

K-Fast Holding AB (publ): Interim Report January-June 2025

***Growth in profit from property management of 31 percent. This affected by stable development on operative level and K-Fastigheter since April 1st, 2025, welcoming Brinova as a subsidiary in the Group.**

***During the quarter we presented three different transactions that will provide us with a total of about SEK 1,101 additional liquidity, where SEK 509 million was provided during the second quarter, about SEK 200 million during the second half of the year and approximately SEK 400 million during 2026 and 2027.**

***On June 26th, 2025, K-Fastigheter issued senior unsecured green bonds in the amount of SEK 500 million within a framework of SEK 1,000 million. The Green Bonds have a maturity of three years and carry a floating interest rate of 3 months STIBOR plus 600 basis points. The net proceeds which were received on July 3rd, 2025, have mainly been used to refinance current debt in accordance with the green framework established by K-Fastigheter during the quarter.**

Financial ratios for the period 1 January–30 June 2025

(corresponding period in 2024 in brackets)

- Rental income: SEK 471.2 million (302.6)
- Profit from property management: SEK 116.6 million (60.3)
- Profit from property management per share: SEK 0.33 per share adjusted for non-controlling interests (0.25)
- Growth in profit from property management per share: 31%
- Result in business segment Construction before taxes: SEK 63.8 million (169.9)
- Earnings per share in business segment Construction: SEK 0.26 per share (0.70)
- Growth in earnings per share in business segment Construction: -63%
- Profit for the period: SEK -54.5 million (87.9), affected by negative value change of derivatives of SEK -111.0 million (22.6) due to lower interest rates.
- Earnings per share: SEK -0.24 per share (0.34)
- Long-term net asset value (NAV): SEK 6,005.4 million (Dec 31, 2024: 6,206.5)
- Long-term net asset value (NAV) per share: SEK 24.41 per share (Dec 31, 2024: 25.23)
- Growth in long-term net asset value (NAV) per share: -3%
- Interest coverage ratio (year): 1.6 multiple (1.5)
- Equity/assets ratio: 29.6% (Dec 31, 2024: 30.4)
- Debt-to-equity ratio: 58.3% (Dec 31, 2024: 59.1)
- Number of construction starts, apartments: 176 (467)
- Number of apartments under construction: 2,051 (1,731)
- Number of apartments under project development: 1,536 (2,488)
- Number of apartments under management: 7,506 (5,160)
- Investment properties: SEK 24,037.1 million (Dec 31, 2024: 15,616.5)



A message from the CEO

I would like to begin this CEO statement by welcoming Brinova to the K-Fastigheter family. Since 1 April, K-Fastigheter has held 57.6 percent of Brinova, while Brinova simultaneously assumed ownership and management of K-Fastigheter's properties in Region South — effectively constituting a reverse acquisition that makes Brinova a subsidiary.

Our earnings capacity from completed investment properties increased by 18 percent in the second quarter, compared with the corresponding figure for the first quarter of this year, prior to the Brinova transaction. At the same time, we have divested properties resulting in a net decrease in rental income of SEK 67 million. Without these divestments, the increase in rental value would have been 31 percent. The increase speaks for itself and clearly demonstrates the shareholder value generated by the deal. A successful transaction should benefit both parties, and it is clear that Brinova's other shareholders also stand to gain from the deal. The economies of scale that motivated the transaction are now being realized, as seen in improved financing terms - a 30 b.p. reduction on refinanced debt for Brinova following the expansion with K-Fastigheter's region South portfolio.

The second quarter has also brought several other important developments for K-Fastigheter. During the quarter, we continued to align our operations with an increasing focus on the historically most profitable part of our business - the Construction operating segment - while property ownership is being concentrated within Brinova and K-Fast Kilen. Since our listing in 2019, the Construction segment has accounted for about 80 per cent of our earnings. This segment encompasses the business areas of Project Development, Prefab, and Building.

During the quarter, we announced three separate transactions that will contribute a total net liquidity of approximately SEK 1,101 million — of which SEK 509 million was added in the second quarter, just over SEK 200 million will be received over the coming six months, and more than SEK 400 million in 2026 and 2027. These transactions highlight the attractiveness of our concept buildings — Low-Rise, Apartment Block and Lateral Low-Rise.

Completed transactions:

*Divested properties and projects in Gävle and Uppsala to K-Fast Kilen AB, a joint venture in which K-Fastigheter holds 51 percent and Kilenkrysset 49 percent. We are pleased to deepen our collaboration with Kilenkrysset and continue the development of K-Fast Kilen, which will have newly constructed rental properties with a total value of just over SEK 5 billion upon completion of ongoing projects.

* Sale of two properties in Gothenburg to Willhem.

* Sale of three completed properties and three ongoing projects in the Gothenburg area to an international institutional investor. During the second quarter, a Letter of Intent was entered into, which was formalized as a signed share purchase agreement after the end of the period. The completed properties will be transferred on 30 September 2025, and the properties currently under construction will be transferred upon completion during 2026 and 2027.



As part of this transaction, K-Fastigheter and the buyer will also establish a joint venture company in Sweden for the management of real estate funds, in which K-Fastigheter will hold a 40 percent ownership stake. The institutional investor successfully operates similar ventures in other countries, and K-Fastigheter is now becoming part of its Swedish initiative. The divested portfolio will serve as the foundation for the company's first fund in Sweden. In the joint venture, K-Fastigheter's expertise in the property market and property management will be combined with the institutional investor's experience in capital raising and institutional asset management. As an operator within Property Development, we are able to collaborate from an early stage to identify opportunities and projects that the fund may later wish to acquire and manage. This represents a step toward a more secure and capital-light business model, where projects can often be initiated with the knowledge that they will be divested upon completion. It is a strong complement to the otherwise cyclical transaction market for both rental and owner-occupied housing.

On 26 June 2025, K-Fastigheter issued senior unsecured green bonds in the amount of SEK 500 million under a framework of up to SEK 1,000 million. The green bonds have a three-year maturity and carry a floating interest rate of 3-month STIBOR plus 600 basis points. The net proceeds, received on 3 July 2025, have primarily been used to refinance existing debt in accordance with the Green Framework K-Fastigheter established in the quarter.

Overall, K-Fastigheter reached several important milestones in the quarter, highlighting the fact that we are much more than the traditional real estate company we are often perceived to be — particularly as our construction contracting operations have not received the recognition they deserve. We aim to offer the market attractive residential properties based on our concept buildings, and through K-Prefab, provide complete frame solutions for a range of sectors. Ownership of residential-focused properties is now concentrated in Brinova and K-Fast Kilen, maximizing shareholder value. Through the completed transactions and the issuance of green bonds, we have laid the foundation for stable and promising development of the Group.

In closing, I would also like to welcome Kilenkrysset as a shareholder of K-Fastigheter. In addition to our collaboration through the joint venture K-Fast Kilen, Kilenkrysset also became one of our largest shareholders during the quarter.

- **Jacob Karlsson, July 2025**

A complete Interim report for January-June 2025 is attached and published on: www.k-fastigheter.se/en/investor-relations/financial-reports-rapporter/

A presentation of the earnings and operations will be published on: www.k-fastigheter.se/en/investor-relations/presentations/

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K-Fastigheter is much more than a property company. Through an integrated process, we build our business in the two business segments Construction and Property Management. In the Construction business segment, completed homes are delivered, where K-Fastigheter has chosen to work with three in-house developed concept houses for homes in order to enhance cost efficiency and cut construction times. Furthermore, through the subsidiary K-Prefab, K-Fastigheter delivers complete frame solutions internally as well as to external customers. The Property Management business segment manages the Group's property portfolio with a focus on housing and since April 2025, K-Fastigheter owns 57.6 percent of Brinova Fastigheter AB, which is a leading property company in southern Sweden with a focus on the Öresund region. Since 2019, K-Fastigheter's B shares have been traded on Nasdaq Stockholm (short name: KFAST B). Read more at k-fastigheter.se

