

YEAR-END REPORT

JANUARY – DECEMBER 2023

COMMENTS TO THE RESULTS

JANUARY - DECEMBER 2023

- Rental income amounted to SEK 48 m (53). The decrease from the previous year is primarily due to the sale of Klippudden Fastigheter to a jointly-owned JV as per 2022-02-14.
- Other income amounting to SEK 5 m (0) is primarily a one-off insurance compensation due to a fire with corresponding one-off costs.
- Net operating income was SEK 27 m (26).
- Profit/loss from associated companies was SEK -749 m (-437).
- Changes in the value of investment properties was SEK -74 m (-28).
- Profit/loss before tax for the period was SEK -873 m (-478).
- In June 2023, Holmström Fastigheter signed an agreement to sell all shares in Magnolia Bostad AB (publ)'s holding company, HAM Nordic AB, to Areim. Areim gained full control of Magnolia Bostad by the time of the signed agreement, the asset was reclassified to other long-term securities, and Holmström Fastigheter received a payment for the purchase price of SEK 111 m. Holmström Fastigheter still own 21.8% of the shares in HAM Nordic, but are under contract to be divested gradually as funding has been raised to Magnolia Bostad which in return can bring additionally SEK 117 m to Holmström Fastigheter. Should funding not materialize, Holmström Fastigheter can receive up to approximately SEK 89 m for the divestment of HAM Nordic AB. The agreement with Areim extends to 2033-06-30.

OCTOBER - DECEMBER 2023

- Rental income amounted to SEK 12 m (10).
- Net operating income was SEK 6 m (3).
- Profit/loss from associated companies was SEK -169 m (-193), which are results from associated companies Ankarhagen and Vincero Fastigheter of about SEK -1 m and SEK -167 m respectively, as per the equity method.
- Change in other long-term securities held is due to revaluation of HAM Nordic shares of approximately SEK -4 m, and revaluation of other securities of approximately SEK -5 m.
- Changes in the value of investment properties amounted to SEK 20 m (-38). The change during the period is primarily driven by energy related capex investments, rental indexations and potential value created through transformation to housing cooperative.
- Profit/loss before tax for the period was SEK -165 m (-235).

SIGNIFICANT EVENTS OCTOBER - DECEMBER 2023

- During the period, Holmström Fastigheter extended the duration of the short term liabilities of SEK 127 m for one year.
- It was communicated during the period that Fredrik Holmström takes over the position as CEO of Holmström Fastigheter Holding AB (publ). Fredrik succeeds Erik Rune, who will remain in his operational role until April 12, 2024. In connection with that, Erik also resigns as board member of Holmström Fastigheter.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- No significant events after the end of the quarter.

KEY PERFORMANCE INDICATORS, THE GROUP

SEK M	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Financial KPI's				
Rental income	12	10	48	53
Net operating income	6	3	27	26
Profit/loss from shares in associated companies and joint ventures	-169	-193	-749	-437
Change in value of investment properties, realized	0	-17	0	10
Change in value of investment properties, unrealized	20	-21	-74	-38
Operating profit/loss, rolling 12 months	-811	-448	-811	-448
Profit/loss before tax	-168	-235	-873	-478
Return on equity on a yearly basis, %	-88.4%	-53.0%	-21.8%	-27.7%
Adjusted equity ratio, %	34.3%	61.2%	34.3%	61.2%
Interest coverage ratio, multiple	0.4	0.9	0.4	0.9
Property related KPI's				
Number of investment properties	25	25	25	25
Market value of the properties, SEK m	781	832	781	832
Property value, SEK per sqm	19,634	21,457	19,634	21,457
Annual rental income, SEK per sqm	1,245	1,155	1,245	1,155
Property yield, %	3.8%	3.6%	3.8%	3.6%
Vacancy rate (economic), %	3.8%	4.1%	3.8%	4.1%
Lettable area, sqm	38,784	38,784	38,784	38,784

Definitions are presented at the end of the report.

A WORD FROM THE CEO

In 2023, we and our colleagues in the industry have navigated through a challenging economic landscape. The interest policy rate was gradually raised during the year, as was the yield requirement for property investments. Lending from banks has remained tight, and the bond market has suffered from low liquidity. Property transaction volumes saw a 60% decline from 2022 and nearly an 80% drop from the peak year of 2021.

Despite the overall challenging conditions, a glimmer of optimism emerged as the year drew to a close. Expectations of earlier interest rate cuts prompted a downward shift in the yield curve, resulting in a positive performance for property shares towards the end of the year. Despite lingering uncertainties, especially geopolitical risks, we note that sentiment remains cautiously optimistic in 2024 and anticipate a gradual uptick in the appetite for property investments over the course of the year.

DECLINING VALUE TREND AND REFINANCING OF CURRENT DEBT PORTFOLIO

Holmström Fastigheter's operating result for full-year 2023 dropped to SEK -811 m (-448) due to a more challenging environment. The main reason behind the weaker performance was the impairment of the holding in Magnolia Bostad as a result of the divestment, but Vincero and our directly owned properties also had a negative impact due to reductions in value in our property portfolios.

During the year, we have actively worked with our loan portfolio have refinanced our existing bank debt, and thereby also extending our bank debt maturity by approximately 2 years. In the refinancing process, we opted not to lock in the interest rate in order to have the flexibility to follow the downward trend of the interest rate curve in the upcoming years.

INVESTMENT PROPERTIES

The fair value of our properties has declined by about 6% over the course of the year, from SEK 832m to SEK 781m. The rising yield requirements have had a negative impact, but energy investments, rent increases and lower vacancy rates have added value. The prime locations of several properties in our portfolio, along with their potential for conversion into tenant-owned flats, provide additional resilience in valuations.

Sustainability initiatives are at the core of our business, and they also have a beneficial effect on the company's performance. In 2023, energy consumption was about 10% lower than the previous year. We continue to see potential for profitable investments in energy-saving measures, including technologies such as geothermal and solar energy systems.

MAGNOLIA BOSTAD

The most significant event of the year for the company was the divestment of Magnolia Bostad to Areim. Although the decision was difficult emotionally, we believe it was sound.

Residential developers have faced a challenging market environment, and we believe it will take some time before a turnaround occurs. We still own 21.8% of the shares in Magnolia Bostad, but under the agreement they will be divested over time as capital is being raised for Magnolia Bostad.

VINCERO FASTIGHETER

The main development area for our associated company Vincero Fastigheter is Sjödalén in Huddinge, where the company is managing a zoning plan that is expected to provide about 2 700 building rights. Through 16 separate property acquisitions, the company has achieved the noteworthy status of sole property owner in the area, thereby gaining control over the entire zoning plan area. This control has provided the company with improved oversight, resulting in lower risk and higher efficiency. The zoning plan process began in 2020 and entered the consultation phase in 2022. Now, after diligent effort, the company is looking forward to the zoning plan undergoing review in the first half of 2024. We expect the zoning plan to be adopted by the beginning of the upcoming year.

ANKARHAGEN FASTIGHETER

Ankarhagen Fastigheter performed well in 2023, with a sharp improvement in net operating income of SEK 84 m (SEK 68 m). The company's net leasing of approximately SEK 10 m during the year, along with positive index adjustments, were key factors in the favourable performance. Even though the one-year direct yield on properties increased to approximately 7.3%, property values remained well supported by the robust operational performance.

KEY EVENTS IN 2024

In 2024, we will continue working with our loan portfolio with a strong focus on refinancing our bond, which matures in October.

We have initiated efforts to convert our properties in Nynäshamn and Åkersberga into tenant-owner associations. The attractive location of these properties, in combination with current rent levels, set the stage for a transaction that is mutually beneficial for both us and the residents. We believe that a divestment may occur in the second half of the year.

We have also initiated a process to divest our minority stake in Ankarhagen, which we hope to conclude by summer.

Finally, we look forward to the completion of Vincero's zoning plan process in Huddinge by the beginning of the upcoming year, which will be a value-creating milestone for the company.

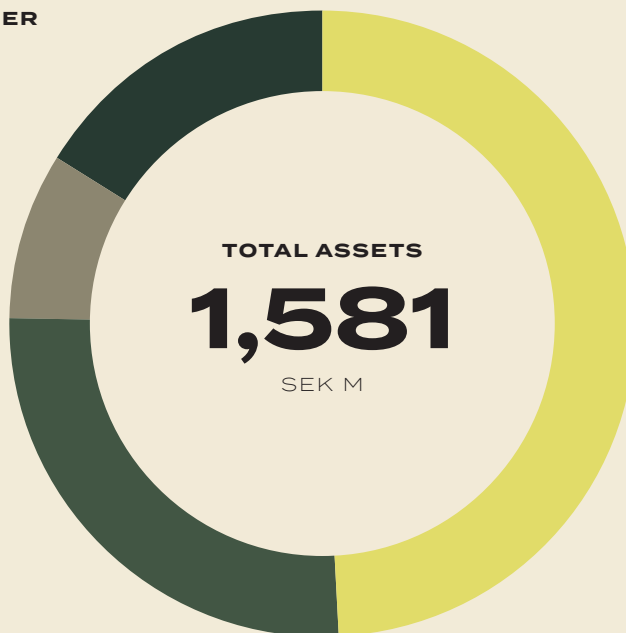
Stockholm in Februari 2024

Erik Rune
CEO



ASSETS, HOLMSTRÖM FASTIGHETER
BOOK VALUE

- » INVESTMENT PROPERTIES
SEK 781 M (49.4%)
- » SHARES IN VINCERO FASTIGHETER
INCLUDING SHAREHOLDER LOANS
SEK 412 M (26.1%)
- » SHARES IN ANKARHAGEN
INCLUDING SHAREHOLDER LOANS
SEK 133 M (8.4%)
- » OTHER ASSETS
SEK 255 M (16.1%)



THIS IS HOLMSTRÖM FASTIGHETER

OVERVIEW

Holmström Fastigheter Holding AB (publ) (“Holmström Fastigheter”) is a wholly-owned subsidiary of Holmströmgruppen and primarily focuses on residential rental properties in prime locations in metropolitan as well as regional cities throughout Sweden.

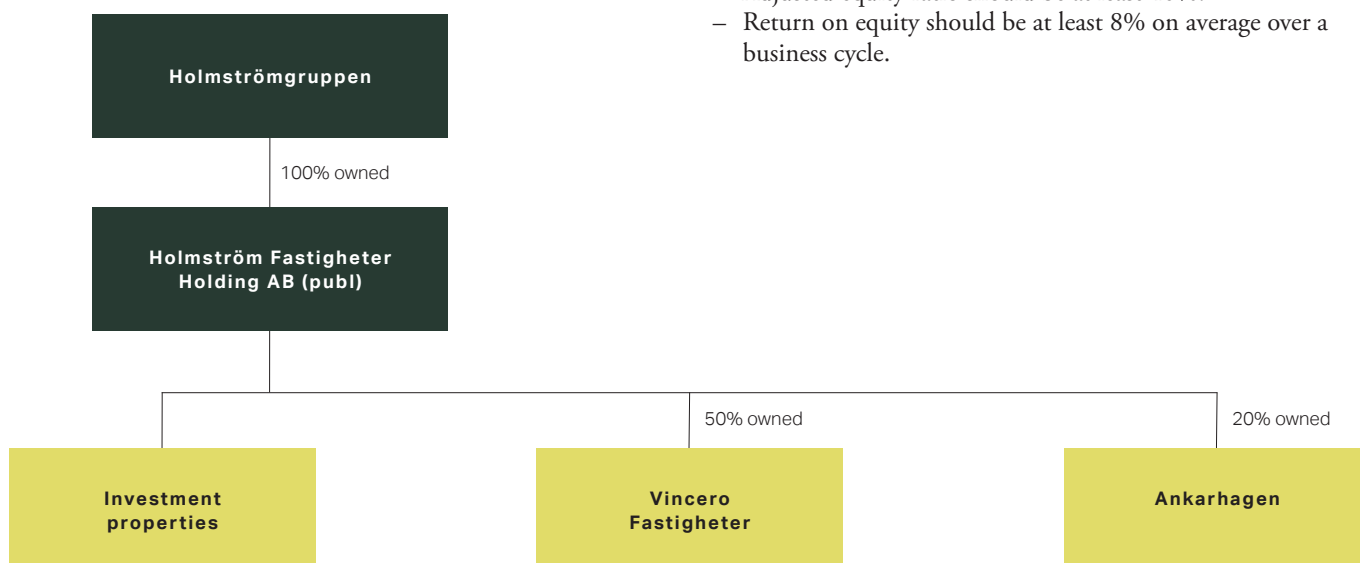
Holmström Fastigheter holds 50% of the shares in Vincero Fastigheter 5 AB (“Vincero Fastigheter”), who specialise in commercial and residential properties in the Greater Stockholm and Uppsala area. Holmström Fastigheter also holds 20% of the shares in Ankarhagen Holding AB (“Ankarhagen”), specialising in investment properties within the light industry segment.

SUSTAINABILITY

Holmström Fastigheter aims for a sustainable development, and we see sustainability issues as a natural part of our scope of work. We consider the environment and people and take responsibility for future generations. We are convinced that a healthy approach to sustainability issues brings great benefits for us as a company, for our employees and for the world as a whole. For us, sustainability is about understanding our role in society and acting responsibly in the areas where we can influence.

FINANCIAL GOALS

- Adjusted equity ratio should be at least 40%.
- Return on equity should be at least 8% on average over a business cycle.



INVESTMENT PROPERTIES

Holmström Fastigheter's strategy is to directly and indirectly own and manage properties in Sweden. The focus in its own portfolio is on residential properties. In addition, through indirect ownership in other property companies, Holmström Fastigheter also has exposure to other segments.

LOCATIONS

The properties are located in Stockholm, Nynäshamn and Österåker (Mälaren Region) and in Örnköldsvik (Örnköldsvik Region). The properties are located in central, attractive locations in areas that show good economic growth, positive population growth and a shortage of housing.

TYPE OF PROPERTIES

Residential properties make up the largest segment of the portfolio, in line with Holmström Fastigheter's strategy. 77% of the portfolio (calculated according to lettable area) consists of residential premises. Commercial premises stand for the remaining part and are typically located on the ground floor of the residential properties.



Postmästaren 2, Nynäshamn. 80 apartments, 18 commercial premises.

SUMMARY OF PROPERTY PORTFOLIO

	31/12/2023
Number of investment properties	25
Properties' market value, SEK m	781
Property value, SEK per m ²	19,634
Annual rental income, SEK per m ²	1,245
Property yield, %	3.8%
Vacancy rate (economic), %	3.8%
Lettable area, m ²	38,784

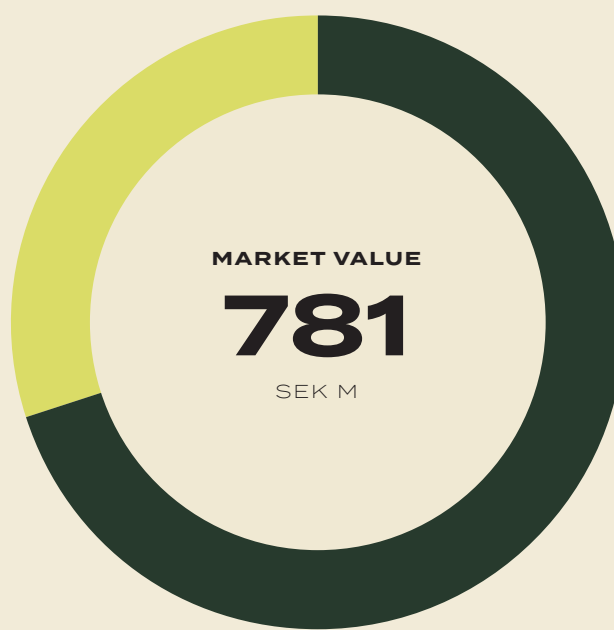
Definitions are presented at the end of the report.

INVESTMENT PROPERTIES DISTRIBUTION BY PROPERTY SEGMENT



- » RESIDENTIAL PREMISES, 77%
- » COMMERCIAL PREMISES, 23%

INVESTMENT PROPERTIES DISTRIBUTION BY MARKET VALUE



- » MÄLAREN REGION, 70%
- » ÖRNKÖLDSVIK REGION, 30%

MÄLAREN REGION

Mälaren is a region defined as the catchment area of Lake Mälaren and has an aggregated population of around 3.2 million people or close to a third of Sweden's population.

The Mälaren portfolio accounts for 70% of Holmström Fastigheter's property portfolio in terms of market value.

LOCATIONS

The Mälaren portfolio is concentrated around the urban areas of Stockholm, Nynäshamn and Österåker.

TYPE OF PROPERTIES

Residential properties make up the largest segment of the portfolio. The portfolio consists of five properties. The largest accounts for just under half of the rental income and is a residential and commercial property in a prime location in Nynäshamn.



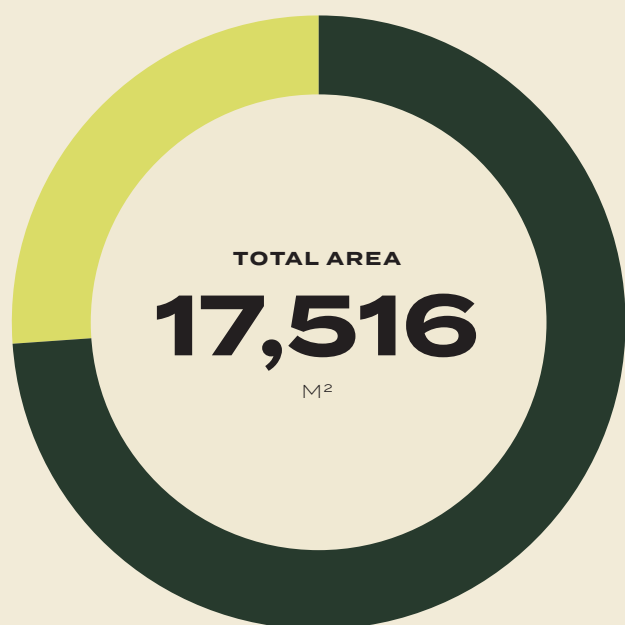
Fajansen 11, Stockholm, 26 apartments.

KPIs, MÄLAREN REGION

	31/12/2023
Number of investment properties	5
Properties' market value, SEK m	547
Property value, SEK per m ²	30,771
Annual rental income, SEK per m ²	1,474
Property yield, %	3.2%
Vacancy rate (economic), %	4.3%
Lettable area, m ²	17,516

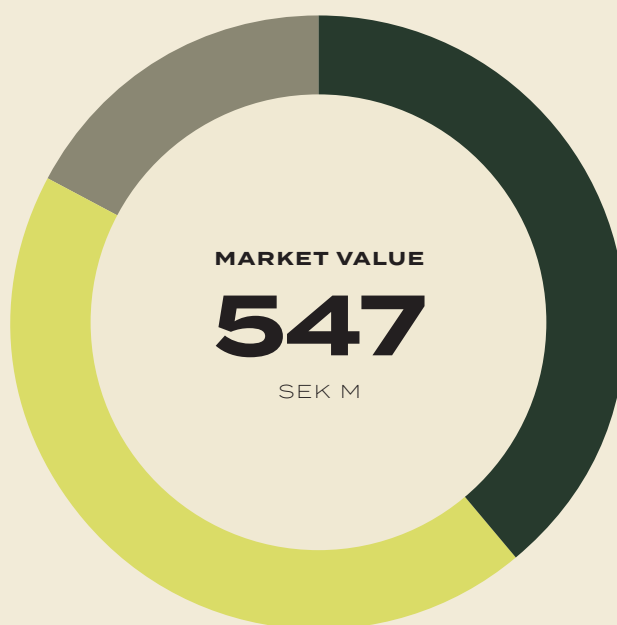
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MÄLAREN REGION DISTRIBUTION BY PROPERTY SEGMENT



- » RESIDENTIAL PREMISES, 74%
- » COMMERCIAL PREMISES, 26%

MÄLAREN REGION DISTRIBUTION BY MARKET VALUE



- » STOCKHOLM, 39%
- » NYNÄSHAMN, 44%
- » ÖSTERÅKER, 17%

ÖRNSKÖLDSVIK REGION

Örnsköldsvik is situated in the north of Sweden with a population of around 33,000. The Örnsköldsvik region accounts for 32% of Holmström Fastigheter's property portfolio in terms of market value.

LOCATIONS

All properties are located within Örnsköldsvik municipality and split between Örnsköldsvik and Husum, the latter located around 25 minutes by car from Örnsköldsvik.

TYPE OF PROPERTIES

The Örnsköldsvik region consists primarily of residential properties situated in central locations, complemented by commercial properties with reputable tenants such as the local municipality and the social democrats party.



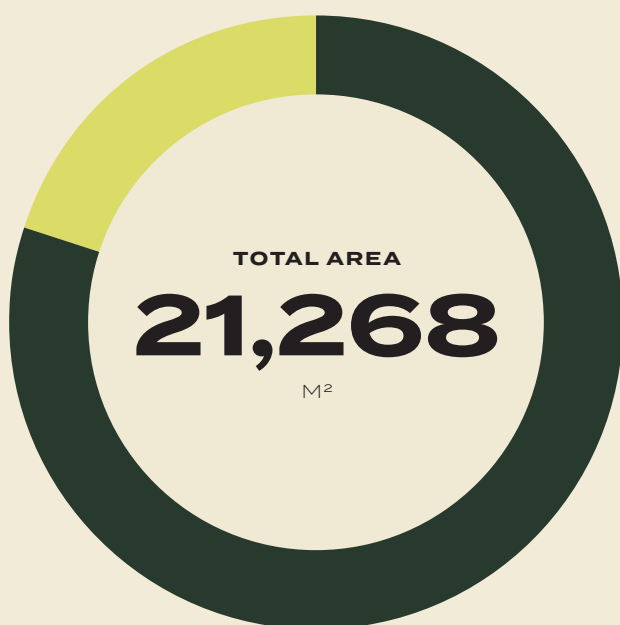
Irland 2, Örnsköldsvik, 17 apartments.

KPIs, ÖRNSKÖLDSVIK REGION

	31/12/2023
Number of investment properties	20
Properties' market value, SEK m *	234
Property value, SEK per m ²	10,640
Annual rental income, SEK per m ²	1,056
Property yield, %	5.2%
Vacancy rate (economic), %	3.2%
Lettable area, m ²	21,268

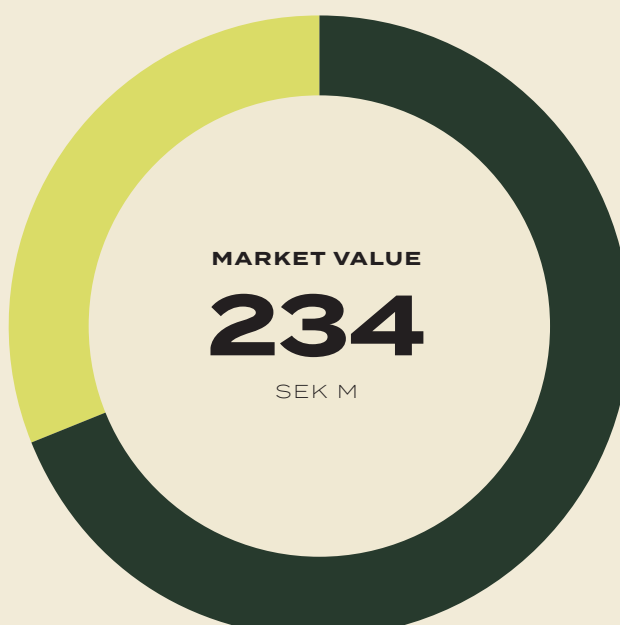
* Holmström Fastigheter owns 60% of the properties.
Definitions are presented at the end of the report.

ÖRNSKÖLDSVIK REGION DISTRIBUTION BY PROPERTY SEGMENT



- » RESIDENTIAL PREMISES, 80%
- » COMMERCIAL PREMISES, 20%

ÖRNSKÖLDSVIK REGION DISTRIBUTION BY MARKET VALUE



- » ÖRNSKÖLDSVIK, 69%
- » HUSUM, 31%

VINCERO FASTIGHETER

INVESTMENT STRATEGY VINCERO FASTIGHETER

- Vincero Fastigheter is a JV between Holmström Fastigheter and the Vincero Group which owns and manages commercial properties in attractive locations with good transport links in and around Stockholm and Uppsala. The properties often have possible added value by developing existing properties into residential buildings.
- Innovative urban development to create unique large-scale housing areas with qualities for housing that contribute to sustainable urban environments.
- Long-term management of self-produced and acquired housing in the Stockholm region and other growth locations.
- Ownership 50%.

VINCERO FASTIGHETER - GROUP, PROFORMA SEK M

BALANCE SHEET	2023	2022
Fixed assets	2,173	2,536
Cash and cash equivalents	31	37
Other current assets	31	92
Total assets	2,235	2,665
Equity attributable to parent company's shareholders	665	1,003
Non-controlling interests	60	63
Long-term interest-bearing liabilities	899	689
Long-term interest-bearing liabilities to owners	161	157
Deferred tax liabilities	186	264
Other long-term liabilities	4	0
Current interest-bearing liabilities	208	412
Other current liabilities	52	77
Total equity and liabilities	2,235	2,665

COMMENTS TO THE BALANCE SHEET

- Fixed asset, primarily consisting of investment properties, decreased in value during the year mainly due to a negative change in value.
- Change in interest-bearing liabilities are primarily an effect of extensions of existing debt.

SIGNIFICANT EVENTS OCTOBER - DECEMBER 2023

- No significant events during the quarter.

For more information on Vincero Fastigheter please see <https://vincerofastigheter.se/>

VINCERO FASTIGHETER - GROUP, PROFORMA SEK M

INCOME STATEMENT	2023	2022
Rental income	82	66
Operating costs	-19	-17
Net operating income	63	49
Central administration	-20	-17
Profit/loss from shares in associated companies and joint ventures	-3	0
Change in value investment properties	-332	-31
Change in value derivatives	-3	5
Change in value other assets	-53	-61
Financial net	-86	-55
<i>Of which are related to interest expense to owners</i>	-12	-7
Appropriations	-4	0
Inkomstskatt	75	22
Profit/loss for the period	-363	-88

COMMENTS TO THE INCOME STATEMENT

- Rental income increased during the year as a combination of the acquisition of a property portfolio in mid 2022, which yielded full effect in 2023, as well as positive index adjustments.
- Financial net increased due to higher market rates, in combination with financing in the relation to the acquisition of a property portfolio in mid 2022.

ANKARHAGEN

INVESTMENT STRATEGY ANKARHAGEN

- Ankarhagen is a property company that acquires, manages and renovates properties, mainly focusing on warehouses and light industry.
- The company also manages the project development of previously unused land where it builds premises for new and current customers.
- Ownership 20%.

ANKARHAGEN - GROUP, PROFORMA SEK M

BALANCE SHEET	2023	2022
Fixed assets	1,274	1,256
Cash and cash equivalents	32	48
Other current assets	30	22
Total assets	1,336	1,326
Equity	410	405
Long-term interest-bearing liabilities	491	383
Long-term interest-bearing liabilities to owners	82	80
Deferred tax liability	105	103
Other long-term liabilities	39	41
Current interest-bearing liabilities	140	255
Other current liabilities	69	59
Total equity and liabilities	1,336	1,326

COMMENTS TO THE BALANCE SHEET

- Fixed asset consists primarily of investment properties, which increased in value during the year due to capex investments of approximately SEK 36 m, however affected by the divestment of two properties in Q4, amounting to SEK -19 m in combination with a negative change in value of SEK 1 m.
- Interest-bearing liabilities decreased by SEK 7 m in total, which is an effect of an increase in net lending of SEK 3 m in combination with an amortizing of loans through divestment of properties of SEK -10 m.

SIGNIFICANT EVENTS OCTOBER - DECEMBER 2023

- No significant events during the quarter.

For more information on Ankarhagen please see <https://www.ankarhagen.se/>

ANKARHAGEN - GROUP, PROFORMA SEK M

INCOME STATEMENT	2023	2022
Rental income	99	83
Operating costs	-15	-15
Net operating income	84	68
Central administration	-25	-26
Change in value investment properties	1	32
Change in value financial instruments	-2	0
Financial net	-42	-22
<i>Of which are related to interest expense to owners</i>	-4	-4
Income tax	-5	-12
Profit/loss for the period	10	41

COMMENTS TO THE INCOME STATEMENT

- Net operating income increased during the year as a combination of index adjustments, positive net leasing, increased operating margins and due to the acquisition of eight investment properties throughout 2022 which yielded full effect in 2023.
- Change in value of investment properties were minor due to increased net operating income which partly mitigated increased property yields.
- Financial net increased due to increased market rates.

CONSOLIDATED INCOME STATEMENT IN SUMMARY

AMOUNTS IN SEK M	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Rental income	12	10	48	53
Other income	0	0	5	0
Operating costs	-6	-7	-25	-26
Property tax	0	0	-1	-1
Net operating income	6	3	27	26
Central administration	-2	-1	-5	-7
Profit/loss from shares in associated companies and joint ventures	-169	-193	-749	-437
Profit from other securities and receivables	-9	2	-11	-2
Change in value of investment properties, realized	0	-17	0	10
Change in value of investment properties, unrealized	20	-21	-74	-38
Operating profit/loss	-154	-226	-811	-448
Financial income	5	3	11	10
Financial expenses	-19	-12	-73	-40
Profit/loss before tax	-168	-235	-873	-478
Deferred tax	-5	22	14	24
Tax on profit/loss for the period	-1	-1	-1	0
Profit/loss for the period	-174	-215	-859	-455
Other comprehensive income	-	-	-	-
Comprehensive income for the period	-174	-215	-859	-455
<i>Comprehensive income attributable to</i>				
Parent company shareholders	-169	-211	-855	-451
Non-controlling interests	-3	-4	-4	-4

COMMENTS TO THE RESULTS OCTOBER TO DECEMBER 2023

- Rental income amounted to SEK 12 m (10). SEK 10 m (8) is from residential properties and remaining rental income is from commercial properties.
- Net operating income was SEK 6 m (3).
- Profit/loss from associated companies was SEK -169 m (-193), which are results from Ankarhagen and Vincero Fastigheter of about SEK -1 m and SEK -167 m respectively, as per the equity method.
- Changes in the value of investment properties amounted to SEK 20 m (-38).
- Operating profit/loss for the period was SEK -154 m (-226).
- The increase in financial expenses of SEK -19 m (-12) is primarily driven by increased market rates.
- Comprehensive income amounted to SEK -174 m (-215).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

AMOUNTS IN SEK M	2023 31 Dec	2022 31 Dec
Assets		
Fixed assets		
Investment properties	781	832
Right of use assets	5	5
Total tangible fixed assets	785	837
Shares in associated companies and joint ventures	428	1,396
Receivables from associated companies	117	152
Other long-term securities held	118	18
Total financial fixed assets	663	1,566
Total fixed assets	1,448	2,403
Current assets		
Accounts receivable	1	0
Receivables from associated companies	0	0
Other receivables	0	0
Prepaid expenses and accrued income	2	7
Cash and cash equivalents	131	99
Total current assets	133	106
Total assets	1,581	2,509

COMMENTS

- Total assets amounted to SEK 1,581 m.
- Investment properties amounted to SEK 781 m. No acquisitions or divestments were made during the period.
- Shares in associated companies amounted to SEK 428 m. The balance consists of Vincero Fastigheter, SEK 336 m and Ankarhagen, SEK 92 m.
- Receivables from associated companies amounted to SEK 117 m and consist of a receivable from Vincero Fastigheter of SEK 76 m, as well as Ankarhagen of SEK 41 m.
- Other long-term securities consist primarily of the remaining shares in HAM Nordic, SEK 107 m, which are under contract to be divested. HAM Nordic owns 100 percent of the shares in Magnolia Bostad. The remaining SEK 11 m are other financial securities.

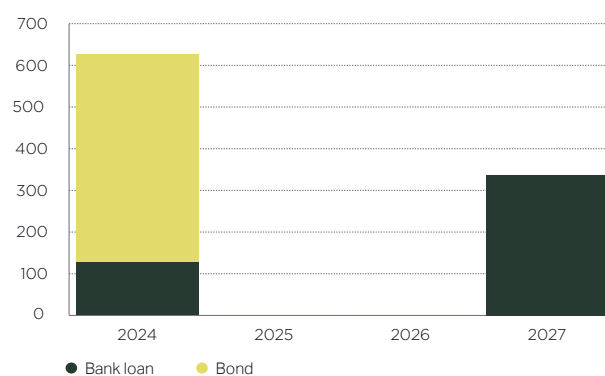
ASSOCIATED COMPANIES	Book value SEK M		
	Shares	Receivables	Total
Vincero Fastigheter	336	76	412
Ankarhagen	92	41	133
Total	428	117	546

AMOUNTS IN SEK M	2023 31 Dec	2022 31 Dec
Equity and liabilities		
Equity	498	1,003
Equity attributable to parent company's shareholders	498	1,003
Non-controlling interests	44	51
Total equity	542	1,054
<i>Long-term liabilities</i>		
Deferred tax liability	15	29
Other provisions	27	27
Long-term interest-bearing liabilities	334	606
Long-term leasing liabilities	5	5
Total long-term liabilities	381	666
<i>Current liabilities</i>		
Accounts payable	2	2
Current interest-bearing liabilities	627	287
Current liability to parent company	0	481
Tax liabilities	0	0
Other current liabilities	0	0
Accrued expenses and deferred income	30	19
Total current liabilities	658	789
Total equity and liabilities	1,581	2,509

COMMENTS

- Total equity amounted to SEK 542 m, of which SEK 44 m is attributable to non-controlling interests.
- The adjusted equity ratio was 34.3%.
- Long-term interest-bearing liabilities amounted to SEK 334 m.
- Current interest-bearing liabilities amounted to SEK 627 m of which SEK 500 m is a bond with a maturity date of October 14th 2024.
- During the period, Holmström Fastigheter extended the duration of the short term liabilities of SEK 127 m for one year.

Maturity structure 31/12/2023, SEK M



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

AMOUNTS IN SEK M	Share capital	Retained profits incl. net profit/loss for the year	Non-controlling interests	Total equity
Opening equity 01 Jan 2022	1	2,163	70	2,234
Net profit/loss for the period		-451	-4	-455
Other comprehensive income		-	-	-
Transactions with shareholders				
Acquisition of non-controlling interest		-3	-15	-18
Dividend		-700	-	-700
Given group contribution		-7	-	-7
Closing equity 31 Dec 2022	1	1,002	51	1,054
Opening equity 01 Jan 2023	1	1,002	51	1,054
Net profit/loss for the period		-855	-4	-859
Other comprehensive income		-	-	-
Transactions with shareholders				
Unconditioned shareholder contribution		358	-	358
Dividend		-	-3	-3
Given group contribution		-8	-	-8
Closing equity 31 Dec 2023	1	497	44	542

COMMENTS

- Share capital amounted to SEK 0.5 m.
- Profit for the period attributable to non-controlling interests amounted to SEK -4 m.
- The accumulated loss for the period was SEK -859 m.
- Holmström Fastigheter received an unconditioned shareholder contribution of SEK 358 m during the year.
- The share of equity attributable to non-controlling interests amounted to SEK 44 m.

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

AMOUNTS IN SEK M	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Operating activities				
Profit/loss before tax	-167	-235	-873	-478
Adjustments for non-cash items				
- Profit/loss from participations in associated companies and joint ventures	169	193	749	437
- Fair value changes, investment properties	-20	37	74	28
Other profit/loss items that do not affect liquidity	8	-5	19	2
Income tax paid	0	-1	-1	-1
Cash flow from operating activities before changes in working capital	-10	-11	-32	-13
Decrease (+)/increase (-) in current receivables	1	1	5	2
Decrease (-)/increase (+) in current liabilities	0	6	5	13
Cash flow from operating activities	-9	-4	-22	2
Investing activities				
Investments in new builds, extensions and conversions	-5	-4	-23	-30
Acquisition of investment properties	0	0	0	0
Sale of investment properties	0	0	0	533
Change in financial assets	-7	-104	146	-207
Cash flow from investing activities	-12	-107	123	296
Financing activities				
Received shareholder contributions	0	0	350	0
Dividend to shareholders	0	0	0	-700
Transactions with non-controlling interest	0	0	-3	0
New external borrowings	41	0	337	32
Repayment of borrowings	0	-1	-269	-4
New shareholder loans	0	122	0	821
Repayment of shareholder loans	0	0	-484	-470
Cash flow from financing activities	41	121	-69	-320
Cash flow for the period	21	10	33	-22
Cash and cash equivalents at the beginning of the period	111	89	99	121
Cash and cash equivalents at the end of the period	131	99	131	99

COMMENTS ON CASH FLOW OCTOBER TO DECEMBER 2023

- Cash flow from operating activities was SEK -9 m.
- Cash flow from investing activities was SEK -12 m.
- Cash flow from financing activities was SEK 41 m.

PARENT COMPANY'S INCOME STATEMENT IN SUMMARY

AMOUNTS IN SEK M	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales	0	0	0	0
Total earnings	0	0	0	0
Central administration	0	0	-1	-1
Operating profit/loss	0	0	-1	-1
Profit/loss from group companies	-503	0	-503	0
Financial income	3	1	17	5
Financial expenses	-12	-10	-55	-33
Profit/loss after financial items	-512	-9	-542	-29
Appropriations	1	1	1	1
Profit/loss before tax	-511	-8	-541	-28
Tax on profit/loss for the period	0	0	0	0
Profit/loss for the period	-511	-8	-541	-28

COMMENTS

- Loss from group companies are mainly due to impairment of subsidiaries as an effect of the divestment of shares in the owner company of Magnolia Bostad AB (Publ), HAM Nordic AB.

PARENT COMPANY'S STATEMENT OF FINANCIAL POSITION IN SUMMARY

AMOUNTS IN SEK M	2023 31 Dec	2022 31 Dec
Assets		
<i>Financial fixed assets</i>		
Shares in subsidiaries	636	1,139
Total fixed assets	636	1,139
<i>Current assets</i>		
Receivables from Group companies	333	494
Prepaid expenses and accrued income	17	5
Cash and cash equivalents	0	0
Total current assets	351	500
Total assets	987	1,639

AMOUNTS IN SEK M	2023 31 Dec	2022 31 Dec
Equity and liabilities		
Equity	468	651
<i>Long-term liabilities</i>		
Long-term interest-bearing liabilities	0	496
Total long-term liabilities	0	496
<i>Current liabilities</i>		
Current interest-bearing liabilities	498	0
Current liabilities to Group companies	0	481
Accrued expenses and deferred income	20	11
Total current liabilities	519	492
Total equity and liabilities	987	1,639

OTHER INFORMATION

ACCOUNTING PRINCIPLES

Holmström Fastigheter follows the IFRS standards as adopted 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.

TRANSACTIONS WITH RELATED PARTIES

The Group is subject to controlling influence from F. Holmström Fastigheter AB, co. reg. no. 556530-3186, which has its registered office in Stockholm. Transactions with related parties have occurred between the parent company and its subsidiaries and between the subsidiaries and associated companies in the form of loans of cash and cash equivalents and fees for property management services carried out on market terms.

INVESTMENT PROPERTIES

Investment properties are reported, in accordance with IFRS, at fair value on the balance sheet date. Fair value is the estimated amount that would be received in a transaction at the time of reporting between knowledgeable parties independent of each other and who have an interest in the transaction being carried out. The valuations are made at the end of each quarter and all investment properties are externally valued at least once a year. Both unrealized and realized changes in value are reported in

the income statement under the heading Changes in value of investment properties.

STATEMENT AND CERTIFICATION

The Board of Directors and CEO assert that this interim report provides a true and fair view of the company's and the Group's operations, position and results.

Stockholm, 29 February 2024,
Holmström Fastigheter Holding AB (publ)

Erik Rune
CEO

Fredrik Holmström
Chairman of the Board

Fredrik Tibell
Board member

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

DEFINITIONS

Alternative KPIs not defined within IFRS.

ADJUSTED EQUITY RATIO, (%)

Equity, including holdings with a non-controlling influence, and subordinated shareholder loans as a percentage of the balance sheet total.

INTEREST COVERAGE RATIO, MULTIPLE

Net operating income from the property business for the latest rolling 12-month period, divided by net interest expenses for the latest rolling 12-month period.

LETTABLE AREA

Lettable area of the properties excluding parking spaces, garaging and storage.

NET FINANCIAL ITEMS

The total of all interest expenses less all interest income, excluding:

1. interest on subordinated shareholder loans,
2. fees, costs, stamp tax, registration and other fees incurred in connection with (i) interest rate caps and interest rate options, (ii) financial indebtedness, and (iii) transactions.

PROPERTY YIELD (%)

Estimated net operating income on an annual basis in relation to the fair value of the properties at the end of the period.

RENTAL INCOME

Income from tenants after deduction of discounts and vacancies.

RENTAL VALUE

Annual rent in accordance with lease contracts plus estimated market rent for vacant units.

RETURN ON EQUITY (%)

Net profit/loss for the period as a percentage of the average equity on an annual basis.

VACANCY RATE

Rental value for vacant units in relation to rental value.

FINANCIAL CALENDAR

- Annual Report 2023: 30 April 2024
- Interim Report Jan – Mar 2024: 31 May 2024
- Half-Year Report Jan – Jun 2024: 30 August 2024
- Interim Report Jan – Sep 2024: 29 November 2024
- Year-End Report Jan – Dec 2024: 28 February 2025

CONTACT INFORMATION

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This Interim Report is a translation of the original Swedish Interim Report, which prevails in case of discrepancies between this translation and the Swedish original.

