

2024-07-04

Nivika Fastigheter AB (publ)

Interim report September 2023 - May 2024

Q3 March 2023 – May 2024

(Figures in brackets refer to the same period last year)

- Total rental income increased by 15 % to 172 MSEK (149)
- Net operation income increased by 19 % to 119 MSEK (100)
- The profit from property management increased to 44 MSEK (23)
- Change in value for investment properties amounted to 14 MSEK (-4) whereof realized change in value amounted to 10 MSEK (25)
- Comprehensive income increased to 48 MSEK (16)
- Earnings per share 0.55 SEK (0,27*)
- Property value amounted to 11,077 MSEK (10,647)

*) Right issue carried out in May and November 2023.

September 2023 – May 2024

(Figures in brackets refer to the same period last year)

- Total rental income increased by 10 % to 499 MSEK (454)
- Net operation income increased by 18 % to 347 MSEK (293)
- The profit from property management increased to 138 MSEK (79)
- Change in value for investment properties amounted to 67 MSEK (-248) whereof realized change in value amounted to 11 MSEK (38)
- Comprehensive income increased to 131 MSEK (-125)
- Earnings per share 1.52 SEK (-2.11*)
- Property value amounted to 11,077 MSEK (10,647)

*) Right issue carried out in May and November 2023.

CEO Sverker Källgården comments:

Increased rental income and improved net operating income

The financial development for the third quarter shows stability and that the Company is gradually continuing to increase revenues and results. It is a statement of strength and proof that Nivika is doing the right things and that our business model works. The rental income rose by 10 percent to 499 MSEK (454) and the operating net increased by 18 percent to 347 MSEK (293). The increased operating net was mainly driven by increased income and good cost control. The property portfolio amounts to 11.1 billion SEK (10.6) as of May 31, 2024, and consists primarily of high-yielding properties with a total yearly rental value of 741 MSEK, of which two-thirds of the rental value consists of commercial properties. At the end of the period, management properties make up 94 percent of the property portfolio.

During the period, a commercial property and two residential properties have been completed, which together add SEK 13 million in annual rental value.

High occupancy rate

It is gratifying that the occupancy rate continues to remain at a high and stable level. The economic occupancy rate was 95 percent for commercial properties and 98 percent for residential properties at the end of the quarter. Demand in Nivika's markets continues to be good, net rental for the period amounted to 0.5 MSEK.

Nivika will continue to grow profitably through the acquisition of properties with a good return. During the third quarter, Nivika has acquired four commercial properties in the West Coast market area as well as a project, Stationsallén in Gislaved, in the Värnamo market area, which construction started after the end of the period. The commercial properties have so-called triple-net lease agreement and is situated

in connection to the existing portfolio and were acquired with an average yield of around 7.5 percent. Nivika has several inquiries and is in active dialogues regarding commercial new constructions and extensions in the Company's market, both from new and existing tenants.

Sustainability

During the period, Nivika has carried out a double materiality analysis as a step in the Company's implementation of CSRD and is now undertaking the work of identifying gaps in current sustainability reporting. The Company has also strengthened the organization with specialist knowledge in energy and construction technology to further improve operating and property parameters.

Continued value growth

With the measures carried out in 2023 and at the beginning of 2024 where, among other things, all bonds were resolved and the loan-to-value ratio landed around 45 percent, Nivika is well equipped for continued growth. As interest rates are lowered, the financial costs decrease, Nivika's earnings per share will gradually increase. We have good cost control, and the scalability of the portfolio is shown by the operating net increasing more than the rental income.

Despite the Riksbank's (Sweden's central bank) first reduction of the policy rate, the financial costs are still high, and it is important that we allocate our cash where it gives the best return. Carrying out projects together with our tenants gives a very good return and our local presence together with our very good tenant relations gives us continuously new opportunities. By choosing the right projects and properties to acquire, we keep the focus on earnings per share and cash flow to create economic growth and shareholder value. Our properties and our organization give us a good starting point, properly managed challenges can create opportunities.

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This information is information that Nivika Fastigheter AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out herein, at 08.30 CET on 4 of July, 2024.

About Nivika

Nivika is a real estate company in Småland with focus on long-term ownership, property management and efficient new development to create profitable and sustainable value growth. The Company primarily operates in Jönköping, Värnamo, Växjö and the West coast of Sweden, areas with growth opportunities and stable rental markets. The diversified real estate portfolio amounts to app. SEK 11 billion, of which two-thirds of the rental value is commercial real estate and 30 % residential. More than 90 % of the portfolio consists investment properties. The commercial properties mainly consist of industrial, warehouse, office and community service properties. www.nivika.se

