

Q3

Interim report January–
September 2023

July–September

- Revenue for the quarter amounted to SEK 147.8 million (123.2), a year-on-year increase of 20 per cent.
- The Group's net operating income amounted to SEK 97.3 million (77.7), up 25 per cent year-on-year.
- Profit from property management for the quarter amounted to SEK 45.0 million (37.4), a year-on-year increase of 20 per cent.
- Changes in the value of investment properties amounted to SEK -134.1 million (-68.7) and changes in the value of derivatives to SEK 40.5 million (24.9).
- Profit for the quarter totalled SEK -50.6 million (-5.6), corresponding to SEK -0.39 per share (-0.04).
- The loan-to-value ratio was 52.3 per cent (48.8) on 30 September. The company is financed solely through bank borrowing.

January–September

- Revenue for the period amounted to SEK 440.3 million (362.2), a year-on-year increase of 22 per cent.
- The Group's net operating income for the period amounted to SEK 260.4 million (203.5), a year-on-year increase of 28 per cent.
- Profit from property management amounted to SEK 100.3 million (88.0), a year-on-year increase of 14 per cent.
- Changes in the value of investment properties amounted to SEK -421.8 million (-222.0) and changes in the value of derivatives to SEK 34.3 million (86.4).
- Profit for the period totalled SEK -245.7 million (-221.3), corresponding to SEK -1.87 per share (-1.68).
- The net realizable value per share was SEK 31.9 (35.4).

The period in brief

Significant events

- A five-year lease was signed with the City of Malmö encompassing 1,600 square metres for its services within its functional support administration. The total annual rental value is SEK 1.9 million.
- A loan agreement with a bank in the Nordic region for just over SEK 500 million was extended, maturing in the third quarter of 2027 at a margin that falls below the company's average margin.
- Five-year contract extension signed for approximately 850 square metres with Systembolaget in central Västervik. The rental value amounts to approximately SEK 1.8 million per year.
- Fixed-rate term of the debt portfolio extended by just over a year. On 30 September, the fixed-rate term was 3.9 years, with a hedging ratio of 80 per cent.
- A five-year lease was signed with Renässans Akademin encompassing 500 square metres adapted to preschool operations. The total annual rental value is SEK 0.8 million.

Long-term net realizable
value per share, SEK

31.9

Surplus ratio for the
quarter, %

65.8

Real occupancy
rate, %

98.2

Interest-rate
hedging ratio, %

79.7

Average interest
rate, %

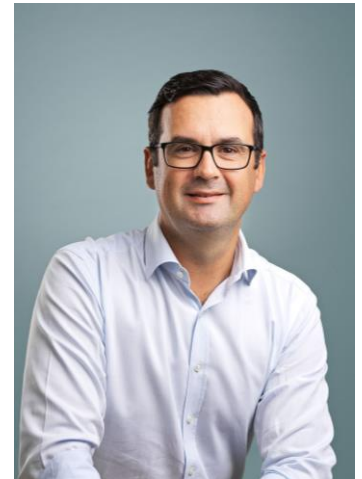
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KPIs: For complete key performance indicators, refer to page 24

	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Profit from prop mgmt, SEK m	45.0	37.4	100.3	88.0	113.4
Profit for the period, SEK m	-50.6	-5.6	-245.7	221.3	125.1
Market value per sq. m.	17,734	21,041	17,734	21,041	18,044
Surplus ratio, %	65.8	63.1	59.1	56.2	55.6
Real occupancy rate, %	98.2	98.6	98.2	98.6	98.1
Equity/assets ratio, %	43.6	45.0	43.6	45.0	44.6
Loan-to-value ratio, %	52.3	48.8	52.3	48.8	49.7
Interest-coverage ratio, multiple	1.8	2.1	1.8	2.1	2.0
Interest-rate hedging ratio, %	79.7	51.5	79.7	51.5	67.1
Fixed-interest period, year	3.9	2.5	3.9	2.5	3.4
Profit from property management per share, SEK	0.34	0.28	0.76	0.67	0.86
Earnings per share after dilution, SEK	-0.39	-0.04	-1.87	1.68	0.95
Net realizable value per share, SEK	31.9	35.4	31.9	35.4	34.5

Comments from the CEO

Increased profit from property management and predictable financing costs



Andreas Morfiadakis, CEO

The financial trend for the third quarter demonstrates that we are gradually continuing to increase our earnings despite a challenging market, particularly when it comes to financing. Our net operating income increased 25 per cent year-on-year while our surplus ratio was among our highest to date. Profit from property management increased 20 per cent during the quarter compared with the year-earlier period thanks to the year's rent increases and a larger portfolio. The underlying need for housing in Sweden remains considerable, particularly in terms of rental apartments, and demand for our apartments remains high. This applies in particular to housing with reasonable rent, given a more challenging economic situation for many households. With our focus on attractive locations with robust long-term demand in growth regions, we have a broad geographic presence and can act wherever business opportunities arise. In our three largest regions of Trelleborg, Visby and Östersund, which account for just over 45 per cent of the portfolio, we offer a highly competitive rent level and are continuing to experience strong demand and a high occupancy rate.

High and stable occupancy rate

It is gratifying to report that our occupancy rate remains high and stable as we continue to improve our portfolio. In the third quarter, which is generally seasonally weak in terms of renovations, we upgraded 45 apartments, which together with other measures to raise standards and the general rent increase enabled a 7 percentage point increase in the rental value of our housing units since the start of the year. I can confirm that our business model, based on long-term ownership, management and improvement of rental properties, works well even when faced with the prevailing market climate.

Compensation for increasing operating costs

Operating and maintenance costs in the property sector have increased substantially across the board in recent years as a result of high inflation, and the same applies to private housing. Moving forward, we see many indications of considerably higher prices for district heating. As a commercial company, we must ensure that we have the right prerequisites to manage our properties in a responsible way. As with other residential property companies, this means that we need to ensure that we are compensated for increasing costs by transferring some of these costs to our tenants through annual rent negotiations. At the time of writing, these negotiations have already been initiated and the aim is to complete them quickly so that we can implement rent increases from the start of the year, while also continuing to offer attractive apartments at competitive prices. In light of current market challenges, we believe it is more necessary than ever that an agreement is in place in the autumn.

New commercial agreements

Although KlaraBo is a dedicated residential property company, we have just over 10 per cent of our operations in commercial premises. It is therefore crucial that we continue to offer quality products and continually strive to maintain their attractiveness in the market. The signing of two new commercial agreements during the quarter confirms this, with a five-year lease for 1,600 square metres with the City of Malmö and a two-year lease for 400 square metres in Borlänge. Possession has been taken of the properties, leading to an immediate positive impact on our earnings capacity.

Value-creating property management offsets increased yield requirement

It is worth repeating that our business model offsets increased yield requirements, which we believe to be sign of strength. The yield requirement increased an additional 11 basis points on average during the third quarter. If we include all of the year's quarters, the increase in the yield requirement has corresponded to a theoretical loss in value of SEK 830 million so far this year, or 9.2 per cent of the property value at year-end, all else being equal. However, the decline in the value of the portfolio was limited to approximately SEK 405 million thanks in part to KlaraBo's measures to increase value, or organic growth in other words. Thus the effect has been mitigated by over SEK 425 million (after investments) by continuing to develop and improve the portfolio, despite the increased yield requirement for our portfolio during the year – an opportunity that many companies in the market do not have. With

an average rent at the low rate of SEK 1,079 per square metre for the unimproved part of the portfolio, which is significantly below the general market level, there is thus significant room for continued value creation in the future.

Market adjustments and increased occupancy rate

As we have previously mentioned in other quarterly reports, we have exercised caution recently when it comes to beginning new construction projects in light of the current market climate. At the same time, we have been quick to adapt to the prevailing economic conditions, which continue to affect the property and construction industries. We continue to see a considerable need for rental apartments in most of the country's major cities and significantly fewer construction starts, leading to increased demand for apartments in the existing portfolio. The real occupancy rate for our housing amounted to an impressive 98.2 per cent as of 30 September, which is evidence that our housing is in demand and competitive.

Outlook

In summary, the need for new housing remains high, while housing construction has more or less stalled. This means that existing affordable rental apartments is becoming an increasingly important part of the housing market, not least in the current economic climate, with lower disposable income for many households. With a proven business model that continually improves our portfolio and means that our annual rent increases exceed the general level, we are creating favourable conditions for increasing the value of our property portfolio and improving our cash flow per share over time. Moreover, a high proportion of our financing, which exclusively comprises bank loans, is hedged and provides us with security in the current market.

I am convinced that over the long term, it will be wise to invest in – though cautiously – and to own rental properties, and by doing so to be part of the development of society on both a regional and a national level.

Malmö, October

Andreas Morfiadakis

CEO, KlaraBo



Gråbo, Visby

This is KlaraBo

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

The company concentrates on residential properties, which comprised 85 per cent of contracted rents on 30 September. As of 30 September, KlaraBo's property portfolio had a lettable area of approximately 496,800 square metres distributed across 6,558 apartments and a number of commercial premises with contracted annual rent of about SEK 604 million. The portfolio also includes 1,563 apartments under construction and project development.

Strategy

KlaraBo will focus on new construction, management of residential properties and acquisitions in municipalities in growth regions:

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

Overall goal

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

Operational goals

- KlaraBo has the goal of owning and managing at least 500,000 square metres of residential floor space by the end of 2025.
- KlaraBo's objective is to commence construction of at least 200 housing units in the period from 2021 to 2023, with a long-term goal of commencing construction of at least 500 housing units per year. The housing units are to mainly be self-developed and environmentally certified.
- The rental trend for our existing housing units that can be renovated is to significantly exceed the general annual rental increase through active management and investments.

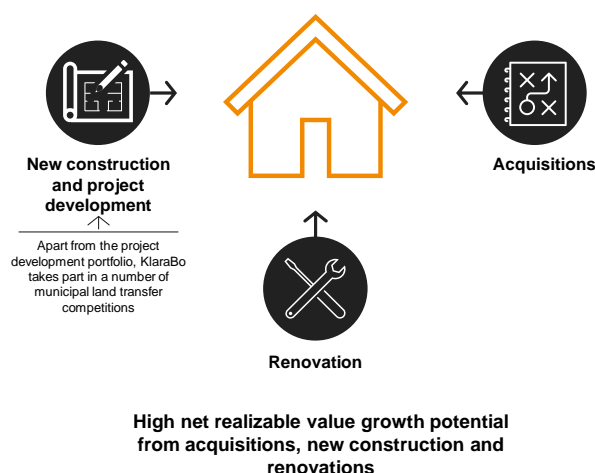
Financial goals

- KlaraBo is to achieve average annual growth in net realizable value per share of at least 15 per cent including any value transfers over the course of a business cycle.
- KlaraBo is to achieve average annual growth in profit from property management per share of at least 12 per cent over the course of a business cycle.

Sustainability goals

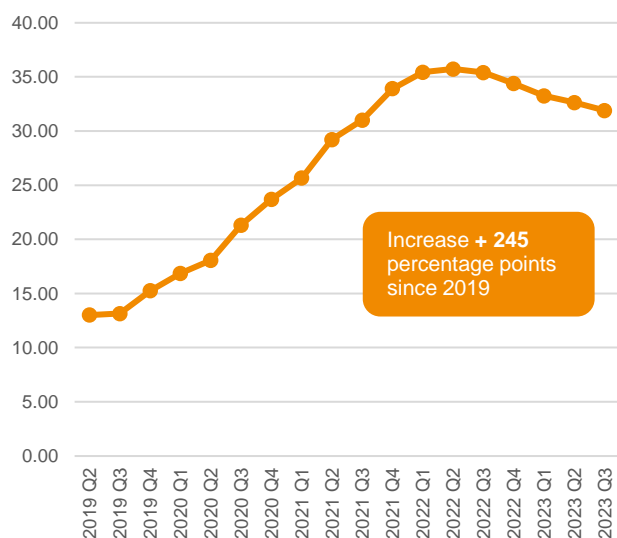
- The company has established goals in the following areas: climate and energy, circular society, secure and pleasant neighbourhoods, employees and sustainable business. The company's overall climate and energy goals are that only renewable energy will be used for electricity, heating and vehicles by no later than 2030, and that the entire value chain will be climate neutral by no later than 2045.

KlaraBo's business model



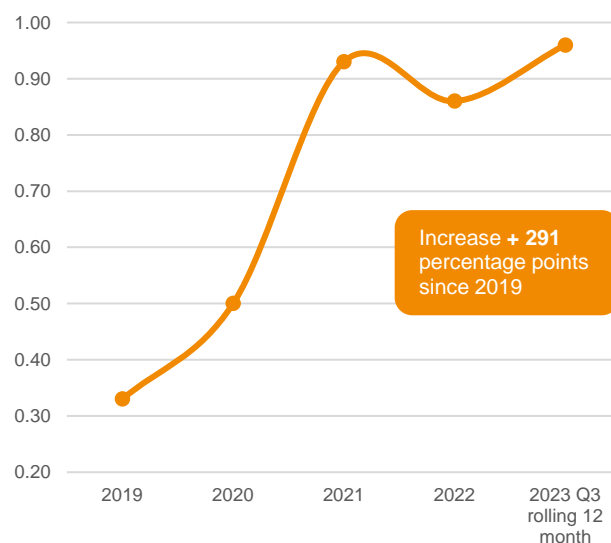
OVERALL GOALS		Goal	Outcome 2023 YTD
Number of apartments	KlaraBo has the goal of owning and managing at least 500,000 square metres of residential floor space by the end of 2025.	>500,000 sq. m.	434,525
Development rights	KlaraBo's objective is to commence construction of at least 200 housing units in the period from 2021 to 2023, with a long-term goal of commencing construction of at least 500 housing units per year. The housing units are to mainly be self-developed and environmentally certified.	>200 housing units	-
Rental value	The rental trend for our existing housing units that can be renovated is to significantly exceed the general annual rental increase through active management and investments.	>General rent increase	2.5 percent
Net realizable value	KlaraBo is to achieve average annual growth in net realizable value per share of at least 15% including any value transfers over the course of a business cycle.	>15%	See chart below
Profit from property management	KlaraBo is to achieve average annual growth in profit from property management per share of at least 12% over the course of a business cycle.	>12%	See chart below
Dividend	KlaraBo has a long-term goal of distributing 50% of the taxed profit from property management. However, KlaraBo will prioritise growth via new construction, investments in the existing portfolio, and acquisitions in the next few years, which is why a dividend may not be distributed.	>50% of taxed profit from property management	-
Sustainability	The overall goals for KlaraBo in the area of climate and energy are to use only renewable energy for electricity, heat, and cars by 2030 and to have achieved climate neutrality in the entire value chain by 2045.	2030 - Only renewable energy 2045 - Climate neutrality	-

Long-term net realizable value per share, SEK



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

Profit from property management per share, SEK



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

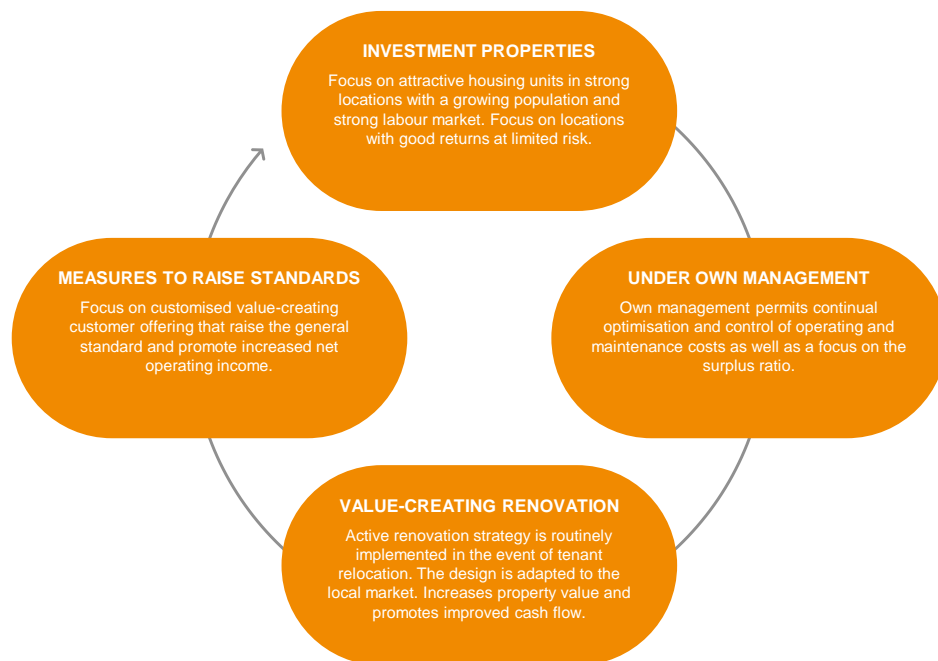
Property portfolio

Investment properties

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

The property holdings consist of 226 properties with a total lettable area of approximately 496,800 square metres, excluding parking spaces and garages.

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

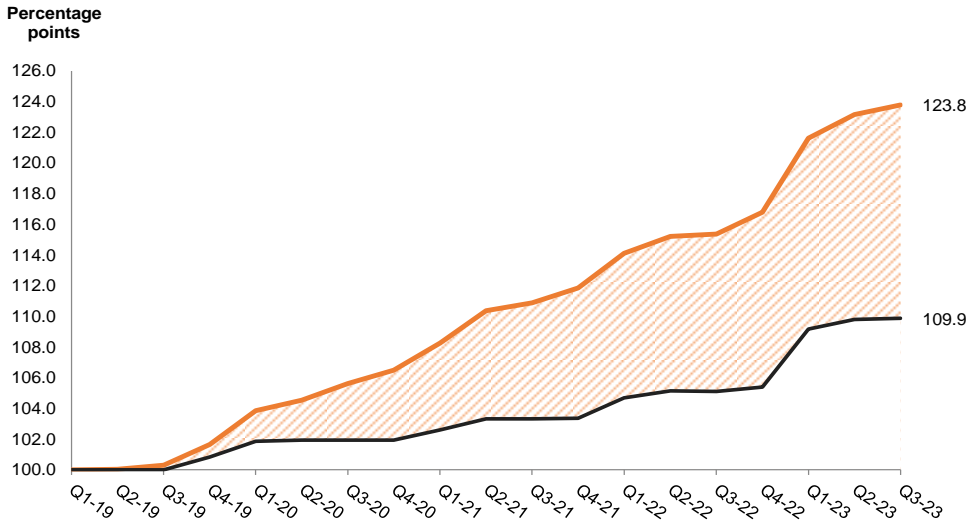


During the quarter, the company invested SEK 32.3 million (31.5) in existing investment properties through value-creating measures, with the primary investment measure being total renovation, although energy-saving measures are also carried out. Total renovation means that the apartments are renovated in conjunction with natural turnover in the portfolio. Renovation measures are carried out when an existing tenant vacates the apartment and is concluded before a new tenant moves in. The renovation takes four to six weeks, and the apartment is advertised as vacant during that time, which has a temporary negative impact on the economic occupancy rate.

Measures to raise standards

One of the company’s operational goals is for the rental trend for housing units to exceed the general annual rental increase through active management and investments. The graph below shows the company’s fulfilment of this goal, with the rental trend exceeding the general increase by 13.9 percentage points for portfolios on a like-for-like basis since 2019.

Rental value performance

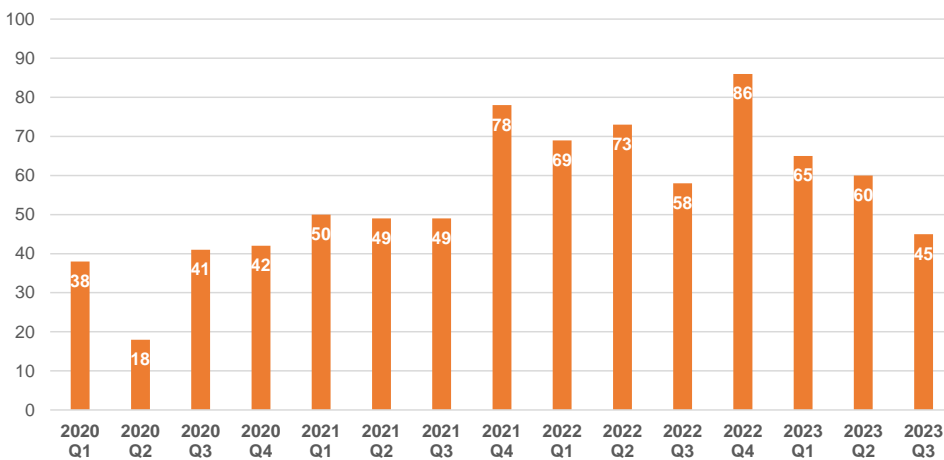


The general rent increase for 2023 is complete and amounted to an average of 4.5 per cent. Adjusted for the general rent increase, the rental value for homes increased by 2.5 percentage points during the period.

Rent negotiations for 2024 have now begun, and rent adjustments are called for in all locations. With this year’s negotiations under way, we can confirm that the parties so far hold widely differing positions. However, we expect this year’s negotiations to result in a higher average rental adjustment than in 2023.

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

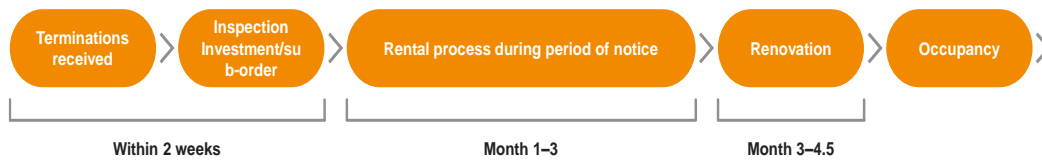
Number of total renovations performed



The reason that KlaraBo can maintain this level of renovation is because the natural shift in the portfolio is relatively constant and apartments that are vacated are, to some extent, unrenovated. The outcome for the quarter was 45 apartments, which means that the average rate of renovations for the last four

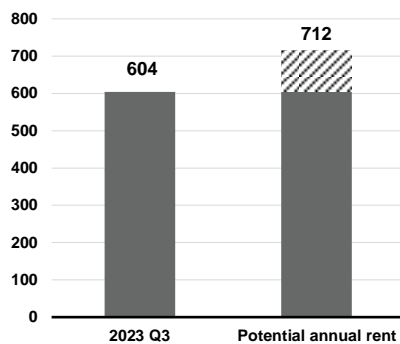
quarters is over 64 apartments per quarter. The decline in the number of renovated apartments is mainly seasonal as the third quarter tends to be the weakest. The company's assessment is that this rate will also remain at a similar level during the coming quarters as in the past 12 months.

The rental market is still strong, and all renovated apartments are let after completion. This resulted in a strong real occupancy rate of 98.2 per cent as of 30 September 2023.



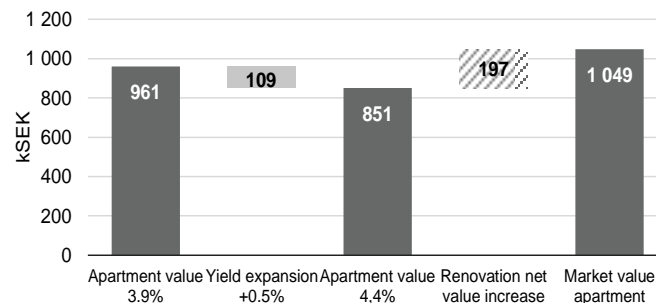
In addition to total renovation of apartments, KlaraBo focuses on adapting customer offerings through general measures to raise the standard of the apartments. This is achieved by offering existing tenants various choices that lead to increased customer satisfaction and simultaneously raise the actual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

Contracted annual rent, SEK m



The above diagram illustrates contracted annual rent for the existing management portfolio as of 30 September 2023, with an additional bar for expected contracted rent after renovation of the existing unrenovated portfolio.

Potential value per apartment



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

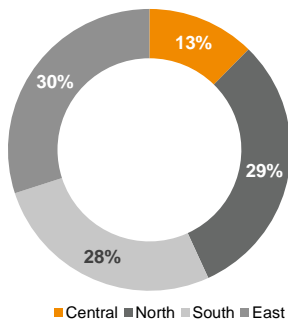
Investment properties excluding project development

Region	No. of properties	No. of apartments	Area, 000 sq. m.			Market value	
			RFA	Other	Total	SEK m	SEK/sq. m.
Central	76	851	54.7	11.8	66.5	1,119	16,813
North	34	2,042	141.4	5.5	146.9	2,196	14,944
South	62	1,696	108.7	27.8	136.5	2,866	20,986
East	54	1,969	129.7	17.1	146.8	2,630	17,920
	226	6,558	434.5	62.3	496.8	8,810	17,734

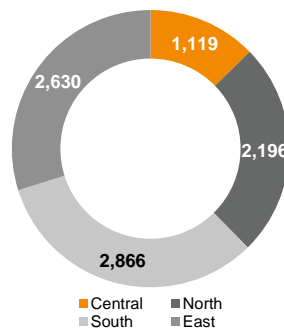
Region	Rental value		Economic		Property expenses		Net oper income		
	SEK m	SEK/sq. m.	occ. rate, %	rate, % nual rent, SEK m	SEK m	SEK/sq. m.	SEK m	SEK/sq. m.	
Central	88.5	1,330	95.1	97.9	84.2	33.0	496	51.2	769
North	169.9	1,156	93.3	96.6	158.5	65.6	447	92.8	632
South	188.5	1,381	95.2	99.2	179.5	58.3	427	121.2	888
East	189.9	1,294	95.8	99.3	181.8	57.2	390	124.6	849
	636.8	1,282	94.8	98.2	603.9	214.1	431	389.8	785

Yield		Property management	
	4.4%		
Net oper Income Incl prop mgmt	603.9	29.7	60
		243.8	491
			360.1
			725

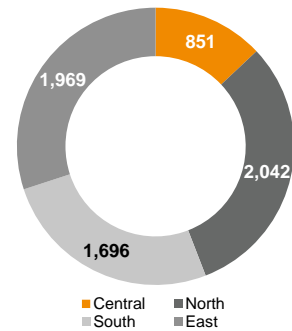
Rental revenue, residential properties



Market value, SEK m



Number of apartments



Project development and new construction

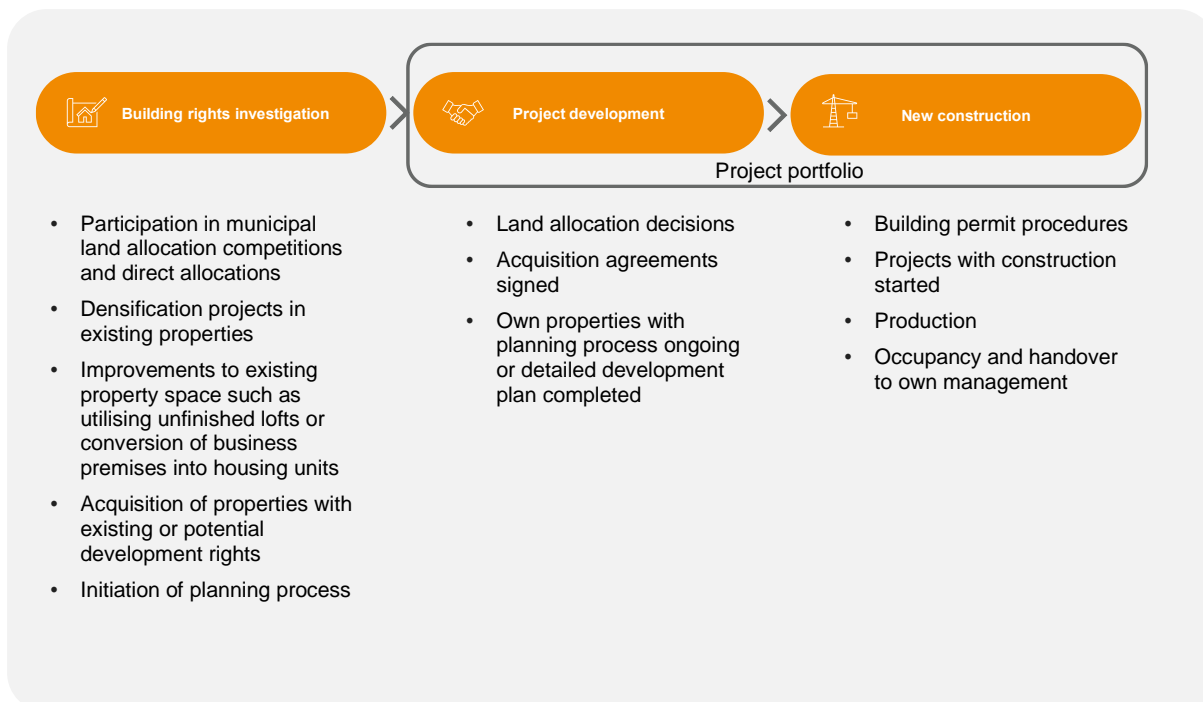
KlaraBo works with the entire value chain for rental apartments, from project development through construction to own management. For the company, business development is about pursuing projects from idea to completed construction. We thus create value regardless of whether we focus on improving our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

Project development

To achieve the operational goals regarding new construction of rental units, development rights are continually being created.

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

The number of apartments in the project development portfolio is 1,563.



New construction

KlaraBo applies a tried and tested standardised model for the housing unit product. In a controlled industrial process, with timber as the main construction material, housing units are manufactured that are based on a number of basic apartment models, or “base apartments”. These well-planned and space-efficient base apartments form the foundation for all of the housing units that KlaraBo constructs, thereby achieving optimal use of resources. KlaraBo has developed a number of base apartments – everything from studios to three-bedroom apartments. These apartment layouts can be inverted and used in a variety of combinations to create an attractive offering for different market segments. This construction approach leads to energy savings and quicker assembly with shorter construction time than traditional site-built construction, resulting in lower production costs.

The completed apartment buildings exhibit a diversity of configurations. Even though the individual apartments have a common basis and are constructed using wooden frames, the exteriors and rooftops may have many different designs using a variety of materials.

The construction volumes are prefabricated by partners in indoor environments before being transported to the construction site.

On 30 September 2023, KlaraBo had two ongoing projects with 74 apartments in production and a further 1,489 apartments under project development, totalling 1,563 apartments.

Project portfolio

This situation remains difficult to assess, with continued uncertainty with respect to the market’s view on the yield for newly constructed rental units, production costs that remain high overall and a Swedish krona that remains weak. Since the market has not improved, we did not start any new construction projects during the quarter.

The company’s land allocation “Öster om mässan” in Hyllie, Malmö consists of two blocks with a total of 300 apartments together with OBOS Nya Hem. The project is Malmö Municipality’s first Mallbo project in which new construction with lower rent is being enabled in part through subsidies for lower parking standards and discounted site leasehold fees. The project is scheduled to be carried out in four stages with slightly more than half of the apartments planned to be tenant-owner apartments and the rest rental apartments. Occupancy of the development rights is planned for early 2025.

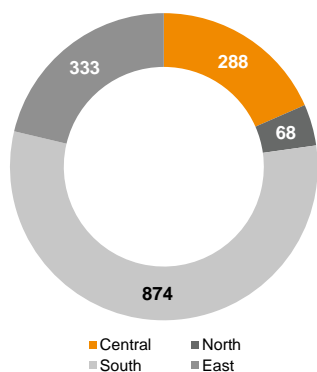
In Gotland, the company is conducting development and densification projects at its Bogen 1 and Stäven 1 properties, with the detailed development plan for Bogen 1 sent out for consultation and the application to prepare a new detailed development plan for Stäven 1 submitted. The project will be completed in stages.

In Kristianstad, work is continuing on the preparation of a new detailed development plan for the old prison building for which the company entered into a share transfer agreement in July 2021. We are preparing a new detailed development plan together with OBOS Nya Hem that will enable about 16,000 square metres of gross floor area of housing. The development rights will be shared between OBOS Nya Hem and KlaraBo with KlaraBo intending to construct rental apartments. The detailed development plan will be reviewed in October 2023.

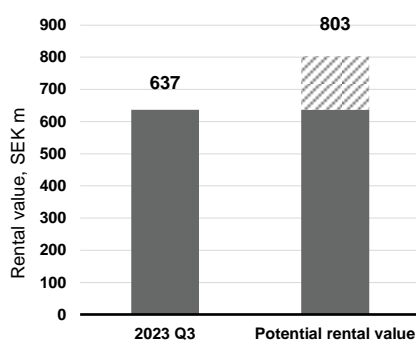
The company’s decision in the third quarter of 2022 to indefinitely postpone projects that had not yet been started means that there is a risk that some land allocations or agreements will be changed. This risk remained during the quarter since the decision to postpone new projects is still in force indefinitely.

For a full overview of ongoing construction and project development as of 30 September 2023, see below.

Planned development rights by region



Rental value (SEK m)



The upper-left diagram shows the number of planned development rights per geographical region, and the upper-right diagram illustrates the rental value for the existing management portfolio as of 30 September 2023, with an additional bar for the expected rental value of the ongoing construction of new buildings upon completion.

Construction in progress and project development*

Region	Project	Municipality	No. of apartments	Area, 000 sq. m.		Est. start	Est. occupancy	Rental value		Status	Owner share, %
				GFA	RFA			SEK m	SEK/sq. m.		
Construction in progress											
Central	Källan 6 & 8	Borlänge	58	4.5	3.7	2021	2023	6.8	1,855	1	60
South	Navaren 8 & 10 vind	Helsingborg	16	0.8	0.6	2021	2023	1.4	2,170	1	100
Total			74	5.3	4.3			8.2	1,901		
Region	Project	Municipality	No. of apartments	Area, 000 sq. m.		SEK m	SEK/sq. m.	Status	Owner share, %		
				GFA	RFA						
Project devt in progress											
North	Härsta 9:3	Sundsvall	68	5.1	4.2	8.2	1,960	2	100		
South	Aspeholm 13	Lund	20	1.4	1.2	2.2	1,816	2	100		
South	Hällefundran 8, vind	Malmö	13	0.6	0.5	0.9	2,000	2	100		
South	Gullbernahult 101 & 31	Karlskrona	48	3.8	3.2	5.6	1,750	2	60		
South	Rödjan 7	Kävlinge	238	20.0	15.5	28.7	1,850	3	60		
Central	Falun 9:22	Falun	135	11.0	8.7	16.1	1,850	3	60		
South	Hässleholm 87:22	Hässleholm	62	5.3	4.6	7.6	1,650	3	100		
Central	Såtra	Västerås	55	4.5	3.6	6.8	1,900	3	100		
South	Fängelset 2	Kristianstad	107	7.5	6.0	11.4	1,890	3	100		
East	Ekorren 1	Jönköping	80	6.1	4.7	8.9	1,890	2	100		
East	Elefanten 30	Oskarshamn	39	2.5	2.0	3.1	1,569	2	100		
East	Bogen 1 (etapp 1)	Gotland	92	6.3	5.0	8.8	1,750	3	100		
East	Bogen 1 (etapp 2)	Gotland	80	5.5	4.4	7.7	1,750	3	100		
East	Bogen 1 (etapp 3)	Gotland	42	2.9	2.3	4.1	1,750	3	100		
South	Öster om mässan	Malmö	150	9.8	7.5	11.5	1,528	3	100		
Central	Källan 7	Borlänge	40	2.7	2.1	4.1	1,959	2	60		
South	Ålen (påbyggnad)	Vaggeryd	90	6.2	4.9	9.3	1,887	3	100		
South	Ålen (nyproduktion)	Vaggeryd	130	8.8	7.1	13.2	1,871	3	100		
Total			1,489	110.2	87.6	158.3	1,807				

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



Kvarnsveden, Borlänge

Condensed consolidated statement of comprehensive income

SEK m	Notes	2023 3 months Jul-Sep	2022 3 months Jul-Sep	2023 9 months Jan-Sep	2022 9 months Jan-Sep	2022 12 months Jan-Dec
Revenue	1	147.8	123.2	440.3	362.2	501.6
Costs	2	-50.5	-45.5	-180.0	-158.7	-222.7
Net operating income	3	97.3	77.7	260.4	203.5	278.9
Central administrative costs	4	-12.8	-10.7	-39.8	-34.4	-46.5
Operating profit/loss		84.6	67.0	220.6	169.1	232.4
Financial income/costs	5	-39.6	-29.6	-120.3	-81.2	-119.0
Profit from property management		45.0	37.4	100.3	88.0	113.4
Changes in value of properties	6	-134.1	-68.7	-421.8	122.0	-25.7
Changes in value of derivatives		40.5	24.9	34.3	86.4	95.9
Profit/loss before tax		-48.6	-6.4	-287.3	296.4	183.6
Tax expense	7	-2.0	0.8	41.6	-75.1	-58.5
Profit for the period		-50.6	-5.6	-245.7	221.3	125.1
Comprehensive income for the period		-50.6	-5.6	-245.7	221.3	125.1
Earnings per share before dilution, SEK		-0.39	-0.04	-1.87	1.68	0.95
Earnings per share after dilution, SEK		-0.39	-0.04	-1.87	1.68	0.95

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

Earnings analysis, January–September 2023

The earnings items below pertain to the quarter from 1 July to 30 September, and the period from 1 January to 30 September 2023. Comparison items pertain to the year-earlier period. All amounts are in SEK million.

Note 1 Revenue

Revenue for the quarter amounted to SEK 147.8 million (123.2), a year-on-year increase of 20.0 per cent. Revenue for portfolios on a like-for-like basis increased approximately 6.4 per cent, mainly due to the Group's ongoing measures to raise standards and the general annual rent negotiations. Revenue for premises also increased.

Revenue for the period totalled SEK 440.3 million (362.2). The year-on-year increase was mainly attributable to the acquisition of Östersund on 30 September 2022 along with the completion of new construction and the Group's ongoing work to raise standards.

Note 2 Costs

The Group's costs encompass operating and maintenance costs, property tax, property administration, insurance and other property management costs. Operating costs primarily encompass heating, electricity and water consumption, and waste management.

Costs for the quarter totalled SEK -50.5 million (-45.5). The increase was the result of properties added in conjunction with acquisitions. Costs for comparable portfolios declined about 1.9 per cent year-on-year as a result of generally lower electricity prices and the company choosing to lock in the system price for the majority of the portfolio with Vattenfall during the autumn.

Expenses for the period totalled SEK 180.0 million (158.7), corresponding to an increase of 13.4 per cent, which was primarily attributable to properties added in conjunction with acquisitions. This was the main reason for the total increase for the period along with tax subsidies for gas that were not received and tax hikes for water and waste.

To achieve long-term sustainability, the company has a framework agreement with Vattenfall for delivery of Vattenkraft green electricity certified under the Environmental Product Declarations (EPD) system. Currently, approximately 80 per cent of the total volume in the agreement with Vattenfall have a forecast electricity volume of about 11,000 MWh/year. The remaining volumes will gradually be added to the agreement as existing agreements with other suppliers expire. This will take place at the end of 2023 and in the first quarter of 2024.

During the autumn, the company will complete a project involving the installation of district heating in our portfolio north of central Sundsvall. The project is expected to result in a savings of nearly SEK 0.5 million and just over 100,000 kg of carbon dioxide equivalents (kg CO₂e) per year.

Note 3 Net operating income and surplus ratio

Net operating income for the quarter amounted to SEK 97.3 million (77.7), a year-on-year increase of 25.2 per cent. The completion of new construction and completed acquisitions brought in net operating income of SEK 10.9 million year-on-year. The surplus ratio for the quarter amounted to 65.8 per cent (63.1).

Note 4 Central administrative costs

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

Central administrative costs for the quarter totalled SEK -12.8 million (-10.7). The increase is primarily attributable to a larger organisation and rising inflation.

Costs for the period amounted to SEK -39.8 million (-34.4) and increased compared with the year-earlier period, due in part to the aforementioned reasons for the quarter but also as a result of a VAT effect linked to internal invoicing of non-recurring items in the second quarter and costs linked to recruitment and non-recurring consulting services.

Note 5 Financial income/expenses

Financial income/expenses totalled SEK -39.6 million (-29.6) for the quarter and SEK -120.3 million (-81.2) for the period. The year-on-year increase was attributable to a higher loan volume due to new acquisitions and the completion of new construction as well as to higher variable interest rates. During the quarter, KlaraBo received a non-recurring exchange rate gain amounting to approximately SEK 2.5

million in conjunction with the maturity of a currency forward after KlaraBo chose not to commence a project.

During the year, KlaraBo increased its interest-rate hedging ratio to about 80 per cent (51.5) in its loan portfolio, which means that only approximately 20 per cent of the interest-bearing liabilities carried a variable interest rate and are affected by higher short-term interest rates. This high interest-rate hedging ratio will provide stability and predictability with respect to future interest expenses.

Note 6 Changes in value

The Group's investment properties are appraised on a quarterly basis. Each appraisal object is appraised externally at least once a year by the independent authorised appraiser Savills. For other quarters, the same appraisers conduct what are known as "desktop appraisals". Each property is individually inspected based on a rolling three-year schedule and appraised based on the material available regarding the property as well as the external appraisers' market information and historical assessments. Physical inspections of the properties are made on an ongoing basis.

In the third quarter, the property market continued on the same path as earlier in the year, with low activity. The transaction level remains considerably lower than in previous years as both the number of transactions and transaction volumes are about 50 per cent lower than in the past. As previously mentioned in previous quarters, the difference in price expectations between buyers and sellers remains considerable. Above all, the players in the market remain very cautious, waiting for a certain degree of market stabilisation before taking any action. There is no current indication that the transaction volume will change significantly in the rest of 2023. Instead, the current market uncertainty is expected to continue in the coming quarters, with a risk of a further decline in value.

New construction is one sub-segment of the housing market where activity increased in the second and third quarters of 2023. It would appear that buyers and sellers have increasingly accepted the new market situation, enabling more transactions. In major cities, transactions in this sub-segment have been completed with a yield requirement of over 4.0 per cent.

Declines in value have been persistent in 2023 but one factor offering resistance is the relatively high rent increases for residential apartments driven by high inflation. The rent increases came in higher than forecast in the valuation calculations at the end of 2022 – in KlaraBo's case, a weighted average of 4.5 per cent – and therefore had a certain positive effect on values, although this is not sufficient to withstand a decline in value due to rising yield requirements.

At the end of the quarter, the market value generated a negative change in value of SEK -134.1 million (68.7), with an average increase of approximately 11 points in yield requirements compared with the preceding quarter. For the Group's portfolio, the isolated increase gave rise to a negative change in value of just over SEK 231 million compared with the preceding quarter. At the same time, through continued active property management in the form of measures to increase value and new lettings of premises, the company generated a positive change in value of nearly SEK 135 million, meaning that value changes excluding investments for the quarter amounted to SEK 95 million. The remaining negative change in value is mainly attributable to investments made during the quarter.

The decrease in value of SEK -421.8 million (122.0) during the period is also attributable to increased yield requirements. In our sensitivity analysis, the change theoretically corresponds to a decline in value of about SEK 830 million, or over 9 per cent compared with the start of the year, all else being equal. However, the rent negotiations for the year and the Group's ongoing measures to create value through investments and new lettings of premises limited the decrease in value to just over SEK 405 million. At the end of the period, the average yield requirement amounted to approximately 4.6 per cent for the entire portfolio and 4.4 per cent for the portfolio's housing.

The Group's derivatives are also subject to quarterly market valuations. The change in value for the period amounted to SEK 34.3 million (86.4) and was primarily attributable to the Group's interest-rate derivatives.

Note 7 Tax expense

Tax for the quarter amounted to SEK -2.0 million (0.8), of which SEK 16.1 million (16.6) pertained to deferred tax revenue attributable to changes in the value of properties. The net effect of these changes in value was negative for the quarter (refer to Note 6 above), which resulted in a reduction of deferred tax. Since the Group reported acquisitions of property companies as asset acquisitions, no deferred tax for temporary differences on acquisitions was initially recognised. Depending on the size of the decline in value of the property, this could mean that there is no reversal of deferred tax corresponding to the initial exception. Accordingly, total deferred tax revenue does not amount to 20.6 per cent of the decline in value. The Group's current tax expense totalled SEK -9.7 million (-1.9). The remaining SEK -8.3

million (-5.1) comprised a deferred tax expense attributable to changes in the value of the Group's interest-rate derivatives.

Of the tax expense for the period of SEK 41.6 million (-75.1), SEK 71.4 million (-35.3) comprises deferred tax attributable to changes in the value of properties. The remainder was due to deferred tax attributable to derivatives and loss carryforwards as well as current tax.

Deferred tax had no direct impact on liquidity.

Parent Company

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

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

Condensed consolidated statement of financial position

SEK m	Notes	30/09/2023	30/09/2022	31/12/2022
Intangible assets		0.3	0.4	0.4
Investment properties	8	8,960.5	9,232.1	9,170.7
Property, plant and equipment		8.2	10.6	9.8
Financial non-current assets	9	17.5	17.8	17.8
Derivatives		137.3	93.6	103.1
Receivables		19.7	120.2	51.9
Cash and cash equivalents		204.9	363.2	338.3
Total assets		9,348.5	9,837.9	9,692.0
Equity attributable to Parent Company shareholders	10	4,072.2	4,422.9	4,320.0
Deferred tax liability	11	244.7	334.6	309.2
Non-current interest-bearing liabilities	12	4,416.3	4,807.2	4,800.6
Current interest-bearing liabilities	12	472.9	64.6	97.5
Other liabilities		142.3	208.6	164.7
Total equity and liabilities		9,348.5	9,837.9	9,692.0

Consolidated statement of changes in equity

SEK m	30/09/2023	30/09/2022	31/12/2022
Opening equity, attributable to Parent Company shareholders	4,320.0	4,206.9	4,206.9
Profit for the period	-245.7	221.3	125.1
Costs attributable to new share issues	-	-0.2	-0.3
Tax effect on share issue costs	-	0.0	0.0
Share repurchase	-2.1	-5.0	-11.7
Closing equity, attributable to Parent Company shareholders	4,072.2	4,422.9	4,320.0
Closing equity, attributable to non-controlling interests	-	-	-
Total equity at the end of the period	4,072.2	4,422.9	4,320.0

Comments on consolidated financial position

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

Note 8 Investment properties

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

The Group's investment properties were appraised at SEK 8,960.5 million (9,232.1) at the end of the period, of which project development properties, meaning including new construction in progress, accounted for SEK 143.2 million, site leaseholds valued in accordance with IFRS 16 accounted for SEK 7.3 million and the remainder, SEK 8,810.0 million, pertained to existing investment properties.

Carrying amount, investment properties, SEK m

	30/09/2023	30/09/2022	31/12/2022
Opening carrying amount, investment properties	9,170.7	7,850.0	7,850.0
Acquisitions	-	1,066.4	1,072.5
Investments in investment properties	116.3	114.1	195.2
Investments in new construction properties	76.1	99.9	118.2
Public subsidies	19.2	-20.2	-39.4
Changes in value	-421.8	122.0	-25.7
Closing carrying amount, investment properties	8,960.5	9,232.1	9,170.7

Note 9 Financial non-current assets

Financial non-current assets amounted to SEK 17.5 million (17.8), SEK 17.1 million (17.4) of which consisted of participations in jointly controlled companies.

Note 10 Equity

Equity attributable to Parent Company shareholders totalled SEK 4,072.2 million (4,422.8). The change is attributable to profit for the period and to the company buying back shares for SEK 2.1 million during the period.

Note 11 Deferred tax liability

The deferred tax liability of SEK 244.7 million (334.6) was primarily attributable to the re-valuation of investment properties, but also to derivatives.

Parent Company

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

Financing

Note 12 Financing

Interest-bearing liabilities

Interest-bearing liabilities totalled SEK 4,889.2 million (4,871.8) and pertained mainly to financing of the Group's investment properties and new construction in progress. The Group's cash equivalents totalled SEK 204.9 million (363.2), and in addition KlaraBo has available credit facilities of SEK 300 million. Of the total interest-bearing liabilities, SEK 61.1 million (16.7) was attributable to financing of incomplete new construction projects and is excluded from the table of fixed credit and fixed interest below. The liability pertaining to IFRS 16 entries for a site leasehold and two office properties contributed to a total IFRS 16 liability of SEK 11.4 million that is also excluded from the table of fixed credit and fixed interest.

The repayments that will be made in the next 12 months amounted to SEK 47.8 million (46.6) at the end of the period. Accrued borrowing expenses of SEK 1.8 million (3.5) reduced interest-bearing liabilities in the balance sheet and are not included in the table below. The fair value of the liabilities does not differ significantly from the carrying amount. The loan-to-value ratio for the Group on 30 September 2023 was 52.3 per cent (48.8).

Maturity and fixed interest

KlaraBo is to have a limited financial risk. On 30 September 2023, KlaraBo's financing comprised borrowings in five Nordic banks.

The Group's loan portfolio consists overwhelmingly of credits with a floating interest rate, but also consists of fixed rate credits. To insure against fluctuations in the interest-rate market and reduce interest-rate risk, interest-rate derivatives – primarily interest-rate swaps – are utilised to impact the fixed-rate term. The total swap portfolio amounted to SEK 2,750 million (1,400) at the end of the period. The portfolio's fixed-rate term amounted to 3.9 years (2.5) as of 30 September 2023. Including fixed interest-rate credits, the Group's interest-rate hedging ratio, meaning the share of liabilities that have a fixed-interest rate, is 79.7 per cent (51.5). The average interest rate, including derivatives, was nearly 3.7 per cent (3.0). This increase compared with the end of 2022 was attributable to a higher STIBOR 3m, which affected the unhedged portion of the loan portfolio. The increase was mitigated by higher positive cash flow from the Group's interest-rate swaps. Furthermore, the company signed a swaption agreement during the period for SEK 300 million with an interest rate of 2.5 per cent and a potential start date in 2025, which has not been taken into account in the fixed-rate term.

The average loan-to-maturity period is 2.2 years (3.0), of which SEK 366 million is to be refinanced in 2024. The fair value of the interest-rate derivative portfolio amounted to SEK 137.3 million (93.6) at the end of the period.

Maturity	Fixed credit		Fixed interest		Interest-rate swaps	
	SEK m	Share, %	SEK m	Share, %	SEK m	Interest rate, %
2023			980	20		
2024	366	8	500	10	500	0.09
2025	2,947	61	1,287	27	200	0.18
2026	469	10	-	-	-	-
2027	1,035	21	-	-	-	-
> 5 years	-	-	2,050	43	2,050	2.70
Total*	4,817	100	4,817	100	2,750	2.04

*Excluding construction credit, IFRS 16 and accrued loan costs

Outstanding interest-rate swaps 30/09/2023

Nominal amount (SEK m)	Due	Fixed rate
100.0	17/07/2024	0.287%
200.0	26/08/2024	0.015%
200.0	11/05/2025	0.181%
200.0	27/08/2024	0.059%
700.0	09/05/2032	2.205%
250.0	18/11/2029	2.873%
300.0	18/11/2030	2.945%
200.0	21/11/2028	2.827%
300.0	16/02/2033	3.055%
300.0	20/02/2031	3.050%
2,750.0		2.044%

The swaption did not impact the average fixed interest, since it has a start date of 2025, and is thus excluded from the tables presenting credit lock-in periods and fixed-rate terms above as well as the table presenting swaps outstanding.

Condensed consolidated cash-flow statement

SEK m	2023 3 months Jul-Sep	2022 3 months Jul-Sep	2023 9 months Jan-Sep	2022 9 months Jan-Sep	2022 12 months Jan-Dec
Continuing operations					
Operating profit	84.6	67.0	220.6	169.1	232.4
Adjustments for non-cash items	0.6	0.8	2.1	1.5	2.2
Interest received	3.3	-	4.8	-	1.4
Interest paid	-33.9	-32.4	-117.4	-67.7	-105.4
Tax paid	-8.7	-6.4	-39.1	-26.4	-25.3
Cash flow from continuing operations before changes in working capital	46.0	29.0	70.9	76.5	105.4
Cash flow from changes in working capital					
Change in operating receivables/payables	6.3	-1.0	-0.4	-54.1	-8.9
Cash flow from continuing operations	52.2	28.0	70.5	22.4	96.5
Investing activities					
Acquisition of investment properties	-	-160.4	-	-248.4	-252.4
Investments in investment properties	-31.1	-31.5	-116.3	-116.2	-197.1
New construction investments	-31.7	-22.7	-76.1	-85.4	-117.4
Investment aid received	-	20.2	-	20.2	20.2
Investments in intangible assets	-	-	-	0.0	0.0
Acquisition of property, plant and equipment	-0.2	-0.3	-0.3	-1.1	-1.3
Sale of property, plant and equipment	-	-	-	-	0.2
Cash flow from investing activities	-63.0	-194.6	-192.7	-430.9	-547.8
Financing activities					
New financial liabilities	3.7	23.8	24.8	489.1	557.8
Borrowing costs	-	-	-	-10.8	-14.6
Repayment of financial liabilities	-10.3	-175.3	-34.0	-318.0	-358.4
Share repurchase	0.0	-2.8	-2.1	-5.0	-11.7
Cash flow from investing activities	-6.6	-154.4	-11.2	155.2	173.1
Cash flow for the period	-17.3	-321.0	-133.4	-253.3	-278.2
Cash and cash equivalents at beginning of year	222.3	684.2	338.3	616.5	616.5
Cash and cash equivalents at end of the period	204.9	363.2	204.9	363.2	338.3

Condensed Parent Company income statement and balance sheet

Parent Company income statement

SEK m	2023 3 months Jul-Sep	2022 3 months Jul-Sep	2023 9 months Jan-Sep	2022 9 months Jan-Sep	2022 12 months Jan-Dec
Net sales	4.3	2.9	20.3	9.1	13.5
Personnel costs	-4.5	-3.7	-13.9	-12.3	-15.6
Other external expenses	-8.7	-5.3	-19.5	-14.8	-21.4
Operating loss	-8.8	-6.1	-13.1	-18.0	-23.5
Financial income and expenses	-52.5	-12.0	-30.5	23.7	-120.4
Profit/loss after financial items	-61.3	-18.1	-43.5	5.7	-143.9
Group contributions paid/received	-	-	-	-	60.7
Profit before tax	-61.3	-18.1	-43.5	5.7	-83.2
Tax expense	-	-8.8	-	-8.9	-8.9
Profit for the period	-61.3	-26.9	-43.5	-3.1	-92.1

Parent Company balance sheet

SEK m	30/09/2023	30/09/2022	31/12/2022
Property, plant and equipment	0.7	0.9	0.8
Participations in associated companies and joint ventures	2,291.1	2,183.3	2,362.2
Receivables from associated companies and joint ventures	3,607.8	4,892.8	3,434.9
Deferred tax assets	0.0	-	-
Other receivables	5.1	8.4	8.1
Cash and bank balances	166.5	308.8	272.5
Total assets	6,071.1	7,394.2	6,078.5
Restricted equity	6.6	6.6	6.6
Non-restricted equity	3,127.6	3,268.9	3,173.2
Liabilities to Group companies	2,930.2	4,111.3	2,891.2
Other liabilities	6.6	7.4	7.5
Total equity and liabilities	6,071.1	7,394.2	6,078.5

The parent company's income statement and balance sheet have, during the quarter, been affected by SEK 71.1 million in write-offs of subsidiary shares.

Segment reporting

Group Management currently identifies the two following business areas as its operating segments: property management and project development. Group-wide items are recognised as other. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing the performance of the operating segments. At KlaraBo, this function has been identified as the Group's CEO.

Income statement, SEK m	Property management		Project development		Other		Group	
	2023 Jan-Sep	2022 Jan-Sep	2023 Jan-Sep	2022 Jan-Sep	2023 Jan-Sep	2022 Jan-Sep	2023 Jan-Sep	2022 Jan-Sep
Revenue	440.3	361.3	0.0	0.9	0.0	0.0	440.3	362.2
Costs	-180.0	-158.5	0.0	-0.2	0.1	0.0	-180.0	-158.7
Net operating income	260.3	202.9	0.0	0.7	0.1	0.0	260.4	203.5
Central administrative costs	-8.5	-7.1	0.0	0.0	-31.3	-27.3	-39.8	-34.4
Operating profit/loss	251.8	195.8	0.0	0.7	-31.2	-27.3	220.6	169.1
Financial income and expenses	-145.0	-70.8	3.6	-2.3	21.1	-8.1	-120.3	-81.2
Profit from property management	106.8	125.0	3.6	-1.7	-10.1	-35.4	100.3	87.9
Changes in value of properties	-415.1	118.6	-4.6	3.4	-2.1	0.0	-421.8	122.0
Changes in value of derivatives	0.0	27.8	0.0	0.0	34.3	58.6	34.3	86.4
Profit/loss before tax	-308.3	271.4	-1.0	1.7	22.0	23.3	-287.3	296.4
Tax expense	48.7	-45.9	0.0	-0.6	-7.1	-28.7	41.6	-75.1
Profit/loss for the period	-259.6	225.5	-1.0	1.2	14.9	-5.4	-245.7	221.3













Balance sheet, SEK m	Property management		Project development		Other		Group	
	30/09/2023	30/09/2022	30/09/2023	30/09/2022	30/09/2023	30/09/2022	30/09/2023	30/09/2022
Investment properties	8,817.2	9,088.2	143.2	143.8	-	-	8,960.5	9,232.1
Non-current interest-bearing liabilities	4,408.1	4,807.2	-	-	-	-	4,408.1	4,807.2
Current interest-bearing liabilities	411.8	48.0	61.1	16.7	-	-	472.9	64.6
Deferred tax liability attributable to property reappraisal	215.0	313.2	0.0	1.9	-	-	215.0	315.0

Newly constructed properties are part of the project development segment until the quarter that they are completed. Therefore, the initial market valuation and associated deferred tax following completion of the properties are included in this segment. The newly constructed properties are then transferred to the property management segment.

Sustainability

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

On the basis of a stakeholder dialogue and materiality analysis, we have identified five key sustainability topics where we can make a difference and promote the development of a sustainable society. Goals have been formulated in the respective areas, and a selection of these is presented below.

ENVIRONMENT	<div style="display: flex; align-items: center; margin-bottom: 20px;">  <div> <p>Climate and energy: examples of goals</p> <p>Only renewable energy will be used for electricity, heating and vehicles in our operation by 2030. We are to be climate-neutral in our entire value chain by 2045.</p> <p>All of our newly constructed housing units are to be Nordic Swan-certified as a minimum.</p> <p>All of our properties will be inventoried for the risk of negative consequences due to climate change.</p> </div> </div> <div style="display: flex; align-items: center; margin-left: 20px;">   </div>
ENVIRONMENT	<div style="display: flex; align-items: center; margin-bottom: 20px;">  <div> <p>Circular societies: examples of goals</p> <p>It will be possible to sort household waste in all of our neighbourhoods.</p> <p>70 per cent of all construction materials will be sorted for recycling in connection with conversions and new construction.</p> <p>Before renovating an apartment, we will take an inventory of which products can be preserved or reused.</p> </div> </div> <div style="display: flex; align-items: center; margin-left: 20px;">  </div>
SOCIAL RESPONSIBILITY	<div style="display: flex; align-items: center; margin-bottom: 20px;">  <div> <p>Secure and pleasant neighbourhoods: examples of goals</p> <p>We will perform an annual security round in all of our neighbourhoods.</p> <p>We will offer 50 summer jobs or employment opportunities to residents of our residential areas, through 2025.</p> <p>We will establish partnerships with local sports organisations in all of our neighbourhoods, with the aim of creating meaningful recreational activities for young people.</p> </div> </div> <div style="display: flex; align-items: center; margin-left: 20px;">  </div>
SOCIAL RESPONSIBILITY	<div style="display: flex; align-items: center; margin-bottom: 20px;">  <div> <p>Employees: examples of goals</p> <p>We will have reached a long-term even gender distribution (40/60) and reflect society with respect to international background by no later than 2025.</p> <p>All employees will be provided with introductory training in KlaraBo's sustainability work and Code of Conduct.</p> </div> </div> <div style="display: flex; align-items: center; margin-left: 20px;">   </div>
GOVERNANCE	<div style="display: flex; align-items: center; margin-bottom: 20px;">  <div> <p>Sustainable business: examples of goals</p> <p>No reported cases in the whistleblower function.</p> <p>100 per cent sign-off on the Code of Conduct (internally) and prepare a Code of Conduct for Suppliers.</p> </div> </div> <div style="display: flex; align-items: center; margin-left: 20px;">  </div>

Sustainability-related activities during the period

- KlaraBo's management functions have received training in climate risks. We have commenced a climate-risk inventory of all of our properties, which is expected to be completed before the end of the year. Work related to climate risks is a prioritised area for KlaraBo since global warming is expected to lead to changes in weather in the coming decade, and the property industry is one of the sectors that could be affected.
- A roadmap to achieve KlaraBo's target for climate neutrality by 2045 and a sub-target to only use renewable energy for electricity, heating and vehicles in KlaraBo's operations by 2030 have been adopted. The plan, which is based on the GHG protocol's categories for GHG emissions, provides an overview of the activities required to achieve the targets in the respective areas.
- An employee survey has been conducted with the aim of mapping out the commitment and well-being of our employees.
- As part of our efforts to promote secure and pleasant neighbourhoods, support material for management has been prepared. Security rounds have commenced and will be carried out in all of KlaraBo's major neighbourhoods during the autumn. KlaraBo's employees, housing representatives and when possible even representatives from various functions in society participate in the security rounds.
- All employees were offered training in KlaraBo's sustainability initiatives and Code of Conduct. The purpose of the training was to create awareness of the issue of sustainability in general and at KlaraBo specifically, and to establish support for KlaraBo's Code of Conduct. The employees who were unable to attend took the course online afterwards.
- A method for conducting a climate risk inventory of KlaraBo's properties has been developed and a pilot run has been carried out at KlaraBo's properties in Visby. An inventory of the entire portfolio is planned for autumn 2023.
- KlaraBo Day was held at a number of locations including Bollnäs, Trelleborg and Ronneby. Several activities were offered on those days so that we and our tenants could get to know one another. Additionally, the "Aktiv Gemenskap" programme – a collaboration between KlaraBo and seven sports clubs – has kicked off in Trelleborg and will run from May to September. Young people in the area will be given the opportunity to try out various sporting activities.
- An agreement was signed with ProdiKT, a platform for estimating and assessing the climate impact of construction materials in conjunction with both new construction and ROT projects. The statistics generated will be used as part of KlaraBo's Scope 3 reporting in its sustainability report for 2023.

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

Current earnings capacity

Earning capacity on a 12-month basis for KlaraBo's property management operations as of 30 September is presented in the table below. It is important to note that earnings capacity is not a forecast and should only be considered as a theoretical snapshot for the purposes of illustration. The current earnings capacity does not include an assessment of the future trends for rents, vacancy rate, property expenses, interest, value changes, purchases or sales of properties or other factors.

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

Current earnings capacity, 12 months

SEK m	Oct 1 2023	Jul 1 2023	Apr 1 2023	Jan 1 2023	Oct 1 2022	Jul 1 2022
Rental revenue	603.9	600.6	593.8	568.8	560.5	494.8
Property expenses	-243.8	-243.4	-243.4	-242.9	-228.2	-198.3
Net oper income	360.1	357.1	350.4	325.9	332.4	296.5
Surplus ratio, %	59.6	59.5	59.0	57.3	59.3	59.9
Central administrative costs	-40.1	-40.1	-40.0	-40.0	-40.0	-37.0
Financial income and expenses	-173.6	-171.5	-169.9	-160.5	-142.6	-95.9
Profit from property management	146.4	145.5	140.6	125.4	149.8	163.6
Profit from prop mgmt per share, SEK	1.12	1.11	1.07	0.95	1.14	1.24
Number of shares, million	131.1	131.1	131.1	131.2	131.8	131.8
Interest-coverage ratio	1.8	1.8	1.8	1.8	2.1	2.7

Rental revenue increased SEK 3.3 million during the quarter, the majority of which, SEK 1.9 million, was the result of a rented property in Malmö, while SEK 1.1 million was the result of 45 ROT renovations carried out during the quarter. The increase was also the result of changed vacancies, standard improvements, contracts with external parking companies, and new leases for premises.

Since the start of the year, earnings attributable to profit from property management has increased a full 16.7 per cent as a result of the lag in rent increases, investments to create value, cost control and stable net financial items due to the high hedging ratio.

Owing to the high interest-rate hedging ratio in the loan portfolio, only around 20 per cent of the portfolio is impacted by changes in interest rates. Together with an increase in positive cash flow from the Group's interest-rate swaps, this means that annual financial expenses increased by only SEK 2.1 million. The average interest rate, including derivatives, was just under 3.7 per cent on 30 September 2023.

The interest-coverage ratio, in accordance with earnings capacity, was a multiple of 1.8.

Key performance indicators (KPI)

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

Non-IFRS measures are presented in the table below.

Property-related	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Rental revenue, SEK m	147.8	123.2	440.3	362.2	501.6
Profit from prop mgmt, SEK m	45.0	37.4	100.3	88.0	113.4
Profit for the period, SEK m	-50.6	-5.6	-245.7	221.3	125.1
Surplus ratio, %	65.8	63.1	59.1	56.2	55.6
Real occupancy rate, %	98.2	98.6	98.2	98.6	98.1
Investment properties, SEK m	8,960.5	9,232.1	8,960.5	9,232.1	9,170.7
Market value per sq. m.	17,734	21,041	17,734	21,041	18,044
Total lettable area, '000 sq. m.	496.8	431.6	496.8	431.6	498.7
No. of apartments under mgmt	6,558	6,509	6,558	6,509	6,533
No. of apartments in project devt	1,563	1,787	1,563	1,787	1,509
Financial					
Equity/assets ratio, %	43.6	45.0	43.6	45.0	44.6
Loan-to-value ratio, %	52.3	48.8	52.3	48.8	49.7
Interest-coverage ratio, multiple	1.8	2.1	1.8	2.1	2.0
Net realizable value, SEK m	4,179.2	4,663.4	4,179.2	4,663.4	4,525.6
Share-based					
Profit from property management per share, SEK	0.34	0.28	0.76	0.67	0.86
Equity per share, SEK	31.1	33.6	31.1	33.6	32.9
Net realizable value per share, SEK	31.9	35.4	31.9	35.4	34.5
Annual growth, profit from property management per share, %	21.4	-13.4	13.4	-11.4	-7.3
Annual growth, net realizable value per share, %	-10.0	14.3	-10.0	14.3	1.7
No. of shares at end of period before/after dilution, million	131.1	131.6	131.1	131.6	131.2
Weighted average No. of shares during period before dilution, million	131.1	131.7	131.1	131.8	131.7

Definitions of key performance indicators

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

Reconciliation table, key performance indicators

	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Market value per sq. m.					
A Investment properties, SEK m	8,960.5	9,232.1	8,960.5	9,232.1	9,170.7
B New construction in progress, SEK m	143.2	143.8	143.2	143.8	164.7
C Site leaseholds	7.3	7.3	7.3	7.3	7.3
D Total lettable area, 000 sq. m.	496.8	431.6	496.8	431.6	498.7
(A-B-C)/D Market value per sq. m.	17,734	21,041	17,734	21,041	18,044
Surplus ratio, %					
A Net operating income, SEK m	97.3	77.7	260.4	203.5	278.9
B Revenue, SEK m	147.8	123.2	440.3	362.2	501.6
A/B Surplus ratio, %	65.8	63.1	59.1	56.2	55.6
Real occupancy rate, %					
A No. of apartments	6,558	6,509	6,558	6,509	6,533
B No. of apartments not rented	223	198	223	198	222
C Apts set aside for renovation or with signed leases	107	109	107	109	99
1-(B-C)/A Real occupancy rate, %	98.2	98.6	98.2	98.6	98.1
Equity/assets ratio, %					
A Total equity at the end of the period, SEK m	4,072.2	4,422.9	4,072.2	4,422.9	4,320.0
B Minority share equity, SEK m	0.0	0.0	0.0	0.0	0.0
C Total equity and liabilities at the end of the period, SEK m	9,348.5	9,837.9	9,348.5	9,837.9	9,692.0
(A+B)/C Equity/assets ratio, %	43.6	45.0	43.6	45.0	44.6
Loan-to-value ratio, %					
A Non-current interest-bearing liabilities, SEK m	4,416.3	4,807.2	4,416.3	4,807.2	4,800.6
B Current interest-bearing liabilities, SEK m	472.9	64.6	472.9	64.6	97.5
C Cash and cash equivalents at end of the period, SEK m	204.9	363.2	204.9	363.2	338.3
D Investment properties, SEK m	8,960.5	9,232.1	8,960.5	9,232.1	9,170.7
(A+B-C)/D Loan-to-value ratio, %	52.3	48.8	52.3	48.8	49.7
E Construction credit attr to new construction, SEK m	61.1	16.7	61.1	16.7	54.5
F Seller financing, SEK m	0.0	0.0	0.0	0.0	0.0
G New construction in progress, SEK m	143.2	143.8	143.2	143.8	164.7
(A+B-E-F)/(D-G) Loan-to-value ratio, investment properties, %	54.8	53.4	54.8	53.4	53.8
Interest-coverage ratio, multiple					
A Operating profit/loss, rolling 12 months, SEK m	283.9	212.5	283.9	212.5	232.4
B Interest income/expense, rolling 12 months, SEK m	-158.2	-101.9	-158.2	-101.9	-119.0
A/-B Interest-coverage ratio, multiple	1.8	2.1	1.8	2.1	2.0
net realizable value, SEK m					
A Equity, SEK m	4,072.2	4,422.9	4,072.2	4,422.9	4,320.0
B Add-back of derivatives, SEK m	-137.3	-93.6	-137.3	-93.6	-103.1
C Adjustment of derivatives attributable to minority share, SEK m	0.0	0.0	0.0	0.0	0.0
D Add-back of deferred tax liabilities, SEK m	244.7	334.6	244.7	334.6	309.2
E Adjustment, deferred tax liability attr to minority share, SEK m	0.0	0.0	0.0	0.0	0.0
F Add-back of deferred tax assets, SEK m	-0.4	-0.4	-0.4	-0.4	-0.4
G Adjustment, add-back of deferred tax assets attr to minority share, SEK m	0.0	0.0	0.0	0.0	0.0
A+B+C+D+E+F+G net realizable value, SEK m	4,179.2	4,663.4	4,179.2	4,663.4	4,525.6

	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Equity per share, SEK*					
A Equity, SEK m	4,072.2	4,422.9	4,072.2	4,422.9	4,320.0
B Number of shares at end of the period before/after dilution, million	131.1	131.6	131.1	131.6	131.2
A/B Equity per share, SEK	31.06	33.61	31.06	33.61	32.92
net realizable value per share, SEK					
A Net reassessment value (net realizable value), SEK m	4,179.2	4,663.4	4,179.2	4,663.4	4,525.6
B Number of shares at end of the period before/after dilution, million*	131.1	131.6	131.1	131.6	131.2
A/B net realizable value per share, SEK	31.88	35.44	31.88	35.44	34.48
Annual growth, profit from property management per share, %					
A Profit from prop mgmt during the period per share, SEK*	0.34	0.28	0.76	0.67	0.86
B Profit from prop mgmt during the preceding period per share, SEK*	0.28	0.33	0.67	0.75	0.93
A/B-1 Annual growth, profit from prop mgmt per share, %	21.4%	-13.4%	13.4%	-11.4%	-7.3%
Annual growth, net realizable value per share, %					
A Net realizable value during the period per share, SEK*	31.9	35.4	31.9	35.4	34.48
B Net realizable value during the preceding period per share, SEK*	35.4	31.0	35.4	31.0	33.92
A/B-1 Annual growth, net realizable value per share, %	-10.0%	14.3%	-10.0%	14.3%	1.7%

* Number of shares after buyback

Risks and opportunities for the Group and Parent Company

In order to prepare accounts according to generally accepted accounting principles and IFRS, company management must make assessments and assumptions that affect recognised assets and liabilities as well as revenues and costs in the financial statements, as well as affecting other information provided.

The actual results may deviate from these assessments. Estimates and assumptions are based on historical experience and other factors that are deemed reasonable given the prevailing conditions. The Group's operations and the financial position and earnings can be affected, both directly and indirectly, by a number of risks, uncertainties and external factors.

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

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

Financial risk

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

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

Opportunities and risks in the values of the properties

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

Sensitivity analysis – changes in value (SEK m)

		Effect on fair value, SEK m		Effect on fair value, SEK m	
	Change			Change	
Yield requirement	- 0.25% basis points	524.3	+ 0.25% basis points	-466.7	
Rental value*	- 2.50%	-42.6	+ 2.50%	355.5	
Operating and maintenance costs	- 2.50%	137.5	+ 2.50%	-137.5	
Long-term vacancy rate	- 0.25% basis points	29.4	+ 0.25% basis points	-29.5	

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

Ongoing projects

Information on ongoing projects in the interim report is based on assessments concerning the size, direction and scope of ongoing projects as well as when the projects are expected to commence and be completed. Information is also based on assessments of future project costs and rental value.

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

Financing

Over the last year, we have observed significant uncertainty in the financial markets as the banks' financing costs increased, resulting in higher margins. However, this has not had a direct impact on KlaraBo, and an existing bank loan of SEK 534 million that originally fell due in September was extended in the period at a level that falls below KlaraBo's average credit margin. Following this extension, the loans now run for four years and will reduce the company's short-term financing requirements.

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

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

On 30 September 2023, the company had a stable financial position with SEK 204.9 million in cash and cash equivalents.

Operational risk

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

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

Other disclosures

Market outlook

KlaraBo's offering meets the market's demand for good housing at the right price. The Group's own concept, KlaraBo-hus, creates the conditions for cost control and financial efficiency across the entire chain, from development rights to management, during the lifespan of the property.

The Group's assessment is that demand remains strong in the areas where KlaraBo operates and that there is still a structural housing shortage in many cities in Sweden.

Organisation and employees

The Parent Company of the Group is KlaraBo Sverige AB. The Group comprises wholly owned subsidiaries and jointly controlled companies. The number of employees was 71 (65), of whom 22 women (19) and 49 men (46).

Accounting policies

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

For complete accounting policies, refer to KlaraBo's 2022 Annual Report. Accounting policies are unchanged compared with the 2022 Annual Report.

Transactions with related parties

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

No transactions with related parties have taken place without being in line with market conditions. Aside from remuneration to senior executives, no transactions with related parties took place during the period.

The share and shareholders

The Parent Company of the Group, KlaraBo Sverige AB, Corp. Reg. No. 559029–2727, has two share classes: Class A and Class B ordinary shares. Each Class A share entitles the holder to ten votes and each Class B share entitles the holder to one vote. The number of shares amounted to 131,827,883, of which 16,300,000 are Class A shares and 115,527,883 are Class B shares. The quotient value for all shares is SEK 0.05 per share. As of the closing date, the company had repurchased a total of 721,497 shares.

Largest shareholders as of 30 September 2023

	Class A shares	Class B shares	Total	Capital	Voting rights
Investment AB Spiltan	1,934,484	13,519,220	15,453,704	11.7%	11.8%
Rutger Arnhult	0	10,073,570	10,073,570	7.6%	3.6%
Wealins S.A.	0	9,638,901	9,638,901	7.3%	3.5%
Pensionskassan SHB Försäkringsförening	0	9,360,610	9,360,610	7.1%	3.4%
Ralph Mühlrad	1,285,000	7,123,728	8,408,728	6.4%	7.2%
Anders Pettersson with family	3,966,316	3,827,793	7,794,109	5.9%	15.6%
Länsförsäkringar Fonder	0	6,432,755	6,432,755	4.9%	2.3%
Samhällsbyggnadsbolaget i Norden AB	0	5,646,065	5,646,065	4.3%	2.0%
ODIN Fonder	0	5,305,834	5,305,834	4.0%	1.9%
Lennart Sten	1,995,000	3,132,335	5,127,335	3.9%	8.3%
Mats Johansson	2,699,400	0	2,699,400	2.0%	9.7%
Andreas Morfiadakis	2,361,287	94,900	2,456,187	1.9%	8.5%
Richard Mühlrad	785,000	1,044,832	1,829,832	1.4%	3.2%
Carnegie Fonder	0	1,597,709	1,597,709	1.2%	0.6%
Nordea Liv & Pension	0	1,456,356	1,456,356	1.1%	0.5%
Other	1,273,513	37,273,275	38,546,788	29.2%	18.0%
	16,300,000	115,527,883	131,827,883	100%	100%

Warrants

KlaraBo has three current warrant programmes issued to the company's employees. The first programme encompassed 1,666,335 warrants in total, each of which carried the right to subscribe for one Class B share. The warrants can be exercised in the period from 1 March to 31 March 2024, at a subscription price of SEK 30 per share. At the end of the period, 1,367,585 warrants had been subscribed and the remainder had expired and can no longer be subscribed. The second programme encompasses 500,000 warrants in total, each of which carries the right to subscribe for one Class B share. The warrants can be exercised in the period from 1 June to 31 August 2024, at a subscription price of SEK 39 per share. At the end of the period, 500,000 warrants had been subscribed. The third programme encompasses 1,429,440 warrants in total, each of which carries the right to subscribe for one Class B share. The warrants can be exercised in the period from 1 August to 31 October 2024, at a subscription price of SEK 39 per share. At the end of the period, 1,429,440 warrants had been subscribed.

In total on 30 September, the incentive programmes encompassed a maximum of 3,297,025 warrants that can be utilised to subscribe for a maximum of 3,297,025 Class B shares, corresponding to a dilution effect of at most 2.44 per cent based on the number of shares in the company.

Signatures to the report

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

Malmö, 26 October 2023

Lennart Sten,
Chairman of the Board

Per Håkan Börjesson,
Board member

Lulu Gylleneiden,
Board member

Mats Johansson,
Board member

Sophia Mattsson Linnala,
Board member

Anders Pettersson,
Board member

Håkan Sandberg,
Board member

Joacim Sjöberg,
Board member

Andreas Morfiadakis,
CEO

This interim report was reviewed by the company's auditor.



Auditor's report

KlaraBo Sverige AB (publ) reg. no. 559029-2727

Introduction

We have reviewed the condensed interim financial information (interim report) of KlaraBo Sverige AB (publ) as of 30 September 2023 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Malmö, 26 October 2023

Öhrlings PricewaterhouseCoopers AB

Mats Åkerlund
Authorised Public Accountant



Calendar

Year-end report 2023	15 February 2024
Interim report Q1, January–March 2024	3 May 2024
2023 Annual General Meeting	3 May 2024
Interim report Q2, January–June 2024	16 July 2024
Interim report Q3, January–September 2024	6 November 2024
Year-end report 2024	18 February 2025



Contact information

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