

HUFVUDSTADEN

CAIA

Biblioteksgatan
12-10

Schulzsgatan
10-6

Waldenströms
12

Q2

Half-year Report
January-June 2025

Half-year Report January-June 2025

- Rent revenue from property management was SEK 1,226 million (1,147), an increase of 7 per cent.
- The Group's gross profit increased by 8 per cent, totalling SEK 803 million (744).
- The fair value of the property holdings was SEK 47.4 billion (47.1 at year-end).
- Unrealised changes in the value of investment properties amounted to SEK -247 million (-994) for the period.
- Net result for the period was SEK 264 million (-354).



”

Hufvudstaden presents improved earnings for the first half of the year, with gross profit up 8 per cent. This shows that our business concept is successful, even in times of global challenges and market uncertainty.

Toward the end of the second quarter, activity in the office rental market increased slightly, and we signed leases with Visa in the NK building in Stockholm and Nordea in Kvarteret Johanna in Gothenburg. Our major redevelopment project in Stockholm, The Corner, is attracting interest and intense rental dialogues are ongoing.

In early summer, we started to see a recovery in the retail sector, with increased consumption among consumers, although some retailers are continuing to face profitability challenges. The vacancy rates among our street-level retail premises are low, and we signed leases with New Balance and House of Dagmar, for example, during the second quarter.

ANDERS NYGREN
President

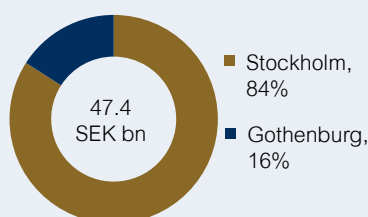
Summary of results, SEK m

| | 2025 Jan-Jun | 2024 Jan-Jun | 2024 Jan-Dec |
|--|-----------------|-----------------|-----------------|
| Rent revenue, property management | 1,226 | 1,147 | 2,319 |
| Net revenue, other segments | 508 | 504 | 1,059 |
| Gross profit | 803 | 744 | 1,552 |
| – of which Property management | 850 | 799 | 1,633 |
| – of which Other segments | -47 | -55 | -81 |
| Unrealised changes in value, investment properties | -247 | -994 | -603 |
| Operating result | 503 | -283 | 884 |
| Net result for the period | 264 | -354 | 365 |

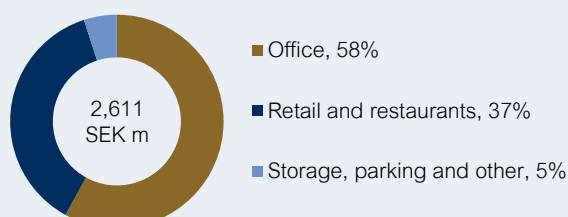
Performance measures

| | 2025 Jun 30 | 2024 Jun 30 | 2024 Dec 31 |
|---|----------------|----------------|----------------|
| Fair value of properties, SEK bn | 47.4 | 46.2 | 47.1 |
| Equity ratio, % | 57 | 58 | 59 |
| Net loan-to-value ratio, properties, % | 22.2 | 22.2 | 21.4 |
| Interest coverage ratio, multiple | 4.6 | 4.4 | 4.5 |
| Rental vacancy rate excl. development projects, % | 6.9 | 5.8 | 5.0 |
| Net reinstatement value, SEK per share | 183 | 180 | 185 |

Fair value of property holdings



Annual rent



Rental vacancy rate excl. development projects

6.9%

Group

RESULTS

Property management

Rent revenue from property management amounted to SEK 1,225.9 million (1,147.2) for the period. Operating expenses amounted to SEK -375.6 million (-348.6). Gross profit was SEK 850.3 million (798.6). The increase was attributable primarily to rent indexation, higher gross rents in conjunction with new and renegotiated office leases, as well as non-recurring payments of approximately SEK 15 million for the early termination of lease contracts for which new leases had already been signed for parts of the floor space.

The sales-based rent supplement is reported in the fourth quarter. The sales-based rent supplement for the preceding year totalled SEK 10.5 million, of which the NK properties accounted for SEK 7.0 million. Apart from the sales-based rent supplement, there are no other material seasonal variations in rents.

The above includes intra-Group rents of SEK 109.8 million (97.9).

Gross profit, property management, SEK m¹⁾



¹⁾ Including Intra-Group rents.

Other segments

Other segments comprise NK Retail and other operations. Other operations consist of Cecil Coworking, NK e-commerce and the parking business in Parkaden.

Net revenue for NK Retail amounted to SEK 435.1 million (432.1). Costs were SEK -472.0 million (-473.2). Gross loss for NK Retail amounted to SEK -36.9 million (-41.1). The result remained weak and the work to achieve profitability in the business through process changes is ongoing. The result was also impacted by challenging market conditions. Sales for NK Retail are impacted by seasonal variations, with the first quarter of the year normally being the weakest and the fourth quarter the strongest. The above includes intra-Group rents of SEK -67.6 million (-56.3) as a cost. After the end of the reporting period, an agreement was signed to divest the NK Fine Jewellery & Watches department in Stockholm.

Net revenue for other operations amounted to SEK 72.5 million (71.4). Costs were SEK -83.2 million (-85.4). Gross loss amounted to SEK -10.7 million (-14.0). The above includes intra-Group rents of SEK -42.2 million (-41.6) as a cost.

Changes in value

Unrealised changes in the value of investment properties totalled SEK -246.7 million (-994.3).

Unrealised changes in the value of interest-rate derivatives were SEK -26.3 million (-6.2).

Financial income and expense

Net financial income and expense totalled SEK -167.7 million (-161.0). Interest income was SEK 3.6 million (4.5). Borrowing costs totalled SEK -154.4 million (-153.9). Interest expenses for leasing, primarily ground rents, totalled SEK -16.9 million (-11.6).

Tax

The Group's tax for the period was SEK -71.0 million (90.5), of which SEK -62.3 million (-74.5) in current tax and SEK -8.7 million (165.0) in deferred tax. The change in deferred tax was primarily due to the lower negative unrealised changes in the value of the property holdings during the period.

Net result for the period

The consolidated net result was SEK 264.3 million (-353.7). The improvement can be attributed primarily to the period's lower negative unrealised changes in the value of the property holdings.

Second quarter

Rent revenue from property management amounted to SEK 607.1 million (574.5) and operating expenses to SEK -187.6 million (-171.1). Gross profit amounted to SEK 419.5 million (403.4). The increase was attributable primarily to rent indexation, higher gross rents in conjunction with new and renegotiated office leases, as well as non-recurring payments of approximately SEK 5 million for the early termination of lease contracts for which new leases had already been signed for parts of the floor space. The above includes intra-Group rents of SEK 54.7 million (48.8).

Net revenue for NK Retail amounted to SEK 224.4 million (220.1). Costs were SEK -233.6 million (-231.3). Gross loss for NK Retail was SEK -9.2 million (-11.2). The above includes intra-Group rents of SEK -33.6 million (-28.0) as a cost.

Net revenue for other operations amounted to SEK 36.8 million (36.0). Costs were SEK -41.4 million (-43.4). Gross loss was SEK -4.6 million (-7.4). The above includes intra-Group rents of SEK -21.1 million (-20.8) as a cost.

Unrealised changes in the value of investment properties amounted to SEK -41.3 million (-235.5) and of interest-rate derivatives to SEK -32.5 million (-6.0).

Net financial income and expense totalled SEK -86.5 million (-77.6).

PROPERTIES

Property valuation

Fair value of Hufvudstaden's property holdings is based on an internal valuation. The valuation as per June 30, 2025 amounted to SEK 47,414 million (47,115 at year-end). The increase was attributable to the period's investments, which were somewhat offset by negative unrealised changes in the value of the property holdings. The unrealised decrease in value was due to higher costs for development projects as well as the effect of slightly lower rents for stores.

| Investment properties | SEK m |
|--|---------------|
| Opening fair value, January 1, 2025 | 47,115 |
| Investment in property holdings | 546 |
| Unrealised changes in value | -247 |
| Closing fair value, June 30, 2025 | 47,414 |

The average yield requirement in the valuation as per June 30, 2025 was unchanged compared with the first quarter of 2025, and amounted to 4.1 per cent at the above valuation (4.1 at year-end).

When carrying out the valuation, the following yield requirement figures for office and retail properties were applied.

Yield requirements, property valuation¹⁾

| | |
|----------------------------|------------------|
| Stockholm | 3.7–4.2 per cent |
| Gothenburg | 4.7–5.0 per cent |
| Property holdings, average | 4.1 per cent |

¹⁾ Valuation date June 30, 2025.

The material factors influencing the valuation and the consequent impact on profit or loss are presented in the table below.

Sensitivity analysis, property valuation¹⁾

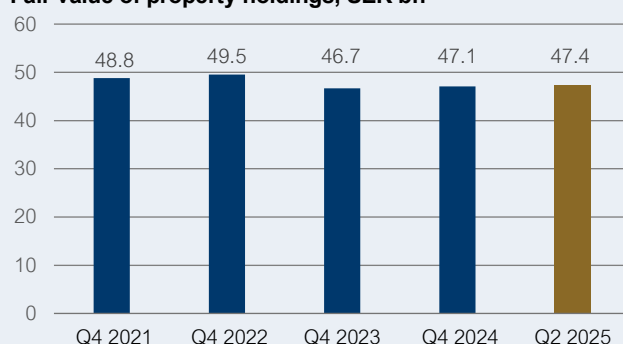
| | Change, +/- | Impact on profit or loss before tax, +/- |
|---------------------|------------------------|--|
| Rental revenue | SEK 100 /sq m | SEK 970 m |
| Property costs | SEK 50 /sq m | SEK 485 m |
| Rental vacancy rate | 1.0 percentage points | SEK 650 m |
| Yield requirement | 0.25 percentage points | SEK 2,925 m |

¹⁾ Valuation date June 30, 2025.

External valuation

To assure the quality of the valuation, external valuations were obtained from three independent valuation companies: Cushman & Wakefield, Forum Fastighetsekonomi, and Newsec Advice. The external valuations as per June 30, 2025 comprised nine properties, equivalent to 33 per cent of the internally assessed fair value. The corresponding proportion at year-end was 39 per cent. The external valuation companies set a fair value of SEK 16.2 billion. Hufvudstaden's internal valuation of the same properties was SEK 15.7 billion. The internal valuations thus concur well with the external valuations.

Fair value of property holdings, SEK bn



For further information on property valuations, refer to the most recent Annual and Sustainability Report.

Rentable floor space and vacancy rate

Rentable floor space as per June 30, 2025 was approximately 390,800 square metres (390,800 at year-end). The total floor space vacancy rate was 14.5 per cent (11.1 at year-end) and the total floor space vacancy rate excluding development projects was 8.7 per cent (6.7 at year-end). The total rental vacancy rate was 10.3 per cent (7.1 at year-end) and the total rental vacancy rate excluding development projects was 6.9 per cent (5.0 at year-end).

Rental market

The office rental market in Stockholm City was stable during the second quarter of the year. The market was cautious to some extent and letting processes were more protracted, but activity increased slightly at the end of the quarter. The demand was mainly for modern and flexible office premises in prime locations. Vacancy levels were higher than the normal range. In Stockholm's most attractive locations – Bibliotekstan, Norrmalmstorg/Hamngatan, and the Hötorget area – market rents for modern offices were estimated at SEK 7,000–10,000 per square metre and year, excluding the property tax supplement. Market demand for retail premises was stable and market rents for retail premises in prime commercial locations were in the range of SEK 11,000–25,000 per square metre and year, excluding the property tax supplement.

In the central sub-markets of Gothenburg, the demand was mainly for modern and flexible office premises. Vacancies were higher than the normal range and market rents in the most attractive locations were within the range of SEK 3,300–4,200 per square metre and year, excluding the property tax supplement. Rent levels for the most modern and attractive office premises are higher. For retail premises in central commercial locations, market rents were between SEK 3,000–13,000 per square metre and year, excluding the property tax supplement.

The Group's renegotiations for office premises was positive, while renegotiations for retail premises led to lower rent. During the period, a total of 39,100 square metres were renegotiated at an annual rental value of SEK 338 million. On average, the renegotiations results in a rent increase of approximately 3 per cent, compared with indexed rent for 2025.

Projects

Planning and preparatory work is taking place for part of the Kåkenhusen 40 property ahead of a major redevelopment of approximately 5,400 square metres of office space. The floor space was emptied in the second quarter of 2025. The project is being marketed as The Corner and the letting process is ongoing, with office spaces that can vary in size from 300 square metres and up. Access can be scheduled to the second quarter of 2026.

A modernisation of approximately 9,800 square metres of office space at Packarhuset 4 at Norrmalmstorg is in its final phase. The tenant Danske Bank will lease the space until 2035. The premises have been adapted while the tenant continued to access the office spaces, and the project has had a strong sustainability focus. Completion will take place in autumn 2025.

A new detailed development plan gained legal force in 2024 for the Orgelpipan 7 property, located near Central Station in Stockholm. The new detailed development plan will allow for an inset two-floor extension. The original character of the building will be maintained and the rentable floor space is expected to increase by approximately 3,000 square metres of office premises. Planning is ongoing and construction is expected to start late 2026 or early 2027.

The extensive redevelopment and expansion project Johanna continues at the Inom Vallgraven 12 block in Gothenburg. Work on the core building is nearing completion and tenant adaptations are ongoing in several premises. The project comprises a total of approximately 31,300 square metres of rentable floor space, of which approximately 10,100 square metres will be added. At mid-year, leases had been signed for approximately 19,200 square metres, of which approximately 15,700 square metres was for offices. Access will take place on a gradual basis from spring 2026.

Major development projects

| City | Property | Status | Type of premises | Rentable floor space (sq m) | Of which added floor space (sq m) | Estimated investment ¹⁾ (SEK m) | Estimated completion |
|------------|---------------------------------|----------|------------------------------|-----------------------------|-----------------------------------|--|----------------------|
| Stockholm | Kåkenhusen 40 | Current | Office | 5,400 | – | 210 | 2026 |
| Stockholm | Packarhuset 4 | Current | Office | 9,800 | – | 160 | 2025 |
| Stockholm | Orgelpipan 7 | Planning | Office | 3,000 | 3,000 | – | – |
| Gothenburg | Kvarteret Johanna ²⁾ | Current | Office, retail & restaurants | 31,300 | 10,100 | 2,800 | 2026 |

¹⁾ Total investment including estimated costs for rent losses and financing that are continuously recognised in profit or loss as well as costs for evacuation.

²⁾ Kvarteret Johanna is located in the Inom Vallgraven 12 block that comprises the properties Inom Vallgraven 12:10 and Inom Vallgraven 12:11.

EQUITY AND NET ASSET VALUE

The Group's equity attributable to Parent Company shareholders amounted to SEK 28,305 million, corresponding to SEK 140 per share. Net reinstatement value amounted to SEK 37,113 million or SEK 183 per share.

FINANCING

Total borrowings as at June 30, 2025 amounted to SEK 10,350 million (9,800 at year-end). Interest-bearing net debt was SEK 9,801 million (9,327 at year-end). In addition, the lease liability according to IFRS 16 amounted to SEK 732 million (736 at year-end), and total net debt was SEK 10,533 million (10,063 at year-end).

Hufvudstaden has a framework for green financing that serves as a basis for issuing green bonds and commercial papers and to raise green bank loans. Hufvudstaden has a total of SEK 8.7 billion in green financing, corresponding to 84 per cent of total borrowings, of which bonds amounted to SEK 7.2 billion and bank loans SEK 1.5 billion.

The average fixed interest period, including effects of derivative instruments, was 2.6 years (2.2 at year-end), the average capital tie-up period was 2.7 years (2.2 at year-end), and the average effective rate of interest was 3.0 per cent (2.9 at year-end) including, and 2.8 per cent (2.8 at year-end) excluding, the cost of unutilised loan commitments. The fair value of all interest-rate derivatives as of June 30, 2025 amounted to SEK -37.2 million (-10.8 at year-end). The negative value was due to falling market interest rates. For bond loans with a fixed rate of interest, the deficit value is SEK -7.6 million (surplus value of 87.7 at year-end).

Fixed interest structure, June 30, 2025

| Maturity, year | Credits, SEK m | AER, % | Proportion, % |
|----------------|----------------|-------------------------|---------------|
| <1 | 2,450 | 3.2 ¹⁾ | 24 |
| 1–2 | 1,500 | 1.6 | 15 |
| 2–3 | 2,000 | 3.2 | 19 |
| 3–4 | 2,000 | 3.3 | 19 |
| 4–5 | 2,400 | 3.3 | 23 |
| Total | 10,350 | 3.0²⁾ | 100 |

¹⁾ Including costs for unutilised loan commitments.

²⁾ The average effective rate of interest excluding costs for unutilised loan commitments was 2.8 per cent.

Capital tie-up structure, SEK m, June 30, 2025

| Maturity, year | Bank loans | Bonds/Comm.paper | Total borrowings | Unutilised commitments |
|----------------|--------------|------------------|------------------|------------------------|
| <1 | – | 1,950 | 1,950 | 1,000 |
| 1–2 | – | 1,500 | 1,500 | 2,000 |
| 2–3 | 1,500 | 2,000 | 3,500 | 1,500 |
| 3–4 | – | 1,000 | 1,000 | 1,500 |
| 4–5 | – | 2,400 | 2,400 | – |
| Total | 1,500 | 8,850 | 10,350 | 6,000 |

SHARES AND SHAREHOLDERS

Hufvudstaden Class A shares are listed on Nasdaq Stockholm. The company's Class C shares were delisted from Nasdaq Stockholm in January 2020. The company had 31,541 shareholders at the end of the period. The Class A share price as of June 30, 2025 was SEK 123.50, and total market capitalisation of all shares based on the Class A share price was SEK 26.1 billion. Treasury shares held as of June 30, 2025 totalled 8,965,000 Class A shares, corresponding to 4.2 per cent of all shares issued and 0.9 per cent of the total number of votes.

Largest shareholders, June 30, 2025

| Shareholders | Number of shares, % | Number of votes, % |
|---|---------------------|--------------------|
| L E Lundbergföretagen | 45.2 | 87.9 |
| AMF | 10.0 | 2.1 |
| State Street Bank and Trust | 3.1 | 0.6 |
| BNY Mellon | 2.6 | 0.5 |
| JP Morgan Chase Bank | 1.9 | 0.4 |
| The Lundberg family including companies | 1.7 | 1.0 |
| Other shareholders | 31.3 | 6.6 |
| Shares outstanding | 95.8 | 99.1 |
| Company holdings | 4.2 | 0.9 |
| Total number of issued shares | 100.0 | 100.0 |

Share structure, June 30, 2025

| Share class | Number of shares | Number of votes | Equity, % | Votes, % |
|---------------|--------------------|----------------------|--------------|--------------|
| A (1 vote) | 203,001,209 | 203,001,209 | 96.1 | 19.7 |
| C (100 votes) | 8,270,724 | 827,072,400 | 3.9 | 80.3 |
| Total | 211,271,933 | 1,030,073,609 | 100.0 | 100.0 |

MATERIAL RISKS AND UNCERTAINTIES

The Group is mainly exposed to financing, interest and credit risks and changes in the value of its property holdings.

Other than the above, no other material risks or uncertainties have been identified apart from those described in the mostly recently published Annual and Sustainability Report.

MATERIAL TRANSACTIONS WITH RELATED PARTIES

No material transactions with related parties took place during the period.

ACCOUNTING POLICIES AND VALUATION PRINCIPLES

Hufvudstaden applies the EU-endorsed IFRS standards. This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting, and applicable provisions of the Swedish Annual Accounts Act. Disclosures according to IAS 34.16A are presented in both the financial statements and in other parts of the interim report. Accounting policies and valuation principles remain unchanged from the most recent Annual and Sustainability Report.

FORTHCOMING INFORMATION

Interim Report Jan-Sep 2025November 6, 2025
 Year-End Report 2025.....February 12, 2026
 Annual and Sustainability Report 2025.....February 2026
 Annual General Meeting 2026.....March 19, 2026

The information in this Interim Report is information that Hufvudstaden AB (publ) is obligated to publish under the EU Market Abuse Regulation and the Securities Market Act. The information was published through the auspices of the persons named below on August 21, 2025.

This information is also published on Hufvudstaden's website, www.hufvudstaden.se/en/

Questions can be answered by Anders Nygren, President, and Åsa Roslund, Vice President and CFO, on telephone +46 8 762 90 00.

GROUP

Report on results - Summary

| SEK m | 2025 Apr–Jun | 2024 Apr–Jun | 2025 Jan–Jun | 2024 Jan–Jun | 2024 Jan–Dec |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net revenue¹⁾ | | | | | |
| Rent revenue property management | 607.1 | 574.5 | 1,225.9 | 1,147.2 | 2,318.6 |
| Intra-Group rents | -54.7 | -48.8 | -109.8 | -97.9 | -198.4 |
| Net revenue property management | 552.4 | 525.7 | 1,116.1 | 1,049.3 | 2,120.2 |
| Net revenue other segments | 261.2 | 256.1 | 507.6 | 503.5 | 1,059.0 |
| Net revenue | 813.6 | 781.8 | 1,623.7 | 1,552.8 | 3,179.2 |
| Operating expenses | | | | | |
| Maintenance | -10.1 | -12.6 | -16.9 | -19.1 | -31.7 |
| Operation and administration | -114.8 | -98.1 | -233.3 | -208.7 | -416.1 |
| Property tax | -62.7 | -60.4 | -125.4 | -120.8 | -237.5 |
| Property management expenses | -187.6 | -171.1 | -375.6 | -348.6 | -685.3 |
| Expenses other segments | -275.0 | -274.7 | -555.2 | -558.6 | -1,140.0 |
| Intra-Group rents | 54.7 | 48.8 | 109.8 | 97.9 | 198.4 |
| Expenses other segments, net | -220.3 | -225.9 | -445.4 | -460.7 | -941.6 |
| Operating expenses | -407.9 | -397.0 | -821.0 | -809.3 | -1,626.9 |
| Gross profit | 405.7 | 384.8 | 802.7 | 743.5 | 1,552.3 |
| – of which Property management | 419.5 | 403.4 | 850.3 | 798.6 | 1,633.3 |
| – of which Other segments | -13.8 | -18.6 | -47.6 | -55.1 | -81.0 |
| Central administration | -13.4 | -13.1 | -26.7 | -26.2 | -54.5 |
| Operating profit before changes in value | 392.3 | 371.7 | 776.0 | 717.3 | 1,497.8 |
| Unrealised changes in value | | | | | |
| – investment properties | -41.3 | -235.5 | -246.7 | -994.3 | -602.6 |
| – interest-rate derivatives | -32.5 | -6.0 | -26.3 | -6.2 | -10.8 |
| Operating result | 318.5 | 130.2 | 503.0 | -283.2 | 884.4 |
| Financial income and expense | -86.5 | -77.6 | -167.7 | -161.0 | -321.2 |
| Result before tax | 232.0 | 52.6 | 335.3 | -444.2 | 563.2 |
| Tax | -49.0 | -10.2 | -71.0 | 90.5 | -198.6 |
| Net result | 183.0 | 42.4 | 264.3 | -353.7 | 364.6 |
| Other comprehensive income | – | – | – | – | – |
| Total comprehensive income or loss for the period | 183.0 | 42.4 | 264.3 | -353.7 | 364.6 |
| Average number of outstanding shares | 202,306,933 | 202,306,933 | 202,306,933 | 202,306,933 | 202,306,933 |
| Net result for the period per share before and after dilution, SEK | 0.91 | 0.21 | 1.31 | -1.75 | 1.80 |

¹⁾ For a breakdown of net revenue, see table on page 9.

GROUP

Report on financial position - Summary

| SEK m | 2025 | 2024 | 2024 |
|--|-----------------|-----------------|-----------------|
| | June 30 | June 30 | December 31 |
| Investment properties | 47,414.4 | 46,235.9 | 47,115.4 |
| Right of use assets | 730.4 | 723.9 | 734.4 |
| Other non-current assets | 119.1 | 161.0 | 142.4 |
| Total non-current assets | 48,263.9 | 47,120.8 | 47,992.2 |
| Current assets | 1,069.3 | 858.3 | 882.0 |
| Total assets | 49,333.2 | 47,979.1 | 48,874.2 |
| Equity | 28,304.8 | 27,888.6 | 28,606.9 |
| Non-current interest-bearing liabilities | 8,400.0 | 5,800.0 | 7,100.0 |
| Deferred tax liabilities | 8,644.5 | 8,409.8 | 8,635.9 |
| Non-current leasing liabilities | 723.8 | 718.2 | 727.9 |
| Other non-current liabilities | 174.6 | 131.8 | 142.2 |
| Total non-current liabilities | 17,942.9 | 15,059.8 | 16,606.0 |
| Current interest-bearing liabilities | 1,950.0 | 4,100.0 | 2,700.0 |
| Current leasing liabilities | 8.0 | 6.8 | 7.9 |
| Other liabilities | 1,127.5 | 923.9 | 953.4 |
| Total current liabilities | 3,085.5 | 5,030.7 | 3,661.3 |
| Total equity and liabilities | 49,333.2 | 47,979.1 | 48,874.2 |

Report on changes in equity - Summary

| SEK m | 2025 | 2024 | 2024 |
|---|-----------------|-----------------|-----------------|
| | Jan–Jun | Jan–Jun | Jan–Dec |
| Equity, opening balance | 28,606.9 | 28,788.6 | 28,788.6 |
| Total comprehensive income or loss for the period | 264.3 | -353.7 | 364.6 |
| Dividend | -566.5 | -546.2 | -546.2 |
| Equity, closing balance | 28,304.8 | 27,888.6 | 28,606.9 |

Report on cash flows - Summary

| SEK m | 2025 | 2024 | 2024 |
|--|---------------|---------------|----------------|
| | Jan–Jun | Jan–Jun | Jan–Dec |
| Result before tax | 335.3 | -444.2 | 563.2 |
| Items not included in the cash flow | 311.1 | 1,035.8 | 679.0 |
| Income tax paid | -64.8 | -74.5 | -100.8 |
| Cash flow from current operations before changes in working capital | 581.6 | 517.1 | 1,141.4 |
| Net change in working capital | 67.0 | 3.9 | 93.9 |
| Cash flow from current operations | 648.6 | 521.0 | 1,235.3 |
| Investments in investment properties | -545.6 | -487.4 | -975.2 |
| Investments in other non-current assets | -6.0 | -6.7 | -15.9 |
| Cash flow from investments | -551.6 | -494.1 | -991.1 |
| Loans raised | 2,950.0 | 2,000.0 | 4,200.0 |
| Amortisation of loan liabilities | -2,400.0 | -1,500.0 | -3,800.0 |
| Amortisation of leasing liabilities | -3.9 | -4.0 | -7.8 |
| Dividend paid | -566.5 | -546.2 | -546.2 |
| Cash flow from financing | -20.4 | -50.2 | -154.0 |
| Cash flow for the period | 76.6 | -23.3 | 90.2 |
| Cash and cash equivalents at the beginning of the period | 472.6 | 382.4 | 382.4 |
| Cash and cash equivalents at the period-end | 549.2 | 359.1 | 472.6 |

GROUP

Segment reporting - Summary

The Group's operations are divided into three segments, property management, NK Retail and other operations. Other operations include Cecil Coworking (Business Area Stockholm) and NK e-commerce and the parking business in Parkaden (Business Area NK). The segments are divided into the business areas, which are in line with the Company's operational control system.

| SEK m | Business Area Stockholm | | Business Area NK | | Business Area Gothenburg | | Summary | | Intra-Group elimination | | Group | |
|--|-------------------------|-----------------|------------------|-----------------|--------------------------|-----------------|-----------------|-----------------|-------------------------|-----------------|-----------------|-----------------|
| | 2025 Jan-Jun | 2024 Jan-Jun | 2025 Jan-Jun | 2024 Jan-Jun | 2025 Jan-Jun | 2024 Jan-Jun | 2025 Jan-Jun | 2024 Jan-Jun | 2025 Jan-Jun | 2024 Jan-Jun | 2025 Jan-Jun | 2024 Jan-Jun |
| Property management | | | | | | | | | | | | |
| Rent revenue | 768.9 | 740.7 | 289.1 | 243.9 | 167.9 | 162.6 | 1,225.9 | 1,147.2 | -109.8 | -97.9 | 1,116.1 | 1,049.3 |
| Property management expenses | -173.0 | -159.4 | -147.2 | -134.5 | -55.4 | -54.7 | -375.6 | -348.6 | | | -375.6 | -348.6 |
| Gross profit/loss property management | 595.9 | 581.3 | 141.9 | 109.4 | 112.5 | 107.9 | 850.3 | 798.6 | -109.8 | -97.9 | 740.5 | 700.7 |
| Other segments | | | | | | | | | | | | |
| NK Retail | | | | | | | | | | | | |
| Net revenue | | | 435.1 | 432.1 | | | 435.1 | 432.1 | | | 435.1 | 432.1 |
| Expenses | | | -472.0 | -473.2 | | | -472.0 | -473.2 | 67.6 | 56.3 | -404.4 | -416.9 |
| Gross profit/loss NK Retail | | | -36.9 | -41.1 | | | -36.9 | -41.1 | 67.6 | 56.3 | 30.7 | 15.2 |
| Other operations | | | | | | | | | | | | |
| Net revenue | 25.4 | 22.1 | 47.1 | 49.3 | | | 72.5 | 71.4 | | | 72.5 | 71.4 |
| Expenses | -23.9 | -23.6 | -59.3 | -61.8 | | | -83.2 | -85.4 | 42.2 | 41.6 | -41.0 | -43.8 |
| Gross profit/loss other operations | 1.5 | -1.5 | -12.2 | -12.5 | | | -10.7 | -14.0 | 42.2 | 41.6 | 31.5 | 27.6 |
| Gross profit/loss other segments | 1.5 | -1.5 | -49.1 | -53.6 | | | -47.6 | -55.1 | 109.8 | 97.9 | 62.2 | 42.8 |
| Gross profit | 597.4 | 579.8 | 92.8 | 55.8 | 112.5 | 107.9 | 802.7 | 743.5 | | | 802.7 | 743.5 |
| Central administration | | | | | | | | | | | -26.7 | -26.2 |
| Unrealised changes in value | | | | | | | | | | | -273.0 | -1,000.5 |
| Operating result | | | | | | | | | | | 503.0 | -283.2 |
| Financial income and expense | | | | | | | | | | | -167.7 | -161.0 |
| Result before tax | | | | | | | | | | | 335.3 | -444.2 |

Breakdown of net revenue

| SEK m | Group | | | Parent Company | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2025 Jan-Jun | 2024 Jan-Jun | 2024 Jan-Dec | 2025 Jan-Jun | 2024 Jan-Jun | 2024 Jan-Dec |
| Rent revenue ¹⁾ | 1,188.6 | 1,120.7 | 2,263.5 | 857.7 | 826.5 | 1,677.4 |
| – of which Service revenue ¹⁾ | 90.8 | 62.2 | 121.3 | 29.0 | 28.2 | 57.1 |
| Sale of goods | 435.1 | 432.1 | 915.7 | – | – | – |
| Total net revenue | 1,623.7 | 1,552.8 | 3,179.2 | 857.7 | 826.5 | 1,677.4 |

¹⁾ Refers to revenue from property management and other operations.

GROUP

Performance measures

| | 2025 June 30 | 2024 June 30 | 2024 Full year |
|--|-----------------|-----------------|-------------------|
| Property-related | | | |
| Rentable floor space, 1,000 m ² | 390.8 | 390.7 | 390.8 |
| Rental vacancy rate, % | 10.3 | 7.9 | 7.1 |
| Rental vacancy rate excl. development projects, % | 6.9 | 5.8 | 5.0 |
| Floor space vacancy rate, % | 14.5 | 12.0 | 11.1 |
| Floor space vacancy rate excl. development projects, % | 8.7 | 7.6 | 6.7 |
| Fair value, SEK bn | 47.4 | 46.2 | 47.1 |
| Surplus ratio, % | 69.4 | 69.6 | 70.4 |
| Net operating income, SEK m | 850.3 | 798.6 | 1,633.3 |
| Financial | | | |
| Return on equity, % | 2.6 | 0.3 | 1.3 |
| Return on equity, adjusted, % | 3.4 | 3.1 | 3.0 |
| Return on capital employed, % | 3.3 | 1.1 | 2.3 |
| Equity ratio, % | 57 | 58 | 59 |
| Interest coverage ratio, multiple | 4.6 | 4.4 | 4.5 |
| Debt/equity ratio, multiple | 0.4 | 0.4 | 0.4 |
| Net loan-to-value ratio, properties, % | 22.2 | 22.2 | 21.4 |
| Gross margin, % | 49.4 | 47.9 | 48.8 |
| Data per share | | | |
| Net result for the period, SEK | 1.31 | -1.75 | 1.80 |
| Equity, SEK | 140 | 138 | 141 |
| Net reinstatement value per share, SEK | 183 | 180 | 185 |
| Net tangible assets per share, SEK | 173 | 170 | 174 |
| Net disposal value per share, SEK | 140 | 138 | 141 |
| Properties, fair value, SEK | 234 | 229 | 233 |
| Average number of outstanding shares, 1,000 | 202,307 | 202,307 | 202,307 |
| Number of issued shares, 1,000 | 211,272 | 211,272 | 211,272 |

Performance measures per quarter

| | 2025 Apr–Jun | 2025 Jan–Mar | 2024 Oct–Dec | 2024 Jul–Sep | 2024 Apr–Jun | 2024 Jan–Mar | 2023 Oct–Dec | 2023 Jul–Sep |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Share price, series A share, SEK | 123.50 | 113.30 | 121.10 | 138.70 | 125.50 | 130.00 | 142.10 | 121.00 |
| Return on equity, % | 2.6 | 2.8 | 0.7 | 0.3 | 0.5 | 0.8 | -6.4 | -4.4 |
| Return on equity, adjusted, % | 3.4 | 3.3 | 2.4 | 3.4 | 3.3 | 2.9 | 3.1 | 3.1 |
| Equity ratio, % | 57 | 57 | 59 | 58 | 58 | 58 | 59 | 59 |
| Surplus ratio, % | 69.1 | 69.6 | 69.4 | 73.1 | 70.2 | 69.0 | 66.4 | 71.8 |
| Equity per share, SEK | 140 | 139 | 141 | 139 | 138 | 138 | 142 | 144 |
| Net reinstatement value per share, SEK | 183 | 182 | 185 | 181 | 180 | 180 | 185 | 188 |
| Net loan-to-value ratio, properties, % | 22.2 | 22.3 | 21.4 | 21.7 | 22.2 | 22.4 | 20.9 | 21.1 |
| Cash flow per share from current operations, SEK | 1.52 | 1.69 | 1.25 | 2.28 | 1.74 | 0.84 | 3.43 | 0.66 |

GROUP

Derivation of performance measures

| SEK m | 2025 June 30 | 2024 June 30 | 2024 Full year |
|--|-------------------|-------------------|-------------------|
| Return on equity, adjusted | | | |
| Net result for the period | 264 | -354 | 365 |
| Reversal of changes in value | 273 | 1,001 | 613 |
| Reversal of tax on changes in value | -56 | -206 | -126 |
| Net result for the period, adjusted | 481 | 441 | 852 |
| Recalculated to full year | 962 | 882 | 852 |
| Average equity | 28,697 | 28,560 | 28,698 |
| Return on equity, adjusted, % | 3.4 | 3.1 | 3.0 |
| Equity ratio | | | |
| Equity | 28,305 | 27,889 | 28,607 |
| Total assets | 49,333 | 47,979 | 48,874 |
| Equity ratio, % | 57 | 58 | 59 |
| Net debt | | | |
| Non-current interest-bearing liabilities | 8,400 | 5,800 | 7,100 |
| Non-current leasing liabilities | 724 | 718 | 728 |
| Current interest-bearing liabilities | 1,950 | 4,100 | 2,700 |
| Current lease liabilities | 8 | 7 | 8 |
| Cash and cash equivalents | -549 | -359 | -473 |
| Net debt | 10,533 | 10,266 | 10,063 |
| Net loan-to-value ratio, properties | | | |
| Net debt | 10,533 | 10,266 | 10,063 |
| Carrying amount, properties | 47,414 | 46,236 | 47,115 |
| Net loan-to-value ratio, properties, % | 22.2 | 22.2 | 21.4 |
| Interest coverage ratio | | | |
| Result before tax | 944 ¹⁾ | 112 ¹⁾ | 563 |
| Reversal of changes in value | 273 | 1,001 | 613 |
| Financial expense | 342 ¹⁾ | 331 ¹⁾ | 335 |
| Total | 1,559 | 1,444 | 1,511 |
| Financial expense | 342 ¹⁾ | 331 ¹⁾ | 335 |
| Interest coverage ratio, multiple | 4.6 | 4.4 | 4.5 |
| Net asset value | | | |
| Equity | 28,305 | 27,889 | 28,607 |
| Interest-rate derivatives | 37 | 6 | 11 |
| Recognised deferred tax ²⁾ | 8,771 | 8,531 | 8,757 |
| Net reinstatement value | 37,113 | 36,426 | 37,375 |
| Net reinstatement value per share, SEK | 183 | 180 | 185 |
| Intangible assets | -46 | -80 | -63 |
| Estimated actual deferred tax 5% | -2,129 | -2,071 | -2,126 |
| Net tangible assets | 34,938 | 34,276 | 35,186 |
| Net tangible assets per share, SEK | 173 | 170 | 174 |
| Interest-rate derivatives | -37 | -6 | -11 |
| Intangible assets | 46 | 80 | 63 |
| Recognised deferred tax ²⁾ less estimated actual deferred tax | -6,642 | -6,461 | -6,631 |
| Net disposal value | 28,305 | 27,889 | 28,607 |
| Net disposal value per share, SEK | 140 | 138 | 141 |
| Rental vacancy rate | | | |
| Rental value for vacant space, in total | 270 | 198 | 179 |
| Rental value for vacant space, development projects | 89 | 54 | 54 |
| Total rental value | 2,611 | 2,505 | 2,513 |
| Rental vacancy rate, in total, % | 10.3 | 7.9 | 7.1 |
| Rental vacancy rate, development projects, % | 3.4 | 2.1 | 2.1 |
| Rental vacancy rate excl. development projects, % | 6.9 | 5.8 | 5.0 |

¹⁾ Recalculated 12 months.

²⁾ Deferred tax according to the balance sheet related to investment properties and right-of-use assets attributable to ground rents.

Parent Company

Income statement - Summary

| SEK m | 2025 Apr–Jun | 2024 Apr–Jun | 2025 Jan–Jun | 2024 Jan–Jun | 2024 Jan–Dec |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net revenue ¹⁾ | 431.3 | 416.0 | 857.7 | 826.5 | 1,677.4 |
| Operating expenses | -227.3 | -102.2 | -443.4 | -310.7 | -726.2 |
| Gross profit | 204.0 | 313.8 | 414.3 | 515.8 | 951.2 |
| Central administration | -13.4 | -13.1 | -26.7 | -26.2 | -54.5 |
| Unrealised changes in value, interest-rate derivatives | -32.5 | -6.0 | -26.3 | -6.2 | -10.8 |
| Operating result | 158.1 | 294.7 | 361.3 | 483.4 | 885.9 |
| Other financial income and expenses | -67.5 | -59.9 | -129.5 | -125.7 | -172.2 |
| Result after financial items | 90.6 | 234.8 | 231.8 | 357.7 | 713.7 |
| Appropriations | – | – | – | – | -73.6 |
| Result before tax | 90.6 | 234.8 | 231.8 | 357.7 | 640.1 |
| Tax | -19.0 | -48.0 | -49.0 | -74.4 | -213.4 |
| Net result for the period | 71.6 | 186.8 | 182.8 | 283.3 | 426.7 |
| Statement of comprehensive income | | | | | |
| Net result for the period | 71.6 | 186.8 | 182.8 | 283.3 | 426.7 |
| Other comprehensive income | – | – | – | – | – |
| Total comprehensive income for the period | 71.6 | 186.8 | 182.8 | 283.3 | 426.7 |

¹⁾ For a breakdown of net revenue, see table on page 9.

Balance sheet - Summary

| SEK m | 2025 June 30 | 2024 June 30 | 2024 December 31 |
|-------------------------------------|-----------------|-----------------|---------------------|
| Investment properties | 9,858.2 | 9,420.9 | 9,613.2 |
| Other non-current assets | 6,589.2 | 6,594.5 | 6,592.1 |
| Total non-current assets | 16,447.4 | 16,015.4 | 16,205.3 |
| Current assets | 1,006.5 | 805.6 | 797.5 |
| Total assets | 17,453.9 | 16,821.0 | 17,002.8 |
| Restricted equity | 1,978.7 | 1,978.7 | 1,978.7 |
| Non-restricted equity | 2,061.6 | 2,301.8 | 2,445.2 |
| Total equity | 4,040.3 | 4,280.5 | 4,423.9 |
| Untaxed reserves | 61.0 | 48.3 | 61.0 |
| Provisions | 983.6 | 908.4 | 988.7 |
| Non-current liabilities | 8,759.7 | 6,114.8 | 7,426.2 |
| Current liabilities | 3,609.3 | 5,469.0 | 4,103.0 |
| Total equity and liabilities | 17,453.9 | 16,821.0 | 17,002.8 |

Board certification

The Board of Directors and the President hereby certify that this Half-Year Report provides a true and fair overview of the operations, financial position and results of the Parent Company and the Group, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, August 21, 2025

Fredrik Lundberg
Chairman

Claes Boustedt
Board Member

Peter Egardt
Board Member

Liv Forhaug
Board Member

Louise Lindh
Board Member

Katarina Ljungqvist
Board Member

Anders Nygren
President
Board Member

Fredrik Persson
Board Member

Sten Peterson
Board Member

Auditor's report

Hufvudstaden AB (publ) Corp. Reg. No. 556012-8240

Introduction

We have reviewed the condensed interim financial information (Half-Year Report) for Hufvudstaden AB (publ) as at June 30, 2025 and the six-month period then ended. The Board of Directors and the President are responsible for the preparation and presentation of the Half-Year Report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this Half-Year 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 Half-Year Report is not prepared in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, August 21, 2025
PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorised Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Definitions and Glossary

Finance

Average effective rate (AER). Weighted average contracted interest rate for all loans in the loan portfolio at period-end.

Average equity. Average of opening and closing equity for the period. In the interim accounts, closing equity is restated using the net result for the period calculated as on a full-year basis without regard to seasonal variations that normally occur in operations and not including items affecting comparability and changes in value.

Capital employed. Total assets reduced by non-interest-bearing liabilities and deferred tax liabilities.

Central administration. Costs for Group management and Group staff functions, costs for maintaining the Company's stock exchange listing, and other general costs common to the Company.

Debt/equity ratio. Net debt in relation to equity at the end of the period.

Equity ratio. Equity at the end of the period in relation to total assets.

Gross margin. Gross profit in relation to net revenue.

Interest coverage ratio. Profit or loss after net financial income/expense, excluding items affecting comparability and changes in value, plus financial expense in relation to financial expense. In the interim accounts, net profit or loss after net financial income/expense, excluding items affecting comparability and changes in value, as well as financial expense, have been recalculated on a full-year basis with no adjustments for seasonal variations that normally arise in the operations.

Items affecting comparability. Items of a non-recurring nature and which make it difficult to compare between two given periods.

Net debt. Interest-bearing liabilities including lease liabilities and decided dividend minus current investments and cash and cash equivalents.

Net disposal value. Shareholders' equity according to the balance sheet.

Net loan-to-value ratio, properties. Net debt in relation to the carrying amount of the properties.

Net Reinstatement Value. Shareholders' equity according to the balance sheet after reversal of interest-rate derivatives and deferred tax according to the balance sheet, excluding deferred tax on assets and/or liabilities other than investment properties and right-of-use assets attributable to ground rents.

Net Tangible Assets. Shareholders' equity according to the balance sheet after reversal of derivative instruments and deduction for intangible assets, adjusted for estimated actual deferred tax instead of nominal deferred tax.

Return on capital employed. Profit or loss before tax plus financial expense in relation to average capital employed. In the interim accounts, the return has been recalculated on a full-year basis with no adjustments for seasonal variations that normally arise in the operations and with the exception of items affecting comparability and changes in value.

Return on equity, adjusted. Net result excluding tax-adjusted items affecting comparability and changes in value in relation to average equity. In the interim accounts, the return has been recalculated on a full-year basis with no adjustments for seasonal variations that normally arise in operations.

Return on equity. Net result in relation to average equity. In the interim accounts, the return has been recalculated on a full-year basis with no adjustments for seasonal variations that normally arise in the Company's operations and with the exception of items affecting comparability and changes in value.

Share

Average number of outstanding shares. Weighted average number of outstanding shares during a defined period.

Earnings per share. Net result for the period in relation to the average number of outstanding shares during the period.

Equity per share. Equity in relation to the number of outstanding shares at the end of the period.

Property

Annual rent. Gross rent, including service revenue at the end of the period, calculated on an annual basis. Vacant premises are reported at the Estimated Rental Value (ERV).

Bibliotekstan. The area between Norrmalmstorg, Birger Jarlsgatan, Stureplan, and Norrlandsgatan where premium brand stores, restaurants and cafes are located.

Fair value. The estimated market value of the properties.

Floor space vacancy rate. Vacant floor space in square metres in relation to the total rentable floor space.

Floor space vacancy rate excluding development projects. Vacant floor space excluding development projects in square metres in relation to the total rentable floor space.

Fredstan. A lively and attractive urban area that consists of the blocks around Fredsgatan, between Brunnsparken and Trädgårdsföreningen.

Market value, properties. The amount at which the properties could be exchanged between knowledgeable, willing parties in an arm's length transaction. In accounting terms, this is known as "fair value".

Net operating income. Rent revenue from property management including intra-Group rents less costs for property management.

Property tax supplement. Property tax payments received from tenants.

Rental vacancy rate. Estimated Market Rental Value (ERV) of vacant space divided by the ERV of all property holdings.

Rental vacancy rate excluding development projects. Estimated Market Rental Value (ERV) of vacant space excluding development projects divided by the ERV of all property holdings.

Surplus ratio. Net operating income in relation to rent revenue from property management including intra-Group rents.

In some cases, there has been rounding off, which means the tables and calculations do not always tally.

This document is in all respects a translation of the original Interim Report in Swedish. In the event of any differences between this translation and the Swedish original, the latter shall prevail.

Hufvudstaden AB (Publ)

NK 100, SE-111 77 Stockholm
Visiting address: Regeringsgatan 38
Telephone: +46 8 762 90 00
E-mail: info@hufvudstaden.se
Website: www.hufvudstaden.se/en/
Company registration number: 556012-8240
Registered office: Stockholm



HUFVUDSTADEN