

# EMILSHUS

Press release

July 11, 2024

## Fastighetsbolaget Emilshus AB (publ) Interim Report January–June 2024

### The period January–June 2024

- Income increased 8% to MSEK 320 (297).
- Profit from property management increased 18% to MSEK 136 (115).
- Profit from property management per ordinary share increased 10% to SEK 1.12 (1.02) per ordinary share.
- Profit for the period amounted to MSEK 152 (37), corresponding to SEK 1.28 per ordinary share (0.17).
- Value adjustment of investment properties impacted earnings by MSEK 48 (–40).
- Value adjustment of financial instruments impacted earnings by MSEK 21 (–14).
- Cash flow from operating activities before changes in working capital increased 29% and amounted to MSEK 120 (93).
- Net investments totaled MSEK 922, of which MSEK 891 pertained to property transactions.

### The quarter April–June 2024

- Income increased 9% to MSEK 162 (149).
- Profit from property management increased 17% to MSEK 71 (61).
- Profit from property management per ordinary share increased 7% to SEK 0.58 (0.54) per ordinary share.
- Profit for the period amounted to MSEK 85 (51), corresponding to SEK 0.71 per ordinary share (0.44).
- Value adjustment of investment properties impacted earnings by MSEK 45 (–4).
- Value adjustment of financial instruments impacted earnings by MSEK –8 (13).
- Cash flow from operating activities before changes in working capital increased 32% and amounted to MSEK 65 (49).
- Net investments totaled MSEK 730, of which MSEK 718 pertained to property transactions.

### Adjusted forecast for 2024

- For 2024, it is estimated that profit from property management with the current property portfolio and announced acquisitions will total MSEK 290. The previously issued forecast was MSEK 280.

### Significant events during the quarter

- In May, a directed share issue of 12 million Series B ordinary shares was conducted, which raised MSEK 384 for the company before issue costs.
- In June, a nominal amount of MSEK 76 of the company's outstanding unsecured green bonds with maturity in April 2025 was repurchased. The remaining outstanding volume of MSEK 295 will be redeemed early as of July 15, 2024.
- In June, new senior unsecured green bonds were issued at an amount of MSEK 400, with a three-year maturity and an interest rate of STIBOR 3M+3.10%.
- In June, two fully leased properties in Linköping were acquired for MSEK 74. Total leasable area amounts to 7,842 sqm and the annual rental value amounts to MSEK 7. Accession is scheduled for the fourth quarter of 2024.
- In June, it was announced that the exercise of all warrants of Series 2021:1 had been completed, which will generate proceeds of MSEK 42 for Emilshus.

# EMILSHUS

## CEO's statement – Continued growth with increased profitability, expanded capital base and more shareholders

**We are continuing to build a profitable and financially robust property company. Our focus is on growth in well-defined market areas with profitability, strong cash flows and financial stability as watchwords.**

Income in the first half of 2024 increased 8% to MSEK 320 and profit from property management increased 18% to MSEK 136 compared with the year-earlier period. This corresponds to an increase of 10% in profit from property management per ordinary share. At the same time, cash flow from operating activities strengthened 29% to MSEK 120. Profit from property management in the second quarter increased 17% to MSEK 71, corresponding to an increase per ordinary share of 9%. Cash flow from operating activities strengthened 32% during the same period.

### **Growth in key markets**

Efforts to build a robust Emilshus are continuing, through selective acquisitions of properties in our market areas in southern Sweden. During the first half of the year, strategically important property transactions totaling a net MSEK 891 were concluded, which strengthened our presence in the Linköping and Jönköping sub-markets. The properties acquired have good yields, are situated in good microlocations, and have long remaining lease terms, thus representing transactions that are aligned with Emilshus's strategy.

### **Positive net leasing**

Demand for Emilshus's premises in the categories of light industry/warehousing and retail is good, and in general our tenants are doing well. With the conclusion of a number of leases, we can report positive net leasing of MSEK 1 during the second quarter.

Efforts at enhancing energy efficiency are continuing in our property management, and we are routinely reducing both our own and our tenants' operating expenses. In May 2024, this yielded a reduction in energy use of approximately 220,000 kWh, corresponding to 12% for the entire property portfolio year-on-year. Tangible and focused sustainability initiatives are profitable.

### **Strengthened financial capital base**

We are building a company that is stronger financially, for the purpose of continuing the expansion of Emilshus. During the second quarter, Emilshus's capital base was strengthened through a directed share issue of Series B ordinary shares at a value of MSEK 384 at an issue price that exceeded the net asset value per share. The new share issue, which was subscribed for primarily by institutional investors in the Nordic region, was coordinated with the simultaneous divestment by NP3 of 6.3 million Series B ordinary shares in Emilshus at a value of MSEK 201. In addition, NP3 carried out a distribution in kind for its shareholders of Series B ordinary shares in Emilshus. This means that Emilshus has gained a large number of new shareholders. In addition, the exercise of previously issued warrants will generate proceeds of MSEK 42 for Emilshus.

After these capital market transactions, we have several major institutional investors as new co-owners, while our ownership base has been broadened with the addition of more shareholders. The effect of these measures can be seen, for example, in increased liquidity in trading in the Emilshus share, which strengthens our position in the capital market.

During the second quarter, Emilshus also issued a new unsecured bond of MSEK 400 that matures in June 2027, while we are redeeming a bond with original maturity in April 2025 in advance. The new bond runs with a margin of STIBOR 3M+3.10%, compared with 5.25% for the bond that was redeemed early, which entails a substantial improvement to net financial items.

### **Capacity for continued profitable growth**

The share and bond issues were carried out for the purpose of creating scope for continued profitable growth. Emilshus's property portfolio has increased 16% over the last twelve months to MSEK 8,292. The purpose of all growth is to increase profitability, which manifests in this report as an increase in our forecast of profit from property management for full-year 2024 to MSEK 290.

Växjö, July 2024,  
**Jakob Fyrberg, CEO**

# EMILSHUS

## Report presentation

### Telephone conference (only in Swedish)

When: Thursday July 11, 09.00.

To call in and ask questions call: +46 8 5016 3827 then enter Meeting ID: 848 3622 6593#.

To ask the CEO/CFO a question, please press \*9 on the phone.

### The presentation is webcasted (only in Swedish)

Link to webcast:

<https://www.finwire.tv/webcast/emilshus/q2-2024/>

The presentation and webcast will be available at [www.emilshus.com](http://www.emilshus.com) following the conference call.

## For more information, please contact:

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This information is information that Emilshus is obligated to disclose in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. This information was submitted for publication through the agency of the contact persons below on July 11, 2024 at 7:30 a.m. CEST.

*This document is a translation of the Swedish original report. In the event of discrepancies, the Swedish original will supersede the translation.*

## About Emilshus

Emilshus is a property company rooted in the business culture of Småland that acquires, develops and manages high-yield commercial properties, with southern Sweden as its core market. The company's property portfolio at June 30, 2024 totaled 888 ksqm of leasable area distributed among 157 properties with an emphasis on light industry, industrial services/trade suppliers and big-box and grocery retail. Emilshus's ordinary share and preference share are listed on Nasdaq Stockholm.

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