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**Magnolia Bostad**

Interim report

Group

1 Jan–30 Sep 2024

**Q3**

# Interim report 1 January–30 September 2024



During Q3, we completed around 400 residential units and counting from the start of the year, we have completed and delivered a total of around 2,500 units. 2024 will be a record year for the company with around 3,600 completed residencies, all developed with quality and sustainability in focus, in accordance with the Swedish Green Building Council's silver certification or an equivalent.

Work on strengthening the company's liquidity continued during the quarter, which led to the decision to sell the commercial property Hantverkshuset in Nacka, with residential building rights of around 21,000 m<sup>2</sup> of habitable GFA. At the same time, the gross profit was burdened with the effects linked to continued refining of the project portfolio and focusing operations on the metropolitan regions.

The Riksbank's interest rate cuts and statements about interest rate trends, create conditions for stability going forward, which is very positive and creates long-awaited relief for the housing market. Now that we have passed the peak of high interest rates, we can also see signs of an improved financing situation for the property segment of the bond market, where green bonds especially look set to increase further in future.

The better macroeconomic situation is reflected in an increasing willingness to invest among institutional investors and greater activity in the residential transaction market, which means that there are good opportunities for a recovery in housing production, especially in the metropolitan regions where the interest from investors and the need for new housing is greatest.

With a mature building rights portfolio that currently includes roughly 7,000 building rights with zoning plans in force and a strong local presence in Stockholm, Göteborg and Malmö, we are ready to start a number of new projects in the forthcoming quarters, and we look forward to continuing to contribute to the housing market by developing top-quality, efficient and sustainable housing projects in good locations and which offer good, secure, indoor and outdoor environments for the residents.

Johan Tengelin, CEO

## 1 January–30 September 2024

- Net sales amounted to SEK 1,479 m (234).
- The operating loss was SEK 647 m (-416), of which SEK -84 m (-74) applies to changes in value of investment properties.
- The period's loss before tax was SEK 873 m (-618) and the loss after tax was SEK 856 m (-617).

## 1 July–30 September 2024

- Net sales amounted to SEK 148 m (76).
- The operating loss was SEK 99 m (-129), of which SEK 1 m (-49) applies to changes in value of investment properties.
- The period's loss before tax was SEK 165 m (-199) and the loss after tax was SEK 165 m (-195).

## Events 1 July–30 September 2024

- Sold the commercial property Hantverkshuset in Nacka.

## Events after the end of the period

- No significant events occurred after the end of the period.

KPIs, Group	2024 Jan-Sep	2023 Jan-Sep	2024 Jul-Sep	2023 Jul-Sep	2023/2024 Oct-Sep	2023 Jan-Dec
<b>Project-related</b>						
Number of production starts	0	57	0	0	0	57
Number of sold residencies	734	0	0	0	734	0
Total number of residencies in production	4,683	8,731	4,683	8,731	4,683	7,496
Number of estimated building rights in the portfolio, not yet production started	11,648	14,143	11,648	14,143	11,648	14,073
Total number of completed residencies	2,353	268	393	0	3,588	1,958
<b>Financials</b>						
Investment properties (SEK m)	1,797	3,010	1,797	3,010	1,797	3,085
Operating profit/loss	-647	-416	-99	-129	-826	-595
Equity/assets ratio (%)	26.8	31.1	26.8	31.1	26.8	31.2

# Sustainable housing development

*Magnolia Bostad AB, CIN 556797-7078, develops new residential properties, rental apartments, tenant-owned apartments, and community service properties, in attractive locations in Sweden's growth areas and major cities. Since the company was started, over 10,000 residential units have been developed both for sale and for self-management. Our work is based on a holistic approach where operations are carried out in a way that promotes long-term, sustainable urban development. More information is available at [www.magnoliabostad.se](http://www.magnoliabostad.se).*

We develop sustainable housing using energy-efficient technology, healthy material choices and circular recycling and build to a minimum criterion based on the Swedish Green Building Society's silver certification, the Nordic Swan eco-label or an equivalent. We are also active in the development of recycling and circular flows. The land being prepared, and the properties being built will be used by generations for many years to come. To speed up the transition to a sustainable housing industry, we participate in various industry initiatives such as HS30 and LFM30

We develop our homes with a good indoor and outdoor environment and include security in the areas we develop, by using BoTryggt30's guidelines, among other things. We are involved locally in the places we build, such as by supporting local football clubs in their work for gender equality and integration.

All employees, partners and sponsorship partners sign Magnolia Bostad's code of conduct, which governs the company's business ethics, health and safety, human rights and working conditions.

The fact that we develop and build sustainably also enables sustainable financing. All our outstanding bond schemes are green, and we are continuously working towards financing via green building loans. Our aim is for all our financing to be green or sustainable in some way in terms of environmental and social aspects. Our corporate bonds follow the company's green framework, which has been established in accordance with the Green Bonds Principles 2018 category Green Buildings. The company's bonds are listed on Nasdaq Stockholm. There is more information at [www.magnoliabostad.se](http://www.magnoliabostad.se)

Read more about sustainable financing on page 10 and green bonds at <https://om.magnoliabostad.se/en/bonds>



*The first tenants moved into the Lindens Park project in Kungälv in the summer of 2024. Magnolia Bostad has developed the project, which includes 356 residential units and commercial premises on the ground floor, of which 12 are sheltered housing units. The project is equipped with solar panels and prepared for certification according to the Swedish Green Building Council's silver certification. The properties have been sold through forward funding to PFA Bostad for long-term ownership.*

# Consolidated condensed income statement

Amounts in SEK m	2024	2023	2024	2023	2023/2024	2023
	Jan-Sep	Jan-Sep	Jul-Sep	Jul-Sep	Oct-Sep	Jan-Dec
Net sales	1,479	234	148	76	1,550	305
Production and operating costs	-1,874	-298	-213	-90	-2,027	-452
<b>Gross profit/loss</b>	<b>-395</b>	<b>-64</b>	<b>-65</b>	<b>-14</b>	<b>-477</b>	<b>-147</b>
Central administration	-66	-56	-20	-18	-86	-76
Profit/loss from participations in associated companies and joint ventures	-102	-221	-15	-49	-149	-268
Change in value, investment properties	-84	-74	1	-49	-114	-104
<b>Operating profit/loss</b>	<b>-647</b>	<b>-416</b>	<b>-99</b>	<b>-129</b>	<b>-826</b>	<b>-595</b>
Financial income	10	10	3	4	19	19
Financial expenses	-236	-212	-68	-74	-319	-295
<b>Profit/loss before tax</b>	<b>-873</b>	<b>-618</b>	<b>-165</b>	<b>-199</b>	<b>-1,127</b>	<b>-871</b>
Income tax	17	1	0	4	19	3
<b>NET PROFIT/LOSS FOR THE PERIOD</b>	<b>-856</b>	<b>-617</b>	<b>-165</b>	<b>-195</b>	<b>-1,107</b>	<b>-868</b>
<b>Profit/loss attributable to</b>						
Parent company shareholders	-792	-575	-154	-188	-1,025	-807
Non-controlling interests	-64	-42	-11	-7	-83	-61

# Consolidated statement of comprehensive income

Amounts in SEK m	2024	2023	2024	2023	2023/2024	2023
	Jan-Sep	Jan-Sep	Jul-Sep	Jul-Sep	Oct-Sep	Jan-Dec
Net profit/loss for the period	-856	-617	-165	-195	-1,107	-868
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>						
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-856</b>	<b>-617</b>	<b>-165</b>	<b>-195</b>	<b>-1,107</b>	<b>-868</b>
<b>Comprehensive income attributable to</b>						
Parent Company shareholders	-792	-575	-154	-188	-1,025	-807
Non-controlling interests	-64	-42	-11	-7	-83	-61

# Comments on the results

Comparisons in parentheses refer to the corresponding figure for the previous year except in sections describing the financial position and financing. These figures refer to the end of the previous year.

## Reporting period 1 January–30 September 2024

Net sales amounted to SEK 1,479 m (234) and the operating loss was SEK 647 m (-416). The loss before tax amounted to SEK 873 m (-618).

Distribution of revenue, SEK m	2024 Jan-Sep	2023 Jan-Sep
Property sales	1,418	44
<b>Sum of revenue recognised at a point in time</b>	<b>1,418</b>	<b>44</b>
Project management	22	36
Rent	26	16
Other invoicing for the projects and other revenue	13	138
<b>Sum of revenue recognised over in time</b>	<b>61</b>	<b>190</b>
<b>TOTAL REVENUE</b>	<b>1,479</b>	<b>234</b>

During the period, a number of property transactions were carried out to reduce liabilities and free up liquidity for upcoming debt maturities. During the first half of the year, the Ångöket property in Knivsta, which was previously in production for self-management, was sold as a forward funding project. The Adjutanten Assisted Living and Meriten Student Housing properties on Gotland, the residential property Bro Mälarsstrand 36 in Upplands-Bro and land intended for the development of the projects Bredden in Upplands Väsby and Senapsfabriken stage 3 in Uppsala have been sold. During Q3, the commercial property Hantverkshuset in Nacka was sold. In total, the residential properties sold include 734 apartments and building rights sales of 63,000 m<sup>2</sup> of habitable GFA.

Revenue from the period's revenue recognition amounted to SEK 1,314 m. Adjustments of variable components in previous revenue-recognized projects in the period amounted to SEK 104 m. The biggest contributing factor was the positive outcome in rental negotiations which contributed to an increased property value, which, coupled with positive progress in the projects, allowed resolution of reservations linked to outstanding receivables.

Production and operating costs amounted to SEK 1,874 m (-298) of which property sales made up SEK 1,601 m. Costs of cancelled projects and write-downs in the project portfolio amounted to SEK 193 m as a result of continued streamlining of the project portfolio in order to focus operations on the regions where we expect a faster recovery in the new construction market.

The cost of central administration amounted to SEK 66 m (-56) and was negatively affected by one-off costs attributable to the period's restructuring of operations towards metropolitan regions.

The loss from associated companies was SEK 102 m (-221), primarily driven by financing costs in the JV with on-going productions and write-down of the Näsängen project that will not be carried out in the JV.

Distribution of profits from associated companies, SEK m	2024 Jan-Sep	2023 Jan-Sep
Net operating income	27	19
Other income and expenses	-13	-21
Change in value, project development	16	98
Change in value, other	-10	-203
Financing costs	-119	-122
Tax	-3	8
<b>Total</b>	<b>-102</b>	<b>-221</b>

The change in value of investment properties was SEK -84 m (-74), mainly due to higher required returns, which was to some extent countered by a favourable rental trend and progress in project development according to plan, which has reduced the risk of delays and higher costs of the undertaking.

Change in value, SEK m	2024 Jan-Sep	2023 Jan-Sep
Change in net operating income	26	39
Change in project cost	-20	-2
Project development	33	76
Change in required return	-121	-189
Sales	-	2
<b>Total</b>	<b>-84</b>	<b>-74</b>

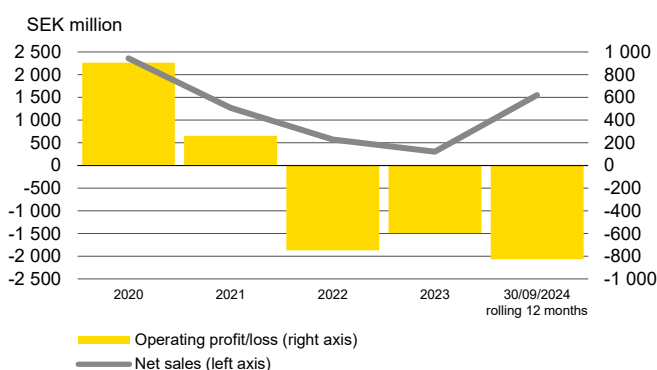
## Financial items

Net financial items amounted to SEK -226 m (-202). At the end of the period, Magnolia Bostad's average interest rate was 9.9% compared to 9.8% at the turn of 2023/24.

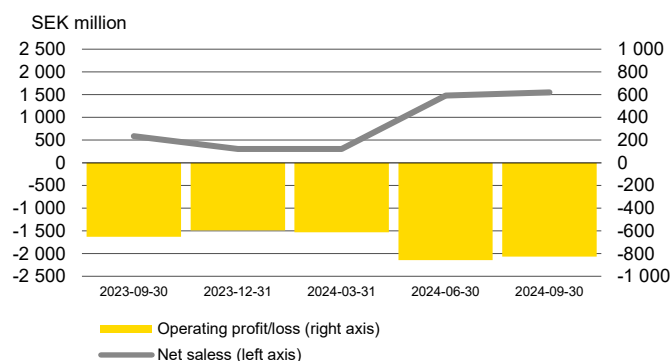
## Profit/loss for the period

The period's loss was SEK 856 m (-617) and includes SEK 17 m (1) in deferred tax.

Net sales & operating profit/loss, full-year



Net sales & operating profit/loss, rolling 12-months





## Reporting period 1 July–30 September 2024

Net sales amounted to SEK 148 m (76) and the operating loss was SEK 99 m (-129). The loss before tax was SEK 165 m (-199).

Distribution of revenue, SEK m	2024 Jul-Sep	2023 Jul-Sep
Property sales	129	38
<b>Sum of revenue recognised at a point in time</b>	<b>129</b>	<b>38</b>
Project management	8	9
Rent	5	6
Other invoicing for the projects and other revenue	7	23
<b>Sum of revenue recognised over in time</b>	<b>19</b>	<b>38</b>
<b>TOTAL REVENUE</b>	<b>148</b>	<b>76</b>

The commercial property Hantverkshuset in Nacka was sold during Q3. The property is located in the centre of Orminge with the Willys supermarket as the largest tenant and was originally planned for the development of 307 residential units.

Revenue from Q3's revenue recognition amounted to SEK 112 m. Adjustments of variable components in previous revenue-recognized projects amounted to SEK 17 m. The biggest contributing factor was a positive outcome in rental negotiations which contributed to an increased property value, which, coupled with positive progress in the projects, allowed resolution of reservations linked to outstanding receivables.

Costs of cancelled projects and write-downs in the project portfolio amounted to SEK 54 m as a result of continued streamlining of the project portfolio to focus operations on the regions where we expect a faster recovery in the market for newly constructed apartments.

The loss from associated companies was SEK 15 m (-49), mainly due to financing costs in the JV with production in progress. During Q3, occupancy of the TOA Linneförrådet continued, and revenue recognition was carried out for

occupied apartments in the Fixfabriken JV, which is jointly owned with Niam.

Distribution of profits from associated companies, SEK m	2024 Jul-Sep	2023 Jul-Sep
Net operating income	10	9
Other income and expenses	10	-4
Change in value, project development	5	36
Change in value, other	3	-44
Financing costs	-41	-45
Tax	-3	-
<b>Total</b>	<b>-15</b>	<b>-49</b>

The change in value of investment properties was SEK 1 m (-49). Factors contributing positively were a continued favourable rental trend and progress in project development, which allowed the dissolution of risk reserves linked to undertakings.

Change in value, SEK m	2024 Jul-Sep	2023 Jul-Sep
Change in net operating income	25	-13
Change in project cost	-31	-8
Project development	20	34
Change in required return	-13	-62
<b>Total</b>	<b>1</b>	<b>-49</b>

Net financial items during Q3, amounted to SEK -66 m (-70). The Group's current interest costs have fallen in comparison with previous periods due to amortization in connection with property sales and partial repayment of bonds, but net financial items have been negatively affected overall by costs attributable to early redemptions and provisions for potential credit losses.

# Consolidated condensed statement of financial position

Amounts in SEK m	2024 30 Sep	2023 30 Sep	2023 31 Dec
<b>ASSETS</b>			
<b>Non-current assets</b>			
Other intangible assets	0	0	0
<b>Total intangible assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
Investment properties	1,797	3,010	3,085
Right of use assets	33	44	47
Machinery and equipment	1	2	2
<b>Total property, plant and equipment</b>	<b>1,831</b>	<b>3,056</b>	<b>3,134</b>
Shares in associated companies and joint ventures	216	374	338
Receivables from associated companies	88	182	78
Other long-term receivables	219	561	509
<b>Total financial assets</b>	<b>523</b>	<b>1,117</b>	<b>925</b>
<b>Total non-current assets</b>	<b>2,353</b>	<b>4,173</b>	<b>4,059</b>
<b>Current assets</b>			
Development and project properties	1,385	1,310	1,426
Tenant-owned apartments	4	4	4
Accounts receivable	14	18	18
Receivables from associated companies	134	145	135
Other receivables	563	501	355
Prepaid expenses and accrued income	14	19	21
Cash and cash equivalents	98	428	331
<b>Total current assets</b>	<b>2,212</b>	<b>2,425</b>	<b>2,290</b>
<b>TOTAL ASSETS</b>	<b>4,565</b>	<b>6,598</b>	<b>6,350</b>

## Assets

The Group's total assets amounted to SEK 4,565 m, compared to SEK 6,350 m at the beginning of the year.

## Investment properties

Properties held for self-management are reported as investment properties and amounted to SEK 1,797 m (3,085). The decrease compared to previous periods is due to the projects Bro Mälarstrand 36 in Upplands Bro, Ängloket in Knivsta, Adjutanten Assisted living and Meriten Student housing in Visby, Bredden in Upplands Väsby and Hantverkshuset in Nacka, have been reclassified as development and project properties and have subsequently been sold. A strategic review of which properties will be developed for self-management is underway, which may lead to further reclassifications in future.

Investment properties, SEK m	2024 Jan-Sep	2023 Jan-Sep
Opening carrying amount	3,085	2,489
Reclassifications	-1,428	0
Investments and acquisitions	266	597
Change in value	-84	-76
Write-offs	-42	0
Closing carrying amount	1,797	3,010

## Development and project properties

Development and project properties amounted to SEK 1,385 m (1,426) at the end of the period. In addition to continuing development work in the projects, the item was affected by the write-down of projects not deemed profitable in the current market situation.

## Associated companies and joint ventures

Shares in associated companies and joint ventures fell from SEK 338 m to SEK 216 m, mainly due to financing costs in the JVs with production of housing in progress, and a write-down of the Näsängen project in the Österåkerporten JV, which will not be developed in the envisaged JV structure. Long-term and short-term receivables from associated companies and JVs increased by SEK 9 m to SEK 222 m (213).

The JVs are in various stages of development. From zoning plan work and housing production in progress, to management of completed residential properties.

Magnolia owns two JVs with Slättö, with completed properties in them. One manages four properties located in Östersund, Luleå, Eskilstuna and Örebro and includes 631 residential units. The other manages the Valfisken property in Västerås with 82 residencies that were completed in Q4 2023. Magnolia has another JV with Slättö where construction of 409 residencies in Barkarby is underway and where occupancy will begin in Q2 2025.

Magnolia is co-owner of two JVs with SBB. One involves a completed property in Sollentuna with 206 residencies, a property where production is underway in Nacka with 220 residencies and completion planned in Q1 2025, and a building right in Huddinge in the zoning plan process. The other JV owns a building right in Nykvarn for the planned development of 289 residential units.

Magnolia also has, together with Heimstaden and KF-fastigheter, JVs for the development of 416 and 900 residencies respectively in Upplands-Bro. In addition, Magnolia has additional JVs with Heimstaden with projects in various stages of the zoning plan processes.

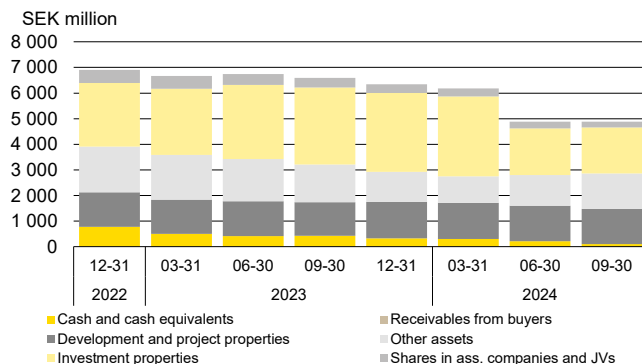
## Other receivables

Out of other long-term and other receivables totalling SEK 782 m (864), SEK 694 m (727) are receivables from the buyers of projects, mainly large property companies. Of receivables from buyers, the Group expects to receive SEK 527 m (298) in repayments of promissory notes, additional purchase price payments, final purchase price payments and forward funding within the next 12 months. Deposits for future property acquisitions amounted to SEK 39 m (74).

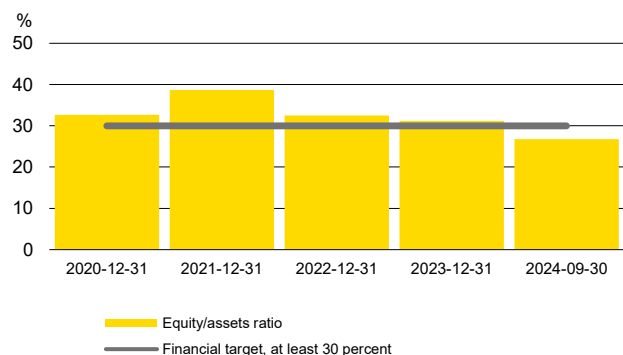
## Cash and cash equivalents

Cash and cash equivalents amounted to SEK 98 m (331).

## Distribution of assets



## Equity/assets ratio





# Consolidated condensed statement of financial position

Amounts in SEK m	2024 30 Sep	2023 30 Sep	2023 31 Dec
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	151	151	151
Other capital contributions	2,255	1,955	2,155
Retained profits incl. net profit/loss for the period	-1,183	-37	-264
<b>Equity attributable to Parent Company shareholders</b>	<b>1,223</b>	<b>2,070</b>	<b>2,042</b>
Non-controlling interests	0	-15	-64
<b>Total equity</b>	<b>1,223</b>	<b>2,055</b>	<b>1,978</b>
<b>Non-current liabilities</b>			
Deferred tax liability	7	26	24
Non-current interest-bearing liabilities	433	2,089	2,339
Non-current liabilities to associated companies	25	25	25
Non-current lease liabilities	28	29	33
Other long-term liabilities	129	665	115
<b>Total long-term liabilities</b>	<b>622</b>	<b>2,834</b>	<b>2,537</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities	1,811	844	860
Current lease liabilities	9	20	19
Accounts payable	21	47	27
Liabilities to associated companies	11	11	11
Income tax liabilities	0	0	0
Other current liabilities	745	600	702
Accrued expenses and deferred income	123	187	216
<b>Total current liabilities</b>	<b>2,720</b>	<b>1,709</b>	<b>1,835</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,565</b>	<b>6,598</b>	<b>6,350</b>

## Equity and equity/assets ratio

At the end of the period, the Group's equity amounted to SEK 1,223 m (1,978) with an equity/assets ratio of 26.8% (31.2). The equity/assets ratio fell due to the negative results during the period. During Q1, the Group received a shareholder contribution of SEK 100 m.

Of the Group's equity, SEK 0 m (-64) is attributable to holdings without a controlling influence due to the minority's share of equity being absorbed by equity attributable to ordinary shareholders through valuation at fair value.

### Sustainable financing

Magnolia Bostad's focus of financing is to provide the business with capital on favourable terms regarding sustainability, price, interest rate risk and structure. Our aim is for new financing to be green or sustainable based on environmental and social aspects. At present, all our outstanding bond schemes are green. Development of properties for our own portfolio, forward funding or tenant-owned apartments have different financing needs. Corporate bonds are used to finance the processing of building rights, other parts of the ongoing work to develop the projects and to finance the liquidity reserve. Land acquisitions are initially financed with a combination of cash from bonds, promissory notes or revolving credit facilities. For completed investment properties and rental-generating project properties, secured property loans are used as much as possible, as the interest rate for this type of financing is lower than for other financing.

### Interest-bearing liabilities

Total interest-bearing loan liabilities, including interest-bearing deposits received, amounted to SEK 2,244 m (3,199) as of 30 September 2024. The majority of Magnolia Bostad's liabilities consist of bonds with a book value of SEK 1,220 m (1,418) and project-related liabilities of SEK 698 m (685). The remaining interest-bearing liabilities consist of promissory notes of SEK 244 m (337) and shareholder loans of SEK 82 m (0).

Repayment of project-related liabilities is made at the time of Magnolia Bostad's handover. Upon the completion of properties for self-management, the construction loans are refinanced with collateralized property loans. The average tied-up capital period amounted to 1.0 years as of 30 September 2024, compared to 1.6 years as of 31 December 2023.

### Green bonds

As of 30 September 2024, Magnolia Bostad had three bonds that are all green, unsecured and listed on Nasdaq Stockholm's Sustainable Bonds list.

One bond of a nominal SEK 200 m within a framework of SEK 550 m, with a variable interest rate of Stibor 3m + 7.50% (with a Stibor floor) maturing in December 2024. Terms and conditions were changed in March 2024. Please see Magnolia Bostad's website.

One bond of a nominal SEK 725 m within a framework of SEK 1,000 m, with a variable interest rate of Stibor 3m + 6.90% (with a Stibor floor) maturing in March 2025.

One bond of a nominal SEK 300 m within a framework of SEK 1,500 m, with a variable interest rate of Stibor 3m + 7.75% (with a Stibor floor) maturing in May 2026.

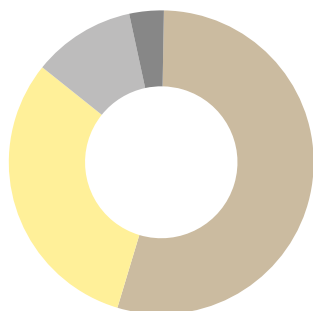
The difference between the book value of SEK 1,220 m and the nominal amount of the bonds is due to set-up fees paid, which are reported according to the effective interest rate method.

Read more about our green bonds on Magnolia Bostad's website

### Other liabilities

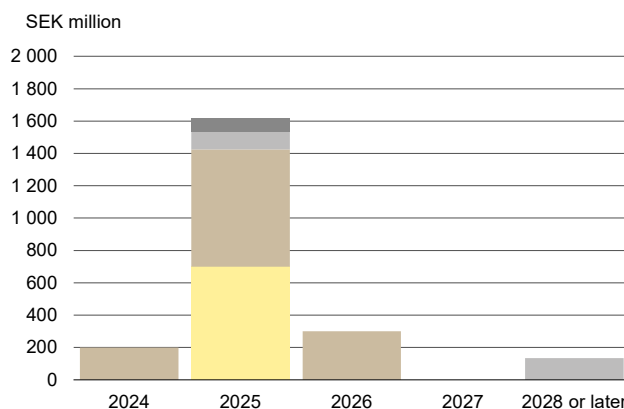
Other long-term liabilities and current liabilities mainly consist of debt for unpaid purchase prices for acquired projects and amounted to SEK 873 m (817).

Distribution interest bearing liabilities



- Bonds
- Project-related liabilities
- Seller promissory notes
- Shareholder loans

Maturity structure debt

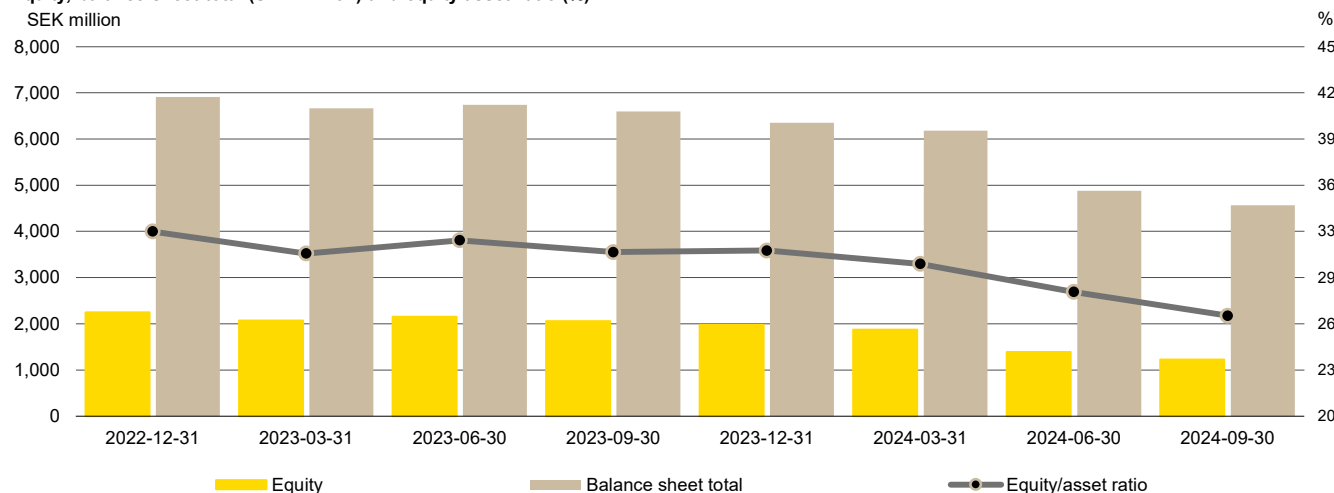


- Project-related liabilities
- Bonds
- Seller promissory notes
- Shareholder loans

# Consolidated condensed statement of changes in equity

Amounts in SEK m	Share capital	Other capital contributions	Reserves	Retained profits incl. net profit/ loss for the year	Non-controlling interests	Total equity
<b>Opening equity 2023/01/01</b>	<b>151</b>	<b>1,528</b>	-	<b>548</b>	<b>18</b>	<b>2,245</b>
Acquisition of non-controlling interests	-	-	-	-10	10	-
Net profit/loss for the period	-	-	-	-575	-42	-616
Other comprehensive income	-	-	-	0	0	0
<b>Transactions with shareholders</b>						
Shareholder contributions	-	427	-	-	-	427
<b>Closing equity 2023/09/30</b>	<b>151</b>	<b>1,955</b>	-	<b>-37</b>	<b>-15</b>	<b>2,055</b>
Net profit/loss for the period	-	-	-	-232	-19	-251
Other comprehensive income	-	-	-	0	0	0
<b>Transactions with shareholders</b>						
Shareholder contributions	-	200	-	-	-	200
Acquisition of non-controlling interests	-	-	-	5	-30	0
<b>Closing equity 2023/12/31</b>	<b>151</b>	<b>2,155</b>	-	<b>-264</b>	<b>-64</b>	<b>1,978</b>
<b>Opening equity 2024/01/01</b>	<b>151</b>	<b>2,155</b>	-	<b>-264</b>	<b>-64</b>	<b>1,978</b>
Net profit/loss for the period	-	-	-	-792	-64	-856
Other comprehensive income	-	-	-	0	0	0
<b>Transactions with shareholders</b>						
Shareholder contributions	-	100	-	-	-	100
Revaluation to fair value	-	-	-	-127	127	0
<b>Closing equity 2024/09/30</b>	<b>151</b>	<b>2,255</b>	-	<b>-1,183</b>	<b>0</b>	<b>1,223</b>

Equity, balance sheet total (SEK million) and equity/asset ratio (%)



# Consolidated condensed cash flow statement

Amounts in SEK m	2024	2023	2024	2023	2023/2024	2023
	Jan-Sep	Jan-Sep	Jul-Sep	Jul-Sep	Oct-Sep	Jan-Dec
<b>Operating activities</b>						
Profit/loss after financial items	-873	-618	-165	-199	-1,126	-871
Adjustments for non-cash items, etc						
Less share of profit/loss from associated companies and joint ventures	102	221	15	49	148	267
Depreciation/amortization and impairment of assets	210	124	59	66	298	212
Fair value changes, investment properties	84	75	-1	49	114	105
Capital gains/losses from the sale of development properties	156	-27	-17	-38	149	-34
Other profit/loss items that do not affect liquidity	10	8	2	3	12	10
Income tax paid	0	0	0	0	0	-
<b>Cash flow from operating activities before changes in working capital</b>	<b>-311</b>	<b>-217</b>	<b>-106</b>	<b>-71</b>	<b>-405</b>	<b>-311</b>
Decrease (+)/increase (-) of development and project properties	-107	-104	-13	-30	-450	-447
Decrease (+)/increase (-) in current receivables	247	286	165	188	437	476
Decrease (+)/increase (-) in current liabilities	-145	44	-23	44	-327	-138
<b>Cash flow from operating activities</b>	<b>-317</b>	<b>9</b>	<b>23</b>	<b>132</b>	<b>-746</b>	<b>-420</b>
<b>Investing activities</b>						
Acquisition of intangible fixed assets	0	0	-	-	0	-
Investments in investment properties	-265	-597	-83	-409	-370	-702
Acquisition of machinery and equipment	-1	-1	-0	-	-1	-1
Disposal of subsidiaries	408	-	41	-	408	-
Investment in financial assets	-2	-77	0	-	-2	-77
<b>Cash flow from investing activities</b>	<b>141</b>	<b>-675</b>	<b>-42</b>	<b>-409</b>	<b>36</b>	<b>-780</b>
<b>Financing activities</b>						
Shareholder contribution	100	100	-	100	300	300
Borrowings	239	403	-	195	751	915
Repayment of borrowings	-395	-181	-100	-	-648	-434
Acquisition of non-controlling interests	-	-	-	-	-24	-24
<b>Cash flow from financing activities</b>	<b>-57</b>	<b>322</b>	<b>-100</b>	<b>295</b>	<b>378</b>	<b>757</b>
<b>Cash flow for the period</b>	<b>-233</b>	<b>-343</b>	<b>-120</b>	<b>18</b>	<b>-332</b>	<b>-442</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>331</b>	<b>772</b>	<b>217</b>	<b>410</b>	<b>428</b>	<b>772</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>98</b>	<b>428</b>	<b>98</b>	<b>428</b>	<b>98</b>	<b>331</b>

## Cash flow and cash and cash equivalents

The period's cash flow amounted to SEK -233 m (-343). Cash and cash equivalents amounted to SEK 98 m (331) as of 30 September 2024. Besides cash and cash equivalents, there were unused granted credits of SEK 326 m as of 30 September 2024 of which SEK 275 m was unused building credit and SEK 51 m was unused land financing.

## Current activities

Cash flow from current activities amounted to SEK -317 m (9), mainly affected by costs in operations, investments in the building rights portfolio as well as handover payments and final cash received for completed projects.

At the time of handover, Magnolia Bostad receives forward funding for the projects, which means that Magnolia Bostad receives payment for investments made up until handover. Often, part of the project's profit is also received in cash upon exiting the project. The remaining part of the project profit is usually received upon project completion. This leads to a delay between the timing of reporting sales in the income statement and cash flows received.

## Investment activities

Cash flow from investment activities amounted to SEK 141 m (-675) due to property sales and continued investments in investment properties.

## Financing activities

Cash flow from financing activities was SEK -57 m (322). Borrowings relate to the increase in building credits in property-owning companies which were subsequently sold of SEK 68 m, received shareholder loans of SEK 82 m and project financing of SEK 89 m. During the period, a deposit of SEK 58 m and a promissory note of SEK 75 m were repaid. During Q2 and Q3, partial amortizations of the bond due in December 2024 of SEK 100 m respectively was carried out.

# Parent company's condensed income statement

Amounts in SEK m	2024	2023	2024	2023	2023/2024	2023
	Jan-Sep	Jan-Sep	Jul-Sep	Jul-Sep	Oct-Sep	Jan-Dec
Net sales	21	20	6	9	27	26
<b>Total income</b>	<b>21</b>	<b>20</b>	<b>6</b>	<b>9</b>	<b>27</b>	<b>26</b>
Central administration	-39	-39	-13	-13	-50	-49
<b>Operating profit/loss</b>	<b>-18</b>	<b>-19</b>	<b>-6</b>	<b>-4</b>	<b>-23</b>	<b>-23</b>
Financial income	149	132	48	46	204	188
Financial expenses	-135	-144	-50	-52	-182	-191
<b>Profit/loss after financial items</b>	<b>-5</b>	<b>-31</b>	<b>-8</b>	<b>-10</b>	<b>0</b>	<b>-26</b>
Tax on profit/loss for the period	0	0	0	0	0	0
Group contributions	0	0	0	0	-53	-53
<b>NET PROFIT/LOSS FOR THE PERIOD</b>	<b>-5</b>	<b>-31</b>	<b>-8</b>	<b>-10</b>	<b>-53</b>	<b>-79</b>

# Parent company's condensed balance sheet

Amounts in SEK m	2024 30 Sep	2023 30 Sep	2023 31 Dec
<b>ASSETS</b>			
Non-current assets	0	0	0
Financial assets	227	112	142
<b>Total non-current assets</b>	<b>227</b>	<b>112</b>	<b>142</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from Group companies	3,344	3,300	3,367
Other receivables	4	8	7
Prepaid expenses and accrued income	1	0	0
<b>Total current receivables</b>	<b>3,349</b>	<b>3,308</b>	<b>3,374</b>
Cash and bank balances	10	181	237
<b>Total current assets</b>	<b>3,359</b>	<b>3,489</b>	<b>3,611</b>
<b>TOTAL ASSETS</b>	<b>3,586</b>	<b>3,602</b>	<b>3,754</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>2,259</b>	<b>2,012</b>	<b>2,164</b>
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities	298	1,016	1,018
<b>Total long-term liabilities</b>	<b>298</b>	<b>1,016</b>	<b>1,018</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities	922	458	458
Liabilities to Group companies	90	85	85
Other current liabilities	0	0	0
Accrued expenses and deferred income	17	30	29
<b>Total current liabilities</b>	<b>1,029</b>	<b>573</b>	<b>572</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,586</b>	<b>3,602</b>	<b>3,754</b>

## Parent company

The parent company does not own any properties. Sales in the parent company primarily refer to the invoicing of services to Group companies.

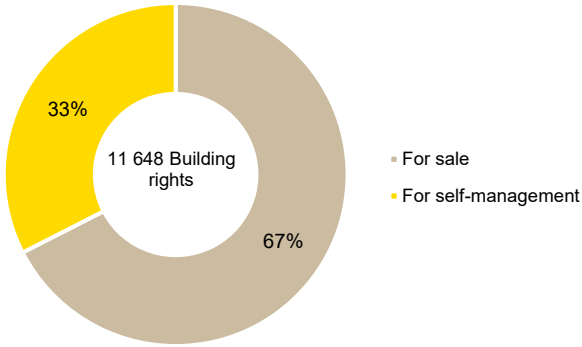
The parent company's loss after financial items was SEK 5 m (-31).

The equity/assets ratio for the parent company was 63.0% (57.6). The balance sheet total amounted to SEK 3,586 m (3,754). During the period, a shareholder contribution of SEK 100 m was received.

# Projects and properties

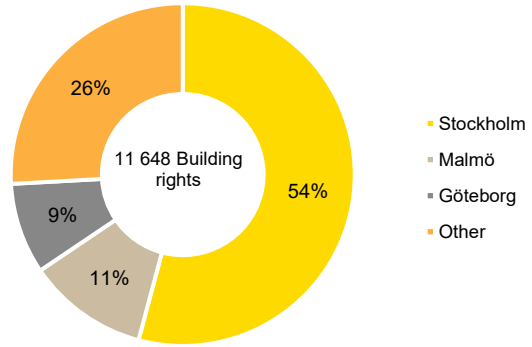
## Building rights portfolio by type

On 30 September 2024, our estimated building rights portfolio totalled 11,648 building rights, of which 3,788 are residencies for self-management and 7,861 are residencies for sale. 6,812 building rights have a zoning plan in force and are ready to start production. Projects intended for warehouses, logistics and schools are not included in the specified KPIs for the number of residential units.



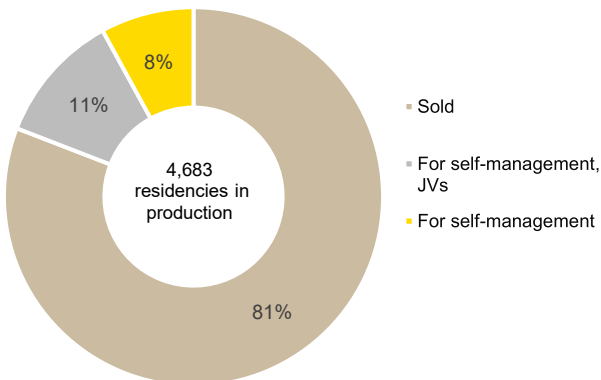
## Building rights portfolio by region

The building rights portfolio is focused on Sweden's metropolitan regions where approximately 74% of the portfolio's building rights are located. Of these, 4,329 have zoning plans in force.



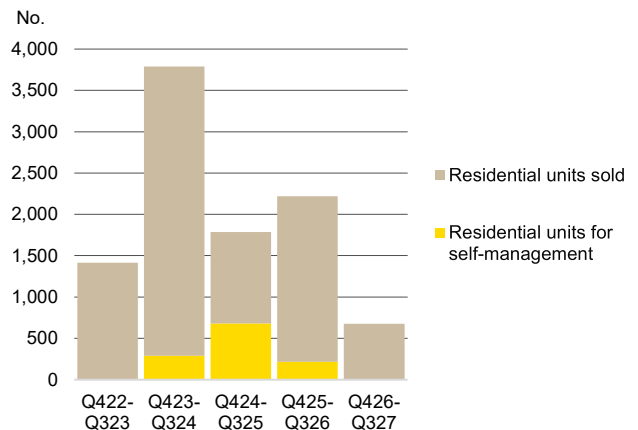
## Residential units in production

On 30 September 2024, Magnolia Bostad had 4,683 residential units in production, with 896 for self-management and 3,787 for sold properties. Of the 896 residencies being developed for self-management, 58% are owned in existing JVs. Magnolia Bostad project manages the development of all housing, including those developed in JVs, and reports project management income for this work on a continual basis.



## Completion – rolling twelve months

During the period Magnolia completed 393 residential units. One rental accommodation project in Lund municipality and two in Enköping. Over the next 12 months, we estimate that roughly 1,787 residencies will be completed. The number of building rights and number of residencies include minority interest's share, while the JV partner's share is not shown.





# Properties for self-management

Information, unless otherwise stated, includes the minority ownership, excluding the JV partners' share.

## Properties for self-management in production

In total, there are 896 residential units for self-management in production, divided between five projects. Most of the projects are expected to be completed in 2024 to 2025. The last project is expected to be completed in 2026. All the projects are located in the Stockholm area, except for one project in Borås.

Magnolia Bostad's share of the property value upon completion is estimated at SEK 2.1 bn, of which around SEK 1.3 bn is currently owned in JVs. By developing residencies in JVs with a financially strong partner, a large part of the financing requirements for remaining investments has been secured. The remaining investments amount to SEK 0.1 bn for the 523 residential units in production that are owned through JVs.

## Building rights portfolio for self-management

The number of building rights intended for Magnolia Bostad's self-management where production has not started amounted to 3,788 building rights as of 30 September 2024.

## Production started residential units for self-management

<b>Magnolia Bostad's share</b>	<b>896</b>
Of which construction started	896
Of which not construction started	0

## Business target

Magnolia Bostad's business target is to hold around 6,000 residential units for self-management.

## Building rights portfolio

Not yet production started projects for self management, Q3 2024

Status zoning plan process		Total
Early stages	0 - 36 months	120
Plan assignments	18 - 24 months	1,738
Review	2 - 4 months	0
Adoption of zoning plan	3 weeks, opportunity to appeal	257
Zoning plan comes into force		1,673
<b>Total</b>		<b>3,788</b>



The Hantverkaren project in Orminge, Nacka consists of 220 residencies, of which 12 are sheltered housing units. Almost half of the residencies have been occupied, and during December, occupancy of the remaining apartments will start. The tenants have access to a carpool and the property has been prepared for certification according to the Swedish Green Building Council's silver certification.

# Value and valuation of properties for self-management

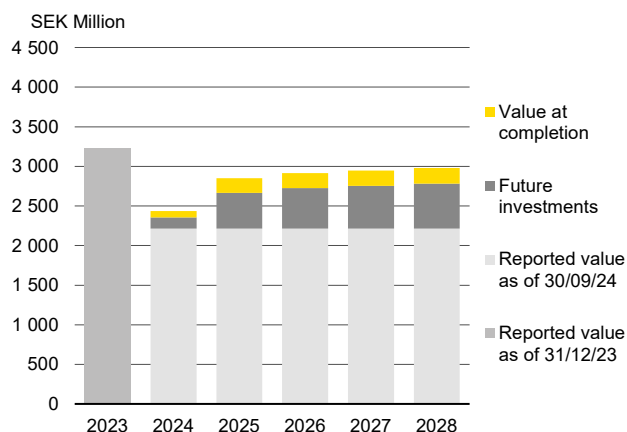
## Compilation, properties in self-management

- total completed projects and projects in production

	Estimated no. of ap.	Rentable space upon completion (sqm)	Reported value (SEK m)	Remaining investment (SEK m)	Est. value upon completion (SEK m)	Estimated annual rental value upon completion (SEK m)
Properties in self-management, completed	460	21,610	876	0	876	45
Properties in self-management, in production	896	40,768	1,338	576	2,111	112
<b>Total</b>	<b>1,355</b>	<b>62,378</b>	<b>2,214</b>	<b>576</b>	<b>2,987</b>	<b>157</b>

## Properties for self-management

Completed properties and estimated value of properties for self-management upon completion that are already currently in production. Magnolia Bostad's direct and indirect share of ownership



The value reported in the table above consists of what has been reported as investment properties in Magnolia Bostad's report on its financial position and Magnolia Bostad's share of investment properties in JVs.

As of 30 September 2024, the number of completed properties for self-management was 460, with an estimated property value of SEK 876 m. The majority of these properties are owned in JVs with Slättö Core plus Holding AB.

Magnolia Bostad's property value at completion for projects in production is estimated at SEK 2.1 bn and non-discounted residual surplus value is estimated at SEK 0.2 bn.

### Important information about assumptions

Information about projects in production and non-production-started projects in the interim report, is based on assessments of size, focus and scope and when in time projects are judged to be started and completed. Furthermore, the information is based on assessments of future investments, direct yield, inflation, and rental value.

The assessments and assumptions should not be seen as a forecast. The assessments and assumptions involve uncertainties relating to the implementation of the projects, design and size, schedules, project costs, direct yield, inflation, and future rental value. Information about ongoing projects and non-production-started projects is reviewed regularly and assessments and assumptions are adjusted as a result of projects being started, completed, or added to, and conditions changing. For projects that have not been production-started, financing has not been secured, which means that the financing of construction investments in project development is an uncertainty factor. Projects that are currently being run by the company itself may in future be run in JVs.

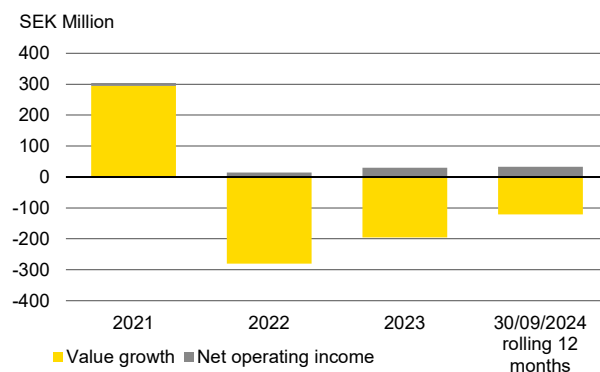
## Changes in value

Changes in value for the rolling twelve-month period 1 October 2023 – 30 September 2024 of investment properties, including Magnolia Bostad's share of changes in value of indirectly owned properties in JVs.

MSEK	Directly owned	Indirectly owned via JVs	Total
Change in net operating income	137	138	275
Change in project costs	-39	-40	-79
Project development	53	42	95
Change in direct yield	-263	-148	-412
Sale	0	0	0
Sale to JV	0	0	0
<b>Change in value</b>	<b>-114</b>	<b>-8</b>	<b>-122</b>

## Value growth and net operating income

Value growth and net operating income generated from directly and indirectly owned investment properties.



## Earnings capacity

MSEK	Total	Completed	Under production
Rental value	157	45	112
Vacancies	-1	0	-1
<b>Rental income</b>	<b>156</b>	<b>45</b>	<b>111</b>
Operating and maintenance costs	-25	-9	-16
<b>Net operating income</b>	<b>131</b>	<b>39</b>	<b>93</b>
Net financial items	-82	-24	-58
<b>Net operating income after net financial items</b>	<b>49</b>	<b>14</b>	<b>35</b>

The table shows the estimated annual earnings capacity for investment properties in total for the portfolio divided into completed investment properties and investment properties in production. Operating and maintenance costs include operation, maintenance, property fees and administration, but not Magnolia Bostad's share of costs for central administration. Financing costs are calculated at 5% based on an estimated loan-to-value ratio of 55% of the estimated property value.

# Projects for sale

Rental accommodation projects are usually sold at an early stage in a forward funding deal to larger institutions or other reputable partners. Through forward funding, Magnolia Bostad's financing needs are reduced as the projects are financed by the buyer during production.

## Magnolia Bostad's projects for sale

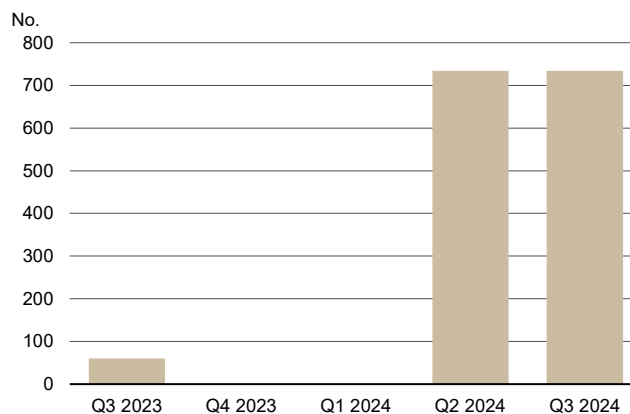
Irregular sales from quarter to quarter are characteristic of Magnolia Bostad's business model.

The production start for building rights in the portfolio for sale normally occurs when the zoning plan has come into force and the turnkey contract, and a binding sales agreement, have been signed. Larger projects usually start production in several stages of 200–300 residential units per stage. Magnolia Bostad usually has a project management agreement with the buyer that lasts until occupancy. Revenue from tenant-owned apartments is first recognized when the tenant-owned apartments are handed over.

Magnolia Bostad aims to achieve a margin of at least 10% for all projects developed for sale. In sold rental accommodation projects, Magnolia Bostad may, on behalf of and in collaboration with the buyer, sell parts of the sold rental accommodation projects as tenant-owned apartments.

## Sold residential units

Rolling 12 months



## Building rights portfolio

Not yet production started projects for sale, Q3 2024

		Total
Early stages	0 - 36 months	0
Plan assignments	18 - 24 months	1,907
Review	2 - 4 months	0
Adoption of zoning plan	3 weeks, opportunity to appeal	815
Zoning plan comes into force		5,139
<b>Total</b>		<b>7,861</b>



The Bäverbacken project includes 140 rental apartments spread over three buildings. The project, which is located in a scenic area, was designed by Magnolia Bostad's own architects, has a zoning plan in force and is planned to be certified according to the Swedish Green Building Council's silver certification.

## Other information

### Accounting principles

Magnolia Bostad follows the IFRS standards approved by the EU. The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. For the parent company, the interim report has been prepared in accordance with the Annual Accounts Act, which is in accordance with the provisions set out in RFR 2. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided in notes as well as elsewhere in the interim report.

### Transactions with related parties

#### *The Group,*

The Group is subject to controlling influence from HAM Nordic AB, co. reg. no. 559279–7376, which is domiciled in Stockholm. HAM Nordic AB is controlled by funds and entities that are managed and advised on by Areim AB. Transactions with related parties have occurred between the parent company and its subsidiaries and between the subsidiaries in the form of loans of cash and cash equivalents and invoicing of internal administrative services between the companies. All transactions occurred under market terms and conditions.

Of the profit/loss for the period attributable to non-controlling influence of SEK -64 m, SEK -64 m is attributable to Videbo Invest AB's share of the profit in Magnolia Holding 4 AB and SEK 0 m is attributable to Videbo Invest AB's share of the profit in Magnolia Hotellutveckling 2 AB.

The scope and focus of other transactions by related parties have not changed significantly since the last Annual Report. For further information, see Notes 4, 9, and 34 in the company's Annual Report for 2023, [www.magnoliabostad.se](http://www.magnoliabostad.se).

### Parent company

In addition to the closely related parties specified for the Group, the parent company has closely related parties that include a controlling influence over their subsidiaries.

### Litigation and legal proceedings

Magnolia Bostad becomes involved in litigation and legal proceedings from time to time in its operating activities. These disputes and legal processes are not expected to affect Magnolia Bostad's financial results or position to any significant extent, either individually or together.

### Significant risks and uncertainty factors

Through its operations, Magnolia Bostad is exposed to risks

and uncertainty factors. For more information about the group's risks and uncertainty factors, refer to Magnolia Bostad AB's website [www.magnoliabostad.se](http://www.magnoliabostad.se) and pages 32-34 and Note 3 in the company's Annual Report for 2023.

### Fair value of financial instruments

The fair value of financial assets and liabilities is considered to correspond in all material respects to the book values of all financial instruments except bonds, where the fair value is estimated to amount to SEK 996 m (1,111) compared with the book value of SEK 1,220 m (1,418). Bonds belong to the category of financial liabilities valued at accrued acquisition value. The fair value of the bonds has been determined in accordance with level 1 in the fair value hierarchy in accordance with IFRS 13. No changes have occurred in the fair value hierarchy of financial instruments.

### Seasonal variations

Magnolia Bostad's revenue recognition means that full earnings are recognized at the time of sale. This can lead to significant fluctuations between the quarters and the results should therefore be assessed over a longer period of time.

### Organization

As of 30 September, Magnolia Bostad's organization is divided into: Business Development, Project Development, Central functions and Finance. As of 30 September 2024, the company had 55 employees, 21 women and 34 men, at offices in Stockholm, Göteborg and Malmö. The management team consisted of four people. For more information about Magnolia Bostad's management team, see [www.magnoliabostad.se](http://www.magnoliabostad.se).

#### Stockholm

23 October 2024

Magnolia Bostad AB (publ)

The Board of Directors

*This report has not been subject to review by the company's auditors.*

## Definitions

### *Estimated number of building rights*

Number of estimated future residential units in acquired properties. Due to uncertainties such as zoning plan processes, government decisions or non-established dates for vacancy of project properties, assess.

### *Estimated production start, projects for sale*

Estimated production start is the management's best assessment of when the zoning plan has come into force and the turnkey contract is signed. In order to be able to profit from a project, it is also required that a binding sales agreement has been signed. Due to uncertainties such as zoning plan processes, authorities' decisions, or unspecified dates for the handover of project properties, assessments may change over time.

### *Estimated production start, projects for self-management*

Estimated production start is the management's best assessment of when the zoning plan has come into force and the turnkey contract signed. Due to uncertainties such as zoning plan processes, authorities' decisions, or unspecified dates for the handover of project properties, assessments may change over time.

### *BmSS*

BmSS housing (sheltered housing) is a specific form of housing that is adapted for people with physical or mental disabilities.

### *Construction start*

Construction start is when the starting clearance from the municipality's building committee is issued for the project.

### *Production start, projects for sale*

Production starts when the zoning plan has come into force and the turnkey contract, and a binding sales agreement have been signed.

### *Production start, properties for self-management*

The start of production takes place when the zoning plan has come into legal force and the turnkey contract has been signed.

### *Ongoing project*

Projects in planning or production started

### *Estimated completion of projects*

The time for the estimated completion of a project is when the project is completed and finalized.

### *Zoning plan process*

The zoning plan process is a municipal process that can be affected by a number of factors and thus delayed due to, for example, political change or changed conditions in the development area. An appeal against the adopted plan can delay the process by up to 18 months.

### *Forward funding*

Forward funding means that the project during the production period is owned and financed by the project's buyer.

### *Sold residential units in production*

Number of residential in production where binding sales agreements were signed, and the revenue recognized.

### *Occupancy rate, %*

*Leased area in relation to leasable area*

## Abbreviations

*HS30 (Hållbart Stockholm 2030) (Sustainable Stockholm 2030) brings together players from housing development sector in Mälardalen, who work together to reduce the industry's ecological footprint and take social sustainability even more seriously*

*LFM30 (Lokal färdplan Malmö 2030) (Local Roadmap Malmö 2030) is an organization that works with collaboration in the construction and civil engineering sector to develop a climate neutral construction and civil engineering sector in Malmö.*

## Alternative KPIs not defined in IFRS

### *Net financial items*

Net of financial income and financial expenses.

### *Operating profit/loss*

Net sales minus costs for production and operation, central administration, depreciation/amortization and impairment of intangible assets and property, plant, and equipment, including profit/loss from participation in associated companies and fair value changes of investment properties

### *Equity assets ratio, %*

Equity including non-controlling interests as a percentage of total assets

For reconciliation of alternative KPIs, refer to:

<https://om.magnoliabostad.se/en/esma-key-figures>



# Quarterly overview

	2024				2023			2022
	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec
Net sales (SEK million)	148	1,279	52	71	76	101	57	349
Operating profit/loss (SEK million)	-99	-423	-125	-180	-129	-179	-107	-235
Profit/loss after tax (SEK million)	-165	-482	-208	-252	-195	-246	-175	-281
Equity (SEK million)	1,223	1,388	1,870	1,978	2,055	2,149	2,069	2,245
Equity/assets ratio (%)	26.8	28.4	30.3	31.2	31.1	31.9	31.0	33
Cash flow from operating activities (SEK million)	23	-214	-32	-428	132	-49	-74	-87
Number of basic outstanding shares	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283
Number of outstanding shares after full dilution	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283

## Financial calendar

Year-end Report January–December 2024: 19 February 2025  
Annual report 2024 April 2025  
Interim report January–March 2025 25 April 2025

## Contact

Johan Tengelin, CEO  
johan.tengelin@magnoliabostad.se

Fredrik Westin, Deputy CEO & CFO  
fredrik.westin@magnoliabostad.se

Marita Björk, Head of Sustainability and IR  
072 720 00 06, marita.bjork@magnoliabostad.se

*This information is information that Magnolia Bostad AB is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted for publication, through the agency of the contact persons set out above, at 07:45 CEST on 23 October 2024.*

*This report is a translation of the original Swedish Report, which prevails in the event of discrepancies between this translation and the Swedish original.*

# MAGNOLIA

Magnolia Bostad AB  
Sturegatan 6  
Box 5853, 102 40 Stockholm  
+46 8 470 50 80  
[magnoliabostad.se](http://magnoliabostad.se)