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Interim Report

The Group

1 January-

31 March 2020

Q1

Interim Report

January - March 2020

January - March 2020

- Net sales amounted to SEK 452 m (37).
- The operating profit was SEK 94 m (122), of which SEK -5 m (165) refers to changes in the value of investment properties.
- The net profit before tax for the period was SEK 48 m (80) and the profit after tax was SEK 47 m (46).
- Earnings per share after deductions for minority shares was SEK 1.08 (1.00).

Significant events January – March 2020

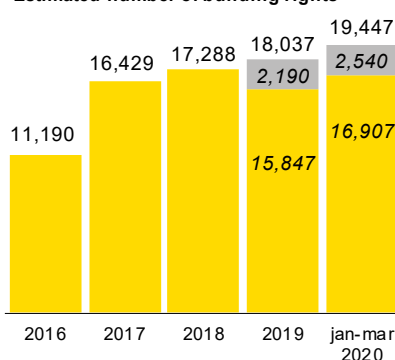
- Sale of three projects to Heimstaden Bostad consisting of 1,124 residential units. All three production started in December 2019.
- Previously announced sale of the Täljöviken project in Österåker has been revenue recognized as sale is no longer conditional.
- Obtained land allocation in Skellefteå, comprising development of around 300 residential units.
- JV comprising Slättö and Magnolia Bostad, formed in October 2019, acquired land in Barkaby, Järfälla, consisting of around 350 building rights.

- Agreement signed for acquisition of land in Borås consisting of around 280 building rights.
- Start of zoning plan work for the project Vårby Udde, Huddinge municipality, comprising development of around 1,800 residential units, nurseries, residential care units, shops, restaurants and a hotel.
- Repurchase of secured bonds with due date 28 April 2020.

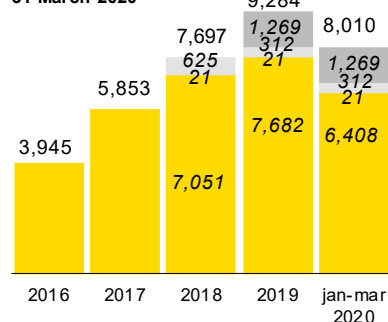
Significant events after the end of the quarter

- Signs an agreement on sale to Trenum of about 900 Residential units in Karlstad, of which 440 housing units already owned and another 460 housing units have been acquired after the end of the quarter. The sale is conditional on zoning plan coming into force, which is expected to take place in June 2020, revenue recognition will take place when the zoning plan comes into force.

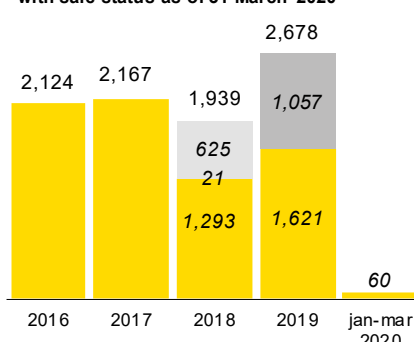
Estimated number of building rights¹



Total no. of residencies in production¹ - with sale status as of 31 March 2020



Production started residencies¹ - with sale status as of 31 March 2020



Self-management through JV
For sale

Self-management
Self-management through JV
Not sold
Sold

Self-management
Self-management through JV
Not sold
Sold

KPIs, Group

	2020 Jan-Mar	2019 Jan-Mar	2019/2020 Apr-Mar	2019 Jan-Dec
Project related				
Number of production starts during the period ¹	60	0	2,738	2,678
Number of sold residencies during the period ¹	1,191	8	1,716	533
Total number of residencies in production ¹	8,010	7,407	8,010	9,284
Number of estimated building rights in the portfolio, not yet production started ¹	19,447	16,726	19,447	18,037
Financials				
Operating profit/loss	94	122	352	380
Return on equity (%) ²	-	-	13.8	14.1
Equity/assets ratio (%)	31.4	30.6	31.4	29.6
Interest coverage ratio (multiple) ³	2.2	-0.3	2.2	1.5
Share related				
Earnings per share (SEK) ²	1.08	1.00	3.83	3.75
Equity per share (SEK) ²	29.64	25.80	29.64	28.55

¹ No adjustment is made for projects developed in JV.

² Excluding the minority.

³ Calculated on rolling 12-month basis.

For definitions of alternative KPIs that are not defined in IFRS and other definitions, see page 28

A word from the CEO

Activity was high at Magnolia Bostad during the first quarter of the year, partly via sales, partly through the strengthening of our building rights portfolio, which now consists of 19 447 building rights. There is great uncertainty about how Covid-19 will affect the rental transaction market. We are following developments closely and are prepared to adapt our operations if needed.



The economic situation deteriorated rapidly during the latter part of the first quarter of the year, both globally and in Sweden, and the uncertainty about future development is great due to Covid-19.

We have not yet seen any direct impact on the transaction market for residential rental property. It was another quarter with a high transaction volume and foreign investors were still very active. We will continue to monitor developments and be prepared to adapt our operations if needed.

Magnolia Bostad reported an operating profit of SEK 94 m for Q1 and a cash flow from operating activities of SEK 20 m.

An active first quarter

Sales during the quarter mainly consisted of three projects within the framework agreement with Heimstaden, a total of 1,124 residential units. In addition, we also sold 60 residential units to Heba and 7 tenant-owned apartments in previous production-started projects. The sale to Heba was signed in Q2 2019 and was conditional, which is now no

longer the case. After the end of the quarter, we signed an agreement on the sale of around 900 residential units in Karlstad to Trenum. The deal is conditional on the zoning plan coming into force, which is expected to take place in June 2020.

During the quarter, we strengthened our building rights portfolio, which now totals 19,447 building rights, of which 2,540 building rights are being developed through JVs for long-term management. The main additions during the quarter were in Borås, Barkabystaden (Järfälla) and Skellefteå.

We can clearly see how our building rights portfolio is steadily maturing and that our projects are gradually approaching a stage where zoning plans come into force. There was good news when Huddinge municipality decided in February to start the zoning plan work for Vårby Udde. This is one of our major projects where we are developing an entire neighbourhood and plan for 1,800 residential units, nursery schools, residential care units, shops, restaurants and a hotel.

We also completed a large number of residential units during the quarter, totaling 1,334 units, mainly rental accommodation located in Uppsala, Vallentuna, and Örebro, but also a care home in Helsingborg. The number of homes in production now stands at just over 8,000.

Financing

We currently have three outstanding company bonds, of which a bond with a nominal value of SEK 450 million matures in April 2020.

Since we intend to continue using more funding linked to specific projects in the future, we decided at the end of last year

not to refinance the bond that is now maturing. During March, we repurchased our own outstanding bonds and as of 31 March, our holding of outstanding bonds maturing in 2020 amounted to a nominal value of SEK 100.8 m. We will settle the remainder of the bonds by the due date of 28 April. This will impose a strain on our liquidity, but we believe that we can meet future liquidity needs with project financing within existing credit facilities, as well as payments of existing receivables from our customers. In total, claims on buyers amount to SEK 1.2 bn, of which we are estimated to receive half a billion within the next 12 months.

The future

We continue to work according to plan on our projects but are adapting our working method to the current situation with Covid-19. Many of our employees are working from home, we have digital meetings and also organize digital screenings for our residential project customers. Our long-established contacts with our partners and customers make remote cooperation easier.

There is uncertainty about future developments in society because of Covid-19. We are monitoring our business at every single phase to identify potential risks. The purpose of this is to be prepared, if necessary, to take action at an early stage.

In conclusion, we see that there is great demand and need for the housing we develop and we are continuing operations at an unchanged pace for the time being.

Fredrik Lidjan
CEO
April 2020

The Market

The economic situation deteriorated rapidly during the latter part of the quarter and there is great uncertainty surrounding the development of both the global and Swedish economy as a result of Covid-19.

In the initial stage of the pandemic caused by Covid-19, it was the industries linked to travel and tourism in particular, as well as large parts of the retail trade that were affected very negatively.

Strong first quarter for property investments¹

The pandemic had a limited effect on the transaction market during Q1 2020, which continued to be strong, and properties were sold for a value of SEK 63 bn. Compared with the same period in 2019, transaction volumes rose by 40%.

International investors remained active during Q1, accounting for 27% of total invested capital as of 31 March 2020. International buyers have been net buyers since 2017 and active in all subsegments and in many markets geographically.

However, most of the quarter's business was initiated before the pandemic. In weaker markets, property investors tend to seek secure cash flows, supporting demand for rental properties, as well as properties with secure cash flows such as community service properties. It is

worth noting that among the transactions carried out in the property market towards the end of the quarter, the majority of the volume was rental properties.

Rental property

Since the years following the 2008 financial crisis, rental property has been one of the largest volume segments in the property market, driven by the segment's low risk profile.

Interest in rental property was high during Q1 with a transaction volume of SEK 9 bn, which represented a market share of 15%. Interest in existing properties was high, but the proportion of transactions for unfinished projects has risen sharply in recent years and accounted for as much as 76% of rental property volume during Q1.

Institutions were still active buyers and since 2010 have acquired rental properties totaling over SEK 120 bn, of which around SEK 5 bn has been in 2020.

Residential care property

Residential care property worth SEK 6.6 bn was sold on the property market during Q1. This record high quarterly volume can be attributed to a corporate acquisition between two listed property companies.

Hotels

The pandemic has affected the hotel sector through falling occupancy rates both globally and in Sweden. In the property market, hotels worth around SEK 250 m were sold during Q1.

Tenant-owned apartments

The fundamental need for new housing remains high, even within tenant-owned apartments. Market conditions were good during Q1 with price increases in several geographical markets. However, there was a noticeable change in mid-March and during the last two weeks of the quarter there was a decline in the sale of the number of tenant-owned apartments².

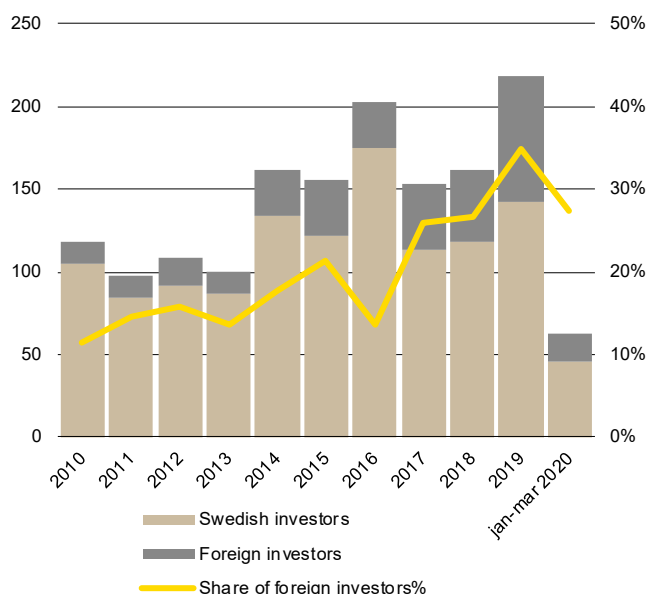
¹ Transactions over SEK 25 m

² Svensk Mäklarstatistik

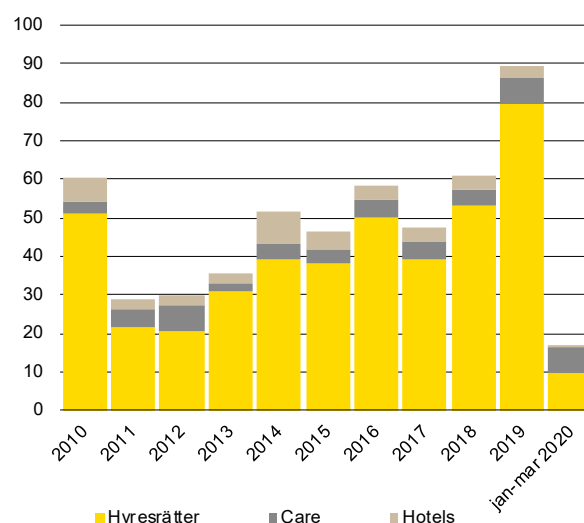
Source: Savills

Transaction volume all segments, SEK bn

Swedish and foreign investors



Transaction volume apartments, care and hotels SEK bn



Earnings, financial position and funding

Comparisons provided in parentheses refer to the corresponding figure for the previous year except in sections that describe the financial position and financing. These figures refer to the end of the previous year.

Reporting period 1 January – 31 March 2020

Net sales amounted to SEK 452 m (37) and the operating profit was SEK 94 m (122). The profit before tax was SEK 48 m (80).

Distribution of revenue	2020 Jan-Mar	2019 Jan-Mar
Property sales	432	-8
Sum of revenue recognised at a point in time	432	-8
Project management	5	6
Rent	5	3
Other invoicing for the projects and other revenue	10	36
Sum of revenue recognised over in time	20	45
TOTAL REVENUE	452	37

Cash flow from the sale of projects is partly received in connection with the handover of land via forward funding, since Magnolia Bostad is paid by the buyer for investments made up to this point. Magnolia Bostad often receives a part of the project gains in cash at the handover. The remaining cash flows from property sales are received in connection with project completion. For sales of undeveloped property, the

entire purchase price is normally received in connection with the exit

Other income, such as rent, project management and invoicing to the projects, is reported and invoiced on an on-going basis.

The number of residential units sold increased to 1,191 (8). Of the period's sold properties, 1,124 residential units refer to rental housing sold to Heimstaden under a framework agreement, 60 residential units refer to a community service property sold to Heba and 7 residential units distributed on two tenant-owned properties.

Under the framework agreement with Heimstaden, during Q1 2020 783 residential units were sold in the Slipsen project in Lund with an estimated property value upon completion of around SEK 1,400 m, 225 residential units were sold in the Edvinshem project in Ystad with an estimated property value upon completion of around SEK 400 m and 116 residential units with an estimated property value at completion of SEK 200 m were sold in the Björkalund project in Norrköping.

Rental income increased to SEK 5 m (3) Operating costs for properties that generate rental income amounted to SEK -4 m (-2). Net operating income from rental-generating properties increased to SEK 2 m (1). Net operating income is included in the gross profit.

Magnolia Bostad has increased its organization compared to the same period last year, which explains the increase in costs for central administration to SEK -23 m (-15).

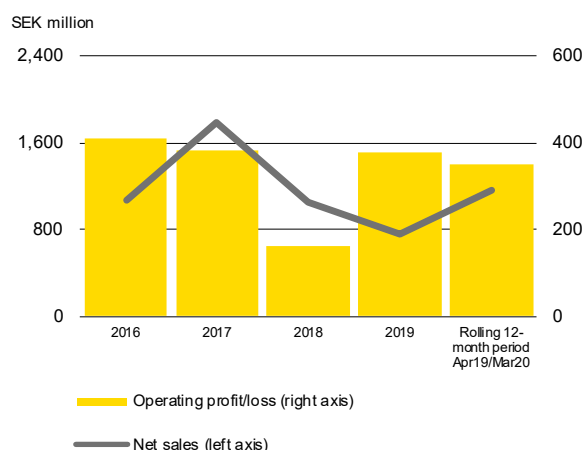
The loss from associated companies was SEK -11 m (-9), mainly affected by financing costs in the jointly owned JV companies Upplands Bro Brogårds Etapp 2 AB and Sollentuna Stinsen JV AB. During the quarter, Upplands Bro Brogårds Etapp 2 AB was granted investment support for 644 residential units.

The change in value of management properties was SEK -5 m (165). The change in value for the period was largely affected by additional costs, mainly related to projects that, during the quarter, were transferred from the jointly owned company with Slättö.

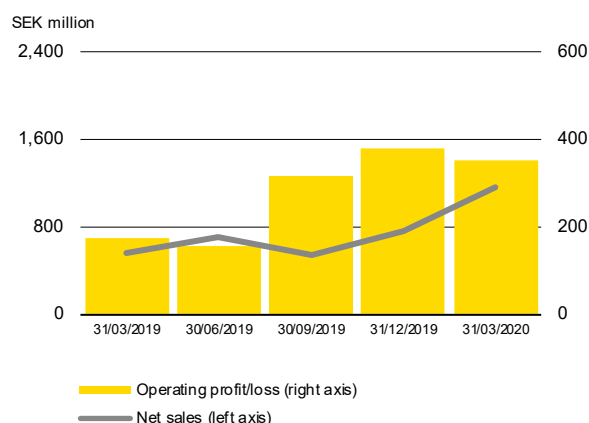
Net financial items

Net financial items amounted to SEK -46 m (-42). The increase in financing costs is due to, on average, total interest-bearing liabilities have been higher over the period compared to the same period last year.

Net sales & operating profit/loss, full-year



Net sales & operating profit/loss, rolling 12-months



At the end of the period, Magnolia Bostad's average interest rate was 7.1% compared to 7.4% at the end of the same period last year. At year-end 2019, the average interest rate was 7.0%.

The interest coverage ratio for the rolling twelve-month period was 2.2 times, compared with -0.3 times for the same period last year and 1.5 times for FY 2019. During the quarter, the definition of the interest coverage ratio was changed and now includes additions for realized value growth. Realized value growth is calculated as revenue from the sale of management properties minus acquisition cost, accumulated investments and sales costs. Realized value growth shows the actual result of sales measured from acquisition to sale. Comparative figures have been recalculated in line with the current definition.

Profit/loss for the period

The profit for the period was SEK 47 m (46) and includes SEK -1 m (-34) in income taxes. Reported income taxes for the period relate to deferred tax on temporary differences for investment properties.

Financial position

The consolidated balance sheet total fell to SEK 3,915 m, compared with SEK 3,999 m at the beginning of the year. Properties held for long-term management are reported as investment properties and amounted to SEK 677 m (654). The increase during the quarter was mainly due to continued investments in the Björnbäret project in Kalmar.

Long-term and current receivables from associated companies and JVs fell by SEK 107 m to SEK 158 m (265). The fall in receivables from associated companies is mainly explained by a decrease in receivables from the jointly-owned company with Slättö, Core Plus Holding AB.

Of the long-term and other receivables totaling SEK 1,344 m (1,177), SEK 1,163 m (1,014) are receivables due from buyers of the projects, mainly at our partners and large Swedish institutions, while SEK 127 m (121) refers to deposits for future property acquisitions. Within the next 12 months, the Group is

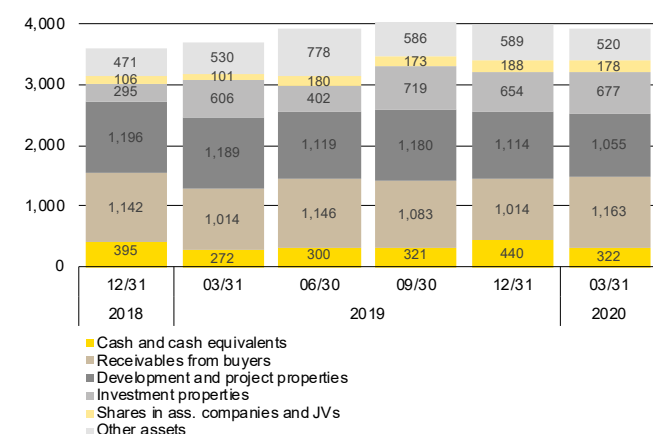
expected to receive SEK 520 m (479) of the total receivables from buyers of the projects as amortization of promissory notes, payment of additional considerations, final considerations and forward funding.

Development and project properties have decreased as a result of completed project sales, while the Group continued to invest in its project portfolio over the period. During the period, development and project properties fell by SEK 59 m and amounted to SEK 1,055 m (1,114).

Shares in associated companies and JVs have decreased by SEK 10 m to SEK 178 m (188), mainly affected by financing costs for Upplands Bro Brogårds Etapp 2 AB and Sollentuna Stinsen JV AB.

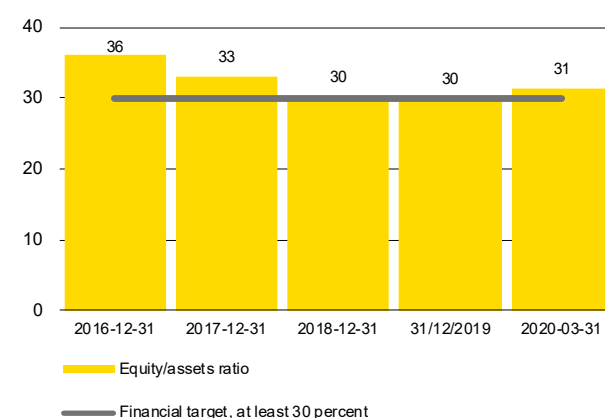
Distribution of assets

SEK million



Equity/assets ratio

%



Equity and equity/assets ratio

As on 31 March 2020, consolidated equity amounted to SEK 1,230 m (1,183) with an equity/assets ratio of 31.4% (29.6). Of the consolidated equity, SEK 109 million (103) is attributable to holdings without controlling influence.

Return on equity for the last twelve-month period was 13.8%, compared with 14.1% for FY 2019. Return on equity is below the financial target of a return on equity of 30%.

Interest-bearing liabilities

Total interest-bearing loans, including the interest-bearing deposits, amounted to SEK 2,304 m (2,404) as on 31 March 2020. The majority of Magnolia Bostad's liabilities consist of bond loans with a book value of SEK 1,363 m and project and property-related liabilities of SEK 684 m, of which SEK 346 m is collateralized by property. In April 2020, a bond will be due for payment at a nominal amount of SEK 450 m, SEK 101 m has been repurchased and is in its own custody, the amount outstanding after repurchase amounts to SEK 349 m.

Repayment for project-related liabilities is made in connection with Magnolia Bostad's handover, or in connection with the final payment being received from buyers in connection with project completion. During 2020, SEK 145 m in project-related liabilities is expected to fall due, of which SEK 91 m is linked to a project within the framework agreement with Heimstaden, which will be amortized in conjunction with Heimstaden Bostad joining the project and Magnolia Bostad receives forward funding.

The remaining interest-bearing liabilities consist of SEK 135 m in deposits and sellers promissory notes of SEK 121 m. The average tied-up capital period, excluding deposits and the utilized credit line, was 1.5 years at 31 March 2020, compared to 1.6 years at 31 December 2019.

After a deduction for liquid assets of SEK 322 m (440) interest-bearing net liabilities were SEK 1,982 m (1,964).

Receivables from buyers amounted to SEK 1,163 m (1,014), interest-bearing net liabilities after deduction of receivables from buyers amounted to SEK 819 m (950), a decrease of SEK 131 m in a period of three months.

During the period, investment properties increased by SEK 23 m to SEK 677 m (654), which ties up capital and was partly financed with interest-bearing liabilities.

Bond loans

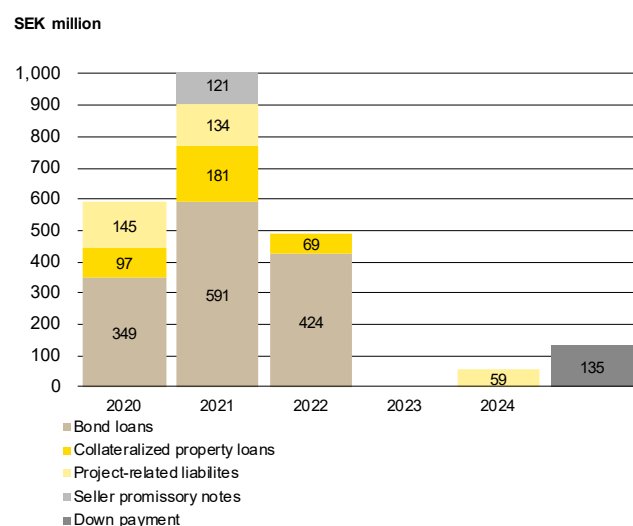
As on 31 March 2020, Magnolia Bostad had three outstanding bonds. A secured bond of a nominal SEK 450 m with a variable coupon of Stibor 3m + 6.25% (with a Stibor floor) and final maturity in April 2020, an unsecured bond of a nominal SEK 600 m pursuant to a bond frame of up to SEK 1 bn with a variable coupon of Stibor 3m + 7.25% (without a Stibor floor) and final maturity in October 2021 and an unsecured bond of SEK 500 m, which runs with a variable coupon of Stibor 3m + 8.50% (without a Stibor floor) maturing in October 2022.

The annual interest expense for all the bonds worth a nominal SEK 450 m maturing in April 2020, amounts to SEK 29 m.

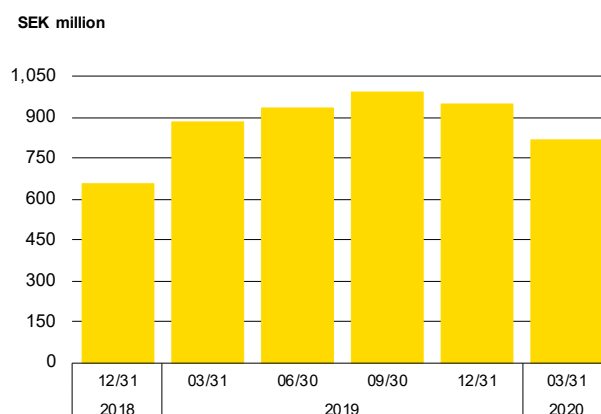
During Q1 2020, Magnolia Bostad repurchased a nominal SEK 81 m of the bond maturing in April 2020 and as of 31 March 2020, has bonds totaling SEK 101 m in its own custody. In addition, Magnolia Bostad has SEK 70 million of the bond with maturity in 2022 in its own repository.

The difference between the book value of SEK 1,363 m and nominal amount on the bonds is due to bonds in own custody of SEK 171 m, bonds issued at a value below the nominal amount and paid settlement fees reported according to the effective interest rate method.

Maturity structure, SEK million



Interest bearing net liabilities with deduction for receivables at buyer



Cash flow and cash equivalents

The consolidated cash flow from operating activities for the period was SEK 20 m (-70). This is the third quarter in a row with a positive cash flow from operating activities, which means that cash flow from operating activities for the twelve-month period ending 31 March 2020 amounts to SEK 165 m.

The cash flow for the period was affected by investments in the project portfolio. The cash flow for the period from operating activities excluding investments and other changes in development and project properties, amounted to SEK 157 m (58), the corresponding figure for the twelve-month period amounts to SEK 262 m.

In connection with the exit, Magnolia Bostad receives forward funding for the project, which means that Magnolia Bostad will be paid for investments made up to the date of the exit. Often, part of the project's profit is received at the exit. The remaining part of the project's profit is usually obtained in connection with project completion. This leads to a delay between the timing of reporting sales in the income statement and cash flows received.

The cash flow from investment activities amounted to SEK -25 m (-15) and was affected by investments in investment properties of SEK -22 m (-10). The cash flow from financing activities amounted to SEK -113 m (-38).

Cash and cash equivalents as on 31 March 2020 amounted to SEK 322 m, compared with SEK 440 m on 31 December 2019. In addition to cash and cash equivalents, there were unutilized credit facilities of SEK 783 m (788) available as on 31 March 2020 of which there were unutilized overdraft facilities of SEK 50 m.

Fair value of financial instruments

The fair value of financial assets and liabilities is judged to be essentially in line with the book value of all financial instruments except bond loans, where the fair value is estimated to be SEK 1,250 m (1,427) compared to the book value of SEK 1,363 m (1,441). Bond loans belong to the category of financial liabilities valued at the accrued acquisition value. The fair value for bond loans has been determined in accordance with level 1 of the fair value hierarchy in accordance with IFRS 13. No changes were made in the fair value hierarchy of financial instruments.

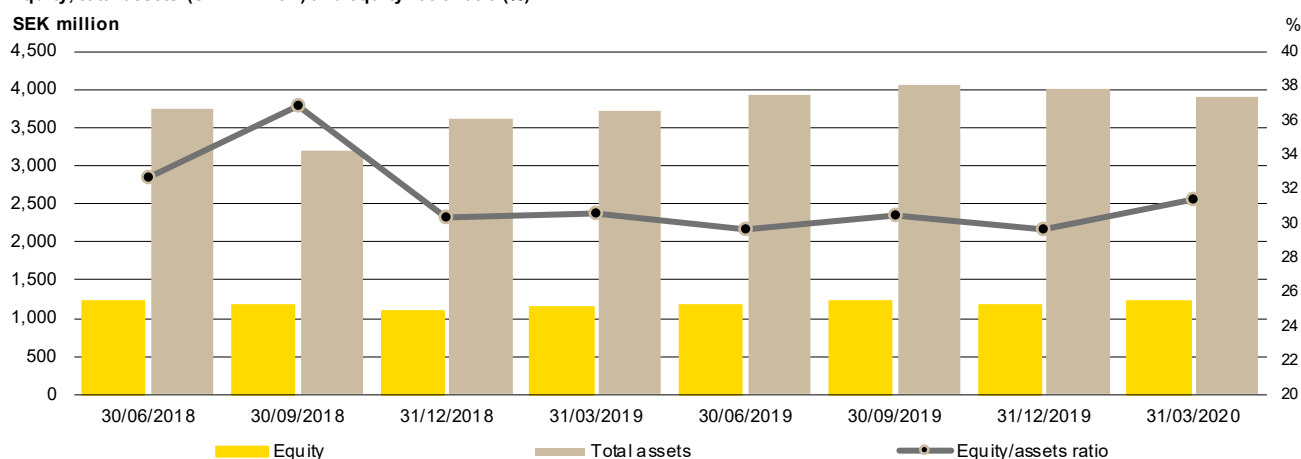
Parent company's income statement

The parent company's loss after financial items was SEK -18 m (-13).

Parent company's balance sheet

The parent company's balance sheet total declined to SEK 1,948 m (2,057). The equity/assets ratio for the parent company was 20.4%, compared to 20.3% at the turn of the year.

Equity, total assets (SEK million) and equity/ratio ratio (%)



In February 2020, Huddinge municipality took the decision to begin the zoning plan work on the development of Vårby Udde into a new marine district. Magnolia Bostad plans to develop around 1,800 homes, nurseries, residential care units, shops, restaurants and a hotel.



Projects and properties

The information on pages 10-17 refers to all building rights and residential units in each project and completed properties for self-management, including projects being developed in JVs.

Magnolia Bostad mainly develops rental properties, hotels and community service properties, and to some extent tenant-owned apartments as well, in Sweden's growth towns and large cities. The majority of our projects are sold to major Swedish institutions or other reputable partners at an early stage.

Magnolia Bostad also develops accommodation for its own long-term management. Self-managed properties currently constitute a smaller part of the building rights portfolio. Over time, Magnolia Bostad intends to build a portfolio of self-managed property to strengthen the balance sheet, provide ongoing cash flow and long-term value growth. Decisions on development for self-management are made on a case-by-case basis.

Magnolia Bostad applies an urban planning perspective to its projects. Municipalities and institutional investors often require the expertise to develop comprehensive residential areas, that not only include homes but also contain, for example, municipal properties such as sheltered housing and nursery schools.

By working with a range of products and housing forms, Magnolia Bostad achieves good risk distribution and is an attractive partner for long-term cooperation

Magnolia Bostad's business model

Magnolia Bostad's business development department constantly monitors the market for business opportunities from either private or municipal players. Once attractive land has been identified, we carry out feasibility studies in the form of market analyses and revenue and cost estimates. After completing the acquisition, Magnolia Bostad often runs a zoning plan at the same time as negotiating with construction contractors for turnkey contracts for the projects.

Most projects are sold at an early stage, generally before building permits have

come into force and in connection with production having started. Buyers are normally financially strong institutional investors or property companies.

Some projects are also developed for self-management, either under our own management or as part of a JV.

Magnolia Bostad manages and runs all projects until completion, a period that normally lasts 2-3 years

Estimated building rights

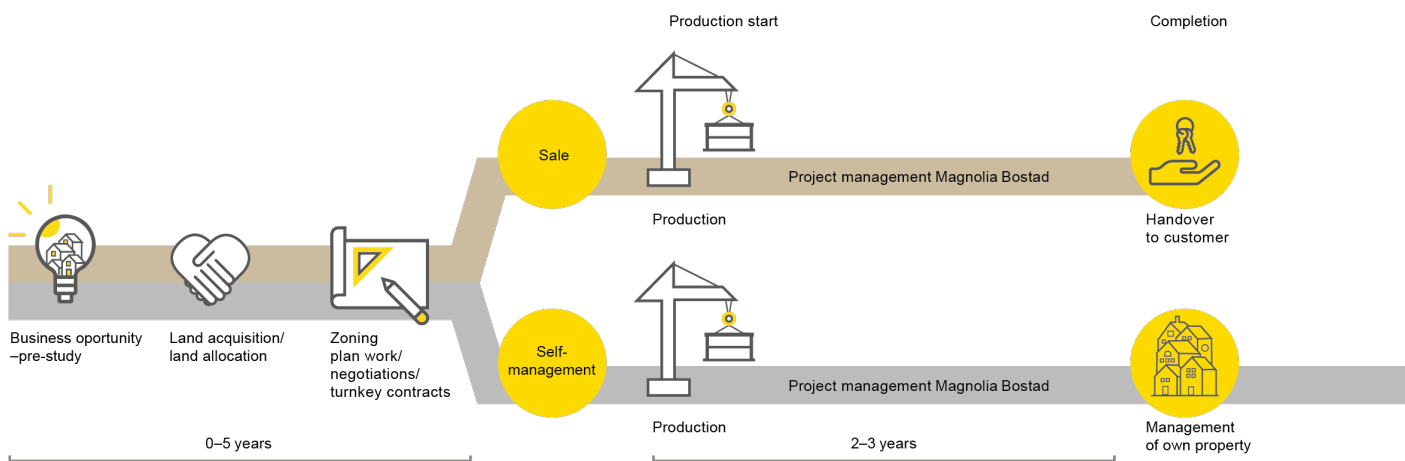
19,447

of which 4,397 through JV

Residencies under production:

8,010

of which 1,394 through JV



Building rights portfolio

As of 31 March 2020, Magnolia Bostad had a project portfolio of 16,907 estimated building rights for sale, of which 1,857 were through JVs (pages 12-13), and 2,540 building rights in three properties for self-management, that have not yet started production and are owned by a JV (page 16). The total number of estimated building rights therefore amounts to 19,447.

Projects in production

As of 31 March 2020, Magnolia Bostad had 33 projects in production for a total of 8,010 residencies, of which 6,429 were residential units for sale and 1,581 units under self-management.

Sold projects in production

In projects that are being developed for sale, production started on 6,429 residential units (pages 14). Of these, 6,408 were sold and revenue recognized, which corresponds to a sales ratio of 99.7%. The difference of 21 units is 21 tenant-owned apartment that have not yet been sold in two tenant-owned apartment projects where production has already started.

In sold rental property projects, Magnolia Bostad can, on behalf of and in collaboration with the purchaser, sell parts of

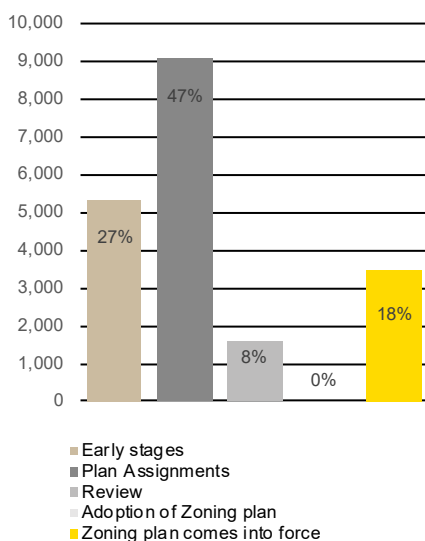
sold rental property projects as tenant-owned apartments. During Q1, 5 residential units were converted to tenant-owned apartments in the previously sold rental property project Fyren, stage 1 in Nynäshamn.

Property for self-management in production

As of 31 March 2020, Magnolia Bostad had 1,581 homes in production for self-management, of which 1,269 were through JVs (page 16). These properties are being developed for long-term ownership.

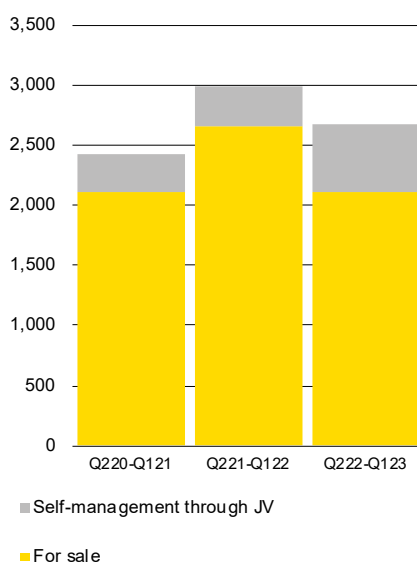
Building rights portfolio^{1 2}

- the proportion of estimated building rights in each zoning plan phase



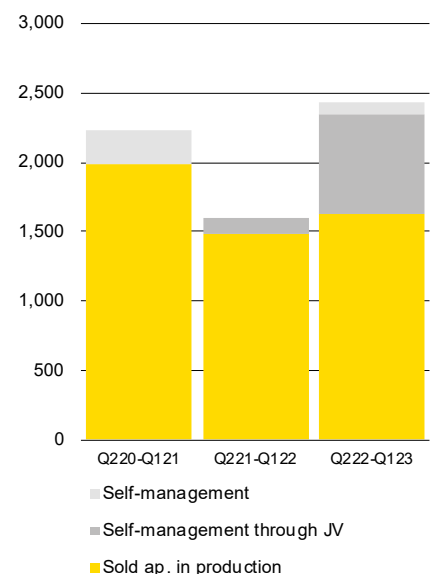
Estimated production starts in the building rights portfolio², coming 3 years

- no of residential units on rolling 12-month periods



Estimated completion of projects in production², coming 3 years

- no of residential units on rolling 12-month periods



¹ The percentages are rounded to the nearest whole number.

² Refers to all building rights and residential units in each project, including projects developed in JVs

Projects for sale

Magnolia Bostad has a project portfolio for sale comprising 39 projects and 16,907 estimated building rights. The production process starts when the zoning plan has come into force, a turnkey contract has been signed, and a binding sales agreement has been signed. Larger projects usually start production in multiple stages of 200-300 residential units per stage.

A majority of projects are sold off at an early stage through forward funding to

major Swedish institutions or other reputable partners. Our customers are therefore financially strong and less cyclically sensitive than many other buyers. Through forward funding, Magnolia Bostad's financing needs are reduced and, with that, the risk to our operations as well. The projects are financed by the buyer during the production period.

Magnolia Bostad aims to achieve a margin of at least 10% for all projects that are being developed for sale.

Projects not yet production started– projects for sale

The information on each project in the tables below is the company's current assessment of each project as a whole. Due to uncertainty factors such as local zoning plan processes, decisions by government authorities or undetermined dates for vacancy, these assessments and thus the final outcome for each project may change over time.

The information on pages 12-13 refers to all residential units in each project, including projects being developed within JVs. Magnolia Bostad's share of earnings amounts to 92% unless otherwise stated.

Name	Municipality	Area	Category	Estimated number of building rights	Estimated GFA/MUA/UFA (sqm)	Zoning plan status	Planned buyer
Gyllehemmet	Borlänge	Centrala Borlänge	A, CSP	106	9,400	● ● ● ● ●	
Åkermynatan	Borås	Bergsåter	A	280	19,600	● ● ● ○ ○	Heimstaden ramavtal
Kvarnsjödalen ²	Botkyrka	Tumba	A, CSP	2,000	130,000	● ○ ○ ○ ○	Slättö ramavtal, del av projekt
Mesta	Eskilstuna	Mesta	CSP	54	3,950	● ● ○ ○ ○	
Nya Hovås	Göteborg	Nya Hovås	A	180	8,900	● ● ● ● ●	
Gamlestaden hotell ⁴	Göteborg	Gamlestaden	H	240	7,600	● ● ● ● ●	
Frihamnen H ⁴	Göteborg	Lundbyvassen	H	300	11,000	● ● ○ ○ ○	
Frihamnen ²	Göteborg	Lundbyvassen	A	150	8,000	● ● ○ ○ ○	
Västerhaninge	Haninge	Västerhaninge	A	500	30,000	● ● ○ ○ ○	
Drottninghög	Helsingborg	Drottninghög	CSP	105	6,200	● ● ● ● ●	
Mejeriet ²	Helsingborg	Filborna	A	540	30,000	● ○ ○ ○ ○	Heimstaden ramavtal
Österhagen	Huddinge	Länna	CSP	80	5,300	● ● ○ ○ ○	
Vårby Udde ²	Huddinge	Vårby	A, CSP, H	1,800	115,000	● ● ○ ○ ○	Slättö ramavtal, del av projekt
Torgkvarteren ²	Håbo	Centrala Bålsta	A	325	21,500	● ● ● ○ ○	Heimstaden ramavtal
Tullholmsviken	Karlstad	Tullholmsviken	A	440	25,500	● ● ● ○ ○	
Ängloket ²	Knivsta	Centrala Knivsta	A	415	15,000	● ● ● ● ●	Heimstaden ramavtal
Bunkeflostrand ²	Malmö	Limhamn	A, CSP	1,300	59,400	● ● ○ ○ ○	
Hasseludden	Nacka	Hasseludden	CSP	60	4,300	● ● ● ● ●	
Orminge Hus	Nacka	Orminge Centrum	A, CSP	280	15,330	● ● ● ○ ○	
Lommarstranden ²	Norrköping	Lommarstranden	A	300	12,000	● ● ○ ○ ○	
Nykvarn ³	Nykvarn	Centrala Nykvarn	A	285	13,000	● ● ● ● ●	

Name	Municipality	Area	Category	Estimated number of building rights	Estimated GFA/MUA/UFA (sqm)	Zoning plan status	Planned buyer
Partilleport	Partille	Partille	A	210	12,400	●●●●●	
Norrbacka ²	Sigtuna	Norrbacka	A, CSP	310	16,000	●●○○○	
Västra Erikslid	Skellefteå	Västra Erikslid	A	300	21,000	●●●●●	
Södra Häggviks Gårdar ¹	Sollentuna	Stinsen, Häggvik	A, CSP	1,500	94,000	●●○○○	Slättö ramavtal, del av projekt
Årstaberg 2	Stockholm	Årsta	A	120	6,500	●●○○○	
Bredängshöjden ²	Stockholm	Bredäng	A	700	35,000	●●○○○	Heimstaden ramavtal, del av projekt
Erstavik ³	Stockholm	Erstavik	CSP	72	5,180	●○○○○	
Årstaberg 1	Stockholm	Liljeholmen	A	100	5,500	●●○○○	Heimstaden ramavtal
Oktaven	Stockholm	Skärholmen	A	110	5,830	●●○○○	
Skarpnäcksgård 1:1	Stockholm	Skarpnäck	A	90	4,200	●●○○○	Heimstaden ramavtal
Norra kajen ²	Sundsvall	Norra Kajen	A	905	37,300	●●●●●	Heimstaden ramavtal
Finnkajen ⁴	Sundsvall	Stenstaden	H	270	10,500	●●●○○	
Sländan, etapp 3 ²	Södertälje	Centrala Södertälje	A	250	12,700	●●○○○	
Grimsta 5:2 (Infra) ²	Upplands Väsby	Bredden	A, CSP, H	890	41,200	●●○○○	
Senapsfabriken ²	Uppsala	Centrala Uppsala	A	700	29,000	●○○○○	
Konstnären ²	Uppsala	Sala Backe	A	110	6,150	●●●●●	Heimstaden ramavtal
Nätverket ²	Österåker	Åkersberga	A	335	9,600	●●○○○	Heimstaden ramavtal
Hagby Park ²	Österåker	Åkersberga	A	195	10,300	●●○○○	Heimstaden ramavtal
Total estimated apartments				16,907	913,340		

¹ Magnolia Bostad owns 45% of the JV. Magnolia Bostad's share of the development profit amounts to 90%.

² Magnolia Bostad's share of the profit amounts to 90%.

³ Part of JV. Magnolia Bostad's share of the profit amounts to 46%.

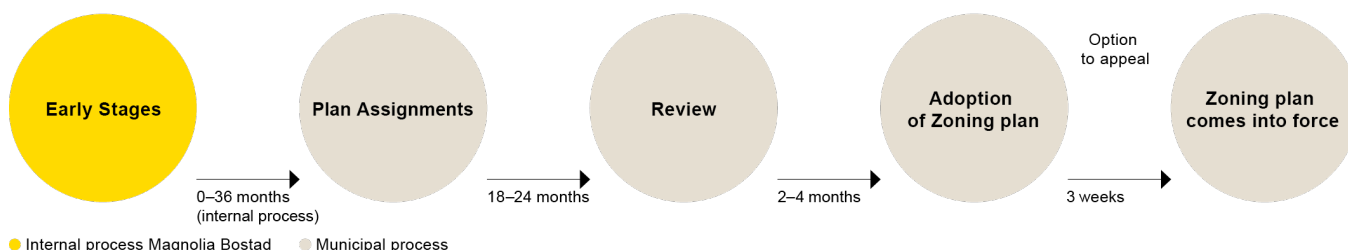
⁴ Magnolia Bostad's share of the result amounts to 76%.

●●●●● = Zoning plan comes into force
 ●●●○○ = Adoption of Zoning plan
 ●●○○○ = Review
 ●●○○○ = Plan Assignments
 ●○○○○ = Early stages

A=Apartments (will be RU and/or TO), CSP=Community service property, such as for example, care homes, schools and nurseries, H=Hotel

Zoning plan process

The timeline below, from and including planning assignments, shows the estimated average time spent in the various stages of the planning process at the municipality.



The above process can be affected by a number of factors and thus delayed due to, for example, political change or changed conditions in the development area. An appeal against an adopted plan can delay the process by up to 18 months.

Projects in production - sold or being sold

The number of residential units sold in production is the estimated number of residential units at the time production starts.

The information on pages 14 refers to all residential units in each project, including projects being developed within JVs. Magnolia Bostad's share of earnings amounts to 90% unless otherwise stated.

Project	Area, Municipality	Category	Sold ap.	GFA/MUA/ UFA (sqm)	Unsold ap.	Production start	Buyer	Contractor
Slipen	Kanikenäsholmen, Karlstad	RU	216	12,300		2015	Slättö	Consto
Maria Mosaik	Mariastaden, Helsingborg	RU	345	16,000		2016	SPP Fastigheter	Veidekke
Sländan, etapp 1	Centrala Södertälje	RU	441	19,000		2016	SPP Fastigheter	ED Bygg
Gjuteriet, etapp 1	Norr Munktelstaden, Eskilstuna	RU	262	13,900		2016	Slättö	Consto
Senapsfabriken, etapp 2 norra ¹	Centrala Uppsala	RU	325	13,100		2017	Slättö	NCC
Senapsfabriken, etapp 2 södra ¹	Centrala Uppsala	RU	325	13,900		2017	Heimstaden Bostad	NCC
Sländan, etapp 2	Centrala Södertälje	RU	136	5,300		2017	Viva Bostad	ED Bygg
Fyren, etapp 1	Nynäshamn	RU	220	10,500		2017	Viva Bostad	Consto
Fyren, etapp 2	Nynäshamn	RU	236	11,600		2017	SEB Domestica IV	Consto
Hyllie Gärde ²	Hyllie, Malmö	RU	427	21,000		2017	Slättö	ED Bygg
Hotell Brunnshög ³	Brunnshög, Lund	H	251	8,900		2017	Alecta	Serneke
Hotell Resecentrum ³	Centrala Halmstad	H	244	9,500		2017	Alecta	Serneke
Visborg ²	Visborg, Visby	CSP	58	3,950		2018	Northern Horizon	PEAB
Fasanen	Arlöv, Burlöv	RU	275	12,675		2018	Heimstaden Bostad	Serneke
Brogårdstaden ²	Bro, Upplands-Bro	RU	658	31,000		2018	Slättö	Consto
Ophelias Brygga	Oceanhamnen, Helsingborg	TO	107	7,500	17	2018	Brf	Serneke
Nämndemansgatan ²	Centrala Motala	CSP	54	4,400		2018	M&G Gärhovs Bygg	
Nyponrosen 5 ⁴	Rosengården, Helsingborg	CSP/RU	125	8,360		2018	Northern Horizon	Veidekke
Piccolo ²	Centrala Halmstad	TO	22	1,860	4	2018	Brf	Serneke
Lilium, etapp 2	Nyby, Uppsala	TO	109	5,200		2019	BRF	Serneke
Norrtälje Hamn	Norrtälje Hamn, Norrtälje	CSP/RU	167	9,500		2019	Heba	Credentia
Ferdinand ²	Spånga, Stockholm	CSP/RU	221	15,400		2019	Heimstaden Bostad	Consto
Björkalund ²	Björkalund, Norrköping	RU	116	5,100		2019	Heimstaden Bostad	Derome
Edvinshem ²	Edvinshem, Ystad	RU	225	13,730		2019	Heimstaden Bostad	Derome
Slipen	Södra Råbylund, Lund	RU	783	34,000		2019	Heimstaden Bostad	Serneke
Täljöviken	Åkerberga, Österåker	CSP	60	4,640		2020	Heba	Consto
Sum			6,408	312,315	21			

¹ Magnolia Bostad's share of the profit amounts to 76,3%.

² Magnolia Bostad's share of the profit amounts to 92%.

³ Magnolia Bostad's share of the profit amount to 76%.

⁴ Part of JV. Magnolia Bostad's share of the profit amounts to 46%.

RU= Rental unit

TO= Tenant-owned

H= Hotel

CSP=Community service property, such as for example, care homes, schools and nurseries

Properties for self-management

Properties for self-management now form part of the building rights portfolio. Over time, Magnolia Bostad intends to build up a self-management portfolio to strengthen the balance sheet and provide a continuous cash flow and long-term value growth. Magnolia Bostad develops properties for self-management both under its own management and within JVs.

For self-managed properties we run ourselves, a building credit is used during the development phase and then financing with planned tied-up capital of 3-5 years. Building credit is also used for development within JVs, but by working with financially strong partners, the need for our own financing is reduced. Magnolia Bostad contributes with its development expertise while our partner accounts for a larger share of the capital requirement.

As of 31 March 2020, Magnolia Bostad had two completed properties for its own

long-term management and seven properties for self-management in production. After completing these, the annual rental value is estimated to amount to SEK 165 m, of which SEK 118 m is reported as part of JVs and the properties have a property value of SEK 3,245 m, of which SEK 2,371 m is part of JVs. Production starts for properties under own management take place when the zoning plan has come into force and a turnkey contract signed.

Magnolia Bostad's share of earnings in the tables below amounts to 92% unless otherwise stated.

Valuation of properties for self-management and properties for self-management in production

Magnolia Bostad reports its properties for self-management at fair value in accordance with IAS 40 Investment Properties. Magnolia Bostad values all properties for self-management every

quarter. To ensure the valuations, an external valuation of all properties for self-management is carried out annually.

In implemented valuations, direct yields in a range from 3.75% to 6.25% have been used.

Properties for self-management that are owned by JVs are measured at fair value within the JV, which affects the result of shares in associated companies and joint ventures and therefore the reported value of shares in associated companies and joint ventures.

Properties for self-management, completed

Project	Area, Municipality	Category	No. of apartments	Rentable space (sqm)	Property value (SEK m)	Occupancy rate (%)	Property value per sq.m	Annual rental value (SEK m)
Orminge Centrum ¹	Orminge, Nacka	O	-	6,000	103	98	17,167	8
Adjutanten	A7-området, Visby	CSP	68	4,200	117	99	27,810	6
Total			68	10,200	220		44,977	14

¹ Magnolia Bostad's share of the profit amounts to 90%.

O=Office,
CSP=Community service property, such as for example, care homes, schools and nurseries

Properties for self-management, in production

Project	Area, municipality	Cate- gory	Est. number of ap.	Est. rentable space at completion (sqm)	Remaining investment (SEK m)	Est. property value upon completion (SEK m)	Est. annual rental value at completion (SEK m)	Est. completi on	JV-partner
Björnbäret	Snurrom, Kalmar	RU	232	10,950	49	373	20	2020	-
Norrskan	Centrala Östersund	CSP	80	5,800	224	281	14	2023	-
Sum project under own self-management			312	16,750	273	654	34		
Övre Bangården ¹	Centrala Östersund	RU	212	9,200	306	333	18	2022	Slättö
Kronandalen ¹	Kronandalen, Luleå	RU	117	5,100	185	181	9	2022	Slättö
Gjuteriet, etapp 2 ¹	Norra Munktelstaden, Eskilstuna	RU	115	5,850	180	242	13	2021	Slättö
Sportflygaren ¹	Södra Ladugårdsängen, Örebro	RU	180	8,350	258	382	19	2022	Slättö
Brogårdstaden ¹	Bro, Upplandsbro	RU	645	38,000	963	1,233	59	2022-2024	Heimstaden
Sum projects through JV			1,269	66,500	1,892	2,371	118		
Sum			1,581	83,250	2,165	3,025	151		

Properties for self-management, not yet production started

Name	Area, Municipality	Cate- gory	Estimated no. of ap.	Est. rentable space at completion (sqm)	Est. completion	Zoning plan status	JV partner
Brogårdstaden ¹	Bro, Upplands-Bro	A	190	12,000	2022-2024	● ● ● ● ●	Heimstaden
Näsängen ¹	Åkersberga, Österåker	A	2,000	122,000	2025-2035	● ○ ○ ○ ○	Heimstaden
Barkabystaden ¹	Barkaby, Järfälla	A	350	16,000	2024	● ● ● ● ●	Slättö
Sum			2,540	150,000			

¹ Part of JV. Magnolia Bostad's share of the profit amounts to 46%.

For information on the Zoning plan process, see page 13

A=Apartment (will be RU and/or TO), RU=Rental unit,
CSP=Community service property, such as for example,
care homes, schools and nurseries

Events during the first quarter 2020

Acquisitions

During Q1, three projects were acquired totaling around 930 estimated building rights located in Skellefteå, Borås and Barkaby.

Project sales and production starts

During Q1, three production started projects of 1,124 residential units were sold along with 7 properties in tenant-owned projects. A total of 1,191 residential units were sold during the period. In Q1, a project totaling about 60 residential units was started, none of which were through JV companies.

Completed projects

During Q1, 6 projects were completed with a total of 1,334 residential units.

Acquisitions 2020¹

Quarter	Project	Municipality	Category	Estimated number of building rights
1	Västra Erikslid	Skellefteå	A	300
1	Barkabystaden	Järfälla	A	350
1	Åkermynatan	Borås	A	280
Sum				930

Divestments 2020¹

Quarter	Project	Location	Category	Acquired by	Number of apartments
1	Täljöviken	Österåker	CSP	Heba	60
Sum					60

Sales 2020¹

Quarter	Project	Municipality	Category	Acquired by	Number of residencies
1	Ophelias Brygga	Helsingborg	TO	Brf	4
1	Piccolo	Halmstad	TO	Brf	3
1	Slipsten	Lund	RU	Heimstaden Bostad	783
1	Edvinshem	Ystad	RU	Heimstaden Bostad	225
1	Björkalund	Norrköping	RU	Heimstaden Bostad	116
1	Täljöviken	Österåker	CSP	Heba	60
Sum					1,191

Projects closed in 2020¹

Quarter	Project	Municipality	Category	Acquired by	Number of apartments
1	Senapsfabriken, etapp 1	Uppsala	A	SEB Domestica III	455
1	Nyby Lilium, etapp 1	Uppsala	A	SEB Domestica II	300
1	Tegelslagaren	Vallentuna	A	SEB Domestica II	155
1	Tegelmästaren	Vallentuna	A	SEB Domestica II	160
1	Segelflygaren	Örebro	A	Slättö	210
1	Allarp Laholm	Helsingborg	CSP	Northern Horizon	54
Sum					1,334

¹ Refers to all building rights and residential units in each project, including projects developed in JVs.

A=Apartments, CSP=Community Service property, such as for example, care homes, schools and nurseries

The shares

Share information

Magnolia Bostad's shares are listed on Nasdaq Stockholm's main list. The shares are traded on Nasdaq Stockholm under the ticker (MAG) and ISIN code (SE0007074505).

The closing price on the closing date of 31 March 2020 was SEK 30. On average, 109 transactions per trading day were carried out between 1 January and 31 March 2020 and the average trading volume per trading day amounted to SEK 2.4 m.

The average number of outstanding shares as at 31 March 2020 was 37,822,283. See page 30

Owners

F. Holmström Fastigheter AB, which is controlled by Fredrik Holmström, owns 56.37% of Magnolia Bostad.

As on 31 March 2020 the number of shareholders was 3,699.

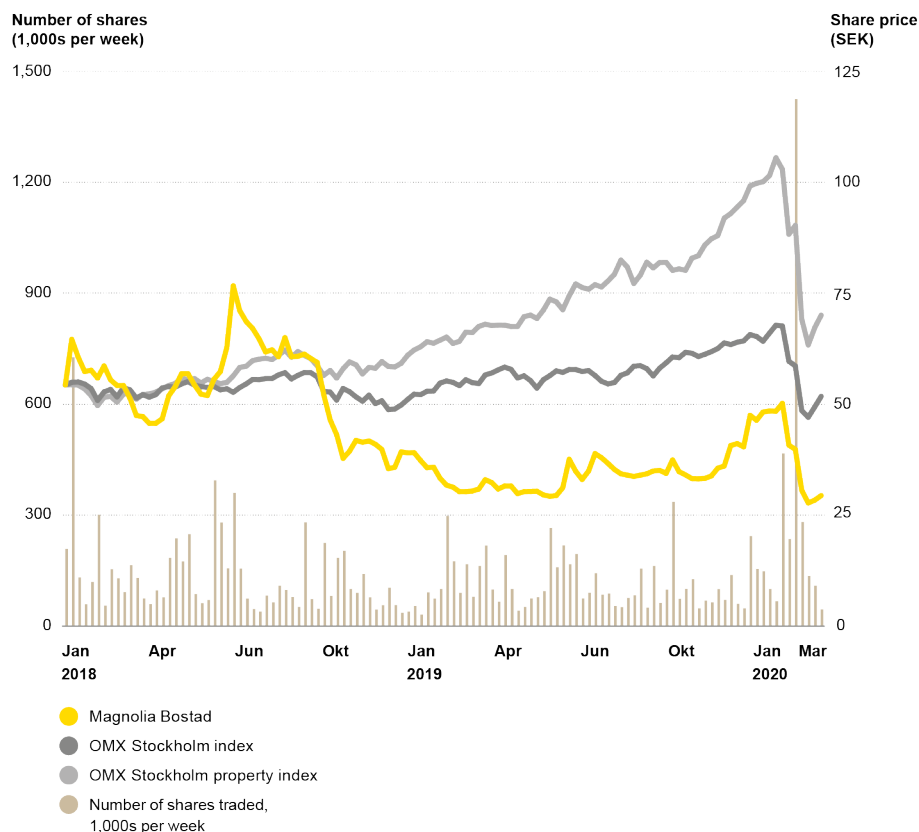
Warrants

Magnolia Bostad has issued warrants both in 2017 and 2019.

The Annual General Meeting held on 26 April 2017, resolved to issue 350,000 warrants to the subsidiary, Magnolia Utveckling. In total 260,500 warrants have been transferred to employees in accordance with the warrant program and 28,000 warrants have been repurchased. 89,500 unutilized warrants have been cancelled during 2019. Each warrant entitles the holder to the right to subscribe for one share at a strike price of SEK 84 per share. The subscription period is from 2 November 2020 until 26 April 2022.

The Annual General Meeting held on 10 May 2019 resolved to issue 200,000 warrants to the subsidiary Magnolia Utveckling. Following the AGM's decision, 170,000 of the warrants were offered to key employees at the subsidiary, all of which have been acquired by and assigned to key employees. The outstanding warrants remain in Magnolia Utveckling's ownership for the time being. Each warrant entitles the holder to subscribe for one share in Magnolia Bostad at a strike price of SEK 84 per share during the period from 1 November 2022 until 26 April 2024.

Turnover in thousands per week and price (SEK)



Average number of outstanding shares

	2020		2019	
	31 Mar	Full-year	31 Mar	Full-year
Average number of outstanding shares	37,822,283	37,822,283	37,822,283	37,822,283

Owners

Shareholders' structure as of 31 March 2020

Number of shares	Number of share holders	Shareholder category	No.	Shareholders per country	No.
1 - 500	2,916	Corporation	125	Sweden	3,624
501 - 1000	318			Other Nordic countries	43
1001 - 2000	189	Private individuals, men	2,389	Other European countries (excl. Sweden and the Nordics)	28
2001 - 5000	141			USA	1
5001 - 10000	57	Private individuals, women	1,185	Rest of the world	3
10001 - 50000	54				
50001 -	24	Total	3,699		
Total	3,699	of which living in Sweden	3,624	Total	3,699

Largest shareholders as of

Shareholders	Percentage of		
	Number of shares	Share capital	Votes
Fredrik Holmström	21,321,837	56.37	56.37
Länsförsäkringar Fondförvaltning AB (publ)	3,745,722	9.90	9.90
Svolder	2,038,368	5.39	5.39
Wealins S.A.	1,679,368	4.44	4.44
Nordnet Pensionsförsäkring	1,207,314	3.19	3.19
Avanza Pension	691,808	1.83	1.83
Carnegie Fonder	619,696	1.64	1.64
John Larsson	550,000	1.45	1.45
Martin Dahlin	500,000	1.32	1.32
Jennie Sinclair	220,950	0.58	0.58
Total 10 largest shareholders	32,575,063	86.13	86.13
Övriga aktieägare	5,247,220	13.87	13.87
Total	37,822,283	100.00	100.00

Source: Monitor by Modular Finance AB. Data compiled and processed from sources such as Euroclear, Morningstar and the Swedish Financial Supervisory Authority.

Financial information

Consolidated Condensed Income Statement

Amounts in MSEK	2020 Jan-Mar	2019 Jan-Mar	2019/2020 Apr-Mar	2019 Jan-Dec
Net sales	452	37	1,166	751
Production and operating costs	-319	-56	-970	-707
Gross profit/loss	133	-19	196	44
Central administration	-23	-15	-97	-89
Profit/loss from participations in associated companies and joint ventures	-11	-9	75	77
Change in value, investment properties	-5	165	178	348
Operating profit/loss	94	122	352	380
Financial income	0	2	15	17
Financial expenses	-46	-44	-191	-189
Profit/loss before tax	48	80	176	208
Income tax	-1	-34	-4	-37
NET PROFIT/LOSS FOR THE PERIOD	47	46	172	171
Profit/loss attributable to				
Parent company shareholders	41	38	145	142
Non-controlling interests	6	8	27	29
Earnings per share (SEK)				
Before dilution effects	1.08	1.00	3.83	3.75
After dilution effects	1.08	1.00	3.83	3.75

Consolidated Statement of Comprehensive Income

Amounts in MSEK	2020 Jan-Mar	2019 Jan-Mar	2019/2020 Apr-Mar	2019 Jan-Dec
Net profit/loss for the period	47	46	172	171
OTHER COMPREHENSIVE INCOME FOR THE PERIOD				
Total other comprehensive income	0	0	0	0
COMPREHENSIVE INCOME FOR THE PERIOD	47	46	172	171
Comprehensive income attributable to				
Parent Company shareholders	41	38	145	142
Non-controlling interests	6	8	27	29

Consolidated Condensed Statement of Financial Position

Amounts in MSEK	2020 31 Mar	2019 31 Mar	2019 31 Dec
ASSETS			
Non-current assets			
Goodwill	6	6	6
Other intangible assets	0	1	0
Total intangible assets	6	7	6
Investment properties	677	606	654
Right of use assets	82	60	51
Machinery and equipment	13	19	12
Total property, plant and equipment	772	685	717
Shares in associated companies and joint ventures	178	101	188
Receivables from associated companies	116	53	201
Other securities held as non-current assets	31	31	31
Other long-term receivables	704	700	578
Total financial assets	1,029	885	998
Total non-current assets	1,807	1,577	1,721
Current assets			
Development and project properties	1,055	1,189	1,114
Tenant-owned apartments	9	12	9
Accounts receivable	24	23	41
Receivables from associated companies	42	40	64
Other receivables	640	592	599
Prepaid expenses and accrued income	15	7	11
Cash and cash equivalents	322	272	440
Total current assets	2,108	2,135	2,278
TOTAL ASSETS	3,915	3,712	3,999

Consolidated Condensed Statement of Financial Position

Amounts in MSEK	2020 31 Mar	2019 31 Mar	2019 31 Dec
EQUITY AND LIABILITIES			
Equity			
Share capital	151	151	151
Other capital contributions	187	187	187
Retained profits incl. net profit/loss for the period	783	638	742
Equity attributable to Parent Company shareholders	1,121	976	1,080
Non-controlling interests	109	160	103
Total equity	1,230	1,136	1,183
Non-current liabilities			
Deferred tax liability	39	51	38
Non-current interest-bearing liabilities	1,531	1,971	1,667
Non-current liabilities to associated companies	-	0	-
Non-current lease liabilities	67	48	39
Other long-term liabilities	34	34	34
Total long-term liabilities	1,671	2,104	1,778
Current liabilities			
Current interest-bearing liabilities	773	200	737
Current lease liabilities	17	12	13
Accounts payable	23	35	53
Liabilities to associated companies	3	19	1
Income tax liabilities	0	0	0
Other current liabilities	79	105	105
Accrued expenses and deferred income	119	101	129
Total current liabilities	1,014	472	1,038
TOTAL EQUITY AND LIABILITIES	3,915	3,712	3,999

Consolidated Condensed Statement of Changes in Equity

Amounts in MSEK	Share capital	Other capital contributions	Reserves	Retained profits incl. net profit/loss for the year	Non-controlling interests	Total equity
Opening equity 1/1/2019	151	187	0	599	156	1,093
Acquisition of non-controlling interests	-	-	-	1	-4	-3
Net profit/loss for the period	-	-	-	38	8	46
Other comprehensive income	-	-	0	-	0	0
Closing equity 03/31/2019	151	187	0	638	160	1,136
Dividend	-	-	0	-	-78	-78
Net profit/loss for the period	-	-	-	104	21	125
Other comprehensive income	-	-	0	-	0	0
Closing equity 12/31/2019	151	187	0	742	103	1,183
Opening equity 1/1/2020	151	187	0	742	103	1,183
Net profit/loss for the period	-	-	0	41	6	47
Other comprehensive income	-	-	0	-	0	0
Closing equity 3/31/2020	151	187	0	783	109	1,230

Condensed Consolidated Cash Flow Statement

Amounts in MSEK	2020 Jan-Mar	2019 Jan-Mar	2019/2020 Apr-Mar	2019 Jan-Dec
Operating activities				
Profit/loss after financial items	48	80	176	208
Adjustments for non-cash items, etc				
Less share of profit/loss from associated companies and joint ventures	11	9	-75	-77
Retained dividend from associated companies	-	-	10	10
Depreciation/amortization and impairment of assets	6	4	25	23
Fair value changes, investment properties	5	-165	-178	-348
Capital gains/losses from the sale of development properties	-144	8	-230	-78
Other provisions	0	0	0	0
Other profit/loss items that do not affect liquidity	3	3	13	13
Income tax paid	0	0	0	0
Cash flow from operating activities before changes in working capital	-71	-61	-259	-249
Decrease (+)/increase (-) of development and project properties	-137	-128	-97	-88
Decrease (+)/increase (-) in current receivables	285	121	549	385
Decrease (+)/increase (-) in current liabilities	-57	-2	-28	27
Cash flow from operating activities	20	-70	165	75
Investing activities				
Acquisition of intangible fixed assets	-	0	0	0
Acquisition of investment properties	-22	-10	-294	-282
Acquisition of machinery and equipment	-3	-2	-4	-3
Investment in financial assets	0	-3	-8	-11
Disposal/reduction of financial assets	-	-	29	29
Cash flow from investing activities	-25	-15	-277	-267
Financing activities				
Issue of warrants	-	-	0	0
Borrowings	53	10	633	590
Repayment of borrowings	-160	-38	-386	-264
Dividend paid to minority interest	-6	-7	-85	-86
Acquisition of non-controlling interests	-	-3	-	-3
Cash flow from financing activities	-113	-38	162	237
Cash flow for the period	-118	-123	50	45
Cash and cash equivalents at the beginning of the period	440	395	272	395
Cash and cash equivalents at the end of the period	322	272	322	440

Parent Company Condensed Income Statement

Amounts in MSEK	2020 Jan-Mar	2019 Jan-Mar	2019/2020 Apr-Mar	2019 Jan-Dec
Net sales	3	3	12	12
Total income	3	3	12	12
Central administration	-11	-6	-31	-26
Operating profit/loss	-8	-3	-19	-14
Financial income	26	25	244	243
Financial expenses	-36	-35	-143	-142
Profit/loss after financial items	-18	-13	82	87
Tax on profit/loss for the period	0	0	0	0
NET PROFIT/LOSS FOR THE PERIOD	-18	-13	82	87

Parent Company Statement of Comprehensive Income

Amounts in MSEK	2020 Jan-Mar	2019 Jan-Mar	2019/2020 Apr-Mar	2019 Jan-Dec
Net profit/loss for the period	-18	-13	82	87
OTHER COMPREHENSIVE INCOME FOR THE PERIOD				
Total other comprehensive income	0	0	0	0
COMPREHENSIVE INCOME FOR THE PERIOD	-18	-13	82	87

Parent Company Condensed Balance Sheet

Amounts in MSEK	2020 31 Mar	2019 31 Mar	2019 31 Dec
ASSETS			
Non-current assets			
Financial assets	154	154	154
Total non-current assets	154	154	154
Current assets			
Current receivables			
Receivables from Group companies	1,770	1,715	1,880
Receivables from associated companies	0	0	0
Other receivables	0	0	1
Prepaid expenses and accrued income	2	1	2
Total current receivables	1,772	1,716	1,883
Cash and bank balances	22	95	20
Total current assets	1,794	1,811	1,903
TOTAL ASSETS	1,948	1,965	2,057
EQUITY AND LIABILITIES			
Equity	398	316	417
Non-current liabilities			
Non-current interest-bearing liabilities	1,150	1,576	1,157
Total long-term liabilities	1,150	1,576	1,157
Current liabilities			
Current interest-bearing liabilities	349	-	428
Liabilities to Group companies	21	38	22
Other current liabilities	1	6	3
Accrued expenses and deferred income	29	29	30
Total current liabilities	400	73	505
TOTAL EQUITY AND LIABILITIES	1,948	1,965	2,057

Other information

Accounting principles

Magnolia Bostad follows the IFRS standards approved by the EU. The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. For the parent company, the interim report has been prepared in accordance with the Annual Accounts Act, which is in accordance with the provisions set out in RFR 2. Financial Reporting are provided as both notes and in other places in the interim report.

The accounting principles agree with those used by the Group in the 2019 Annual Report.

Transactions with related parties

The Group

The Group is subject to controlling influence from F. Holmström Fastigheter AB, co. reg. no. 556530-3186, which is domiciled in Stockholm. Transactions with related parties have occurred between the parent company and its subsidiaries and between the subsidiaries in the form of loans of cash and cash equivalents and invoicing of internal administrative services between the companies. All transactions occurred under market terms and conditions.

Of the profit for the period attributable to non-controlling interests of SEK 6 m, SEK 4 m is attributable to Fredrik Lidjan AB's (FLAB's) share of the profit in Magnolia Holding 3 AB, SEK 4 m is attributable to FLAB's share of the profit in Magnolia Holding 4 AB and SEK 0 m is attributable to FLAB's share of the profit in Magnolia Hotellutveckling 2 AB.

Board member Andreas Rutili, through companies, has ownership and a right to a share of the profits in the projects Senapsfabriken stage 1 and Senapsfabriken stage 2.

The scope and focus of other transactions by related parties have not changed significantly since the last Annual Report. For further information, see Note 4, Note 9 and Note 35 in the company's Annual Report for 2019 and www.magnoliabostad.se.

Parent company

In addition to the closely related parties specified for the Group, the parent company has closely related parties that include a controlling influence over their subsidiaries.

Significant risks and uncertainty factors

Magnolia Bostad is exposed to risks and uncertainties through its operations. For information about the Group's risks and uncertainties, please refer to Magnolia Bostad AB's website www.magnoliabostad.se and pages 74-75 and Note 3 in the company's Annual Report for 2019.

Seasonal variations

Magnolia Bostad's revenue recognition means that full earnings are recognized at the time of sale. This can lead to significant fluctuations between the quarters and the results should therefore be assessed over a longer period of time. Magnolia Bostad's Q3 is usually weaker due to the holiday season falling during this quarter. Otherwise, the business is not affected by any clear seasonal variations.

Sustainability

Magnolia Bostad sees its work on sustainable development as a prerequisite for continued growth and profitability. The work to reduce the company's environmental and climate impact is a major focus area.

The company's goal is for all projects to be certified according to a minimum of Sweden Green Building Council, the Nordic Swan Ecolabel or an equivalent. In addition, it is now a matter of routine to complete two environmental audits for all projects: one in the project planning phase and one in the production phase. During Q1 2020, a project was environmentally certified according to the Sweden Green Building Council's silver certification and environmental audits were carried out for two projects.

In order to promote equality, diversity and integration, Magnolia Bostad supports women's and girls soccer.

For further descriptions of Magnolia Bostad's sustainability work, see pages 47–67 in the company's Annual Report for 2019.

Organization

Magnolia Bostad's organization is divided into the following departments: Business Development, Project Development, Business Generation, Community Service Properties, Tenant-owned apartments, Marketing and Communications, Legal and Finance. As of 31 March 2020, the company had 99 (101) employees. Of the number of employees, 58 (56) were women and 41 (45) were men at offices in Stockholm, Norrköping, Göteborg and Malmö. Comparative information refers to 31 December 2019.

As of 31 March 2020, management consisted of six people. For more information about Magnolia Bostad's executive management, see www.magnoliabostad.se

Stockholm 24 April 2020,
Magnolia Bostad AB (publ)

The Board

*This report has not been reviewed by
the company's auditors*

Definitions

Alternative KPIs not defined within IFRS

Return on equity (%)

Net profit/loss for the period attributable to the parent company's shareholders as a percentage of the average equity attributable to the parent company's shareholders.

Equity per share

Equity attributable to parent company's shareholders divided by the number of outstanding shares before dilution.

Net financial items

Net of financial income and financial expenses

Cash flow from the operating activities, per share

Cash flow from operating activities divided by the average number of outstanding shares before dilution.

Realized value growth

Revenue from sales of management properties minus acquisition cost, accumulated investments and costs for sales.

Interest-bearing net liabilities

Interest-bearing liabilities minus cash and cash equivalents.

Interest coverage, multiple

Profit/loss after financial items with reversal of financial expenses and adjustment for changes in value of investment properties and additions for realized value growth of investment properties divided by financial expenses.

Operating profit/loss

Net sales minus costs for production and operation, central administration, depreciation/amortization and impairment of intangible assets and property, plant and

equipment, including profit/loss from participations in associated companies and fair value changes of investment properties.

Equity/assets ratio, %

Equity, including holdings without a controlling influence, as a percentage of the balance sheet total.

For reconciliation of alternative KPIs, refer to ESMA KPIs at Magnolia Bostad AB's website, www.magnoliabostad.se.

Definitions, other

Estimated area based on preliminary blueprints or calculated using standardized figures.

GFA: Gross Floor Area, MUA: Main Usable Area, UFA: Usable Floor Area

Estimated number of building rights

Number of estimated future residential units in acquired properties. Due to uncertainties such as zoning plan processes, government decisions or non-established dates for vacancy of project properties, assessments of the number of residential units may change over time.

Estimated production start, project portfolio

Estimated production start is the management's best assessment of when the zoning plan has come into legal force and the turnkey contract and binding sales agreements have been signed. Due to uncertainty factors such as the zoning plan processes, government decisions or non-established dates for vacancy of project properties, assessments can change over time.

Estimated completion of projects

The time for the estimated completion of a project is when the project is completed and finalized.

Sales rate

Sold residential units in production divided by units in projects in production.

Production start, project portfolio

When the zoning plan has come into legal force and the turnkey contract and binding sales agreements have been signed.

Production start, properties for own management

The start of production takes place when the zoning plan has come into legal force and the turnkey contract has been signed

Sold residential units in production

Number of residential units in sold projects where binding sales agreements were signed, and the revenue recognized

Occupancy rate, %

Leased area in relation to leasable area.

This is Magnolia Bostad

Magnolia Bostad develops new housing in Sweden's growth areas and major cities. Our work is guided by a comprehensive view where business is conducted in a way that promotes long-term sustainable urban development.



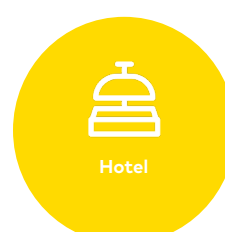
Rental
apartments



Tenant-owned
apartments



Community
service prop.



Hotel

Magnolia Bostad as an investment

As a shareholder in Magnolia Bostad, you will have the opportunity of being part of an innovative, responsible urban developer.

Opportunity for good value growth

The company has a project portfolio of about 19,450 residential units that are steadily maturing. The project portfolio is very much in line with the type of housing that is currently in demand in Sweden.

Balanced risk

Land acquisitions, usually conditional on the zoning plan coming into force, are always based on a calculation for the development of rental housing. This gives the opportunity of profitably developing all types of ownership. We balance risks related to costs, revenues and liquidity through the sale of projects at an early stage.

Financially strong customers

Most of our customers are financially strong institutional investors or property companies. Usually, they buy projects in a forward funding form or create a JV with us and thereby become our long-term partners.

Effective implementation

We have close collaboration with well-established construction companies and other partners.

Sustainable urban development

We take responsibility by developing safe housing and neighbourhoods, while working to reduce our environmental im-



pact. We are also keen to develop attractive neighbourhoods that will last for a long time.

Business concept

Magnolia Bostad will develop effective, attractive and functional housing with good profitability.

Business model

Our business model allows us to deliver complete offers of products - rental housing, tenant-owned apartments, Community service properties and hotels - to municipalities that want to develop new districts and residential areas.

Together with selected partners, we create sustainable homes and residential areas. See also Magnolia Bostad's Annual Report for 2019, pages 11-13.

Strategy

By working with several types of products and focusing on long-term forms of cooperation, the company achieves a good spread of risk. Magnolia Bostad develops projects that are often sold at an early stage. By having a short time between land purchases, negotiations with buyers and construction procurement, we reduce the time between acquisitions and sales, which contributes to a balanced risk in the business. Magnolia Bostad's assignments usually include running the project until occupancy.

Projects are also being developed for self-management, which will contribute

to a current cash flow. This is a small part of the business today, but over time, Magnolia Bostad intends to build a portfolio that strengthens the balance sheet, provides a continuous cash flow and long-term value growth. Financing is secured for certain projects by running these in joint venture companies together with financially strong partners. The distribution between forms of products in the project portfolio varies over time, based on demand, the state of the economy and what is considered most favourable to the company at any given time.

Growth should be achieved with good profitability. We must act responsibly and long-term in the areas where we operate, and we must understand our role in society.

Financial targets

Return on equity shall amount to at least 30%. The equity/assets ratio shall amount to at least 30%.

Business targets

Magnolia Bostad shall have the capacity to annually start production of 3,000 residential units, 3 to 5 community service properties and 1-2 hotels.

Sustainability targets

Certification according to the Sweden Green Building Council's Silver level or Swan mark in all projects.

Dividend policy

Magnolia Bostad intends to pay dividends to the shareholders of up to 50% of the profit after tax, taking into account the company's financial position, current loan terms and prevailing market conditions.

Magnolia Bostad's shares (MAG) are listed on Nasdaq Stockholm. More information is available at www.magnoliabostad.se

Quarterly overview

	2020			2019			2018	
	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
Net sales (SEK million)	452	258	54	402	37	42	214	267
Operating profit/loss (SEK million)	94	35	150	73	122	-33	-10	93
Profit/loss after tax (SEK million)	47	11	75	39	46	-86	-47	59
Earnings per share (SEK) ¹	1.08	0.13	1.69	0.90	1.00	-2.12	-1.24	1.45
Equity (SEK million)	1,230	1,183	1,236	1,161	1,136	1,093	1,179	1,226
Equity per share (SEK) ¹	29.64	28.55	28.42	26.73	25.80	24.77	26.89	28.13
Equity/assets ratio (%)	31.4	29.6	30.4	29.6	30.6	30.3	36.8	32.7
Cash flow from operating activities (SEK million)	20	182	80	-117	-70	-168	172	-86
Cash flow from the operating activities, per share (SEK)	0.5	4.8	2.1	-3.1	-1.9	-4.4	4.5	-2.3
Number of basic outstanding shares	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283
Number of outstanding shares after full dilution	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283

¹ Excluding the minority

Financial calendar

- Annual General Meeting 2020: 27 April 2020
- Interim Report January – June 2020: 7 July 2020
- Interim Report January – September 2020: 22 October 2020
- Year-End Report January – December 2020: 24 February 2021

Teleconference Q1 2020

10:00 a.m. CEST on 24 April 2020
Call one of the following telephone numbers to participate
Sweden: +46 8 566 42 704, UK: +44 333 300 9265

Listen to the teleconference at <https://financialhearings.com/event/12438>
Presentation material will be available on the company's website no later than one hour before the start of the teleconference

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The information Magnolia Bostad publishes in this report is required in accordance with the EU Market Abuse Regulation (EU) No 596/2014 and the Securities Market Act. The information was submitted for publication, through the agency of the contact persons, on 24 April 2020 at 08:00 a.m. CEST.

This Interim Report is a translation of the original Swedish Interim Report, which prevails in case of discrepancies between this translation and the Swedish original.

MAGNOLIA

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