

## interim report

January to September 2024

	2024 Jan-Sep	2023 Jan-Sep	2024 Jul-Sep	2023 Jul-Sep	2023 Jan-Dec
Property fair value, EUR million	5,674	6,096	5,674	6,096	5,686
Number of apartments	19,926	19,635	19,926	19,635	19,652
Residential rentable area, thousand sqm	1,212	1,195	1,212	1,195	1,196
Real vacancy rate, residential, percent	1.4	1.4	1.4	1.4	1.3
Vacancy rate, residential, percent	4.9	6.6	4.9	6.6	5.9
Rent potential, percent	21	20	21	20	21
Loan-to-value, percent	35	21	35	21	42
Cash sources to cash uses, percent	256	299	256	299	170
Interest coverage ratio, 12 months	5.2	-	5.2	-	21.7
Interest coverage ratio excluding realized value growth, 12 months	5.4	-	5.4	-	22.0
Credit rating, Standard & Poor's	BBB-	BBB	BBB-	BBB	BBB-
Net asset value, EUR million	3,256	4,401	3,256	4,401	2,863
Rental income, EUR million	265	247	89	84	333
Like-for-like growth in rental income, percent	7.2	11.5	6.4	9.9	10.8
Net operating income, EUR million	148	127	50	45	173
Net operating income margin, percent	55.7	51.3	56.4	53.5	51.9
Like-for-like growth in net operating income, percent	16.2	18.0	11.6	19.3	18.0
EBITDA, EUR million	137	113	48	41	156
Profit or loss, EUR million	-25	-166	35	-96	-260

Alternative performance measurements on pages 30–32 and definitions on pages 35–37.



Leigh Court, London.  
Acquired in 2017.



## 16.2 percent growth in net operating income, like-for-like

The main drivers are higher occupancy rate, increasing new lease levels, and completion of capital projects.

Additionally, the in-place rent, like-for-like, increased by 6.3 percent during the last twelve months.

### like-for-like rental income growth 7.2 percent

The trend with rental income growth continues.

Strong demand for Akelius' apartments coupled with higher occupancy rates and completion of capital projects are main drivers.

### vacancy rate of 4.9 percent

Thanks to the completion of capital projects and purely focusing on property management, the vacancy rate, like-for-like, decreased from 6.6 percent to 4.9 percent during the last twelve months.

The vacancy rate excluding construction work and sales was 1.4 percent.

### limited market transactions delay capitalization rate stabilization

Capitalization rate went from 4.74 to 4.92 percent.

The negative value growth during 2024 was EUR 121 million, or 2.1 percent.

### loan-to-value 35 percent

The loan-to-value decreased from 42 to 35 percent during the period, a decrease by 7 percentage points.

In September, Akelius sold 14,800,000 shares in Castellum AB for EUR 188 million to its parent company.

The financial guarantee, which has previously been upsized to EUR 1,900 million by the main owner, will be used to repay maturing debt.

### average interest rate 1.12 percent

The average interest rate continued to decrease during the period, from 1.38 to 1.12 percent.

### improving the portfolio continues

Akelius sold four properties in Paris for EUR 7 million during 2024.

Akelius has also signed agreements to sell six properties by the end of 2024 in Paris for EUR 19 million.

Those properties require large capital projects.

Finishing large capital projects and reducing vacancies continue to pay off.



Ralf Spann,  
CEO and Board Member

# property portfolio September 30, 2024

fair value properties EUR 5,674 million

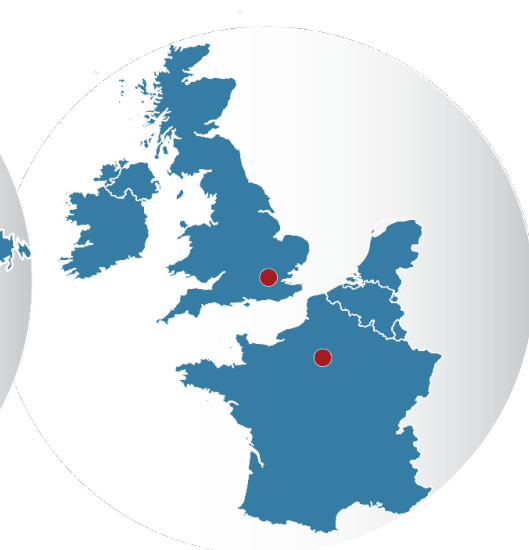
US



Canada



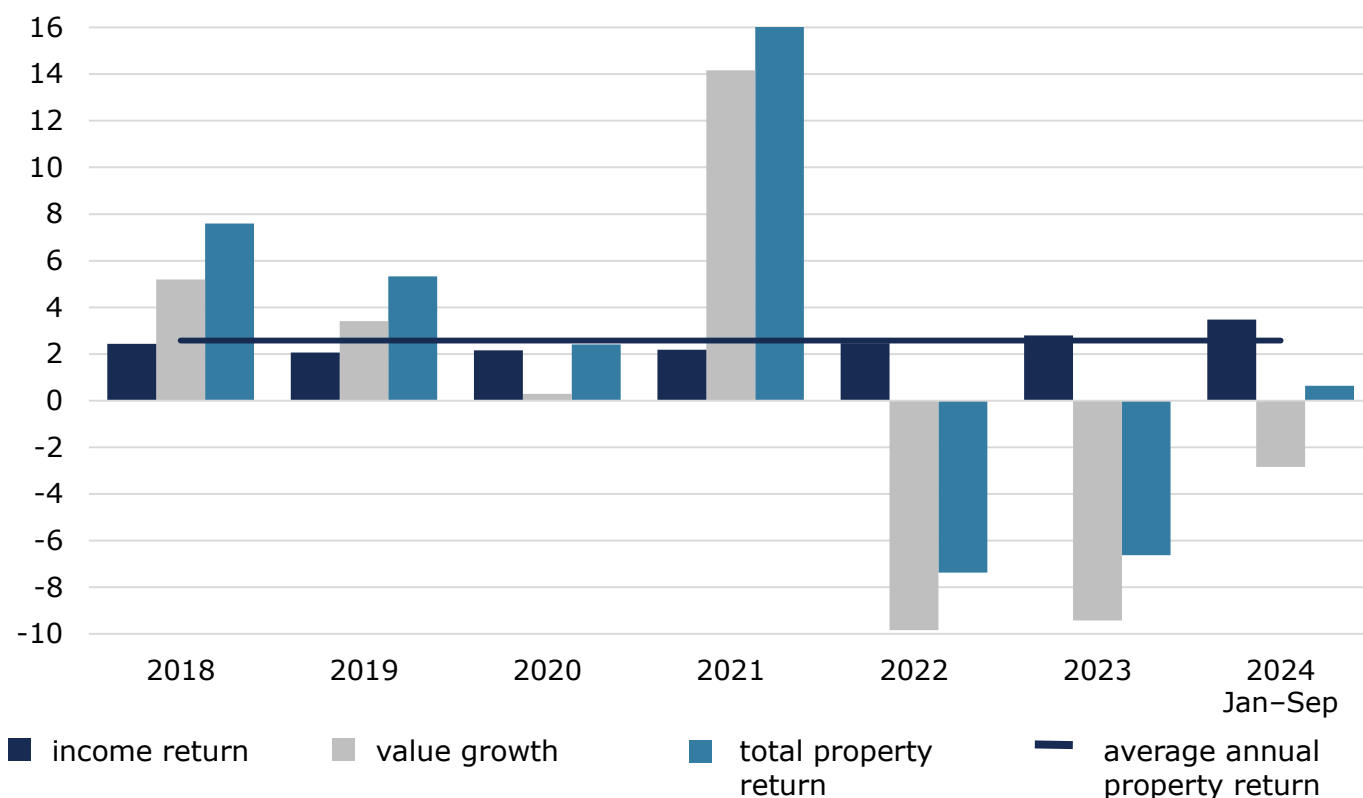
Europe



City	Number of apartments	Rentable area, thousand sqm	Fair value			Vacancy rate, residential, percent	Capitaliza- tion rate, percent
			EUR million	EUR/ sqm	Proportion, percent		
London	2,463	103	995	9,696	18	3.0	4.52
Paris	1,493	50	429	8,515	7	14.7	3.91
<b>Europe</b>	<b>3,956</b>	<b>153</b>	<b>1,424</b>	<b>9,307</b>	<b>25</b>	<b>7.4</b>	<b>4.32</b>
Washington D.C.	3,064	248	830	3,356	15	9.5	5.96
New York	1,747	122	631	5,145	11	2.8	5.29
Boston	1,258	81	574	7,076	10	3.8	5.13
Austin	861	66	150	2,275	3	7.0	5.33
<b>US</b>	<b>6,930</b>	<b>517</b>	<b>2,185</b>	<b>4,227</b>	<b>39</b>	<b>6.4</b>	<b>5.51</b>
Toronto	4,288	243	1,022	4,207	18	2.4	4.58
Montreal	4,416	307	1,002	3,260	18	3.0	4.81
Ottawa	120	11	20	1,801	0	0.8	4.75
Quebec City	216	15	21	1,368	0	0.0	5.00
<b>Canada</b>	<b>9,040</b>	<b>576</b>	<b>2,065</b>	<b>3,580</b>	<b>36</b>	<b>2.6</b>	<b>4.70</b>
<b>Total/ Average</b>	<b>19,926</b>	<b>1,246</b>	<b>5,674</b>	<b>4,551</b>	<b>100</b>	<b>4.9</b>	<b>4.92</b>

## property return 0.6 percent

percent



	EUR million	Growth/return, percent
<b>Fair value Jan 1, 2024</b>	<b>5,686</b>	
Revaluations	-121	-2.1
Investments	115	2.0
Purchases	67	1.2
Sales	-13	-0.2
Exchange differences	-60	-1.0
<b>Fair value Sep 30, 2024</b>	<b>5,674</b>	<b>-0.2</b>
Revaluations	-121	-2.1
Net operating income	148	2.6
Transaction cost	-	0.0
<b>Total property return</b>	<b>27</b>	<b>Per annum: 0.6</b>

## capitalization rate 4.92 percent

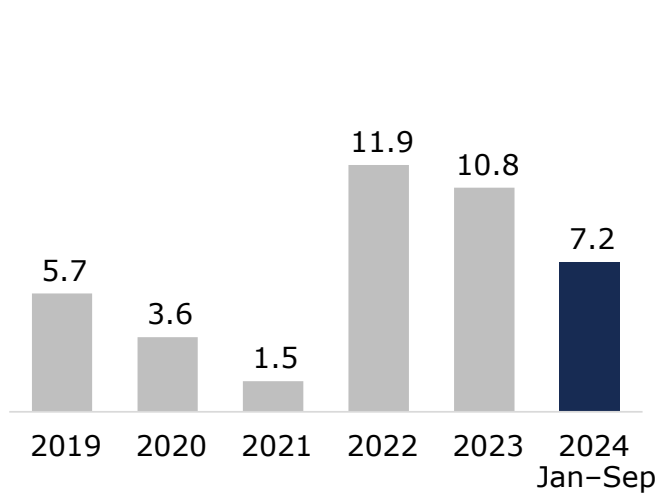
EUR million	Capitalization rate	Discount rate
Jan 1, 2024	4.74	6.73
Purchases	0.00	0.00
Sales	0.05	0.00
Like-for-like	0.13	0.18
Exchange differences	0.00	0.00
<b>Sep 30, 2024</b>	<b>4.92</b>	<b>6.91</b>

## change in value EUR -121 million

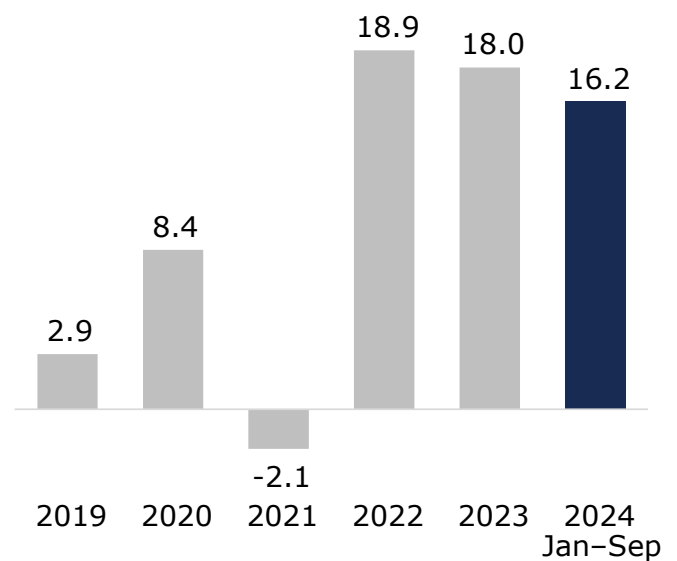
	EUR million	Return, percent
Cash flow	87	1.54
Required rate of return	-207	-3.64
Sales	1	0.02
Purchases	-2	-0.05
<b>Total change in value</b>	<b>-121</b>	<b>-2.13</b>

## like-for-like growth

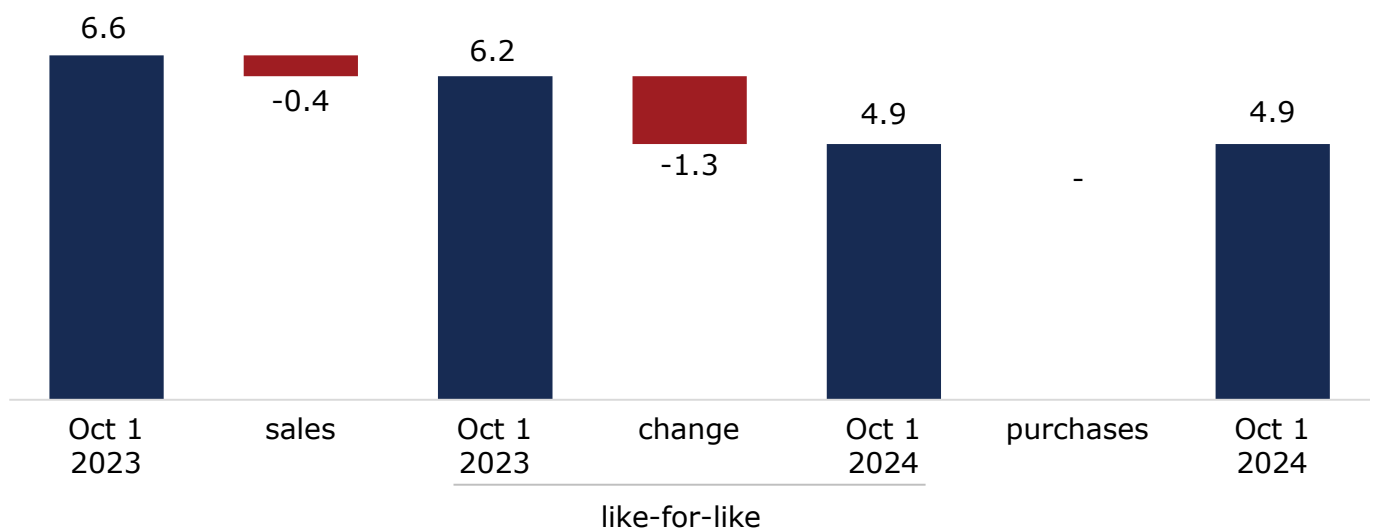
rental income 7.2 percent



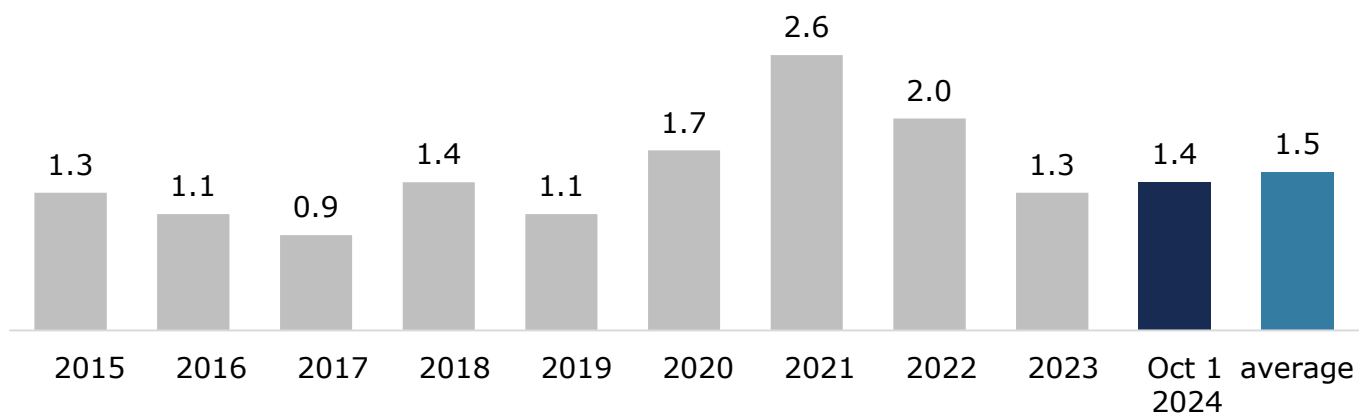
net operating income 16.2 percent



## vacancy rate, residential, 4.9 percent



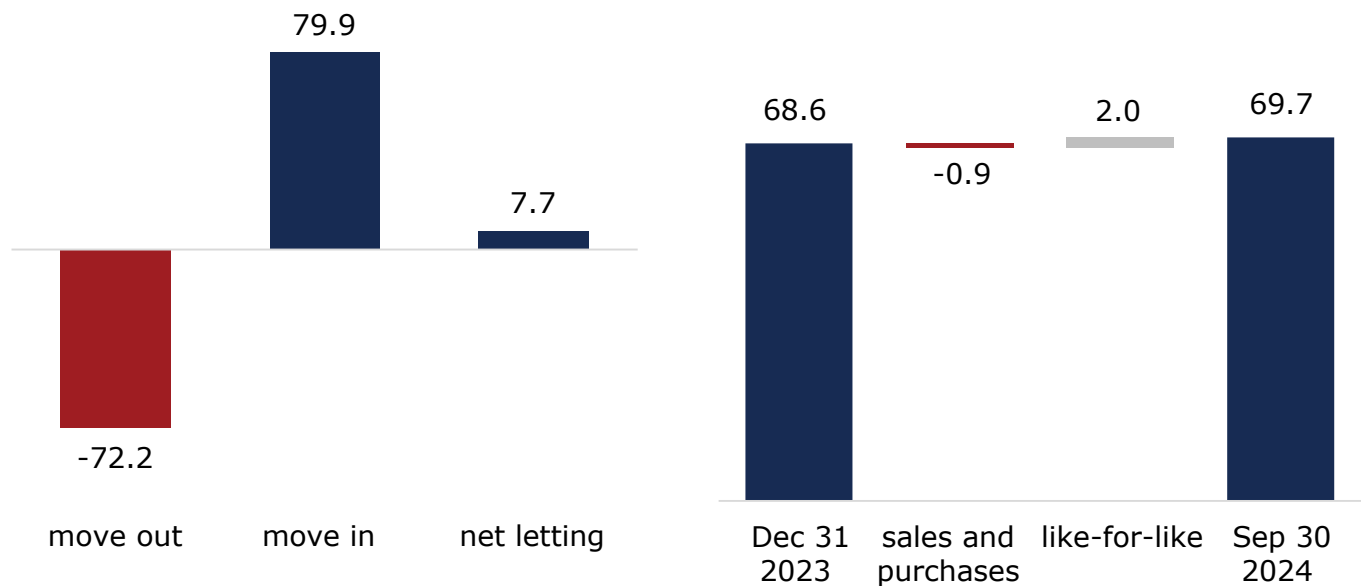
## real vacancy rate, residential, 1.4 percent



## net letting and upgraded apartments

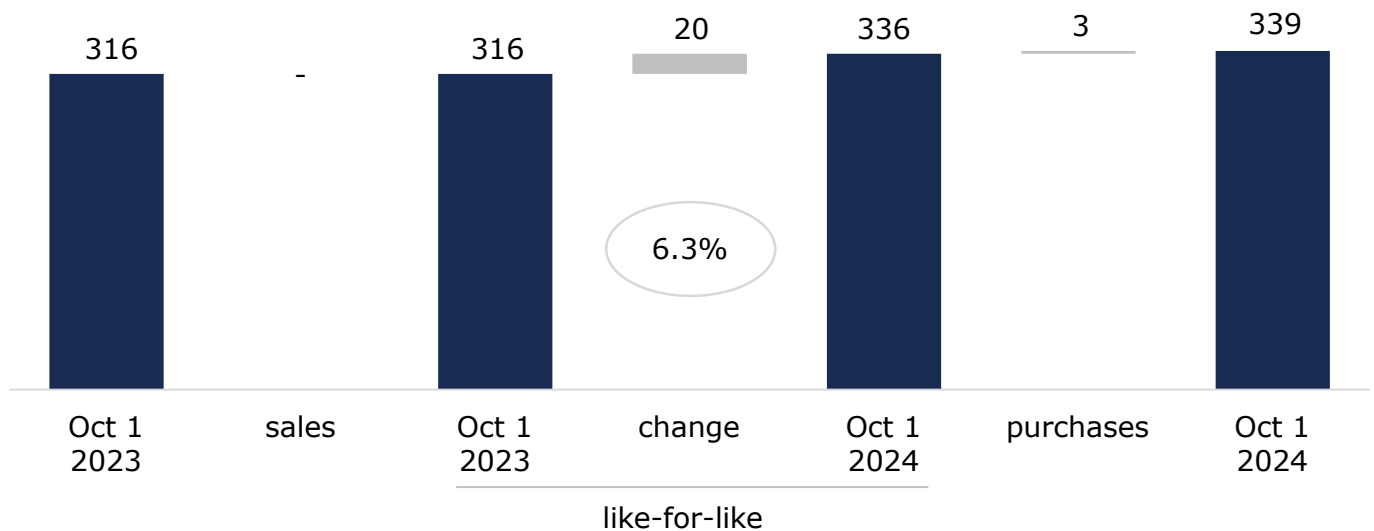
net letting EUR 7.7 million  
January to September 2024

upgraded apartments  
69.7 percent



## development residential in-place rent

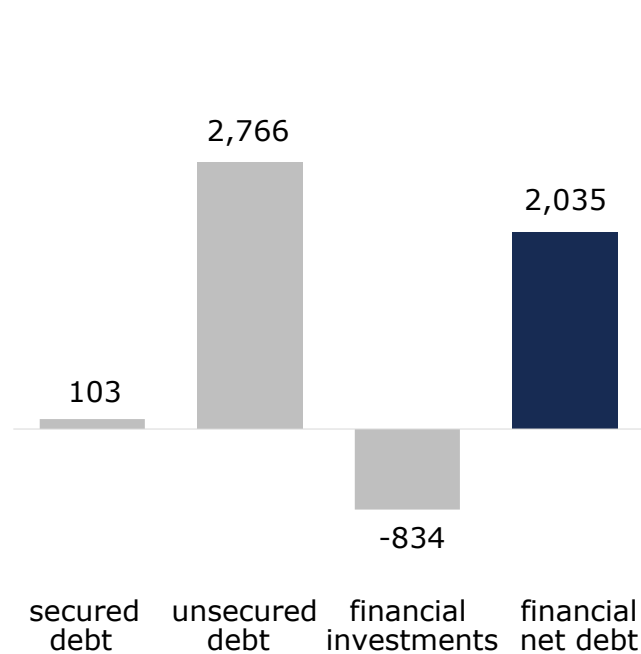
EUR million



## financing

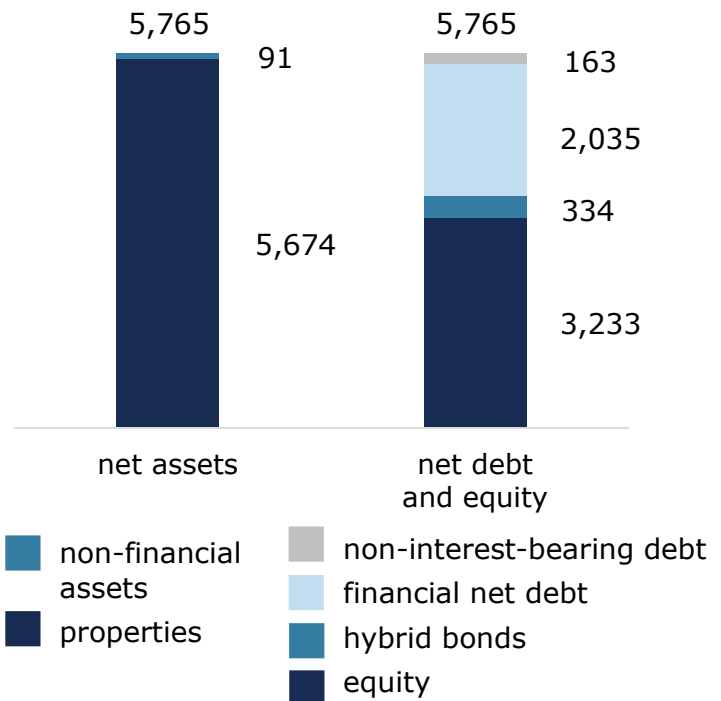
### financial net debt

EUR million



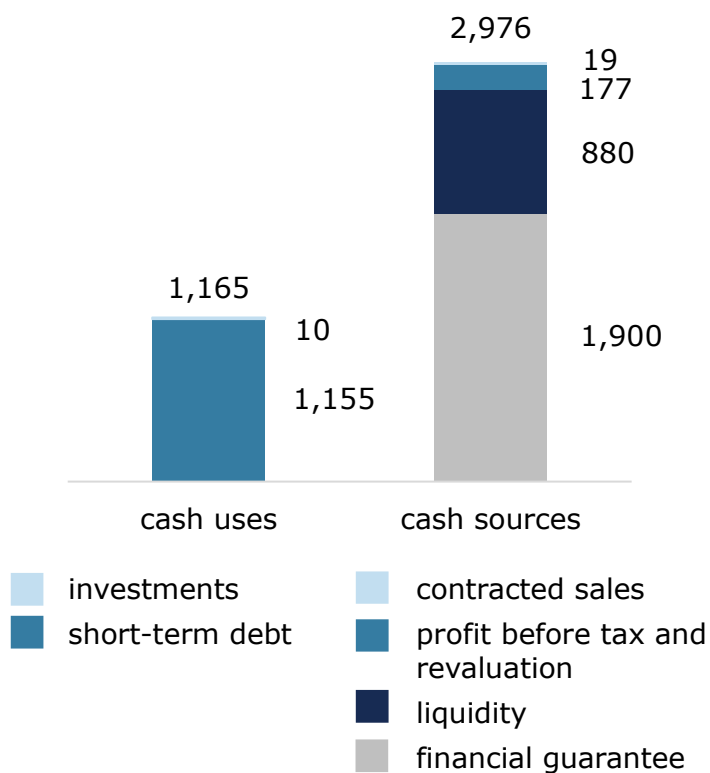
### net balance

EUR million



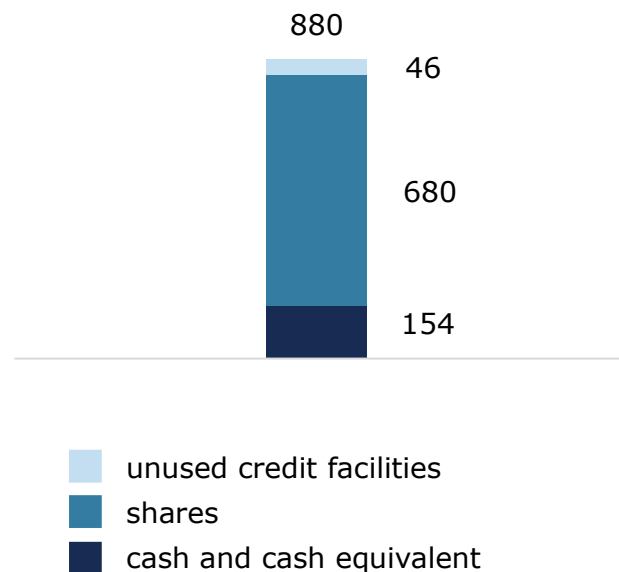
### cash uses and cash sources

EUR million, 12 months forward



### liquidity

EUR million

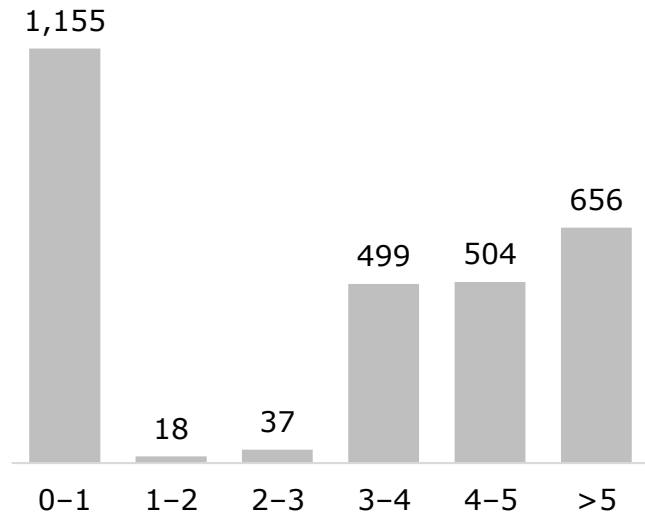




## financing

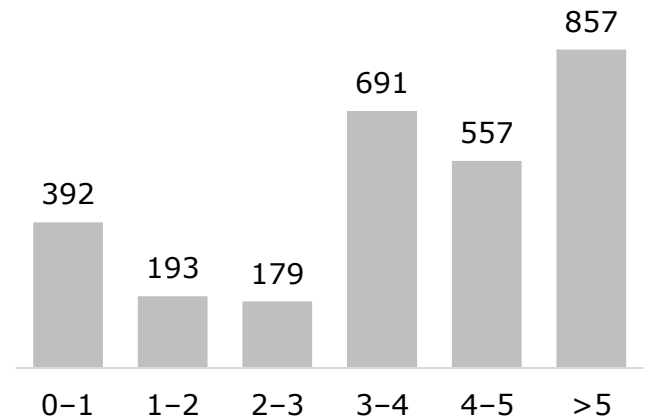
### debt maturities

EUR million per year



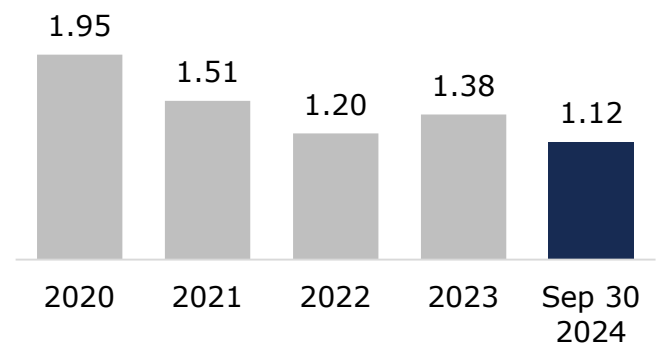
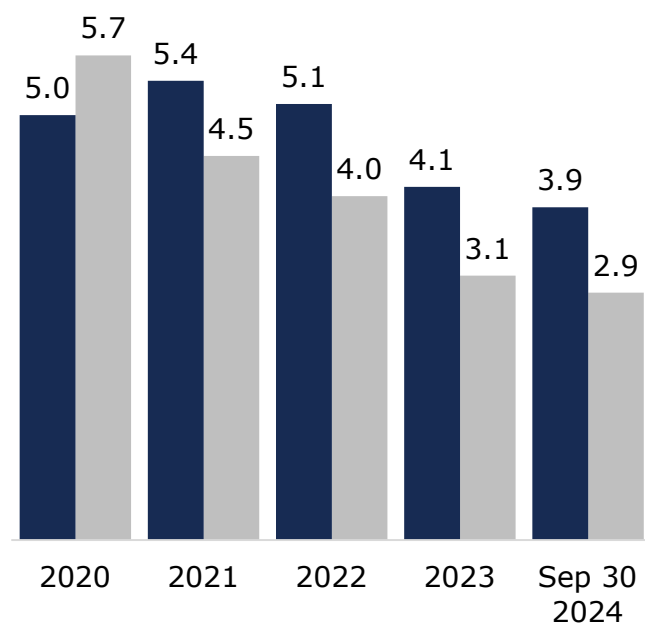
### interest rate hedges

EUR million per year



fixed interest terms 3.9 years  
debt maturities 2.9 years

interest rate 1.12 percent



■ fixed interest term  
■ debt maturities

## financing

### current interest and debt coverage capacity

EUR million	Oct 2023– Sep 2024	Earning capacity as of Sep 30, 2024
Rental income	351	371
Operating expenses	-133	-131
Maintenance	-24	-25
<b>Net operating income</b>	<b>194</b>	<b>215</b>
Central administrative expenses	-14	-10
<b>EBITDA</b>	<b>180</b>	<b>205</b>
Other financial income and expenses	-1	-1
<b>Adjusted EBITDA</b>	<b>179</b>	<b>204</b>
Net interest expenses	-33	-27
<b>Interest coverage ratio excluding realized value growth</b>	<b>5.4</b>	<b>7.6</b>
Realized value growth	-8	
<b>Interest coverage ratio</b>	<b>5.2</b>	
Net debt as of Sep 30, 2024	2,035	2,035
Net debt / EBITDA	11.3	9.9

### earning capacity

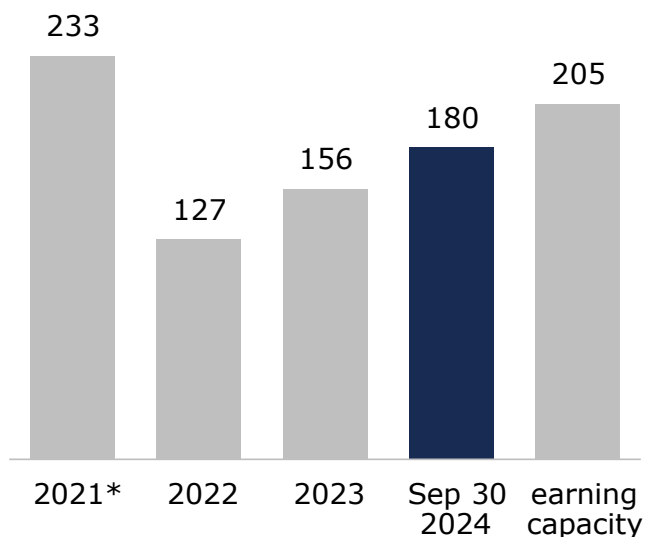
The earning capacity is based on the property portfolio and net debt as at September 30, 2024.

Rental income includes EUR 352 million in residential rental value as at October 1, 2024, EUR 16 million in rental income for commercial properties and parking, EUR -5 million in real vacancy for apartments, and EUR 8 million in other income.

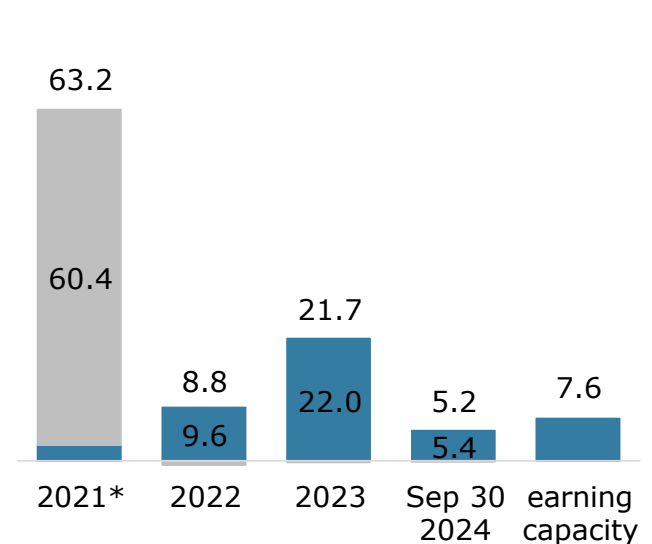
Residential rental value of EUR 352 million minus vacancy, plus recharge of operating expenses to tenants is equivalent to EUR 339 million in residential in-place rent.

Only interest expenses are included in earning capacity, due to the sale of financial investments at the end of 2023.

### EBITDA EUR 180 million



### interest coverage ratio 5.2



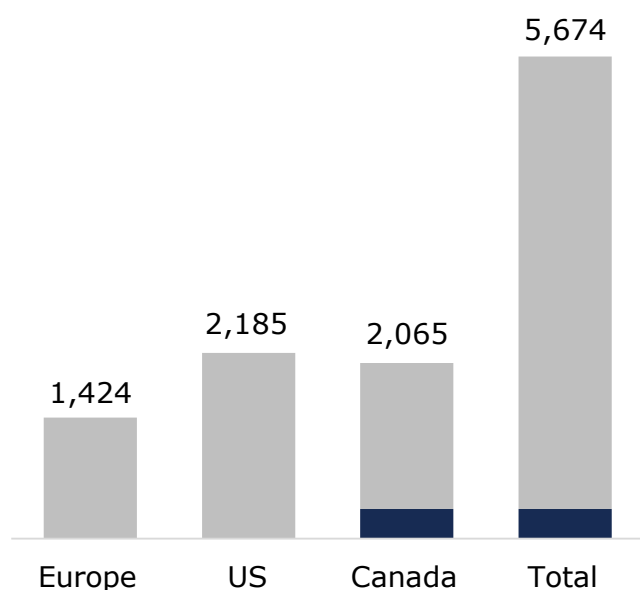
\*) includes discontinued and continuing operations

■ realized value growth ■ EBITDA

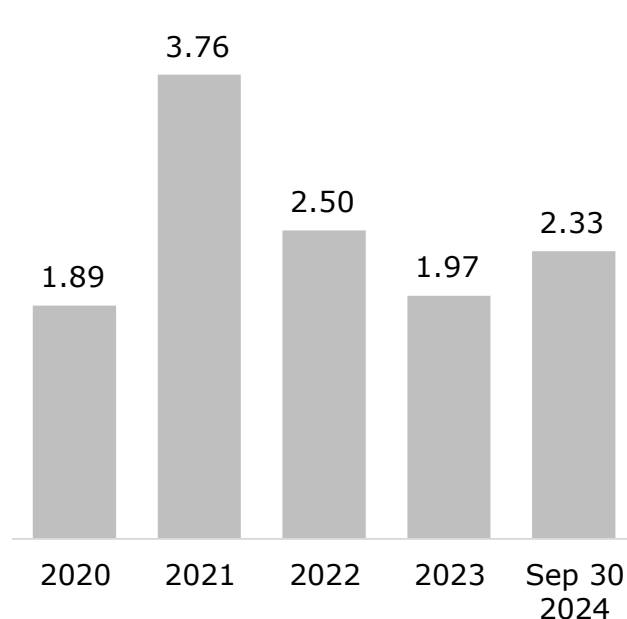
## financing

### encumbrance properties

EUR million



### unencumbered asset ratio



■ unencumbered ■ encumbered

### loans and hybrid bonds reported at amortized cost

EUR million	Sep 30 2024 Carrying value	Sep 30 2024 Fair value	Dec 31 2023 Carrying value	Dec 31 2023 Fair value
Loans	2,869	2,640	3,354	3,012
Hybrid bonds	334	320	334	281
<b>Total</b>	<b>3,203</b>	<b>2,960</b>	<b>3,688</b>	<b>3,293</b>

### financial instruments reported at fair value

EUR million	Sep 30 2024	Dec 31 2023
Assets	712	907
Liabilities	11	56

Loans and hybrid bonds are recognized at amortized cost using the effective interest rate method.

Carrying value and fair value of interest-bearing liabilities are excluding leasing.

The fair value of loans and derivatives are based on level 2 data in the fair value hierarchy.

The fair value of hybrid bonds is based on level 1 data.

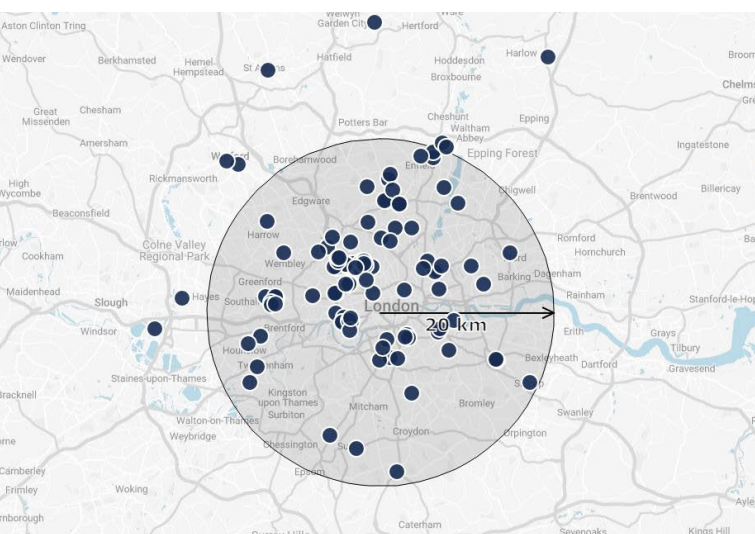
Derivatives are measured continuously at fair value through profit or loss.

The investment in Castellum AB is measured at fair value through profit and loss based on level 1 data.

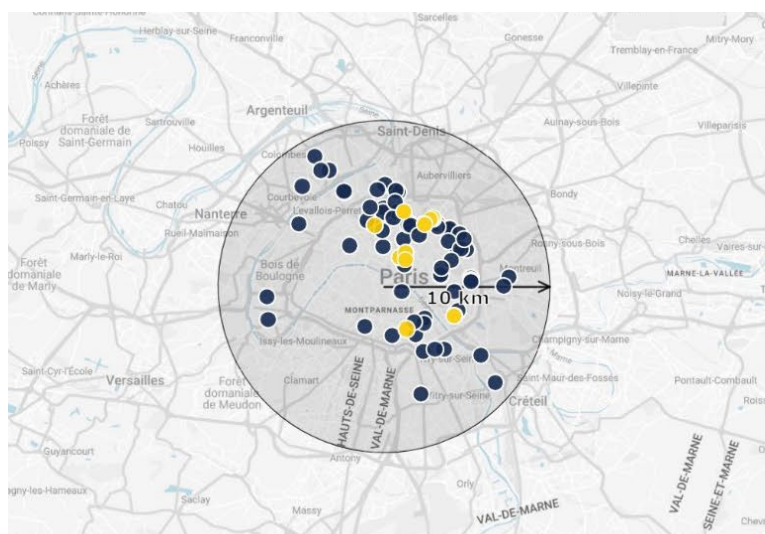
See additional information on page 21.

No transfers have taken place between the various hierarchical levels during the period.

## London



## Paris



● like-for-like properties    ● sold properties and contracted sales

### London

### Paris

#### Property portfolio

Fair value, EUR million	995	429
Capitalization rate, percent	4.52	3.91
Proportion of upgraded apartments, percent	82	71
Residential rentable area, thousand sqm	98	45
Commercial rentable area, thousand sqm	5	5
Average apartment size, sqm	39	30
Walk score	84	97

#### Average rent residential

EUR/sqm/month

EUR/sqm/month

Total portfolio Oct 1, 2023	39.14	29.77
Exchange difference	1.53	-
Adjusted total portfolio Oct 1, 2023	40.67	29.77
Sales and ended units	-	-
Like-for-like Oct 1, 2023	40.67	29.77
Like-for-like change	3.21	0.86
- Change in percent	7.9	2.9
Like-for-like Oct 1, 2024	43.88	30.63
Purchases and new constructions	0.03	0.11
Total portfolio Oct 1, 2024	43.91	30.74
New lease level	48.94	36.37

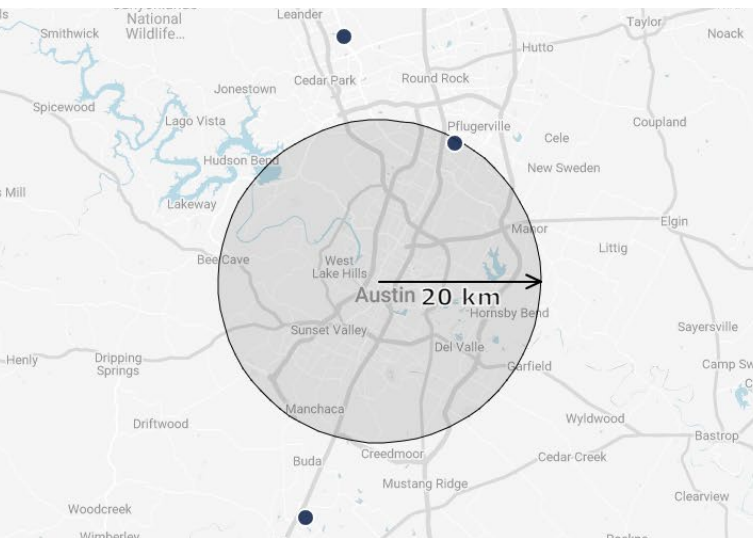
#### Vacancy rate residential

Percent

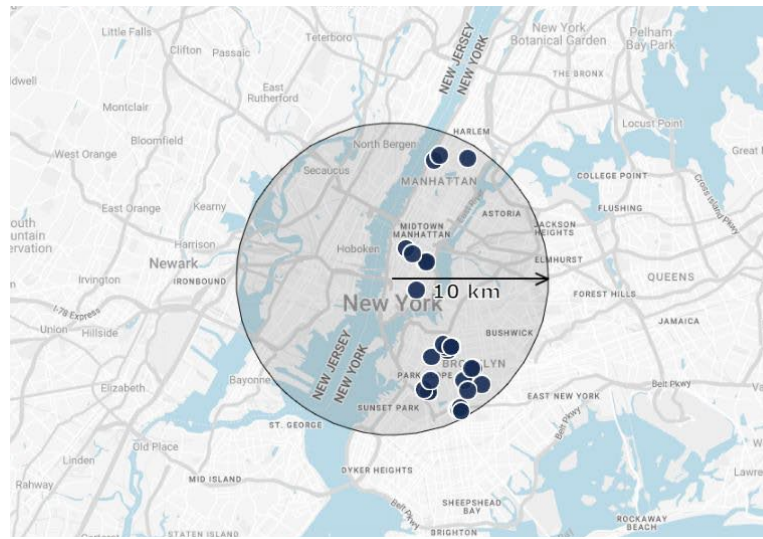
Percent

Real vacancy rate	0.5	1.5
Apartments being upgraded	2.5	13.2
Vacancy rate	3.0	14.7

## Austin



## New York

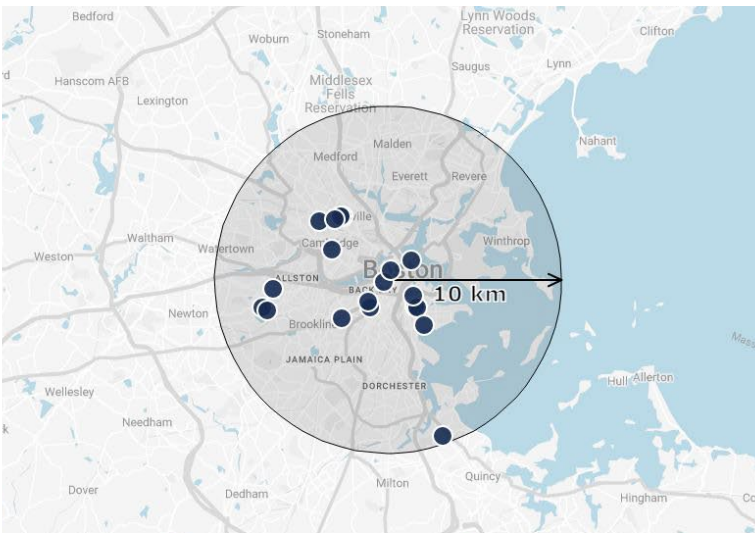


● like-for-like properties

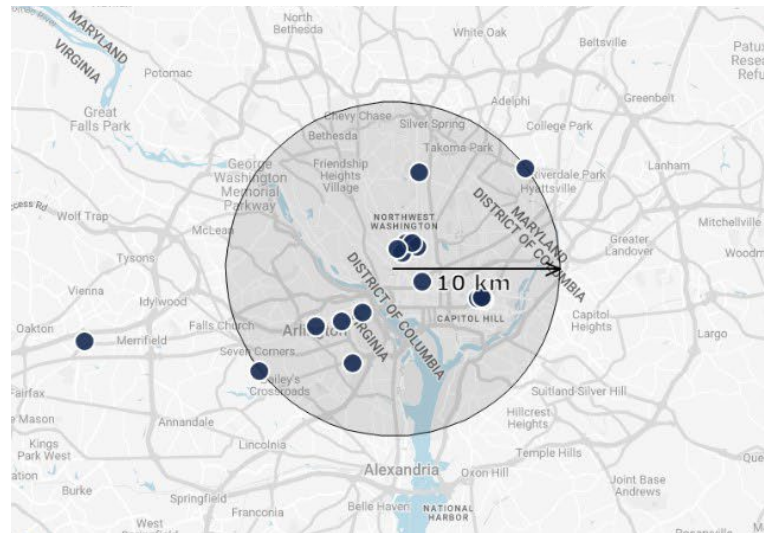
	Austin	New York
<b>Property portfolio</b>		
Fair value, EUR million	150	631
Capitalization rate, percent	5.33	5.29
Proportion of upgraded apartments, percent	100	60
Residential rentable area, thousand sqm	66	118
Commercial rentable area, thousand sqm	-	4
Average apartment size, sqm	76	68
Walk score	7	96
<b>Average rent residential</b>		
	EUR/sqm/month	EUR/sqm/month
Total portfolio Oct 1, 2023	18.61	36.30
Exchange difference	-0.83	-1.61
Adjusted total portfolio Oct 1, 2023	17.78	34.69
Sales and ended units	-	-
Like-for-like Oct 1, 2023	17.78	34.69
Like-for-like change	-0.91	0.62
- Change in percent	-5.1	1.8
Like-for-like Oct 1, 2024	16.87	35.31
Purchases and new constructions	-	-
Total portfolio Oct 1, 2024	16.87	35.31
New lease level	16.27	54.68
<b>Vacancy rate residential</b>		
	Percent	Percent
Real vacancy rate	7.0	0.5
Apartments being upgraded	0.0	2.3
Vacancy rate	7.0	2.8



## Boston



## Washington D.C.

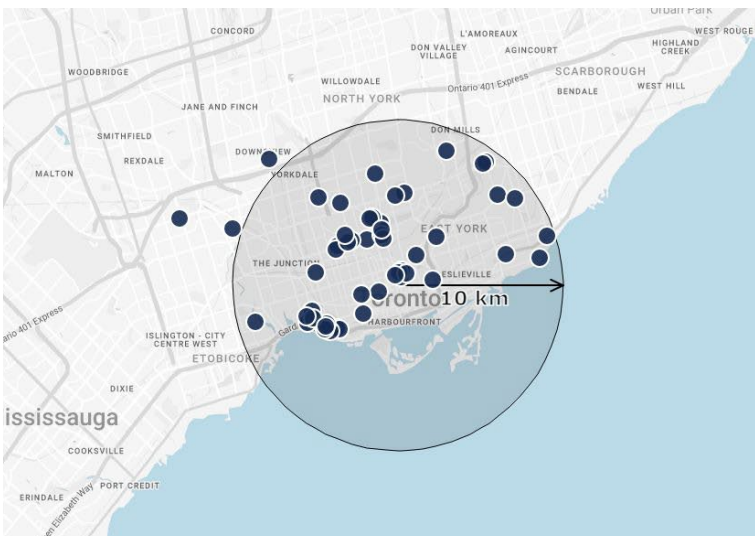


● like-for-like properties

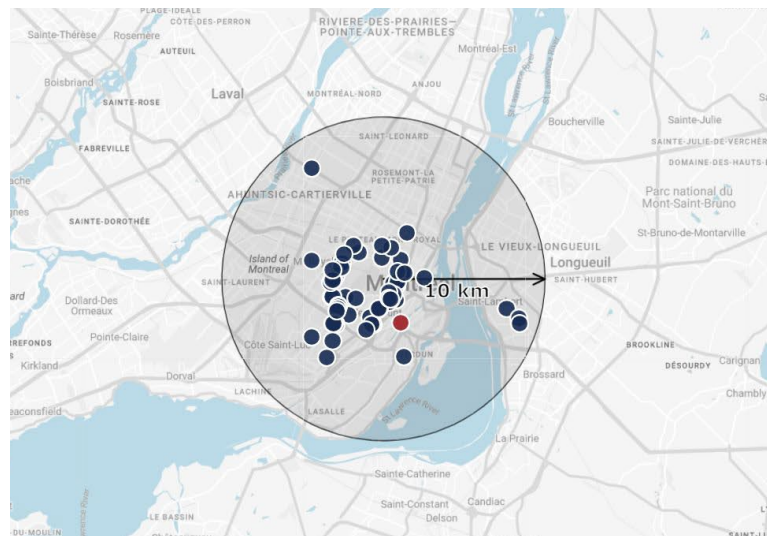
### Boston Washington D.C.

<b>Property portfolio</b>		
Fair value, EUR million	574	830
Capitalization rate, percent	5.13	5.96
Proportion of upgraded apartments, percent	93	78
Residential rentable area, thousand sqm	79	243
Commercial rentable area, thousand sqm	2	5
Average apartment size, sqm	63	79
Walk score	91	84
<b>Average rent residential</b>		
	EUR/sqm/month	EUR/sqm/month
Total portfolio Oct 1, 2023	42.19	24.65
Exchange difference	-1.87	-1.09
Adjusted total portfolio Oct 1, 2023	40.32	23.56
Sales and ended units	-	-
Like-for-like Oct 1, 2023	40.32	23.56
Like-for-like change	1.22	0.65
- Change in percent	3.0	2.8
Like-for-like Oct 1, 2024	41.54	24.21
Purchases and new constructions	-	-
Total portfolio Oct 1, 2024	41.54	24.21
New lease level	42.70	24.70
<b>Vacancy rate residential</b>		
	Percent	Percent
Real vacancy rate	2.2	1.8
Apartments being upgraded	1.6	7.7
Vacancy rate	3.8	9.5

## Toronto



## Montreal



● like-for-like properties    ● acquired property

### Toronto

### Montreal

#### Property portfolio

Fair value, EUR million	1,022	1,002
Capitalization rate, percent	4.58	4.81
Proportion of upgraded apartments, percent	64	56
Residential rentable area, thousand sqm	238	299
Commercial rentable area, thousand sqm	5	8
Average apartment size, sqm	56	68
Walk score	74	77

#### Average rent residential

EUR/sqm/month

EUR/sqm/month

Total portfolio Oct 1, 2023	19.33	15.62
Exchange difference	-0.98	-0.79
Adjusted total portfolio Oct 1, 2023	18.35	14.83
Sales and ended units	-	-
Like-for-like Oct 1, 2023	18.35	14.83
Like-for-like change	0.95	0.93
- Change in percent	5.2	6.3
Like-for-like Oct 1, 2024	19.30	15.76
Purchases and new constructions	-	0.09
Total portfolio Oct 1, 2024	19.30	15.85
New lease level	28.61	19.42

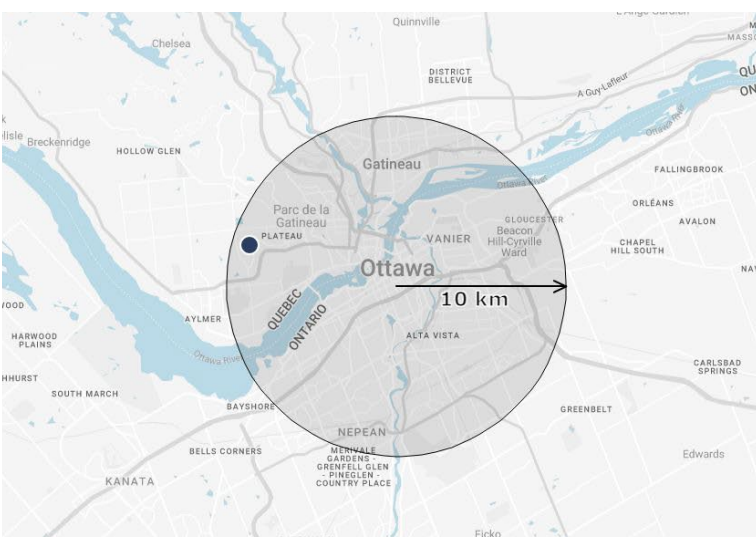
#### Vacancy rate residential

Percent

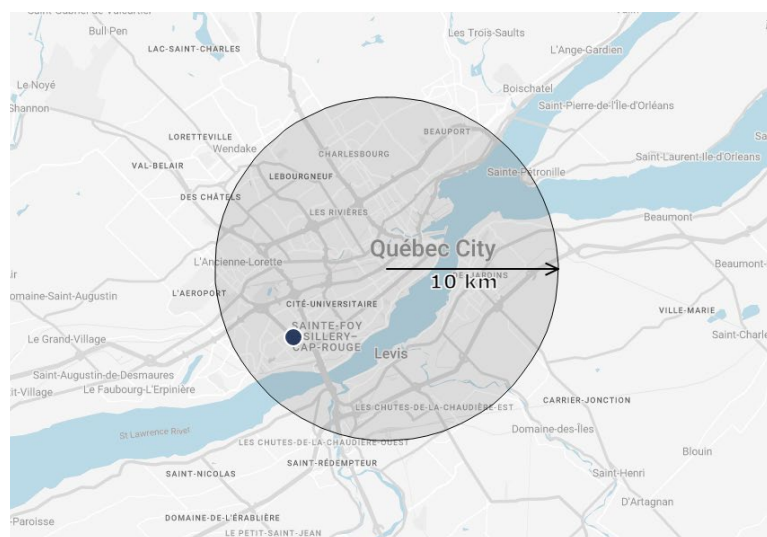
Percent

Real vacancy rate	0.9	1.4
Apartments being upgraded	1.5	1.6
Vacancy rate	2.4	3.0

## Ottawa



## Quebec City



### ● like-for-like properties

	Ottawa	Quebec City
<b>Property portfolio</b>		
Fair value, EUR million	20	21
Capitalization rate, percent	4.75	5.00
Proportion of upgraded apartments, percent	100	4
Residential rentable area, thousand sqm	11	15
Commercial rentable area, thousand sqm	-	-
Average apartment size, sqm	95	71
Walk score	3	68
<b>Average rent residential</b>		
	EUR/sqm/month	EUR/sqm/month
Total portfolio Oct 1, 2023	8.85	8.73
Exchange difference	-0.45	-0.44
Adjusted total portfolio Oct 1, 2023	8.40	8.29
Sales and ended units	-	-
Like-for-like Oct 1, 2023	8.40	8.29
Like-for-like change	0.59	0.58
- Change in percent	7.0	7.1
Like-for-like Oct 1, 2024	8.99	8.87
Purchases and new constructions	-	-
Total portfolio Oct 1, 2024	8.99	8.87
New lease level	10.72	11.48
<b>Vacancy rate residential</b>		
	Percent	Percent
Real vacancy rate	0.0	0.0
Apartments being upgraded	0.8	0.0
Vacancy rate	0.8	0.0

## Akelius sustainability work during the quarter

### BOMA certification in Montreal

In September, property 511 Place d'Armes in Montreal achieved the *Baseline* certification under the BOMA, *Building Owners and Managers Association*, Sustainable Building standards.

The certification is valid until 2029 and demonstrates Akelius' ongoing efforts to enhance environmental performance.

### UN Global Compact membership

In July, Akelius renewed its status as a signatory member of the United Nations Global Compact, UNGC, in Sweden.

By maintaining the signatory membership, Akelius commits to integrating the ten principles of the UNGC into strategies, policies, and procedures.

### installation of gas-saving technology in London

McMillan House in London has been monitored for one year following the installation of M2G gas-saving technology.

The results show an annual gas consumption reduction of 9.2 percent, equal to 35,474 kWh in savings.

The technology has been installed in five additional properties in London during the quarter.

### toilet leak sensor installation in Toronto

A project to install toilet leak sensors was executed during the third quarter.

The sensors were installed in all 24 units at 227 Vaughan Road in Toronto.

They are equipped with wireless connectivity and automatic shut-off valves.

Expected annual water savings are three percent.

## Akelius employees

	Akelius target	Sep 30 2024 <sup>2</sup>	2023	2022	2021	2020
Number of employees	n/a	654	655	755	865	1,300
Annual sick leave, percent	≤2.0	2.0	2.3	1.9	1.5	1.9
Fatality cases	0	-	-	-	-	-
Injury rate <sup>1</sup>	0.00	0.42	0.07	0.06	0.25	0.14
Lost day rate <sup>1</sup>	0.00	11.76	0.00	0.00	0.96	2.60

1) per 100,000 worked hours

2) the increase in injury rate and lost day rate is related to four work-related incidents during the period

## consolidated income statement and comprehensive income

EUR million	Note	2024 Jan-Sep 9 months	2023 Jan-Sep 9 months	2024 Jul-Sep 3 months	2023 Jul-Sep 3 months	2023 Jan-Dec 12 months
Rental income	1	265	247	89	84	333
Operating expenses	2	-99	-102	-33	-33	-136
Maintenance	2	-18	-18	-6	-6	-24
<b>Net operating income</b>	<b>2</b>	<b>148</b>	<b>127</b>	<b>50</b>	<b>45</b>	<b>173</b>
Central administrative expenses		-11	-14	-2	-4	-17
<b>EBITDA</b>	<b>3</b>	<b>137</b>	<b>113</b>	<b>48</b>	<b>41</b>	<b>156</b>
Depreciation		-2	-2	-	-1	-3
Realized revaluation of investment properties		1	-	1	-	-
Unrealized revaluation of investment properties		-122	-289	-101	-193	-582
<b>Operating profit or loss</b>		<b>14</b>	<b>-178</b>	<b>-52</b>	<b>-153</b>	<b>-429</b>
Interest income	4	5	41	2	12	50
Interest expenses	4	-33	-43	-11	-14	-57
Interest expenses hybrid bonds	4	-6	-12	-2	-2	-14
Change in fair value of financial assets	4	28	56	109	58	264
Change in fair value of derivatives	4	26	-35	-22	-41	-67
Other financial income and expenses	4	-30	62	2	72	45
<b>Profit or loss before tax</b>	<b>5</b>	<b>4</b>	<b>-109</b>	<b>26</b>	<b>-68</b>	<b>-208</b>
Current tax	6	-3	-4	12	-2	-2
Deferred tax	6	-26	-53	-3	-26	-50
<b>Profit or loss*</b>		<b>-25</b>	<b>-166</b>	<b>35</b>	<b>-96</b>	<b>-260</b>
<b>Items that may be reclassified to profit or loss</b>						
Translation differences	7	-59	66	-150	82	-93
Tax on items that may be reclassified	7	4	-1	12	-7	15
<b>Other comprehensive income</b>	<b>7</b>	<b>-55</b>	<b>65</b>	<b>-138</b>	<b>75</b>	<b>-78</b>
<b>Total comprehensive income*</b>		<b>-80</b>	<b>-101</b>	<b>-103</b>	<b>-21</b>	<b>-338</b>
Earnings per share, basic and diluted, EUR		0.00	-0.03	0.01	-0.02	-0.04

\*) profit or loss and total comprehensive income are attributable to the Parent Company's shareholders



## note 1

### rental income

Rental income was EUR 265 million (247), an increase of 7.4 percent compared to the same period in 2023.

Like-for-like growth in rental income was EUR 17 million (23) or 7.2 percent (11.5). The increase is mainly related to decreased vacancy and increased rent levels due to high demand in Akelius apartments.

10,619 rental contracts (10,372) with an annual rent of EUR 167 million (157) were renewed or renegotiated during the period. The new yearly rent is EUR 174 million (164), an increase of 4.5 percent (4.2).

The vacancy rate for residential units decreased by 1.0 percentage points to 4.9 percent (6.6), compared to the end of 2023.

This is mainly due to an increased amount of ongoing apartment upgrades.

71 percent (79) of vacancy was due to upgrades.

The real vacancy rate increased by 0.1 percentage points to 1.4 percent (1.4) during the period.

## note 2

### net operating income

Property expenses totaled EUR 117 million (120). EUR 18 million (18) was attributable to maintenance, corresponding to EUR 19 per square meter (19) per year.

Net operating income was EUR 148 million (127).

Like-for-like growth in net operating income was 16.2 percent (18.0) and was positively affected by the increase in rental income.

Net operating income margin was 55.7 percent (51.3).

## note 3

### EBITDA

EBITDA was EUR 137 million (113), an increase by 21.2 percent compared to the same period in 2023.

The increase is mainly related to growth in like-for-like rental income.

## note 4

### net financial items

Interest income was EUR 5 million (41) and interest expenses were EUR 33 million (43). Interest expenses include net interest for interest rate derivatives of EUR 7 million, of which EUR 17 million refers to interest income.

Interest expenses related to hybrid bonds were EUR 6 million (12).

Revaluations of financial assets affected earnings by EUR 28 million (56).

The value of the holding in Castellum AB decreased by EUR 175 million, mainly due to the sale of 14,800,000 shares in Castellum AB to Akelius Apartments Ltd during the quarter.

Revaluations of derivatives impacted earnings by EUR 26 million (-35).

Other financial income and expenses amounted to EUR -30 million (62), and are mainly related to currency effects from derivatives, financial investments, and external loans.

## note 5

### profit or loss before tax

Profit or loss before tax was EUR 4 million (-109).

Profit or loss before tax was mainly affected by positive net operating income of EUR 148 million (127) and negative unrealized changes of investment properties EUR -122 million (-289).

## note 6

### tax

Reported tax in profit or loss totaled EUR -29 million (-57).

Reported tax mainly refers to utilization of tax losses in the Parent Company and change of tax rate in Canada.

## note 7

### other comprehensive income

Other comprehensive income was EUR -55 million (65).

It mainly relates to net investments in foreign operations that are translated to EUR.

# condensed consolidated statement of financial position

EUR million	Note	Sep 30 2024	Sep 30 2023	Dec 31 2023
<b>Assets</b>				
Investment properties	8	5,645	6,087	5,679
Owner-occupied properties	8	10	9	7
Right-of-use-assets		5	6	6
Tangible fixed assets		4	5	4
Derivatives		29	82	44
Deferred tax assets		3	2	22
Financial assets	9, 10, 12	680	1,760	855
Receivables and other assets		6	5	6
<b>Total non-current assets</b>		<b>6,382</b>	<b>7,956</b>	<b>6,623</b>
Financial assets	9, 10, 12	-	451	-
Receivables and other assets		38	47	27
Derivatives		3	3	8
Cash and cash equivalents	10, 12	154	107	74
Assets held for sale	8	22	-	-
<b>Total current assets</b>		<b>217</b>	<b>608</b>	<b>109</b>
<b>Total assets</b>		<b>6,599</b>	<b>8,564</b>	<b>6,732</b>
<b>Equity and liabilities</b>				
Equity	11	3,233	4,384	2,833
<b>Total equity</b>		<b>3,233</b>	<b>4,384</b>	<b>2,833</b>
Unsecured loans	12	1,619	2,720	2,644
Secured loans	12	95	109	105
Hybrid bonds		334	335	334
Lease liabilities		4	5	5
Derivatives		2	15	11
Deferred tax liabilities		51	47	48
Provisions		2	1	1
Other liabilities		19	20	20
<b>Total non-current liabilities</b>		<b>2,126</b>	<b>3,252</b>	<b>3,168</b>
Unsecured loans	12	1,147	775	577
Secured loans	12	8	29	28
Lease liabilities		1	1	1
Derivatives		9	42	45
Provisions		1	1	2
Other liabilities		74	80	78
<b>Total current liabilities</b>		<b>1,240</b>	<b>928</b>	<b>731</b>
<b>Total equity and liabilities</b>		<b>6,599</b>	<b>8,564</b>	<b>6,732</b>

## note 8

### property fair value EUR 5,674 million

Fair value was EUR 5,674 million (6,096), which is equivalent to an average of EUR 4,551 per square meter (4,953).

The average capitalization rate was 4.92 percent (4.57), compared to 4.74 percent at the end of 2023.

Refer to table on page 5.

### revaluation of properties EUR -121 million

The change in property value was EUR -121 million (-289), or -2.1 percent (-4.7).

Refer to table on page 5.

### property investments EUR 115 million

Investments in properties amounted to EUR 115 million (142).

On an annual basis, this corresponds to EUR 124 per square meter (153).

12 percent (10) of the total investments referred to apartment upgrades.

### property acquisition EUR 67 million

Akelius acquired one property in Montreal during the period.

The acquisition amounted to EUR 67 million (-).

The capitalization rate for the acquired property is 4.75 percent.

### property sales EUR 13 million

Akelius sold properties for EUR 13 million (1) during the period.

The sales refer to four properties and three apartments in Paris, and two apartments in London.

### assets held for sale EUR 22 million

Akelius has signed agreements to sell six properties in Paris.

EUR 19 million refers to properties and EUR 3 million refers to deferred tax.

The sales will be finalized during 2024.

## note 9

### financial assets

Financial assets decreased from EUR 855 million to EUR 680 million (2,211) during the period.

The value of the holding in Castellum AB decreased by EUR 175 million.

EUR -188 million relates to divestment of shares to Akelius Apartments Ltd, EUR 28 million relates to a positive change in fair value and EUR -15 million relates to negative currency effects.

At the end of the period, Akelius held 10.5 percent (13.5) of the shares outstanding in Castellum AB, at a fair value of EUR 680 million (645).

## note 10

### liquidity

Available funds in the form of cash equivalents, financial assets, and unutilized credit facilities totaled EUR 880 million (2,371).

The financial guarantee provided by the main owner Akelius Apartments Ltd increased from EUR 1,117 million to EUR 1,900 million during the second quarter.

The guarantee will be used to repay debt. Refer to more information under the section related party transactions.

Unutilized credit facilities amounted to EUR 46 million (53), with an average maturity of 0.7 years (1.4). Facilities intended to be kept are extended prior maturity.

The unutilized bilateral credit agreements are provided by 4 banks (5).

The fair value of the unencumbered properties was EUR 5,326 million (5,544).

## note 11

### equity ratio

Equity increased by EUR 400 million to EUR 3,233 million (4,384) during the period. The change is mainly impacted by the share issue during the second quarter.

The equity ratio including hybrid bond amounted to 54 percent (55).

### D-shares

The number of ordinary shares of class D was 220,000,000, equivalent to EUR 111 million in equity.

Akelius Apartments Ltd, majority owner of Akelius Residential Property AB (publ), has purchased D-shares for EUR 13 million (25) during the period.

D-shares represent 3.44 percent (3.63) of the total amount of shares in Akelius Residential Property AB (publ).

The closing price per D-share was EUR 1.666 (1.738) at the end of the period.

## note 12

### net debt EUR 2,035 million

Loans excluding hybrid bonds decreased by EUR 485 million during the period, to EUR 2,869 million (3,633).

The loan-to-value ratio was 35 percent (21), a decrease by 7 percentage points since the end of 2023.

Unsecured debt includes 7 bonds (10) and loans from related parties.

Financial investments, including cash and cash equivalents, amounted to EUR 834 million (2,318).

Net debt amounts to EUR 2,035 million (1,315).

### maturities 2.9 years

Loans excluding hybrid bonds had an average maturity of 2.9 years (3.1), compared to 3.1 years at the end of 2023. EUR 1,155 million (804) mature within one year.

### interest rate hedge 3.9 years

EUR 857 million (1,459) of the debt portfolio excluding hybrid bonds had a fixed interest rate term of more than five years.

On average, the underlying interest rate is secured for 3.9 years (4.2) for debt portfolio excluding hybrid bonds, compared to 4.1 years at the end of 2023.

### average interest rate

#### 1.12 percent

The average interest rate decreased from 1.38 percent to 1.12 percent (1.57) on debt portfolio excluding hybrid bonds during the period.

### credit rating

Standard and Poor's has assessed Akelius a BBB- rating.

The credit outlook remains stable.

The rating for Akelius' hybrid bond is BB.

### unencumbered asset ratio 2.33

The unencumbered asset ratio was 2.33 (2.33), compared to 1.97 at the end of 2023.

## consolidated statement of changes in equity

EUR million	Share capital	Share premium	Currency translation reserve	Retained earnings	<b>Total equity</b>
<b>Balance at Jan 1, 2023</b>	<b>348</b>	<b>3,662</b>	<b>132</b>	<b>364</b>	<b>4,506</b>
Total comprehensive income for the period	-	-	65	-166	-101
Share issue	6	162	-	-	168
Dividend	-	-20	-	-169	-189
<b>Balance at Sep 30, 2023</b>	<b>354</b>	<b>3,804</b>	<b>197</b>	<b>29</b>	<b>4,384</b>
Total comprehensive income for the period	-	-	-143	-94	-237
Dividend	-	-1,483	-	169	-1,314
<b>Balance at 31 dec, 2023</b>	<b>354</b>	<b>2,321</b>	<b>54</b>	<b>104</b>	<b>2,833</b>
<b>Balance at Jan 1, 2024</b>	<b>354</b>	<b>2,321</b>	<b>54</b>	<b>104</b>	<b>2,833</b>
Profit or loss for the period	-	-	-	-25	-25
Other comprehensive income	-	-	-55	-	-55
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-55</b>	<b>-25</b>	<b>-80</b>
Share issue	19	483	-	-	502
Dividend*	-	-10	-	-12	-22
<b>Balance at Sep 30, 2024</b>	<b>373</b>	<b>2,794</b>	<b>-1</b>	<b>67</b>	<b>3,233</b>

\*) EUR 22 million for class D ordinary shares

Equity is attributable to the Parent Company's shareholders.



## consolidated statement of cash flows

EUR million	2024 Jan-Sep 9 months	2023 Jan-Sep 9 months	2024 Jul-Sep 3 months	2023 Jul-Sep 3 months	2023 Jan-Dec 12 months
Net operating income	148	127	51	45	173
Central administrative expenses	-11	-14	-4	-4	-17
Interest paid	-50	-65	-10	-22	-71
Interest received	5	32	3	9	51
Tax paid	-1	-2	-1	-	-3
<b>Cash flow before changes in working capital</b>	<b>91</b>	<b>78</b>	<b>39</b>	<b>28</b>	<b>133</b>
Change in current assets	-9	-	-	-	8
Change in current liabilities	3	10	-	-28	6
<b>Cash flow from operating activities</b>	<b>85</b>	<b>88</b>	<b>39</b>	<b>-</b>	<b>147</b>
Investment in properties	-116	-142	-37	-51	-194
Acquisition of properties*	-70	2	-	2	2
Acquisition of financial assets	-	-140	-	-	-140
Acquisition of other assets	-1	-2	-	-1	-2
Sale of properties	13	1	10	-	5
Sale of financial assets	188	346	188	218	1,939
<b>Cash flow from investing activities</b>	<b>14</b>	<b>65</b>	<b>161</b>	<b>168</b>	<b>1,610</b>
Share issue	502	168	-	-	168
Loans raised	126	240	60	24	296
Repayment of loans	-627	-590	-125	-355	-923
Cash from derivatives	-3	100	5	17	61
Amortization leasing	-1	-1	-	-	-2
Dividend A-shares	-	-167	-	-	-1,481
Dividend D-shares	-17	-17	-6	-6	-22
<b>Cash flow from financing activities</b>	<b>-20</b>	<b>-267</b>	<b>-66</b>	<b>-320</b>	<b>-1,903</b>
<b>Cash flow for the period</b>	<b>79</b>	<b>-114</b>	<b>134</b>	<b>-152</b>	<b>-146</b>
Cash and cash equivalents at beginning of the period	74	217	20	248	217
Exchange differences in cash and cash equivalents	1	4	-	11	3
<b>Cash and cash equivalents at end of the period</b>	<b>154</b>	<b>107</b>	<b>154</b>	<b>107</b>	<b>74</b>

\*) EUR -67 million for acquisition of one property and EUR -3 million pre-payment for one property

## segment reporting

### net operating income Jan–Sep 2024

EUR million	Rental income	Operating expenses	Maintenance	Net operating income
London	35	-8	-2	25
Paris	12	-7	-	5
<b>Europe</b>	<b>47</b>	<b>-15</b>	<b>-2</b>	<b>30</b>
New York	39	-17	-3	19
Washington D.C.	53	-20	-4	29
Boston	30	-10	-2	18
Austin	11	-5	-1	5
<b>US</b>	<b>133</b>	<b>-52</b>	<b>-10</b>	<b>71</b>
Toronto	43	-16	-3	24
Montreal	40	-15	-3	22
Ottawa*	1	-	-	1
Quebec City*	1	-1	-	-
<b>Canada</b>	<b>85</b>	<b>-32</b>	<b>-6</b>	<b>47</b>
<b>Total</b>	<b>265</b>	<b>-99</b>	<b>-18</b>	<b>148</b>

\*) Akelius owns one property in each city

### net operating income Jan–Sep 2023

EUR million	Rental income	Operating expenses	Maintenance	Net operating income
London	29	-7	-2	20
Paris	12	-7	-1	4
<b>Europe</b>	<b>41</b>	<b>-14</b>	<b>-3</b>	<b>24</b>
New York	37	-17	-3	17
Washington D.C.	51	-21	-4	26
Boston	27	-10	-2	15
Austin	12	-6	-1	5
<b>US</b>	<b>127</b>	<b>-54</b>	<b>-10</b>	<b>63</b>
Toronto	41	-17	-2	22
Montreal	36	-15	-3	18
Ottawa*	1	-1	-	-
Quebec City*	1	-1	-	-
<b>Canada</b>	<b>79</b>	<b>-34</b>	<b>-5</b>	<b>40</b>
<b>Total</b>	<b>247</b>	<b>-102</b>	<b>-18</b>	<b>127</b>

\*) Akelius owns one property in each city

## segment reporting

### total property return Jan–Sep 2024

EUR million	Net operating income	Realized and unrealized revaluation	Total property return	Total property return, percent	Net operating income margin, percent	Property fair value
London	25	-8	17	2.4	70.6	995
Paris	5	3	8	2.5	42.1	429
<b>Europe</b>	<b>30</b>	<b>-5</b>	<b>25</b>	<b>2.4</b>	<b>63.2</b>	<b>1,424</b>
New York	19	-11	8	1.6	48.4	631
Washington D.C.	29	-12	17	2.7	54.3	830
Boston	18	-16	2	0.4	61.2	574
Austin	5	-16	-11	-8.9	43.1	150
<b>US</b>	<b>71</b>	<b>-55</b>	<b>16</b>	<b>0.9</b>	<b>53.2</b>	<b>2,185</b>
Toronto	24	-67	-43	-5.1	55.0	1,022
Montreal	22	4	26	3.8	56.4	1,002
Ottawa	1	1	2	11.9	56.8	20
Quebec City	-	1	1	9.1	46.1	21
<b>Canada</b>	<b>47</b>	<b>-61</b>	<b>-14</b>	<b>-0.9</b>	<b>55.6</b>	<b>2,065</b>
<b>Total</b>	<b>148</b>	<b>-121</b>	<b>27</b>	<b>0.6</b>	<b>55.7</b>	<b>5,674</b>

### total property return Jan–Sep 2023

EUR million	Net operating income	Realized and unrealized revaluation	Total property return	Total property return, percent	Net operating income margin, percent	Property fair value
London	20	-28	-8	-1.1	66.4	968
Paris	4	-28	-24	-6.9	31.0	449
<b>Europe</b>	<b>24</b>	<b>-56</b>	<b>-32</b>	<b>-3.1</b>	<b>56.3</b>	<b>1,417</b>
New York	17	16	33	6.3	45.2	730
Washington D.C.	26	-68	-42	-5.8	50.3	945
Boston	15	-36	-21	-4.0	58.3	650
Austin	5	-23	-18	-11.8	43.2	181
<b>US</b>	<b>63</b>	<b>-111</b>	<b>-48</b>	<b>-2.5</b>	<b>49.8</b>	<b>2,506</b>
Toronto	22	-43	-21	-2.4	52.7	1,148
Montreal	18	-79	-61	-7.8	49.4	984
Ottawa	-	-	-	2.3	49.7	20
Quebec City	-	-	-	0.9	40.6	21
<b>Canada</b>	<b>40</b>	<b>-122</b>	<b>-82</b>	<b>-4.8</b>	<b>51.0</b>	<b>2,173</b>
<b>Total</b>	<b>127</b>	<b>-289</b>	<b>-162</b>	<b>-3.5</b>	<b>51.3</b>	<b>6,096</b>

## key figures

	Sep 30 2024	Dec 31 2023	Dec 31 2022	Dec 31 2021	Dec 31 2020
<b>Risk capital</b>					
Equity, EUR million	3,233	2,833	4,506	7,049	5,374
Equity ratio, percent	49	42	50	57	43
Equity and hybrid capital ratio, percent	54	47	57	64	51
Return on equity, percent	-3	-8	-8	52	0
Net asset value, EUR million	3,256	2,863	4,433	7,087	6,324
<b>Net operating income*</b>					
Rental income, EUR million	265	333	303	212	190
Growth in rental income, percent	7.4	10.0	42.9	12.1	0.4
Like-for-like growth in rental income, percent	7.2	10.8	11.9	1.5	3.5
Net operating income, EUR million	148	173	148	99	91
Growth in net operating income, percent	16.7	16.7	49.6	8.6	5.4
Like-for-like growth in net operating income, percent	16.2	18.0	18.9	-2.1	9.7
Net operating income margin, percent	55.7	51.9	48.9	46.8	48.2
<b>Financing</b>					
Loan-to-value, percent	35	42	16	0	39
Unencumbered asset ratio	2.33	1.97	2.50	3.76	1.89
Interest coverage ratio, 12 months	5.2	21.7	8.8	63.2	3.3
Interest coverage ratio excluding realized value growth, 12 months	5.4	22.0	9.6	2.8	2.5
Average interest rate, percent	1.12	1.38	1.20	1.51	1.95
Fixed interest term, years	3.9	4.1	5.1	5.4	5.0
Debt maturities, years	2.9	3.1	4.0	4.5	5.7
<b>Properties</b>					
Number of apartments	19,926	19,652	19,545	17,770	44,443
Rentable area, thousand sqm	1,246	1,233	1,234	1,115	2,986
Rent potential, percent	21	21	22	25	24
Real vacancy rate, residential, percent	1.4	1.3	2.0	2.6	1.7
Vacancy rate, residential, percent	4.9	5.9	8.1	12.5	7.5
Turnover of tenants, percent	22	23	25	27	16
Fair value, EUR per sqm	4,551	4,613	5,001	5,399	4,066
In-place rent, all unit types, EUR million	354	337	317	258	473
Capitalization rate, percent	4.92	4.74	4.20	3.99	3.28
Like-for-like change in capitalization rate, percentage points	0.13	0.55	0.21	-0.16	-0.38
Opening balance fair value, EUR million	5,686	6,173	6,020	12,139	11,964
Change in fair value, EUR million	-121	-582	-592	1,719	34
Investments, EUR million	115	194	205	360	381
Purchases, EUR million	67	-	457	588	172
Sales, EUR million	-13	-5	-11	-9,138	-185
Exchange differences, EUR million	-60	-94	94	352	-227
Closing balance fair value, EUR million	5,674	5,686	6,173	6,020	12,139

\*) 2020 has been recalculated due to discontinued operations in 2021

## condensed income statement for the Parent Company

EUR million	2024 Jan-Sep 9 months	2023 Jan-Sep 9 months	2024 Jul-Sep 3 months	2023 Jul-Sep 3 months	2023 Jan-Dec 12 months
Central administrative expenses	-2	-3	-	-1	-4
<b>Operating profit or loss</b>	<b>-2</b>	<b>-3</b>	<b>-</b>	<b>-1</b>	<b>-4</b>
Result from shares in subsidiaries	17	-21	-	-98	-357
Financial income	121	285	20	130	280
Financial expenses	-90	-66	-63	22	-107
Change in fair value of financial assets	28	56	109	58	264
Change in fair value of derivatives	26	-35	-22	-41	-67
<b>Profit or loss before appropriations</b>	<b>100</b>	<b>216</b>	<b>44</b>	<b>70</b>	<b>9</b>
Appropriations	-	-	-	-	7
<b>Profit or loss before tax</b>	<b>100</b>	<b>216</b>	<b>44</b>	<b>70</b>	<b>16</b>
Tax	-17	-47	14	-20	-29
<b>Profit or loss</b>	<b>83</b>	<b>169</b>	<b>58</b>	<b>50</b>	<b>-13</b>

The Parent Company has no items in other comprehensive income.



## condensed balance sheet for the Parent Company

EUR million	Sep 30 2024	Sep 30 2023	Dec 31 2023
<b>Assets</b>			
Shares in Group companies	5,100	3,158	3,116
Receivables from Group companies	428	2,688	2,321
Financial assets	680	1,760	855
Derivatives	29	82	44
Deferred income tax assets	2	-	18
<b>Total non-current assets</b>	<b>6,239</b>	<b>7,688</b>	<b>6,354</b>
Receivables from Group companies	6	11	10
Financial assets	-	451	-
Derivatives	3	3	8
Prepaid expenses and accrued income from Group companies	9	22	-
Other assets	2	13	2
Cash and cash equivalents	133	88	56
<b>Total current assets</b>	<b>153</b>	<b>588</b>	<b>76</b>
<b>Total assets</b>	<b>6,392</b>	<b>8,276</b>	<b>6,430</b>
<b>Equity and liabilities</b>			
Restricted equity	376	357	357
Non-restricted equity	2,852	3,804	2,308
<b>Total equity</b>	<b>3,228</b>	<b>4,161</b>	<b>2,665</b>
Interest-bearing liabilities	334	1,462	1,386
Interest-bearing liabilities from Group companies	1,626	1,718	1,695
Derivatives	2	15	11
Provisions	1	1	1
<b>Total non-current liabilities</b>	<b>1,963</b>	<b>3,196</b>	<b>3,093</b>
Interest-bearing liabilities	1,147	775	577
Interest-bearing liabilities from Group companies	4	53	2
Derivatives	9	42	45
Other liabilities	28	35	32
Other liabilities from Group companies	13	14	16
<b>Total current liabilities</b>	<b>1,201</b>	<b>919</b>	<b>672</b>
<b>Total equity and liabilities</b>	<b>6,392</b>	<b>8,276</b>	<b>6,430</b>

## alternative performance measures

Calculation of alternative key figures using guidelines published by the European Securities and Markets Authority.

### net asset value and loan-to-value ratio

EUR million	Sep 30 2024	Sep 30 2023	Dec 31 2023
Equity	3,233	4,384	2,833
Deferred tax*	44	45	26
Derivatives	-21	-28	4
<b>Net asset value</b>	<b>3,256</b>	<b>4,401</b>	<b>2,863</b>
Total interest-bearing liabilities	3,203	3,968	3,688
Hybrid bonds	-334	-335	-334
Cash and cash equivalents	-154	-107	-74
Financial assets	-680	-2,211	-855
<b>Net debt</b>	<b>2,035</b>	<b>1,315</b>	<b>2,425</b>
Total assets	6,599	8,564	6,732
Cash and cash equivalents	-154	-107	-74
Financial assets	-680	-2,211	-855
<b>Net assets</b>	<b>5,765</b>	<b>6,246</b>	<b>5,803</b>
<b>Loan-to-value ratio, percent</b>	<b>35</b>	<b>21</b>	<b>42</b>

\*) including deferred tax assets reported as assets held for sale

### average interest rate

EUR million	Sep 30 2024	Sep 30 2023	Dec 31 2023
Interest-bearing liabilities excluding hybrid bonds	2,869	3,633	3,354
Interest cost based on interest at end of period	32	57	46
<b>Average interest rate</b>	<b>1.12</b>	<b>1.57</b>	<b>1.38</b>

### liquidity

EUR million	Sep 30 2024	Sep 30 2023	Dec 31 2023
Cash and cash equivalents	154	107	74
Unutilized credit facilities	46	53	47
Financial assets	680	2,211	855
<b>Liquidity</b>	<b>880</b>	<b>2,371</b>	<b>976</b>

## alternative performance measures

### unencumbered asset ratio

EUR million	Sep 30 2024	Sep 30 2023	Dec 31 2023
Unencumbered properties	5,326	5,544	5,232
Right-of-use-assets	5	6	6
Tangible fixed assets	4	5	4
Deferred tax assets*	5	2	22
Financial assets	680	2,211	855
Receivables and other assets	44	52	33
Derivatives	32	85	52
<b>Unencumbered assets</b>	<b>6,096</b>	<b>7,905</b>	<b>6,204</b>
Unsecured loans	2,766	3,495	3,221
Cash and cash equivalents	-154	-107	-74
<b>Net unsecured senior debt</b>	<b>2,612</b>	<b>3,388</b>	<b>3,147</b>
<b>Unencumbered asset ratio</b>	<b>2.33</b>	<b>2.33</b>	<b>1.97</b>

\*) including deferred tax assets reported as assets held for sale

### equity

EUR million	Sep 30 2024	Sep 30 2023	Dec 31 2023
Comprehensive income for the period	-80	-101	-338
Opening balance equity	2,833	4,506	4,506
<b>Return on equity, percent</b>	<b>-3</b>	<b>-2</b>	<b>-8</b>
Equity	3,233	4,384	2,833
Hybrid capital	334	335	334
<b>Equity and hybrid capital</b>	<b>3,567</b>	<b>4,719</b>	<b>3,167</b>
<b>Total assets</b>	<b>6,599</b>	<b>8,564</b>	<b>6,732</b>
<b>Equity ratio, percent</b>	<b>49</b>	<b>51</b>	<b>42</b>
<b>Equity and hybrid capital ratio, percent</b>	<b>54</b>	<b>55</b>	<b>47</b>

### development of EBITDA

EUR million	Sep 2023- Sep 2024
<b>EBITDA, Sep 30, 2023</b>	<b>113</b>
Like-for-like rental income	18
Like-for-like property costs	3
<b>Like-for-like net operating income</b>	<b>21</b>
Purchase and sales rental income	1
<b>Purchase and sales net operating income</b>	<b>1</b>
Exchange differences	-1
Central administrative expenses	3
<b>EBITDA, Sep 30, 2024</b>	<b>137</b>

## alternative performance measures

### rental income and net operating income growth for like-for-like properties

EUR million	2024 Jan-Sep	2023 Jan-Sep	Growth, percent
Rental income	265	247	7.4
Purchases and sales	-1	-	
Service income	-4	-4	
Exchange differences	-	-1	
<b>Like-for-like rental income</b>	<b>260</b>	<b>242</b>	<b>7.2</b>
Net operating income	148	127	16.7
Purchases and sales	-1	-	
<b>Like-for-like net operating income</b>	<b>147</b>	<b>127</b>	<b>16.2</b>

### realized value growth

EUR million	2024 Jan-Sep	2023 Jan-Sep	2023 Jan-Dec
Proceeds from the sale of properties	13	1	5
Acquisition costs	-14	-1	-5
Accumulated investments	-6	-1	-2
<b>Realized value growth</b>	<b>-7</b>	<b>-1</b>	<b>-2</b>

## other information

### basis of presentation

The Akelius Residential Property Group's interim report has been prepared in accordance with IAS 34, Interim Financial Reporting and the Swedish Annual Accounts Act.

The financial statements of the Parent Company, Akelius Residential Property AB (publ), corporate identity number 556156-0383, have been prepared in accordance with the Swedish Annual Accounts Act and the accounting standard RFR 2, Accounting for Legal Entities.

Disclosures in accordance with IAS 34, Interim Financial Reporting are submitted both in notes and in other sections of the interim report.

The figures in this interim report have been rounded, while the calculations have been made without rounding.

As a result, certain tables and key figures may appear not to add up correctly.

### risks and uncertainties

The Group is impacted by various types of risks.

Operational risks are limited by concentrating the property portfolio to residential properties in metropolitan areas. Strong residential rental markets in Akelius' cities reduce the risk of long-term vacancies on aggregated level.

To reduce risk or variations in cash flow further, interest rates are secured on a long-term basis.

Access to capital from a large number of banks, through the capital market, and the financial guarantee from Akelius Apartments Ltd mitigates the refinancing risk.

Akelius' currency risk is mitigated by interest-bearing debt in the same currencies as the properties that Akelius holds or intends to hold.

Akelius also uses derivatives to obtain a desired currency position.

The Group is impacted by external risks, for example, new rent regulations, climate risks, pandemics, and war.

These risk areas can impact on the business negatively both in the long- and short-term.

### accounting principles

Accounting principles can be found in Akelius annual report 2023.

#### **new and amended IFRS standards adopted by the EU applied as at January 1, 2024**

New and amended IFRS standards that came into effect after January 1, 2024, have not had any material impact on the Group's financial reports.

### Parent Company

During the second quarter an issue of class A ordinary shares took place.

The Parent Company issued 330,000,000 common shares at a subscription price of EUR 1.52 per share, totaling EUR 502 million.

The Annual General Meeting decided to pay dividend to an amount of maximum EUR 0.10 per class D ordinary share, totaling EUR 22 million.

Dividend shall be divided into four payments of EUR 0.025 per class D ordinary share at the respective dividend payment date. The record dates were resolved to be on 2024-05-03, 2024-08-05, 2024-11-05, and 2025-02-05.

Financial income mainly includes interest income.

Financial expenses mainly include interest expenses and financial exchange differences.

The profit or loss before tax was EUR 100 million (216).

## other information

### cash flow

Operating cash flow before change in working capital was EUR 91 million (78).

Cash flow from investing activities was EUR 14 million (65).

On average, upgrades can be stopped within a three-month period.

Cash flow from financing activities was EUR -20 million (-267).

### third quarter

Rental income was EUR 89 million (84).

Property expenses totaled EUR 39 million (39).

Net operating income was EUR 50 million (45).

Revaluation of properties impacted the net income with EUR -101 million (-193).

Net financial items totaled EUR 78 million (85).

Profit or loss before tax amounted to EUR 26 million (-68).

Cash flow amounted to EUR 134 million (-152).

Cash flow generated from operations amounted to EUR 39 million (-).

Net cash from investing activities amounted to EUR 161 million (168).

Financing activities impacted the cash flow with EUR -66 million (-320).

### related party transactions

Akelius Residential Property AB (publ) sold 14,800,000 of its shares in Castellum AB to Akelius Apartments Ltd during the quarter.

Sales price was SEK 145 per share, totaling EUR 188 million.

The transaction was done at arm's length. Proceeds will be used to repay maturing debt.

In December 2023, Akelius Apartments Ltd issued a financial guarantee of EUR 1,117 million to Akelius Residential Property AB (publ).

An equity contribution of EUR 502 million was obtained from the owners through a share issue, of which EUR 426 million was connected to the financial guarantee.

Akelius Apartments Ltd has upsized the guaranteed amount during the second quarter.

At the end of the period, the available amount under the guarantee is EUR 1,900 million.

Net administration costs to related parties amounted to EUR 2 million (4).

This is reported as central administrative expenses in the income statement.

Net debt to related parties was EUR 27 million (1).

Interest expenses on loans amounted to EUR 2 million (-).

All transactions are carried out on market terms.

The circle of related parties has not changed significantly since the annual report 2023.

### significant events after the reporting period

No significant events occurred after the reporting period.

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Ralf Spann  
CEO and Board member

Stockholm, October 25, 2024  
Akelius Residential Property AB (publ)

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



## definitions

### adjusted EBITDA

*EBITDA* plus other financial income and expenses.  
Shows the results excluding interest expenses and changes in the value of assets and liabilities.

### annual property return

*Net operating income* plus unrealized and realized changes in the value of properties on an annual basis in relation to the fair value of the properties at the beginning of the year.  
Illustrates the total return on the *property portfolio*.

### average interest rate

Average interest rate on the total interest-bearing liabilities, excluding hybrid bonds, at the period end.  
This key figure shows financial risk.

### capitalization rate

The rate of return used in assessing the terminal value of property in fair value assessment.

### cash sources

Cash sources include *liquidity*, contracted sales, profit or loss before tax, revaluation, and financial guarantees from related parties.

### cash uses

Cash uses include investments, contracted purchases, and short-term loans.

### debt coverage capacity

*Net debt* in relation to *EBITDA*.  
*Net debt* in relation to *EBITDA* including realized change in value.  
Shows the number of years it takes for the company to pay off its debt with current earnings.

### debt maturities, years

Volume-weighted remaining term of interest-bearing loans and derivatives on the balance sheet date.  
Illustrates the company's refinancing risk.

### discontinued operations

A discontinued operation is a component of an entity that either has been disposed or is classified as held for sale and represents a geographical area.

### discount rate

Rate of return used in assessing the present value of future cash flow and terminal value in the fair value assessment of properties.

### earning capacity

The earning capacity is based on the *property portfolio* at the balance sheet date and the portfolio's gross rent, *real vacancy*, estimated operating expenses, maintenance costs, and central administrative expenses during a normal year.  
Net interest is based on the interest rate for net debt and investments at the balance sheet date.

The exchange rate at closing balance is used.

No tax has been calculated as it mainly relates to deferred tax that does not affect the cash flow.

Earning capacity is not a forecast for the coming twelve months.

It contains no estimates of rent, *vacancy*, currency exchange, future property purchases and sales, or interest rate changes.

### EBITDA

*Net operating income* plus central administrative expenses, and other income and expenses.  
Facilitates the analysis of current operating profit.

### equity ratio

Equity in relation to total assets.  
Highlights the company's financial stability.

### financial assets

Holdings in listed debt securities and equity securities with assessed high creditworthiness.  
Included in the calculation of *liquidity*.

### income return

*Net operating income* on an annual basis in relation to the fair value of properties at the beginning of the year.  
Measures the yield on the *property portfolio*.

## definitions

### **injury rate**

Refers to the frequency of injuries, relative to the total time of 100,000 hours worked.

### **in-place rent**

Contracted rent excluding rental discounts and temporary charges.

### **interest coverage ratio**

*Adjusted EBITDA plus realized value growth* for the latest rolling 12-month period in relation to *net interest expenses* for the latest rolling 12-month period. Illustrates the company's sensitivity to interest rate changes.

### **interest rate hedge**

Volume-weighted remaining term of interest rates on interest-bearing loans and derivatives at the balance sheet date. Illustrates the company's sensitivity to interest rate changes.

### **liquidity**

The liquidity reserve consists of cash and cash equivalents, unutilized credit facilities, and *financial assets* that can be liquidized within three working days.

### **like-for-like properties**

Properties owned during comparing periods. Properties acquired or sold during any of the comparing periods are excluded. Facilitates the analysis and comparison between different periods as properties not included in all periods are excluded.

### **loan-to-value ratio**

*Net debt* divided by *net assets*. The key figure shows financial risk.

### **lost day rate**

Refers to the impact of occupational accidents and diseases relative to the total time of 100,000 hours worked.

### **net asset**

Total assets minus pledged cash, cash and cash equivalents, and financial assets. Used to illustrate the company's net assets.

### **net asset value**

Equity, deferred tax, and derivatives. Used to highlight the company's long-term capital that is not interest-bearing.

### **net debt**

Interest-bearing liabilities excluding leasing, less subordinated debt, cash and cash equivalents, pledge cash assets, and financial assets.

Used to facilitate analysis of the company's real indebtedness.

### **net interest expenses**

Total interest expenses, including net interest of interest derivatives, less interest in subordinated debt, one-off financing charges and other income payable on cash and cash equivalents, and *financial assets*. Used to facilitate analysis of the company's interest results.

### **net letting**

The sum of agreed contracted annual rents for new lettings for the period less terminated annual rents. Demonstrates the effect of the vacancy development illustrated in annual rent.

### **net operating income**

*Rental income less property costs*. Highlights the ongoing earning capacity from property management.

### **net operating income margin**

*Net operating income* in relation to *rental income*. Highlights the ongoing earning capacity from property management.

### **other financial income and expenses**

This item includes change in the fair value of derivatives, change in fair value of hybrid bonds, dividend from external shares, currency effects on external loans, and administrative finance cost.

### **other income and expenses**

Items from secondary activities such as gains on disposals of fixed assets other than investment properties, income and expenses from temporary services rendered after the sale of properties. Summarizes income and expenses from business operations ancillary to the main business operations.

### **property costs**

Includes direct property costs, such as operating expenses, utility expenses, maintenance costs, and property taxes.

## definitions

### **property portfolio**

Investment properties, owner-occupied properties, and investment properties classified as assets held for sale.

### **realized value growth**

Proceeds from sale of investment properties minus acquisition costs, accumulated investments and costs of sale.

This item demonstrates the actual result of sales measured from the acquisition to sale.

### **real vacancy rate**

Total number of vacant apartments less number of vacant apartments due to renovation work or planned sales, in relation to the total number of apartments.

Real vacancy is measured on the first day after the period end.

This rate facilitates the analysis of long-term vacancy for the company.

### **renewed and renegotiated rental contracts**

All changes in rental levels for remaining tenants.

Highlights changes in contracts with existing customers.

### **rent potential**

New lease level per area in the last 12 months divided by the rent per area on the last day of the period for all occupied apartments.

### **rental income**

*Rental value* less vacancies and rent discounts.

### **rental value**

12 months' rent for apartments, including market rent for vacant apartments.

### **return on equity**

Comprehensive income divided by opening balance equity.

Shows the return offered on the owners' invested capital.

### **sales and ended units**

Sales or split of an apartment where one apartment object is ended, and two new ones are created.

### **unencumbered asset ratio**

Unencumbered assets divided by unsecured loans minus subordinated debt, cash and cash equivalents.

Used to assess unencumbered assets in relation to unsecured senior interest-bearing debt.

### **vacancy rate**

Number of vacant apartments in relation to total number of apartments.

Vacancy rate is measured on the first day after the period end.

### **value growth**

Changes in value of investments properties excluding investment and currency changes. Demonstrates value changes of properties adjusted for currency effects and capital spent.

### **walk score**

Rating from 0 to 100 for how easy it is to carry out daily errands without a car, where 100 is the best.

Walk score is provided by Walkscore.com and is disclosed to rate the location of the properties.

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# Akelius in brief

## apartments for metropolitans

Akelius' apartments are located in metropolitan cities, such as Paris, London, Toronto, Montreal, Ottawa, Quebec City, New York, Boston, Washington D.C., and Austin.

## *better living*

Akelius restores and upgrades existing properties with a long-term perspective.

Akelius continuously improves the quality of the properties to provide families and individuals with *a better living*.

## acquire via cherry-picking

Akelius prefers to make many smaller acquisitions by cherry-picking properties that are exactly right, rather than a few large portfolio acquisitions with partial right properties.

## strong capital structure, low refinancing risk

Akelius' well diversified capital market activities include listed senior unsecured bonds in various currencies, hybrid bonds, and listed ordinary shares of class D. The D-shares are publicly traded on Nasdaq First North Growth Market Stockholm with ownership spread across nine thousand shareholders.

## sustainability is part of all decisions

One of Akelius' main sustainability goals is to align with climate neutrality on reduction of carbon emissions in scope 1, 2, and 3 by the end of 2050.

Akelius' main priorities include promoting a green portfolio, a safe environment for employees and tenants, and using ethical business practices.

## calendar

year-end report 2024

February 7, 2025

annual report 2024

March 14, 2025