

# INTERIM FINANCIAL REPORT JANUARY–MARCH 2024



STENDÖRREN

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Stendörren Fastigheter AB (publ) is an expansive property company listed on Nasdaq Stockholm Mid Cap. Our business concept is to create profitable growth in net asset value by managing, developing and acquiring properties and building rights within logistics, warehouse and light industry in Nordic growth regions. When commercially viable, we rezone such existing properties and thereby create residential building rights for further development and management, mainly in Greater Stockholm and the rest of the Mälardalen region.

223

SEK MILLION  
RENTAL INCOME

168

SEK MILLION  
NET OPERATING  
INCOME

78

SEK MILLION INCOME  
FROM PROPERTY  
MANAGEMENT

This report may contain discrepancies in totals in some tables due to rounding.

English translation for information purposes only. If there are differences between the English translation and the Swedish original, the Swedish text will take precedence.



## JANUARY-MARCH 2024

## THE PERIOD IN BRIEF

## JANUARY-MARCH 2024\*

- Rental income increased by 5% to SEK 223 million (212) and net operating income increased by 7% to SEK 168 million (157).
- Income from property management amounted to SEK 78 million (63).
- Net letting during the period amounted to a total of approximately SEK 1.4 million and new lease agreements with an annual rental value of approximately SEK 17 million were signed (includes both renegotiated leases and leases with new tenants).
- Lease agreements that were renegotiated during the period led to an increase in rental values of 9% on a weighted average basis.
- Cash flow from operating activities amounted to SEK 46 million (80), corresponding to SEK 1.63 per share (2.80).
- Realized and unrealized changes in value of the property portfolio for the period amounted to SEK -56 million (-3).
- Profit for the period amounted to SEK 57 million (44), corresponding to SEK 1.52 per share (0.91) before dilution and 1.52 per share (0.91) after dilution.

## SIGNIFICANT EVENTS DURING THE FIRST QUARTER

- In January 2024, the rating institute Nordic Credit Rating (NCR) published an updated rating of Stendörren. Just like last year, the rating was BB- but now with an upgraded outlook, from stable to positive.
- In March 2024, Stendörren divested the industrial and warehouse property Botkyrka Varvet 1 to the Swedish Transport Administration for SEK 202 million. The property has a total lettable area of approximately 14,825 sqm and will be affected by the Swedish Transport Administration's road plan, the Södertörn Crosslink. The agreed property value in the transaction is in line with the latest valuation.

## SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- No significant events after the quarter.

\* (January-March 2023 in parenthesis)

KEY RATIOS	JAN - MAR 2024	JAN - MAR 2023	JAN - DEC 2023
Rental income, SEK m	223	212	843
Net operating income, SEK m	168	157	672
Income from property management, SEK m	78	63	287
Fair value properties, SEK m	12,400	12,534	12,566
Lettable area, sqm	810,000	793,000	824,000
LTV, %	51	49	50
Equity ratio, %	37	40	37



## STATEMENT FROM THE CEO

# A QUARTER OF GROWTH, ACTIVE PROJECT DEVELOPMENT AND HIGHER SUSTAINABILITY AMBITIONS



In the first quarter, Stendörren continued to deliver strong growth in net operating income and income from property management, positive net letting and continued progress in project development. We increased our financial flexibility by strengthening liquidity and further increased our sustainability ambitions as we have already achieved, or were on the way to achieving, important sustainability targets ahead of schedule.

Stendörren operates in a segment of the real estate market that to date has only been affected to a limited extent by the economic situation. This was clear in the first quarter, even though we saw some negative impact due to more tenants vacating and more tenant bankruptcies. Stendörren's net operating income nonetheless increased by 7% compared with last year. We were positively effected during the quarter by indexation driven rent increases, rent increases as a result of renegotiations and completed projects. The economic occupancy rate remained high but declined slightly to 93% at the end of the quarter. At the end of 2023, we completed an important transaction, letting what is by far our largest property of about 130,000 sqm in Upplands-Bro. The Swedish Fortifications Agency will move into the property at the end of 2024 immediately after the lease with the existing tenant Coop expires - a lease that provides stability going forward.

## CONTINUED ACTIVE PROJECT DEVELOPMENT

Our project development activities are continuing to make good progress. We are regularly adding new project ideas, commencing construction, completing

projects and leasing premises. We started construction on one project and completed one project during the quarter. During the last four quarters, we completed seven new projects. Ongoing and recently completed projects are expected, following leasing and completion, to add approximately SEK 75 million in net operating income. In addition, we have an extensive portfolio of upcoming projects in early stages.

## HIGHER SUSTAINABILITY AMBITIONS

Earlier this week, we published our 2023 Annual and Sustainability Report, where we state that we are raising the ambitions within sustainability since we ahead of schedule have already achieved, or were about to achieve, several of our most important sustainability targets. New and adjusted targets are more ambitious and more specific. For example, we will reduce the energy intensity (kwh/sqm) of our portfolio by 30% by 2030, compared with the previous target of 20%. We will also improve measurability and set higher requirements in our supply chain. But above all, we added the overall target of net-zero carbon emissions in our entire operations by 2040.

## HIGH FINANCIAL FLEXIBILITY

Stendörren's financial position is solid. In dialogue with our banks, we increased our available liquidity, in the form of cash and credit facilities, to approximately SEK 655 million during the quarter. This allows us to continue to grow and to take advantage of business opportunities. In 2024, we will resume evaluating property acquisitions. We also sold an industrial and warehouse property, Varvet 1 in Botkyrka, to the Swedish Transport Administration for SEK 202 million. Stendörren's strategy is not to divest properties, but in this case the property is affected by the Swedish Transport Administration's road plan, the Södertörn Crosslink. With an attractive project pipeline, a high and stable occupancy rate and a healthy financial position for the company, we will increase our focus on growth, both within project development and acquisitions, as we look ahead to the rest of 2024.

Stockholm, May 3, 2024

Erik Ranje, CEO

# STENDÖRREN IN BRIEF

## MISSION & OBJECTIVES

Stendörren Fastigheter AB (publ) is an expansive property company listed on Nasdaq Stockholm Mid Cap. Our business concept is to create profitable growth in net asset value by managing, developing and acquiring properties and building rights within logistics, warehouse and light industry in Nordic growth regions. When commercially viable, we rezone such existing properties and thereby create residential building rights for further development and management, mainly in Greater Stockholm and the rest of the Mälardalen region.

## FINANCIAL OBJECTIVES

Stendörren has four financial objectives:

- the long-term average return on equity shall amount to at least 12%
- growth in long-term net asset value shall amount to at least 15%
- the long-term interest coverage ratio shall amount to at least 2.0 times
- the long-term equity ratio shall be 35% (and never less than 20%)

## PROPERTY PORTFOLIO

As at March 31, 2024, the property portfolio of Stendörren consisted of 150 properties, primarily located in the Greater Stockholm and Mälardalen region with a market value of SEK 12,400 million. The ten largest lease agreements accounted for about 21% of the total annual rent, of which the company's largest lease agreement with Coop represented approximately 9%.

The total property portfolio comprised of approximately 810,000 sqm of lettable premises, of which warehouse, logistics and light industrial properties accounted for approximately 69% of the total lettable area.

At the end of the period, Stendörren had a total of 39 properties, wholly or partly consisting of building rights. Unutilized building rights amounted to approximately 652,000 sqm and were primarily for logistics, light industrial and residential use. The market value of the building rights portfolio amounted to SEK 1,354 million (1,595) on the reporting date.

When commercially viable, the company rezones such existing properties and thereby create residential building rights for further development and management, mainly in Greater Stockholm and the rest of the Mälardalen region. The development and rezoning processes, which are at different stages, are likely to result in building rights for up to 700 new units on completion. The status of each rezoning process was considered when determining the market value of the building rights. The company's residential building rights represent approximately one third of the valuation of the entire building rights portfolio.

## FINANCING

As at March 31, 2024, the Group's equity amounted to SEK 4,883 million (5,168) and the Group's interest-bearing liabilities amounted to SEK 6,961 million (6,510), corresponding to a loan-to-value ratio of 51% (49).

The average time to maturity of interest-bearing liabilities amounted to 2.7 years (2.7) and including the unhedged portion of the relevant IBOR and hedged portion via interest-rate derivatives, the average interest maturity was 3.0 years (2.3). The average interest rate on the company's total interest-bearing loans, including derivatives amounted to 4.1% on the closing date.

On the reporting date, the company had one bond of SEK 600 million with an interest rate of Stibor 90 plus 3.90% with final maturity in August 2025, one green bond of SEK 500 million with an interest rate of Stibor 90 plus 5.25% with final maturity in December 2026 and one hybrid bond of SEK 513 million with an interest rate of Stibor 90 plus 6.50% with a first redemption date in September 2024.

## DIVIDEND

Stendörren's assessment is that the best long-term total return is generated by reinvesting the profits in the business to create further profitable growth. The company will thus continue to grow by investing in existing assets, new acquisitions and the development of new assets. Accordingly, the dividend paid will be low or zero over the next few years.

## KEY RATIOS

	2024 JAN-MAR	2023 JAN-MAR	2023 JAN-DEC		2024 JAN-MAR	2023 JAN-MAR	2023 JAN-DEC
<b>PROPERTY-RELATED</b>				Loan-to-value ratio at end of period, %	51	49	50
Lettable area, thousand sqm <sup>2</sup>	810	793	824	Loan-to-value ratio, property level at end of period, %	47	42	44
No. of properties	150	148	151	Equity ratio at end of period, %	37	40	37
Fair value properties, SEK million	12,400	12,534	12,566	Return on equity, 12 month average %	-5	1	-5
Letting ratio, by area, %	90	92	91	<b>STOCK RELATED KEY RATIOS</b>			
Economic occupancy rate, %	93	94	94	Market capitalization, SEK million	5,225	4,924	5,214
NOI yield, total portfolio, 12 month average, %	5.5	4.6	5.4	Stock price at end of period, SEK	183.80	173.20	183.40
NOI yield, excluding projects and land, 12 month average, %	6.6	5.7	6.5	Book equity per share, SEK <sup>1</sup>	154.27	164.28	152.68
Total return, 12 month average, %	2.2	2.5	2.5	Long-term net asset value, SEK million	5,185	5,421	5,192
Weighted average unexpired lease term, years	4.2	3.9	4.3	Long-term net asset value per share, SEK	182.39	190.70	182.62
Average annual rent, SEK/sqm <sup>2</sup>	1,233	1,182	1,173	Current net asset value, SEK million	4,741	4,966	4,740
<b>FINANCIAL KEY RATIOS</b>				Current net asset value per share, SEK	166.79	174.68	166.72
Total income, SEK million	231	212	854	Earnings per average number of shares before dilution, SEK	1.52	0.91	-10.54
Net operating income, SEK million	168	157	672	Earnings per average number of shares after dilution, SEK	1.52	0.91	-10.54
Income from property management, SEK million	78	63	287	Cash flow from operating activities per share, SEK	1.63	2.80	10.79
Surplus ratio, 12 month average, %	78	75	79	No. of shares, at end of period	28,428,265	28,428,265	28,428,265
Total assets, SEK million	13,536	13,319	13,193	Average no. of shares	28,428,265	28,428,265	28,428,265
Average interest rate, total liabilities incl. derivatives, %	4.1	4.1	4.1	<b>OTHER RATIOS</b>			
Average interest maturity at end of period, years	3.0	2.3	3.3	No. of employees at end of period	54	55	54
Average loan maturity at end of period, years	2.7	2.7	2.6	No. of employees, average in period	54	54	54
Interest coverage ratio, 12 month average, times	2.0	2.3	2.0				

1) Book equity excluding hybrid capital per share.

For definitions, please see page 33. Explanations of the key ratios used can also be found at [www.stendorren.se](http://www.stendorren.se).

# TARGETS AND OUTCOME

## ROE (AVERAGE)

## NAV GROWTH

## ICR

## EQUITY RATIO

FINANCIAL TARGETS

The long-term average return on equity shall amount to at least 12%.

Growth in long-term net asset value shall amount to at least 15%.

Long-term ICR shall exceed 2.0 times.

The long-term equity ratio shall be 35% (and never be below 20%).

**-5%**

**-4%**

**2.0 times**

**37%<sup>I)</sup>**

OUTCOME

The return on equity (calculated as 12 month average) amounted to -5% at the end of the period.

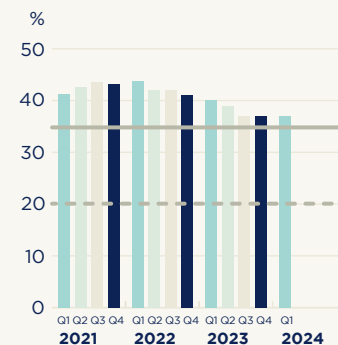
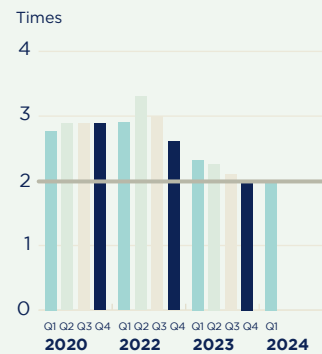
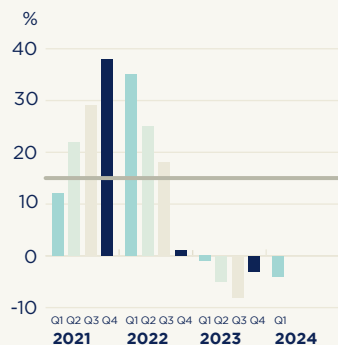
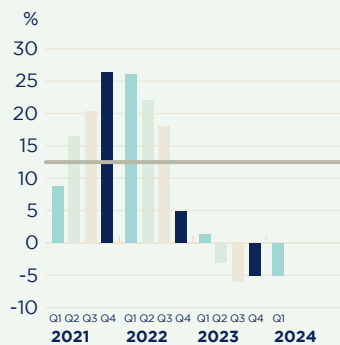
At the end of the period, growth in net asset value (over the last 12 months) amounted to -4%.

The interest coverage ratio amounted to 2.0 times.

The equity ratio amounted to 37% at the end of the period.

1) The stated equity ratio is calculated excluding the lease liability resulting from the application of IFRS 16. If this liability item were to be included in the calculation, the equity ratio would be negatively impacted by approximately 0.7 percentage points.

HISTORICAL PERFORMANCE



PROPERTY PORTFOLIO SUMMARY

# PROPERTY PORTFOLIO

**PROPERTY PORTFOLIO MARCH 31**

As at March 31, 2024, the property portfolio of Stendörren consisted of 150 properties, primarily located in the Greater Stockholm and Mälardalen region, with a total market value of SEK 12,400 million. The property portfolio is reported quarterly at fair value. All properties are externally valued regularly, at least once a year. When not externally valued, each property is internally valued each quarter based on an updated analysis of actual cash flow, market rental levels, expected costs and an assessment of the market yield requirement.

At the end of the reporting period, the total property portfolio comprised of approximately 810,000 sqm of lettable area. Warehouse, logistics and light industrial premises together accounted for about 69% of the total lettable area. The office space held in the company's portfolio (about 20% of lettable area) is mainly office space leased in combination with warehouse or light industrial properties. A distribution based on rental income would give a higher proportion of offices due to the average rent for this area type being higher than for the rest of the portfolio. The risk of large-scale vacancies and rental losses due to bankruptcies is greatly reduced by the diversification and number of tenants combined with the fact that 81% of the properties have at least two tenants.

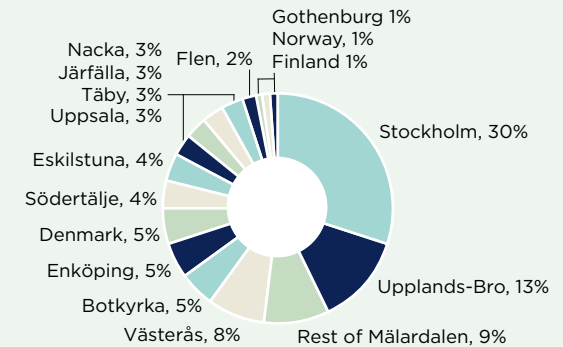
During the period, the value of the property portfolio declined by a total of SEK -166 million. The change in value consists of the divestment of a property of SEK

-224 million, investments in existing properties of SEK 91 million, currency effects of SEK 23 million and realized and unrealized changes in value totaling SEK -56 million (see table on page 16).

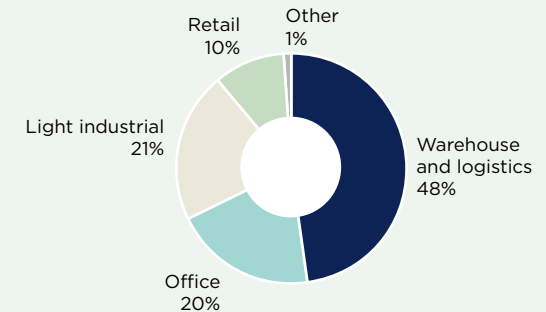
**GEOGRAPHIC DISTRIBUTION OF PROPERTY PORTFOLIO**

Stendörren puts significant effort into identifying attractive geographical industrial areas with potential in Nordic growth regions. Special focus is on developing and strengthening the company's presence in such areas where Stendörren is already established. Approximately 61% of Stendörren's total rental income comes from properties located in the Stockholm region. Stendörren has a large concentrated property portfolio in the Högdalen industrial area, which entails synergies both in terms of management and leasing. In Veddesta, the company has large properties, also resulting in efficient property management. Locations including Upplands-Väsby and Sollentuna along the E4 highway toward Arlanda airport, Brunna in Upplands-Bro northwest of Stockholm and Stockholm-Syd in Södertälje are areas which Stendörren intends to develop further in the years ahead. In addition to the Greater Stockholm area, the company has invested in a number of other locations in the Mälardalen region situated in attractive locations projected to benefit from major transport routes and Stockholm's future growth. Since 2021, the company has also acquired properties in other selected Swedish

**RENTAL INCOME BY GEOGRAPHY**



**LARGEST TENANTS BY RENTAL INCOME**





## PROPERTY PORTFOLIO SUMMARY

and Nordic cities with growth potential, such as the Gothenburg region, Oslo, Copenhagen and Helsinki – with a continued focus on warehouse, logistics and light industrial assets.

### TENANTS AND LEASE AGREEMENTS

The tenants in the property portfolio operate in a variety of industries and range from well-established small to medium-sized companies and large multinational businesses. As at March 31, 2024, the ten largest leases made up approximately 21% of the total annual rental income in the portfolio. The company's largest lease agreement with Coop represents approximately 9% of the total annual rent. Coop will leave these premises in September 2024, after which the Swedish Fortifications

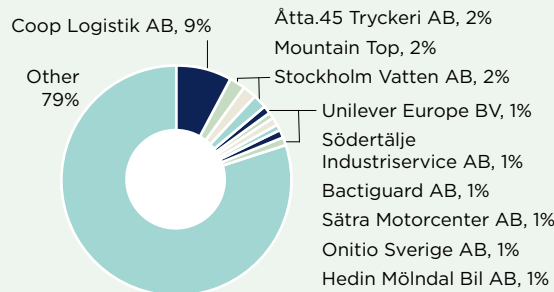
Agency will become the new tenant. Stendörren strives to sign long-term leases with its tenants and the average lease duration as of the reporting date was 4.2 years. The company also strives for a diversified maturity structure. Combined with a range of different tenants and industries, this helps to reduce the risk of extensive vacancies and rental losses. Rental losses amounting to SEK 2.9 million were recognized for the reporting period.

Stendörren works proactively and continuously to renegotiate leases in line with current market rents. The economic occupancy rate for Stendörren's property portfolio was 93% at March 31, 2024, and the area weighted occupancy rate was 90%. The occupancy rate is a static measure of the rental situation on the reporting date and may vary depending on temporary

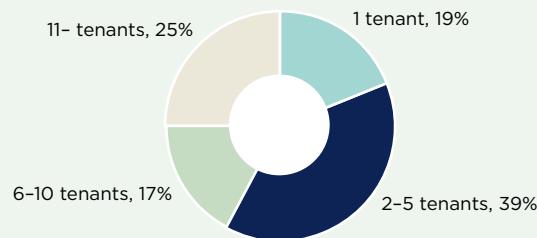
relocation vacancies or projects that have commenced or been completed at different times.

In general, the demand for Stendörren's assets remains strong. Stendörren's largest tenant, Coop, will vacate the premises in Q3 2024, which is immediately offset as the Swedish Fortifications Agency will move in directly after Coop moves out, meaning that the property remains fully let. Net letting for the quarter totaled approximately SEK 1.4 million. Lease agreements that were renegotiated during the quarter led to an increase in rental values of 9% on a weighted average basis. During the quarter, new lease agreements with an annual rental value of approximately SEK 17 million were signed. These consist of both renegotiated lease agreements and lease agreements with new tenants.

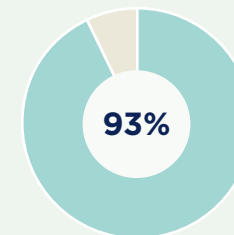
**LETTABLE AREA, % OF TOTAL AREA**



**NUMBER OF TENANTS PER PROPERTY**

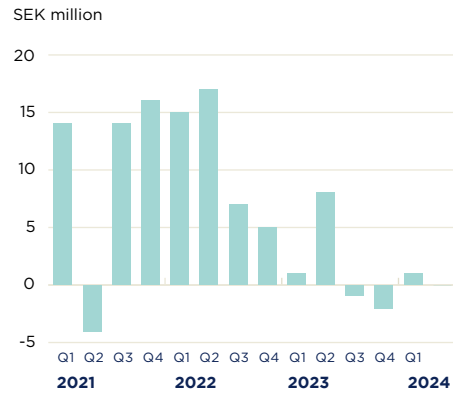


**ECONOMIC OCCUPANCY RATE**

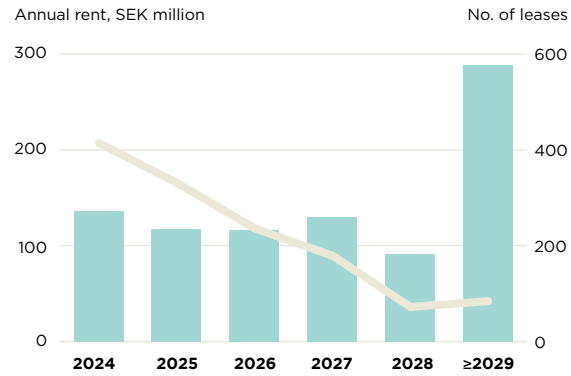


## PROPERTY PORTFOLIO SUMMARY

### NET LETTING



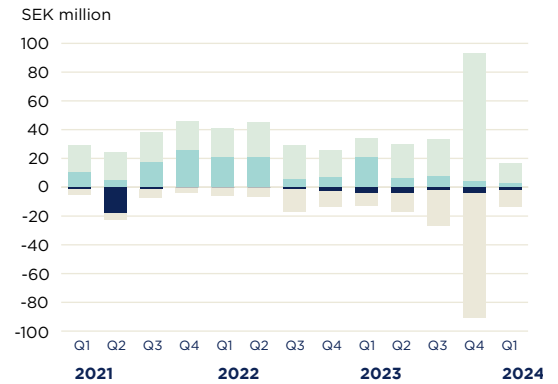
### ANNUAL LEASE EXPIRY\*



■ Annual rent, SEK million    — No. of leases

\* Does not take into account current agreements where the tenant has not yet moved into the premises, with the exception of the Swedish Fortifications Agency, which will move in on October 1, 2024.

### CONTRACTUAL CHANGES PROPERTY PORTFOLIO\*



■ New letting  
■ Lease negotiations  
■ Bankruptcies  
■ Tenants vacating

\* Including letting of new construction

## PROJECTS

## PROJECTS PORTFOLIO SUMMARY

As of March 31, 2024, Stendörren had a total of 39 properties, wholly or partly consisting of building rights. Unutilized building rights amounted to approximately 641,000 sqm and were primarily for logistics, light industrial and residential use. Additional building rights are created and added to Stendörren's existing types of building rights by active development work and acquisitions. When commercially viable, existing properties are rezoned thereby creating residential building rights

for further development and management. This takes place in areas with potential for residential use, mainly in Greater Stockholm and the rest of the Mälardalen region.

The potential in the building rights portfolio is considered strong since the building rights are located in expansive municipalities and areas in Greater Stockholm and the Mälardalen region as well as other selected growth locations. The pace of new construction starts is affected by both high construction prices and potentially

also lower demand resulting from a weaker economic climate. Ongoing and recently completed projects that have not yet generated revenue during the reporting period are expected, upon leasing and completion, to add approximately SEK 75 million in net operating income. In addition, we have an extensive portfolio of upcoming projects, which are at an earlier stage.



Photo: Almnäs



Photo: Almnäs

PROJECTS

# FUTURE PROJECTS

Stendörren’s development of building rights and project properties is primarily customer-driven. The focus is on finding existing and new tenants in need of changed or entirely new premises and satisfying that need by redeveloping existing assets or by developing entirely new assets. In order to minimize risk exposure, Stendörren strives to sign long leases with customers before the construction process is initiated. Stendörren pursues long-term efforts to identify new areas and properties to plan for residential construction. Residential building rights can either be created on undeveloped land, adjacent to an existing building or by converting existing buildings. Work is ongoing regarding the new zoning plan for residential purposes in Sollentuna, Traversen 14 & 15, and is investigating the conditions for pursuing a zoning plan for residential purposes in, for example, the part of GreenHub in Upplands-Bro that looks out over Lake Mälaren and in Skrubba in southern Stockholm that looks out over Lake Drevviken.

**FUTURE PROJECTS MARCH 31, 2024**

MUNICIPALITY	ENVISAGED MAIN USE	ESTIMATED BUILDING RIGHT (GFA SQM <sup>2</sup> ) <sup>1</sup>	STATUS ZONING	ESTIMATED POSSIBLE CONSTRUCTION START <sup>2</sup>
Upplands-Bro	Logistics	377,000	Within current zoning	2024-2025
Flen	Logistics	55,000	Within current zoning	2024-2025
Södertälje	Logistics	42,200	Within current zoning	2024-2025
Frederikssund	Light industrial	5,800	Within current zoning	2024-2025
Nynäshamn	Light industrial	5,000	Within current zoning	2024-2025
Eskilstuna	Logistics	5,000	Within current zoning	2024-2025
Enköping	Light industrial	2,000	Within current zoning	2024-2025
Västerås	Light industrial	2,000	Within current zoning	2024-2025
Gothenburg	Light industrial	2,000	Within current zoning	2024-2025
Järfälla	Light industrial	2,000	Within current zoning	2024-2025
Botkyrka	Light industrial	2,000	Within current zoning	2024-2025
Upplands-Bro	Light industrial	1,500	Within current zoning	2024-2025
Uppsala	Light industrial	1,300	Within current zoning	2024-2025
Botkyrka	Residential	80,000	Within current zoning	2025-2026
Sollentuna	Residential	7,000	Zoning change ongoing	2025-2026
Botkyrka	Light industrial	3,700	Within current zoning	2026-2027

1) GFA, may deviate from what is technically and commercially viable.

2) Start of first phase, projects may include several phases. Note that Stendörren aims to commence construction on a partially or fully pre-let basis, which is why the timing of construction start depends on pace of leasing activities.

## PROJECTS

## ONGOING PROJECTS

The company has several ongoing projects with a project volume in excess of SEK 25 million out of which 51,200 sqm represents new construction and extensions and 2,400 sqm represents refurbishments.

Another pre-let project started during the reporting period. Stendörren has applied for a building permit to construct a new building for light industry at the Viby 19:30 property in the Brunna industrial area in Upplands-Bro. Preparatory groundwork has already been completed. The development of the property is a prime example of how the potential of building rights can be leveraged to meet market requirements.

Stendörren has many project concepts that already have building permits, and that are in the design and planning stage or for which other preparations are being made. This will enable the company to quickly commence construction and adapt these concepts to meet customer needs. All ongoing projects are located in well-established and expansive areas where there is a clear demand and where leasing activities are in progress.

## ONGOING PROJECTS MARCH 31, 2024

PROPERTY	POSSIBLE DESCRIPTION	EARLIEST SIZE COMPLETION <sup>1</sup>	SQM <sup>2</sup>	INDICATIVE INVESTMENT <sup>3</sup> SEK MILLION	CURRENT PHASE
Filmremsan 2	Reconstruction	Q3 2024	2,400	37	Construction started
Stenvreten 8:37	New logistics	Q4 2024	9,500	158	Construction started
Svavelhøjvej 2, Copenhagen	Extension light industrial	Q4 2024	3,300	50	Construction started
Almnäs 5:23	New light industrial	Q1 2025	2,300	52	Design and planning
Viby 19:30	New light industrial	Q1 2025	1,200	36	Design and planning
Viby 19:66	New logistics	Q2 2025	5,200	115	Design and planning <sup>4</sup>
Almnäs 5:23	New logistics	Q2 2025	17,000	272	Design and planning <sup>4</sup>
Romberga 23:17	New light industrial	Q2 2025	2,700	54	Design and planning <sup>4</sup>
Nygård 2:17 (GreenHub)	New light industrial	Q2 2025	2,300	53	Design and planning <sup>4</sup>
Nygård 2:17 (GreenHub)	New light industrial	Q3 2025	3,400	78	Design and planning <sup>4</sup>
Båglampan 25	New light industrial	Q3 2025	4,300	105	Design and planning <sup>4</sup>
<b>Total ongoing projects</b>			<b>53,600</b>	<b>1,010</b>	
<b>Total excluding tenant improvements and reconstruction</b>			<b>51,200</b>	<b>973</b>	

1) Note that Stendörren aims to start construction on a pre-let basis, meaning the possible completion depends on leasing activities and time for construction start.

2) GFA (new production, extension), NLA (tenant improvement, refurbishment).

3) Includes book value of land in connection with new development.

4) Building permit obtained.

## PROJECTS

## COMPLETED PROJECTS

Seven projects encompassing a total area of 31,200 sqm were completed in the past four quarters, with most of the space let. One project is a large-scale tenant improvement for a new customer at Elementet 1 in Bromma. The others concern new construction of logistics and light industrial assets. During the reporting period, a new building for light industry at the Almnäs 5:24 property in Södertälje was completed. This means that all three buildings in the Stockholm-Syd development area, all of which started on a speculative basis, have now been completed and are fully let.

## COMPLETED PROJECTS, PAST 12 MONTHS

PROPERTY	DESCRIPTION	COMPLETION	SIZE SQM <sup>1</sup>	INVESTMENT <sup>2</sup> SEK MILLION	OCCUPANCY RATE %
Almnäs 5:23	New logistics	Q2 2023	11,900	175	100
Viby 19:66	New logistics	Q2 2023	6,300	121	100
Hjulsmeden 1	New light industrial	Q3 2023	2,700	48	16
Almnäs 5:24	New light industrial	Q3 2023	2,300	47	100
Librobäck 21:3	New light industrial	Q4 2023	2,300	51	0
Elementet 1	Tenant improvement	Q4 2023	3,400	47	100
Almnäs 5:24	New light industrial	Q1 2024	2,300	49	100
<b>Total completed projects</b>			<b>31,200</b>	<b>538</b>	
<b>Total excluding tenant improvements</b>			<b>27,800</b>	<b>491</b>	

1) GFA (new production, extension), NLA (tenant improvement, refurbishment).

2) Includes book value of land in connection with new development.



Photo: Librobäck, Uppsala

# PROPERTY VALUATION

Each quarter, Stendörren performs a fair value assessment of 100% of the property portfolio. On average approximately 20–30% of the portfolio is valued by external valuation firms and the remainder is valued internally. This means that every property in the portfolio is externally valued at least once during a rolling twelve-month period. The valuation model used by both the external valuation firms and Stendörren is based on a discounted cash flow model, supplemented with comparable sales method.

The valuation model and parameters are reported in accordance with the principles described in Note 11 (Investment Properties) of the 2023 Annual Report. All properties are classified at Level 3 in accordance with IFRS 13. Additional expenses which are value increasing are activated. All other expenses are recognized as an expense in the period in which they arise. For larger projects, interest expense is capitalized during the development period.

The combined market value of the property portfolio as of March 31, 2024 amounted to SEK 12,400 million. A summary of the valuation parameters is presented in the table on page 16. The external valuations carried out during the year were mainly performed by CBRE and Newsec Sweden.

The building rights within the property portfolio, valued at a total of SEK 1,354 million (1,370 on December 31, 2023), are valued based on comparable sales method and comparison to other similar properties recently sold. The main reason for the change in value of the building

rights portfolio during the quarter was declining value of building rights, partly offset by the value-increasing investments in, for example, early projects. For further information, refer to the section Project portfolio summary on pages 11–14. Realized and unrealized changes in value of the entire property portfolio during the period amounted to SEK -56 million (-3).

Value changes in the property portfolio during the year were primarily driven by adjusted yield requirements and market rent assumptions as well as changed cash flows due to new leases, and renegotiated but also terminated agreements. Exchange rates resulted in a positive effect on the change in value for the property portfolio during the quarter. The average yield requirement of the property valuations as of March 31, 2024 amounted to 6.3% and increased by about 0.1 percentage points compared with the preceding quarter (see table of valuation parameters on page 16).

## UNREALIZED CHANGES IN VALUE

CHANGE IN VALUE, PROPERTIES	JAN-MAR 2024
Change in yield requirements	-85
Cash flows	13
Building rights	-16
<b>Total</b>	<b>89</b>

## SENSITIVITY ANALYSIS

The sensitivity analysis below shows the assessed effect on the assessed market value if the operating net and/or market yield requirement increases or decreases by 0.25 or 0.5 percentage points

CHANGES IN NET OPERATING INCOME		-5.0%	-2.5%	0.0%	2.5%	5.0%
CHANGES IN NOI YIELD	-0.50%	527	867	1,207	1,547	1,887
	-0.25%	-73	251	576	900	1,224
	0.00%	-620	-310	0	310	620
	0.25%	-1,120	-823	-527	-230	67
	0.50%	-1,580	-1,295	-1,010	-726	-441

The sensitivity analysis does not claim to be exact, rather it is only indicative and aims to present the company's assessment of amounts in the context stated.

## PROPERTY VALUATION

### VALUATION PARAMETERS

(PREVIOUS YEAR IN PARENTHESIS)	MIN	MAX	WEIGHTED AVERAGE
Market yield requirement, residual value %	5.3 (4.6)	9.0 (8.6)	6.3 (6.0)
Discount rate, cash flow, %	6.4 (6.1)	11.0 (10.6)	8.2 (8.1)
Discount rate, residual value, %	6.9 (7.0)	11.0 (10.6)	8.3 (8.1)
Long-term vacancy assumption, %	3.0 (3.0)	25.0 (30.0)	5.7 (6.0)

### CHANGE IN CARRYING AMOUNT, PROPERTIES

	JAN-MAR 2024	JAN-DEC 2023
<b>Property portfolio, beginning of period</b>	<b>12,566</b>	<b>12,418</b>
Acquisitions of new properties	-	-
Property sales	-224	-
Investments in existing properties	91	516
Currency effects	23	-13
Realized changes in value	33	1
Unrealized changes in value	-89	-356
<b>Property portfolio, end of period</b>	<b>12,400</b>	<b>12,566</b>





# FINANCING

As of March 31, 2024, the average time to maturity of interest-bearing liabilities to credit institutions amounted to 2.9 years (3.0). Including bonds, the average time to maturity amounted to 2.7 years (2.7). Stendörren uses interest-rate derivatives to hedge against a rise in the reference rate Stibor 90, through a portfolio of interest-rate caps with an average Stibor cap level of 1.6% and a total nominal value of SEK 4,850 million. Stendörren also has an interest-rate swap agreement with a nominal SEK 800 million hedged at the rate of -0.1%. The combined effect of the interest hedging gives a reference interest level of 1.4% on the interest hedged part of the interest-bearing liabilities.

Stendörren also has four forward starting interest-rate swap agreements, which extends the average term of the derivative portfolio, for more details see table on page 18. At the end of the reporting period, approximately 80% of the company's interest-bearing liabilities were interest-hedged. Including the unhedged portion of the relevant IBOR and the hedged portion via swaps and interest-rate caps, the average interest maturity of interest-bearing liabilities was 3.0 years (2.3). The average interest rate on total interest-bearing liabilities including derivatives amounted to 4.1%.

Stendörren's first bond, maturing on August 18, 2025, amounts to SEK 600 million with interest of Stibor 90

plus 3.90% and Stendörren's second bond, maturing on December 21, 2026, is a green bond and amounts to SEK 500 million with interest of Stibor 90 plus 5.25%. As of March 31, there was available liquidity of SEK 654 million, in the form of cash and cash equivalents of SEK 599 million, and available credit facilities totaling SEK 55 million.

Interest and loan maturities for all interest-bearing liabilities are distributed over years according to the table below (the amounts constitute nominal amounts and exclude prepaid financing fees). Stendörren also has a hybrid bond of SEK 513 million that is recognized as equity, with an interest rate of Stibor 90 plus 6.50% with a first redemption date in September 2024.

## INTEREST AND LOAN MATURITIES

Interest and loan maturities for all interest-bearing liabilities are distributed over years according to the table below.

YEAR OF MATURITY	INTEREST MATURITY/YEAR <sup>1)</sup>			LOAN MATURITY	
	SEK M	INTEREST, %	SHARE, %	SEK M	SHARE, %
2024	2,392		34	36	1
2025	0		0	1,780	25
2026	2,700		39	1,528	22
2027	0		0	2,284	33
2028	0		0	1,356	19
>2028	1,900		27	9	0
<b>Total/average</b>	<b>6,992</b>	<b>4.1</b>	<b>100</b>	<b>6,992</b>	<b>100</b>

1) The interest maturity for 2024 includes all loan amounts that carry Stibor as base interest and that are not covered by interest derivatives.

## SENSITIVITY ANALYSIS

CHANGE INTEREST-RATE BASE	(+) CHANGE SEK MILLION	(-) CHANGE SEK MILLION
+/-1.00%	-16	16
+/-2.00%	-32	31
+/-3.00%	-48	75

The sensitivity analysis presents the estimated effect on interest expense if the interest-rate base (primarily STIBOR 3M and NIBOR 3M) were to increase or decrease by 1, 2 or 3 percentage points.

The sensitivity analysis does not claim to be exact, rather it is only indicative and aims to present the company's assessment of amounts in the context stated.

## FINANCING

## INTEREST-RATE DERIVATIVES - ACTIVE

COUNTERPARTY	TYPE	START DATE	MATURITY DATE	NOMINAL VALUE SEK MILLION	FAIR VALUE SEK MILLION	CAP LEVEL %	YEARS REMAINING
Nordea	Interest-rate cap	Sep 3, 2021	Sep 3, 2026	300	8.8	2.00	2.43
Danske Bank	Interest-rate cap	Oct 7, 2020	Oct 7, 2025	600	24.5	1.00	1.52 <sup>1</sup>
Danske Bank	Interest-rate cap	Oct 7, 2020	Oct 7, 2025	300	12.7	1.00	1.52 <sup>1</sup>
Danske Bank	Interest-rate cap	Nov 10, 2023	Nov 10, 2025	600	25.4	1.00	1.61 <sup>1</sup>
Danske Bank	Interest-rate cap	Nov 10, 2023	Nov 10, 2025	400	16.3	1.00	1.61 <sup>1</sup>
Swedbank	Interest-rate cap	Dec 14, 2021	Dec 14, 2026	1,100	34.7	2.00	2.71
Swedbank	Interest-rate cap	Dec 23, 2021	Dec 23, 2026	750	23.3	2.00	2.73
Swedbank	Interest-rate cap	Sep 28, 2018	Sep 28, 2024	250	2.0	2.25	0.50
Swedbank	Interest-rate cap	Sep 3, 2021	Sep 3, 2026	550	16.4	2.00	2.43
Swedbank	Interest-rate swap	Oct 7, 2019	Sep 18, 2024	800	16.0	-0.09	0.47
<b>Total</b>				<b>5,650</b>	<b>180</b>	<b>1.38</b>	<b>1.87<sup>2</sup></b>

1) Upon maturity, the derivative is replaced with a derivative (see table below) with a delayed start date at the same nominal amount.

2) Including derivatives with a delayed start date, the average maturity amounts to 3.39 years.

## INTEREST-RATE DERIVATIVES - WITH DELAYED START DATE

COUNTERPARTY	TYPE	START DATE	MATURITY DATE	NOMINAL VALUE SEK MILLION	FAIR VALUE SEK MILLION	CAP LEVEL %	YEARS REMAINING
Danske Bank	Interest-rate swap	Oct 7, 2025	Oct 7, 2030	600	-0.9	2.45	6.52
Danske Bank	Interest-rate swap	Oct 7, 2025	Oct 7, 2029	300	0.2	2.39	5.52
Swedbank	Interest-rate swap	Nov 10, 2025	Nov 10, 2029	400	-2.1	2.49	6.62
Swedbank	Interest-rate swap	Nov 10, 2025	Nov 10, 2030	600	-1.2	2.41	5.62
<b>Total</b>				<b>1,900</b>	<b>-4.0</b>	<b>2.44</b>	<b>6.10</b>

The combined effect of the interest hedging gives a reference interest level of 1.4% on the interest hedged part of the interest-bearing liabilities. At the end of the reporting period, approximately 80% of the company's interest-bearing liabilities were interest-hedged.

SUSTAINABILITY

# SUSTAINABILITY FOCUSING ON FIVE AREAS

The purpose of Stendörren's sustainability strategy is to carry out operations that contribute to a sustainable development. The sustainability strategy has identified focus areas where Stendörren, based on its business concept and concrete impact, has the greatest influence and opportunity for change and improvement regarding environmental, climate, and social sustainability issues. The company's governance of methods, routines, and processes ensures that the company acts responsibly with controlled risk and in line with expectations as well as regulatory guidelines and requirements. The company has five focus areas for its sustainability efforts with clearly linked goals for each area. **Stendörrens overall goal is to achieve net-zero carbon emissions by 2040 through the whole value chain.**

**OPERATIONAL EXCELLENCE**



**TARGET:**

Suppliers of the company's property management and development activities are to sign Stendörren's Code of Conduct.  
100% of all vehicles to be fossil fuel independent by 2025.  
Avoid air travel wherever possible.

**RESOURCE EFFICIENCY**



**TARGET:**

Reduce energy intensity (kwh/sqm) by at least 30% from the base year 2020.  
70% of the property portfolio (Standing assets) in sqm will be environmentally certified in 2025.  
100% of new development and major refurbishments are to have environmental certification.  
Enable increased recycling of tenants' waste.  
Minimize construction waste from new development <1% (landfill) 2030.  
Reduce carbon footprint by having 100% fossil-free energy by 2030.  
Reduce carbon footprint in new development by 40% kgCO2/sqm GFA by 2030 from the base year 2022.

**ATTRACTIVE EMPLOYER**



**TARGET:**

Achieve a Net Promoter Score (eNPS) of at least 40 in the semi-annual employee survey.  
Equality and diversity among all professions with the goal to always have a gender balance within the borders 40/60 in management positions.  
Continuous work against discrimination.  
Annual follow-up and feedback on equality and non-discrimination.  
100% of employees are to have completed training in Stendörren's Code of Conduct.

**FUTURE PROOFING**



**TARGET:**

TCFD reporting - Report following several TCFD recommendations.  
SBTi - Validate Stendörren's net-zero target according to Science Based Targets initiative.

23.1%

Reduction of energy intensity (kWh/sqm) as of March 31, 2024, compared with base year 2020

Target of at least 30% reduction from base year 2020 to 2030

**SOCIAL RESPONSIBILITY**



**TARGET:**

Create job opportunities for categories of individuals that tend to have difficulties to find employment.

61.5%

Environmentally certified area out of total area as of March 31, 2024

Target of 70% certified area by 2025

SUSTAINABILITY

# STENDÖRREN SUPPORTS THE UN SDGS

The aim of Stendörren’s sustainability strategy is to contribute to sustainable development in selected focus areas. Based on these identified focus areas and targets, the intention is to achieve the long-term target of net-zero carbon emissions. The strategy was prepared from analyses, dialogue and discussions and was based on the industry, market, external environment and various requirements.

The sustainability strategy is based on the UN Sustainable Development Goals (SDGs) for 2030. Stendörren supports the 2030 Agenda goals and has identified nine SDGs where the company has a direct impact.



The company’s slogan “Properties that make a difference” is based on Stendörren’s mission; together with tenants and other business partners, we develop the future of premises with efficient use of resources and energy and sustainable logistics solutions. Stendörren’s greatest climate impact comes from developing and managing the company’s properties. To reduce the climate footprint, it is vital for Stendörren to focus on resource efficiency across the value chain, including facility management, renovation, choice of material, new production and type of energy use.



In the areas of health and wellness, Stendörren works to create the prerequisites for a safe, healthy and sound work environment internally for employees and for tenants and suppliers.

## GROUP SUMMARY

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK million

	2024 JAN-MAR	2023 JAN-MAR	2023 JAN-DEC		2024 JAN-MAR	2023 JAN-MAR	2023 JAN-DEC
Rental income	223	212	843	Change in value of investment properties	-56	-3	-355
Other income	8	0	11	Change in value of financial instruments	28	-23	-173
<b>Total income</b>	<b>231</b>	<b>212</b>	<b>854</b>	<b>Profit/loss before tax</b>	<b>49</b>	<b>38</b>	<b>-241</b>
Operating expenses	-49	-44	-139	Tax	7	7	-5
Maintenance costs	-8	-5	-19	<b>Profit/loss for the period</b>	<b>57</b>	<b>44</b>	<b>-246</b>
Property tax	-6	-6	-24	Translation differences	2	0	0
<b>Net operating income</b>	<b>168</b>	<b>157</b>	<b>672</b>	Total other comprehensive income	2	0	0
Central administration	-22	-20	-77	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>59</b>	<b>44</b>	<b>-247</b>
Financial income and expenses	-75	-69	-298	<i>Comprehensive income for the period attributable to:</i>			
Unrealized changes in exchange rates	10	-2	1	Parent Company's shareholders	59	44	-247
Lease expenses/Ground rent	-2	-2	-10	Earnings per share, before dilution, SEK	1.52	0.91	-10.54
<b>INCOME FROM PROPERTY MANAGEMENT</b>	<b>78</b>	<b>63</b>	<b>287</b>	Earnings per share, after dilution, SEK	1.52	0.91	-10.54
				Average number of shares outstanding during the period, millions	28.43	28.43	28.43
				Average number of shares during the period after dilution, millions	28.44	28.45	28.43

## GROUP SUMMARY

## COMMENTS TO THE CONSOLIDATED INCOME STATEMENT

**RESULT**

Compared with the year-earlier period in 2023, Stendören reported an increase of approximately SEK 19 million in income and of approximately SEK 11 million in net operating income for January-March 2024. After deduction of financing costs and central administration costs, income from property management totaled SEK 78 million (63), which is 23% higher than last year. Profit for the period amounted to SEK 57 million (44), corresponding to SEK 1.52 per share (0.91).

**RENTAL INCOME**

Rental income increased during the period by approximately 5% to SEK 223 million (212). The increased income was driven by higher rents in the existing portfolio (increase of approximately 6% in comparable portfolio compared to the corresponding period in 2023) and from completed and leased projects. In addition to rental income, the company also reports other income of approximately SEK 8 million that mainly refers to non-recurring income and an insurance payment.

**PROPERTY EXPENSES**

Recognized property expenses increased by approximately SEK 7 million to SEK 63 million (56). Total property expenses in the comparable portfolio increased by approximately SEK 7 million, which corresponds to about 14%. The main reason for the increase in expenses was higher operating expenses attributable to higher district heating prices but also slightly higher maintenance costs resulting from, for example, water damage caused by snow and higher insurance premiums.

**CENTRAL ADMINISTRATION**

Costs for central administration for the period amounted to SEK 22 million (20) and comprised of costs for central administration, company management, Board and auditors.

**NET FINANCIAL ITEMS**

Financial income amounted to SEK 39 million (15) and primarily referred to income attributable to interest-rate derivatives. Financial expenses, excluding lease expenses, rose to SEK -114 million (-84), mainly due to higher lending and rising interest levels. Lease expenses (pertaining to IFRS 16 Leases) amounted to SEK -2 million (-2). The expense mainly comprised ground rent and rent.

**INCOME FROM PROPERTY MANAGEMENT**

Income from property management amounted to SEK 78 million (63) during the reporting period, mainly due to higher income that offset higher financing costs.

**CHANGES IN VALUE**

The company reported realized and unrealized changes in value of the property portfolio of SEK -56 million (-3). Value changes in the property portfolio during the period were primarily driven by adjusted yield requirements and market rent assumptions as well as changed cash flows due to, for example, new leases, renegotiated but also terminated agreements. Exchange rates had a positive value change on the property portfolio during the period, for details see page 16. The market valuation of the interest-rate derivatives resulted in a change in value of SEK 28 million (-23) as per the reporting date.

**TAX**

The tax expense in profit or loss consists of current tax of SEK -16 million (1) and deferred tax of SEK 24 million (6).

## GROUP SUMMARY

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK million

	31 MAR 2024	31 MAR 2023	31 DEC 2023		31 MAR 2024	31 MAR 2023	31 DEC 2023
<b>ASSETS</b>				<b>EQUITY AND LIABILITIES</b>			
<i>Non-current assets</i>				<b>Equity</b>	<b>4,883</b>	<b>5,168</b>	<b>4,838</b>
Intangible assets	3	1	3	<i>Non-current liabilities</i>			
Investment properties	12,400	12,534	12,566	Interest-bearing liabilities	6,121	5,693	5,826
Right-of-use assets	259	254	259	Other non-current liabilities	58	37	57
Equipment	1	2	1	Lease liabilities	259	254	259
Non-current receivables	3	2	3	Deferred tax liabilities	976	996	999
Interest-rate derivative	176	245	148	Other provisions	4	4	4
<b>Total non-current assets</b>	<b>12,842</b>	<b>13,039</b>	<b>12,981</b>	<b>Total non-current liabilities</b>	<b>7,418</b>	<b>6,984</b>	<b>7,145</b>
<i>Current assets</i>				<i>Current liabilities</i>			
Current receivables	96	93	79	Interest-bearing liabilities	840	817	825
Cash and cash equivalents	599	187	134	Other current liabilities	394	349	384
<b>Total current assets</b>	<b>695</b>	<b>280</b>	<b>213</b>	<b>Total current liabilities</b>	<b>1,234</b>	<b>1,167</b>	<b>1,210</b>
<b>TOTAL ASSETS</b>	<b>13,536</b>	<b>13,319</b>	<b>13,193</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,536</b>	<b>13,319</b>	<b>13,193</b>
				<i>Equity attributable to</i>			
				Parent Company's shareholders	4,883	5,168	4,838
				Non-controlling interests	-	-	-

## GROUP SUMMARY

## FINANCIAL POSITION

**NON-CURRENT ASSETS**

Stendörren's non-current assets mainly consist of investment properties. As of March 31, 2024, the value of the total property portfolio amounted to SEK 12,400 million (12,534). For analysis and comments, see page 23–24.

**CURRENT ASSETS**

Current assets amounted to SEK 695 million (280) on the closing date, consisting of cash and cash equivalents of SEK 599 million (187) and rental receivables and other current receivables of SEK 96 million (93). Available liquidity, in the form of cash and cash equivalents of SEK 599 million and available credit facilities totaling SEK 55 million, thus amounted to SEK 654 million at the end of the period.

**EQUITY**

As of March 31, 2024, the Group's equity amounted to SEK 4,883 million (5,168) and the equity ratio to 37% (40).

**INTEREST-BEARING LIABILITIES**

The carrying amount of the Group's interest-bearing liabilities at the end of the reporting period amounted to SEK 6,961 million (6,510) corresponding to a loan-to-value ratio of 51% (49). The liabilities consisted of loans from credit institutions of SEK 5,892 million

(5,235), two bonds totaling SEK 1,100 million (1,300). Loan arrangement costs of SEK -31 million (-30) were allocated in accordance with the company's accounting policies. The short-term portion of the interest-bearing liabilities amounted to SEK 840 million (817) and consisted of loans and repayments that are due within the next 12 months.

**INTEREST AND LOAN MATURITIES**

Stendörren aims to reduce interest and refinancing risks in its operations by spreading the maturity structure for interest rates and loan maturities over several years. Interest-rate risks are managed mainly through interest-rate derivatives. For a more detailed description of the interest and loan maturity portfolio, see page 17.

**DEFERRED TAX LIABILITIES (NET)**

Deferred tax liabilities amounted to SEK 976 million (996) on March 31, and related to the tax on properties, derivatives, untaxed reserves and unutilized losses carried forward.

**OTHER CURRENT LIABILITIES**

In addition to the short-term portion of interest-bearing liabilities, current liabilities include accounts payable, accrued expenses and deferred income, tax liabilities and other current liabilities, amounting to a total of SEK 394 million (349).





## GROUP SUMMARY

## CONSOLIDATED CHANGES IN EQUITY

Amounts in SEK million

	SHARE CAPITAL	OTHER CAPITAL CONTRIBUTED	TRANSLATION DIFFERENCES	RETAINED EARNINGS INCLUDING PROFIT FOR THE PERIOD	HYBRID BOND	TOTAL EQUITY ATTRIBUTABLE TO THE COMPANY'S OWNERS
<b>Opening balance equity, Jan 1, 2022</b>	<b>17</b>	<b>1,181</b>	-	<b>3,232</b>	<b>786</b>	<b>5,216</b>
Interest/dividend hybrid bond	-	-	-	-58	-	-58
Comprehensive income Jan-Dec 2022	-	-	3	268	-	271
<b>Closing balance equity, Dec 31, 2022</b>	<b>17</b>	<b>1,181</b>	<b>3</b>	<b>3,442</b>	<b>786</b>	<b>5,429</b>
Share option program	-	1	-	-	-	1
Interest/dividend hybrid bond	-	-	-	-59	-	-59
Repurchase hybrid bond	-	-	-	-	-288	-288
Comprehensive income Jan-Dec 2023	-	-	-	-246	-	-246
<b>Closing balance equity, Dec 31, 2023</b>	<b>17</b>	<b>1,182</b>	<b>3</b>	<b>3,137</b>	<b>498</b>	<b>4,838</b>
Interest/dividend hybrid bond	-	-	-	-14	-	-14
Comprehensive income Jan-Mar 2024	-	-	2	57	-	59
<b>Closing balance equity, Mar 31, 2024</b>	<b>17</b>	<b>1,182</b>	<b>5</b>	<b>3,179</b>	<b>498</b>	<b>4,883</b>

**COMMENTS ON CONSOLIDATED CHANGES IN EQUITY**

As of March 31, 2024, the Group's equity amounted to SEK 4,883 million (5,168).

The 2023 AGM resolved on a dividend totaling SEK 0 million (0).

## GROUP SUMMARY

## CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in SEK million

	2024 JAN-MAR	2023 JAN-MAR	2023 JAN-DEC		2024 JAN-MAR	2023 JAN-MAR	2023 JAN-DEC
<b>Cash flow from operating activities</b>				<b>Financing activities</b>			
Income from property management	78	63	287	Issued employee stock options	-	-	1
Adjustment for non-cash items	11	1	0	Dividend hybrid bond	-14	-18	-59
Income tax paid	-4	-5	-13	Repurchase hybrid bond	-	-288	-288
				Raised interest-bearing liabilities	1,075	251	1,379
<b>Cash flow from operating activities before changes in working capital</b>	<b>85</b>	<b>59</b>	<b>274</b>	Repayment of interest-bearing liabilities	-776	-34	-1,026
				Deposits	2	1	21
<b>Changes in working capital</b>				<b>Cash flow from financing activities</b>	<b>286</b>	<b>-87</b>	<b>28</b>
Changes in operating receivables	-17	-10	4				
Changes in operating liabilities	-22	30	28	<b>Cash flow for the period</b>	<b>465</b>	<b>-128</b>	<b>-181</b>
<b>Cash flow from operating activities</b>	<b>46</b>	<b>80</b>	<b>307</b>	Cash and cash equivalents at the beginning of period	134	315	315
<b>Investing activities</b>				Cash flow for the period	465	-128	-181
Investments in existing properties	-91	-120	-516				
Other investments and divestments	0	0	0	<b>Cash and cash equivalents at the end of the period</b>	<b>599</b>	<b>187</b>	<b>134</b>
Acquisitions of Group companies/properties	-	-	-				
Divestments of Group companies/properties	224	-	-				
<b>Cash flow from investing activities</b>	<b>133</b>	<b>-120</b>	<b>-516</b>				

## PARENT COMPANY SUMMARY

# INCOME STATEMENT AND BALANCE SHEET FOR PARENT COMPANY

Operations in the Parent Company consist of management functions for all of the Group's companies and properties. All staff are employed by the Parent Company. No properties are owned directly by the Parent Company. The Parent Company's income during the period mainly comprised of SEK 35 million in recharged services rendered by its own staff. Net interest income consists of net interest charged on intra-Group loans and external interest expense for the corporate bond programs. Cash and cash equivalents as of March 31, 2024 amounted to SEK 59 million (29) and equity amounted to SEK 1,322 million (1,400).

## CONDENSED INCOME STATEMENT FOR THE PARENT COMPANY

Amounts in SEK million	JAN-MAR 2024	JAN-MAR 2023	JAN-DEC 2023
Net sales	35	29	123
Operating expenses	-35	-29	-121
<b>Profit before financial items</b>	<b>0</b>	<b>0</b>	<b>2</b>
<i>Financial items</i>			
Income from shares in subsidiaries	-	-	-38
Net financial items	8	14	20
<b>Profit/loss after financial items</b>	<b>8</b>	<b>14</b>	<b>-16</b>
Appropriations	-	-	-3
<b>Profit/loss before tax</b>	<b>8</b>	<b>14</b>	<b>-19</b>
Tax	-	-	0
<b>Profit for the period</b>	<b>8</b>	<b>14</b>	<b>19</b>

## CONDENSED BALANCE SHEET FOR THE PARENT COMPANY

Amounts in SEK million	31 MAR 2024	31 MAR 2023	31 DEC 2023
<b>ASSETS</b>			
<i>Non-current assets</i>			
Intangible assets	3	1	3
Equipment	10	10	10
Shares/participations in subsidiaries	981	970	979
Receivables from subsidiaries	2,585	3,348	3,459
Deferred tax assets	0	0	0
<b>Total non-current assets</b>	<b>3,578</b>	<b>4,330</b>	<b>4,450</b>
<i>Current assets</i>			
Receivables from subsidiaries	238	185	25
Current receivables	8	4	6
Cash and cash equivalents	59	29	30
<b>Total current assets</b>	<b>305</b>	<b>218</b>	<b>62</b>
<b>TOTAL ASSETS</b>	<b>3,883</b>	<b>4,547</b>	<b>4,512</b>

Amounts in SEK million	31 MAR 2024	31 MAR 2023	31 DEC 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>1,322</b>	<b>1,400</b>	<b>1,329</b>
<i>Non-current liabilities</i>			
Interest-bearing liabilities	1,092	1,293	1,091
Liabilities to subsidiaries	1,054	1,592	2,061
<b>Total non-current liabilities</b>	<b>2,146</b>	<b>2,884</b>	<b>3,152</b>
<i>Current liabilities</i>			
Liabilities to subsidiaries	375	219	-
Other current liabilities	39	45	30
<b>Total current liabilities</b>	<b>414</b>	<b>263</b>	<b>30</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,883</b>	<b>4,547</b>	<b>4,512</b>

## SHARE CAPITAL AND OWNERSHIP

## SHARE CAPITAL AND OWNERSHIP

**SHARE CAPITAL**

The share capital in Stendörren amounts to SEK 17,056,959, split between 2,500,000 Class A shares and 25,928,265 Class B shares. Each share has a quotient value of SEK 0.60. Class A shares in Stendörren carry entitlement to ten votes at a general meeting and Class B shares carry entitlement to one vote at a general meeting. Class A shares can be converted to Class B shares at a ratio of 1:1. All shares carry the same right to shares in the company's assets and profits. According to the Articles of Association, the company also has the option of issuing preference shares

**AUTHORIZATIONS**

On May 23, 2023, the Annual General Meeting resolved to authorize the Board of Directors to, up until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, with cash payment or payment through set-off or through capital contributed in kind, or otherwise with certain conditions, resolve to issue shares of Class A or B, convertibles for shares of Class A or B or warrants for shares of Class A or B, as well as preference shares. However, an issue without preferential rights for the shareholders may not result in an increase of the company's shares of more than a total of 10% calculated at the date for the 2023 Annual

General Meeting. If the Board of Directors resolves on an issue without preferential rights for shareholders, the reason must be to broaden the ownership base, acquire or facilitate the acquisition of working capital, increase the liquidity of the share, carry out company acquisitions or acquire or facilitate the acquisition of capital for company acquisitions. An issue without preferential rights for shareholders must be conducted on market terms.

**INCENTIVE PROGRAMS**

Stendörren have two incentive programs that were resolved on at the Extraordinary General Meeting in September 2020 and the 2023 Annual General Meeting, respectively. Both programs were targeted toward the company's employees and include issues of warrants, which the participants in the relevant program acquired for cash payment to the Parent Company. The warrants were acquired at market value calculated in accordance with the Black & Scholes valuation method performed by independent valuers.

Under the incentive program 2020-2025, there were by the end of the period 252,250 warrants and each warrant entitles the holder, during a period of two weeks from the date of publication of the interim financial report for the period January 1-September 30, 2025, to subscribe for one new Class B common share in the company at a subscription price of SEK 175 per share.

Under the incentive program 2023 - 2028, there were by the end of the period 50,060 warrants and each warrant entitles the holder, during a period of two weeks from the date of publication of the interim financial report for the period January 1-March 31, 2028, to subscribe for one new Class B common share in the company at a subscription price of SEK 285 per share.

Upon full exercise of the warrants in the two outstanding programs, the share capital will increase by SEK 181,386 through the issuance of 302,310 Class B shares, each with a quotient value of SEK 0.6. The dilution effect at full utilization corresponds to approximately 1.1% of the capital and 0.6% of the number of votes based on the number of outstanding shares as of the reporting date.

**STOCK EXCHANGE**

The Stendörren Class B share is traded on Nasdaq Stockholm Mid Cap. The company's ticker is STEF B. The company's ISIN is SE0006543344. A trading unit corresponds to one (1) share.

## SHARE CAPITAL AND OWNERSHIP

### LARGEST SHAREHOLDERS AS OF MARCH 31, 2024

SHAREHOLDERS <sup>1)</sup>	TOTAL SHARES	NO. OF CLASS A SHARES	NO. OF CLASS B SHARES	% OF CAPITAL	% OF VOTES
Stendörren Real Estate AB	11,532,606	2,000,000	9,532,606	40.6	58.0
Altira AB	2,900,000	500,000	2,400,000	10.2	14.5
SEB Investment Management	3,611,614	0	3,611,614	12.7	7.1
Länsförsäkringar Fastighetsfond	2,457,355	0	2,457,355	8.6	4.8
Tredje AP-Fonden	1,068,439	0	1,068,439	3.8	2.1
Verdipapirfondet Odin Eiendom	856,660	0	856,660	3.0	1.7
Handelsbanken Fonder	794,373	0	794,373	2.8	1.6
Didner & Gerge Fonder Aktiebolag	669,223	0	669,223	2.4	1.3
Carnegie Fonder	583,782	0	583,782	2.1	1.2
SEB Luxembourg Branch	557,345	0	557,345	2.0	1.1
Other shareholders	3,398,868	0	3,398,868	13.4	7.1
<b>Total</b>	<b>28,428,265</b>	<b>2,500,000</b>	<b>25,928,265</b>	<b>100.00</b>	<b>100.00</b>

1) The total number of shareholders on the reporting date was 3 237.



Photo: Almnäs



Photo: Nygård

## OTHER INFORMATION

### RELATED PARTY TRANSACTIONS

During the period, the company carried out a transaction with a senior executive for the lease of two garage spaces. All transactions with related parties are conducted on market terms. Other than what is stated above, the company is not and has not been party to any business transaction, loan, guarantee or guarantee connection with any of the Board members, senior executives, major shareholders or related parties to any of these in 2024.

### RISKS

Risks and uncertainties are primarily related to changes in macroeconomic factors affecting demand for premises and the price of capital. Stendörren is also exposed to the risk of unforeseen increases in operating expenses or maintenance costs, which cannot fully be compensated for in leases with tenants. There is also a risk that the company's lenders do not extend credit facilities at maturity. Real estate transactions are a part of the company's business model and are, by their nature, associated with uncertainties and risks. More information about these risks can be found on pages 81–84 in the company's Annual Report for the 2023 fiscal year. In addition to the risks that are outlined in the Annual Report, the risks related to the uncertain macroeconomic climate have been described in greater detail in this report, for example, in the Statement from the CEO on pages 4 and the sensitivity analysis for changes in interest rates on page 17.

### ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The same accounting policies, valuation principles and calculation methods were applied as in the most recently published financial information, see Note 1 of the 2023 Annual Report. Investment properties are measured at Level 3 of the fair value hierarchy according to IFRS 13. Derivatives are measured at fair value in the consolidated financial statements and at Level 2 in accordance with IFRS 13. The Parent Company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

### AUDITOR'S REVIEW

The Year-end Report is unaudited.

### CALENDAR

EVENT	DATE
2024 Annual General Meeting	May 23, 2024
Interim Report Jan-June 2024	19 July 2024
Interim Report Jan-Sep 2024	25 October 2024
Year-end Report Jan-Dec 2024	18 February 2025

## ASSURANCE

# THE BOARD OF DIRECTORS AND CEO

The Board of Directors and the CEO assure that the report provides a fair overview of the Parent Company and the Group's operations, financial position and results and describes the most significant risks and uncertainties faced by the Parent Company and the Group companies.

Stockholm, May 3, 2024

Andreas Philipson  
*Chairman*

Carl Mörk  
*Board member*

Helena Levander  
*Board member*

Henrik Orrbeck  
*Board member*

Seth Lieberman  
*Board member*

Nisha Raghavan  
*Board member*

Erik Ranje  
*CEO*

This information is such that Stendörren Fastigheter AB is required to publish according to the EU Market Abuse Regulation. The information was provided, through the agency of the contact person below, for publication on May 3, 2024 at 7:00 am CEST.

## APPENDIX 1

ASSESSED EARNINGS CAPACITY<sup>1</sup>

According to the company's assessment, the total annual rental income (after deductions for vacancies and discounts) amounts to approximately SEK 882 million on April 1, 2024. The company also assesses that current property expenses amount to approximately SEK 186 million. Accordingly, the Group is expected to generate annual net operating income of approximately SEK 696 million.

Costs for central administration amounted to approximately SEK 80 million, net financial items to approximately SEK 284 million and leasing costs to approximately SEK 10 million. This totals annual income from property management of approximately SEK 323 million on April 1, 2024.

This information is only the company's own assessment of the earnings capacity as of April 1, 2024, without taking into account new letting, vacancies or index-related rent changes that have not yet had an effect or other, not yet implemented measures that may have an effect on income from property management.

Costs for central administration were based on actual outcome for the past 12 months and net financial items were calculated based on interest-bearing liabilities and assets on the closing date. Costs for interest-bearing liabilities were based on the Group's reported average interest rate on the closing date plus allocated financing costs and costs for unutilized credit facilities on the closing date. Leasing costs essentially refer to ground rent, based on actual outcome for the past 12 months adjusted for the holding period.

Any additional acquisitions or sales announced by the company, but which have not yet been entered into or resigned, are also not included.

The earnings capacity also does not take into account ongoing and recently completed projects that have not yet generated revenue during the reporting period are expected, at the rate of leasing and completion, to be able to add approximately SEK 75 million in net operating income.

These data should therefore not be seen as a forecast of future profit development for Stendörren.

ASSESSED EARNINGS CAPACITY <sup>1</sup>	
Rental income	882
<b>Total income</b>	<b>882</b>
Operating expenses	-132
Maintenance costs	-27
Property tax	-27
<b>Net operating income</b>	<b>696</b>
Central administration	-80
Financial income and expenses	-284
Lease expenses/Ground rent	-10
<b>Income from property management</b>	<b>323</b>

<sup>1)</sup> This is the Company's best assessment of current earnings capacity on an annual basis as of April 1, 2024 and not a forecast of future expected earnings.



## ALTERNATIVE PERFORMANCE MEASURES

## DEFINITIONS

The European Securities and Markets Authority (ESMA) has issued guidelines for the use of Alternative Performance Measures, (APMs) related to companies with securities that are listed on a regulated market. The guidelines have been developed in order to increase the transparency and the comparability in APMs commonly used in prospectuses and other compulsory information submitted by listed companies. Stendörren provides more detailed definitions and explanations of the APMs it uses. These definitions and explanations, along with a reconciliation table, are in accordance with the ESMA guidelines and can be found on [www.stendorren.se](http://www.stendorren.se), investor relations.

**CURRENT NET ASSET VALUE**

Book equity net of hybrid capital adjusted for actual deferred tax liability, calculated at an effective tax rate of 5.9% and adjusted for interest-rate derivatives.

**AREA WEIGHTED OCCUPANCY RATE**

Area contractually leased to tenants in relation to total lettable area.

**AVERAGE RETURN ON EQUITY**

Profit for the period in relation to average equity the last 12 months.

**LOAN-TO-VALUE RATIO**

Interest-bearing liabilities in relation to total assets.

**LOAN-TO-VALUE RATIO AT PROPERTY LEVEL**

Interest-bearing liabilities secured in properties in relation to the fair value of the properties.

**NOI YIELD**

Property NOI the last 12 months in relation to the fair value of the properties.

**NET OPERATING INCOME**

Total rental income from the properties reduced by property operating expenses.

**ECONOMIC OCCUPANCY RATE**

Contractual annual rent in relation to rental value, excluding properties not lettable at the end of the period due to demolition and/or major project development.

**INCOME FROM PROPERTY MANAGEMENT**

Profit for the period before value changes and tax.

**NET FINANCIAL ITEMS**

Net financial items are the difference between interest income and interest expenses as well as leasing costs.

**AVERAGE INTEREST RATE**

The weighted average interest rate on all interest-bearing liabilities.

**WEIGHTED AVERAGE UNEXPIRED LEASE TERM**

The weighted average remaining lease term on all existing property leases. Expressed in terms of years remaining until expiry.

**LOAN MATURITY**

The weighted average remaining time to maturity for interest-bearing liabilities, expressed in years.

**CASH FLOW PER SHARE**

Cash flow from operating activities before changes in working capital according to the cash flow statement divided by the average number of shares outstanding before dilution.

**LONG-TERM NET ASSET VALUE**

Book equity net of hybrid capital adjusted for deferred tax and the derivatives value (+/-).

**NAV GROWTH**

Percentage change in the long-term net asset value the last 12 months.

**NET LETTING**

Annual rent for new signed leases reduced by annual rent for terminations and annual rent for bankruptcies.

**EARNINGS PER SHARE**

Net profit after hybrid interest divided by the average number of shares outstanding, before and after dilution.

**AVERAGE INTEREST MATURITY INCLUDING DERIVATIVES**

The weighted average remaining time to interest adjustment on interest-bearing liabilities including the effect of interest derivatives. Expressed in years remaining.

**ICR**

Income from property management the last 12 months adding back net financial expenses, in relation to net financial expenses (excluding the rights of use of land lease properties that in accordance with IFRS 16 is accounted for as a financial cost).

**EQUITY RATIO**

Book equity in relation to total balance sheet (excluding the leasing liability for the rights of use of land lease properties that, in accordance with IFRS 16, is accounted for as a long term liability).

**TOTAL RETURN**

Property NOI increased by change in value of investment properties during the last 12 months divided by the average fair value of the properties during the same period.

**SURPLUS RATIO**

Properties' NOI divided by total income during the same period.

Stendörren Fastigheter AB (publ) is an expansive property company listed on Nasdaq Stockholm Mid Cap. Our business concept is to create profitable growth in net asset value by managing, developing and acquiring properties and building rights within logistics, warehouse and light industry in Nordic growth regions. When commercially viable, we rezone such existing properties and thereby create residential building rights for further development and management, mainly in Greater Stockholm and the rest of the Mälardalen region.

**FOR MORE INFORMATION,  
PLEASE CONTACT:**

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**STENDÖRREN**