



Press release

February 20, 2025

Nyfosa Year-End Report January–December 2024

JANUARY–DECEMBER 2024

- Income increased 3 percent to MSEK 3,670 (3,553).
- Net operating income increased 4 percent to MSEK 2,541 (2,445).
- Profit from property management amounted to MSEK 1,350 (1,239). Profit from property management per share amounted to SEK 6.41 (6.15), up 4 percent.
- Operating cash flow amounted to MSEK 1,345 (1,215). Operating cash flow per share amounted to SEK 6.67 (6.36), up 5 percent.
- Changes in values of properties amounted to MSEK –936 (–1,352).
- Changes in value of financial instruments amounted to MSEK –146 (–320).
- Profit for the year amounted to MSEK 112 (–639). Earnings per share, less interest on hybrid bonds, amounted to SEK 0.28 after dilution (–3.67).
- The Board proposes that the Annual General Meeting resolve on a dividend of SEK 2.80 per share (–) with quarterly payments of SEK 0.70 per share, corresponding to MSEK 583. The dividend proposal is in accordance with the company's dividend policy.

OCTOBER–DECEMBER 2024

- Income increased 5 percent to MSEK 926 (882).
- Net operating income increased 4 percent to MSEK 655 (632).
- Profit from property management amounted to MSEK 395 (293). Profit from property management per share amounted to SEK 1.84 (1.45), up 27 percent.
- Operating cash flow amounted to MSEK 464 (247). Operating cash flow per share amounted to SEK 2.23 (1.29), up 73 percent.
- Changes in values of properties amounted to MSEK –275 (–598).
- Changes in value of financial instruments amounted to MSEK 153 (–274).
- Profit for the quarter amounted to MSEK 266 (–688). Earnings per share, less interest on hybrid bonds, amounted to SEK 1.22 after dilution (–3.69).

FORECAST

- For 2025, profit from property management based on the current property portfolio, announced acquisitions, divestments and exchange rates is forecast to amount to MSEK 1,400 after interest on hybrid bonds.

SIGNIFICANT EVENTS DURING THE YEAR

- In May, a directed share issue of 17 million ordinary shares was completed, which raised approximately SEK 1.7 billion for the company. The share issue took place on the basis of the authorization from the Annual General Meeting held on April 23, 2024.
- In September, the remaining 50 percent of the shares in Nyfosa's Norwegian joint venture Samfosa AS was acquired. The wholly owned subsidiary forms a segment under the name Bratsberg.
- In September, senior unsecured green bonds of MSEK 500 were issued, with maturity in January 2028.
- In September, bonds of a nominal MSEK 314 were repurchased.

- In October, early redemption of bonds of a nominal MSEK 418 took place.
- In October, an agreement was signed to divest six office properties in Luleå and Gävle at a selling price of MSEK 930. Closing took place on November 15, 2024.
- In November, Nyfosa Board member Jens Engwall informed the Nomination Committee that he will not be available for re-election at the 2025 Annual General Meeting.

SIGNIFICANT EVENTS AFTER THE BALANCE-SHEET DATE

- In January, Carl-Johan Hugner assumed the position of CEO of Nyfosa. He succeeded Stina Lindh Hök who left Nyfosa after serving as CEO for four years.
- In February, the minority stake in Kielo was acquired and Nyfosa took over the organization of the Finnish operations.

COMMENTS FROM THE CEO

Nyfosa summarizes 2024 – a year of consolidation. In addition to acquiring the remaining shares in the Norwegian joint venture Samfosa, the property portfolio was streamlined by making a number of strategic divestments during the year. Focused efforts were also carried out with the aim of strengthening Nyfosa’s financial position. This work has generated results, and despite a cautious economy and a challenging leasing market in 2024, we can present full-year earnings with growth in both profit from property management and operating cash flow per share. In the fourth quarter, profit from property management per share increased 27 percent compared with the year-earlier period. Challenges in leasing are continuing, although we are seeing some improvement in activity and response in several of our submarkets. Overall, Nyfosa has a solid starting position entering 2025. The Board proposes a dividend of SEK 2.80 per share. The proposal is in accordance with the company’s dividend policy.

Transactions

Nyfosa carried out a number of transactions during the year that were important from a strategic perspective. With the acquisition of the remaining shares in the company’s Norwegian joint venture, we now have a portfolio of cash-flow generating properties in the Grenland region south of Oslo for a value of SEK 1.4 billion through the subsidiary Bratsberg. In addition, properties were acquired in smaller transactions in Tampere and Värnamo. In parallel, properties for a value of SEK 1.4 billion were divested, releasing capital for new investments to strengthen Nyfosa’s cash flow.

After the end of the year, Nyfosa signed an agreement to acquire the minority stake of 1.04 percent of the shares in our Finnish subsidiary Kielo from Brunswick Real Estate, which we established operations with in Finland in 2021. We are now taking the next step in the development of Kielo, which in a short space of time has built up a diversified and high-yielding property portfolio of SEK 8.3 billion, with an emphasis on university and regional cities in the southern part of the country. As part of the transaction, the organization that built the company, including senior management, will also join Kielo and the Nyfosa Group.

With wholly owned operations in both Norway and Finland, we have created greater scope for Nyfosa to maneuver in these markets, which we believe will benefit the company in each respective geography.

Property management

Net operating income rose 4 percent during the year, and 5 percent in the like-for-like portfolio. The surplus ratio increased compared to 2023 and amounted to 69.2 percent. The property management organization worked hard on leasing during the year in a market clearly impacted by a weaker economy. We can now see some signs of higher demand for premises. By leveraging close relationships with our tenants and creativity, commitment and methodical processes in our regions, we see the potential for a stable trend in property management moving forward.

Financing

In 2024, Nyfosa worked focused on improving the company’s financial position. A new share issue of SEK 1.7 billion was conducted in May, to achieve a more flexible and balanced capital structure and

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thereby creating readiness for new investment opportunities. In order to reduce financing costs, we conducted, for example, refinancing of bank loans, issuance of green bonds and redemption of existing bonds. At the same time, the lower policy rate had a further impact. The company's loan-to-value ratio fell two percentage points to 50.7 percent in the fourth quarter and the interest-coverage ratio for the full-year increased to a multiple of 2.2.

Forecast

For 2025, profit from property management based on the current property portfolio, announced acquisitions and divestments, and exchange rates, is forecast to amount to SEK 1.4 billion after interest on hybrid bonds.

Nyfosa has a genuinely opportunistic business model that creates business opportunities. However, this sets high demands on our organization, especially in a turbulent and rapidly changing world. As I have traveled around to learn about the business during my first few weeks at Nyfosa, I've been delighted to meet talented and courageous employees who actively and with a great sense of dedication help drive the company forward. Nyfosa stands strong ahead of 2025 and is well positioned to capitalize on opportunities in a transaction market that is slowly thawing. I am very much looking forward to working with my new colleagues to further develop Nyfosa based on the company's successful direction. We will continue to be active, innovative and bold in our efforts to make Nyfosa an even better and more profitable company.

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The information is inside information that Nyfosa AB is obligated to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication through the agency of the aforementioned contact persons on February 20, 2025 at 6.00 p.m. CET.

About Nyfosa

Nyfosa is a transaction-intensive property company that creates value by building sustainable cash flows and constantly evaluating new business opportunities. With our opportunistic strategy, we invest in properties in different geographies and categories. We are currently active on the Swedish and Finnish markets with a focus on commercial properties in high-growth municipalities. We manage and develop our properties in close collaboration with tenants and the surrounding community, with the perspective that sustainability and profitability go hand in hand. As of December 31, 2024, Nyfosa's property value amounted to SEK 39.4 billion. Nyfosa's share has been listed on Nasdaq Stockholm Large Cap since 2018. Read more at www.nyfosa.se.

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