

Q4 | Year-end report 2024

October–December

- Revenue for the quarter amounted to SEK 157.5 million (149.4), a year-on-year increase of 5 per cent.
- Net operating income amounted to SEK 87.9 million (76.9), up 14 per cent year-on-year.
- Income from property management amounted to SEK 31.4 million (23.9), a year-on-year increase of 31 per cent.
- Changes in the value of investment properties amounted to SEK 132.4 million (-18.0) and changes in the value of derivatives to SEK 72.7 million (-174.1).
- Earnings totalled SEK 178.9 million (-135.8), corresponding to SEK 1.37 per share (-1.04).
- The loan-to-value ratio was 51.4 per cent (52.2) on 31 December with an average interest rate of 3.3 per cent (3.5) on the balance sheet date. The company is financed solely through bank borrowing.

Significant events during the period

- KlaraBo acquired a property portfolio in Helsingborg at a property value of SEK 850 million and an estimated initial yield of more than 5 per cent for 2025. The portfolio is deemed to have favourable potential for future value creation.
- KlaraBo published a prospectus and announced the preliminary outcome of the substantially oversubscribed rights issue of SEK 391 million before issue costs.
- KlaraBo refinanced loans of approximately SEK 1,800 million at a significantly lower credit margin than its existing loans.

January–December

- Revenue amounted to SEK 630.4 million (589.7), a year-on-year increase of 7 per cent.
- Net operating income amounted to SEK 362.2 million (337.2), up 7 per cent year-on-year.
- Income from property management amounted to SEK 135.9 million (124.2), a year-on-year increase of 9 per cent.
- Changes in the value of investment properties amounted to SEK 111.0 million (-439.9) and changes in the value of derivatives to SEK 26.2 million (-139.8).
- Earnings totalled SEK 187.9 million (-381.5), corresponding to SEK 1.44 per share (-2.91).
- The net realizable value per share was SEK 33.7 (32.0).
- The Board of Directors proposes to the AGM that no dividend be paid for the 2024 financial year, in line with the company's dividend policy.

Significant events after the end of the period

- KlaraBo announced that it had signed a credit agreement of approximately SEK 500 million at the lowest credit margin in the company's history and that all financing reservations had therefore been met prior to transfer of the Helsingborg acquisition.
- Closing of the SEK 850 million acquisition in Helsingborg took place on 31 January 2025.
- After the balance sheet date, KlaraBo continued to buy back shares, thereby completing the previously announced SEK 30 million share buyback programme.
- A new decision to buy back additional shares corresponding to SEK 30 million has now been made, in accordance with the authorisation provided at the Annual General Meeting on 3 May 2024.

33.7

Long-term net realizable value per share, SEK

1.44

Earnings per share for the period, SEK

97.2

Real occupancy rate, %

32.1

Growth in profit from property management per share for the quarter, %

3.3

Average interest rate, %

KPIs: For complete key performance indicators, refer to page 23

	2024 Oct-Dec	2023 Oct-Dec	2024 Jan-Dec	2023 Jan-Dec
Profit from prop mgmt, SEK m	31,4	23,9	135,9	124,2
Profit for the period, SEK m	178,9	-135,8	187,9	-381,5
Market value per sq. m.	18 469	18 032	18 469	18 032
Surplus ratio, %	55,8	51,5	57,5	57,2
Real occupancy rate, %	97,2	97,8	97,2	97,8
Equity/assets ratio, %*	43,6	42,6	43,6	42,6
Loan-to-value ratio, %	51,4	52,2	51,4	52,2
Interest-coverage ratio, multiple	1,78	1,77	1,78	1,77
Interest-rate hedging ratio, %	80,2	79,9	80,2	79,9
Fixed-interest period, year	3,3	3,7	3,3	3,7
Profit from property management per share, SEK	0,24	0,18	1,04	0,95
Earnings per share, SEK	1,37	-1,04	1,44	-2,91
Net realizable value per share, SEK*	33,7	32,0	33,7	32,0

* Adjusted for rights issue of unsubscribed shares

Comments from the CEO: Improved market climate creates growth opportunities



Net operating income and income from property management increased 14 per cent and 31 per cent, respectively, during the quarter, driven by higher rent levels and efficient property management, improvements and continued cost control. Our assessment is that rent increases will exceed inflation in the next few years, and we can already see that the average for 2025 should be approximately 5 per cent, thereby offsetting higher cost levels. Income from property management improved significantly, with our substantial refinancing in earlier quarters taking effect and reduced market interest rates. This means that all key performance indicators improved compared with earlier figures, giving us increased financial stability.

Major acquisition and successful issue

In December, we conducted a successful rights issue in order to partially finance the acquisition of a property portfolio in Helsingborg and to enable value-creating investments in our existing portfolio. The issue was substantially oversubscribed and we noted considerable interest among our existing owners and potential investors. The property portfolio in Helsingborg consists of 740 apartments with a total lettable area of approximately 57,000 square metres. The acquisition was conducted at a square metre price of just under SEK 15,000 per square metre, with an estimated yield of more than 5 per cent, which we consider to be excellent initial values in one of Sweden's largest cities. The acquisition, which was consolidated on 31 January 2025, is in line with our overall goal to create long-term value by owning, developing and actively managing attractive residential properties in growth regions. Its strategic location and potential for improvement is a good fit with KlaraBo's growth strategy.

Property portfolio with low risk profile

During the quarter, we maintained a high real occupancy rate of 97.2 per cent, which is an indication of the success of our local and customer-oriented management strategy, which allows the offering to be adapted based on tenants' needs. During the fourth quarter, 37 apartments were renovated. While this is still a somewhat lower rate than previously, we intend to increase our renovation rate now that our financing costs are decreasing, resulting in better cost calculations. Along with the general rent increases for parts of the portfolio, the measures to raise standards contributed to an increase of 3.4 percentage points in the rental value of our residential properties during the quarter. At the same time, the acquisition of the property portfolio in Helsingborg contributes to the further diversification of our overall portfolio, and we now have four strong clusters in Helsingborg, Trelleborg, Visby and Östersund, which account for more than half of the portfolio's market value. All of these locations are considered strong growth cities with stable population increases and significant infrastructure projects, which obviously provides a sense of security.



The KlaraBo property Navaren in Helsingborg.

Improved energy performance in the property portfolio

During the quarter, we initiated a process to improve the energy performance of the property portfolio. Through improvements to the properties' energy performance, properties in energy class F or G will gradually achieve a higher classification by 2030. Properties in these energy classes currently correspond to only 14 per cent of the total property area of KlaraBo's portfolio, and the investments required to make this shift are expected to be included as part of our planned maintenance of the properties. This initiative will not only improve the residential environment for our tenants and reduce our climate impact, but are also expected to generate a return of about 10 per cent in the form of lower operating costs. The investment is part of KlaraBo's climate roadmap, with the long-term goal of achieving climate neutrality throughout the value chain by 2045.

Unchanged financial goals

KlaraBo's strategy is based on long-term and efficient property management, improvement through renovations and new construction, and supplementary acquisitions. The focus of the strategy is continuously adapted to prevailing market conditions and available opportunities. In conjunction with the annual strategy review, the financial goals of average annual growth in net realizable value of at least 15

per cent and annual growth in income from property management of at least 12 per cent per share were left unchanged. To ensure a long-term, stable financial base, additional targets were also added: the interest-coverage ratio is to exceed a multiple of 1.75, and the loan-to-value ratio is to remain under 60 per cent over time. In addition, it was clarified that while KlaraBo will eventually issue dividends, the company's immediate priority will be growth through investments in the existing portfolio as well as through acquisitions and select projects, since we foresee positive growth opportunities ahead.

Continued prioritisation of profitable growth

During 2024, we saw a gradual improvement in the market climate as a result of lower inflation and reduced interest rates, resulting in more attractive acquisition calculations to which we can bring added value through our proven business model. KlaraBo is, and aims to be, a growth company. Thanks to our geographically diversified property portfolio with significant improvement potential, one of our largest acquisitions to date, our stable financial position and a possibility to finance our operations on significantly lower terms than in the past, we are correctly positioned for continued profitable growth and increased shareholder value.

Malmö, February

Andreas Morfiadakis, CEO of KlaraBo

This is KlaraBo

KlaraBo is a real estate company that acquires, builds, owns and manages attractive residential properties. The company was formed in 2017 and operates throughout the country. The strategy is to acquire existing residential properties and land for new construction in growth regions. The company's newly constructed apartments are developed in-house and space efficient, which contributes to reasonable rents. Both apartments and buildings are designed in collaboration with the municipality to fit local needs. Using mainly sustainable building materials, the company's new construction holds a high environmental standard. KlaraBo is a long-term property owner.

The company focuses on residential properties, which comprised 88 per cent of contracted rents on 31 December. As of 31 December, KlaraBo's property portfolio had a lettable area of approximately 499,000 square metres distributed across 6,694 apartments and a number of commercial premises with contracted annual rent of about SEK 656 million. The portfolio also includes 974 apartments under project development.

Strategy

KlaraBo's overall strategy can be summarised as follows:

- Acquisitions of residential properties, preferably with the potential for renovation, in growth regions.
- Value-creating measures in existing investment properties, increasing revenue and reducing costs.
- Acquisitions of land and development rights for the new construction of housing units for long-term ownership.
- New construction of sustainable and environmentally certified, high-quality, functional, cost- and space-efficient housing units through self-developed and industrially produced KlaraBo buildings.

The focus of the strategy is adapted to market conditions and available opportunities. Currently, KlaraBo is primarily focusing on acquisitions and value-creating measures within the existing portfolio.

Dividend policy

KlaraBo will eventually issue dividends, but the immediate priority will be growth through acquisitions, along with investments in the existing portfolio and in the company's project portfolio.

Overall goal

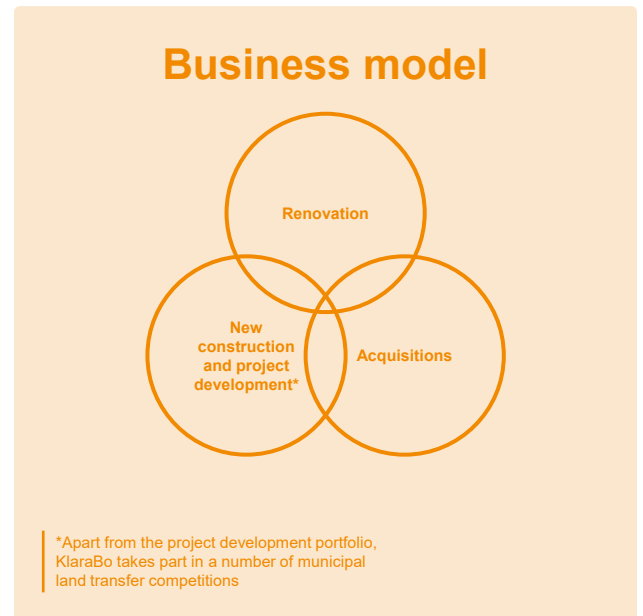
KlaraBo's overall goal is to create value for the company's shareholders on a long-term basis by owning, developing and actively managing sought-after residential properties in growth regions with robust demand. Value creation is measured as growth in net realizable value and income from property management per share.

Operational goals

The rental trend for our existing housing units that can be renovated is to significantly exceed the general annual rental increase through active management and investments.

Sustainability goals

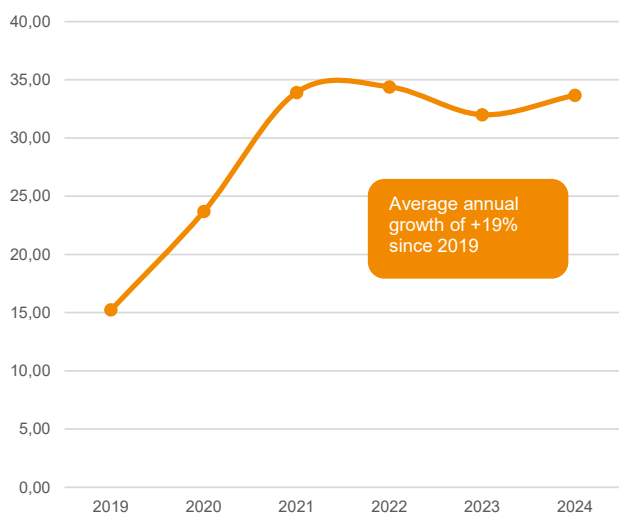
The company has established goals in the following areas: climate and energy, circular society, secure and pleasant neighbourhoods, employees and sustainable business. For complete key performance indicators, refer to page 20.



Financial goals

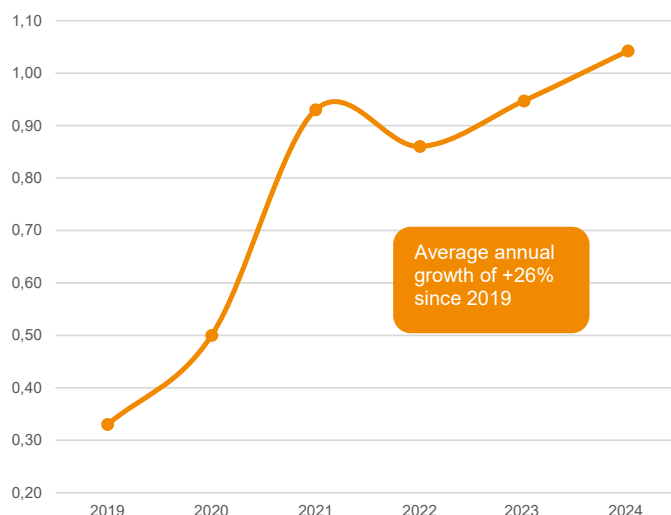
- KlaraBo is to achieve average annual growth in net realizable value per share of at least 15 per cent including any value transfers over the course of a business cycle.
- KlaraBo is to achieve average annual growth in income from property management per share of at least 12 per cent over the course of a business cycle.
- The interest-coverage ratio is to exceed a multiple of 1.75 over time.
- The loan-to-value ratio is to remain under 60 per cent over time.

Long-term net realizable value per share, SEK



Long-term net realizable value: KlaraBo is to achieve average annual growth in long-term net realizable value per share of at least 15 per cent including any value transfers over the course of a business cycle.

Income from property management per share, SEK



Income from property management: KlaraBo is to achieve average annual growth in income from property management per share of at least 12 per cent over the course of a business cycle.

Property portfolio

KlaraBo's portfolio of investment properties reaches across Sweden, from Trelleborg in the south to Umeå in the north and Visby in the east. The majority of the portfolio consists of residential properties. The properties are divided into four geographic regions: South, East, Central and North. The company focuses on investment properties in cities with growing populations and strong labour markets.

The property holdings consist of 226 properties with a total lettable area of approximately 499,000 square metres, excluding parking spaces and garages.

KlaraBo works on the basis of a customer-oriented property management model under its own management, which enables continual optimisation of operating costs and cost control.

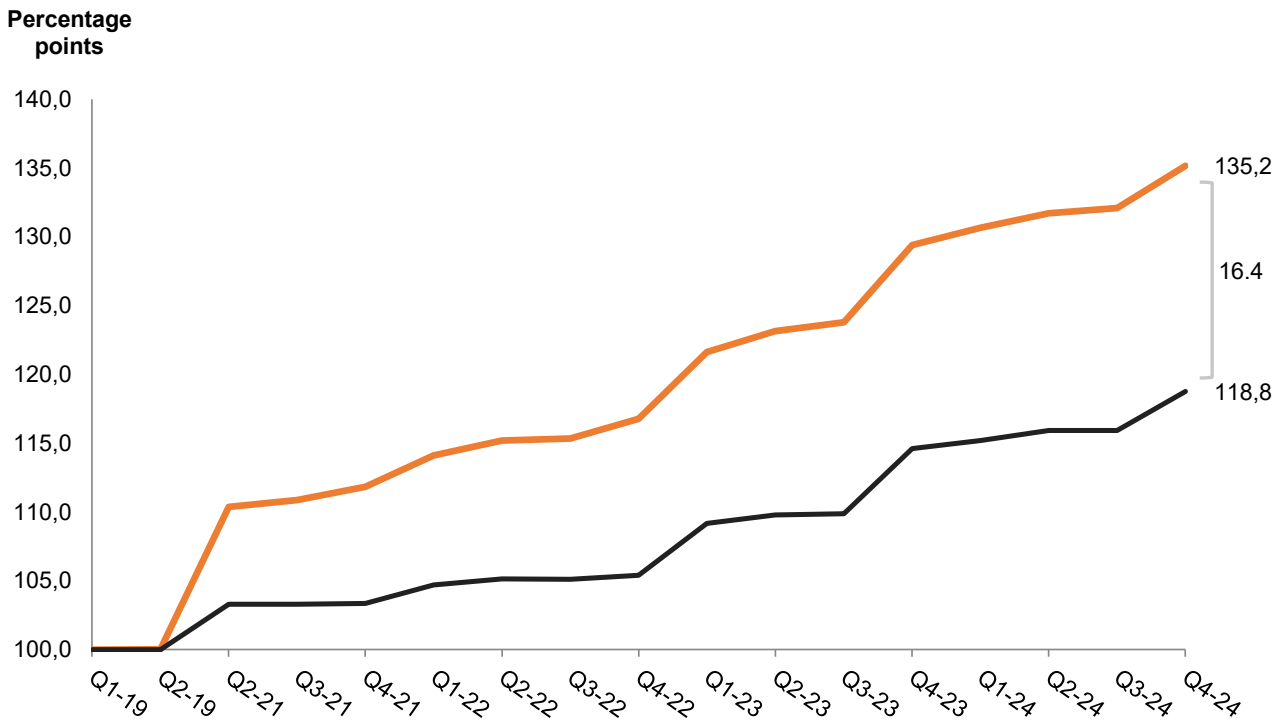


During the quarter, the company invested SEK 42.4 million (45.2) in existing investment properties, with the primary investment measure being total renovations that add value. Total renovation means that the apartments are renovated in conjunction with natural turnover in the portfolio. Renovation measures are carried out when an existing tenant vacates the apartment and is concluded before a new tenant moves in. The renovation takes four to six weeks, and the apartment is advertised as vacant during that time, which has a temporary negative impact on the economic occupancy rate.

Measures to raise standards

One of the company's operational goals is for the rental trend for housing units to exceed the general annual rental increase through active management and investments. The graph below shows the company's fulfilment of this goal, with the rental trend exceeding the general increase by 16.4 percentage points for portfolios on a like-for-like basis since 2019.

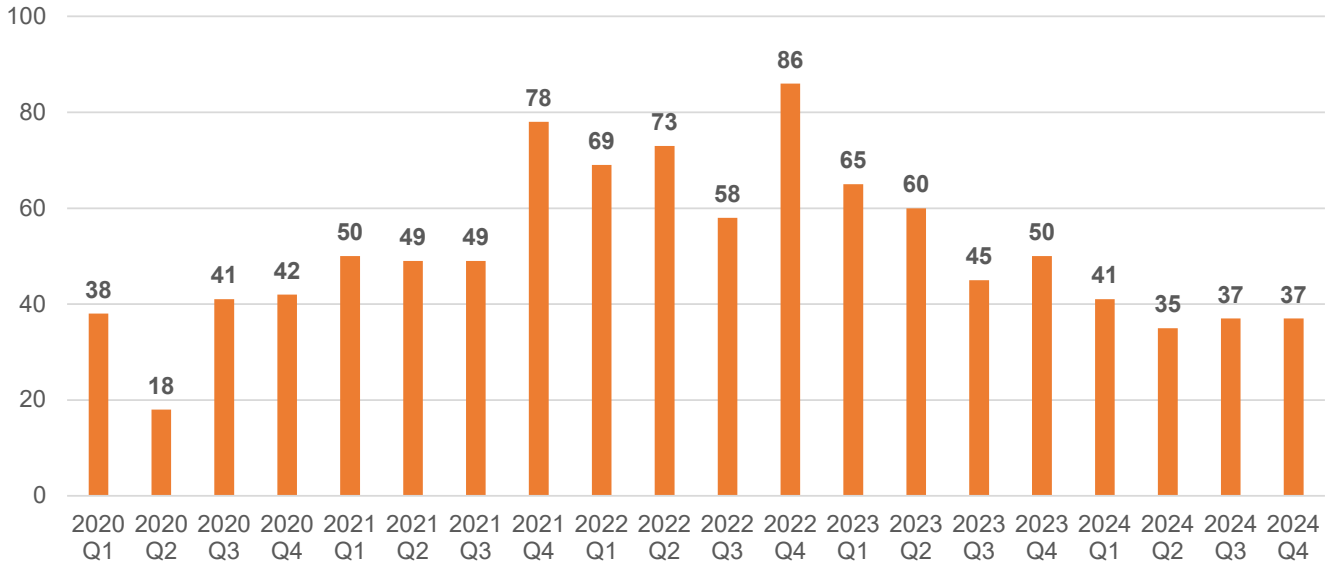
Rental value performance



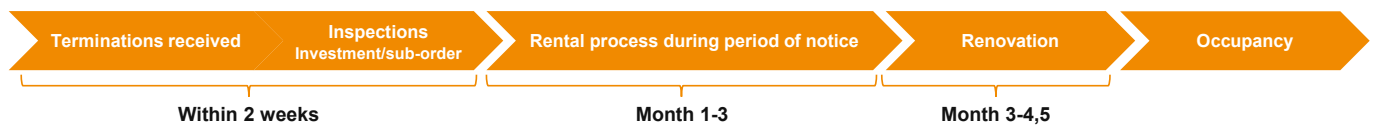
The annual rent negotiations for 2024 were concluded, which resulted in a rent increase for housing units of 5.6 per cent for the entire portfolio. Adjusted for the annual rent increase, the rental value for homes increased by 1.7 percentage points in the period.

A core part of KlaraBo's strategy is to continually take measures to increase the value of its existing portfolio, both measures that increase revenue and those that reduce costs. KlaraBo ensures that apartments in need of renovation meet today's standards, with modern kitchens, bathrooms and energy-efficient installations. These measures contribute to increasing the value of the entire portfolio in the long term as well as reducing operating and maintenance costs over time.

Number of total renovations performed

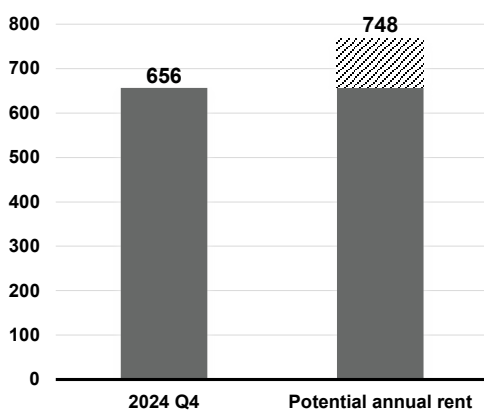


For KlaraBo, maintaining this level of renovation requires a relatively constant natural shift in the portfolio and turnover of unrenovated apartments. A total of 37 apartments underwent total renovations during the quarter. This somewhat lower rate of renovation was due to KlaraBo's decision to reduce risk by increasing its requirements for which apartments are selected for renovation. With lower financing costs and the acquisition in Helsingborg, KlaraBo expects to be able to increase the rate of renovation going forward.



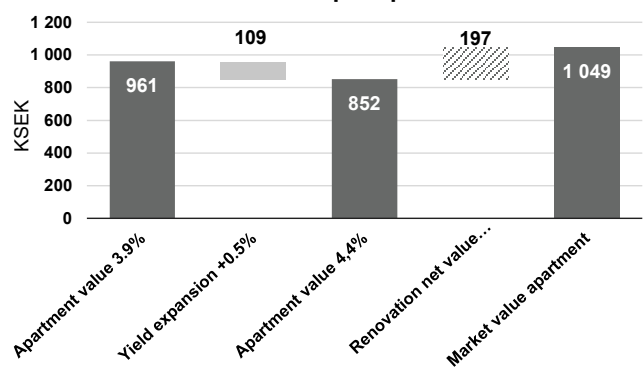
In addition to total renovation of apartments, KlaraBo focuses on adapting customer offerings through general measures to raise the standard of the apartments. This is achieved by offering existing tenants various choices that lead to increased customer satisfaction and simultaneously raise the actual rental value above the general annual rent negotiations.

Contracted annual rent, SEK m



The above diagram illustrates contracted annual rent for the existing management portfolio as of 31 December 2024, with an additional bar for expected contracted rent after renovation of the existing unrenovated portfolio.

Potential value per apartment



The diagram above shows the value before and after raising the yield requirement as well as the effect of the net increase in value with an ROT renovation of an example apartment. The example shows how ROT renovations counteract any declines in value associated with an increase in the yield requirement. The figures above are based on an actual apartment in the company's portfolio in Trelleborg.

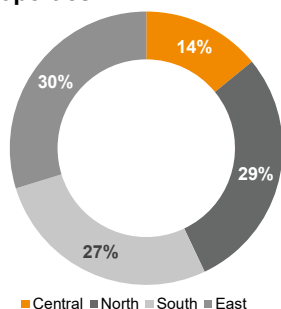
Investment properties excluding project development

Region	No. of properties	No. of apartments	Area, 000 sq. m.			Market value	
			RFA	Other	Total	SEK m	SEK/sq. m.
Central	76	971	62.5	5.5	67.9	1,193	17,568
North	34	2,042	141.4	5.8	147.2	2,259	15,348
South	62	1,712	109.4	27.7	137.1	3,005	21,925
East	54	1,969	129.7	17.1	146.8	2,758	18,788
	226	6,694	443.0	56.0	499.0	9,215	18,469

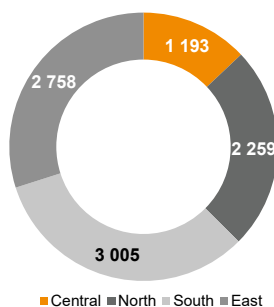
Region	Rental value*		Economic occ. rate, %	Real occ. rate rate, %	Contract. Annual rent, SEK m*	Property expenses		Net oper income*	
	SEK m	SEK/sq. m.				SEK m	SEK/sq. m.	SEK m	SEK/sq. m.
Central	93,9	1 382	95,0	97,6	89,3	43,4	638	45,9	676
North	186,8	1 269	92,4	95,8	172,7	71,8	488	100,9	686
South	204,8	1 494	96,7	97,3	198,1	62,6	457	135,5	989
East	205,0	1 397	95,7	98,5	196,1	66,4	453	129,7	884
	690,6	1 384	95,0	97,2	656,2	244,2	489	412,0	826
				Yield				4,5%	
				Property management		38,9	78		
				Net oper Income Incl prop mgmt	656,2	283,1	567	373,1	748

*Completed annual rent negotiations corresponding to 66 percent of rental value for the housing portfolio. Negotiations corresponding to 34 percent of the company's total rental value for housing remain, which will have an effect on the next quarter's rental value.

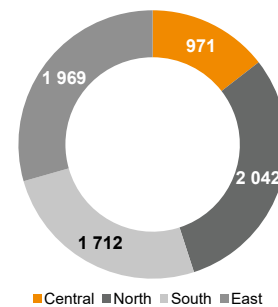
Rental revenue, residential properties



Market value, SEK m



Number of apartments



Project development and new construction

KlaraBo works with the entire value chain for rental apartments, from project development through construction to own management. For the company, business development is about pursuing projects from idea to completed construction. Value is thus created regardless of whether we focus on improving our existing properties or on entirely new project ideas.

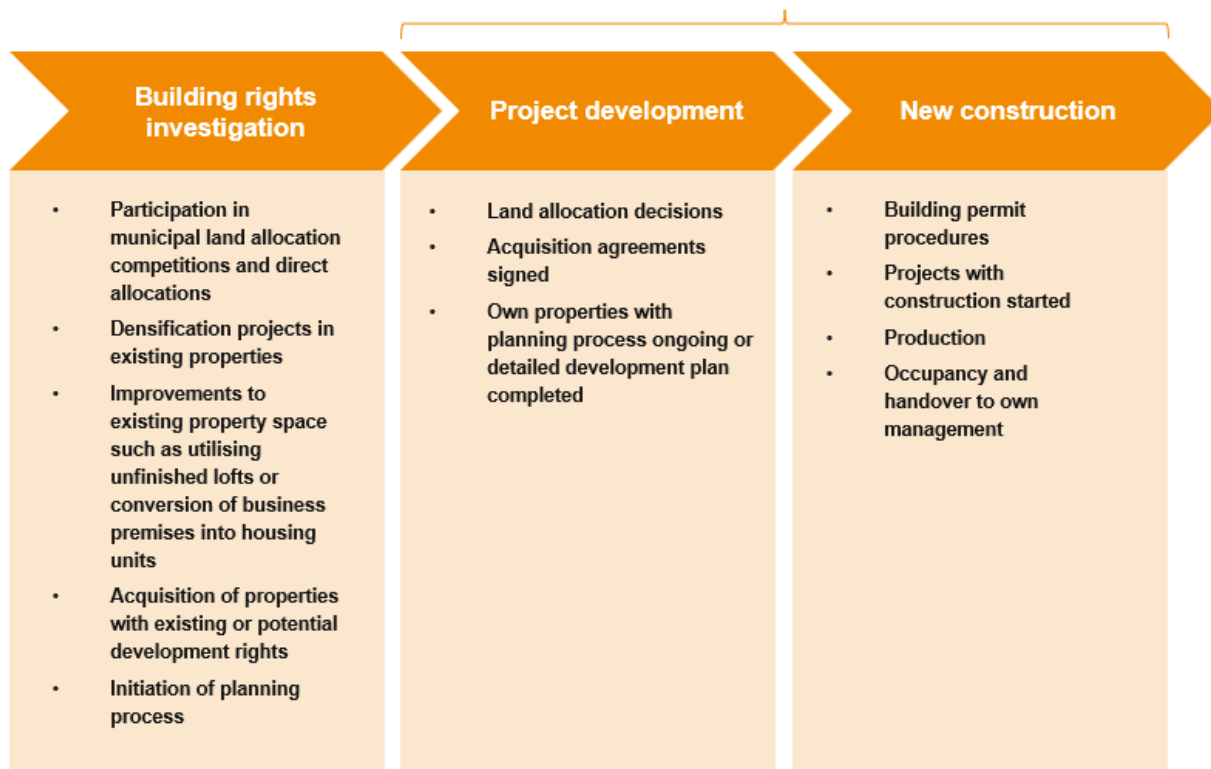
Product development and new construction are carried out by actively seeking prospects in the private sector and through participation in municipal land allocation competitions, canvassing of municipalities for direct allocations of land, densification of our own properties and acquisitions of properties with existing or potential development rights. The process is based on an analysis in which the population trend, the functional labour market and the payment capacity of the market are investigated.

KlaraBo strives to have the lowest possible carbon footprint when building new housing. The company works actively to choose materials with the lowest possible climate impact and aims to secure environmental certification for all of its newly produced buildings.

To gain more knowledge and support the sustainable development of the areas where the company operates, we also participate in local sustainable development initiatives, such as LFM30, Malmö's local roadmap for climate-neutral reconstruction by 2030.

The number of development rights for apartments in the project development portfolio is 974.

Project portfolio



Project portfolio

The company's land allocation "Öster om mässan" in Hyllie in Malmö consists of two blocks with a total of 300 apartments together with OBOS. The project is Malmö Municipality's first Mallbo project in which new construction with lower rent is being enabled in part through lower parking standards and discounted site leasehold fees. The project is scheduled to be carried out in stages, with slightly more than half of the space planned to be tenant-owner apartments and the rest rental apartments. The land allocation agreement for the project is completed and signed, which means that the previous assessments with regard to completion remain unchanged. Planning of the programme documentation has started, with the aim of beginning construction of the properties in early 2026.

The development agreement for the densification project at the Bogen 1 property in Visby on Gotland has been slightly delayed, but the hope is that it can be completed in early 2025 and that the detailed development plan can be adopted during the second half of 2025. The building permit process for the first stage is planned shortly thereafter, with production starting as soon as the market allows.

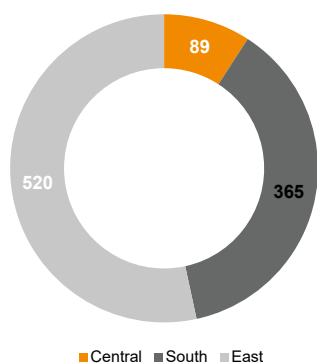
On Gotland, KlaraBo also applied to revise the detailed development plan for the Stäven 1 property in order to add additional housing. A dialogue with Region Gotland is ongoing and work is expected to begin in early 2025.

The detailed development plan for the Fängelset 2 property in Kristianstad was voted on by the Municipal Board and the City Council and was submitted for adoption in October. The plan was appealed and sent to the Land and Environmental Court, which means that adoption will be delayed until a ruling is issued. The assessment is that the matter will be decided by summer 2025 and that the plan can thereafter be adopted. If the market responds positively to the project, project planning and subsequent construction will start in late 2025.

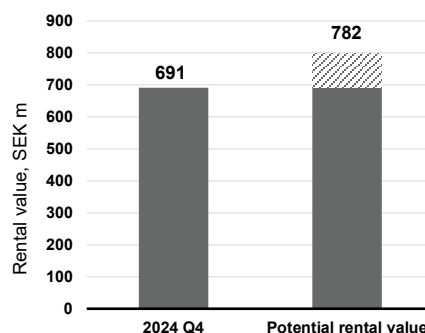
In Vaggeryd, KlaraBo intends to revise the detailed development plan for the Ålen 1, Ålen 2 and Ålen 4 properties. This entails adding an additional storey to the three existing buildings totalling approximately 3,000 square metres GFA. A densification stage is also planned, consisting of five new four-storey buildings totalling approximately 8,800 square metres GFA. The plan was under review in November and is expected to be adopted by summer 2025.

For a full overview of ongoing construction and project development as of 31 December 2024, see below.

Planned apartments by region



Rental value (SEK m)



The above left diagram shows the number of planned apartments by geographic region, while the above right diagram illustrates the rental value of the existing management portfolio as of 31 December 2024 and the potential rental value of development rights in project development.

Development rights and project development*

Region	Project	Municipality	No. of apartments	Area, 000 sq. m.		Rental value		Status	Owner share, %
				GFA	RFA	SEK m	SEK/sq. m.		
South	Aspeholm 13	Lund	26	1,6	1,3	2,8	2 047	2	100
South	Hällefundran 8, vind	Malmö	17	0,7	0,5	1,5	2 778	2	100
South	Hässleholm 87:22	Hässleholm	62	5,3	4,6	8,0	1 732	3	100
Central	Sättra	Västerås	55	4,5	3,6	6,8	1 900	2	100
South	Fängelset 2	Kristianstad	110	7,7	6,2	12,2	1 971	3	100
East	Ekorren 1	Jönköping	76	6,2	4,5	9,2	2 067	2	100
East	Bogen 1 (etapp 1)	Gotland	90	6,3	5,0	10,4	2 065	3	100
East	Bogen 1 (etapp 2)	Gotland	79	5,5	4,4	9,1	2 065	3	100
East	Bogen 1 (etapp 3)	Gotland	41	2,9	2,3	4,8	2 065	3	100
East	Stäven	Gotland	14	1,3	0,9	1,7	1 848	3	100
South	Öster om mässan	Malmö	150	9,6	7,6	13,9	1 831	3	50
East	Källan 7	Borlänge	34	2,1	1,9	3,6	1 941	3	100
East	Ålen (påbyggnad)	Vaggeryd	90	6,4	4,9	9,0	1 822	3	100
East	Ålen (nyproduktion)	Vaggeryd	130	9,2	7,1	12,9	1 826	3	100
Total			974	69,2	54,9	105,9	1 929		

Status:

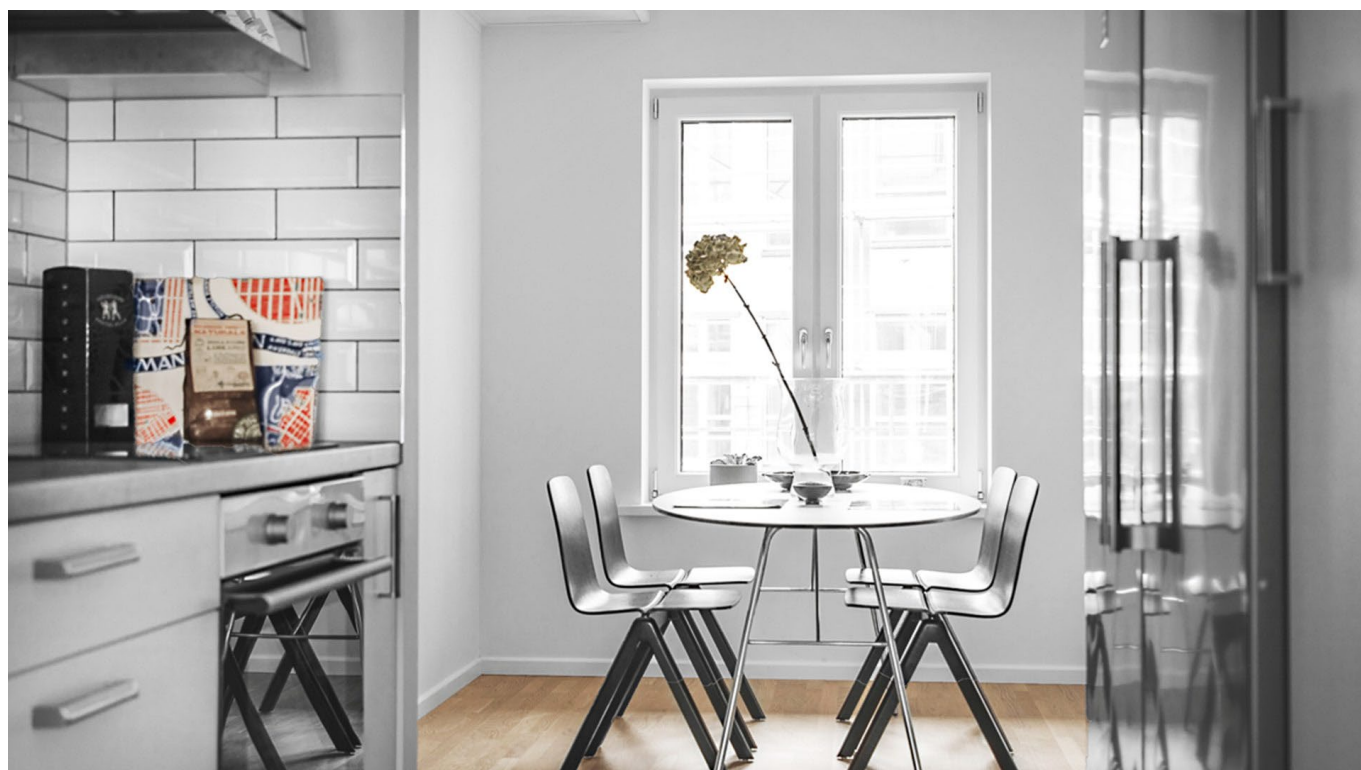
- 1) Projects where construction started or permit obtained
- 2) Detailed devt plan in force, and/or where construction permit planning in progress
- 3) Projects where permit not granted but municipal decision on land transfer taken or acquisition agreement signed

*Information about ongoing project developments includes assessments and assumptions, which entails uncertainty with respect to schedules, area, costs and future rental value. The information is updated regularly and should therefore not be viewed as a forecast.

Condensed consolidated statement of comprehensive income

SEK m	Notes	2024 3 months Oct-Dec	2023 3 months Oct-Dec	2024 12 months Jan-Dec	2023 12 months Jan-Dec
Revenue	1	157.5	149.4	630.4	589.7
Costs	2	-69.5	-72.5	-268.2	-252.5
Net operating income	3	87.9	76.9	362.2	337.2
Central administrative costs	4	-13.0	-11.6	-51.7	-51.4
Operating profit/loss		75.0	65.3	310.5	285.9
Financial income/costs	5	-43.5	-41.3	-174.6	-161.7
Income from property management		31.4	23.9	135.9	124.2
Changes in value of properties	6	132.4	-18.0	111.0	-439.9
Changes in value of derivatives		72.7	-174.1	26.2	-139.8
Profit/loss before tax		236.6	-168.2	273.1	-455.5
Tax expense	7	-57.6	32.3	-85.2	73.9
Profit for the period		178.9	-135.8	187.9	-381.5

Comprehensive income for the period is the same as profit for the period since there is no other comprehensive income.



Earnings analysis, January–December 2024

The income statement items below pertain to the fourth quarter from 1 October to 31 December and the period from 1 January to 31 December 2024. Comparison items pertain to the year-earlier period. All amounts are in SEK million.

Note 1 Revenue

Revenue for the quarter amounted to SEK 157.5 million (149.4), a year-on-year increase of 5 per cent. The increase was mainly attributable to the annual rent negotiations that were concluded during the year with a weighted average of 5.6 per cent, well above the level previously anticipated. The remaining increase was attributable to the Group's ongoing renovations and new

construction completed during the year. The transaction with Diös in the autumn comprised a divestment and acquisition of properties, which had an overall negative net impact on revenue for the quarter. A cooler rental market also entailed a somewhat lower economic occupancy rate year-on-year.

Revenue for the period totalled SEK 630.4 million (589.7). The increase of 6.9 per cent was attributable to rent indexation of both housing units and commercial premises, new leases for premises, the completion of new construction and measures to raise standards.

Note 2 Costs

The Group's costs encompass operating and maintenance costs, property tax, property administration, insurance and other property management costs.

Operating costs primarily pertain to costs for heating, electricity and water consumption, and waste management and amounted to SEK -69.5 million (-72.5) for the quarter. Costs decreased 4.1 per cent despite strong price increases for tariff-based costs, and this was partly attributable to a milder climate, resulting in lower snow clearance charges, for example.

In October, the European Commission conducted an in-depth investigation into Sweden's tax exemptions. The Commission decided to once again approve the tax exemptions on biogas with retroactive effect from Q1 2023, when the possibility for a tax refund ceased. Following the announcement by the Ministry of Finance, the Swedish Tax Agency has permitted tax refunds for biogas, which can be applied for retroactively for the past three years. Non-recurring effects attributable to the retroactive tax refund reduced costs by approximately SEK 3.2 million. In accordance with the current decision, the right to a refund of biogas tax extends through 2030.

In addition, economies of scale were achieved through the cancellation of an agreement concerning external caretaker services, which are now being carried out by the company's own employees instead.

Costs for the period totalled SEK -268.2 million (-252.5), corresponding to an increase of 6.2 per cent, which was primarily attributable to price increases for tariff-based costs. In addition, mandatory, non-annual inspections of parts of the portfolio were carried out by government agencies, which also contributed to the increase.

Note 3 Net operating income and surplus ratio

Net operating income for the quarter amounted to SEK 87.9 million (76.9), corresponding to a year-on-year increase of 14.4 per cent. The surplus ratio was 55.8 per cent (51.5).

Net operating income for the quarter amounted to SEK 362.2 million (337.2) with a surplus ratio of 57.5 per cent (57.2). The increase for the period was primarily attributable to the annual rent increase, improvements to the residential portfolio and completed new construction.

Note 4 Central administrative costs

Central administrative costs include costs for senior management and central support functions for both property management and project operations.

Central administrative costs for the quarter totalled SEK -13.0 million (-11.6). The higher costs were mainly attributable to salaries, as additional roles were added to central administration.

Central administrative costs for the period amounted to SEK -51.7 million (-51.4). Higher costs related to price increases and a larger organisation were offset by lower costs for consultants and advisory services.

Note 5 Financial income/expenses

Financial income/expenses totalled SEK -43.5 million (-41.3) for the quarter and SEK -174.6 million (-161.7) for the period. The year-on-year increase for the quarter and the period was mainly attributable to higher loan volumes and the maturity of interest-rate swaps with lower interest rates.

KlaraBo's interest-rate hedging ratio amounted to 80.2 per cent (79.9) of the loan volume. During the quarter, KlaraBo renegotiated external loans corresponding to SEK 1,800 million, which were to mature during the first half of 2025, at a significantly lower margin than the portfolio average.

Note 6 Changes in value

The Group's investment properties are appraised on a quarterly basis, and a full external valuation is conducted of each appraisal object at least once a year. During the quarter, the properties were appraised externally by the independent authorised appraiser Savills. Each property is individually inspected based on a rolling three-year schedule and appraised based on the material available regarding the property as well as the external appraisers' market information and historical assessments.

The fourth quarter included higher yield requirements in the property valuations of an average of slightly more than 3 points, which, all else being equal, would generate a value change of approximately SEK -70 million in the property portfolio, corresponding to a decline in value of approximately 0.7 per cent. Completed rent negotiations, active property management and the Group's ongoing value-creating measures through renovation and investments compensated for growing yield requirements. The net value change for the quarter totalled SEK 132.4 million (-18.0) and was mainly due to rent negotiations with a significantly better outcome than previously anticipated. At the end of the period, the average yield requirement amounted to approximately 4.9 per cent for the entire portfolio and the yield requirement was 4.8 per cent for the housing units in the portfolio.

The change in value for the Group's derivative portfolio in the quarter amounted to SEK 72.7 million (-174.1) and was attributable to the Group's interest-rate derivatives. The positive trend during the quarter was due to changed assumptions regarding future market interest rates. This effect only impacts the company's accounting and not its cash flow, and at the end of the derivative contract, the value is zero.

Note 7 Tax expense

Tax expense for the quarter amounted to SEK -57.6 million (32.3) and pertained primarily to deferred tax related to changes in the value of investment properties and derivatives, and current tax on income from property management. Current tax amounted to SEK -4.8 million (4.0).

Of the tax expense for the period of SEK -85.2 million (73.9), SEK -45.8 million (72.4) comprises deferred tax attributable to changes in the value of properties. The remaining tax expense was due to deferred tax attributable to derivatives and current tax. Current tax for the period amounted to SEK -23.0 million (-18.8). The interest deduction limitations entailed that about SEK 86.8 million (86.6) of the net interest of SEK 174.6 million (161.7) was not deductible for the year.

Parent Company

The Parent Company does not own any properties. The company maintains Group-wide functions for administration, management, financing and project development.

Sales in the Parent Company mainly pertain to invoicing of services to Group companies.

During the quarter, financial income was impacted by an anticipated dividend from subsidiaries of SEK 650.0 million.

Condensed consolidated statement of financial position

SEK m	Notes	31/12/2024	31/12/2023
Intangible assets		0.2	0.3
Investment properties	8	9,243.9	9,031.9
Property, plant and equipment		5.5	7.7
Financial non-current assets		0.0	17.2
Receivables	9	407.2	24.3
Cash and cash equivalents		143.0	168.5
Total assets		9,799.9	9,249.9
Equity attributable to Parent Company shareholders	10	4,484.2	3,936.3
Derivatives		10.6	36.7
Deferred tax liability	11	269.2	216.0
Non-current interest-bearing liabilities	12	3,762.0	4,762.7
Current interest-bearing liabilities	12	1,128.2	116.1
Other liabilities		145.8	182.0
Total equity and liabilities		9,799.9	9,249.9

Consolidated statement of changes in equity

SEK m	31/12/2024	31/12/2023
Opening equity, attributable to Parent Company shareholders	3,936.3	4,320.0
Profit for the period	187.9	-381.5
New share issue	390.9	-
Costs attributable to new share issues	-18.6	-
Tax effect on share issue costs	3.8	-
Share repurchase	-16.2	-2.1
Closing equity, attributable to Parent Company shareholders	4,484.2	3,936.3

Comments on consolidated financial position

The amounts and comparative figures of balance-sheet items refer to the position at the end of the period this year, and the end of the year-earlier period. All amounts are in SEK million.

Note 8 Investment properties

The Group's investment properties including project development properties are recognised at fair value in accordance with IFRS 13 Level 3. For project development properties, a predetermined portion of the unrealised change in value between fair value upon completion and total estimated production costs is recognised in pace with the degree of completion. This is done in accordance with an escalation model adopted by the Group.

The Group's investment properties were appraised at SEK 9,243.9 million (9,031.9) at the end of the period, of which project development properties accounted for SEK 17.8 million (16.2), site leaseholds valued in accordance with IFRS 16 accounted for SEK 10.6 million (10.6) and the remainder, SEK 9,215.5 million (9,005.1), pertained to existing investment properties.

Carrying amount, investment properties, SEK m

	31/12/2024	31/12/2023
Opening carrying amount, investment properties	9,031.9	9,170.7
Acquisitions	79.3	-
Sales	-140.0	-
Investments in investment properties	144.0	161.5
Investments in new construction properties	5.2	117.1
Public subsidies	-	19.2
IFRS 16	-	3.3
Changes in value	123.5	-439.9
Closing carrying amount, investment properties	9,243.9	9,031.9

Note 9 Receivables

Receivables largely comprised the ongoing rights issue, from which proceeds of SEK 390.9 million before deductions for issue costs were paid at the beginning of January.

Note 10 Equity

Equity attributable to Parent Company shareholders totalled SEK 4,484.2 million (3,936.3). The change was attributable to the ongoing rights issue, to profit for the period and to the company buying back shares for SEK 16.2 million during 2024. The share repurchase was conducted within the framework of the previously announced authorisation for share repurchases totalling SEK 30 million.

Note 11 Deferred tax liability

The deferred tax liability of SEK 269.2 million (216.0) was mainly attributable to changes in the value of investment properties and derivatives.

Parent Company

The Parent Company's assets and liabilities mainly consist of shares in, claims on and liabilities to Group companies as well as cash and cash equivalents.

The increase in receivables from Group companies was attributable to an anticipated dividend from subsidiaries of SEK 650.0 million.

The ongoing rights issue resulted in an increase of SEK 1.3 million in restricted equity as unregistered share capital and an increase of SEK 389.6 million in non-restricted equity before deductions for issue costs as well as a corresponding increase in receivables. The rights issue was registered and the proceeds became available at the beginning of January.

Financing

Note 12 Financing

Interest-bearing liabilities

Interest-bearing liabilities pertain primarily to financing of the Group's investment properties. Financing for investment properties amounted to SEK 4,890.2 million (4,878.8) on the balance sheet date. Lease liabilities pertaining to IFRS 16 amounted to SEK 13.0 million (14.4) and pertained to a site leasehold and office properties. Lease liabilities are excluded from the following table presenting credit lock-in periods and fixed-rate terms. Repayments for the next 12 months amounted to SEK 50.1 million (47.8) at the end of the period. The Group's cash equivalents totalled SEK 143.0 million (168.5), and in addition KlaraBo has available credit facilities amounting to SEK 200 million. The fair value of the liabilities does not differ significantly from the carrying amount.

The loan-to-value ratio for the Group on 31 December 2024 was 51.4 per cent (52.2).

Maturity and fixed interest

KlaraBo is to have a limited financial risk. On 31 December 2024, KlaraBo's financing primarily comprised borrowings in four Nordic banks. KlaraBo has well-established partnerships with these banks and engages in a continuous dialogue regarding financing issues. A dialogue has been initiated regarding refinancing of credits that mature in 2025, and the Group expects to be able to extend these credits on attractive terms during spring 2025. The credit extensions during the fourth quarter of 2024 were at significantly lower interest margins than previously.

The Group's loan portfolio consists mainly of credits with a floating interest rate but also fixed rate credits. To hedge against fluctuations in the interest-rate market and reduce interest-rate risk, interest-rate derivatives are utilised to impact the fixed-rate term. The total derivative portfolio amounted to SEK 2,750 million (2,750) at the end of the period. The loan portfolio's fixed-rate term amounted to 3.3 years (3.7). Including fixed interest-rate credits, the Group's interest-rate hedging ratio, meaning the share of liabilities that had a fixed-interest rate, was 80.2 per cent (79.9). Cash flow from the Group's interest-rate swaps and swaptions remained positive, which limited KlaraBo's interest expenses. The average interest rate, including derivatives, was 3.3 per cent (3.5) on the balance sheet date. The year-on-year change was attributable to lower market interest rates and lower margins on the credits renegotiated during the fourth quarter of 2024. Extended credits comprised a total of approximately SEK 1,800 million. The average loan-to-maturity period was 2.1 years (2.1).

The fair value of the interest-rate derivative portfolio amounted to SEK -10.6 million (-36.7) at the end of the period. The year-on-year change in the value of the derivative portfolio is due to new swaps entered into with higher interest rates than ones that matured as well as to a decline in market interest rates.

Maturity	Fixed credit		Fixed interest		Interest-rate swaps	
	SEK m	Share, %	SEK m	Share, %	SEK m	Interest rate, %
2024						
2025	1,077	22	2,244	46	200	0.18
2026	883	18				
2027	2,834	58	250	5	250	2.00
2028			200	4	200	2.83
> 5 år	89	2	2,189	45	2,100	2.61
Summa*	4,883	100	4,883	100	2,750	2.39

*Excluding construction credit, IFRS 16 and accrued loan costs

Outstanding interest-rate swaps 31/12/2024

Nominal amount (SEKm)	Due	Fixed rate
200	11/05/2025	0.181%
250	17/09/2027	2.002%
200	21/11/2028	2.827%
250	17/09/2029	2.030%
250	18/11/2029	2.873%
300	18/11/2030	2.945%
300	20/02/2031	3.050%
700	09/05/2032	2.205%
300	16/02/2033	3.055%
2,750		2.395%

The Group has a swaption with a nominal value of SEK 300 million and a fixed rate of interest of 2.58 per cent; the potential start date for this swaption is 15 May 2025. Since the swaption did not impact the average fixed-rate term, it was excluded from the tables presenting credit lock-in periods and fixed-rate terms above as well as the table presenting swaps outstanding.

Condensed consolidated cash-flow statement

SEK m	2024 3 months Oct-Dec	2023 3 months Oct-Dec	2024 6 months Jan-Dec	2023 12 months Jan-Dec
Continuing operations				
Operating profit	75.0	65.3	310.5	285.9
Adjustments for non-cash items	0.5	0.7	2.5	2.7
Interest received	1.2	2.7	3.9	7.5
Interest paid	-44.4	-53.8	-175.3	-171.2
Tax paid	11.3	15.4	-23.4	-23.6
Cash flow from continuing operations before changes in working capital	43.5	30.3	118.2	101.3
Cash flow from changes in working capital				
Change in operating receivables/payables	-7.2	31.9	-35.8	31.5
Cash flow from continuing operations	36.3	62.2	82.4	132.7
Investing activities				
Acquisition of investment properties	-1.2	-	-77.3	-
Sale of investment properties	-1.7	-	123.6	-
Investments in investment properties	-42.4	-45.2	-144.0	-161.5
New construction investments	-1.3	-41.0	-5.2	-117.1
Acquisition of property, plant and equipment	-0.2	-0.3	-0.2	-0.6
Cash flow from investing activities	-46.8	-86.4	-103.1	-279.1
Financing activities				
New financial liabilities	-	5.9	100.0	30.8
Borrowing costs	-4.5	-	-4.5	-
Repayment of financial liabilities	-12.3	-18.1	-84.0	-52.1
Share repurchase	-	-	-16.2	-2.1
Cash flow from investing activities	-16.9	-12.2	-4.7	-23.4
Cash flow for the period	-27.4	-36.5	-25.4	-169.8
Cash and cash equivalents at beginning of the period	170.4	204.9	168.5	338.3
Cash and cash equivalents at end of the period	143.0	168.5	143.0	168.5

Condensed Parent Company income statement and balance sheet

Parent Company income statement

SEK m	2024 3 months Oct-Dec	2023 3 months Oct-Dec	2024 12 months Jan-Dec	2023 12 months Jan-Dec
Net sales	6.4	4.6	25.5	25.0
Personnel costs	-6.1	-4.7	-21.3	-18.6
Other external expenses	-5.8	-5.8	-22.5	-25.3
Operating loss	-5.6	-5.9	-18.4	-18.9
Financial income and expenses	690.4	-44.0	653.7	-74.5
Profit/loss after financial items	684.8	-49.9	635.3	-93.4
Group contributions paid/received	18.4	19.2	18.4	19.2
Profit before tax	703.3	-30.7	653.7	-74.2
Tax expense	-18.3	13.6	-14.8	13.6
Profit for the period	685.0	-17.1	639.0	-60.6

Parent Company balance sheet

SEK m	31/12/2024	31/12/2023
Property, plant and equipment	0.4	0.6
Participations in associated companies and joint ventures	2,444.2	2,311.1
Receivables from associated companies and joint ventures	3,715.9	3,127.2
Deferred tax assets	2.7	13.6
Other receivables	388.9	4.7
Cash and bank balances	131.5	156.0
Total assets	6,683.6	5,613.2
Restricted equity	7.9	6.6
Non-restricted equity	4,108.4	3,110.6
Derivatives	13.0	51.0
Liabilities to Group companies	2,537.4	2,438.3
Other liabilities	16.9	6.7
Total equity and liabilities	6,683.6	5,613.2

Sustainability

KlaraBo's sustainability agenda is based on the UN Sustainable Development Goals within the three dimensions of ESG (environmental, social and governance).

On the basis of a stakeholder dialogue and double materiality assessment, we have identified six key areas where we, as a company, can make the biggest difference and promote the development of a sustainable society. Goals have been formulated in the respective areas, and a selection of these is presented below.

ENVIRONMENT

Climate and energy

- Only renewable energy will be used for electricity, heating and vehicles in our operation by 2030. We are to be climate-neutral in our entire value chain by 2045.
- Wooden frames are to receive priority for new construction.
- We are to climate-proof our property portfolio.



Resource-efficient neighbourhoods

- It will be possible to sort household waste in all of our neighbourhoods.
- 70 per cent of all construction materials will be sorted for recycling in connection with conversions and new construction.
- Before renovating an apartment, we will take an inventory of which products can be preserved or reused.



SOCIAL

Our employees

- We will have reached a long-term even gender distribution (40/60) and reflect society with respect to international background by no later than 2025.
- Enable internal career development/career advances for at least five employees per year. Examples include taking on a new role or expanded/new responsibility within the employee's current function.
- All employees will be provided with introductory training in KlaraBo's sustainability work and Code of Conduct.



Secure and pleasant neighbourhoods

- We will perform an annual security round in all of our neighbourhoods.
- We will offer 50 summer jobs or employment opportunities to residents of our residential areas, through 2025.
- We will establish partnerships with local sports organisations in all of our neighbourhoods, with the aim of creating meaningful recreational activities for young people.



People in our value chain

- 100 per cent sign-off on the Code of Conduct (internally) and prepare a Code of Conduct for Suppliers.



GOVERNANCE

Responsible business

- No reported cases in the whistleblower function.





Solar panels were installed at KlaraBo properties in Svalöv.

Sustainability-related activities during the quarter

- En gap analysis was conducted. This is a method of identifying differences (gaps) between the company's current performance and established goals. The purpose is to understand what is required to achieve the goals and to identify measures to close the gap. In addition to preparing to meet future EU requirements, we also want to strengthen our company's reputation and competitiveness. This will help us to identify the areas in which we need to improve to avoid risks and to leverage new opportunities.
- During the fourth quarter, we began transitioning to the new European Sustainability Reporting Standards (ESRS). Although we have not yet reported in full compliance with ESRS, we consider this to be an important step in meeting future requirements and increasing the transparency of our reporting.
- We also completed our sustainability policy. It serves as a guide for KlaraBo's efforts to protect the environment, take care of its employees and suppliers, and ensure responsible and ethical corporate governance.

Additional descriptions of each area, including our goals, are available at klarabo.se/hallbarhet.

Current earnings capacity

Earnings capacity on a 12-month basis for KlaraBo's property management operations as of 31 December is presented in the table below. It is important to note that earnings capacity is not a forecast and should only be considered as a theoretical snapshot for the purposes of illustration. The current earnings capacity does not include an assessment of the future trends for rents, vacancy rate, property expenses, interest, value changes, purchases or sales of properties or other factors.

Earnings capacity is based on the contracted rental revenue of the property portfolio, assessed property expenses during a normal year as well as expenses for property administration and central administration assessed on an annual basis based on the current scale of administration. Expenses for interest-bearing liabilities are based on the current interest-bearing liability and the Group's average interest rate level including the effects of derivatives. Earnings capacity does not reflect all of the costs for the property management operations.

Current earnings capacity, 12 months

SEK m	Jan 1 2025	Oct 1 2024	Jul 1 2024	Apr 1 2024	Jan 1 2024
Rental revenue	656.2	637.0	642.1	640.1	634.9
Property expenses	-283.1	-261.2	-261.1	-261.1	-261.1
Net oper income	373.1	375.8	381.0	379.0	373.8
Surplus ratio, %	56.9	59.0	59.3	59.2	58.9
Central administrative costs	-45.9	-43.8	-43.8	-43.8	-43.8
Financial income and expenses	-162.2	-175.4	-175.0	-168.1	-168.9
Income from property management	165.0	156.6	162.2	167.2	161.2
Profit from prop mgmt per share, SEK	1.27	1.20	1.24	1.28	1.23
Number of shares, million	130.3	130.6	130.6	130.9	131.1
Interest-coverage ratio	2.0	1.9	1.9	2.0	2.0

Earnings capacity attributable to rental revenue increased SEK 19.2 million during the quarter, mainly due to the finalisation of rent negotiations for housing units for 2025. To date, the rent increase has resulted in a weighted average of 4.9 per cent. A number of locations remain, with a rental value corresponding to approximately 34 per cent of the portfolio's total rental value for housing units, which will have an impact on the earnings capacity in the coming quarters. In addition, the rent indexation of leases for premises and the 37 ROT renovations for the quarter contributed to the earnings increase.

Property expenses were updated based on the Group's approved budget for 2025, adjusted for a normal year and forecast-related items. The cost increase of SEK 21.9 million was mainly attributable to price increases on tariffs and annual cost indexation of the Group's entire property portfolio.

Central administrative costs increased SEK 2.1 million, mainly due to cost indexation and annual salary reviews. A cost was also connected with the expanded requirements for sustainability reporting.

Financial expenses decreased SEK 13.2 million, attributable to the refinancing that was announced and a lower market interest rate, which reduced the Group's average interest by a total of 25 points.

Key performance indicators (KPI)

KlaraBo presents certain non-IFRS performance measures in the year-end report. KlaraBo believes that these measures provide valuable supplementary information to investors and the company's management since they enable an evaluation of the company's performance.

Non-IFRS measures are presented in the table below.

Property-related	2024 Oct-Dec	2023 Oct-Dec	2024 Jan-Dec	2023 Jan-Dec
Rental revenue, SEK m	157.5	149.4	630.4	589.7
Profit from prop mgmt, SEK m	31.4	23.9	135.9	124.2
Profit for the period, SEK m	178.9	-135.8	187.9	-381.5
Surplus ratio, %	55.8	51.5	57.5	57.2
Real occupancy rate, %	97.2	97.8	97.2	97.8
Investment properties, SEK m	9,243.9	9,031.9	9,243.9	9,031.9
Market value per sq. m.	18,469	18,032	18,469	18,032
Total lettable area, '000 sq. m.	499.0	499.5	499.0	499.5
No. of apartments under mgmt	6,694	6,604	6,694	6,604
No. of apartments in project devt	974	1,098	974	1,098
Financial				
Equity/assets ratio, %*	43.6	42.6	43.6	42.6
Loan-to-value ratio, %	51.4	52.2	51.4	52.2
Interest-coverage ratio, multiple	1.8	1.8	1.8	1.8
Net realizable value, SEK m*	4,387.8	4,189.1	4,387.8	4,189.1
Share-based				
Profit from property management per share, SEK	0.24	0.18	1.04	0.95
Equity per share, SEK*	31.5	30.0	31.5	30.0
Net realizable value per share, SEK*	33.7	32.0	33.7	32.0
Annual growth, profit from property management per share, %	32.1	-5.5	9.8	10.0
Annual growth, net realizable value per share, %	5.4	-7.3	5.4	-7.3
No. of shares at end of period, million	130.3	131.1	130.3	131.1
Weighted average No. of shares during period before dilution, million	130.3	131.1	130.7	131.1

* Adjusted for rights issue of unsubscribed shares

Definitions of key performance indicators

Key performance indicators	Definition	Objective
Market value per sq. m.	Investment properties excluding new construction, divided by the total lettable area of the property portfolio.	This KPI shows developments in the value of the Group's investment properties in relation to area over time.
Surplus ratio, %	Net operating income in relation to rental revenue.	Used to show the share of revenue that remains after property expenses. This KPI is a measure of efficiency that can be compared between property companies as well as over time.
Real occupancy rate, %	Number of apartments rented, including apartments set aside for renovation and apartments with signed leases, divided by total number of apartments.	Used to illustrate the actual occupancy rate in the Group adjusted for voluntary vacancy in the form of renovations and temporary relocation vacancies.
Equity/assets ratio, %	Total equity in relation to total assets at the end of the period.	This KPI is used to illustrate the Group's sensitivity to interest rates and its financial stability.
Loan-to-value ratio, %	Total interest-bearing liabilities less cash and cash equivalents at the end of the period in relation to investment properties	Used to illustrate financial risk, and how much of the operation is pledged under interest-bearing liabilities less available cash on hand. This KPI provides comparability with property companies.
Loan-to-value ratio, investment properties, %	Interest-bearing liabilities related to investment properties, in relation to investment properties excluding new construction in progress.	Used to illustrate financial risk, and how much of the management operations are pledged under interest-bearing liabilities.
Interest-coverage ratio, multiple	Operating profit/loss on a twelve-month basis, divided by net interest income/expense.	This KPI shows how many times the Group will be able to pay its interest with earnings from operating activities, and illustrates how sensitive the Group is to changes in interest rates.
Net realizable value, SEK m	Equity attributable to Parent Company shareholders, with add-back of deferred tax and derivatives attributable to wholly owned participations.	This KPI is an established measure of the Group's long-term net reassessment value, and facilitates analysis and comparison between property companies.
Profit from property management per share, SEK	Profit from property management attributable to Parent Company shareholders in relation to weighted average number of shares during the period.	Used to illustrate profit from property management per share in a uniform manner for listed companies.
Equity per share, SEK	Equity attributable to Parent Company shareholders in relation to the number of shares outstanding at end of the period.	This KPI shows how much of the Group's recognised equity each share represents.
Net realizable value per share, SEK	Net realizable value in relation to no. of shares outstanding at end of the period.	Used to illustrate the Group's long-term net reassessment value per share in a uniform manner for listed companies.
Annual growth, profit from property management per share, %	Percentage change in profit from property management per share during the period	Used to illustrate the development of profit from property management over time, expressed as a percentage.
Annual growth, net realizable value per share, %	Percentage change in net realizable value per share during the period.	Used to illustrate the development of net reassessment value over time, expressed as a percentage.
Net operating income	Net operating income from property management before elimination of intra-group leases less expenses from property management.	This KPI measures the property companies' operational surplus regarding letting and property management.

Reconciliation table, key performance indicators

	2024 Oct-Dec	2023 Oct-Dec	2024 Jan-Dec	2023 Jan-Dec
Market value per sq. m.				
A Investment properties, SEK m	9,243.9	9,031.9	9,243.9	9,031.9
B New construction in progress, SEK m	17.7	14.0	17.7	14.0
C Site leaseholds	10.6	10.6	10.6	10.6
D Total lettable area, 000 sq. m.	499.0	499.5	499.0	499.5
(A-B-C)/D Market value per sq. m.	18,469	18,032	18,469	18,032
Surplus ratio, %				
A Net operating income, SEK m	87.9	76.9	362.2	337.2
B Revenue, SEK m	157.5	149.4	630.4	589.7
A/B Surplus ratio, %	55.8	51.5	57.5	57.2
Real occupancy rate, %				
A No. of apartments	6,694	6,604	6,694	6,604
B No. of apartments not rented	305	231	305	231
C Apts set aside for renovation or with signed leases	120	85	120	85
1-(B-C)/A Real occupancy rate, %	97.2	97.8	97.2	97.8
Equity/assets ratio, %				
A Total equity at the end of the period, SEK m	4,484.2	3,936.3	4,484.2	3,936.3
B Add-back of rights issue of unsubscribed shares	-376.1	0.0	-376.1	0.0
C Total equity and liabilities at the end of the period, SEK m	9,799.9	9,249.9	9,799.9	9,249.9
(A+B)/C Equity/assets ratio, %	43.6	42.6	43.6	42.6
Loan-to-value ratio, %				
A Non-current interest-bearing liabilities, SEK m	3,762.0	4,762.7	3,762.0	4,762.7
B Current interest-bearing liabilities, SEK m	1,128.2	116.1	1,128.2	116.1
C Cash and cash equivalents at end of the period, SEK m	143.0	168.5	143.0	168.5
D Investment properties, SEK m	9,243.9	9,031.9	9,243.9	9,031.9
(A+B.C)/D Loan-to-value ratio, %	51.4	52.2	51.4	52.2
E Construction credit attr to new construction, SEK m	0.0	67.0	0.0	67.0
F New construction in progress, SEK m	17.7	14.0	17.7	14.0
(A+B-E-F)/(D-F) Loan-to-value ratio, investment properties, %	53.0	53.4	53.0	53.4
Interest-coverage ratio, multiple				
A Operating profit/loss, rolling 12 months, SEK m	310.5	285.9	310.5	285.9
B Interest income/expense, rolling 12 months, SEK m	-174.4	-161.7	-174.4	-161.7
A/-B Interest-coverage ratio, multiple	1.8	1.8	1.8	1.8
Net realizable value, SEK m				
A Equity, SEK m	4,484.2	3,936.3	4,484.2	3,936.3
B Add-back of derivatives, SEK m	10.6	36.7	10.6	36.7
C Add-back of deferred tax liabilities, SEK m	269.2	216.0	269.2	216.0
D Add-back of deferred tax assets, SEK m	0.0	-0.1	0.0	-0.1
E Add-back of rights issue of unsubscribed shares	-376.1	0.0	-376.1	0.0
A+B+C+D+E net realizable value, SEK m	4,387.8	4,189.1	4,387.8	4,189.1
Profit from property management per share, SEK				
A Profit from prop mgmt, SEK m	31.4	23.9	135.9	124.2
B Weighted avg no. of shares during period, million	130.3	131.1	130.7	131.1
A/B Profit from prop mgmt per share, SEK	0.24	0.18	1.04	0.95
Equity per share, SEK*				
A Equity, SEK m	4,484.2	3,936.3	4,484.2	3,936.3
B Add-back of rights issue of unsubscribed shares	-376.1	0.0	-376.1	0.0
C Number of shares at end of the period, million	130.3	131.1	130.3	131.1
(A+B)/C Equity per share, SEK	31.53	30.02	31.53	30.02

	2024 Oct-Dec	2023 Oct-Dec	2024 Jan-Dec	2023 Jan-Dec
Net realizable value per share, SEK				
A Net reassessment value (net realizable value), SEK m	4,387.8	4,189.1	4,387.8	4,189.1
B Number of shares at end of the period, million*	130.3	131.1	130.3	131.1
A/B net realizable value per share, SEK	33.68	31.95	33.68	31.95
Annual growth, profit from property management per share, %				
A Profit from prop mgmt during the period per share, SEK*	0.24	0.18	1.04	0.95
B Profit from prop mgmt during the preceding period per share, SEK*	0.18	0.19	0.95	0.86
A/B-1 Annual growth, profit from prop mgmt per share, %	32.1%	-5.5%	9.8%	10.0%
Annual growth, net realizable value per share, %				
A Net realizable value during the period per share, SEK*	33.7	32.0	33.7	32.0
B Net realizable value during the preceding period per share, SEK*	32.0	34.5	32.0	34.5
A/B-1 Annual growth, net realizable value per share, %	5.4%	-7.3%	5.4%	-7.3%

* Number of shares after buyback

Risks and opportunities for the Group and Parent Company

In order to prepare accounts according to generally accepted accounting principles and IFRS, company management must make assessments and assumptions that affect recognised assets and liabilities as well as revenues and costs in the financial statements, as well as affecting other information provided. The actual results may deviate from these assessments. Estimates and assumptions are based on historical experience and other factors that are deemed reasonable given the prevailing conditions. The Group's operations and the financial position and earnings can be affected, both directly and indirectly, by a number of risks, uncertainties and external factors.

The Group's operations are dependent on general financial and political trends, particularly in Sweden, which can impact demand for housing and premises. All identified risks are continuously monitored, and risk-reducing measures are implemented if required to limit their impact.

A summary of the most substantial risks and opportunities for the Group is presented below. For other information, refer to the Annual Report.

Financial risk

KlaraBo's most significant financial risks comprise interest-rate risk, financial risk and liquidity risk. Interest-rate risk is defined as non-controllable increase in interest expense. Interest-rate risk is expressed as a change of expenses for the interest-bearing liabilities if the interest rate changes by one percentage point. Financing risk pertains to the risk that expenses for raising new loans or other financing becomes higher and/or that refinancing loans outstanding becomes more difficult or occurs on disadvantageous terms. Liquidity risk refers to the risk of not being able to meet payment obligations due to insufficient liquidity or difficulties in obtaining financing. KlaraBo requires access to liquidity to finance ongoing projects, manage operations and settle due payments of interest and repayment instalments. KlaraBo's growth targets are dependent on healthy access to cash and cash equivalents to enable several projects to be started and pursued in parallel.

All of the risks above are regulated in the financial policy adopted by the Board of Directors. KlaraBo addresses these risks operationally through measures such as interest rate and capital hedging of its debt portfolio, maintaining a favourable and proactive dialogue with the Group's partners and continuously monitoring the Group's liquidity situation. KlaraBo's work is governed in part by internal targets for each risk category and in part by the Group's overall financial targets and risk limits. This is intended to limit the financial risks and to achieve a favourable long-term trend in net financial items. Furthermore, under existing loan agreements, KlaraBo is required to monitor and report on a number of key figures on a quarterly basis.

Opportunities and risks in the values of the properties

KlaraBo recognises investment properties at fair value, and the property portfolio is appraised at least once each year by independent external appraisers. Changes in the value of properties are included in profit or loss. Changes in the value of properties have a significant impact on profit for the period and contribute to more volatile earnings. The value of the properties is determined by supply and demand, in which the price is mainly dependent on the property's expected operating surplus and the buyer's yield requirements. Higher demand leads to a lower yield requirement, and an upward price adjustment as a result, whereas weaker demand has the opposite effect. In the same way, a positive operating surplus trend leads to an upward price adjustment, while a negative trend has the opposite effect. The rental concept is comprised partly of the actual rental level and partly of the vacancy risk of the property portfolio. Property valuation should take in to account an interval of uncertainty to reflect the inherent uncertainty of assumptions and estimates.

Sensitivity analysis – changes in value (SEK m)

	Change	Effect on fair value, SEK		Effect on fair value, SEK	
		Change	m	Change	m
Yield requirement	- 0.25% basis points	503.7	+ 0.25% basis points	-452.5	
Rental value*	- 2.50%	-35.2	+ 2.50%	351.9	
Operating and maintenance costs	- 2.50%	127.7	+ 2.50%	-127.7	
Long-term vacancy rate	- 0.25% basis points	29.6	+ 0.25% basis points	-29.7	

*-2.5% refers only to premises while +2.5% refers to both premises and housing

Ongoing projects

Information on ongoing projects in the year-end report is based on assessments concerning the size, direction and scope of ongoing projects as well as when the projects are expected to commence and be completed. Information is also based on assessments of future project costs and rental value. Assessments and assumptions should not be viewed as a forecast. Assessments and assumptions involve uncertainties concerning the projects' completion, design and size, schedule as well as project expenses and future rental value. Information concerning ongoing projects in the year-end report is regularly re-evaluated, and assessments and assumptions are adjusted in line with the completion or addition of ongoing projects and when conditions change. Financing has not been procured for projects where construction has not begun, which means that financing of ongoing projects is an uncertainty.

Financing

Bank financing is KlaraBo's primary source of financing, and the Group has no bonds. The lack of bond financing is a strength since this type of financing is impacted to a greater degree by rising market rates, which is generally more expensive in periods of market turbulence and carries a higher risk in connection with refinancing.

Changes in underlying market interest rates are impacting the portion of the loan portfolio that carries variable interest and that has not been converted to fixed interest using interest-rate derivatives. This, in turn, is impacting the interest-coverage ratio, which shows the Group's sensitivity to changes in interest rates and how many times the Group will be able to pay its interest with earnings from operating activities. KlaraBo is following the development closely and simulates sensitivity to enable action to be taken as needed.

The company has a stable financial position. On 31 December 2024, cash and cash equivalents amounted to SEK 143.0 million.

Operational risk

KlaraBo is in the midst of a phase of expansion and has identified a number of growth-oriented targets. Risks and opportunities connected to reaching the growth targets involve continued access to new projects, key personnel and the risk management of projects (concerning time, costs and quality). Changing yield requirements, along with financing and energy costs, created uncertainty regarding values, which is affecting the market.

Conditions for new construction of homes have worsened quickly since the beginning of 2022. Significantly higher financing costs combined with increased yield requirements and construction costs have generally resulted in a rapid and drastic slowdown in housing construction. The impact on KlaraBo's projects in progress is limited, but there is a risk that it could have a negative impact on future projects in both the short and long term.

Other disclosures

Market outlook

KlaraBo's offering meets the market's demand for good housing at the right price. The Group's assessment is that demand remains strong in the areas where KlaraBo operates and that there is still a structural housing shortage in many cities in Sweden.

Organisation and employees

The Parent Company of the Group is KlaraBo Sverige AB. The Group comprises wholly owned subsidiaries and jointly controlled companies. The number of employees was 68 (66), of whom 24 women (21) and 44 men (45).

Accounting policies

KlaraBo's consolidated financial statements have been prepared in accordance with the EU adopted International Financial Reporting Standards (IFRS) and interpretations therein (IFRS IC). This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. In addition, suitable provisions of the Swedish Annual Accounts Act have been applied. The accounting and valuation principles applied are unchanged compared with the Annual Report. The Parent Company has prepared its financial reports in conformity with the Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 requires that the Parent Company applies the same accounting principles as the Group, which is to say IFRS to the scope that RFR 2 permits.

For complete accounting policies, refer to KlaraBo's 2024 Annual Report. Accounting policies are unchanged compared with the 2024 Annual Report.

Transactions with related parties

The Group's related-party circle consists of all Board members, the CEO and members of senior management as well as their related parties and companies.

During the quarter, Investment AB Spiltan provided a guarantee commitment for the rights issue in return for remuneration of SEK 6 million. The remuneration was in line with market conditions.

The share and shareholders

The Parent Company of the Group, KlaraBo Sverige AB, Corp. Reg. No. 559029–2727 has two share classes: Class A and Class B ordinary shares. Each Class A share entitles the holder to ten votes and each Class B share entitles the holder to one vote. The number of shares amounted to 131,827,883, of which 16,300,000 were Class A and 115,527,883 were Class B. The quotient value for all shares is SEK 0.05 per share. As of the closing date, the company had repurchased a total of 1,538,542 shares. The announced rights issue of 26,057,868 Class B shares finalised in January 2025 is not included in the table below.

Largest shareholders, 31 December 2024

	Class A shares	Class B shares	Total	Capital	Voting rights
Investment AB Spiltan	1,934,484	13,519,220	15,453,704	11.7%	11.8%
Rutger Arnhult	0	9,973,188	9,973,188	7.6%	3.6%
Ralph Mühlrad	1,285,000	7,494,528	8,779,528	6.7%	7.3%
Wealins S.A.	0	7,695,723	7,695,723	5.8%	2.8%
Anders Pettersson med familj	3,466,316	3,327,793	6,794,109	5.2%	13.6%
Lennart Sten	2,495,000	3,632,335	6,127,335	4.6%	10.3%
Pensionskassan SHB Försäkringsförening	0	6,060,610	6,060,610	4.6%	2.2%
Samhällsbyggnadsbolaget i Norden AB	0	5,646,065	5,646,065	4.3%	2.0%
Länsförsäkringar Fonder	0	4,892,578	4,892,578	3.7%	1.8%
ODIN Fonder	0	4,196,911	4,196,911	3.2%	1.5%
Avanza Pension	0	2,797,989	2,797,989	2.1%	1.0%
Mats Johansson	2,699,400	0	2,699,400	2.0%	9.7%
Andreas Morfiadakis	2,361,287	113,400	2,474,687	1.9%	8.5%
Richard Mühlrad	785,000	1,044,832	1,829,832	1.4%	3.2%
Carnegie Fonder	0	1,597,709	1,597,709	1.2%	0.6%
Övriga	1,273,513	43,535,002	44,808,515	34%	20%
	16,300,000	115,527,883	131,827,883	100%	100%

Warrants

During the year, KlaraBo had three warrant programmes that expired without any shares being subscribed.

No warrants were issued under the authorisation provided at the 2024 Annual General Meeting. At the end of the period, there were no ongoing warrant programmes.

Signatures to the report

The Board of Directors and CEO give their assurance that this report gives a true and fair overview of the operations, financial position and earnings of the Parent Company and the Group, and describes the material risks and uncertainties faced by the Parent Company and the companies included in the Group.

Malmö, 14 February 2025

Lennart Sten,
Chairman of the Board

Per Håkan Börjesson,
Board member

Lulu Gylleneiden,
Board member

Mats Johansson,
Board member

Sophia Mattsson-Linnala,
Board member

Anders Pettersson,
Board member

Joacim Sjöberg,
Board member

Andreas Morfiadakis,
Chief Executive Officer

This year-end report has not been reviewed by the company's auditor.

This information constitutes information that KlaraBo AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 8:00 a.m. CET on 14 February 2025.



Calendar

Interim report Q1, January–March 2025	29 April 2025
2024 Annual General Meeting	29 April 2025
Interim report Q2, January–June 2025	17 July 2025
Interim report Q3, January–September 2025	23 October 2025
Year-end report 2025	13 February 2026



Contact information

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