6,862
Central administration	-19	-23	-107	-111
Add back amortisation and depreciation	11	10	51	50
Adjustment for other non-cash items	1	0	-16	-17
Cash flow from operating activities before interest and tax	1,744	1,607	6,921	6,784
Interest paid ¹⁾	-631	-485	-2,248	-2,102
Interest received	42	21	128	107
Taxes paid	-60	-60	-200	-200
Cash flow before changes in working capital	1,095	1,083	4,601	4,589
Increase (-)/decrease (+) in operating receivables	294	-675	491	-478
Increase (+)/decrease (-) in operating liabilities	-133	559	-269	423
Cash flow from operating activities	1,256	967	4,823	4,534
Investing activities				
Investments in existing properties	-652	-540	-2,914	-2,802
Property acquisitions	-692	0	-692	0
Property divestments	0	0	0	0
Other PPE, net	-11	-7	-37	-33
Intangible assets, net	0	-3	0	-3
Transactions with associates and joint ventures	-25	0	-35	-10
Other financial assets, net	0	0	0	0
Cash flow from investing activities	-1,380	-550	-3,678	-2,848
Cash flow after investing activities	-124	417	1,145	1,686

Amounts in SEK million	Jan–Mar 2024	Jan–Mar 2023	Apr 2023–Mar 2024	Jan–Dec 2023
Financing activities				
Dividend	0	0	0	0
Raised debt: interest-bearing liabilities	5,766	6,500	25,059	25,793
Repayment of debt: interest-bearing liabilities	-5,838	-6,531	-24,861	-25,554
Change in collateral	-207	-1,281	-602	-1,676
Redemption of financial instruments	0	0	-8	-8
Cash flow from financing activities	-279	-1,312	-412	-1,445
Cash flow for the period	-403	-895	733	241
Opening balance, cash and cash equivalents	3,225	2,984	2,089	2,984
Cash flow for the period	-403	-895	733	242
Closing balance, cash and cash equivalents	2,822	2,089	2,822	3,225

1) Interest paid includes interest on lease liabilities for ground rents and land leases.

Vasakronan AB – Parent Company in summary

Income statement

Amounts in SEK million	Jan–Mar 2024	Jan–Mar 2023
Net sales	162	162
Operating expenses	-194	-193
EBIT	-32	-31
Financial items		
Profit from participations in subsidiaries	0	0
Net interest	-54	-41
Change in value of financial instruments	200	-229
Profit/loss before tax	114	-301
Tax	-23	63
Profit/loss for the period	91	-238

Statement of comprehensive income

Profit for the period recognised in profit or loss	91	-238
Total comprehensive income for the period	91	-238

Parent Company

The operations of the Parent Company, Vasakronan AB (publ), consist of Group-wide functions and providing an organisation for the management of properties owned by subsidiaries. The Parent Company does not directly own any properties.

The Parent Company's revenue for the period was SEK 162 million (162), which primarily consists of the Parent Company's invoices to the subsidiaries for services rendered. The value change in financial instruments amounted to SEK 200 million (negative: -229), primarily attributable to the downturn in long market interest rates. Profit before tax thus amounted to SEK 114 million (loss: 301). Cash and cash equivalents amounted to SEK 2,819 million at the end of the period, compared with SEK 3,222 million at the end of 2023.

Balance sheet

Amounts in SEK million	31 Mar 2024	31 Mar 2023
ASSETS		
Non-current assets		
Equipment	99	111
Shares and participations in subsidiaries	37,564	37,586
Receivables from subsidiaries	50,469	50,469
Derivatives	4,350	5,165
Deferred tax assets	129	0
Non-current receivables	2,260	2,040
Total non-current assets	94,871	95,371
Current assets		
Receivables from subsidiaries	15,871	9,798
Receivables from joint ventures	136	41
Derivatives	113	118
Current tax assets	190	0
Current receivables	1,828	1,405
Cash and cash equivalents	2,819	2,082
Total current assets	20,957	13,444
TOTAL ASSETS	115,828	108,815
EQUITY AND LIABILITIES		
Equity	29,462	23,537
Untaxed reserves	1,122	1,122
Liabilities		
Interest-bearing liabilities	76,797	76,447
Derivatives	4,313	3,918
Deferred tax liability	0	135
Non-interest-bearing liabilities	1,108	1,020
Liabilities to subsidiaries	3,026	2,636
Total liabilities	85,244	84,156
TOTAL EQUITY AND LIABILITIES	115,828	108,815

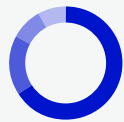
Segment reporting

Total Vasakronan

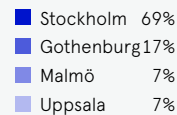
January–March	2024	2023
Market value of properties, SEK m	175,455	183,809
Rental revenue, SEK m	2,338	2,221
Operating surplus, SEK m	1,751	1,620
Surplus ratio, %	75	73
Occupancy rate, %	90	92
Number of properties	167	166
Area, thousand sq. m.	2,397	2,393
Environmental certification in the investment portfolio based on market value, %	91	88

Contracted rent by geographic market

Pertains to share of contracted rent.

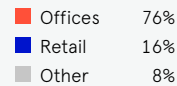


Pertains to share of market value.



Contracted rent by property type

Pertains to share of contracted rent.



Stockholm

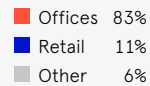
2024	2023
121,878	126,257
1,547	1,455
1,173	1,073
76	74
89	91
77	76
1,407	1,403
90	89



66%



69%



Gothenburg

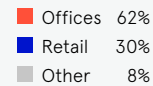
2024	2023
29,217	32,699
405	389
306	284
76	73
94	92
34	34
447	447
91	80



17%



17%



Malmö

2024	2023
12,979	13,369
216	210
153	149
71	71
90	93
31	31
299	299
97	98



9%



7%



Uppsala

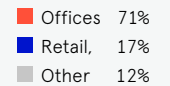
2024	2023
11,382	11,484
171	167
119	114
70	68
94	94
25	25
244	244
98	90



8%



7%



Key metrics

	Jan–Mar 2024	Jan–Mar 2023	Apr 2023–Mar 2024	Jan–Dec 2023
Property-related information				
Closing occupancy rate, %	90.1	91.7	90.1	90.9
Surplus ratio, %	75	73	75	75
Investments in existing projects, SEK m	652	540	2,915	2,802
Property acquisitions, SEK m	692	0	692	0
Property divestments, SEK m	0	0	0	0
Net investments, SEK m	1,344	540	3,606	2,802
Closing market value of property, SEK m	175,455	183,809	175,455	174,569
Closing area, thousand sq. m.	2,397	2,393	2,397	2,393
Closing number of properties	167	166	167	166
Environmental certification, of investment portfolio, share of market value, %	91	88	91	93
Specific energy consumption on closing date, kWh/sq. m., rolling 12 months	72	74	72	73

	Jan–Mar 2024	Jan–Mar 2023	Apr 2023–Mar 2024	Jan–Dec 2023
Financial metrics				
EBITDA margin, %	72	70	72	72
Interest coverage ratio, multiple	3.6	3.8	3.7	3.8
Closing equity/assets ratio, %	40	42	40	40
Closing loan-to-value ratio, %	42	40	42	42
Fixed-interest tenor ¹⁾ , years	3.8	3.9	3.8	4.1
Loan-to-maturity ¹⁾ , years	5.2	5.6	5.2	5.2
Closing EPRA NRV ¹⁾ , SEK m	102,788	110,456	102,788	102,742
Closing EPRA NTA ¹⁾ , SEK m	94,803	101,630	94,803	94,819
Closing EPRA NDV ¹⁾ , SEK m	80,845	88,851	80,845	80,446
Closing average interest rate, %	2.8	2.4	2.8	2.7
Closing net interest-bearing liabilities, SEK m	73,975	74,358	73,975	73,034
Cash flow before changes in working capital, SEK m	1,095	1,083	4,601	4,589
Net interest-bearing liabilities/EBITDA, rolling 12 months	11.1	12.4	11.1	11.1
Other				
Closing number of employees	306	295	306	300

1) Last day in the period.

Basis for key metrics

	Jan–Mar 2024	Jan–Mar 2023	Apr 2023– Mar 2024	Jan–Dec 2023
1. EPRA NRV, SEK m				
Equity	79,646	86,458	79,646	78,902
Add back goodwill attributable to deferred tax	-1,901	-1,901	-1,901	-1,901
Add back derivatives	-150	-1,365	-150	648
Add back recognised deferred tax	25,193	27,264	25,193	25,093
	102,788	110,456	102,788	102,742
2. EPRA NTA, SEK m				
Equity	79,646	86,458	79,646	78,902
Add back goodwill attributable to deferred tax	-1,901	-1,901	-1,901	-1,901
Add back other intangible assets	-100	-118	-100	-100
Add back derivatives	-150	-1,365	-150	648
Add back recognised deferred tax	25,193	27,264	25,193	25,093
Deferred tax at fair value ¹⁾	-7,885	-8,708	-7,885	-7,823
	94,803	101,630	94,803	94,819
3. EPRA NDV, SEK m				
Equity	79,646	86,458	79,646	78,902
Add back goodwill attributable to deferred tax	-1,901	-1,901	-1,901	-1,901
Adjustment of interest-bearing liabilities to fair value	3,100	4,294	3,100	3,445
	80,845	88,851	80,845	80,446
4. EBITDA, SEK m				
Operating surplus	1,751	1,620	6,993	6,862
Central administration	-19	-23	-107	-111
Dividends from joint ventures	0	0	0	0
Ground rents and land leases	-55	-42	-185	-172
	1,677	1,555	6,701	6,579

	Jan–Mar 2024	Jan–Mar 2023	Apr 2023– Mar 2024	Jan–Dec 2023
5. EBITDA margin, %				
Rental revenue	2,338	2,221	9,274	9,157
EBITDA	1,677	1,555	6,701	6,579
	72	70	72	72
6. Interest coverage ratio, multiple				
EBITDA	1,677	1,555	6,701	6,579
Net financial items	-468	-409	-1,789	-1,730
	3.6	3.8	3.7	3.8
7. Net interest-bearing liabilities, SEK m				
Non-current interest-bearing liabilities	63,725	63,783	63,725	65,197
Current interest-bearing liabilities	13,072	12,664	13,072	11,062
Cash and cash equivalents	-2,822	-2,089	-2,822	-3,225
	73,975	74,358	73,975	73,034
8. Loan-to-value ratio, %				
Net interest-bearing liabilities	73,975	74,358	73,975	73,034
Fair value of investment properties	175,455	183,809	175,455	174,569
	42	40	42	42

1) Calculated on the basis of a 30% current tax rate, i.e., 6.2%.

Other information

Personnel

The number of employees at the end of the period was 306, compared with 300 at the end of 2023.

Risks and uncertainties

Vasakronan continues to stand on a stable foundation with long-term owners, good access to capital and a strong offering comprised of wonderful properties in markets and locations in high demand. In combination with strong cash flows, both from the existing property portfolio and from projects, this will ensure continued healthy earnings.

The Board of Directors and the CEO continuously strive to achieve the desired risk profile, based on the policy established by the Board. The policy contains uniform methods for identifying, valuing, taking responsibility for, managing and reporting risks. Aside from the above, no changes have been made to the company's risk assessment since the publication of the 2023 Annual Report. The company's risks are described in the 2023 Annual Report on pages 24–27.

Estimates and assessments

The preparation of financial statements in accordance with generally accepted accounting principles requires that the management makes assessments and assumptions that affect the amounts recognised in the accounts for assets, liabilities, income and expenses, as well as other information disclosed. The actual results may deviate from these assessments. The financial statements are particularly sensitive to assessments that provide the basis for the valuation of the investment properties. Refer to page 64 of Vasakronan's 2023 Annual Report for the sensitivity analysis.

Related-party transactions

Information pertaining to Vasakronan's related-party transactions is provided in Note 7.4 on page 74 of Vasakronan's 2023 Annual Report. At the end of the period, the Third Swedish National Pension Fund held bonds issued by Vasakronan to a total value of SEK 225 million, unchanged compared with year-end 2023.

Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Comparative figures in the income and cash-flow statements pertain to the corresponding amounts for the same period last year. Comparative figures in the balance sheet pertain to the corresponding amounts at year-end 2023. The same accounting policies, valuation principles and calculation methods as the ones used in the most recently issued annual report have been applied. Refer to Vasakronan's 2023 Annual Report, page 50.

Derivatives are valued at fair value in the balance sheet and other financial instruments at amortised cost. For interest-bearing liabilities, which consist of bonds, bank loans and commercial paper, fair values differ from the recognised amortised cost. Fair value is established using the current yield curve along with a borrowing margin and is included in the calculation of EPRA NDV.

Derivatives are valued in accordance with level 2 in the fair value hierarchy. For all derivatives, ISDA agreements are in place that allow offsetting of payables and receivables from the same counterparty in the event of insolvency.

Investment properties are recognised at fair value in accordance with level 3 in the fair value hierarchy.

The Parent Company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

Vasakronan's activities have been organised according to the geographic regions of Stockholm, Gothenburg, Malmö and Uppsala. These regions thus represent the four operating segments used for reporting purposes. Refer to page 51 of Vasakronan's 2023 Annual Report.

New standards and interpretations

At present, new and amended standards and interpretations as endorsed by the EU are not assessed as having any material impact on Vasakronan's earnings or financial position.

Alternative performance measures

Vasakronan applies the ESMA guidelines for Alternative Performance Measures (APMs). APMs are financial metrics that are not defined in IFRS or the Annual Accounts Act. All APMs must be explained, together with the underlying reason why they are used. A breakdown on how the performance measure is calculated must also be given when information (not provided in the balance sheet or income statement) is required for the calculation.

The APMs used in Vasakronan's interim report are defined and motivated on page 21. Page 18 also includes a breakdown on specific performance measures where this is required.

Significant events after the end of the period

No significant events have occurred after the end of the period that impact the assessment of Vasakronan's financial position.

Johanna Skogestig

Chief Executive Officer

The report has not been reviewed by the company's auditors.

For more information about this interim report, please contact:

Johnny Engman, *Chief Financial Officer*

Telephone: +46 8 782 03 89, E-mail: johnny.engman@vasakronan.se

Definitions

Area, sq. m.

Lettable area, not including garages and parking spaces on the closing date.

Average fixed-interest tenor, years

The volume-weighted remaining maturity on fixed-interest rates on interest-bearing liabilities and derivatives on the closing date. Intended as an indication of the company's financial risk.

Average interest rate, %

The volume-weighted interest rate on interest-bearing liabilities and derivatives on the closing date. Intended as an indication of the company's financial risk.

Average loan-to-maturity, years

The volume-weighted remaining maturity on interest-bearing liabilities and derivatives on the closing date. Intended as an indication of the company's financial risk.

Average remaining term to maturity, years

The total contract value of commercial facilities divided by contracted rent for commercial facilities.

Cash and cash equivalents, SEK m

Cash and bank balances, along with current investments with maturities of less than three months. Intended as an indication of the company's liquidity.

Central administration, SEK m

Costs at the Group level that are not directly related to property management, such as costs associated with the Group management, property investments, financing and central marketing.

Comparable property holdings

Properties included in holdings during the entire reporting period, and during the entire comparison period. Properties that were classified as project developments, or that were acquired or sold during the reporting period or comparison period are not included.

Contracted rent, SEK m

Total annual rent from contracts in effect as of the closing date.

Contracted rent by property type, SEK m

Contracted rent categorised according to the assigned premises use, for each lease, broken down as offices, retail and other. The category "other" includes residential space, parking and hotels.

EBITDA margin, %

Rental revenue in relation to EBITDA. Intended as an indication of the current earnings in property management activities.

EBITDA, SEK m

Operating surplus less central administration, with the addition of cash flow from dividends from joint ventures and less ground rents and land leases. Intended as an indication of the current earnings in property management activities.

Environmental certification of investment properties, %

The total area/market value of investment properties certified pursuant to LEED or BREEAM, divided by the area/market value of the entire investment portfolio as of the balance-sheet date. Project developments are not included in the investment portfolio.

EPRA NDV (Net Disposal Value), SEK m

Equity adjusted for goodwill and the fair value of interest-bearing liabilities as well as the full extent of deferred tax.

EPRA NRV (Net Reinstatement Value), SEK m

Recognised equity, adding back goodwill, derivatives and deferred tax. The metric shows the company's EPRA NAV.

EPRA NTA (Net Tangible Assets), SEK m

Recognised equity adding back goodwill, derivatives and other intangible assets after adjustment for estimated actual deferred tax. Calculated on the basis of a 30% current tax rate, in other words 6.2%. The metric reflects the actual NAV.

Equity/assets ratio, %

Equity divided by total assets on the closing date. Intended as an indication of the company's financial stability.

Fixed-interest, years

The volume-weighted remaining maturity on fixed-interest rates on interest-bearing liabilities and derivatives on the closing date. Intended as an indication of the company's financial risk.

Income from property management, SEK m

Profit after net financial items excluding changes in value, tax and interest expenses from associated companies and joint ventures.

Interest coverage ratio, multiple

EBITDA in relation to net financial items. Intended as an indication of the company's sensitivity to fluctuations in interest rates.

Investments in existing projects, SEK m

Investments in ongoing projects. Intended as an indication of the company's investment volume.

Loan-to-value (LTV) ratio, %

Net interest-bearing liabilities divided by the fair value of investment properties on the closing date. Intended as an indication of the company's financial risk.

Net financial items, SEK m

Financial income less financial expenses excluding ground rents and land leases.

Net interest-bearing liabilities, SEK m

Interest-bearing liabilities less cash and cash equivalents. Intended as an indication of the company's financial risk, excluding IFRS 16.

Net interest-bearing liabilities/EBITDA, multiple

Interest-bearing liabilities less cash and cash equivalents in relation to EBITDA. Intended as an indication of the company's financial risk.

Net investments, SEK m

The purchase price for property acquisitions, along with investments in property projects, less the consideration received from property divestment. Intended as an indication of capital invested in properties.

Net lettings, SEK m

Contracted rent for new lettings during the period less contracted rent for leases where notices to vacate were received during the period.

Occupancy rate, %

Contracted rent divided by the rental value on the closing date.

Operating surplus, SEK m

Rental revenue less operating expenses, repairs and maintenance, property administration and property tax. For periods until 1 January 2019, ground rents and land leases are also deducted. Intended as an indication of the current earnings in property management activities. External control metric.

Profit before value changes and tax, SEK m

Operating surplus less central administration, profit (loss) from participations in joint ventures and net interest. Intended as an indication of current earnings in the operations.

Property acquisitions, SEK m

Acquisition of investment properties. Intended as an indication of the company's acquisitions during the period.

Property category

The primary use of the property based on rental revenue.

Property divestments, SEK m

Divestment of investment properties. Intended as an indication of the company's divestments during the period.

Property management costs, SEK m

Administrative expenses at property level that are directly attributable to the management of properties. Denoted until 2023 as property administration.

Rental value, SEK m

Contracted rent plus the assessed market rent for vacant premises.

Reported yield, %

Reported net operating income in relation to the sum of the properties' opening and closing market values divided by two.

Specific energy consumption, kWh/sq. m.

Energy consumption, adjusted to the level of a normal year, from heating, comfort cooling and property electricity, divided by the temperate area (indoor area for all floors of a building that are heated to more than 10°C) for the past 12 months. Reported energy intensity also includes some tenant electricity and process cooling which, for technical reasons, is not possible to remove from the calculation.

Surplus ratio, %

Operating surplus divided by rental revenue. Intended as an indication of the current earnings in property management activities.

Financial Calendar

REPORTS

Mid-year report Jan–Jun 2024	9 July 2024
Interim report Jan–Sep 2024	5 November 2024
Year-end report 2024	6 February 2025
Annual Report 2024	March 2025

ANNUAL GENERAL MEETING

Annual General Meeting	26 April 2024
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CORP. REG. NO. 556061-4603

Vasakronan in brief

Vasakronan is Sweden's leading property company. The property portfolio comprises 167 properties with a total area of about 2.4 million square metres and a market value of SEK 175 billion. The property holdings encompass centrally located office and retail properties in Stockholm, Gothenburg, Malmö and Uppsala.

Vasakronan is owned in equal shares by the First, Second, Third and Fourth Swedish national pension funds, and thus contributes to financing the Swedish pension system. The company's operations embrace the management and development of commercial properties in growth areas of Sweden. Our vision is to create "future-proof cities for everyone, where people and companies thrive."

Vasakronan has a rating of A3 with a stable outlook from Moody's.

Further information about the company is available on Vasakronan's website www.vasakronan.se