



Gothenburg Sävenäs 131:13. 193 Lateral Low-Rise apartments, tenants moved in December 2023.

K-FAST HOLDING AB INTERIM REPORT 2024

JANUARY–
JUNE



K-FASTIGHETER

“Our industrial approach and cost-efficient processes make us well positioned to take assertive action during economic upturns as well as in more challenging times.”

THE QUARTER AND PERIOD IN BRIEF

This report is presented according to K-Fastigheter's new Business Plan 2028. For more information see <https://k-fastigheter.com/en/investors/>.

January–June

Property Management

Rental income in the period amounted to SEK 302.6 million (231.5), an increase of 31 percent year-on-year. The increase was primarily due to more apartments under management, which increased by 29 percent to 5,160 apartments (4,002). Net operating income in the Property Management operating segment amounted to SEK 194.9 million (150.9), and profit from property management to SEK 60.3 million (56.7), corresponding to SEK 0.25 (0.26) per share. The result was positively affected by higher rental income, and negatively affected by a relatively lower occupancy rate due to a high rate of completion at the end of 2023, and the associated reduction in the surplus ratio in the period. However, the occupancy rate gradually improved in the period, reaching 94.3 percent at the end of the quarter, against 91.9 percent at the beginning of the year. The surplus ratio also improved from 64.0 percent for the full year 2023 to 64.4 percent at the end of the period. Changes in the value of completed investment properties amounted to SEK -99.9 million (-399.9).

Construction

Income from the Construction operating segment totaled SEK 869.8 million (1,324.8), including percentage of completion revenue recognition for ongoing new construction of SEK 167.7 million (217.5) Gross profit amounted to SEK 223.9 million (284.5) and profit before changes in value but including percentage of completion revenue recognition totaled SEK 169.9 million (202.5), corresponding to SEK 0.70 per share (0.94). Income and profit were mainly affected by a weaker construction trend, which impacted income in the prefabricated operations. There were 1,731 (1,962) apartments in construction at the end of the period, and construction of 467 (199) apartments started in the period, of which 126 (146) in the second quarter.

Group

- Profit for the quarter was SEK 52.5 million (74.5), and profit for the period was SEK 87.9 million (-121.3), corresponding to SEK 0.34 (-0.68) per share.
- At the end of the period, the value of investment properties totaled SEK 15,748.0 million (14,870.9), an increase of 6 percent on 31 December 2023 and up 10 percent compared to 30 June 2023.
- At the end of the period, long-term net asset value (NAV) amounted to SEK 6,053.2 million (5,803.5), corresponding to SEK 24.61 per share

(24.25), an increase of 1 percent compared to 31 December 2023 and a decrease of 6 percent on 30 June 2023.

- The interest coverage ratio for the rolling 12 months amounted to a multiple of 1.5 (2.0). The equity-asset ratio was 30.0 percent (30.3), and the debt-to-equity ratio was 59.4 percent (60.2).

Significant events in the second quarter

- The table on page 20 shows completed acquisitions and divestments of building rights and investment properties, construction starts and completed projects in the second quarter of 2024 and until publication of this report.
- On 8 April 2024, K-Fastigheter held an Extraordinary General Meeting which authorized part of the issue completed on 13 March 2024.
 - On 10 April 2024, K-Fastigheter published its Annual Report for 2023. The Notice convening the Annual General Meeting on 14 May 2024 was published on 12 April 2024. Current Board members and Chairman Erik Selin were re-elected by the AGM on 14 May 2024. The AGM also adopted a resolution stating that no dividends be paid for the financial year 2023. The Board also obtained authorization to issue, in the period until the next AGM is held, on one or more occasions, a maximum of 25,000,000 new shares with or without departure from shareholders' pre-emptive rights.
 - On 25 April 2024, K-Fastigheter announced that the company had signed a Letter of Intent with an institutional investor relating to the sale of a property portfolio in Denmark comprising 311 apartments with a total value of SEK 1,087 million. The transfer agreement was signed on 28 June 2024 and the transaction was completed on 10 July 2024.
 - On 25 May 2024, K-Fastigheter published its Interim Report for the period January to March 2024.
 - On 30 April 2024, K-Fastigheter announced that Niclas Bagler had been appointed Deputy CEO with responsibility for the Construction operating segment. Niclas has extensive experience of the construction and property industry in a range of roles with BoKlok and Skanska. His most recent position was Deputy CEO and Country Manager for Sweden at BoKlok. Niclas took up his position on 1 June 2024 and will form part of Group management.
 - On 2 May 2024, K-Fastigheter hosted a well-attended Capital Markets Day in Stockholm, where the company presented its business plan for the period 2024 - 2028.
 - On 17 May, K-Fastigheter announced that the subsidiary K-Prefab had won its single largest order to date, for complete frame construction for new production of apartments, commercial premises and garages at Årstaberg in Stockholm. The order was placed by Noccon AB with Wallenstam AB the end customer. The order is worth SEK 200 million, with delivery mainly taking place in 2025.

Significant events after the end of the period

- On 1 July, K-Fastigheter announced that it had extended its collaboration with Kilenkrysset through the acquisition of Nyköping Oppeby Gård 1:7 by joint venture K-Fast Kilen AB from K-Fast Holding AB. The property comprises 100 apartments, and after the acquisition K-Fast Kilen manages 210 apartments in Nyköping and Strängnäs, with a further 650 apartments in project development and construction in Strängnäs and Örebro. In a separate transaction, K-Prefab Fastigheter AB, a wholly-owned subsidiary of K-Fast Holding AB, is acquiring the business premises Strängnäs Bussen 10 from a company in the Kilenkrysset Group. The property, with approximately 6,500 square meters of production space and around 30,000 square meters of existing and potential warehousing area, has been rented by K-Fast Holding AB's subsidiary K-Prefab since 2021.

Key performance indicators* (SEK m)	2024 Jan–Jun	2023 Jan–Jun	2023 Jan–Dec
Property Management			
Income	302.8	230.1	480.2
Net operating income	194.9	150.9	307.3
Profit from property management	60.3	56.7	112.6
Earnings per share (SEK)**	0.25	0.26	0.51
Construction			
Income	869.8	1,324.8	2,359.7
Gross profit	223.9	284.5	416.0
Profit before tax	169.9	202.5	297.8
Earnings per share (SEK)**	0.70	0.94	1.35
Group			
Profit/loss for the period	87.9	-121.3	-398.1
Long-term net asset value (NAV)	6,053.2	5,636.2	5,803.5
SEK per share (SEK)**	24.61	26.17	24.25
Financial ratios			
Interest coverage ratio, multiple (rolling 12 months)	1.5	2.0	1.7
Equity/assets ratio, %	30.0%	31.0%	30.3%
Debt-to-equity ratio, %	59.4%	58.9%	60.2%
Operational figures			
Number of apartments under management	5,160	4,002	4,876
Number of apartments in construction	1,731	1,962	1,549
Number of construction starts, apartments	467	199	450

* Key performance indicators (definitions and information about KPIs) can be found at <https://www.k-fastigheter.com/for-investerare/avstamningar-och-definitioner>.

** Adjusted for completed new issues in 2023 and 2024.

COMMENTS FROM THE CEO



Jacob Karlsson, CEO of K-Fast Holding AB

In connection with the Interim Report for the first quarter 2024, we presented a new business plan for the period up until 2028. The business plan entails a change of strategy from construction exclusively intended for proprietary management to also including divestment of properties. We intend to divest volumes corresponding to 30–50 percent of new construction per annum. The divestments can be made from existing holdings or through divestment of new production constructed according to our proprietary concepts. Divestments support our continued expansion and ensure an increased rate of internal financing.

I can conclude that these initiatives have been well received, and I foresee extensive benefits and multiple business opportunities from our new focus, where we have also divided Group operations into the Construction and Property Management operating segments. For more detailed information about the business plan, please visit our website which includes the presentations of the business plan made on the Capital Markets Day.

The first transaction completed under the business plan relates to the sale of a Danish portfolio of 311 apartments in four properties in the Copenhagen region. This divestment is strategically significant for our future expansion, as it enables the acquisition of new building rights and provides the conditions for new construction starts. The deal was based on underlying property values of SEK 1,087 million based on the exchange rate as of 28 June 2024, the date of the press release announcing the completion of the transaction. The buyer, a fund established by Viga Real Estate, took possession of the properties on 10 July. Initially, we retain a 20 percent ownership stake in the fund, which we intend to divest when the right opportunity arises. Our fifth property in the Copenhagen region, Ballerup, comprising 153 apartments with completion in stages from April to October 2025, will also be the subject of divestment in the future.

We also announced further transactions after the end of the reporting period. We deepened our collaboration with Kilenkryset through two transactions. Joint venture K-Fast Kilen (51 percent owned by K-Fastigheter and 49 percent by Kilenkryset) acquired the property Nyköping Oppeby Gård 1:7 from K-Fastigheter.

In total, K-Fast Kilen now has 210 apartments under management in Nyköping and Strängnäs, as well as a further 650 apartments in construction or project development in Strängnäs and Örebro. In a separate transaction through a subsidiary, K-Fastigheter AB also acquired the business premises Strängnäs Bussen 10 from a company within the Kilenkryset Group. The acquisition provides K-Prefab with access to production premises as well as potential warehousing space where we currently conduct production and which we have rented since 2021.

The sales have enabled deals such as the acquisition of attractive building rights in Malmö. We acquired Skjutskontoret 3 in Kirsebergsstaden, where we plan to construct 160 apartments. This acquisition offers a clear example of the opportunities that exist for acquisitions of building rights at attractive price levels. The underlying property value amounts to approximately SEK 50 million, corresponding to SEK 3,500/BFA.

In the Construction operating segment, we anticipate significant improvements to Prefab's order book, which totaled SEK 1,150.2 million as of the end of the first half-year against SEK 522.7 million at the end of the first half of 2023. This was the result of the organization's goal-oriented sales efforts. Operations are now gradually gearing up again after having to scale down due to earlier declining volumes. The economic downturn also changed the product mix. Housing continues to represent a majority of production, although deliveries for other types of building such as warehousing and logistics properties, infrastructure, the Swedish Armed Forces, and community properties comprise a larger proportion of production than previously. This broadening of the product mix, alongside efficient production, mean that the prefabricated operations are well equipped for the future. At the end of the quarter, there were 1,731 apartments in construction with a land bank of 2,488 apartments in various development stages, while we are also monitoring the market for potential acquisitions of building rights. In the quarter, we obtained building permits for three projects: Sandryggen in Lund, Phase 2 of the Sättra project in Gävle, and Gårdsten in Gothenburg. In total, the building permits comprise 374 apartments, with construction starting on Gårdsten with 126 apartments in the second quarter. Construction of the other two projects will start later in the year. Gross profit in the Construction operating segment totaled SEK



COMMENTS FROM THE CEO (CONT.)

223.9 million for the first six months of the year.

The Property Management operating segment had 5,160 apartments under management at the end of the first half-year, where possession of 123 apartments had been taken in the second quarter. This figure included 311 apartments in the Danish property portfolio where ownership had not yet been transferred at the end of the first half-year. Our rental value totaled SEK 706.7 million, compared to SEK 528.1 million year-on-year. In Property Management, the organization is focusing closely on reducing vacancies. In accordance with previously communicated statements, our vacancies have largely arisen as a result of the high rate of completions towards the end of 2023. The intention is to recoup these over time. Generally speaking, new production tends to entail a degree of vacancies after completion, with a short-term impact on vacancies. We have improved the occupancy rate since the previous quarter, and will continue to improve the rate gradually. As of 30 June, the financial occupancy rate was 94.3 percent, against 93.3 as of 31 March. There is a negative effect from projects where tenants moved in during June, where vacancies are impacting the numbers. I am convinced that we will continue to reduce vacancies and achieve normalized levels by the end of the year. Excluding vacancies after completion in new production, we are reducing vacancies by approximately

1 percentage point per month. In the first half-year, rental income was SEK 302.6 million and profit from property management SEK 60.3 million. Vacancies generate costs in the form of absent rental revenue, but as the occupancy rate increases profit from property management will improve gradually.

The construction and property sector continues to experience challenging market conditions. However, there are reasons to anticipate a brighter outlook. The Swedish Riksbank reduced interest rates in May, and opened up for a further three cuts in its latest monetary policy statement. Furthermore, demand for new housing in Sweden remains substantial. This need is particularly clear in urban growth regions. By building attractive housing for proprietary management, and on behalf of external customers, K-Fastigheter will benefit from a proportion of this need. Our industrial approach and cost-efficient processes make us well positioned to take assertive action during economic upturns as well as in more challenging times.

– Jacob Karlsson, CEO, July 2024



Gothenburg Sävenäs 131:12. 102 Lateral Low-Rise apartments, tenants moved in December 2022.

TARGETS TO BE REACHED BY THE END OF 2028



GROUP-WIDE TARGETS

NAV per share shall amount to **SEK 50**



TARGETS FOR PROPERTY MANAGEMENT OPERATING SEGMENT

Profit from property management per share shall amount to **SEK 1.50**



TARGETS FOR CONSTRUCTION OPERATING SEGMENT

Earnings per share shall amount to **SEK 4.50**



RISK MITIGATION MEASURES

Equity/assets ratio **≥ 30%**

Interest coverage ratio **≥ 1.75 multiple**

Debt-to-equity ratio **< 65%**

CONSTRUCTION

The Group's Construction operations comprise activities in project development, prefab manufacture of frame solutions, and construction management, which are divided into the business areas Project development, Prefab and Building. The operations are carried out in offices in Hässleholm, Malmö, Gothenburg and Stockholm, with six production plants for prefab elements located in Hässleholm, Östra Grevie, Vara, Hultsfred, Katrineholm and Strängnäs, as well as a factory for lightweight construction elements in wood in Hässleholm. In total, the Construction operations had 430 employees at the end of the period.

Project development is mainly based on acquisitions of building rights but also, where applicable, land without planning permission, where we, using our own architects, ground projectors and zoning and planning permission officers pursue detailed plans and obtain planning permission for the group's concept buildings, developed in-house: Low-Rise, Lateral Low-Rise and Apartment Block, as well as a proprietary concept building for commercial premises, K-Commercial. For more information about K-Fastigheter's concept buildings, see page 19. At the end of the period, the project development portfolio comprised 2,488 apartments in various stages, of which 1,124 in the planning application process.

Under the K-Prefab brand, the Group pursues frame construction for complete frame solutions in wood and concrete for housing, properties for public use, industrial and warehousing properties, infrastructure and agriculture. The frame construction operations include construction, production and assembly using in-house personnel, and the frame solutions comprise sandwich walls, homogeneous interior walls, elevator shafts and joists with embedded installations for electricity, water and ventilation, external wall units, balconies and stairs. K-Prefab's customers comprise Group companies, where all frame elements included in the Group's concept buildings are supplied by K-Prefab, as well as external operators. Prefabrication frames ensure better working conditions, superior cost and quality control, reduces waste and improves compatibility, production and just-in-time delivery for our projects. At the end of the period, K-Prefab had 83 ongoing frame contracting projects, with a total outstanding order value of SEK 1,150.2 million (522.7), and K-Prefab won several major orders in the quarter, particularly for frame deliveries for housing construction. For example, in May, K-Prefab signed an agreement with Nocon AB regarding frame delivery for new production of housing, business premises and garages in Årstaberg in Stockholm. Wallenstam AB is the end customer,

and the project, which comprises approximately 400 apartments, will obtain Swedish Miljöbyggnad Silver environmental certification, version 4.0. The order value amounts to SEK 200 million, and delivery will primarily take place during 2025.

The Group's construction operations are responsible for building and completing the Group's concept buildings. Working with a high degree of prefabrication, repetitive processes and specialized tasks ensures efficient cost control and an effective construction process. At the end of the period, the Group had 16 ongoing construction projects relating to concept buildings, with an outstanding order value of SEK 1,652.80 million (1,480.1) divided over 1,731 apartments, as well as the construction of Hässleholm Rusthållaren 3&4. Rusthållaren encompasses 8,000 square meters of lettable area, much of which will be home to the Group's new head office. During the quarter, K-Fastigheter commenced construction of 126 apartments and completed 124 apartments.

(SEK m)	2024 Jan–Jun	2023 Jan–Jun	2023 Jan–Dec
Income	869.8	1,324.8	2,359.7
of which concept building	654.9	973.1	1,769.5
of which other construction	215.0	351.7	590.2
Gross profit	223.9	284.5	416.0
Profit before tax	169.9	202.5	297.8
Earnings per share (SEK)	0.70	0.94	1.35
Outstanding order value concept buildings	1,652.8	1,480.1	1,297.5
Outstanding order value other construction	1,150.2	522.7	1,058.4
Number of construction starts for apartments in the period	467	199	450
Number of apartments in construction at the end of the period	1,731	1,962	1,549
Number of apartments in project development at the end of the period	2,488	4,293	4,176
Emissions intensity (scope 3)*	17.1		16.6
Accident frequency LTIF4**	10.2		5.2

* Emissions intensity (scope 3) refers to CO₂, tons per SEK m of sales.

** LTIF4 refers to the number of accidents leading to more than four days of sickness absenteeism per million hours worked.



PROPERTY MANAGEMENT

The Property Management operating segment manages the properties the Group has built or acquired. The operations are divided into three regions: South, West and East, where region South encompasses Skåne, Denmark and southern Småland, region West encompasses Halland and Västra Götaland and region East encompasses the Mälardalen region, Nyköping and Gävle. The operating segment had 51 employees at the end of the period.

At the end of the period, the Group's holding comprised 123 wholly-owned and 2 part-owned completed investment properties¹ over a total of 337,697 square meters housing, and 42,794 square meters of commercial space over 5,160

(SEK m)	2024 Jan–Jun	2023 Jan–Jun	2023 Jan–Dec
Income	302.8	230.1	480.2
Net operating income	194.9	150.9	307.3
Profit from property management	60.3	56.7	112.6
Earnings per share (SEK)	0.25	0.26	0.51
Number of apartments under management	5,160	4,002	4,876
Lettable area, m ²	380,491	306,249	362,806
Housing, m ²	337,697	257,257	318,664
Commercial, m ²	42,794	46,419	44,142
Rental value	706.7	528.1	661.0
Rental value per m ² m ²	1,857	1,714	1,822
Financial occupancy rate, %	94.3%	94.5%	91.9%
Average financial occupancy rate, %	89.7%	94.0%	92.6%
Surplus ratio, %	64.4%	65.4%	64.0%
Loan-to-value ratio, completed investment properties, %	61.9%	59.2%	62.5%
Service index, as of 31 Dec 2023*			82.3%
Proportion of proprietary solar panel production As of 31 Dec 2023**			11.0%

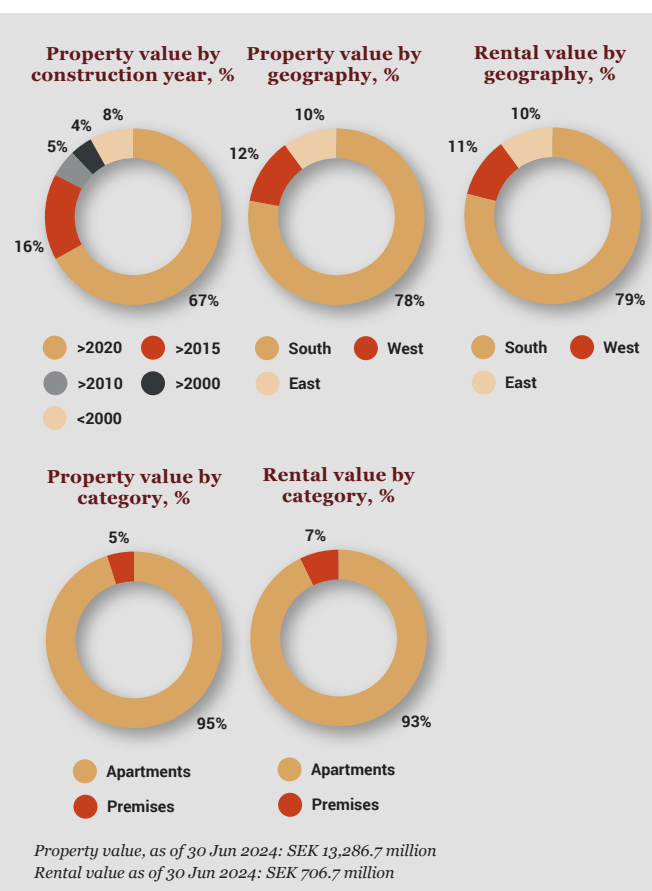
* Service index is a measure of customer satisfaction and is divided into four main categories: Take the customer seriously, Security, Clean and tidy, Help when it is needed. The result is shown on a scale ranging from 0 to 100 percent and can be compared to the sector as a whole and with the company's own holding. All four parts carry the same weight in the overall Service Index.

** Total production in relation to annual consumption or electricity for properties All purchased electricity is currently fossil-free.

¹ Investment properties are properties held for the purpose of generating rental income, value growth, or a combination of both.

apartments and around 150 commercial contracts.

Of the property holding, 67 percent was built after 2020 and a total of 88 percent after 2010. Newsec assesses that all the properties are in category A or B locations in the communities where the Group operates. Rental value at the end of the period was SEK 706.7 million and contractual rent was SEK 666.7 million. 93 percent of contractual rent from commercial tenants is distributed over some 170 commercial contracts, with the largest tenant accounting for approximately 1 percent of total contractual rental income, and the 10 largest commercial tenants accounting for approximately 4 percent of total contractual rental income.



At the end of the period, the part-owned holding exclusively comprised K-Fast Kilen AB, jointly by K-Fast Holding AB and Kilenkrysset AB. K-Fast Kilen AB is a partnership for the construction and management of K-Fastigheter's concept buildings in Nyköping, Strängnäs and Örebro. After the acquisition in Nyköping on 1 July 2024, the managed holding comprised 210 apartments in Nyköping and Strängnäs with a total rental value of SEK 28.2 million. At the end of the period, K-Fast Kilen also had approximately 650 apartments in project development and ongoing construction in Strängnäs and Örebro, with a total rental value of approximately SEK 98.5 million.

In the second quarter, K-Fastigheter signed a Letter of Intent with a Danish institutional owner relating to the sale of 311 apartments in Denmark. The agreement was signed on 28 June, and the portfolio was transferred on 10 July. The portfolio comprises four properties in the Copenhagen region divided over 311 apartments with a total rental value of approximately SEK 63.7 million. The transaction is based on an underlying property value of approximately SEK 1,087 million (based on the exchange rate as of 30 June 2024), corresponding to the market value of the properties at the end of the first and second quarter 2024. Information relating to the properties can be found on page 20. KPIs in this report have not been adjusted for the divestment, as it was completed after the end of the quarter.



PROPERTY PORTFOLIO

Completed investment properties

	Lettable area, m ²				Property value		Rental value		Occupancy rate	Contractual rent	Property costs		Operating surplus	
	Apartments	Housing	Premises	Total	SEK m	SEK/m ²	SEK m	SEK/m ²			SEK m	SEK/m ²	SEK m	SEK/m ²
South	4,172	274,264	31,629	305,893	10,399.8	33,998	560.8	1,833	93.2%	522.9	107.7	352	415.2	1,357
West	490	29,898	10,011	39,909	1,528.9	38,309	77.7	1,947	98.0%	76.1	12.7	319	63.4	1,589
East	498	33,535	1,154	34,689	1,358.0	39,148	68.1	1,964	99.3%	67.6	11.4	330	56.2	1,620
Total	5,160	337,697	42,794	380,491	13,286.7	34,920	706.7	1,857	94.3%	666.7	131.9	347	534.8	1,406
Of which part-owned companies*	110	7,289	0	7,289	298.0	40,884	15.2	2,087	96.9%	14.7	2.5	343	12.2	1,678

Construction projects in progress

	Lettable area, m ²				Property value		Rental value		Investment (including land), SEK m**		
	Apartments	Housing	Premises	Total	SEK m	SEK/m ²	SEK m	SEK/m ²	Estimated	Accrued	Carrying amount
South	266	17,975	632	18,607	952.5	51,192	51.0	2,740	855.5	545.1	596.3
West	485	28,562	289	28,851	1,521.8	52,747	78.2	2,711	1,127.8	337.0	469.3
East	980	61,400	0	61,400	2,879.9	46,904	147.0	2,394	2,148.1	849.8	1,150.2
Total	1,731	107,937	921	108,858	5,354.3	49,186	276.2	2,537	4,131.5	1,731.9	2,215.8
Of which part-owned companies*	326	20,456	0	20,456	930.0	45,463	48.0	2,345	686.7	448.1	370.5

Summary

	Lettable area, m ²				Property value		Rental value		Carrying amount
	Apartments	Housing	Premises	Total	SEK m	SEK/m ²	SEK m	SEK/m ²	
Completed investment properties	5,160	337,697	42,794	380,491	13,286.7	34,920	706.7	1,857	13,286.7
New construction in progress	1,731	107,937	921	108,858	5,354.3	49,186	276.2	2,537	2,215.8
Project development in progress	2,488	159,520	800	160,320	7,466.8	46,574	408.9	2,550	132.6
Other									112.7
TOTAL	9,379	605,154	44,515	649,669	26,107.7	40,186	1,391.8	2,142	15,748.0

* Relates to K-Fast Kilen AB as of 30 June 2024, which is 51% owned by K-Fastigheter.

** Accrued investment refers to the total costs incurred in each construction project. The carrying amount refers to the consolidated value adjusted for Group eliminations and includes the calculated change of SEK 505.4 million in the value of investment properties.

IMPORTANT INFORMATION

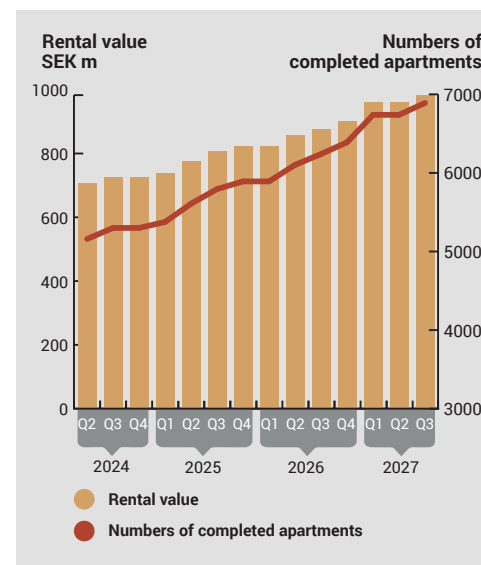
Information on completed investment properties and current earnings ability includes estimates and judgments. Contractual rent refers to the annualized contract value as of the record date, and rental value refers to contractual rent plus estimated rent for vacant spaces. Costs refer to budgeted property costs and costs for property administration and central administration, annualized and based on historical outturns. The information does not include an assessment of future rent trends, vacancy rates, property costs, interest rates, changes in value, acquisitions or divestments of properties, or other factors. Costs for interest-bearing liabilities have been based on current interest-bearing liabilities and current interest rates (including the effects of derivative instruments) at the end of the period. Information regarding construction projects and project development in progress are based on estimates of the size, focus and scope of construction projects and project development in progress, and of when projects are scheduled to commence and be completed. These details are also based on estimates regarding future investments and rental value. The estimates and judgments entail uncertainties regarding the execution, design and scale, scheduling, project costs and future rental value of the projects. Details of projects in progress are reviewed regularly and estimates and judgments are adjusted as a result of projects in progress being completed or new ones being added, as well as due to changes in conditions. Financing has not been secured for projects where construction has yet to commence, meaning that financing of construction investments in project development represents a source of uncertainty. The estimates and judgments involve uncertainties and the disclosures above should not be viewed as a forecast.

Information relating to current earnings ability and future progress in rental value and the number of completed apartments refers to completed investment properties at the end of the period plus the investment properties in ongoing new construction at the end of the period. Projects where construction has not started have not been included.

Current earnings ability (SEK m)

SEK m	2024 30 Jun	Construction projects in progress	Total
Rental value	706.7	276.2	982.9
Vacancy	-40.0	-5.5	-45.5
Rental income	666.7	270.7	937.4
Operating costs	-106.8	-33.6	-140.5
Maintenance	-20.8	-5.4	-26.2
Property tax/ground rent	-4.3	0.0	-4.3
Property administration	-53.1	-15.2	-68.3
Operating surplus	481.7	216.5	698.2
Central administration	-16.1	0.0	-16.1
Net interest income	-299.3	-156.3	-455.6
Profit from property management	166.3	60.2	226.5
Minority share of profit from property management*	0.4	3.7	4.1

* Relates to K-Fast Kilen AB as of 30 June 2024, which is 51% owned by K-Fastigheter.



VALUATION

Each quarter, K-Fastigheter conducts an external independent valuation of all completed investment properties and properties in construction. The valuation forms the basis for fair value recognized in the Consolidated Statement of Financial Position and the value change is recognized in the Consolidated Income Statement. All investment properties have been assessed as level 3 in the value hierarchy in accordance with IFRS 13 Fair Value Measurement.

Progress in the current period

At the end of the period, the value of the Group's investment properties amounted to SEK 15,748.0 million (14,870.9), an increase of 877.1 percent on 31 December 2023.

The direct return requirement for completed valuations remained stable in the second quarter, and increased by approximately 0.05 percentage points in the period. The fact that the market value of completed investment properties nevertheless declined by SEK 99.9 million (-399.0) in the period was primarily due to impairment of market values in completed and ongoing transactions, where the divestment of the Danish portfolio was the most significant. The market value of the relevant Danish properties was impaired by SEK 99 million in the first quarter. The value change in ongoing construction, which is recognized in the form of revenue as a percentage of completion under gross profit in segment reporting, was SEK 167.7 million (217.5) in the period, mainly affected by the gradual completion of investment properties in construction and construction start of three construction projects in the period, of which one during the second quarter.

The fact that the total value of investment properties increased in the period, was mainly due to completions and ongoing construction projects in progress where new construction, extensions and remodeling totaled SEK 837.3 million (1,133.1) in the period.

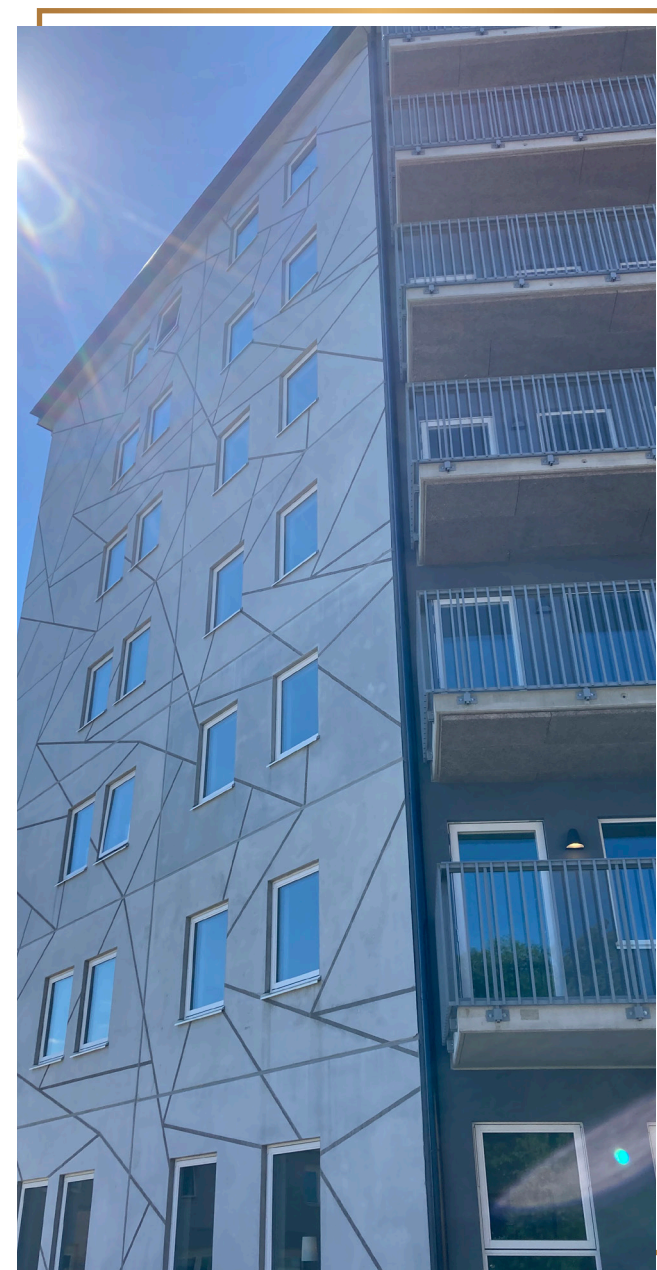
Investment properties (SEK m)	2024 30 Jun	2023 30 Jun	2023 31 Dec
Completed investment properties	13,286.7	10,131.9	12,514.0
Undeveloped land and building rights	538.1	768.4	578.1
Site leaseholds	18.0	18.0	18.0
New construction in progress	1,905.0	3,339.8	1,760.8
Total	15,748.0	14,258.1	14,870.9

Value change (SEK million)	2024 30 Jun	2023 30 Jun	2023 31 Dec
Realized value change, investment properties	-2.5	0.0	7.9
Unrealized value change, completed investment properties	-97.5	-399.9	-654.8
Unrealized value change, construction in progress	167.7	217.5	330.6
Total	67.7	-182.4	-316.3

Valuation data, investment properties	2024 30 Jun	2023 30 Jun	2023 31 Dec
Direct return requirement, completed investment properties	4.42%	4.20%	4.37%
Direct return requirement, construction in progress	4.35%	4.16%	4.33%
Direct return requirement, all valued properties	4.40%	4.18%	4.36%
<i>of which housing</i>	4.31%	4.08%	4.26%
<i>of which premises</i>	5.44%	5.42%	5.49%
Rent per m ²	1,936	1,790	1,872
Operating and maintenance costs, per m ²	325	310	332

Sensitivity analysis, SEK m	Cash flow	Fair value
Direct return requirement +/- 0.1%	-	322.1
Rental value +/- 1%	7.1	159.9
Operating and maintenance costs +/- 1%	1.3	28.9
Long-term vacancy ratio +/- 1%	7.1	159.9

Value change in completed investment properties	-10%	+10%
Property value, SEK m	-1,328.7	1,328.7
Loan-to-value ratio, completed investment properties, %	69%	56%
Debt-to-equity ratio, %	64%	55%



FINANCING

At the end of the period, K-Fastigheter financed its assets exclusively through bilateral loans with Nordic banks. K-Fastigheter currently works exclusively with variable interest rate loans. Interest rate derivatives, primarily interest rate swaps, are used to adjust the period of fixed interest.

Progress in the current period

At the end of the period, the Group's interest-bearing liabilities amounted to SEK 10,537.7 million (10,117.8), an increase of SEK 419.9 million compared to 31 December 2023. The change largely relates to the conversion of construction credits to long-term financing in connection with completion of investment properties.

The debt-to-equity ratio for the Group amounted to 59.4 percent (60.2) and the loan-to-value ratio for completed investment properties totaled 61.9 percent (62.5). The decrease in the debt-to-equity ratio was mainly due to amortization in the period, including the promissory note relating to the acquisition of K-Prefab, which was amortized in full in the first quarter.

The average interest rate increased to 3.41 percent (3.22) in the period, primarily due to the conversion of building credits to long-term financing, which also affected the variable interest portion as no new swap contracts were entered into in the period. Short-term market interest rates decreased in the period due to base rate cuts by the Swedish Riksbank. Long-term market interest rates increased in the period, which had a positive impact on the value of the interest rate derivatives portfolio.

Interest-bearing liabilities (SEK m)	2024 30 Jun	2023 30 Jun	2023 31 Dec
Completed investment and business properties	7,176.4	5,995.0	6,747.9
<i>of which mature within 12 months</i>	2,115.7	1,540.2	2,319.1
Construction credits	2,074.3	2,180.4	2,077.9
Operating and acquisition credits	1,196.6	1,092.0	949.9
Vendor loan	0.0	250.0	250.0
Lease liabilities	90.1	95.9	92.1
Total	10,537.7	9,613.3	10,117.8
<i>of which short-term</i>	2,531.2	2,405.7	3,462.8

Contractual limits	2024 30 Jun	2023 30 Jun	2023 31 Dec
Construction credits	3,218.8	3,424.3	2,937.6
<i>Utilized</i>	2,074.3	2,180.4	2,077.9
Operating and acquisition credits	1,233.8	1,353.8	1,096.3
<i>Utilized</i>	1,196.6	1,092.0	949.9

Credit KPIs (excl. construction and operating credits)	2024 30 Jun	2023 30 Jun	2023 31 Dec
Average fixed interest period, years	3.0	2.9	3.5
Proportion variable interest, %	16%	24%	9%
Total average interest rate incl. derivatives, %	3.41%	3.20%	3.22%
Total average interest rate excl. derivatives, %	5.31%	5.18%	5.47%
Total average interest rate construction credits, %	5.64%	5.39%	5.95%
Average period of capital tied up, years	2.6	2.0	2.8

Financial mitigation goals	Financial targets	Financial covenant	Actual		
			2024 30 Jun	2023 30 Jun	2023 31 Dec
Interest coverage ratio, multiple (rolling 12 months)	min. multiple of 1.75	min. multiple of 1.50	1.5	2.0	1.7
Equity/assets ratio, %	min. 30%	min. 25%	30.0%	31.0%	30.3%
Debt-to-equity ratio, %	max. 65%		59.4%	58.9%	60.2%

Credit and interest maturity structure, 30 Jun 2024 (excl. construction credits and operating credits)

Term	Interest maturity		Credit maturity	Swap maturity	
	Amount SEK m	Average interest, %	Amount SEK m	Amount	Average interest, %
0-1 year	1,457.0	4.29%	2,115.7	300.0	0.37%
1-2 year	1,600.0	2.79%	3,564.0	1,600.0	1.30%
2-3 year	1,900.0	2.97%	955.0	1,900.0	1.47%
3-4 year	1,200.0	2.77%	315.2	1,200.0	1.27%
4-5 year	276.2	2.36%	0.0	276.2	0.87%
>5 years	1,001.9	4.41%	485.2	1,001.9	2.92%
Total	7,435.1	3.41%	7,435.1	6,278.1	1.55%
<i>Of which part-owned companies*</i>	190.7		190.7		

* Relates to K-Fast Kilen AB as of 30 June 2024, which is 51% owned by K-Fastigheter.



COMPREHENSIVE INCOME JANUARY-JUNE 2024

The profit and cash flow items relate to the period 1 January - 30 June 2024. Comparative items relate to the corresponding period in the previous year. Balance Sheet items and comparative figures relate to the position at the end of the period in the current and previous year. All amounts are indicated in SEK million.

Property Management operating segment

Rental income in the period amounted to SEK 302.6 million (231.5), up 31 percent year-on-year. The increase was primarily due to more apartments under management, which increased by 29 percent to 5,160 apartments (4,002). From January 2024, rents increased by approximately 5.25 percent.

Operating costs for the period were SEK 107.8 million (79.2), an increase of 36 percent, primarily affected by normal seasonal variations and an increased number of apartments under management.

Profit for the second quarter for the property management business area was SEK 194.9 million (150.9), and SEK 60.3 million (56.7) for the period, corresponding to SEK 0.25 (0.26) per share. Profit was positively affected by higher rental income and negatively affected by a relatively lower financial occupancy rate resulting from a high rate of completion towards the end of 2023 and the associated lower surplus ratio, which was 64.4 percent (65.4) in the period. The average financial occupancy rate, which improved gradually over the period, was 89.7 percent (94.0) at the end of the first half-year, and the financial occupancy rate was 94.3 percent (94.5) at the end of the period, compared to 91.9 percent at the beginning of the year. The letting ratio is generally slightly lower initially in projects that have been completed and where tenants moved in over the past year, while the financial letting ratio remains very high in the parts of the holding that have been under management for an extended period, which means that we expect the letting ratio to improve gradually in 2024 as a result of a lower rate of completion compared to 2023.

The operating segment's share of central administration costs was SEK 8.1 million (3.4) and depreciation, amortization and impairment was SEK 1.1 million (0.9) in the period. Net interest income for the period was SEK 125.5 million (90.0), with the increase primarily derived from higher interest-bearing liabilities as a result of more apartments

under management and higher average interest rates. The value change attributable to interest rate derivatives was SEK 22.6 million (-14.7) in the period, due to lower long-term market interest rates in the period.

The value change for completed investment properties was SEK -99.9 million (-399.9) in the period, mainly affected by impairment of the market value of our Danish portfolio to contractual sales value in the first quarter, as well as an increased direct return requirement (negative) and changed expectations for future rent inflation (positive).

Construction operating segment

Income from the Construction operating segment totaled SEK 869.8 million (1,324.8), including percentage of completion revenue recognition for ongoing new construction of SEK 167.7 million (217.5) Income in the period was affected by the prevailing weak construction cycle, with external sales amounting to SEK 215.0 million (351.7). As a number of major orders were won in the period, the order book looks favorable ahead of the fall and the coming year. Construction of concept buildings was significant in the period and high levels of internal activity partly offset lower income from external customers. Total income related to construction of concept buildings in the period amounted to SEK 654.9 million (973.1) including percentage of completion revenue recognition. The number of apartments in construction was 1,731 (1,962) at the end of the period, and construction started on 467 apartments (199) in the period.

Gross profit amounted to SEK 223.9 (284.5), negatively affected by lower income for external construction.

The operating segment's share of central administration costs was SEK 21.4 million (17.1) and depreciation, amortization and impairment was SEK 26.6 million (48.5) in the period. Net interest income for the period was SEK 13.2 million (19.0), with the decrease primarily due to lower interest-bearing liabilities, including the promissory note relating to the acquisition of K-Prefab, which was amortized in full in the quarter, plus exchange rate effects. During the period, interest expenses on construction credits of SEK 93.8 million (77.4) were capitalized.

Profit from participations in associated and jointly controlled companies

amounted to SEK 7.1 million (2.6). Profit/loss was primarily affected by K-Fastigheter's share of profit in Mjölback's Entreprenad AB and Novum Samhällsfastigheter AB.

Profit before changes in value but including percentage of completion revenue recognition in ongoing new construction amounted to SEK 169.9 million (202.5), corresponding to SEK 0.70 (0.94) per share.

Other

Group-wide costs

Central administration, which includes Group-wide management, business development, legal, procurement, IR/communications, marketing, HR, IT and finance, amounted to SEK 35.5 million (26.6) for the period. Of this, SEK 29.4 million (20.4) was allocated to the respective operating segment in the period.

Group-wide depreciation, amortization and impairment and net interest income in the period was SEK 2.8 million (1.0) and SEK 1.2 million (+12.0) respectively. The Group's rolling 12-month interest coverage ratio was a multiple of 1.5 (2.0), a figure adversely affected by lower net interest income which was not fully offset by increased gross profit. With a gradually improving financial occupancy rate in the Property Management operating segment and increased income in the Construction operating segment, interest coverage is expected to increase.

Tax

Current tax for the period amounted to SEK -4.0 million (-0.2). Deferred tax amounted to SEK -52.3 million (26.0), primarily affected by unrealized value changes in properties.

Profit, comprehensive income and other comprehensive income for the period

Profit for the quarter was SEK 52.5 million (74.5), and SEK 87.9 million (-121.3) for the period, corresponding to SEK 0.34 (-0.68) per share attributable to Parent Company shareholders. Comprehensive income for the period totaled SEK 91.7 million (-98.9). Other comprehensive income includes translation differences relating to K-Fastigheter's foreign operations, which totaled SEK 3.8 million (22.4) in the period. The full amount relates to items that can be reversed in a later period.

FINANCIAL POSITION AS PER 30 JUNE 2024

Intangible assets

Intangible assets comprise goodwill and other intangible assets primarily arising in connection with the acquisition of K-Prefab. At the end of the period, goodwill amounted to SEK 443.6 million (443.6), and other intangible assets, comprising the value of K-Prefab's customer relations and capitalized system development costs, amounted to SEK 23.1 million (27.7).

Investment properties

At the end of the period, the value of investment properties totaled SEK 15,748.0 million (14,870.9), distributed over completed investment properties of SEK 13,286.7 million (12,514.0), undeveloped land and building rights of SEK 538.1 million (578.1), site leases of SEK 18.0 million (18.0) and construction in progress of SEK 1,905.0 million (1,760.8). For more information, see the Property portfolio and Valuation sections.

Business properties and equipment

The value of business properties and equipment at the end of the period amounted to SEK 515.7 million (537.1) and SEK 180.5 million (181.4) respectively.

Investment properties	2024 30 Jun	2023 30 Jun	2023 31 Dec
Opening carrying amount	14,870.9	13,094.6	13,094.6
+ Acquisitions	36.9	145.9	210.9
+ New construction	734.5	1,096.0	1,990.8
+ Extensions and rebuilds	102.9	37.1	161.0
- Divestments	-32.7	0.0	-136.0
- Other reclassifications, exchange rate fluctuations and obsolescence	-34.6	66.9	-126.0
+/- Unrealized value changes	70.2	-182.4	-324.2
of which, completed investment properties	-97.5	-399.9	-654.8
of which, construction in progress	167.7	217.5	330.6
Closing carrying amount	15,748.0	14,257.9	14,870.9
of which, completed investment properties	13,286.7	10,131.9	12,514.0
of which, undeveloped land and building rights	538.1	768.4	578.1
of which, site leaseholds	18.0	18.0	18.0
of which, construction in progress	1,905.0	3,339.8	1,760.8

Cash and cash equivalents

At the end of the period, cash and cash equivalents amounted to SEK 39.5 million (5.8). In addition, K-Fastigheter has an unutilized overdraft facility of SEK 37.1 million (147.3).

Equity and Net Asset Value

At the end of the period, Group equity amounted to SEK 5,316.9 million (5,100.4), corresponding to SEK 21.38 per share (21.08) attributable to Parent Company shareholders. The change was in part due to total income for the period of SEK 91.7 million (-98.9), and in part to the completed new issues, which increased equity by a total of SEK 124.7 million after transaction expenses. At the end of the period, the Group's equity/asset ratio was 30.0 percent (30.3).

At the end of the period, long-term net asset value (NAV) amounted to SEK 6,053.2 million (5,803.5), corresponding to SEK 24.61 per share (24.25) attributable to Parent Company shareholders, an increase of 1 percent compared to 31 December 2023 and up 6 percent on 30 June 2023.

Interest-bearing liabilities and interest rate derivatives

At the end of the period, the Group's interest-bearing liabilities amounted to SEK 10,537.7 million (10,117.8), of which SEK 2,531.2 million (3,462.8) was classified as current interest-bearing liabilities. The debt-to-equity ratio for the Group amounted to 59.4 percent (60.2). Of the Group's interest-bearing liabilities, SEK 8,221.0 million (7,822.8) related to completed investment properties (including construction credits not renegotiated at the end of the period) and the loan-to-value ratio for completed investment properties was 61.9 percent (62.5). The increase in interest-bearing liabilities and the decrease in loan-to-value ratio was primarily due to financing of construction in progress and completed new constructions, as well as lower valuations of completed investment properties and ongoing amortization. The market value of the Group's interest rate and exchange rate derivatives at the end of the period totaled SEK 156.8 million (141.4).

For more information, see the Financing section.

Interest-bearing liabilities (SEK m)	2024 30 Jun	2023 30 Jun	2023 31 Dec
Completed investment and business properties	7,176.4	5,995.0	6,747.9
of which mature within 12 months	2,115.7	1,540.2	2,319.1
Construction credits	2,074.3	2,180.4	2,077.9
Operating and acquisition credits	1,196.6	1,092.0	949.9
Vendor loan	0.0	250.0	250.0
Lease liabilities	90.1	95.9	92.1
Total	10,537.7	9,613.3	10,117.8
of which short-term	2,531.2	2,405.7	3,462.8

CHANGED SEGMENT REPORTING

K-Fastigheter's organizational changes into operating segments in 2024 mean that segment reporting also has changed.

From the Interim Report for January - March 2024 onwards, the operations have been divided into two operating segments: Property Management and Construction

Property Management

Profit from rental properties including net interest income and allocated central costs, profit from sales of investment properties, profit from associated companies active in property management, and value changes in completed investment properties and interest rate and exchange rate derivatives related to the operating segment.

Assets and liabilities encompass completed investment properties, long-term liabilities related to these and other property, plant and equipment and current assets and non-current and current liabilities related to the operating segment.

Construction

Profit from the Group's operations in project development, prefabricated manufacture of frame solutions and construction management including net interest income and allocated central costs, profit from sales of properties not included in the Property Management operating segment, profit from associated companies active in construction and value changes in investment properties in progress, which is recognized as income in segment reporting and affects gross profit, and interest rate and exchange rate derivatives related to the operating segment.

Assets and liabilities encompass investment properties in construction and undeveloped land, construction credits and long-term liabilities related to these and other property, plant and equipment and current assets and non-current and current liabilities related to the operating segment.

COMPREHENSIVE INCOME

Consolidated Statement of Comprehensive Income in summary

SEK m	2024 Apr–Jun	2023 Apr–Jun	2024 Jan–Jun	2023 Jan–Jun	2023 Jul –2024 Jun	2023 Jan–Dec
Rental income	155.8	117.1	302.6	231.5	551.3	480.2
Income from contracting	140.2	179.7	221.9	359.3	465.6	603.0
Net sales	296.0	296.8	524.5	590.8	1,016.9	1,083.2
Other operating income	2.7	6.6	6.2	9.0	8.8	11.6
Operating costs	-30.6	-20.9	-70.5	-45.2	-130.2	-104.9
Maintenance	-2.9	-3.1	-5.2	-6.4	-14.2	-15.4
Property tax	-1.9	-2.6	-4.3	-5.1	-9.7	-10.4
Property administration	-13.6	-12.2	-27.8	-22.5	-53.1	-47.8
Property Management, costs	-49.0	-38.9	-107.8	-79.2	-207.1	-178.5
Construction, costs	-96.7	-148.5	-169.7	-297.5	-390.0	-517.9
Other costs	0.1	-0.6	-0.5	-1.3	-1.9	-2.6
Gross profit	153.1	116.0	252.6	221.7	426.7	395.8
Central administration	-18.8	-14.6	-35.5	-26.6	-64.4	-55.6
Depreciation, amortization and impairment	-14.0	-33.3	-30.4	-50.3	-60.7	-80.5
Profit from participations in associated and jointly controlled companies	-2.8	5.7	7.1	2.6	30.4	25.9
Net financial items	-76.7	-48.3	-139.9	-97.1	-261.1	-218.2
of which net interest income	-74.4	-53.9	-142.9	-102.8	-260.3	-220.2
Profit before changes in value	40.7	25.6	54.0	50.3	70.9	67.3
of which, profit from property management*	35.0	26.0	60.3	56.7	116.2	112.6
Value change, investment properties	72.5	40.5	67.7	-182.4	-66.2	-316.3
Value change, derivatives	-37.2	39.2	22.6	-15.0	-225.0	-262.6
Profit before tax	76.0	105.3	144.3	-147.1	-220.3	-511.6
Tax on profit for the period	-23.6	-30.8	-56.3	25.8	31.5	113.6
Profit/loss for the period	52.5	74.5	87.9	-121.3	188.9	-398.1
Other comprehensive income	-1.7	17.8	3.8	22.4	-13.3	5.3
Comprehensive income for the period	50.7	92.3	91.7	-98.9	-202.2	-392.8
Comprehensive income for the period attributable to						
Parent Company shareholders	46.9	66.6	87.5	-125.1	-214.8	-427.4
Non-controlling interests	3.9	25.6	4.2	26.2	12.6	34.6
Profit after tax per share, SEK/share**	0.20	0.23	0.34	-0.68	-0.86	-1.96

* Profit from property management only includes a non-material component attributable to non-controlling interests

** There are no potential shares, e.g. convertibles in the company, and accordingly no dilution effect.

Segment reporting

2024 Jan–Jun, SEK m	Property Management	Construction	Other	Eliminations	Group
Income	302.8	869.8	2.0	-643.9	530.7
Expenses	-107.8	-645.9	-0.5	476.2	-278.1
Gross profit	194.9	223.9	1.4	-167.7	252.6
Central administration	-8.1	-21.4	-6.0	0.0	-35.5
Depreciation, amortization and impairment	-1.1	-26.6	-2.8	0.0	-30.5
Profit from holdings in associated companies*	0.0	7.1	0.0	0.0	7.1
Net financial items	-125.5	-13.2	-1.2	0.0	-139.9
Profit before changes in value	60.3	169.9	-8.5	-167.7	54.0
Earnings per share	0.25	0.70	-0.04	-0.69	0.22
Change in value of investment properties	-99.9	0.0	0.0	167.7	67.7
Change in value, derivatives	22.6	0.0	0.0	0.0	22.6
Profit before tax	-17.1	169.9	-8.5	0.0	144.3
Tax on profit for the period	15.9	-55.5	-16.8	0.0	-56.3
Profit/loss for the period	-1.2	114.4	-25.3	0.0	87.9
Total assets	13,357.1	4,247.2	2,839.4	-2,694.2	17,749.7
Total liabilities	10,825.5	4,045.6	255.8	-2,694.2	12,432.8
of which interest-bearing liabilities	8,221.0	2,198.5	118.2	0.0	10,537.7
of which other liabilities	2,604.5	1,847.2	137.5	-2,694.2	1,895.0
Debt-to-equity ratio	61.5%	51.8%			59.4%

2023 Jan–Jun, SEK m	Property Management	Construction	Other	Eliminations	Group
Income	230.1	1,324.8	5.0	-960.2	599.8
Expenses	-79.2	-1,040.4	-1.2	742.8	-378.0
Gross profit	150.9	284.5	3.8	-217.5	221.7
Central administration	-3.4	-17.1	-14.8	8.6	-26.6
Depreciation, amortization and impairment	-0.9	-48.5	-1.0	0.0	-50.3
Profit from holdings in associated companies*	0.0	2.6	0.0	0.0	2.6
Net financial items	-90.0	-19.0	12.0	0.0	-97.1
Profit before changes in value	56.7	202.5	-0.1	-208.8	50.3
Earnings per share	0.26	0.94	0.00	-0.97	0.23
Change in value of investment properties	-399.9	0.0	0.0	217.5	-182.4
Value change, derivatives	-14.7	-0.4	0.0	0.0	-15.0
Profit before tax	-357.9	202.2	-0.1	8.7	-147.1
Tax on profit for the period	85.4	-38.1	-21.5	0.0	25.8
Profit/loss for the period	-272.5	164.1	-21.6	8.7	-121.3
Total assets	10,671.9	5,721.1	1,951.0	-2,009.3	16,334.8
Total liabilities	8,098.8	4,672.8	501.8	-2,009.3	11,264.2
of which interest-bearing liabilities	5,995.0	3,284.8	333.5	0.0	9,613.3
of which other liabilities	2,103.9	1,388.0	168.2	-2,009.3	1,650.9
Debt-to-equity ratio	56.2%	57.4%			58.9%

* Profit from participations in associated and jointly controlled companies.

FINANCIAL POSITION

Consolidated Statement of Financial Position in summary

SEK m	2024 30 Jun	2023 30 Jun	2023 31 Dec
ASSETS			
Property, plant and equipment			
Intangible assets	466.7	475.0	471.3
Investment properties	15,748.0	14,258.1	14,870.9
Business properties	515.7	434.0	537.1
Equipment	180.5	186.9	181.4
Total non-current assets	16,911.0	15,354.0	16,060.6
Financial non-current assets			
Holdings in associated and jointly controlled companies and other non-current receivables	253.8	271.8	293.9
Derivative instruments	156.8	387.0	141.4
Deferred tax asset	75.6	5.7	54.3
Total financial non-current assets	486.2	664.5	489.6
Total non-current assets	17,397.1	16,018.5	16,550.3
Current assets			
Inventories	28.7	38.3	30.7
Accounts receivable	82.2	76.4	51.2
Other receivables	202.2	185.6	169.3
Cash and cash equivalents	39.5	16.0	5.8
Total current assets	352.5	316.3	256.9
TOTAL ASSETS	17,749.7	16,334.8	16,807.2

SEK m	2024 30 Jun	2023 30 Jun	2023 31 Dec
EQUITY AND LIABILITIES			
Equity			
Share capital	65.6	57.4	63.8
Other capital contributions	1,812.3	1,372.9	1,689.4
Profit brought forward including the profit for the period	3,380.3	3,594.8	3,292.7
Equity attributable to Parent Company shareholders	5,258.2	5,025.1	5,045.9
Non-controlling interests	58.7	45.5	54.5
Total Equity	5,316.9	5,070.6	5,100.4
Non-current liabilities			
Deferred tax liability	1,027.4	1,003.8	953.2
Non-current interest-bearing liabilities	8,006.5	7,207.6	6,655.0
Other provisions and non-current liabilities	194.0	97.7	90.9
Total non-current liabilities	9,227.9	8,309.2	7,699.2
Current liabilities			
Current interest-bearing liabilities	2,531.2	2,405.7	3,462.8
Accounts payable	222.5	187.0	234.5
Other current liabilities	451.1	362.3	310.4
Total current liabilities	3,204.9	2,955.0	4,007.7
Total liabilities	12,432.8	11,264.2	11,706.9
TOTAL EQUITY AND LIABILITIES	17,749.7	16,334.8	16,807.2

Consolidated Statement of Changes in Equity in summary

SEK m	2024 30 Jun	2023 30 Jun	2023 31 Dec
Total equity at the beginning of the period	5,100.4	5,169.6	5,169.6
Profit/loss for the period	87.9	-121.3	-398.1
Other comprehensive income	3.8	22.4	5.3
Comprehensive income for the period	91.8	-98.9	-392.8
New issue after deductions for transaction expenses	124.7	0.0	323.0
Total transactions with shareholders	124.7	0.0	323.0
Shareholder contribution from non-controlling interests	0.0	0.0	0.5
Total transactions with non-controlling interests	0.0	0.0	0.5
Total equity at the end of the period	5,316.9	5,070.7	5,100.4
<i>of which of non-controlling interests</i>	<i>58.7</i>	<i>45.5</i>	<i>54.5</i>

CASH FLOW STATEMENT

PARENT COMPANY FINANCIAL STATEMENTS

Consolidated Cash Flow Statement in summary

SEK m	2024 Apr–Jun	2023 Apr–Jun	2024 Jan–Jun	2023 Jan–Jun	2023 Jan–Dec
Operating activities					
Profit before tax	76.0	105.3	144.3	-147.1	-511.6
<i>Adjustment for items not affecting cash flow</i>					
- Value changes for investment properties and derivatives	-35.4	-79.7	-90.3	197.4	578.9
- Other items	18.7	19.7	19.2	19.7	44.6
Tax paid	-3.8	-7.5	-17.9	-17.0	-11.5
Cash flow from operating activities before changes in working capital	55.6	45.6	55.3	80.5	100.4
Change in operating receivables	-33.0	23.8	-52.3	66.1	109.7
Change in operating liabilities	109.1	12.2	167.6	7.6	-6.5
Cash flow from operating activities	131.6	81.6	170.6	154.2	203.6
Investing activities					
Investments in intangible assets	-0.4	-0.7	-1.4	-0.7	-3.0
Investments in Group, associated and jointly controlled companies	6.6	-3.3	44.7	-6.3	-11.2
Property investments	-73.8	-16.1	-149.6	-181.8	-398.9
Investments in construction in progress	-256.1	-544.9	-659.2	-1,109.9	-2,000.4
Investments in machinery and equipment	-3.1	2.7	-12.1	-3.6	-8.2
Divestment of properties	0.0	16.4	39.4	16.4	142.3
Change in other financial non-current assets	11.3	-13.1	17.0	-15.1	-32.9
Cash flow from investing activities	-315.6	-559.0	-721.3	-1,301.0	-2,312.3
Financing activities					
Borrowings	808.3	537.6	1,399.1	1,236.1	2,274.8
Loan amortizations	-627.1	-55.3	-939.3	-108.7	-518.9
Capital contributions	15.7	0.0	124.7	0.0	323.0
Cash flow from financing activities	196.9	482.3	584.5	1,127.4	2,078.9
Cash flow for the period	13.0	4.9	33.8	-19.4	-29.8
Translation differences in cash and cash equivalents	0.0	0.0	-0.1	0.0	0.1
Opening cash and cash equivalents	26.5	11.1	5.8	35.4	35.4
Closing cash and cash equivalents	39.5	16.0	39.5	16.0	5.8

Cash and cash equivalents in the Cash Flow Statement refer in their entirety to cash and bank balances.

Parent Company Income Statement in summary

SEK m	2024 Jan–Jun	2023 Jan–Jun	2023 Jan–Dec
Net sales	60.4	33.0	100.7
Administration costs	-63.8	-44.2	-97.9
Amortization and depreciation	-0.4	-0.3	-0.6
Gross profit	-3.8	-11.4	2.3
Profit from participations in associated and jointly controlled companies	37.5	0.0	39.3
Net financial items	142.6	72.4	-84.1
Profit after financial items	176.3	61.0	-42.5
Appropriations	0.0	0.0	1.4
Tax on profit for the period	-1.7	11.4	70.1
Profit/loss for the period	174.5	72.3	29.0

Parent Company Balance Sheet in summary

Assets, SEK m	2024 30 Jun	2023 30 Jun	2023 31 Dec
Non-current assets			
Intangible non-current assets	5.9	2.4	4.8
Property, plant and equipment	1.1	0.1	1.2
Participations in Group companies	1,269.5	1,225.1	1,235.7
Receivables from Group companies	1,433.9	1,263.4	1,234.7
Participations in and receivables from associated companies and other non-current receivables and participations	171.5	215.1	215.8
Derivative instruments	167.7	387.0	159.2
Deferred tax asset	19.7	2.7	21.4
Total non-current assets	3,069.3	3,095.9	2,872.8
Current assets			
Receivables from Group companies	1,252.3	568.0	984.0
Receivables from associated companies	0.0	0.0	0.1
Other current receivables	65.0	70.5	75.1
Cash and cash equivalents	0.5	0.0	0.5
Total current assets	1,317.8	638.5	1,059.6
TOTAL ASSETS	4,387.1	3,734.4	3,932.4

Equity and liabilities, SEK m	2024 30 Jun	2023 30 Jun	2023 31 Dec
Equity			
Restricted equity	65.6	57.4	62.3
Unrestricted equity	2,523.0	1,952.3	2,227.1
Total Equity	2,588.6	2,009.7	2,289.4
Non-current liabilities			
Deferred tax liability	0.0	40.1	0.0
Non-current interest-bearing liabilities	848.7	926.5	108.1
Other non-current liabilities	21.7	0.0	0.0
Total non-current liabilities	870.3	966.6	108.1
Current liabilities			
Current interest-bearing liabilities	804.9	622.4	1,338.8
Liabilities to Group companies	30.2	115.0	169.1
Other current liabilities	93.1	20.7	27.0
Total current liabilities	928.2	758.1	1,534.9
Total equity and liabilities	4,387.1	3,734.4	3,932.4

KEY PERFORMANCE INDICATORS

In the Interim Report, K-Fastigheter presents certain financial measures that are not defined in accordance with IFRS. K-Fastigheter believes that these measures provide valuable additional information to investors and management as they enable assessment of the company's performance. Since not all companies calculate financial measures in the same way, these are not always comparable to measurements used by other companies. Accordingly, these financial measures should not be considered as a replacement for measures defined in accordance with IFRS. The table to the right presents financial measures that are not defined in accordance with IFRS.

Definitions and information about KPIs can be found at k-fastigheter.com/en/investors/.

Compared to the Annual Report 2023, KPIs have been complemented by Earnings per share for the Construction operating segment. Otherwise, definitions of the alternative KPIs have not changed.

Financial targets at the end of 2028

Net asset value per share	SEK 50.0
Profit from Property management per share	SEK 1.5
Profit from Construction per share	SEK 4.5

Financial mitigation goals

Financial targets

Interest coverage ratio, multiple (rolling 12 months)	min. multiple of 1.75
Equity/assets ratio, %	min. 30%
Debt-to-equity ratio, %	max. 65%

Property-related KPIs	2024 Apr–Jun	2023 Apr–Jun	2024 Jan–Jun	2023 Jan–Jun	2023 Jul –2024 Jun	2023 Jan–Dec
Rental value, SEK m	706.7	528.1	706.7	528.1	706.7	661.0
Financial occupancy rate, %	94.3%	94.5%	94.3%	94.5%	94.3%	91.9%
Average financial occupancy rate, %	90.6%	92.6%	89.7%	94.0%	90.4%	92.6%
Surplus ratio, %	68.5%	66.7%	64.4%	65.4%	63.6%	64.0%
Loan-to-value ratio, completed investment properties, %	61.9%	59.2%	61.9%	59.2%	61.9%	62.5%
Lettable area, m²	380,491	306,249	380,491	306,249	380,491	362,806
Number of apartments under management	5,160	4,002	5,160	4,002	5,160	4,876
Number of construction starts, apartments	126	146	467	199	718	450
Number of apartments in construction	1,731	1,962	1,731	1,962	1,731	1,549
Number of apartments in project development	2,488	4,293	2,488	4,293	2,488	4,176

Financial key performance indicators

Interest coverage ratio, multiple	1.7	2.1	1.6	2.0	1.5	1.7
Equity/assets ratio, %	30.0%	31.0%	30.0%	31.0%	30.0%	30.3%
Debt-to-equity ratio, %	59.4%	58.9%	59.4%	58.9%	59.4%	60.2%
Period for which capital is tied up, years	2.6	2.0	2.6	2.0	2.6	2.8
Period of fixed-interest, years	3.0	2.9	3.0	2.9	3.0	3.5
Average interest, %	3.41%	3.20%	3.41%	3.20%	3.41%	3.22%
Net investments, SEK m	375.6	552.8	841.6	1,279.0	1,789.3	2,226.8
Equity per share, SEK	21.38	23.34	21.38	23.34	21.38	21.08
Profit after tax for the period per share, SEK	0.20	0.23	0.34	-0.68	-0.85	-1.96

KPIs related to K-Fastigheter's financial targets

Profit from Property Management, SEK m	35.0	26.0	60.3	56.7	116.2	112.6
Profit from property management per share, SEK	0.14	0.12	0.25	0.26	0.49	0.51
Growth in profit from property management per share, %	17.9%	-37.0%	-5.8%	-15.8%	-11.4%	-16.1%
Profit from Construction, SEK m	29.7	122.9	169.9	202.5	265.2	297.8
Profit from Construction per share, SEK	0.12	0.57	0.70	0.94	1.11	1.35
Growth in profit from Construction per share, %	-78.8%	-48.8%	-25.7%	-47.8%	-47.9%	-54.9%
Long-term net asset value (NAV), SEK m	6,053.2	5,636.2	6,053.2	5,636.2	6,053.2	5,803.5
Long-term net asset value (NAV), SEK/share	24.61	26.17	24.61	26.17	24.61	24.25
Growth in long-term net asset value (NAV), %	1.8%	1.1%	1.5%	-2.3%	-6.0%	-9.5%
Number of shares outstanding at the end of the period, millions*	246.0	215.3	246.0	215.3	246.0	239.3
Average number of shares outstanding in the period, millions*	245.9	215.3	243.2	215.3	234.9	221.0

* Adjusted for new issue of 24,000,000 Class B shares as of 28 September 2023 and 24 October 2023 and 6,662,000 Class B shares as of 13 March and 8 April 2024.

OTHER INFORMATION

Opportunities and risks for the Group

Preparing financial reports in accordance with IFRS requires Group management to make assessments, estimates and judgments that affect how accounting principles are applied and the carrying amounts for assets, liabilities, income and expenses. The estimates and judgments are based on historical experience and other factors that appear reasonable under the prevailing circumstances. The results of these estimates and judgments are then applied in assessing the carrying amounts of assets and liabilities, which would not otherwise be evident from other sources. Actual outcomes may deviate from these estimates and judgments. For a more detailed description of material judgments and assumptions, refer to the Annual Report 2023 Note 3 Income, Note 15 Intangible assets and Note 16 Investment properties.

K-Fastigheter's operations, financial position and profit may be affected, directly or indirectly, by a number of risks, uncertainties and external factors, where the effect on the Group's operating profit can be controlled to a varying degree. To limit risk exposure the Group applies internal regulatory frameworks, policies and control systems. K-Fastigheter's significant risks, exposure and management are described in the 2023 Annual Report.

Accounting principles

K-Fast Holding AB adheres to IFRS standards as adopted by the EU. This Year-end report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. Disclosures in accordance with IAS 34.

The Group and Parent Company measures all financial assets and liabilities at amortized cost, with the exception of derivative instruments, which are measured at fair value through the Income Statement. In K-Fastigheter's assessment the carrying amount of financial assets and financial liabilities valued at amortized cost represents a good approximation of fair value. For further details, see Note 22, Financial risk and finance policies in the 2023 Annual Report.

For complete accounting principles, please refer to K-Fast Holding AB's 2023 Annual Report. No accounting principles have changed since the 2023 Annual Report. The presentation of segment reporting has

changed from the Interim Report January-March 2024 onwards. For more information, see page 11.

Market outlook

K-Fastigheter's offering shall meet market demand for attractive and flexible housing at the right cost. This occurs through ownership of investment properties and by delivering completed housing units and frame construction for housing. In addition, the Group delivers frame solutions for warehousing and logistics facilities, properties for public use, defense and infrastructure. The Group's concept buildings, developed in-house, form the basis for the completed housing units. The Group's concept buildings, developed in-house, generate conditions for cost control and financial efficiency throughout the chain, from building rights to property management. There is substantial demand for new housing in Sweden. It is the Group's view that demand remains favorable in Skåne, particularly in the Öresund region and in the Västra Götaland and Mälardalen regions, and in areas with structural housing shortages.

SEASONAL VARIATIONS

Property management is associated with certain seasonal variations primarily in charges related to heating costs. With regard to construction operations, seasonality is mainly associated with weather and holiday periods, which means that performance in the first quarter, the summer months, and December normally is weaker than in the rest of the year.

Organization and employees

The Group's Parent Company is K-Fast Holding AB. At the end of the period, the Group consisted of 104 wholly-owned and partly-owned subsidiaries and 9 associated company groups. The number of employees amounted to 503 (661), of which 66 were women (70) and 437 were men (591).

The operations are organized in two operating segments, Property Management and Construction. There are also Group-wide functions for Business Development, Accounting and Finance, Procurement, IT, IR/Communications, Marketing, Legal and HR. The Group's Legal Counsel, Heads of Business Development, Accounting, Finance, Procurement,

IT, IR/Communications, Marketing and HR are members of the Group management team.

The head office is located in Hässleholm, Sweden. There are also offices in Malmö, Gothenburg, Stockholm, Helsingborg, Kristianstad, Växjö and Landskrona, as well as production facilities in Hässleholm, Östra Grevie, Vara, Hultsfred, Strängnäs and Katrineholm.

RELATED-PARTY TRANSACTIONS

The Group's related parties include all Board Members, the CEO and members of corporate management, as well as individuals and companies closely related to them. Transactions with related-parties totaled SEK 0.3 million (1.1) in the period, of which legal consultation provided by law firm VICI AB, where Board member Christian Karlsson is a partner, comprised SEK 0.3 million (1.1).

In addition to the above transactions, construction services in the period were procured from associated company PVS Mark & VA totaling SEK 0.1 million (38.7), sales were made to PVS Mark & VA totaling SEK 0.2 million (0.7) and lettings to Homestate AB totaled SEK 1.2 million (0.8).

All transactions were priced at market terms.

THE SHARE AND SHAREHOLDERS

K-Fast Holding AB's Class B shares (ticker: KFAST B) were launched on Nasdaq Stockholm in the Real Estate segment on 29 November 2019. At the end of the period, K-Fastigheter's market capitalization was SEK 4,492.2 million. At the end of the quarter, there were over 6,550 shareholders.

At the end of the period, there were a total of 245,993,168 shares in K-Fast Holding divided between 22,500,000 Class A shares and 223,493,168 Class B shares and total number of votes was 335,993,168. Each Class A share carries five votes and each Class B share carries one vote. All shares carry equal rights to participate in the company's assets and earnings and to any surplus on liquidation. Neither Class A nor Class B shares are subject to any transfer restrictions.

Share price performance and trading

During the period 1 July 2023 – 30 June 2024, approximately 41.7 million KFAST Class B shares were traded on Nasdaq Stockholm. The daily turnover of K-Fastigheter's shares on Nasdaq Stockholm averaged approximately 166,000 shares and the average price paid was SEK 18.81. The highest price paid in the last 12 months was SEK 26.14 on 2 February 2024, and the lowest price paid was SEK 12.00 on 4 October 2023. On 30 June 2024, the share price was SEK 20.10 (last paid). Market value of all shares in the company, based on the last price paid for a class B share at the end of the period, amounted to SEK 4,944.5 million.

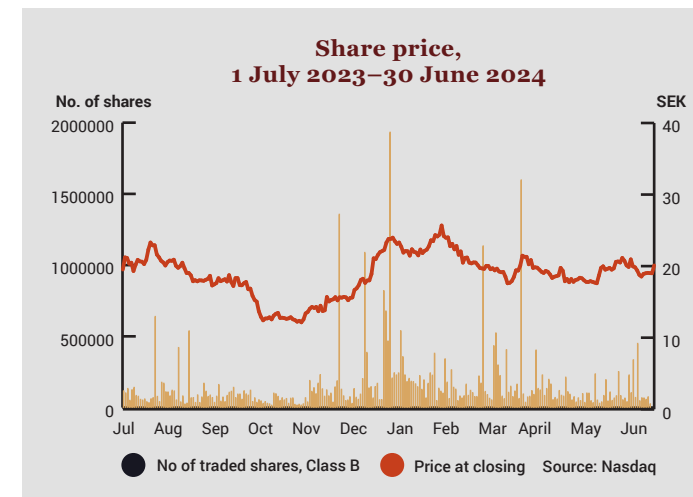
Share capital and new issue

The 2023 AGM authorized the Board to decide to repurchase the company's Class B shares, corresponding to a maximum of 10 percent of the total number of shares issued in K-Fast Holding AB. No shares were repurchased during the year. The Annual General Meeting 2024 renewed the Board authorization.

The AGM 2023 also authorized the Board to carry out one or more new share issues of Class B shares, subject to a total maximum of 24,000,000 new shares. This mandate was utilized to complete directed new issues on 28 September 2023 and 13 March 2024, which raised a total of SEK 361.8 million before issue expenses for K-Fastigheter. In connection with the aforementioned new issues, new issues additional

to the authorization were also completed. In connection with these new issues, which were completed on 24 October 2023 and 8 April 2024, a further 6,662,000 new Class B shares were issued and K-Fastigheter raised a total of SEK 96.5 million before issue expenses. Both new issues were addressed at an Extraordinary General Meeting. The Annual General Meeting 2024 renewed the Board authorization, which was increased to issue up to 25,000,000 Class B shares.

Marketplace	Nasdaq Stockholm
Name of share	K-Fast Holding B
Ticker	KFAST B
ISIN code	SE0016101679
Segment	Mid Cap
Sector	Real Estate
Currency	SEK
Total number of shares outstanding	245,993,168
Total number of Class B shares listed on Nasdaq Stockholm	223,493,168
Closing price 30 Jun 2024	SEK 20.10
Market capitalization as of 30 June 2024	SEK 4,492.2 million



More information about the share capital can be found at k-fastigheter.com/en

TEN LARGEST SHAREHOLDERS (IN ORDER OF TOTAL VOTING POWER) AS PER 30 JUNE 2024

Name	Class A shares*	Class B shares*	Total number of shares	Percentage of capital %	Percentage of votes %
Erik Selin Fastigheter AB	11,250,000	68,570,000	79,820,000	32.4%	37.1%
Jacob Karlsson AB	11,250,000	65,352,000	76,602,000	31.1%	36.2%
Capital Group	0	18,183,928	18,183,928	7.4%	5.4%
Fourth AP Fund	0	9,989,409	9,989,409	4.1%	3.0%
Länsförsäkringar funds	0	9,898,322	9,898,322	4.0%	2.9%
First Fondene	0	5,110,815	5,110,815	2.1%	1.5%
Odin Fonder	0	5,098,930	5,098,930	2.1%	1.5%
Second AP Fund	0	4,731,981	4,731,981	1.9%	1.4%
Third AP Fund	0	3,630,421	3,630,421	1.5%	1.1%
Handelsbanken funds	0	3,054,029	3,054,029	1.2%	0.9%
Ten largest shareholders	22,500,000	193,619,835	216,119,835	87.9%	91.1%
Other shareholders	0	29,873,333	29,873,333	12.1%	8.9%
Total	22,500,000	223,493,168	245,993,168	100.0%	100.0%
<i>of whom, Board of Directors and Group management</i>	22,500,000	137,455,852	159,955,852	65.0%	74.4%

* The ownership structure as of 30 June 2024 is based on data from Euroclear Sweden and K-Fastigheter.

SIGNATURES

This Interim Report has not been subject to review by the company's auditor. The Board of Directors and the CEO provide their assurance that the Interim Report provides a true and fair view of

the operations, financial position and profit of the Parent Company and the Group, describing the significant risks and uncertainties faced by the Parent Company and the companies within the Group.

Hässleholm, Sweden, 23 July 2024

Erik Selin

Chairman of the Board

Ulf Johansson

Board Member

Christian Karlsson

Board Member

Sara Mindus

Board Member

Jesper Mårtensson

Board Member

Jacob Karlsson

CEO/Board Member

PRESENTATION OF THE INTERIM REPORT

K-Fastigheter's President and CEO, Jacob Karlsson, and CFO, Martin Larsson, will comment on the Group's Interim Report for the period January to June 2024 on Tuesday 23 July 2024 at 10:00 am CEST

*The presentation materials (slides + audio) will be available at www.k-fastigheter.com/en/for-investors/presentations
The presentation will be held in Swedish with presentation materials in Swedish and English.*

Questions may be addressed in writing to ir@k-fastigheter.se with answers being compiled on an ongoing basis during the day and being published on: www.k-fastigheter.com

CALENDAR

Interim Report January- September 2024, 25 October 2024

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This report and other financial information and press releases can be found on the company's website: k-fastigheter.com/en/investors/.

This information is such that K-Fast Holding AB is obliged to disclose in accordance with the EU's Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 9:00 a.m. CEST on 23 July 2024.

K-FASTIGHETER'S CONCEPT BUILDINGS



HELSINGBORG

Dirigenten – 15 Low-Rise apartments

Low-Rise – flexible buildings with a wide range of choice

K-Fastigheter's flexible one to three-story multi-family dwellings can be constructed either as semi-detached houses, terraced houses or link houses with one or two-story apartments. The apartments are available in four sizes: one bedroom, living room and kitchen totaling 60 square meters; two bedrooms, living room and kitchen totaling 75 square meters; three bedrooms, living room and kitchen totaling 90 square meters; and three bedrooms, living room and kitchen totaling 94 square meters on two stories.



ÄLMHULT

Kedjan – 34 Lateral Low-Rise apartments

Lateral Low-Rise – variation and space efficiency

K-Fastigheter's neighborhood-structure multi-family dwellings can be constructed up to ten stories high. There are two standard space-efficient apartment formats for Lateral Low-Rise buildings: one bedroom, a living room and a kitchen totaling 51 square meters and two bedrooms, a living room and a kitchen totaling 67 square meters. It is also possible to include apartment alternatives that are either larger or smaller. To meet market demand and make the best possible use of building rights, K-Fastigheter has chosen to make its Lateral Low-Rise as adaptable as possible with regard to floor plans, with opportunities for underground garages and commercial premises on the ground floor, for example.



HÄSSLEHOLM

Hällan – 39 Apartment Block apartments

Apartment Block – residential buildings for any location

K-Fastigheter's Apartment Blocks are square-footprint multi-family dwellings that can be from four to ten stories high. The Apartment Blocks have four apartments on each floor: two with one bedroom, a living room and a kitchen totaling 62 square meters and two with two bedrooms, a living room and a kitchen totaling 71 square meters. All apartments are equipped with spacious 27-square-meter balconies facing two directions. The Apartment Block is particularly suited for construction on difficult terrain because multiple designs are available for the ground floor. For example, on plots with uneven terrain, the ground floor can be constructed to include a semi-basement. K-Fastigheter has continued to develop the Apartment Block concept on the basis of this experience, resulting in the concept Apartment Block Plus. Apartment Block Plus is a rectangular structure containing six apartments per story. Apartment Block Plus is a hybrid, which allows for more choice, and can be built as a freestanding apartment block, or as two buildings connected at the gables, which creates a structure visually similar to K-Fastigheter's Lateral Low-Rise housing units.



HÄSSLEHOLM

K-Commercial

K-Commercial – for modern offices

The Group has developed a fourth concept building. As a complement to the residential buildings, K-Fastigheter has developed a concept building for commercial premises under the name of K-Commercial.

K-Commercial is a multi-story building constructed with prefabricated concrete elements. The floor plan can be adjusted according to customer requirements, including uses such as reception, restaurant, gym or traditional office spaces, due to the open plan design. The office floors can be adjusted to accommodate one or several companies by dividing the floor plan into separate spaces, making K-Commercial an attractive solution for small and large businesses alike.

ACQUISITIONS/DIVESTMENTS/CONSTRUCTION STARTS/ COMPLETED PROJECTS IN THE SECOND QUARTER 2024

Acquired/divested investment properties

Property	Municipality	Possession/completion	Number of apartments	Area, m²	Estimated yearly rental value, SEK m	Purchase price, SEK million
Høje-Taastrup By 4ee, 4ef (divested)	Høje-Taastrup (DK)	Jul 2024	36	3,561	9.4	161.5
Karlstrup By 56 (divested)	Solrød (DK)	Jul 2024	32	3,302	7.7	137.1
Vallensbaek By 7cr (divested)	Vallensbæk Strand (DK)	Jul 2024	95	7,746	19.9	342.7
Kildebrönde By 17av, 17aä, 17az (divested)	Greve (DK)	Jul 2024	148	10,380	26.8	445.7
Oppeby Gård 1:7* (intra-Group sales)	Nyköping	Jul 2024	100	7,277	13.0	235.8
Bussen 10 (acquisition)	Strängnäs	Jul 2024	-	6,500	-	70.3

* Acquired by K-Fast Kilen AB

Acquired/divested building rights

Property	Municipality	Construction scheduled to commence	Number of apartments	Area, m²	Estimated annual rental value, SEK m	Purchase price, SEK million
Skjutskontoret 3 (transfer in September 2024)	Malmö	Q4 2024	156	9,057	24.1	50.0

Projects where construction has commenced

Property	Municipality	Expected completion	Number of apartments	Area, m²	Estimated annual rental value, SEK m
Gårdsten 7:5	Gothenburg	Mar 2027	126	7,254	18.1

Completed projects

Property	Municipality	Move in	Number of apartments	Area, m²	Rental value, SEK m
Önnered 45:15 & 45:16 phase 1	Gothenburg	Apr 2024	42	2,799	7.1
Magasinet 1 phase 1	Hässleholm	May 2024	12	1,034	1.9
Limkokaren 17	Hässleholm	Jun 2024	70	4,370	8.7

RECONCILIATION TABLE

Property-related KPIs

	2024 Apr–Jun	2023 Apr–Jun	2024 Jan–Jun	2023 Jan–Jun	2023 Jul –2024 Jun	2023 Jan-Dec	Definition	Motivation
Rental value, SEK m								
A Contract value on an annual basis at the end of the period, SEK m	666.7	498.9	666.7	498.9	666.7	607.7	Closing annual rent plus estimated market rent for vacant space.	This rental value is used to illustrate the Group's potential income.
B Vacancy value on an annual basis at the end of the period, SEK m	40.0	29.2	40.0	29.2	40.0	53.3		
A+B Rental value at the end of the period, SEK m	706.7	528.1	706.7	528.1	706.7	661.0		
Financial occupancy rate, %								
A Contract value on an annual basis at the end of the period, SEK m	666.7	498.9	666.7	498.9	666.7	607.7	Contractual annual rent for leases valid at the end of the period in relation to rental value.	Illustrates the financial utilization rate of K-Fastigheter's properties.
B Vacancy value on an annual basis at the end of the period, SEK m	40.0	29.2	40.0	29.2	40.0	53.3		
A/(A+B) Financial occupancy rate, %	94.3%	94.5%	94.3%	94.5%	94.3%	91.9%		
Average financial occupancy rate, %								
A Rental income for the period, SEK m	155.8	117.1	302.6	231.5	551.3	480.2	Rental income in the period in relation to the rental value in the period.	Illustrates the financial utilization rate of K-Fastigheter's properties.
B Rental value for the period, SEK m	172.0	126.5	337.5	246.2	609.6	518.3		
A/B Average financial occupancy rate in the period, %	90.6%	92.6%	89.7%	94.0%	90.4%	92.6%		
Surplus ratio, %								
A Gross profit from property management for the period in accordance with the Income Statement, SEK m	106.8	78.1	194.8	151.4	350.6	307.3	Operating surplus in relation to rental income.	This KPI illustrates the profitability of the property management operations.
B Rental income for the period in accordance with the Income Statement, SEK m	155.8	117.1	302.6	231.5	551.3	480.2		
A/B Surplus ratio in the period, %	68.5%	66.7%	64.4%	65.4%	63.6%	64.0%		
Loan-to-value ratio, completed investment properties,%								
A Interest-bearing liabilities related to completed investment properties at the end of the period in accordance with the Balance Sheet, SEK m	8,221.0	5,995.0	8,221.0	5,995.0	8,221.0	7,822.8	Interest-bearing liabilities related to completed investment properties as a percentage of total assets at the end of the period.	Loan-to-value ratio is used to illustrate K-Fastigheter's financial risk.
B Completed investment properties at the end of the period in accordance with the Balance Sheet, SEK million	13,286.7	10,131.9	13,286.7	10,131.9	13,286.7	12,514.0		
A/B Loan to value ration completed investment properties at the end of the period, %	61.9%	59.2%	61.9%	59.2%	61.9%	62.5%		
Lettable area at the end of the period, m²	380,491	306,249	380,491	306,249	380,491	362,806	Total area available for lease	
Total number of apartments under management at the end of the period	5,160	4,002	5,160	4,002	5,160	4,876	Total number of apartments under management at the end of the period.	
Number of construction starts for apartments in the period	126	146	467	199	718	450	Total number of construction starts for apartments in the period.	
Number of apartments in ongoing construction at the end of the period	1,731	1,962	1,731	1,962	1,731	1,549	Total number of apartments in construction at the end of the period.	
Number of apartments in project development at the end of the period	2,488	4,293	2,488	4,293	2,488	4,176	Total number of apartments in construction at the end of the period.	

RECONCILIATION TABLE CONT.

Financial KPIs

	2024 Apr–Jun	2023 Apr–Jun	2024 Jan–Jun	2023 Jan–Jun	2023 Jul -2024 Jun	2023 Jan-Dec	Definition	Motivation
Interest coverage ratio, multiple								
A Profit before changes in value for the period in accordance with the Income Statement, SEK m	40.7	25.6	54.0	50.3	70.9	67.3	Profit before changes in value with reversal of depreciation/amortization and impairment and net interest income, and divided by net interest income (incl. realized value change in current derivative instruments).	The KPI highlights financial risk by highlighting the sensitivity of the Company's performance to interest rate fluctuations.
B Depreciation, amortization and impairment in the period in accordance with the Income Statement, SEK m	-14.0	-33.3	-30.4	-50.3	-60.7	-80.5		
C Net interest income for the period in accordance with the Income Statement, SEK m	-74.4	-53.9	-142.9	-102.8	-260.3	-220.2		
(A-B-C)/-C Interest coverage ratio in the period, multiple	1.7	2.1	1.6	2.0	1.5	1.7		
Equity/assets ratio, %								
A Equity at the end of the period in accordance with the Balance Sheet, SEK m	5,316.9	5,070.6	5,316.9	5,070.6	5,316.9	5,100.4	Equity as a percentage of total assets at the end of the period.	The key figure highlights financial risk by illustrating the scale of equity in relation to total assets.
B Total equity and liabilities at the end of the period in accordance with the Balance Sheet, SEK m	17,749.7	16,334.8	17,749.7	16,334.8	17,749.7	16,807.2		
A/B Equity/assets ratio at the end of the period, %	30.0%	31.0%	30.0%	31.0%	30.0%	30.3%		
Debt-to-equity ratio, %								
A Interest-bearing liabilities at the end of the period in accordance with the Balance Sheet, SEK m	10,537.7	9,613.3	10,537.7	9,613.3	10,537.7	10,117.8	Interest-bearing liabilities as a percentage of total assets at the end of the period.	Debt-to-equity ratio is used to illustrate K-Fastigheter's financial risk.
B Total equity and liabilities at the end of the period in accordance with the Balance Sheet, SEK m	17,749.7	16,334.8	17,749.7	16,334.8	17,749.7	16,807.2		
A/B Debt-to-equity ratio at the end of the period, %	59.4%	58.9%	59.4%	58.9%	59.4%	60.2%		
Period for which capital is tied up, years	2.6	2.0	2.6	2.0	2.6	2.8	The period for which capital is tied up with regard to liabilities to credit institutions pertaining to acquisition financing and completed investment and business properties at the end of the period.	This KPI is used to illustrate the (re-) financing risk related to K-Fastigheter's interest-bearing liabilities
Period of fixed-interest, years	3.0	2.9	3.0	2.9	3.0	3.5	Fixed interest period for liabilities for acquisition financing and credit institutions pertaining to investment and business properties at the end of the period.	This key figure is used to illustrate the interest rate risk for K-Fastigheter's interest-bearing liabilities.
Average interest, %								
A Interest expense calculated at annual rate at the end of the period, SEK m	253.7	217.0	253.7	217.0	253.7	233.9	Estimated annual interest for interest-bearing liabilities as a percentage of interest-bearing liabilities at the end of the period excluding overdrafts and building credits.	Average interest is used to illustrate the interest rate risk for K-Fastigheter's interest-bearing liabilities.
B Interest-bearing liabilities at the end of the period in accordance with the Balance Sheet, SEK m	7,435.1	6,773.7	7,435.1	6,773.7	7,435.1	7,269.2		
A/B Average interest rate at the end of the period, %	3.41%	3.20%	3.41%	3.20%	3.41%	3.22%		
Net investments, SEK m								
A Acquisitions in the period, SEK m	0.0	7.9	36.9	145.9	101.9	210.9	K-Fastigheter's total net investments in investment properties and new construction projects in progress in the period.	KPI to illustrate K-Fastigheter's capacity to achieve operational targets.
B New construction projects in the period, SEK m	306.1	531.0	734.5	1,096.0	1,629.3	1,990.8		
C Extensions and remodeling in the period, SEK m	69.5	13.9	102.9	37.1	226.8	161.0		
D Sales in the period, SEK m	0.0	0.0	-32.7	0.0	-168.7	-136.0		
A+B+C+D Net investments in the period, SEK m	375.6	552.8	841.6	1,279.0	1,789.3	2,226.8		
Equity per share, SEK								
A Equity attributable to Parent Company shareholders at the end of the period in accordance with the Balance Sheet, SEK million	5,258.2	5,025.1	5,258.2	5,025.1	5,258.2	5,045.9	Equity less minority share of equity, in relation to the number of shares outstanding at the end of the period.	Used to illustrate K-Fastigheter's equity per share in a manner that is uniform for listed companies.
B Number of shares outstanding at the end of the period, thousands	246.0	215.3	246.0	215.3	246.0	239.3		
A/B Equity per share at the end of the period, SEK/share	21.38	23.34	21.38	23.34	21.38	21.08		
Profit after tax for the period per share, SEK per share*								
A Profit after tax for the period attributable to Parent Company shareholders in accordance with the Income Statement, SEK million	48.6	48.9	83.7	-147.5	-201.5	-432.7	Profit for the period in relation to the average number of shares outstanding during the period.	Used to illustrate shareholders' proportion of K-Fastigheter's profit before tax for the period.
B Average number of shares outstanding in the period, incl. dilution, thousands	245.9	215.3	243.2	215.3	234.9	221.0		
A/B Profit after tax for the period, SEK/share	0.20	0.23	0.34	-0.68	-0.86	-1.96		

RECONCILIATION TABLE CONT.

KPIs related to K-Fastigheter's financial targets

	2024 Apr–Jun	2023 Apr–Jun	2024 Jan–Jun	2023 Jan–Jun	2023 Jul -2024 Jun	2023 Jan-Dec	Definition	Motivation
Profit from Property Management, SEK m								
A Gross profit from Property Management for the period in accordance with segment reporting, SEK m	107.0	77.5	194.9	150.9	351.4	307.3	Gross profit from Property Management less central administration costs, depreciation, amortization and impairment, profit from associated companies and joint ventures and net financial items attributable to the Property Management operating segment.	This KPI illustrates the operating segment's profitability.
B Central administration costs attributable to Property Management in the period in accordance with segment reporting, SEK million	-5.2	-1.6	-8.1	-3.4	-15.5	-10.9		
C Depreciation, amortization and impairment attributable to Property Management in the period in accordance with segment reporting, SEK m	-0.6	-0.7	-1.1	-0.9	-3.0	-2.8		
D Profit from associated companies and joint ventures attributable to Property Management in the period in accordance with segment reporting, SEK m	0.0	0.0	0.0	0.0	0.0	0.0		
E Net interest income attributable to Property Management in the period in accordance with segment reporting, SEK m	-66.1	-49.2	-125.5	-90.0	-216.7	-181.1		
A+B+C+D+E Profit from property management in the period, SEK m	35.0	26.0	60.3	56.7	116.2	112.6		
Profit from property management per share, SEK								
Profit from property management attributable to Parent Company shareholders in the period in accordance with segment reporting, SEK m	35.0	26.0	60.3	56.7	116.2	112.6	Profit from property management in relation to the average number of shares outstanding in the period.	Used to illustrate profit from property management per share in line with K-Fastigheter's financial targets
B Average number of shares outstanding in the period, thousands	245.9	215.3	243.2	215.3	234.9	221.0		
A/B Profit from property management per share in the period, SEK/share	0.14	0.12	0.25	0.26	0.49	0.51		
Growth in profit from property management per share, %								
Profit from property management attributable to Parent Company shareholders in the period, SEK/share	0.14	0.12	0.25	0.26	0.49	0.51	Percentage change in profit from property management per share in the period.	Used to illustrate growth in profit from property management per share in line with K-Fastigheter's financial targets.
B Profit from property management attributable to Parent Company shareholders in the period, SEK/share	0.12	0.19	0.26	0.31	0.56	0.61		
A/B-1 Growth in profit from property management per share in the period, %	17.9%	-37.0%	-5.8%	-15.8%	-11.4%	-16.1%		
Profit from Construction, SEK m								
A Gross profit from Construction in the period in accordance with segment reporting, SEK m	64.4	167.5	223.9	284.5	355.4	416.0	Gross profit from Construction less central administration costs, depreciation, amortization and impairment, profit from associated companies and joint ventures and net financial items attributable to the Construction operating segment.	This KPI illustrates the operating segment's profitability.
B Central administration costs attributable to Construction in the period in accordance with segment reporting, SEK m	-10.9	-8.0	-21.4	-17.1	-44.7	-40.4		
C Depreciation, amortization and impairment attributable to Construction in the period in accordance with segment reporting, SEK m	-12.1	-32.3	-26.6	-48.5	-53.1	-74.9		
D Profit from associated companies and joint ventures attributable to Construction in the period in accordance with segment reporting, SEK m	-2.8	5.7	7.1	2.6	30.4	25.9		
E Net interest income attributable to Construction in the period in accordance with segment reporting, SEK m	-8.9	-10.1	-13.2	-19.0	-22.8	-28.7		
A+B+C+D+E Profit from Construction in the period, SEK m	29.7	122.9	169.9	202.5	265.2	297.8		
Profit from Construction per share, SEK								
A Profit from Construction attributable to Parent Company shareholders in the period according to segment reporting, SEK m	29.7	122.9	169.9	202.5	265.2	297.8	Profit for Construction in the period in relation to the average number of shares outstanding in the period.	Used to illustrate profit from Construction per share in line with K-Fastigheter's financial targets.
B Average number of shares outstanding in the period, thousands	245.9	215.3	243.2	215.3	234.9	221.0		
A/B Profit from Construction per share in the period, SEK/share	0.12	0.57	0.70	0.94	1.11	1.35		
Growth in profit from Construction per share, %								
A Profit from Construction attributable to Parent Company shareholders in the period, SEK/share	0.12	0.57	0.70	0.94	1.11	1.35	Percentage change in profit from Construction per share in the period.	Used to illustrate growth in K-Fastigheter's profit from Construction per share in line with K-Fastigheter's financial targets
B Profit from Construction attributable to Parent Company shareholders in the preceding period, SEK/share	0.57	1.12	0.94	1.80	2.12	2.99		
A/B-1 Growth in profit from Construction per share in the period, %	-78.8%	-48.8%	-25.7%	-47.8%	-47.9%	-54.9%		

RECONCILIATION TABLE CONT.

KPIs related to K-Fastigheter's financial targets cont.

	2024 Apr–Jun	2023 Apr–Jun	2024 Jan–Jun	2023 Jan–Jun	2023 Jul –2024 Jun	2023 Jan-Dec	Definition	Motivation
Long-term net asset value (NAV), SEK m								
A Equity attributable to Parent Company shareholders at the end of the period in accordance with the Balance Sheet, SEK million	5,258.2	5,025.1	5,258.2	5,025.1	5,258.2	5,045.9	Reported equity with reversal of deferred tax, interest rate derivatives and non-controlling interests.	An established measure of K-Fastigheter's and other listed companies' long-term net asset value, facilitating analyses and comparisons.
B Derivatives at the end of the period in accordance with the Balance Sheet, SEK m	-156.8	-387.0	-156.8	-387.0	-156.8	-141.4		
C Deferred tax liability at the end of the period in accordance with the Balance Sheet, SEK m	1,027.4	1,003.8	1,027.4	1,003.8	1,027.4	953.2		
D Deferred tax asset at the end of the period in accordance with the Balance Sheet, SEK m	75.6	5.7	75.6	5.7	75.6	54.3		
A+B+C-D Long-term net asset value (NAV) at the end of the period, SEK m	6,053.2	5,636.2	6,053.2	5,636.2	6,053.2	5,803.5		
Long-term net asset value (NAV), SEK/share								
A Long-term net asset value (NAV) attributable to Parent Company shareholders at the end of the period in accordance with the Balance Sheet, SEK m	6,053.2	5,636.2	6,053.2	5,636.2	6,053.2	5,803.5	Long-term net asset value (NAV) in relation to the number of shares outstanding in the period.	Used to illustrate K-Fastigheter's long-term net asset value (NAV) per share in a manner that is uniform for listed companies.
B Number of shares outstanding at the end of the period, millions	246.0	215.3	246.0	215.3	246.0	239.3		
A/B Long-term net asset value (NAV) per share at the end of the period, SEK/share	24.61	26.17	24.61	26.17	24.61	24.25		
Growth in long-term net asset value (NAV),%								
A Long-term net asset value (NAV) attributable to Parent Company shareholders at the end of the period in accordance with the Balance Sheet, SEK/share	24.61	26.17	24.61	26.17	24.61	24.25	Percentage change in long-term net asset value (EPRA NAV) per share in the period.	Used to illustrate growth K-Fastigheter's long-term net asset value (NAV) per share in a manner that is uniform for listed companies.
B Long-term net asset value (NAV) attributable to Parent Company shareholders at the end of the preceding period in accordance with the Balance Sheet, SEK/share	24.17	25.89	24.25	26.79	26.17	26.79		
A/B-1 Growth in long-term net asset value (NAV) per share in the period, %	1.8%	1.1%	1.5%	-2.3%	-6.0%	-9.5%		
Number of shares outstanding at the end of the period, millions**	246.0	215.3	246.0	215.3	246.0	239.3		
Average number of shares outstanding in the period, millions**	245.9	215.3	243.2	215.3	234.9	221.0		

* There are no potential shares, e.g. convertibles in the company, and accordingly no dilution effect.

** Adjusted for new issue of 24,000,000 Class B shares as of 28 September 2023 and 24 October 2023 and 6,662,000 Class B shares as of 13 March and 8 April 2024.