

Interim Report

January–June 2024

Q2

Highlights during the quarter

- > Moody's affirmed Vasakronan's strong rating of A3 with a stable outlook.
- > At Hötorgshus in Stockholm, a total of 3,700 square metres has been let, including 1,000 square metres to Hacksaw Studios in the remodelled and modernised Hötorgshus 2.
- > Leases corresponding to an annual rent of SEK 916 million were renegotiated or extended with positive renegotiation result.
- > Market values stabilised, which resulted in a slightly positive value increase of 0.2% for the second quarter.

Rental revenue

+4%

Loan-to-value ratio

42%

Income from property management

+2%

Interest coverage ratio, LTM

3.7x

Vasakronan

January–June 2024 in summary

- > Rental revenue increased 4% to a total of SEK 4,704 million (4,504). The increase was primarily due to indexation. In comparable property holdings, the increase in rental revenue was 4%.
- > New lettings corresponding to 65,000 square metres (66,000) and annual rent of SEK 370 million (342) were contracted. Net lettings amounted to a negative SEK 92 million (negative: 95).
- > The occupancy rate was 90.0% at the end of the period, compared with 90.9% at the end of 2023.
- > Operating surplus increased 5% to SEK 3,493 million (3,311). For comparable property holdings, the increase was 5%.
- > Net interest amounted to an expense of SEK 954 million (expense: 841). 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 (4.0), due to higher interest expenses.
- > Income from property management amounted to SEK 2,376 million (2,330), up 2%. The increase was due to a higher operating surplus.
- > The change in value amounted to a decrease of SEK 203 million (decrease: 7,679) for the period, corresponding to a decline in value of 0.1%.

| Amounts in SEK million | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|---|--------------|--------------|--------------|--------------|-------------------|--------------|
| Rental revenue | 4,704 | 4,504 | 2,366 | 2,283 | 9,357 | 9,157 |
| Operating surplus | 3,493 | 3,311 | 1,742 | 1,691 | 7,044 | 6,862 |
| Net interest expense | -954 | -841 | -486 | -432 | -1,843 | -1,730 |
| Income from property management | 2,376 | 2,330 | 1,176 | 1,183 | 4,898 | 4,852 |
| Change in value of investment properties | -203 | -7,679 | 255 | -2,631 | -9,074 | -16,550 |
| Profit/loss for the period | 1,428 | -4,562 | 684 | -1,252 | -4,868 | -10,858 |
| Cash flow from operating activities | 2,369 | 1,839 | 1,113 | 872 | 5,064 | 4,534 |
| Cash flow after investing activities | 248 | 535 | 372 | 118 | 1,399 | 1,686 |
| Market value of properties | 176,369 | 181,926 | 176,369 | 181,926 | 176,369 | 174,569 |
| Surplus ratio, % | 74 | 74 | 74 | 74 | 75 | 75 |
| Closing average interest rate, % | 2.8 | 2.6 | 2.8 | 2.6 | 2.8 | 2.7 |
| Net lettings | -92 | -95 | -67 | -49 | -61 | -65 |
| Occupancy rate, % | 90.0 | 91.5 | 90.0 | 91.5 | 90.0 | 90.9 |
| Interest coverage ratio, multiple | 3.5 | 3.8 | 3.4 | 3.7 | 3.7 | 3.8 |
| Loan-to-value (LTV) ratio, % | 42 | 41 | 42 | 41 | 42 | 42 |
| Environmental certification of investment portfolio, share of market value, % | 92 | 94 | 92 | 94 | 92 | 93 |
| Specific energy consumption, kWh/sq. m., rolling 12 months | 72 | 74 | 72 | 74 | 72 | 73 |

Statement by the CEO

Stable quarter in a challenging lettings market

Sweden is currently experiencing an economic downturn and the geopolitical clouds in our operating environment firmly refuse to dissipate. Being unable to influence the resulting challenges, we can only monitor and navigate around them. That said, there are still signs of light. Since the start of the year, inflationary pressure has fallen and further interest rate cuts are expected in the next six months. Access to capital has increased and property values appear to be stabilising. Naturally, challenges remain in the lettings market and our net lettings are negative. Despite these factors, the occupancy rate for the quarter was stable and we continue to post strong income from property management.

High mobility in the lettings market

Activity in the quarter was characterised by a large number of customer dialogues and renegotiations, and a high volume of new lettings. At the same time, many tenants are cutting back on floorspace and the volume of terminated square metres is at a historic high, which affects net lettings. This is a result of customers having spent time reflecting on how to organise their office to meet changing needs and who have now developed a strategy. This often results in a move or a change to their current premises and a reduction in square metres per employee.

However, we are also seeing companies who are growing and expanding their premises. The common denominator is that the office plays a pivotal role in the organisation's development and in its ability to attract and retain talent. The "flight-to-quality" trend is continuing and customers are more discerning than ever. Product quality and location are valued

highly, as is access to service and related services. Willingness to pay for the right product in the right location remains high.

Focus on urban development

Occupancy rates in our projects are high and many projects are nearing completion. During the quarter, we welcomed Försäkringskassan (the Swedish Social Insurance Agency) to LUMI in Uppsala, NTI Gymnasium to Kronhusgatan in Gothenburg and Eidra to Grev Tureplan in Stockholm. I look forward to seeing people move in to these buildings during the coming months and bringing more life to the area.

Given the state of the economy, challenges in the lettings market and increased construction prices, we have naturally exercised a little more caution in terms of starting new projects over the past year. However, our development areas have potential and, when the conditions are right, we are ready to press the start button. Development of Lilla Bommen in Gothenburg continues and we formalised the purchase of development rights for 18,000 square metres during the quarter. The block, called Älvporten, is strategically located between our existing properties Läppstiftet and Platinan.

We focus on creating attractive street levels in our neighbourhoods with exciting offerings as well as different kinds of activities. On Sergelgatan in Stockholm, The Museum by NAOM opened its doors and the summer theme for Malmskillnadsgatan was officially opened on 18 May with a much appreciated and highly attended block party. The investments aim to increase the appeal of the area and we can see that it has having an effect. During the quarter we let a total of 3,700 square metres at Hötorgshusen in Stockholm, which corresponds to seven storeys. The occupancy rate at our street levels is 95%



“Activity in the quarter was characterised by a large number of customer dialogues and renegotiations as well as by a high volume of new lettings.”

and turnover increased 4%. Sephora opened up in a prime location in Fredstan, in Gothenburg, and has quickly become a popular addition to the area. Other lettings here include 1,000 square metres to Normal, a Danish-owned retail chain.

Moody's affirm Vasakronan's high rating

At the end of June, Moody's decided to affirm our A3 rating with a stable outlook. It was expected news that highlights our financial strength and stability.

The rating was based on our strong ownership structure, the quality of our properties, the large share of public-sector tenants, strong liquidity and good access to bank and bond market financing. Moody's also expects good long-term rental growth in our locations and robust interest from investors in the Swedish property market.

Good access to capital

Stable inflows to bond funds has resulted in continued improvement in access to financing and Vasakronan has good access to capital. Despite the higher short-term market rates, our credit margins are at a two-year low and during the quarter we raised SEK 1.7 billion in the Swedish and Norwegian bond markets. The return of favourable terms in the Norwegian market is welcome since it offers slightly longer tenors than the Swedish market.

In May, we had the first interest rate cut from Sweden's central bank and more cuts are expected after the summer. Longer market interest rates also declined during the quarter and we took the opportunity to fix interest rates for some of our debt with longer maturities. We currently have an average fixed-interest tenor of 4.2 years and an interest coverage ratio of 3.7x based on a rolling twelve months.

Our properties are valued externally every full year and mid-year. The second quarter valuation showed that values and yield requirements had remained stale since the beginning of the year and transactions in the quarter were completed in line with our valuation levels for similar objects and locations.

Focus on the environment

Sustainability guides everything we do. One example of this is LUMI, in the Södra city development area of Uppsala, a project where we have taken reuse to a new level and that I am therefore particularly proud of. Some 80% of the concrete frame and the entire foundation were saved and, to the extent it was feasible, everything has been reused. This includes 100 tonnes of plasterboard as well as doors, closets, bricks and glazing.

In the first half of this year, we also continued to reduce our energy consumption, which now amounts to an annual average of 72 kWh per square metre. We continue to focus primarily on reducing energy needs but we are also working on our own production of electricity, power transmission and storage. This is something we started working on 15 years ago. As a result, we feel well prepared for the EU's Energy Performance of Buildings Directive (EPBD), and we have essentially no properties in the lowest energy classes (F and G).

Our high sustainability ambitions also benefit us in other ways. Reporting requirements are increasing generally and many tenants are requesting information about a premises' sustainability performance. The sustainability reports we send to all of our customers are therefore highly appreciated and facilitate their own reporting.

Outlook

The property market is late-cyclical. For many years, we have benefited from a robust trend in rent levels, particularly in recent years when interest rates rose drastically. The lettings market is discerning and we know that many tenants are re-viewing their needs in terms of premises, as well as streamlining their floorspace. This is clear in our reported net lettings and my assessment is that the trend will continue for several



On 18 May, the summer theme for Malmkillnadsgatan in Stockholm was officially opened with a highly appreciated block party.

quarters going forward. This is in line with expectations and I remain confident in our position.

The combination of prime locations, the high quality of our offering, good access to capital and a customer-centric organisation means that we have a competitive edge and a good foundation for continuing to generate long-term high returns while concurrently supporting the needs of people and the environment.

Stockholm, 9 July 2024

Johanna Skogestig,
Chief Executive Officer

Earnings and financial position

Unless otherwise stated, earnings and cash flow items encompass the January–June 2024 period and are compared with the year-earlier period. Likewise, balances pertain to the position at the end of June 2024 and are compared with the position at the end of 2023. Performance measures and their calculations are presented on pages 18–19.

Rental revenue

Rental revenue for the period increased 4% to SEK 4,704 million (4,504). 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 4%.

Property expenses

Property expenses increased 2% during the period to an expense of SEK 1,211 million (expense: 1,193). For comparable property holdings, the increase was 1%. The unwinding of provisions for profit-sharing to employees for 2023 had a positive impact on property expenses. Excluding this item, property expenses were somewhat higher primarily due to increased costs for maintenance and repairs.

Operating surplus and revised yield

The operating surplus for the period increased 5% to SEK 3,493 million (3,311). For comparable property holdings, the increase in the operating surplus was 5%. The surplus ratio was 74%, which was unchanged from the year-earlier period.

The reported rolling 12-month yield amounted to 3.88% (3.34) for the total property portfolio and 4.04% (3.49) for the investment portfolio.

Central administration

Central administration costs for the year were SEK 57 million (cost: 60). The decrease was a result of the unwinding of provisions for profit-sharing to employees for 2023.

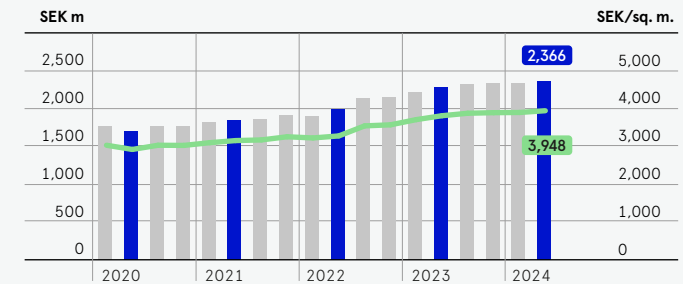
Net interest

Net interest for the period deteriorated to an expense of SEK 954 million (expense: 841), due to higher short market interest rates. The average interest rate for loans and derivatives amounted to 2.8% compared with 2.6% at the end of the second quarter of 2023. The LTM interest coverage ratio decreased to a multiple of 3.7 (4.0), due to higher interest expenses.

Income from property management

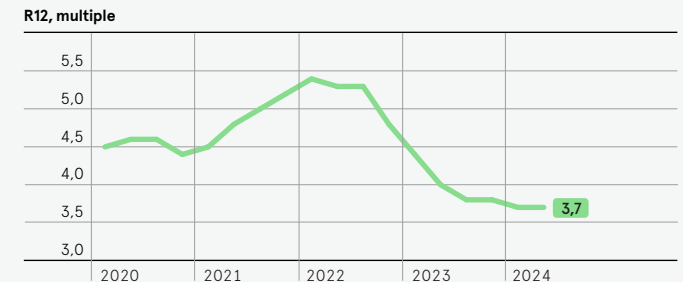
Income from property management increased 2% to SEK 2,376 million (2,330). The increase was due to a higher operating surplus, which was partially offset by higher interest expenses.

Rental revenue

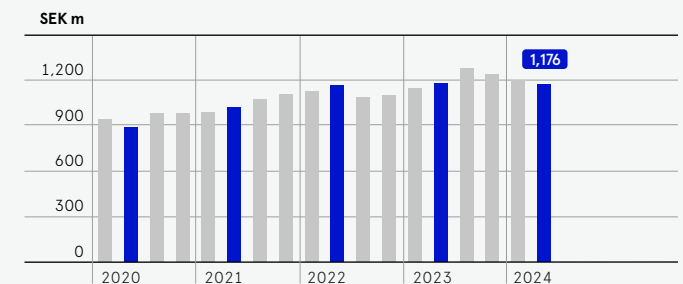


January–June ■ Rental revenue SEK m — Rental revenue SEK/sq. m.

Interest coverage ratio



Income from property management



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 27 million (loss: 92).

| SEK m | Jan–Jun 2024 | Jan–Jun 2023 |
|--|--------------|--------------|
| Income from property management | -3 | 0 |
| Change in value | -10 | -113 |
| Other operating profit/loss | -12 | 0 |
| Tax | -2 | 21 |
| Total result from participations in associates and joint ventures | -27 | -92 |

Change in value of investment properties

Every year and mid year, the entire property portfolio is valued by external valuation experts. As before, these valuations provide the basis for the external reporting. External valuations are made according to RICS Red Book guidelines and MSCI Sweden Annual Property Index.

On 30 June 2024, the entire property portfolio had been valued by external appraisers Cushman & Wakefield and Forum Fastighetsekonomi, respectively. The valuations apply the same methodology as previous external 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. For more informa-

tion about valuation of Vasakronan's property portfolio, refer to Note 4.2 on page 61 in the 2023 Annual Report.

The total change in property value for the period amounted to a decrease of SEK 203 million, which included a positive effect of SEK 25 million attributable to the adjustment of a previously completed transaction. The unrealised change in value thus amounted to a decrease of SEK 228 million (decrease: 7,679), which corresponded to a 0.1% decrease (decrease: 4.1) in value.

The change in value for investment properties amounted to a decrease of SEK 346 million (decrease: 7,504), which corresponded to a 0.2% decrease (decrease: 4.2) 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 117 million (decrease: 127), up 1.4% (down: 1.5).

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.

Average yield requirement

| | Yield requirement, % | Change for the period, percentage points |
|--------------|----------------------|--|
| Stockholm | 4.41 | 0.01 |
| Gothenburg | 4.57 | 0.08 |
| Uppsala | 5.13 | 0.07 |
| Malmö | 5.16 | 0.11 |
| Total | 4.54 | 0.03 |

Factors impacting value

| | Value impact, % |
|---|-----------------|
| Yield requirement | -0.7 |
| Market rents | 1.4 |
| Long-term vacancies and other changed cost and investment assumptions | -0.9 |
| Total | -0.1 |

Change in value by region

| | Change in value, % | Contribution to change in value, percentage points |
|--------------|--------------------|--|
| Stockholm | 0.1 | 0.1 |
| Gothenburg | -0.0 | 0.0 |
| Uppsala | -1.2 | -0.1 |
| Malmö | -1.2 | -0.1 |
| Total | -0.1 | -0.1 |

Change in value, by category

| | Change in value, % | Contribution to change in value, percentage points |
|---|--------------------|--|
| Investment properties | -0.2 | -0.2 |
| Project developments and development properties | 1.4 | 0.1 |
| Transactions | - | 0.0 |
| Total | -0.1 | -0.1 |

Sensitivity analysis yield requirements

| Change | Affects | Impact |
|--------------------------|---------------------|--------------------------|
| +/-0.25 percentage point | Market value | -9,123/+10,192 SEK m |
| +/-0.25 percentage point | Loan-to-value ratio | +/-2.3 percentage points |

Change in value of financial instruments

The value change in derivatives amounted to a negative SEK 329 million (negative: 255) which was mainly due to the increase in long-term foreign market interest rates during the period.

Tax

The Group reported a total tax expense of SEK 389 million (income: 1,137). Of the tax, an expense of SEK 178 million (expense: 237) comprised current tax expense and SEK 211 million (income: 1,374) comprised deferred tax expense resulting from temporary differences attributable to a change in value for investment properties and financial instruments.

On 30 June 2024, the deferred tax liability was SEK 25,303 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 2,186 million (2,094). Investments in existing properties amounted to SEK 1,338 million (1,288) and property acquisitions to SEK 692 million (0). The acquisition pertains to Uggleborg 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 inflow of SEK 248 million (inflow: 535).

Net borrowing for the period amounted to a negative SEK 1,152 million (positive: 299). 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 897 million (decrease: 42) during the period and amounted to SEK 2,328 million at the end of the period.

Equity

Equity amounted to SEK 80,331 million as of 30 June 2024, compared with SEK 78,902 million at the end of 2023. Comprehensive income for the period amounted to SEK 1,428 million, compared with a loss of SEK 4,560 million for the corresponding year-earlier period.

At the end of the period, the equity/assets ratio was 41%, compared with 40% at year-end 2023.

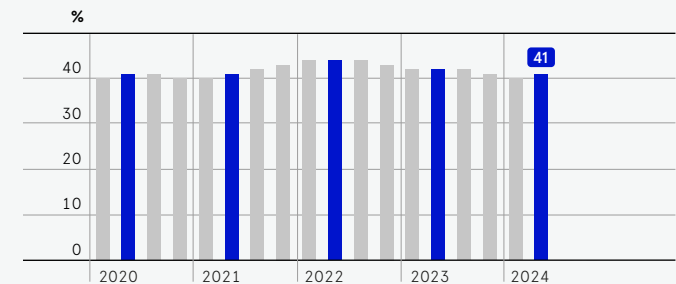
Property acquisitions

| Property | City | Seller | Purchase price, SEK m | Occupancy |
|--|-----------|------------------|-----------------------|------------|
| Uggleborg 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 | |

Sensitivity analysis earnings and cash flow

| | Change | Affects | Impact |
|-------------------|-----------------------|---------------------------------|--------------|
| Rental revenue | +/-1% | Income from property management | +/-94 SEK m |
| Occupancy rate | +/-1 percentage point | Income from property management | +/-120 SEK m |
| Property expenses | +/-1% | Income from property management | -/+23 SEK m |
| Interest expense | +/-1 percentage point | Income from property management | -/+101 SEK m |
| Interest expense | +/-1 percentage point | Interest coverage ratio | -/+0.2x |

Equity/assets ratio



Property holdings and lease portfolios

Property portfolio

As of 30 June 2024, Vasakronan's entire property portfolio had been valued externally. The assessed market value of the property portfolio was SEK 176,369 million (174,569). During the period, investments in existing properties amounted to SEK 1,337 million and the Uggleborg 14/Sthlm HUB property was acquired during the first quarter for SEK 692 million.

As part of the previously agreed implementation plan, an agreement was signed during the quarter with the City of Gothenburg for the acquisition of development rights equivalent to a GFA of 18,000 square metres in the Älvporten block in Lilla Bommen in Gothenburg. The development rights are planned to enter force in the second half of 2024.

The total change in property value for the period amounted to a decrease of SEK 203 million, which included a positive effect of SEK 25 million attributable to the adjustment of a previously completed transaction. The unrealised change in value amounted to a decrease of SEK 228 million (decrease: 7,679), which corresponded to a 0.1% decrease (decrease: 4.1) in value.

Change in property values

| SEK m | 2024 | 2023 |
|---------------------------------|----------------|----------------|
| Opening value, 1 January | 174,569 | 188,317 |
| Investments | 1,337 | 1,288 |
| Acquisitions | 692 | 0 |
| Sales | 0 | 0 |
| Change in value | -228 | -7,679 |
| Closing value, 30 June | 176,369 | 181,926 |

Ongoing property projects

| City | Property | Total investment, 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 | 10 | 30,000 | Q2 2027 | 43 | May 2027 | Platinum |
| Uppsala | Lumi | 740 | 94 | 15,000 | Q2 2024 | 100 | Dec 2024 | Platinum |
| Stockholm | Sperlingens Backe 47 | 690 | 97 | 8,500 | Q2 2024 | 98 | Oct 2024 | Platinum |
| Stockholm | Hästskon 9 | 600 | 64 | 9,100 | Q1 2025 | 89 | Apr 2025 | Platinum |
| Gothenburg | Kronhusgatan | 90 | 84 | 2,540 | Q3 2024 | 100 | Jul 2024 | Gold |
| Total major property projects | | 3,720 | 54 | 65,140 | | 71 | | |
| Other projects | | 2,415 | 46 | | | | | |
| Total | | 6,135 | 51 | | | | | |

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

Investments

Investments pertain to new construction as well as investments in existing property. Premises are often renovated in connection with new lettings, which thereby increases rental value. Of the investments during the period 23% pertained to investments related to new lettings.

At the end of the period, the total investment volume of ongoing property projects amounted to SEK 6,135 million (8,902), of which 51% (41) had been capitalised. The remodelling of Hötorgshus 2 in Stockholm was completed in the second quarter. The property has been modernised to meet market demand for attractive and sustainable premises, and has a key role in the development of Sergelstan. The total investment amounted to SEK 430 million and the occupancy rate was 79% at the end of the period.

The occupancy rate for major projects at the end of the period was 71% (64). In total, leases have been signed in major ongoing projects equivalent to SEK 279 million in annual rent.

The total contracted annual rent for these projects when fully let amounts to over SEK 360 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, 92% (93) of our investment portfolio was environmentally certified, of which 85 percentage points (84) were certified according to LEED Gold or higher.

Right-of-use assets, leaseholds and land leases

Right-of-use agreements pertain mainly to ground rent agreements that are given market valuations by discounting future fees using a discount rate corresponding to between 3.00 and 3.75%. On 30 June 2024, right-of-use assets totalled SEK 6,530 million, compared with SEK 6,329 million at the year-end 2023.

Lease portfolio

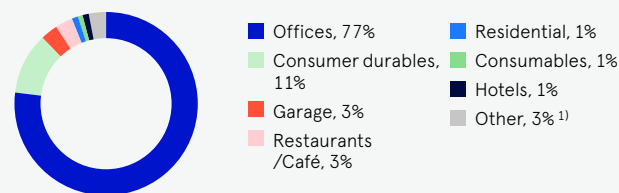
Contracted annual rent amounted to SEK 9,693 million at the end of the quarter, compared with SEK 9,193 million at the end of the year–earlier quarter. The average remaining maturity for the entire lease portfolio was 3.3 years (3.4). Of contracted rent, 25% pertained to the public sector. The average remaining term to maturity for these contracts was 5.0 years (5.3).

Occupancy rate

The occupancy rate at the end of the period was 90.0%, compared with 90.9% at the end of 2023. Of total vacancies at the end of the period, 0.2 percentage points (0.3) were attributable to ongoing project developments and development properties.

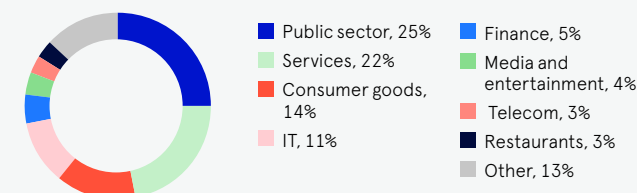
At the end of the period, the occupancy rate was 89.2% for offices and 94.8% for retail, compared with 90.1% and 95.6%, respectively, at the end of 2023.

Lease breakdown by sector, share of contracted rent



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

Lease breakdown by sector, share of contracted rent



Largest tenants, share of contracted rent

| | Share in % |
|---|------------|
| Swedish Police Authority | 3 |
| Ericsson | 3 |
| Swedish Prison and Probation Service | 2 |
| Försäkringskassan (Social Insurance Agency) | 2 |
| The Swedish Tax Agency | 2 |
| H&M | 2 |
| King | 2 |
| ARC | 1 |
| Scandic | 1 |
| EY | 1 |
| Total | 19 |

Maturity structure for contracted rent

| | No. of contracts | Annual rent, SEK m | % of total |
|--------------|------------------|--------------------|------------|
| Q3–Q4 2024 | 984 | 719 | 8 |
| 2025 | 1,102 | 1,767 | 18 |
| 2026 | 715 | 1,490 | 15 |
| ≥2027 | 1,181 | 5,325 | 55 |
| Total | 3,982 | 9,301 | 96 |
| Residential | 1,169 | 118 | 1 |
| Garage | – | 274 | 3 |
| Total | 5,151 | 9,693 | 100 |

Net lettings and renegotiations

New lettings corresponding to 65,000 square metres (66,000) and an annual rent of SEK 370 million (342) were contracted during the period, of which 20% (22) of the annual rents impacted on revenue for the current year.

During the second quarter, a total of 3,700 square metres was let at the Hötorgshus buildings in Stockholm, corresponding to seven storeys. Lettings included a three-year lease to Hacksaw Studios for 1,000 square metres at the newly remodelled Hötorgshus 2. Leases have been signed for a total of 1,600 square metres at the SthlmHUB property, which was acquired in the first quarter, and which is now fully let.

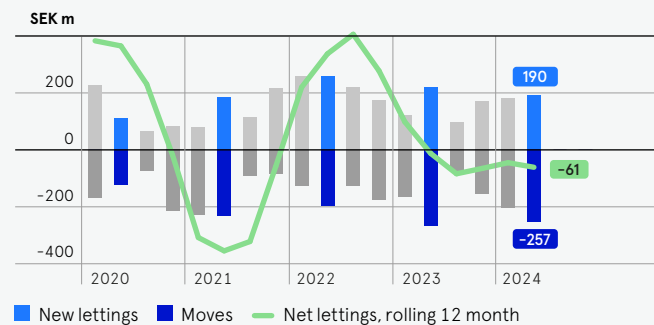
New lettings on street level in the period include a ten-year lease to Normal for 1,000 square metres in Fredsstan in Gothenburg.

Notices to vacate were received during the period corresponding to annual rent of SEK 462 million (437) and net lettings were negative at SEK 92 million (negative: 95).

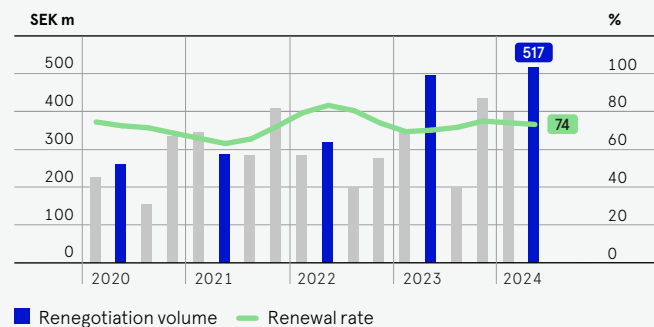
Lettings corresponding to 188,000 square metres (189,000) and an annual rent of SEK 916 million (851) were renegotiated during the period. These renegotiations resulted in an increase on the previous rent payable of 1.2% above index. The renegotiations included EY extending its lease of 7,500 square metres at Sergelhusen in central Stockholm until 2030 and the Hägersten-Älvsjö Neighbourhood Council Department choosing to extend its 6,740 square metre lease at Telefonfabriken in south Stockholm for another five years.

Of all the contracts that have been the subject of renegotiation and extension in the past twelve months, almost 74% (70) have chosen to remain a tenant of Vasakronan.

Net lettings



Renegotiations and lease extensions



Financing

Interest-bearing liabilities

At the end of the period, Moody's affirmed the company's A3 rating with a stable outlook. Through our strong rating and due to our close links to state ownership, Vasakronan has continued to have good access to financing throughout the period. Vasakronan issued debt for a total of SEK 3.3 billion (5.5) during the period with maturities of between two and ten years in the Swedish and Norwegian bond markets. During the period, unsecured bank loans totalling SEK 590 million (0) were also raised with the Nordic Investment Bank (NIB).

At the end of the period, interest-bearing liabilities amounted to SEK 75,641 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 73,313 million, compared with SEK 73,034 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.

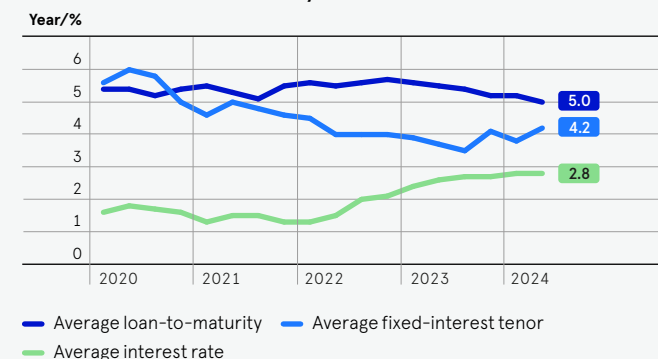
The average interest rate for loans and derivatives amounted to 2.8% at the end of the period, compared with 2.7% at the end of 2023.

To minimise financing risk and secure its access to capital, the company has a credit facility with its owners 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. The average loan-to-maturity, including the above credit facilities, amounted to 5.0 years (5.2) at the end of the period and the average fixed-interest tenor was 4.2 years (4.1).

Financial risks

| | Financial policy in brief | Outcome, 30 Jun 2024 |
|---|----------------------------|-------------------------|
| Financing risk | | |
| Loan-to-maturity, excluding unutilised credit commitments | min. 2 years | 4.7 years |
| Loan-to-maturity | – | 5.0 years |
| Loans maturing, 12 months | max. 40% | 17% |
| Credit commitments and cash/loans maturing 12 months | min. 100% | 154% |
| Interest-rate risk | | |
| Interest coverage ratio | min. 2.0x (LTM) | 3.7x |
| Fixed-interest period | min. 2 years | 4.2 years |
| Fixed-interest maturity within 12 months | max. 55% | 21% |
| Credit risk | | |
| Counterpart's rating | min. A-, or BBB+ with CSAs | met |
| Currency risk | | |
| Currency exposure | No exposure | met |
| Other | | |
| Secured financing/total assets | max. 20% | 6% |

Average fixed-interest tenors and loan-to-maturity



Fixed-interest tenors and loan-to-maturity

| Maturity date | Fixed-interest | | Loan-to-maturity | |
|------------------|----------------|------------|------------------|------------|
| | SEK m | Share, % | SEK m | Share, % |
| 0–1 year | 15,926 | 21 | 13,216 | 17 |
| 1–2 years | 2,143 | 3 | 8,415 | 11 |
| 2–3 years | 17,106 | 23 | 11,842 | 16 |
| 3–4 years | 12,598 | 17 | 9,823 | 13 |
| 4–5 years | 10,200 | 13 | 8,160 | 11 |
| 5–6 years | 5,200 | 7 | 4,842 | 6 |
| 6–7 years | 750 | 1 | 4,500 | 6 |
| 7–8 years | 500 | 1 | 2,707 | 4 |
| 8–9 years | 200 | 0 | 3,161 | 4 |
| 9–10 years | 4,800 | 6 | 2,593 | 3 |
| 10 years or more | 6,218 | 8 | 6,382 | 9 |
| Total | 75,641 | 100 | 75,641 | 100 |

Grön finansiering

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 period end, the total volume of financing under Vasakronan's Green Finance Framework amounted to SEK 52.2 billion (51.8). At the same time, green assets encompassed by the framework totalled SEK 79.8 billion compared with SEK 64.7 billion at the end of 2023, up primarily because of energy improvements at existing properties. At period end, the remaining approved borrowing capacity was SEK 27.6 billion (12.9), which means that all loans maturing going forward will be possible to finance according to Vasakronan's Green Finance Framework.

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. A more comprehensive description of the company's green financing and the investments made under Vasakronan's Green Finance Framework is available on Vasakronan's website.

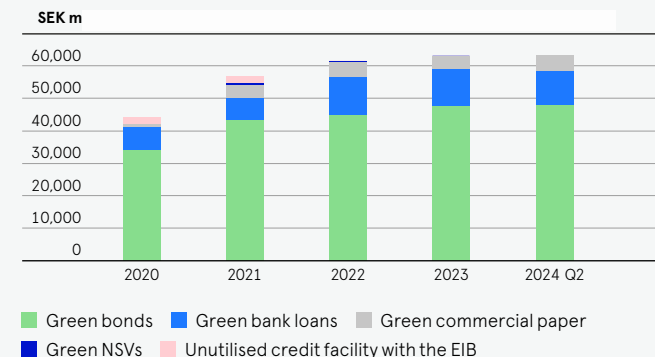
Breakdown of funding sources

| SEK m | Carrying amount, SEK m | Share, % |
|-------------------------------------|------------------------|------------|
| Commercial paper | 5,031 | 7 |
| Bonds, SEK | 27,189 | 36 |
| Bonds, NOK | 11,752 | 15 |
| Bonds, EUR, AUD, USD, HKD, CHF, JPY | 15,806 | 21 |
| Secured bank loans | 11,130 | 15 |
| NIB and EIB | 4,733 | 6 |
| Total | 75,641 | 100 |

Green financing

| Green financing under the framework | Amount in SEK million |
|---|-----------------------|
| Green commercial paper | 5,031 |
| Green bonds, SEK | 27,189 |
| Green bonds, NOK | 7,731 |
| Green bonds, EUR, AUD, USD, HKD, CHF, JPY | 12,284 |
| Total | 52,235 |
| Green bank financing | |
| Green secured bank loans | 5,603 |
| Green loans from the EIB and NIB | 4,733 |
| Total | 10 336 |
| Green financing, total | 62,571 |
| Percentage of green financing in the total loan portfolio | 84% |

Breakdown green financing



Consolidated income statement

| Amounts in SEK million | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|--|---------------|---------------|--------------|---------------|-------------------|----------------|
| Rental revenue | 4,704 | 4,504 | 2,366 | 2,283 | 9,357 | 9,157 |
| Operating expenses | -474 | -472 | -231 | -223 | -900 | -898 |
| Repairs and maintenance | -83 | -67 | -41 | -31 | -153 | -137 |
| Property management costs | -225 | -238 | -132 | -131 | -427 | -440 |
| Property tax | -429 | -416 | -220 | -207 | -833 | -820 |
| Total property expenses | -1,211 | -1,193 | -624 | -592 | -2,313 | -2,295 |
| Operating surplus | 3,493 | 3,311 | 1,742 | 1,691 | 7,044 | 6,862 |
| Central administration | -57 | -60 | -38 | -37 | -108 | -111 |
| Result from participations in associates and joint ventures | -27 | -92 | -15 | -62 | -146 | -211 |
| Operating profit | 3,409 | 3,159 | 1,689 | 1,592 | 6,790 | 6,540 |
| Interest income | 101 | 61 | 44 | 35 | 194 | 154 |
| Interest expense | -1,055 | -902 | -530 | -467 | -2,037 | -1,884 |
| Interest expense lease liability; ground rents and land leases | -103 | -80 | -50 | -40 | -188 | -165 |
| Profit before value changes and tax | 2,352 | 2,238 | 1,153 | 1,120 | 4,759 | 4,645 |
| <i>– Of which, income from property management</i> | <i>2,376</i> | <i>2,330</i> | <i>1,176</i> | <i>1,183</i> | <i>4,898</i> | <i>4,852</i> |
| Change in value of investment properties | -203 | -7,679 | 255 | -2,631 | -9,074 | -16,550 |
| Depreciation of right-of-use assets | -3 | -3 | -1 | -1 | -7 | -7 |
| Change in value of financial instruments | -329 | -255 | -529 | -26 | -1,794 | -1,720 |
| Profit/loss before tax | 1,817 | -5,699 | 878 | -1,538 | -6,116 | -13,632 |
| Current tax | -178 | -237 | -83 | -140 | -282 | -341 |
| Deferred tax | -211 | 1,374 | -111 | 426 | 1,530 | 3,115 |
| Profit/loss for the period | 1,428 | -4,562 | 684 | -1,252 | -4,868 | -10,858 |
| Of which, attributable to non-controlling interests | 0 | -2 | 0 | -1 | -1 | -3 |
| Of which, attributable to the Parent Company shareholders | 1,428 | -4,560 | 684 | -1,251 | -4,867 | -10,855 |

| Amounts in SEK million | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|--|--------------|---------------|--------------|---------------|-------------------|----------------|
| Other comprehensive income | | | | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | | | | |
| Pensions, revaluation | - | - | - | - | -14 | -14 |
| Restriction for surplus in pension plan with asset cap | - | - | - | - | -11 | -11 |
| Income tax on pensions | - | - | - | - | 5 | 5 |
| Other comprehensive income for the period, net of tax | - | - | - | - | -20 | -20 |
| Total comprehensive income for the period | 1,428 | -4,560 | 684 | -1,251 | -4,887 | -10,875 |
| Key metrics | | | | | | |
| Surplus ratio, % | 74 | 74 | 74 | 74 | 75 | 75 |
| Interest coverage ratio, multiple | 3.5 | 3.8 | 3.4 | 3.7 | 3.7 | 3.8 |

Consolidated balance sheet

| Amounts in SEK million | 30 Jun 2024 | 30 Jun 2023 | 31 Dec 2023 |
|--|----------------|----------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Intangible assets | 2,001 | 2,019 | 2,001 |
| Property, plant and equipment (PPE) | | | |
| Investment properties | 176,369 | 181,926 | 174,569 |
| Right-of-use assets, leaseholds and land leases | 6,530 | 5,147 | 6,329 |
| Equipment | 179 | 147 | 140 |
| Total property, plant and equipment (PPE) | 183,078 | 187,220 | 181,038 |
| Financial assets | | | |
| Participations in associates and joint ventures | 528 | 619 | 530 |
| Derivatives | 3,889 | 6,127 | 3,321 |
| Other non-current receivables | 2,688 | 2,150 | 2,468 |
| Total financial assets | 7,105 | 8,896 | 6,319 |
| Total non-current assets | 192,184 | 198,135 | 189,358 |
| Current assets | | | |
| Accounts receivable | 58 | 92 | 58 |
| Receivables from joint ventures | 0 | 71 | 136 |
| Current tax assets | 0 | 0 | 0 |
| Derivatives | 123 | 43 | 54 |
| Other current receivables, prepaid expenses and accrued income | 2,013 | 1,900 | 1,989 |
| Cash and cash equivalents | 2,328 | 2,942 | 3,225 |
| Total current assets | 4,522 | 5,048 | 5,462 |
| TOTAL ASSETS | 196,706 | 203,183 | 194,820 |

| Amounts in SEK million | 30 Jun 2024 | 30 Jun 2023 | 31 Dec 2023 |
|---|----------------|----------------|----------------|
| EQUITY AND LIABILITIES | | | |
| Equity | 80,331 | 85,205 | 78,902 |
| Non-current liabilities | | | |
| Interest-bearing liabilities | 62,425 | 65,303 | 65,197 |
| Lease liability, leaseholds and land leases | 6,531 | 5,148 | 6,330 |
| Deferred tax liability | 25,303 | 26,838 | 25,093 |
| Derivatives | 4,351 | 4,367 | 3,964 |
| Other non-current liabilities | 88 | 65 | 65 |
| Provision for pensions | 11 | 6 | 10 |
| Total non-current liabilities | 98,709 | 101,728 | 100,659 |
| Current liabilities | | | |
| Interest-bearing liabilities | 13,216 | 11,927 | 11,062 |
| Accounts payable | 65 | 64 | 70 |
| Liabilities joint ventures | 0 | 23 | 23 |
| Current tax liabilities | 271 | 66 | 113 |
| Derivatives | 114 | 56 | 59 |
| Other current liabilities, accrued expenses and deferred income | 4,000 | 4,115 | 3,932 |
| Total current liabilities | 17,666 | 16,251 | 15,259 |
| TOTAL EQUITY AND LIABILITIES | 196,706 | 203,183 | 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> | - | - | -10,875 | -10,875 | -3 | -10,878 |
| <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 on 1 Jan 2024 | 4,000 | 4,227 | 70,675 | 78,902 | 0 | 78,902 |
| Profit/loss for the period | - | - | 1,428 | 1,428 | 0 | 1,428 |
| Other comprehensive income | - | - | 0 | 0 | 0 | 0 |
| <i>Comprehensive income for the period</i> | - | - | 1,428 | 1,428 | 0 | 1,428 |
| <i>Transactions with owners</i> | | | | | | |
| Dividend | - | - | 0 | 0 | 0 | 0 |
| Equity, closing balance on 30 Jun 2024 | 4,000 | 4,227 | 72,104 | 80,331 | 0 | 80,331 |

Consolidated cash-flow statement

| Amounts in SEK million | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|--|---------------|---------------|--------------|--------------|-------------------|---------------|
| Operating activities | | | | | | |
| Operating surplus | 3,493 | 3,311 | 1,742 | 1,691 | 7,044 | 6,862 |
| Central administration | -57 | -60 | -38 | -37 | -108 | -111 |
| Add back amortisation and depreciation | 27 | 21 | 16 | 11 | 56 | 50 |
| Adjustment for other non-cash items | 0 | 1 | -1 | 1 | -18 | -17 |
| Cash flow from operating activities before interest and tax | 3,463 | 3,273 | 1,719 | 1,666 | 6,974 | 6,784 |
| Interest paid ¹⁾ | -1,237 | -1,099 | -606 | -614 | -2,240 | -2,102 |
| Interest received | 80 | 40 | 38 | 19 | 147 | 107 |
| Taxes paid | -120 | -120 | -60 | -60 | -200 | -200 |
| Cash flow before changes in working capital | 2,186 | 2,094 | 1,091 | 1,011 | 4,681 | 4,589 |
| Increase (-)/decrease (+) in operating receivables | 323 | -677 | 29 | -2 | 522 | -478 |
| Increase (+)/decrease (-) in operating liabilities | -140 | 422 | -7 | -137 | -139 | 423 |
| Cash flow from operating activities | 2,369 | 1,839 | 1,113 | 872 | 5,064 | 4,534 |
| Investing activities | | | | | | |
| Investments in existing properties | -1,337 | -1,288 | -685 | -748 | -2,851 | -2,802 |
| Property acquisitions | -692 | 0 | 0 | 0 | -692 | 0 |
| Property divestments | 0 | 0 | 0 | 0 | 0 | 0 |
| Other PPE, net | -66 | -12 | -55 | -5 | -87 | -33 |
| Intangible assets, net | 0 | -4 | 0 | -1 | 1 | -3 |
| Transactions with associates and joint ventures | -25 | 0 | 0 | 0 | -35 | -10 |
| Other financial assets, net | -1 | 0 | -1 | 0 | -1 | 0 |
| Cash flow from investing activities | -2,121 | -1,304 | -741 | -754 | -3,665 | -2,848 |
| Cash flow after investing activities | 248 | 535 | 372 | 118 | 1,399 | 1,686 |

| Amounts in SEK million | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|---|---------------|--------------|--------------|--------------|-------------------|---------------|
| Financing activities | | | | | | |
| Dividend | 0 | 0 | 0 | 0 | 0 | 0 |
| Raised debt: interest-bearing liabilities | 10,910 | 15,498 | 5,144 | 8,998 | 21,205 | 25,793 |
| Repayment of debt: interest-bearing liabilities | -12,062 | -15,199 | -6,224 | -8,668 | -22,417 | -25,554 |
| Change in collateral | 7 | -868 | 214 | 413 | -801 | -1,676 |
| Redemption of financial instruments | 0 | -8 | 0 | -8 | 0 | -8 |
| Cash flow from financing activities | -1,145 | -577 | -866 | 735 | -2,013 | -1,445 |
| Cash flow for the period | -897 | -42 | -494 | 853 | -614 | 241 |
| Opening balance, cash and cash equivalents | 3,225 | 2,984 | 2,822 | 2,089 | 2,942 | 2,984 |
| Cash flow for the period | -897 | -42 | -494 | 853 | -614 | 241 |
| Closing balance, cash and cash equivalents | 2,328 | 2,942 | 2,328 | 2,942 | 2,328 | 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–Jun 2024 | Jan–Jun 2023 |
|--|--------------|--------------|
| Net sales | 374 | 382 |
| Operating expenses | -463 | -463 |
| EBIT | -89 | -81 |
| Financial items | | |
| Profit from participations in subsidiaries | 2,796 | 6,549 |
| Net interest expense | -130 | -84 |
| Change in value of financial instruments | -329 | -255 |
| Profit/loss before tax | 2,248 | 6,129 |
| Tax | 343 | 55 |
| Profit/loss for the period | 2,591 | 6,184 |

Statement of comprehensive income

| | | |
|--|--------------|--------------|
| Profit for the period recognised in profit or loss | 2,591 | 6,184 |
| Total comprehensive income for the period | 2,591 | 6,184 |

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 374 million (382), which primarily consisted of the Parent Company's invoices to the subsidiaries for services rendered. The profit from participations in subsidiaries of SEK 2,796 million (6,549) pertained to dividends. The value change in financial instruments amounted to negative SEK 329 million (negative: 255), primarily attributable to the downturn in long market interest rates. Profit before tax thus amounted to SEK 2,248 million (6,129).

Cash and cash equivalents amounted to SEK 2,325 million at the end of the period, compared with SEK 3,222 million at the end of 2023.

Balance sheet

| Amounts in SEK million | 30 Jun 2024 | 31 Dec 2023 |
|---|----------------|----------------|
| ASSETS | | |
| Non-current assets | | |
| Equipment | 136 | 103 |
| Shares and participations in subsidiaries | 37,564 | 37,564 |
| Receivables from subsidiaries | 50,469 | 50,469 |
| Derivatives | 3,889 | 3,321 |
| Deferred tax assets | 239 | 171 |
| Non-current receivables | 2,670 | 2,449 |
| Total non-current assets | 94,967 | 94,077 |
| Current assets | | |
| Accounts receivable | 2 | 4 |
| Receivables from subsidiaries | 18,217 | 15,469 |
| Receivables from joint ventures | 136 | 95 |
| Derivatives | 123 | 54 |
| Current tax assets | 0 | 113 |
| Current receivables | 1,534 | 1,446 |
| Cash and cash equivalents | 2,325 | 3,222 |
| Total current assets | 22,337 | 20,403 |
| TOTAL ASSETS | 117,304 | 114,480 |
| EQUITY AND LIABILITIES | | |
| Equity | 31,963 | 29,371 |
| Untaxed reserves | 1,122 | 1,122 |
| Liabilities | | |
| Interest-bearing liabilities | 75,641 | 76,259 |
| Derivatives | 4,465 | 4,023 |
| Deferred tax liability | 0 | 0 |
| Non-interest-bearing liabilities | 995 | 1,150 |
| Liabilities to subsidiaries | 2,406 | 2,555 |
| Total liabilities | 84,219 | 83,987 |
| TOTAL EQUITY AND LIABILITIES | 117,304 | 114,480 |

Segment reporting

Total Vasakronan

| January–June | 2024 | 2023 |
|--|---------|---------|
| Market value of properties, SEK m | 176,369 | 181,926 |
| Rental revenue, SEK m | 4,704 | 4,504 |
| Operating surplus, SEK m | 3,493 | 3,311 |
| Surplus ratio, % | 74 | 74 |
| Occupancy rate, % | 90 | 92 |
| Number of properties | 166 | 166 |
| Area, thousand sq. m. | 2,397 | 2,393 |
| Environmental certification in the investment portfolio based on market value, % | 92 | 94 |

Contracted rent by geographic market

Pertains to share of contracted rent.



| | |
|------------|-----|
| Stockholm | 66% |
| Gothenburg | 17% |
| Malmö | 9% |
| Uppsala | 8% |

Pertains to share of market value.



| | |
|------------|-----|
| Stockholm | 69% |
| Gothenburg | 17% |
| Malmö | 7% |
| Uppsala | 7% |

Contracted rent by property type

Pertains to share of contracted rent.



| | |
|---------|-----|
| Offices | 77% |
| Retail | 16% |
| Other | 7% |

Stockholm

| 2024 | 2023 |
|---------|---------|
| 122,196 | 125,659 |
| 3,098 | 2,938 |
| 2,323 | 2,180 |
| 75 | 74 |
| 89 | 91 |
| 76 | 76 |
| 1,407 | 1,403 |
| 91 | 96 |



66%



69%



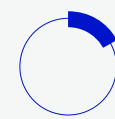
| | |
|---------|-----|
| Offices | 83% |
| Retail | 11% |
| Other | 6% |

Gothenburg

| 2024 | 2023 |
|--------|--------|
| 29,662 | 31,584 |
| 826 | 808 |
| 625 | 596 |
| 76 | 74 |
| 93 | 92 |
| 34 | 34 |
| 447 | 447 |
| 91 | 85 |



17%



17%



| | |
|---------|-----|
| Offices | 62% |
| Retail | 30% |
| Other | 8% |

Malmö

| 2024 | 2023 |
|--------|--------|
| 13,092 | 13,295 |
| 429 | 418 |
| 301 | 296 |
| 70 | 71 |
| 90 | 91 |
| 31 | 31 |
| 299 | 299 |
| 100 | 100 |



9%



7%



| | |
|---------|-----|
| Offices | 63% |
| Retail | 26% |
| Other | 11% |

Uppsala

| 2024 | 2023 |
|--------|--------|
| 11,482 | 11,388 |
| 351 | 340 |
| 244 | 239 |
| 70 | 70 |
| 93 | 95 |
| 25 | 25 |
| 244 | 244 |
| 98 | 90 |



8%



7%



| | |
|---------|-----|
| Offices | 72% |
| Retail | 17% |
| Other | 11% |

Key metrics

| | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|--|--------------|--------------|--------------|--------------|-------------------|--------------|
| Property-related information | | | | | | |
| Closing occupancy rate, % | 90.0 | 91.5 | 90.0 | 91.5 | 90.0 | 90.9 |
| Surplus ratio, % | 74 | 74 | 74 | 74 | 75 | 75 |
| Investments in existing properties, SEK m | 1,337 | 1,288 | 651 | 748 | 2,851 | 2,802 |
| Property acquisitions, SEK m | 692 | 0 | 0 | 0 | 692 | 0 |
| Property divestments, SEK m | 0 | 0 | 0 | 0 | 0 | 0 |
| Net investments, SEK m | 2,028 | 1,288 | 651 | 748 | 3,543 | 2,802 |
| Closing market value of property, SEK m | 176,369 | 181,925 | 176,369 | 181,925 | 176,369 | 174,569 |
| Closing area, thousand sq. m. | 2,397 | 2,393 | 2,397 | 2,393 | 2,397 | 2,393 |
| Closing number of properties | 166 | 166 | 166 | 166 | 166 | 166 |
| Environmental certification, of investment portfolio, share of market value, % | 92 | 94 | 92 | 94 | 92 | 93 |
| Specific energy consumption, kWh/sq. m., rolling 12 months | 72 | 74 | 72 | 74 | 72 | 73 |

| | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|--|--------------|--------------|--------------|--------------|-------------------|--------------|
| Financial metrics | | | | | | |
| EBITDA margin, % | 71 | 70 | 70 | 71 | 72 | 72 |
| Interest coverage ratio, multiple | 3.5 | 3.8 | 3.4 | 3.7 | 3.7 | 3.8 |
| Closing equity/assets ratio, % | 41 | 42 | 41 | 42 | 41 | 40 |
| Closing loan-to-value ratio, % | 42 | 41 | 42 | 41 | 42 | 42 |
| Fixed-interest tenor ¹⁾ , years | 4.2 | 3.7 | 4.2 | 3.7 | 4.2 | 4.1 |
| Loan-to-maturity ¹⁾ , years | 5.0 | 5.5 | 5.0 | 5.5 | 5.0 | 5.2 |
| Closing EPRA NRV ¹⁾ , SEK m | 104,186 | 108,395 | 104,186 | 108,395 | 104,186 | 102,742 |
| Closing EPRA NTA ¹⁾ , SEK m | 96,245 | 99,700 | 96,245 | 99,700 | 96,245 | 94,819 |
| Closing EPRA NDV ¹⁾ , SEK m | 81,273 | 88,411 | 81,273 | 88,411 | 81,273 | 80,446 |
| Closing average interest rate, % | 2.8 | 2.6 | 2.8 | 2.6 | 2.8 | 2.7 |
| Closing net interest-bearing liabilities, SEK m | 73,313 | 74,288 | 73,313 | 74,288 | 73,313 | 73,034 |
| Cash flow before changes in working capital, SEK m | 2,186 | 2,094 | 1,091 | 1,011 | 4,681 | 4,589 |
| Net interest-bearing liabilities/EBITDA, rolling 12 months | 10.9 | 13.9 | 10.9 | 13.9 | 10.9 | 11.1 |
| Other | | | | | | |
| Closing number of employees | 303 | 295 | 303 | 295 | 303 | 300 |

1) Last day in the period.

Basis for key metrics

| | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|--|----------------|----------------|----------------|----------------|-------------------|----------------|
| 1. EPRA NRV, SEK m | | | | | | |
| Equity | 80,331 | 85,205 | 80,331 | 85,205 | 80,331 | 78,902 |
| Add back goodwill attributable to deferred tax | -1,901 | -1,901 | -1,901 | -1,901 | -1,901 | -1,901 |
| Add back derivatives | 453 | -1,747 | 453 | -1,747 | 453 | 648 |
| Add back recognised deferred tax | 25,303 | 26,838 | 25,303 | 26,838 | 25,303 | 25,093 |
| | 104,186 | 108,395 | 104,186 | 108,395 | 104,186 | 102,742 |
| 2. EPRA NTA, SEK m | | | | | | |
| Equity | 80,331 | 85,205 | 80,331 | 85,205 | 80,331 | 78,902 |
| Add back goodwill attributable to deferred tax | -1,901 | -1,901 | -1,901 | -1,901 | -1,901 | -1,901 |
| Add back other intangible assets | -100 | -118 | -100 | -118 | -100 | -100 |
| Add back derivatives | 453 | -1,747 | 453 | -1,747 | 453 | 648 |
| Add back recognised deferred tax | 25,303 | 26,838 | 25,303 | 26,838 | 25,303 | 25,093 |
| Deferred tax at fair value ¹⁾ | -7,841 | -8,577 | -7,841 | -8,577 | -7,841 | -7,823 |
| | 96,245 | 99,700 | 96,245 | 99,700 | 96,245 | 94,819 |
| 3. EPRA NDV, SEK m | | | | | | |
| Equity | 80,331 | 85,205 | 80,331 | 85,205 | 80,331 | 78,902 |
| Add back goodwill attributable to deferred tax | -1,901 | -1,901 | -1,901 | -1,901 | -1,901 | -1,901 |
| Adjustment of interest-bearing liabilities to fair value | 2,843 | 5,115 | 2,843 | 5,115 | 2,843 | 3,445 |
| | 81,273 | 88,411 | 81,273 | 88,411 | 81,273 | 80,446 |
| 4. EBITDA, SEK m | | | | | | |
| Operating surplus | 3,493 | 3,311 | 1,742 | 1,691 | 7,044 | 6,862 |
| Central administration | -57 | -60 | -38 | -37 | -108 | -111 |
| Dividends from joint ventures | 0 | 0 | 0 | 0 | 0 | -10 |
| Interest expense lease liability, ground rents and land leases | -106 | -83 | -51 | -41 | -195 | -172 |
| | 3,330 | 3,168 | 1,653 | 1,613 | 6,741 | 6,569 |

| | Jan–Jun 2024 | Jan–Jun 2023 | Apr–Jun 2024 | Apr–Jun 2023 | Jul 2023–Jun 2024 | Jan–Dec 2023 |
|---|---------------|---------------|---------------|---------------|-------------------|---------------|
| 5. EBITDA margin, % | | | | | | |
| Rental revenue | 4,704 | 4,504 | 2,366 | 2,283 | 9,357 | 9,157 |
| EBITDA | 3,330 | 3,168 | 1,653 | 1,613 | 6,741 | 6,569 |
| | 71 | 70 | 70 | 71 | 72 | 72 |
| 6. Interest coverage ratio, multiple | | | | | | |
| EBITDA | 3,330 | 3,168 | 1,653 | 1,613 | 6,741 | 6,579 |
| Net interest expense | -954 | -841 | -486 | -432 | -1,843 | -1,730 |
| | 3.5 | 3.8 | 3.4 | 3.7 | 3.7 | 3.8 |
| 7. Net interest-bearing liabilities, SEK m | | | | | | |
| Non-current interest-bearing liabilities | 62,425 | 65,303 | 62,425 | 65,303 | 62,425 | 65,197 |
| Current interest-bearing liabilities | 13,216 | 11,927 | 13,216 | 11,927 | 13,216 | 11,062 |
| Cash and cash equivalents | -2,328 | -2,942 | -2,328 | -2,942 | -2,328 | -3,225 |
| | 73,313 | 74,288 | 73,313 | 74,288 | 73,313 | 73,034 |
| 8. Loan-to-value ratio, % | | | | | | |
| Net interest-bearing liabilities | 73,313 | 74,288 | 73,313 | 74,288 | 73,313 | 73,034 |
| Fair value of investment properties | 176,369 | 181,926 | 176,369 | 181,926 | 176,369 | 174,569 |
| | 42 | 41 | 42 | 41 | 42 | 42 |

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

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. Where deemed relevant, a breakdown of specific performance measures has been provided above on this page.

Other information

Risks and uncertainties

All business operations are associated with risks, and accordingly, the Board of Directors and the Executive Management 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. No material 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.

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.

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 and assumptions that provide the basis for the valuation of the investment properties. Refer to page 5 of this report and page 64 of Vasakronan's 2023 Annual Report for the sensitivity analysis pertaining to assumptions linked to property valuations. Refer to page 6 of this report for the sensitivity analysis pertaining to changes in earnings and cash flow.

Accounting policies

Vasakronan's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. 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, pages 50–75. Disclosures pursuant to IAS 34.16A, in addition to those in the financial statements, are also presented in other sections of the interim report.

Derivatives are valued at fair value in the balance sheet and other financial instruments at amortised cost. For interestbearing 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 IFRS 13's 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.

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 325 million, compared with SEK 225 million at the end of 2023.

New standards and interpretations

No new or amended IFRSs or interpretations from the IASB have had any impact on the interim report or the accounting policies applied by Vasakronan.

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 divided by rental revenue.

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

| | |
|-----------------------------|-----------------|
| 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 | 5 May 2025 |
|------------------------|------------|

VASAKRONAN AB

Box 30074, SE-104 25 Stockholm
Street address: Malmskillnadsgatan 36
Tel. +46 8 566 20 500

WEBSITE www.vasakronan.se
CORP. REG. NO. 556061-4603

Vasakronan in brief

Vasakronan is Sweden's leading property company. The property portfolio comprises 166 properties with a total area of about 2.4 million square metres and a market value of SEK 176 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