

MAGNOLIA

**Magnolia Bostad
Annual Report 2024**

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Magnolia Bostad

24

Table of contents

This Annual Report is a translation of the original audited Swedish Annual Report, which prevails in the event of discrepancies between this translation and the Swedish original.

Our business	3	Directors' report and financial reports	22	Corporate governance report	87
2024 in brief	4	Contents	23	Corporate governance report	88
A word from the CEO	5	Directors' report	24	The Board	91
This is Magnolia Bostad -		Risk management	27	Management and Auditors	92
- targets and strategy	6	Consolidated financial statement	30	Auditors' statement	94
Business model	7	Parent company's financial statement	35		
		Additional information and notes	38	Other information	
Sustainable urban development	9	Declaration by the Board	63	Definitions and explanations	95
Sustainability in development and production	10	Auditors' report	64	Important information about assumptions	96
Our impact on the world and people	12	Multi-year summary	68	Financial calendar	97
Magnolia Bostad's offer to its customers	13	Alternative KPIs	71	Contacts	97
Projects and properties	14	Sustainability reporting	72		
Completed projects	15	Sustainability management	73		
Residencies in production	16	Value chain and stakeholders	74		
Building rights portfolio	17	Important areas	75		
		UN's global goals for sustainable development	76		
Financing	18	Sustainability notes	78		
The Group's financing	19	Climate footprint	81		
Project financing	21	GRI index	83		
		Auditors' statement	86		

Magnolia Bostad's formal financial reports can be found on pages 22-63 and are audited by the company's auditors.

Our business

[2024 in brief →](#)

[A word from the CEO →](#)

[This is Magnolia Bostad
– targets and strategy →](#)

[Business model →](#)

2024 in brief

- 2024 in brief
- A word from the CEO →
- This is Magnolia Bostad – targets and strategy →
- Business model →

Results January–December

Net sales amounted to SEK 1,643 m (305). The operating loss was SEK 976 m (-595), of which SEK -244 m (-104) applies to changes in value of investment properties.

The loss before tax was SEK 1,272 m (-871) and the loss after tax was SEK 1,247 m (-868).

Sales

Sold two residential properties in Greater Stockholm, one in Knivsta and one in Upplands-Bro, totalling 524 residencies, and two properties on Gotland, one for sheltered housing and one for student housing, totalling 210 residencies.

Sold all shares in the Magsam joint venture, corresponding to 213 residencies, and signed an agreement to sell all shares in JV Yard, corresponding to 561 residencies.

Completed properties

Completed 3,541 residencies, all of which were environmentally certified or prepared for environmental certification. Since it started in 2009, the company has delivered over 13,000 completed homes to the Swedish market.



Significant events during the year

Reorganization and cost savings introduced. Changed focus to sales only, which resulted in reclassification of all investment properties to development and project properties.

Received an unconditional shareholder contribution of SEK 183 m from Magnolia Bostad's owner HAM Nordic AB.

Significant events after the end of 2024

New business goal: To create stable, long-term, continuous value growth by developing attractive, sustainable living environments in Sweden's metropolitan areas.

New financial target: The equity/assets ratio shall be at least 25%.

Issued a bond on 11 February 2025 consisting of senior unsecured bonds of SEK 825 m maturing in 2028. Redeemed all other outstanding bonds on 20 February 2025.

Received an unconditional shareholder contribution of SEK 300 m from Magnolia Bostad's owner HAM Nordic AB.

Group KPIs		
	2024 Jan–Dec	2023 Jan–Dec
Project related		
Number of production-started residencies during the period	0	57
Number of sold residencies during the period	947	0
Total number of residencies in production	3,440	7,496
Total number of estimated building rights	10,591	14,073
Financial		
Investment properties, SEK m	0	3,085
Operating profit/loss, SEK m	-976	-595
Equity/assets ratio, %	26.2	31.2

Our focus is on developing homes for sale

2024 in brief →

A word from the CEO

This is Magnolia Bostad
– targets and strategy →

Business model →



During the year, we completed just over 3,500 residencies and I am proud to say that since our start in 2009, Magnolia Bostad has delivered over 13,000 homes to the Swedish market.

The past year

In terms of results, 2024 was a tough year for Magnolia Bostad and we were negatively affected by the apprehensive market for new housing production. Our focus during the year has been to complete and deliver sold projects.

To strengthen the company's liquidity, we completed several property sales, both in the form of completed housing and projects in production, and various building rights, with an underlying value totalling SEK 2.6 bn. We also carried out a reorganization and cost savings, and changed our focus to sales only, which resulted in the reclassification of all investment properties to development and project properties.

The start of 2025

The long-term challenging bond market opened up in 2024. With the improved market conditions and by being able to announce a new solid business plan, we successfully issued a new bond of SEK 825 m in early 2025. In connection with this, we redeemed our three previous bonds totaling SEK 1,226 m, thereby reducing our debt. Together with an additional capital contribution from our owners, a stable financial foundation was created for the company. At the same time, we implemented further cost savings and replaced

” We completed over 3,500 residencies in 2024

our regional offices with two central units, a business development unit and a project development unit. The company's operations are now based in offices in Stockholm and Göteborg. Our focus going forward is to create stable, long-term and continuous value growth by developing attractive, sustainable living environments in Sweden's metropolitan areas.

The future

We look to the future with renewed optimism. We are seeing greater interest in housing projects from investors, domestic and international, and are also seeing greater activity in the housing transaction market. Since 2016, we have developed housing through forward funding deals with institutional investors worth over SEK 26 bn and we look forward to continuing to develop and deliver high quality, sustainable and energy-efficient housing to our customers.

Stockholm, April 2025

Johan Tengelin
CEO

This is Magnolia Bostad - targets and strategy

- 2024 in brief →
- A word from the CEO →
- This is Magnolia Bostad – targets and strategy
- Business model →

Magnolia Bostad develops attractive, sustainable rental apartments, tenant-owned apartments and community service properties in Sweden's metropolitan areas. Our work is guided by a holistic approach where the business is conducted in a way that promotes long-term sustainable urban development.

Strategy

We work for long-term, sustainable, urban development and choose locations with good long-term demographic conditions.

We develop properties for sale and only start production of our projects when there is guaranteed demand.

We achieve our goals by developing entire communities, housing and community service properties.

Business goal

To create stable, long-term, continuous value growth by developing attractive, sustainable living environments in Sweden's metropolitan areas.

Financial target

Equity/assets ratio at least 25%.



Business model

2024 in brief →

A word from the CEO →

This is Magnolia Bostad
– targets and strategy

Business model →

Housing projects are developed for sale and are usually sold through forward funding at an early stage. Buyers are usually financially-strong property companies.

How we create value

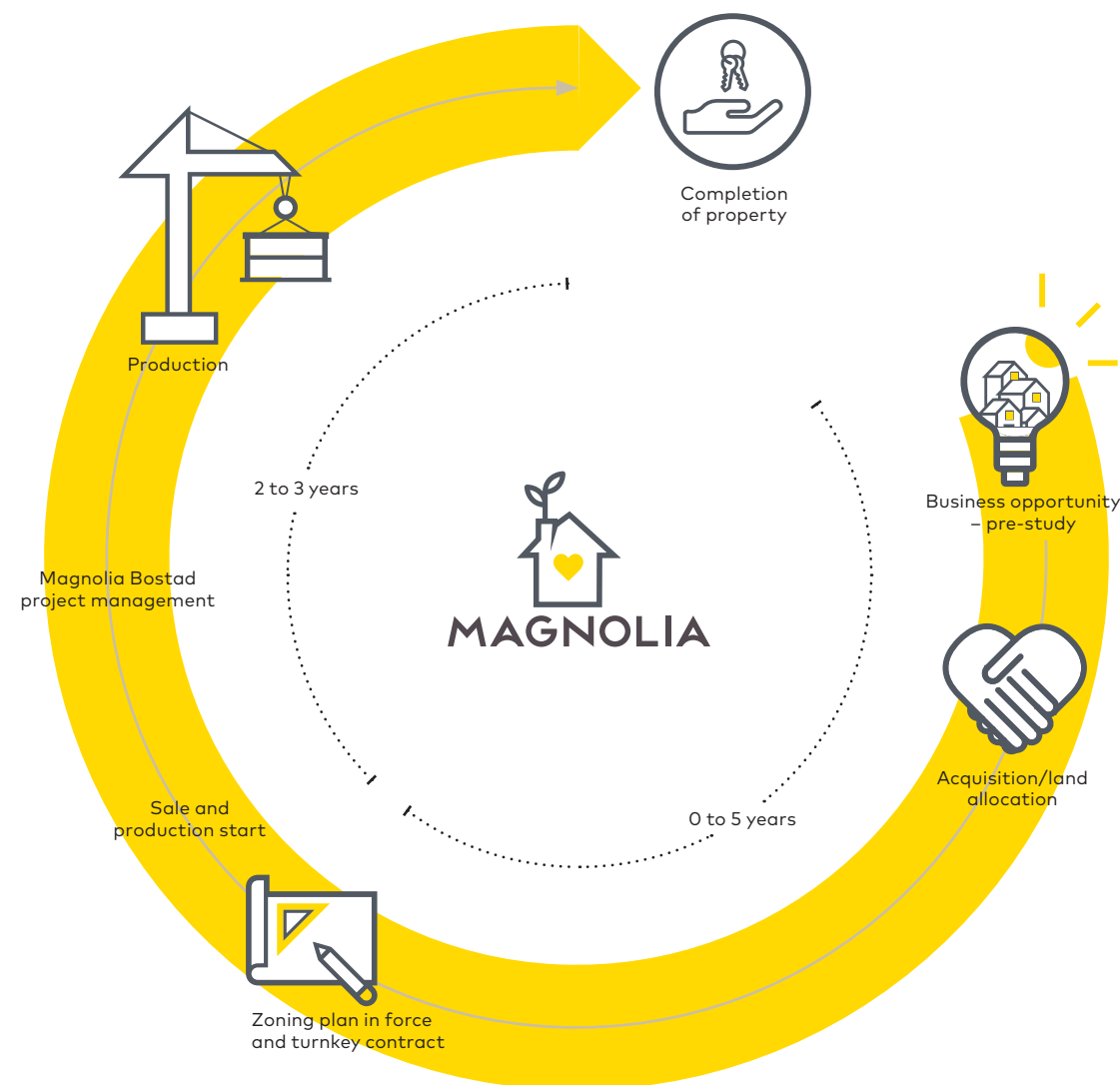
Safe land acquisitions

We continually monitor the market for new business opportunities. Once attractive land has been identified, we carry out feasibility studies such as market analyses and revenue and cost estimates. We usually acquire land based on a residential rental calculation and careful preparatory work where major consideration is given to sustainability aspects

Project development

After the acquisition is completed, often with building rights in completed zoning plans, we develop the project from idea to final completion. Construction is procured in the form of a turnkey contract. In collaboration with the turnkey contractor, we work out a contract with a fixed price and chosen environmental certification. The focus is on creating good, safe living environments and choosing materials and building systems from a sustainability perspective.

Work begins on developing attractive, sustainable communities and residences in parallel with the land acquisition process. Project developers, architects and contractors are all involved early in the process, which gives us the conditions to develop sustainable, safe areas with cost-effective solutions for both con-



2024 in brief →

A word from the CEO →

This is Magnolia Bostad – targets and strategy

Business model →

struction and management. We are also in contact with buyers early in the process

Environmentally-certified residencies
We plan for all residencies to be certified according to at least the Swedish Green Building Council's silver certification, Nordic Swan ecolabel or an equivalent.

Reduced climate impact
We work to reduce our climate impact through material selection and choice of energy. We measure our climate footprint according to the Greenhouse gas protocol (GHG) and are working with the industry's adaptation to the UN's global sustainability goals, Agenda 2030.

Safety in the societies we develop
When planning, we strive to follow the guidelines in Botryggt2030 with the aim of preventing crime and increasing security.

Employees
Magnolia Bostad strives to be an equal opportunity employer that cares about the development, health and safety of its employees. All employees sign Magnolia Bostad's Code of Conduct, which governs the company's business ethics, health and safety, human rights and working conditions.



Value Magnolia Bostad aims to deliver to its stakeholders

- Communities and municipalities**
Sustainable residential areas and neighbourhoods developed with care for design, well-being and safety.
- Housing investors**
Efficient management entities with a high ESG profile, providing predictable income and operating costs.
- Partners and suppliers**
Partners with expertise who follow the projects from feasibility study to completion.
- Tenants**
Functional, safe and space-efficient housing for tenants where it is easy to live healthily and eco-consciously.
- Employees**
An attractive employer caring about the development, health and safety of its employees.
- Owners and financiers**
Sustainable returns and value growth.

Sustainable urban development

[Sustainability in development
and production →](#)

[Our impact on the outside
world and people →](#)

[Magnolia Bostads offer →](#)

Sustainability in development and production

Sustainability in development and production

Our impact on the outside world and people →

Ett projekts utveckling fram till färdigställande →

Magnolia Bostad's ambition is to be at the forefront of sustainable urban development, to be involved in driving the industry towards a lower climate impact and to be an attractive employer.

The construction and property sector is responsible for greenhouse gas emissions in Sweden of around 10.8 million tonnes of carbon dioxide equivalents, which corresponds to about 22% of total greenhouse gas emissions in Sweden ¹⁾. Of these, new construction accounts for 21%, heating for 28%, property management for 24% and renovation, conversion and extension for 28%. The sector also contributes to large emissions abroad through imported goods. Like everyone in the industry, Magnolia Bostad has a major responsibility to minimize emissions.

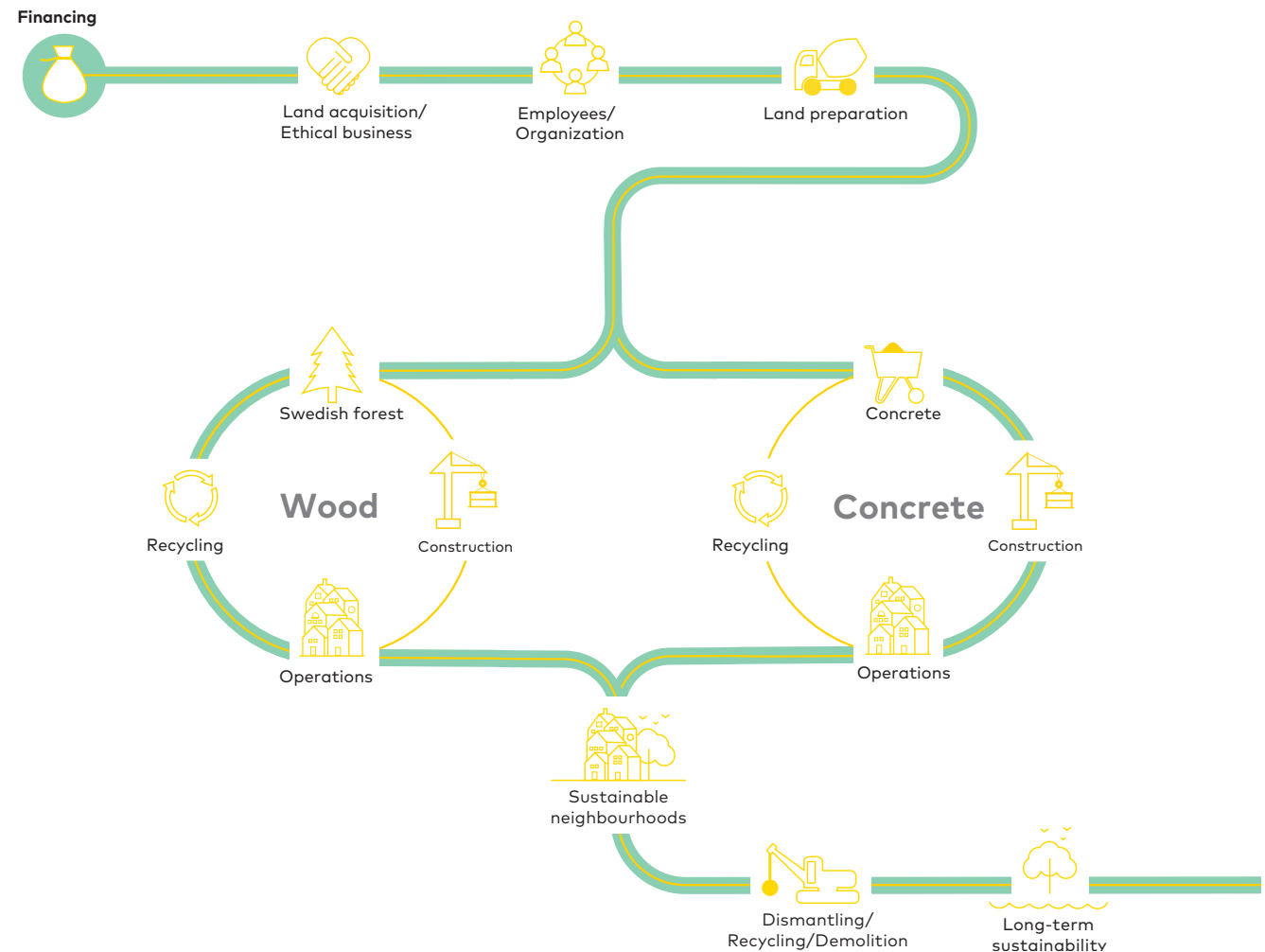
Life cycle perspective

At an early stage, development includes plans for resource-efficient solutions with low climate impact from a life cycle perspective. We want to create the conditions for buildings and facilities to become energy-efficient in the management phase.

Our ambition is to create efficient, flexible floor plans and dismantlable constructions to reduce the need for new material during rebuilding or maintenance. We benefit from energy-efficient technology and sustainable material choices. We have also started to evaluate the conditions for applying circular solutions, for example it could be about reusing materials such as concrete and bricks.

¹⁾ Source: Boverket (2025). Greenhouse gas emissions from the construction and property sector. Calculated on annual figures from 2022, rounded-up percentages.

A life cycle perspective



Sustainability in development and production

Our impact on the outside world and people →

Ett projekts utveckling fram till färdigställande →

For the properties' future operation we plan for renewable energy. We build solar panels in most of our projects and are introducing charging infrastructure for electric cars. We also build with the idea that those who live in the homes should be able to select sustainable choices in their everyday lives.

Environmental certification
All our projects are developed for certification according to at least Swedish Green Building Council's (SGBC) silver certification, Nordic Swan ecolabel or an equivalent. Most of the projects we develop are certified with the SGBC's silver certification and we are members of the SGBC.

Miljöbyggnad (Green building) is a Swedish environmental certification system for buildings and surrounding property, which will contribute to the fulfilment of environmental goals in Agenda 2030 and the EU's taxonomy for green finance. Indicators in the areas of energy and climate, indoor environment, outdoor environment and circularity are used to assess the performance and environmental characteristics of the building and property.

Care for the environment and housing
We develop with care for the environment and people. To build security into our accommodation, we use BoTryggt30's guidelines. When designing outdoor environments, we also do our best to promote biological diversity while creating an environment where the design must be inclusive in various ways for all those who live in the buildings.

Magnolia Bostad wants to be a committed force in the locations where we operate and be at the forefront of sustainable urban development. For us, social responsibility is about starting from the person. It is about creating increased inclusion, security and equality.

Sustainable financing
Our sustainable development and construction also enables sustainable financing.

Profitable growth
Magnolia Bostad works for sustainable profitable growth and value for the company's owners.

Attractive employer
We aim to be an attractive employer with a corporate culture characterized by diversity where employees feel included. We strive to attract, retain and develop talent.

Business Ethics
There are routines for how we work with business ethics and how we handle deviations from our guidelines and processes.

Collaboration
We collaborate with others through initiatives such as HS30 and LFM30, with common goals to reduce climate impact.

Magnolia Bostad focuses on ten of the UN's sustainability goals. Read more on pages 76 and 77.



Our impact on the outside world and people

The Company's value chain extends from the time we acquire the land, the homes are built and the housing is managed. This means that we have a great opportunity to have an impact on the outside world and people. We group our activities in three main areas: Climate and Environment (The Product), Social Impact (The People) and Responsible Business (The Company). By using the Company's resources in a sustainable, efficient and risk-minimized way, value is created for the Company's stakeholders.

Sustainability in development
and production →

Our impact on the outside world
and people

Magnolia Bostads offer to its
customers →



Climate and environment

Magnolia Bostad

- calculates climate impact in projects and assesses climate risks before the start-up of new projects
- adapts the development of new housing to climate change and works on reducing climate impact
- plans for environmental certification in all projects
- carries out environmental audits through an external environmental auditor
- takes biodiversity and ecosystems into account
- is involved in development to achieve a greater share of the circular economy
- plans so that residents can easily make climate-smart choices in their homes.



Social impact

Magnolia Bostad

- builds security into the areas we develop, including using BoTryggt30's guidelines
- has codes of conduct for employees, contractors and sponsor partners
- takes care of its employees by offering development opportunities and a safe working environment.



Responsible business

Magnolia Bostad

- works to achieve sustainable profitable growth.
- works for a climate of cooperation without corruption.
- has routines for how we work with business ethics. An Ethics Council exists to ensure the handling of reported whistleblowing cases

Magnolia Bostads offer to its customers

Sustainability in development
and production →

Our impact on the outside
world and people →

**Magnolia Bostads offer to its
customers →**

Elenor Engde is Deputy Head of Project Development at Magnolia Bostad and has a good overview of the entire project until completion. Here Elenor answers questions about Magnolia Bostad's offer to its customers.

What does Magnolia Bostad's customer offer look like?

We develop housing all the way from land acquisition to finished accommodation. The development is mainly of rental apartments in apartment blocks. Our customers are major housing investors and place high demands on sustainability. In the development, we take the entire life cycle of the buildings into account. We naturally adapt our offer to meet our customers' specific wishes, but always have high sustainability requirements in our projects.

How do you integrate sustainability perspectives into the planning of new apartment blocks?

The development of our projects must be at least in accordance with the Swedish Green Building Council's silver certification or equivalent. We have also defined stricter requirements for climate impact in production and we use the Swedish Green Building Council's taxonomy guidelines for the requirements according to DNSH (do no significant harm). We contribute significantly by developing homes with low energy consumption.

Is social sustainability also part of your work?

Our social sustainability work in the projects consists, among other things, of being inspired by BoTryggt2030's guidelines, and planning to build in security at the drawing-up plans stage of the projects, for example by how courtyards are planned and light-

ing is installed. We also work for human rights in the production stage by requiring our general contractors to follow the Bank Initiative.

How do you collaborate with different stakeholders, such as municipalities and contractors?

Each project has its own conditions, which means that all collaborations look different. Regarding contractors, we work closely from an early stage to choose the right solutions that are both sustainable and cost-effective for the property in question. With municipalities, we adapt to the conditions that apply to the location. For example, in some municipalities there are cooperative bodies between property owners and the municipality to promote socially sustainable urban development. We then join these groups and contribute our expertise and learn from others.

What innovative solutions or technologies do you use to increase sustainability in your housing projects?

By choosing materials and energy sources, we aim to reduce our climate impact. We follow the latest developments and, for example, are actively contributing to a research project studying how to recycle concrete.

What challenges do you see with balancing sustainability goals and financial profitability?

I see no contradiction here. Sustainability is a prerequisite for profitability. Good, safe housing environments mean reduced vacancies, less relocation and lower maintenance costs. Better housing and smart energy-efficient solutions lead to lower operating costs and thus better economics in the properties, which in turn results in higher net operating income and a higher property value.



Projects and properties

Completed projects 2024 →

Residencies in production →

Building rights portfolio →

Completed projects 2024

Magnolia Bostad completed 3,541 residential units in 2024. All homes were certified or planned for certification according to the Swedish Green Building Council's silver certification or an equivalent.

Completed projects 2024

Residencies in production →

Building rights portfolio →



Väsjön Norrsätra
Sollentuna, 206 rental apartments
developed in a JV with SBB



Lillsidan
Enköping, 189 rental apartments, buyer
Mästerbo



Brygghuset, Ursvik
Sundbyberg, 381 rental apartments,
a nursery school and commercial
premises, buyer Heimstaden Bostad



BM 37 Brogårdstaden 2:1:2
Upplands-Bro, 116 rental apartments
developed in a JV with Heimstaden
Bostad



Parstugan, Ursvik
Sundbyberg, 200 rental apartments
and commercial premises on the ground
floor, buyer CBRE IM



Öresjö Ängar Berget
Borås, 236 rental apartments, buyer
Wikowia



Ferdinand, Spånga
Stockholm, 222 residencies, rental
apartments, retirement units,
assisted housing, rental houses and a
supermarket, buyer Heimstaden Bostad



Storfågeln, Erikslid
Skellefteå, 298 rental apartments, buyer
Heimstaden Bostad



BM 36 Brogårdstaden 2:1:1
Upplands-Bro, 333 rental apartments,
buyer NREP



Partille Port
Partille, 231 rental apartments,
buyer Heimstaden Bostad



Råbylund sektion A och B,
Lund, 367 rental apartments, buyer
Heimstaden Bostad

And also:

- Pollaren, Sundsvall, 262 rental apartments, buyer Heimstaden Bostad
- Lastkajen, Sundsvall, 98 rental apartments, buyer Heimstaden Bostad
- Tullholmsviken blocks 4 and 7, Karlstad, 439 rental apartments, buyer Trenum
- Ophelias Brygga, Oceanhamnen, Helsingborg, 124 tenant-owned apartments

Residencies in production

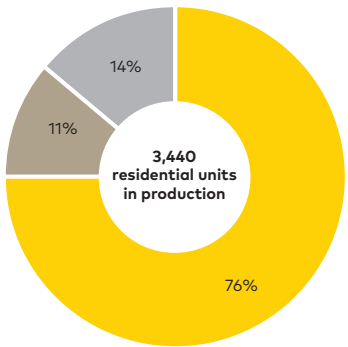
- Completed projects 2024 →
- Residencies in production
- Building rights portfolio →

Magnolia Bostad had 3,440 residencies in production in December 2024. Most of the units, around 75%, have been sold. We project manage sold projects until completion.

From its start in 2009, Magnolia Bostad has completed over 13,000 homes for the Swedish market.

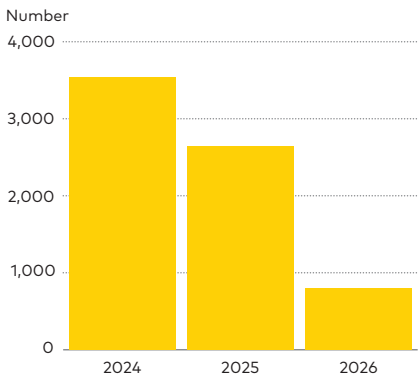
We develop all housing according to the Swedish Green Building Council's silver certification, the Nordic Swan Ecolabel or another equivalent standard. In 2024, we completed 3,541 homes, all environmentally certified or prepared for environmental certification.

Residencies in production 31/12/24



- Sold residential units
- Unsold residential units
- Unsold residential units, developed through JVs

Estimated completion of residencies in production



Number of residential units excludes JV partner's share.



In 2024, we completed 367 homes in a major ongoing project in Råbylund in Skåne. The project as a whole will offer nearly 800 residencies. The project is being developed in accordance with the Swedish Green Building Council's silver certification.

Building rights portfolio

Completed projects 2024 →

Residencies in production →

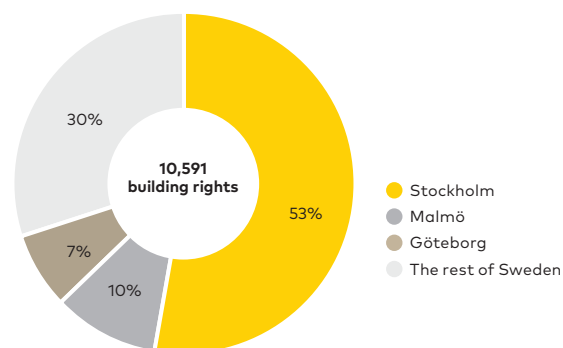
Building rights portfolio →

Magnolia Bostad has one of Sweden's largest building rights portfolios. Our focus is mainly on rental properties.

The number of new housing starts throughout Sweden remained at a low level in 2024 and we did not start any projects during the year. With lower interest rates in 2025, we see opportunities for a recovery in the housing market and the production start of new projects.

Our building rights portfolio consisted of 10,591 estimated building rights as of 31 December 2024, of which around 60% have zoning plans in force. Our ambition is to achieve a margin of at least 10% for all projects developed for sale.

Building rights portfolio per region 31/12/24



Number of residential units excludes JV partner's share.



Representation of the Slagsta Strand Project, stage one. The project comprises three stages with a total of 520 rental apartments and one stage consisting of 12 terraced houses. The project is planned to be certified according to the Swedish Green Building Council's silver certification.

Financing

[The Group's financing →](#)

[Project financing →](#)

The Group's financing

The Group's financing

Project financing →

The main focus in terms of financing is to provide the business with capital on favourable terms regarding sustainability, price, interest rate risk and structure. Financing activities are conducted in accordance with the rules and guidelines established by the Board annually

We work to achieve a long-term, stable capital structure with an even maturity structure and the least exposure to risk as possible. Financing is already needed during the initial development phase, where capital is required for land acquisition and processing .

The need for financing varies from project to project depending on how long development takes and the type of acquisition in question. If we buy a property without a zoning plan, planning and property conversion can take several years. Properties that are acquired with a zoning plan in force plan can often start production quickly, sometimes immediately following the acquisition.

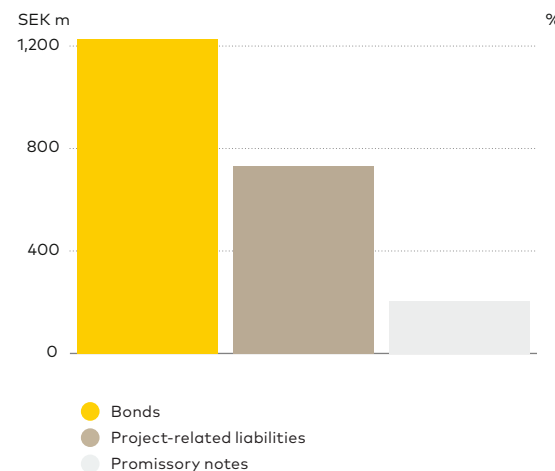
Bonds are used to finance the processing of building rights and other parts of the ongoing work of developing the projects. Land acquisitions are initially financed with Magnolia Bostad's revolving credit facilities or vendor promissory notes. Occupied properties are usually financed with various project-related loans.

Financing KPIs, 31 December

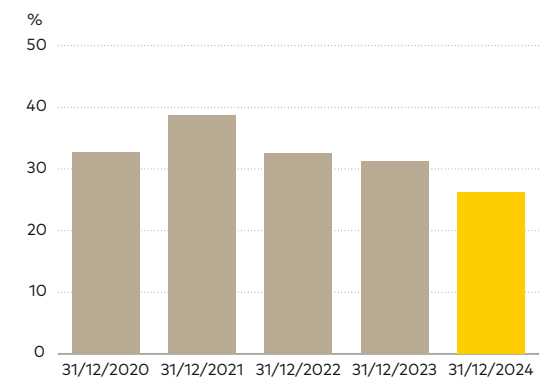
	2024	2023
Equity, SEK m	914	1 978
Cash and cash equivalents, SEK m	128	331
Interest-bearing liabilities, SEK m	2 164	3 199
Unutilized credit, SEK m	235	358
Cash flow, operating activities, SEK m	-221	-427
Cash flow investment activities, SEK m	63	-753
Cash flow financing activities, SEK m	-45	737
Equity/assets ratio, %	26,2	31,2
Net financial items, SEK m	-296	-276
Average interest rate, %	9,3	9,8
Average fixed tied-up capital period (excluding deposits), number of years	0,8	1,6

Form of borrowing 31/12/2024 SEK m Equity/assets ratio, %, 31/12/2024

Form of borrowing 31/12/2024



Equity/assets ratio, %, 31/12/2024



The Group's financing

Project financing →

The Group's financing as of 31 December 2024

The majority of the interest-bearing liabilities consisted of bonds with a carrying amount of SEK 1,228 m as of 31 December 2024. In addition to the bonds, Magnolia Bostad's interest-bearing liabilities consisted of project-related liabilities of SEK 731 m and vendor promissory notes of SEK 205 m. Magnolia Bostad also had various short-term revolving credit facilities (RCFs) of SEK 235 m as of 31 December 2024, of which SEK 157 m relates to unutilized building credits.

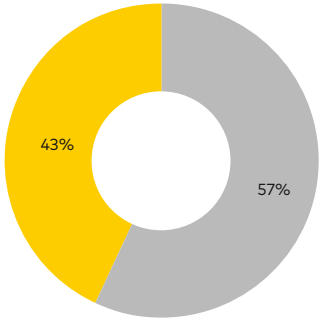
At the end of the period, Magnolia Bostad's average interest rate was 9.3%, compared to 9.8% at the end of 2023. Tied up capital, excluding deposits, amounted to 0.8 years as of 31 December 2024, compared to 1.6 years as of 31 December 2023. The equity/assets ratio as of 31 December 2024 was 26.2%.

Through long-term work with banks and other lenders, refinancing work for larger loans begins no later than nine months before maturity.

Events after the end of 2024

On 11 February 2025, Magnolia Bostad issued a senior unsecured bond totalling SEK 825 m and maturing in February 2028. The bonds have a floating interest rate of STIBOR 3m plus 8.75% per annum. Early redemption of all the company's other outstanding bonds took place on 20 February 2025.

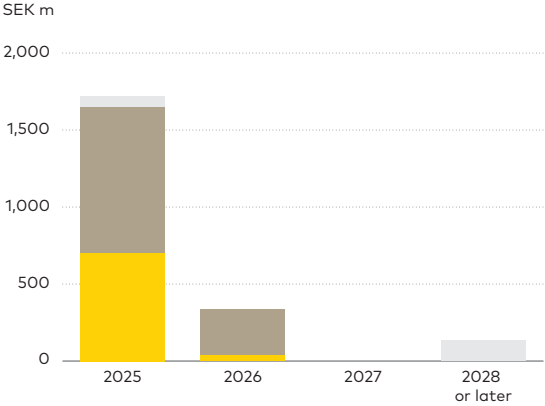
Securing credit 31/12/2024



Unsecured credits

Secured credits

Maturity structure of debt 31/12/2024

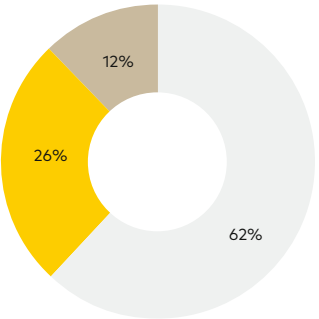


Project-related liabilities

Bonds

Promissory notes

Supply of capital 31/12/2024

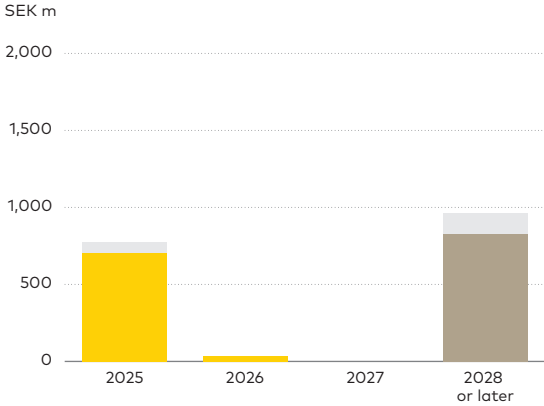


Interest-bearing liabilities

Equity

Other liabilities

Maturity structure of debt after new bond issue



Project-related liabilities

Bonds

Promissory notes

Project financing

The Group's financing →

Project financing

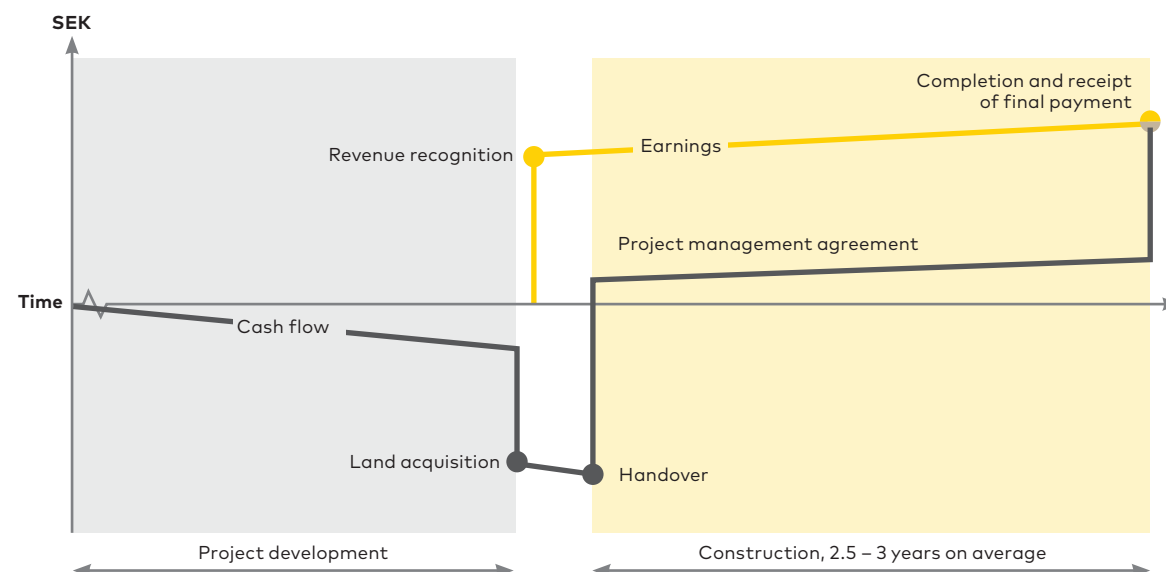
The focus of financing requirement is on the time until Magnolia Bostad leaves the project, see illustration on the right. This time is before the projects are built because the projects are usually sold on forward funding. After departure, the financing responsibility for the project passes to the buyer.

Magnolia Bostad usually has a project management agreement with the buyer for a period after the transfer, which runs until the property is completed. The project management work is invoiced and revenue recognized continuously during the contract period. Upon completion of the property, Magnolia Bostad receives the final payment.

Sales and revenue recognition take place when a binding purchase agreement and legally binding zoning plan exist and a turnkey contract has been signed.

The timing for Magnolia Bostad's handover is often when a building permit is obtained or when subdivision of the property becomes legally binding. The time between revenue recognition and legal handover can therefore vary from project to project. Usually the handover takes place two to six months after the date of the agreement.

Illustration of cash flow and results in Magnolia Bostad's projects being developed for sale



The illustration is not intended to give any indication of the profitability of a project.

Directors' report and financial reports

[Table of contents →](#)

[Directors' report →](#)

[Consolidated financial reports →](#)

[Parent company's financial
reports →](#)

[Additional information
and Notes →](#)

[Declaration by the Board →](#)

[Auditors' report →](#)

[Multi-year overview →](#)

[Alternative KPIs →](#)



Table of contents

	Directors' report		Additional information and Notes		Declaration by the Board	63
	Directors' report	24	Note 1 Accounting principles	38		
	Risk management	27	Note 2 Critical assessments and estimates	43	Auditors' report	64
	Consolidated financial reports		Note 3 Financial risks and financial policy	44		
	Consolidated income statement	30	Note 4 Group composition	47	Multi-year overview	68
	Consolidated statement of comprehensive income	30	Note 5 Net sales	48		
	Consolidated statement of financial position	31	Note 6 Leasing – lessors	48	Alternative KPIs	71
	Consolidated cash flow statement	33	Note 7 Leasing – lessees	49		
	Consolidated statement of changes in equity	34	Note 8 Disclosures regarding auditor's fees and cost reimbursement	49		
			Note 9 Remuneration to employees	50		
	Parent company's financial reports		Note 10 Earnings from participations in associated companies and joint ventures			
	Parent company's income statement	35	Note 11 Costs for the business broken down by cost type	51		
	Parent company's statement of comprehensive income	35	Note 12 Financial income	52		
	Parent company's balance sheet	35	Note 13 Financial expenses	52		
	Parent company's cash flow statement	36	Note 14 Tax on profit/loss for the year	52		
	Parent company's statement of changes in equity	37	Note 15 Otherintangible assets	53		
			Note 16 Machinery and equipment	53		
			Note 17 Investment properties	53		
			Note 18 Shares in associate companies and joint ventures	54		
			Note 19 Other long-term receivables	56		
			Note 20 Development and project properties	56		
			Note 21 Accounts receivable	57		
			Note 22 Other receivables	57		
			Note 23 Prepaid expenses and accrued income	58		
			Note 24 Cash and cash equivalents	58		
			Note 25 Share capital and other contributed capital	58		
			Note 26 Deferred tax	59		
			Note 27 Interest-bearing liabilities, other long-term liabilities and other current liabilities	59		
			Note 28 Accrued expenses and prepaid income	60		
			Note 29 Pledged assets	60		
			Note 30 Contingent liabilities and other commitments	60		
			Note 31 Shares in Group companies	61		
			Note 32 Closely related parties	61		
			Note 33 Events after the balance sheet date	62		

Table of contents

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Directors' report

Table of contents →

Directors' report

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

The Board of Directors and CEO of Magnolia Bostad AB (pub), Co. reg. no. 556797-7078, hereby submit the annual report and consolidated financial statements for the financial year 01/01/2024 -31/12/2024

The business in general

Parent company

The parent company, Magnolia Bostad AB, which is domiciled in Stockholm, has one (1) employee and conducts its business through the acquisition, ownership and management of subsidiaries in the residential sector.

The Group

The Group has 50 employees and operates in the housing sector, including residential and rental properties and community service properties. Production is procured externally.

Significant events in the Group during the financial year

During the year, the Group sold several properties to create liquidity to manage debt maturities. The number of properties sold was 947 (0).

Received unconditional shareholder contributions of SEK 183 m from Magnolia Bostad's owner HAM Nordic AB.

Implemented a new strategic focus on sales, which resulted in the reclassification of all investment properties to development and project properties.

Financial overview

Amounts in SEK m unless otherwise specified	2024	2023	2022	2021	2020
Net sales	1,643	305	569	1,268	2,358
Gross profit/loss	-580	-147	-226	151	594
Operating profit/loss	-976	-595	-747	260	906
Profit/loss after financial items	-1,272	-871	-929	75	725
Profit/loss for the year	-1,247	-868	-863	50	688
Balance sheet total	3,489	6,350	6,908	6,219	5,297
Equity	914	1,978	2,245	2,406	1,733
Equity/assets ratio, %	26.2	31.2	32.5	38.7	32.7
Dividend per share ¹⁾	0	0	0	0	0
Number of outstanding shares before dilution	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283
Number of outstanding share after full dilution	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283

¹⁾ Refers to the Board's proposed dividend for each financial year.

For information about Alternative KPIs see page 71.

Table of contents →

Directors' report

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Business concept, targets and strategy

Magnolia Bostad is an urban developer that develops attractive and sustainable living environments.

Business targets

To create stable, long-term, continuous value growth through by developing attractive and sustainable living environments in Sweden's metropolitan areas.

Financial targets

The Groups equity/assets ratio shall amount to at least 25%. The equity/assets ratio at the end of the year was 26.2% (31.2%).

As of 31 December 2024, Magnolia Bostad was active in the areas of rental, tenant-owned, and community service properties. Development should be in metropolitan areas with good long-term demographic conditions. Production starts when demand is guaranteed.

Legal structure

As of 31 December 2024, the Magnolia Bostad Group consisted of 269 companies (284) reported in accordance with the equity method.

Organization

As of 31 December, Magnolia Bostad's organization was divided into Business Development, Project Development, Central Functions and Finance. The group consisted of 50 employees, 17 women and 33 men, at offices in Stockholm, Goth and Malmö.

Sustainability

Magnolia Bostad has a clear focus on ensuring that all projects are economically, socially and environmentally

sustainable. The housing the company develops must be sustainable today and for generations to come. Therefore, the company has a clear focus on sustainable material choices and social security. A fundamental prerequisite for the company's growth and profitability is to act long-term on sustainability and integrate the issues into every part of the business. In accordance with the wording that applied before 1 July 2024 for the Annual Accounts Act, Chapter 6, Section 11, Magnolia Bostad AB (publ) has chosen to prepare the statutory sustainability report as a report separate from the Annual Report. The sustainability report was submitted to the auditor at the same time as the Annual Report. The sustainability report can be found on pages 9-13 and 72-85.

Ownership structure

Magnolia Bostad AB is owned by HAM Nordic AB, co. reg. no. 556980-2183, which is controlled by funds and entities managed and advised by Areim AB.

Earnings, financial position and cash flow

The Group

Net sales for the financial year amounted to SEK 1,643 m (305) and consisted primarily of sales of development and project properties. Magnolia Bostad revenue recognized 947 properties (0) during the year.

Expenses for central administration rose due to expenses related to restructuring and amounted to SEK –82 m (–76)

The operating loss was SEK 976 m (–595) and included changes in value of investment properties of SEK –244 m (–104).

Net financial items amounted to SEK –296 m (–276), and affected by expenses related to the extension of bonds.

The loss after tax for the full year was SEK –1,247 m (–868). Tax for the period was SEK 25 m (3) and consists of deferred tax for temporary differences on investment properties and the reversal of previously capitalized loss carryforwards.

The balance sheet total fell by SEK 2,861 million to SEK 3,489 m (6,350) as a result of divested properties.

Consolidated equity as of 31 December 2024 amounted to SEK 914 m (1,978) with an equity/assets ratio of 26.2% (31.2). Equity attributable to non-controlling interests was SEK 0 m (–64). During the year, minority shareholders' ownership interest in Magnolia Holding 4 AB fell due to a new share issue.

Total interest-bearing loan liabilities amounted to SEK 2,164 m (3,199) as of 31 December 2024. At the end of the year, Magnolia Bostad's average interest rate was 9.3% (9.8). The average capital commitment period is 0.8 years (1.6) as of 31 December 2024.

The consolidated cash flow from operating activities was SEK –221 m (–427), cash flow from investment activities was SEK 63 m (–753) and cash flow from financing activities was SEK –45 m (737). Cash and cash equivalents as of 31 December 2024 amounted to SEK 128 m (331). In addition to cash and cash equivalents, there were unutilized credits of SEK 235 m (358).

Table of contents →

Directors' report

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Parent company

Parent company's result after financial items amounted to –696 SEK m (–26). The balance sheet total amounts to 2 853 SEK m (3 754). The equity/asset ratio was 56,1 percent (57,6).

Project portfolio

The total number of estimated building rights in the portfolio as of 31 December 2024 was 10,591 (14,073). During 2024, 947 (0) residencies were sold. During the year, 3,541 residential units were completed compared to 1,902 units last year.

Auditors

At the Annual General Meeting on 25 April 2024, the auditing company Ernst & Young AB was re-elected as the company's auditor for the period until the end of the 2025 Annual General Meeting.

Corporate governance and the work of the Board

Magnolia Bostad is a Swedish limited liability company with its registered office in Stockholm. The corporate governance is based on the Articles of Association, the Swedish Companies Act, the Annual Accounts Act, Nasdaq's regulations for issuers, and further applicable laws and regulations.

The 2024 Annual General Meeting took place on 25 April 2024. One shareholder (1) attended the meeting and represented 100% of the votes (100).

The 2024 Annual General Meeting resolved on the following:

- Adoption of the income statement and balance sheet for the financial year 2023 and appropriation of profits

- Granting of discharge from liability for the members of the Board and the CEO for the financial year 2023.
- Adoption of remuneration to the auditors and that no board fee shall be paid to the board members.
- Re-election of the Board members Erika Olsen, Johan Bengtsson, and Therese Rattik. Re-election of Martin Svensson and Anders Lif and hew election of Henrick Brink Landelius, as deputies.
- Erika Olsén was elected Chairman of the Board
- Re-election of the auditing company Ernst &Young AB as auditor. The authorized public accountant Fredric Hävrén was appointed chief auditor.

All decisions apply until the end of the next Annual General Meeting.

On 8 November, an Extraordinary General Meeting was held where the chief auditor was changed to Katriene Söderberg due to rotation rules.

The Board's rules of procedure include information on the division of responsibilities between the Board, the Chairman and the CEO. The Board is responsible for the company's organization and management. The Board's work follows an annual meeting plan with a fixed agenda for each Board meeting. Where necessary salaried employees attend Board meetings to hold presentations. Magnolia Bostad's corporate governance and the Board's work are set out in the Corporate Governance Report.

Events after the end of the period

- Issued a bond consisting of senior unsecured bonds of SEK 825 m. Early redemption of all other outstanding bonds totaling SEK 1,226 m took place on 20 February 2025.
- Received an unconditional shareholder contribution of SEK 300 m from Magnolia Bostad's owner HAM Nordic AB.
- Announced new business and financial goals:
- To create stable, long-term and continuous value growth through the development of attractive and sustainable living environments.
- The equity/assets ratio should be at least 25%.

Proposed appropriation of company profits

The following is available to the Annual General Meeting, SEK:

Share premium reserve	180,323,859
Profit/loss carried forward	2,015,319,622
Profit/loss for the year	–745,227,236
Total	1,450,416,245
<i>The Board proposes:</i>	
To be carried forward	1,450,416,245
Total	1,450,416,245

- Table of contents →
- Directors' report
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Risk management

Magnolia Bostad continuously monitors and manages the various risks that surround its operations and takes them into account when choosing business direction, making business decisions and in its routines.

It is the company's belief that an active risk management through skilled employees and good procedures does not simply identify risks in time but also contributes to higher profitability. Magnolia Bostad's risks are divided into three main types: (1) external risks, (2) operative risks and (3) financial risks.

The risk evaluation is based on an overall assessment of the probability of the risk occurring and the impact if the risk occurs.

External risks

Climate change

Risk assessment: low
Description: Climate change can lead to building in certain places becoming more difficult/impossible or communities needing to be developed in a different way. There is a risk of projects becoming more expensive to insure or finance. Climate change affects us with both acute and long-term physical risks, ranging from extreme weather to the risk of the sea level rising. Adjustment risks affect us through increased costs or lack of resources as a result; see Resource shortage under External risks.

Management: The company currently analyses factors linked to the climate that need to be investigated in projects.

Competition

Risk assessment: medium
Description: Magnolia Bostad operates in a competitive industry. Competitors may become more numerous and stronger in future, for example due to mergers, new strategies and/or enhanced financial opportunities.

Management: Through competition analyses at both the regional and local levels and constantly striving to refine Magnolia Bostad's business model.

Legal risks

Risk assessment: low
Description: The business is regulated by a large number of laws and regulations as well as by various processes and decisions related to these regulations, at both political and official level. In addition to these being subject to change, it is important that the company has interpreted the laws and regulations correctly.

Management: Together with the company's legal advisers, developments are followed and changes in laws are monitored. The company follows the case law concerning the company's business areas. In addition, there is an ongoing dialogue with municipalities and authorities.

Macroeconomic factors

Risk assessment: high
Description: The property industry is greatly affected by macroeconomic factors such as overall economic development, regional economic development, population growth, rate of production, etc.

Management: Through continual macroeconomic analysis and business planning of which municipalities and districts have favourable/unfavourable future conditions and by locking commercial terms early or via framework agreements.

Opportunity of selling projects

Risk assessment: high
Description: The business largely consists of the new production of residential properties in Sweden's growth areas. Magnolia Bostad is dependent on its ability to meet the market's demand in order to be able to sell projects successfully.

Management: Through continuous market analysis, rules for when production may begin and breakdown of projects into stages.

Planning process risk

Risk assessment: medium
Description: Risk that the company will not be able to obtain a zoning plan for the construction of housing in agreements signed for the acquisition of land.

Management: Soil conditions including special conditions such as stormwater treatment, rare wildlife, archaeological discoveries, environmental aspects and others may halt plans or make them more expensive. Careful due diligence and agreements subject to the corresponding risks reduce exposure. Risks relating to politics and bureaucracy are primarily risks of delay, but they can also affect whether a plan can be obtained. Networking and good relationships with municipalities can reduce these risks.

Table of contents →

Directors' report

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Shortage of resources

Risk assessment: high

Description: The level of activity in the housing market, as well as various external threats, can cause rising construction prices and problems in securing production resources. Municipalities also risk suffering from a lack of resources, which may lead to longer processing times in terms of planning processes and municipal housing projects.

Management: The business model largely secures income before the project is started and costs are procured as turnkey contracts at a fixed price. The company works with different types of warranty solutions and in long-term partnerships and can therefore secure the necessary resources at an early stage.

Reduction in valuation of properties

Risk assessment: medium

Description: Risk that the market value of development properties on the balance sheet is lower than the book value.

Management: An impairment test is performed upon indications of impairment. If the net realizable value is less than the book value, a write-down is made.

Operational risks

Business models and projects

Risk assessment: medium

Description: Operations consist primarily of property development projects, which is why it is a prerequisite that these projects can be implemented profitably.

Management: The projects are based on detailed financial calculations in the project governance system, which are monitored on a regular basis. Price risk is managed by the business model, as part of which income is to a large extent secured before the project is started, and costs are largely tendered at a fixed price.

Improper workload and ill health

Risk assessment: low

Description: Improper workload can lead to ill-health and stress-related illnesses.

Management: The company works preventively through conversations and correction of workloads and through all managers undergoing work environment training. All employees are covered by health-care insurance and rehabilitation insurance. To promote health and well-being, all employees are offered wellness allowances and joint group training.

Corruption

Risk assessment: low

Description: Unethical actions or poor management of business ethics risks may damage the company both operationally, financially and in terms of reputation.

Management: Magnolia Bostad has zero tolerance regarding bribery and corruption and the company's code of conduct contains clear guidelines and requirements against this. The code of conduct is included as part of the introductory training for new employees, who also confirm by signing that they have read the code. The code of conduct reflects the company's values and contains the guidelines and requirements the company places

on all employees and business partners in action and conduct.

Magnolia Bostad also has a policy for identifying and handling conflicts of interest. A whistleblower function is available on the company's website and intranet, where suspected violations can be reported according to the instructions in the whistleblower function.

Environmental risks

Risk assessment: low

Description: The environmental impact on nature and ecosystems when developing housing and communities can be huge.

Management: The company works on the basis of a lifecycle analysis where the environmental impact is identified and managed at each step. All projects must be certified in accordance with the Swedish Green Building Council's silver certification, the Nordic Swan Ecolabel or an equivalent standard. The company also places demands on its contractors through agreements, environmental policies and codes of conduct.

Key personnel

Risk assessment: medium

Description: Magnolia Bostad is dependent on the knowledge, skills and experience of key personnel. It is therefore important to keep and, where required, recruit key personnel.

Management: Ensure on a continual basis that the necessary expertise is available and the extent to which expertise needs to be recruited or engaged. Work with

- Table of contents →
- Directors' report
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

continuous skills transfer. Actively strive to make the company an attractive employer.

Risk of change in the value of investment properties
Risk assessment: medium
Description: The value of investment properties is affected by several factors, including occupancy rate,rent level and operating costs. In addition, it is also affected by market factors such as yield requirements and discount rates. Changes in the value of investment properties affect the financial position and earnings.

Management: Market analysis to ensure the assumptions are correct. At the time of quarterly reports,internal valuations are made of all investment properties. External valuations are obtained during the first valuation of an investment property and continuously during the year for existing investment properties to ensure that valuation assumptions are correct.

Transaction risks
Risk assessment: medium
Description: Property transactions which are associated with uncertainty and risks are carried out on a continual asis. Such risks can include unforeseen land conditions, legal issues, financial commitments, government decisions and the management of tenants.
Management: In conjunction with acquisitions, due diligence is carried out, including a legal analysis of existing documentation, review of soil conditions and technical deficiencies, the timing of the acquisition, assessment of the companies, understanding of the tax situation etc. Sales require, among other

things, expertise in the guarantees that are normally provided. In addition to its own staff, the company employs external advisers when needed, to ensure the right expertise in both purchasing and sales.

Financial risks

Financing risk
Risk assessment: high
Description: If financing for acquisitions or development canNote be obtained, extended, expanded, refinanced or if such loans only can be obtained at unfavourable terms. Risk of change in margin in the event of refinancing or new financing
Management: The company has an equity/assets ratio target that must be followed. Furthermore, the company is responsible for the regular monitoring of special commitments upon which the loans may be conditional. The company also maintains an ongoing dialogue with a number of credit issuers.

Credit risk
Risk assessment: medium
Description: There is a risk of not being paid for the apartments or properties as agreed.
Management: In rental apartment transactions, the counterparty shall be well established and selected after careful consideration, and when selling tenant-owned apartments, diversification is achieved because there are many different types of buyers.

Liquidity risk
Risk assessment: medium
Description: If cash and cash equivalents are not available to pay current costs, investments and repayments on their due dates.
Management: Future cash flows are continuously forecasted based on various scenarios to ensure that financing takes place on time.

Interest rate risk
Risk assessment: medium
Description: Changes to market interest rates affect the borrowing cost.
Management: Interest rate expense is a significant cost for Magnolia Bostad, and prior to each financing transaction the risk that interest rates may change is included in the calculation.

- Table of contents →
- Directors' report →
- Consolidated financial reports
- Parent company's financial reports →
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Consolidated income statement

Amounts in SEK m	Note	2024 Jan-Dec	2023 Jan-Dec
Net sales	5, 6	1 643	305
Production and operating costs	7, 11	-2,223	-452
Gross profit/loss		-580	-147
Central administration	8, 9	-82	-76
Earnings from participations in associated companies and joint ventures	10	-70	-268
Change in value, investment properties	17	-244	-104
Operating profit/loss		-976	-595
Financial income	12	16	19
Financial expenses	13	-312	-295
Profit/loss before tax		-1,272	-871
Income tax	14	25	3
NET PROFIT/LOSS FOR THE PERIOD		-1,247	-868
Profit/loss attributable to			
Parent company's shareholders		-1,184	-807
Non-controlling interests		-64	-61

Consolidated statement of comprehensive income

Amounts in SEK m	2024 Jan-Dec	2023 Jan-Dec
Profit/loss for the period	-1,247	-868
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		
Total other comprehensive income	0	0
COMPREHENSIVE INCOME FOR THE PERIOD	-1,247	-868
Comprehensive income attributable to		
Parent company's shareholders	-1,184	-807
Non-controlling interests	-64	-61

Comments to the consolidated income statement

Net sales amounted to SEK 1,643 million (305) and the operating loss was SEK 976 m (-595). The year's loss before tax was SEK 1,272 m (-871).

Net sales are explained by several property sales made during the year to free up liquidity to manage bond maturities. Total earnings from property sales amounted to SEK 1,568 m (58). Income from project management services amounted to SEK 30 m (49), invoicing for projects in progress, rental income and other income contributed SEK 45 m (198) to earnings.

Central administration expenses amounted to SEK -82 m (-76), affected by expenses related to restructuring. Earnings from joint ventures amounted to SEK -70 m (-268), mainly affected by financing expenses in productions in progress and expenses attributable to the Näsängen project, which was discontinued during the year.

The change in value of investment properties in our own books amounted to SEK -244 m

(-104).At the end of the year, all investment properties were reclassified to development and project properties due to the company's decision to focus on developing housing for sale. The properties are therefore no longer valued at fair value via change in value in the income statement. The year's change in value is primarily attributable to the Vårby Udde project, whose sales agreement to the Magsam JV was terminated in connection with Magnolia Bostad's sale of its holding in the JV to SBB.

Net financial items

Net financial items amounted to SEK -296 m (-276). Financial expenses were affected by expenses attributable to the extension of bonds.

Profit/loss for the year

The loss for the year was SEK -1,247 m (-868) and included SEK 25 m (3) in income tax.

Consolidated statement of financial position

Amounts in SEK m	Note	2024 31 dec	2023 31 dec
ASSETS			
Fixed assets			
Other intangible assets		0	0
Total intangible assets		0	0
Investment properties	17	0	3,085
Right of use assets	7	30	47
Machinery and equipment	16	0	2
Total tangible assets		30	3,134
Shares in associated companies and joint ventures	18	239	338
Receivables from associated companies	32	59	78
Other long-term receivables	19	155	509
Total financial assets		453	925
Total fixed assets		484	4,059
Current assets			
Development and project properties	20	2,232	1,426
Tenant-owned apartments		4	4
Accounts receivable	21	11	18
Receivables from joint ventures	32	138	135
Other receivables	22	483	355
Prepaid expenses and accrued income	23	9	21
Cash and cash equivalents	24	128	331
Total current assets		3,006	2,290
Total ASSETS		3,489	6,350

Comments to the consolidated statement of financial position

The consolidated balance sheet total decreased to SEK 3,489 m, compared to SEK 6,350 m at the start of the year due to divested properties. At the end of the year, the company decided to change its focus towards sales, whereby all properties reported as investment properties were reclassified as development and project properties.

Shares in associated companies and joint ventures amounted to SEK 239 m (338). During Q4, the holding in the Magsam JV, which was jointly owned with SBB, was sold to the JV partner and a sale agreement was signed for the holdings in the Yard JV, which is jointly owned with Slättö, conditional on financing. In addition, the item was affected by financing expenses in the JV with production in progress of housing and the impairment of the Näsängen project in the Österåkerporten JV, which will not be developed within the intended JV structure.

Long-term and current receivables from JVs amounted to SEK 197 m (213). The decrease is due to the settlement of balances with divested JVs.

Magnolia Bostad has a JV with Heimstaden and one with KF-fastigheter for the development of 416 and 900 residencies in Upplands-Bro, respectively. In addition, Magnolia Bostad has additional JVs with Heimstaden with projects in various stages of the zoning plan process.

Magnolia Bostad owns a JV with Niam for developing 226 tenant-owned apartments with occupancy underway and 110 rental apartments with completion planned for the first half of 2025 in Göteborg, and a JV with SBB that is running a zoning plan for a building right in Nykvarn for the planned development of 289 homes.

Development and project properties amounted to SEK 2,232 m (1,426) at the end of the year. In addition to reclassification from investment properties, the item was affected by continued development in the projects and impairments of projects that were not considered to be able to be implemented profitably in the current market situation.

Of other long-term and other receivables totaling SEK 639 m (864), SEK 546 m (727) are receivables from buyers of projects where payment is made upon completion. Of receivables from buyers, the Group expects to receive SEK 424 m (298) as repayments on promissory notes, payment of additional purchase prices and final purchase price within the next 12 months. Deposits paid for future property acquisitions amounted to SEK 62 m (74).

Table of contents →

Directors' report →

Consolidated financial reports

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Consolidated statement of financial position

Amounts in SEK m	Note	2024 31 Dec	2023 31 Dec
EQUITY AND LIABILITIES	1		
Equity	25		
Share capital		151	151
Other capital contributions		2,338	2,155
Retained profits incl. net profit/loss for the period		-1,576	-264
Equity attributable to parent company shareholders		913	2,042
Non-controlling interests		0	-64
Total equity		914	1,978
Long-term liabilities			
Deferred tax liability	26	0	24
Long-term interest-bearing liabilities	27	465	2,339
Long-term liabilities to joint ventures	32	0	25
Long-term leasing liabilities	7	27	33
Other long-term liabilities	27	112	115
Total long-term liabilities		605	2,537
Current liabilities			
Current interest-bearing liabilities	27	1,699	860
Current leasing liabilities	7	7	19
Accounts payable		7	27
Liabilities to joint ventures	32	0	11
Tax liabilities		0	0
Other current liabilities	27	136	702
Accrued expenses and deferred income	28	122	216
Total long-term liabilities		1,971	1,835
TOTAL EQUITY AND LIABILITIES		3,489	6,350

Comments to the consolidated statement of financial position

Equity and the equity/assets ratio

Consolidated equity amounted to SEK 914 m (1,978) as of 31 December 2024, with an equity/assets ratio of 26.2% (31.2). Of consolidated equity, SEK 0 m (-64) was attributable to non-controlling interests. During the year, a new share issue was carried out in Magnolia Holding 4 AB, which resulted in a dilution of the minority.

In 2024, Magnolia Bostad received new capital contributions in the form of unconditional shareholder contributions of SEK 183 m, of which SEK 83 m related to shareholder loans, including accrued interest, that have been converted to unconditional shareholder contributions.

Interest-bearing liabilities

The total interest-bearing loan liability, including interest-bearing depositss, amounted to SEK 2,164 m (3,199) as of 31 December 2024. The majority of Magnolia Bostad's liabilities consist of bonds with a carrying amount of SEK 1,228 m (1,418) and project-related liabilities of SEK 731 m (685). The remaining interest-bearing liabilities consist of promissory notes of SEK 205 m (337).

Project-related liabilities include financing for land acquisition and building credits, and are repayable in connection with Magnolia Bostad's handing over the projects. The average capital commitment period was 0.8 years as of 31 December 2024 compared to 1.6 years as of 31 December 2023.

Other liabilities

Other long-term and current liabilities consist primarily of debt for purchase prices not yet paid for acquired projects and amounted to SEK 249 m (817). The decrease is attributable to the deconsolidation of the Vårby Udde project.

[Table of contents →](#)
[Directors' report →](#)
[Consolidated financial reports](#)
[Parent company's financial reports →](#)
[Additional information and Notes →](#)
[Declaration by the Board →](#)
[Auditors' report →](#)
[Multi-year overview →](#)
[Alternative KPIs →](#)

Table of contents	→
Directors' report	→
Consolidated financial reports	
Parent company's financial reports	→
Additional information and Notes	→
Declaration by the Board	→
Auditors' report	→
Multi-year overview	→
Alternative KPIs	→

Consolidated cash flow statement

Amounts in SEK m	Note	2024 Jan-Dec	2023 Jan-Dec
Operating activities	1		
Profit/loss before tax		-1,272	-871
<i>Adjustments for items not included in cash flow, etc.</i>			
Less share of earings from associated companies and joint ventures		70	267
Depreciation/amortization and impairment of assets		380	212
Change in value of investment properties		244	105
Profit/losses from the sale of development properties		162	-34
Other profit/loss items that do not affect liquidity		20	10
Income tax paid		0	0
Cash flow from operating activities before changes in working capital		-396	-311
Changes in development and project properties		-128	-447
Changes in operating receivables		479	449
Changes in operating liabilities		-175	-118
Cash flow from operating activities		-221	-427
Investment activities			
Acquisition of intangible fixed assets		0	-
Investments in investment properties		-381	-702
Acquisition of machinery and equipment		0	-1
Investment support received		-	27
Investments in financial assets		-3	-77
Disposal/reduction of financial assets		13	-
Sale of subsidiary		433	-
Cash flow from investment activities		63	-753

Amounts in SEK m	Note	2024 Jan-Dec	2023 Jan-Dec
Financing activities			
Shareholder contribution		100	300
Borrowings		296	915
Repayment of loan liabilities		-422	-434
Repayment of leasing liabilities		-19	-20
Acquisition of non-controlling interests		-	-24
Cash flow from financing activities		-45	737
Cash flow for the period		-203	-442
Cash and cash equivalents at the beginning of the period		331	772
Cash and cash equivalents at the end of the period		128	331

Interest received amounted to SEK 20 m (12). Interest paid amounted to SEK -281 m (-281).

Comments to the consolidated cash flow statement

Consolidated cash flow from operating activities amounted to SEK -221 m (-427). The year's cash flow was affected by investments in the project portfolio. Cash flow from operating activities excluding investments and other changes in development and project properties amounted to SEK -93 m (20).

In conjunction with the handover, Magnolia Bostad receives forward funding for the projects, which means that Magnolia Bostad is paid for investments made up until handover. Often, a part of the project's profit is received at the handover. The remainder of the project's profit is received at the time of the project's completion.

Cash flow from investment activities amounted to SEK 63 m (-753) affected by investments in investment properties of SEK -381 m (-702). Sales of subsidiaries of SEK 433 million (0) correspond to net proceeds received from property sales during the year amounting to around SEK 1.3 bn; in connection with handovers, buyers have repaid liabilities of around SEK 0.8 bn. Cash flow from financing activities amounted to SEK -45 m (737).

Cash and cash equivalents as of 31 December 2024 amounted to SEK 128 m compared to SEK 331 m as of 31 December 2023. In addition to cash and cash equivalents, there were unutilized credits of SEK 235 m (358) as of 31 December 2024.

Consolidated statement of changes in equity

Amounts in SEK m	Share capital	Other capital contributions	Reserves	Retained profits inc profit/loss for the year	Non-controlling interests	Total equity
Opening equity 01/01/2023	151	1,528	–	549	18	2,245
Acquisition of non-controlling interests	–	–	–	–5	–20	–25
Net profit/loss for the period	–	–	–	–807	–61	–868
Other comprehensive income	–	–	–	0	0	0
Transactions with owners						
Shareholder contributions	–	627	–	–	–	627
Closing equity 31/12/2023	151	2,155	–	–264	–64	1,978

Amounts in SEK m	Share capital	Other capital contributions	Reserves	Retained profits inc profit/loss for the year	Non-controlling interests	Total equity
Opening equity 01/01/2024	151	2,155	–	–264	–64	1,978
Net profit/loss for the period	–	–	–	–1,184	–64	–1,247
Other comprehensive income	–	–	–	–	–	–
Transactions with owners						
New share issue	–			–127	127	0
Shareholder contributions	–	183	–	–	–	183
Closing equity 31/12/2024	151	2,338	–	–1,576	0	914

For more information see Note 25 – Share capital and other contributed capital.

Table of contents →

Directors' report →

Consolidated financial reports

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Parent company's income statement

Amounts in SEK m	Note	01/01/2024 31/12/2024	01/01/2023 31/12/2023
Net sales	5, 6	26	26
Total income		26	26
Central administration	7, 8, 9, 11	−49	−49
Operating profit/loss		−23	−23
Financial income	12	194	188
Financial expenses	13	−867	−191
Profit/loss after financial items		−696	−26
Group contributions	32	−49	−53
Tax on profit/loss for the year	14	0	0
PROFIT/LOSS FOR THE YEAR		−745	−79

Parent company's statement of comprehensive income

Amounts in SEK m	Note	01/01/2024 31/12/2024	01/01/2023 31/12/2023
Profit/loss for the year		−745	−79
Other comprehensive income		0	0
COMPREHENSIVE INCOME FOR THE YEAR		−745	−79

Parent company's balance sheet

Amounts in SEK m	Note	31/12/2024	31/12/2023
ASSETS			
Fixed assets			
Shares in Group companies	31	206	123
Long-term receivables		0	19
Toital fixed assets		207	142
Current assets			
<i>Current receivables</i>			
Receivables from Group companies	32	2,599	3,367
Other receivables	22	5	7
Prepaid expenses and accrued income	23	0	0
Total currentreceivables		2,604	3,374
Cash and bank balances	24	43	237
Total current assets		2,647	3,611
Total ASSETS		2,853	3,754

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Parent company's balance sheet (cont.)

Amounts in SEK m	Note	31/12/2024	31/12/2023
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	27	151	151
Total restricted equity		151	151
<i>Fritt eget kapital</i>			
Överkursfond		180	180
Balanserat resultat		2,015	1,911
Årets resultat		–745	–79
Total fritt eget kapital		1,450	2,013
Total eget kapital		1,602	2,164
Liabilities			
<i>Long-term liabilities</i>			
Long-term interest-bearing liabilities	29	300	1,018
Total long-term liabilities		300	1,018
<i>Current liabilities</i>			
Interest-bearing liabilities	29	927	458
Accounts payable		0	0
Liabilities to Group companies	34	9	85
Other current liabilities		0	0
Accrued expenses and deferred income	30	15	29
Total current liabilities		951	572
Total liabilities		1,251	1,590
TOTAL EQUITY AND LIABILITIES		2,853	3,754

Parent company's cash flow statement

Amounts in SEK m	01/01/2024 31/12/2024	2023-01-01 31/12/2023
Operating activities		
Profit/loss after financial items	–696	–26
Adjustments for items not included in cash flow, etc.		
Dissolution of setting-up fees	15	5
Depreciation and impairment of assets	692	6
Tax paid	0	0
Cash flow from operating activities before changes in working capital	11	–15
Cash flow from changes in working capital		
Changes in current recivables	–35	–454
Changes in current liabilities	–14	9
Cash flow from operating activities	–37	–460
Investment activities		
Sales/reduction of financial assets	0	0
Changes in long-term receivables	0	0
Cash flow from investment activities	0	0
Financing activities		
Shareholder contributions	100	300
Borrowings	0	0
Repayment of borrowings	–258	0
Cash flow from financing activities	–158	300
Cash flow for the year	–196	–159
Cash and cash equivalents at the beginning of the year	237	396
Cash and cash equivalents at the end of the year	43	237

Interest received amounted to SEK 2 m (5). Interest paid amounted to SEK –158 m (–165).

Parent company’s statement of changes in equity

Amounts in SEK m	Share capital	Share premium reserve	Retained profits incl profit/loss for the year	Total equity
Opening equity 01/01/2023	151	180	1,264	1,596
Profit/loss for the year	–	–	–79	–79
Merger results	–	–	21	21
Other comprehensive income	–	–	0	0
Transactions with owners				
Received shareholder contributions	–	–	627	627
Closing equity 31/12/2023	151	180	1,833	2,164

Amounts in SEK m	Share capital	Share premium reserve	Retained profits incl profit/loss for the year	Total equity
Opening equity01/01/2024	151	180	1,833	2,164
Profit/loss for the year	–	–	–745	–745
Other comprehensive income	–	–	0	0
Transactions with owners				
Received shareholder contributions	–	–	183	183
Closing equity 31/12/2024	151	180	1,271	1,602

For more information, see **Note 25**.

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Additional information and notes

Note 1 Accounting principles

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

The company in general
 Magnolia Bostad AB, org. no. 556797-7078, with its registered office in Stockholm, is a subsidiary of HAM Nordic AB, org. no. 559279-7376, based in Stockholm, Sweden. The annual report and consolidated accounts were approved by the Board of Directors on 10 April 2025 and will be submitted to the Annual General Meeting for approval on 27 May 2025.

The parent company in the largest group to which Magnolia Bostad AB is a subsidiary and where consolidated accounts are prepared, is HAM Nordic AB org. no. 559279- 7376, based in Stockholm. Magnolia Bostad AB's head office is located at Sturegatan 6, Box 5853, 102 40 Stockholm.

Applied regulations
 The consolidated accounts were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations from the IFRS Interpretations Committee as adopted by the EU. Furthermore, the consolidated accounts were prepared in accordance with Swedish law and the Swedish Financial Reporting Board's recommendation RFR1, Supplementary Accounting Rules for Corporate Groups.

The parent company applies the same accounting principles as the Group with the exception of the cases set out below in the section entitled "Parent company accounting

principles". Deviations that arise between the parent company and the Group principles are the result of limitations to the possibilities for applying IFRS in the parent company due to the Annual Accounts Act and, in some cases, applicable tax regulations.

Conditions for the preparation of the financial statements for the parent company and the Group
 The parent company's functional currency is SEK, which is also the reporting currency for the parent company and the Group. All amounts, unless stated otherwise, are rounded to the nearest million. The reports are prepared according to the assumption of survival. The Group's accounting principles have been applied consistently to the accounts and consolidation of the parent company and subsidiaries.

Classification
 Non-current assets and liabilities in the parent company and Group consist only of amounts that are expected to be recoverable or paid later than twelve months from the balance sheet date while current assets and liabilities in the parent company and the Group consist only of amounts that are expected to be recoverable or paid Within twelve months from the balance sheet date.

Input data for measurements at fair value
 Level 1 Listed, unadjusted, prices on active markets for identical assets or liabilities that the company has access to at the date of measurement.
 Level 2 Other input data than the listed prices that are included in Level 1, which are directly or indirectly observable for assets and liabilities.
 Level 3 Input data at Level 3 are non-observable input data for assets and liabilities.

Consolidated financial statements
 The consolidated income statement and balance sheet encompass all companies in which the parent company directly or indirectly holds more than half of the shares' voting rights as well as companies in which the Group in any other way has a controlling influence.

The financial statements for the parent company and the subsidiaries that are included in the consolidated financial statements refer to the same period and are prepared in accordance with the accounting principles that apply to the Group. A subsidiary is included in the consolidated financial statements as of the date of acquisition, which is the date the Parent Company acquires a controlling influence, normally more than 50% of the votes, and is included in the consolidated financial statements until the date on which the controlling influence ceases. Intra-Group

transactions and any associated profit/loss are eliminated.

Business combinations vs. asset acquisitions
 The acquisition of companies can be classified as either a business combination or an asset acquisition. The assessment is made on a case-by-case basis per acquisition. Company acquisitions, the primary purpose of which is to acquire the company's property and where the company's management organization and administration is of subordinate importance for the acquisition, are classified as asset acquisitions. Other company acquisitions are classified as business combinations.
 The difference between the cost of a business combination and the acquired share of net assets in the acquired operations is classified as goodwill and reported as an intangible asset in the balance sheet. Goodwill is measured at cost less accumulated write-downs.
 Goodwill is distributed among cash-generating units following an annual impairment test in accordance with IAS 36. Transaction costs are expensed directly to the period's profit/loss. When acquiring assets, the cost is distributed among the acquired net assets in the acquisition analysis.
 The percentage of equity attributable to owners with a non-controlling influence (also referred to as minority holding) is reported as an individual item under equity separate from the share of equity of the parent company's owner. A special note is also provided

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

regarding their share of the period's profit/loss.

Reporting of tenant-owner associations
Magnolia Bostad consolidates tenant-owner associations during the construction period and up to the time when the final tenant-owners take over their apartments and the control is judged to pass to the final tenant-owners. Unoccupied tenant-owned apartments are reported as work in progress. Within the asset item project and development properties.

Reporting of joint arrangements
Joint arrangements are companies over which the Group has joint control through agreements. Joint arrangements are classified as either joint operations or joint ventures. There are currently no companies that are considered to be joint operations in Magnolia Bostad. Joint ventures are arrangements where Magnolia Bostad has a right to the net assets and where the investment is accounted for using the equity method.

The equity method means that the holding is initially recognized at cost. The carrying amount is subsequently increased or decreased to take into account the Group's share of the profit and other comprehensive income from its joint ventures after the acquisition date. The Group's share of the profit or loss from holdings recognised using the equity method is included in the Group's profit or loss and the Group's share of other comprehensive income is included in the Group's other comprehensive income.

Segment
The identification of segments is based on the internal reporting to the highest executive decision-maker, which in Magnolia Bostad is the CEO. Since reporting to the CEO as a basis for decisions regarding the distribution of resources is made for the entire operations and not divided into geographic markets or the equivalent, Magnolia Bostad is considered to consist of only one segment.

Revenue recognition
Revenue recognition takes place when a performance commitment is fulfilled by transferring a promised product or service to a customer. An asset is transferred when control of the asset is transferred to the customer. When a performance commitment is met, or as a result of it being met, a company must recognize the amount of the transaction price allocated to the performance commitment.

In the case of sales, two different agreements are entered into with the customer, an agreement regarding the sale of the project (property) and an agreement regarding project management. These two agreements are seen as a single agreement according to IFRS 15. The Group has two separate performance obligations; project management which is recognized over time and the sale of the project (property) which is recognized at a point in time when control has been transferred to the customer. The transaction price is allocated between the two performance obligations based on the stand-alone sales price for project management.

Revenue recognition of project management agreements
Project management is reported as a performance obligation, and the revenue attributable to the project management is reported over time in accordance with the input method since control is passed over time. Under the input method, revenue is recognized on the basis of initiatives or input to meet a performance obligation in relation to the total expected input for the satisfaction of the performance obligation. Magnolia Bostad has chosen actual project costs in relation to total estimated costs for each project management agreement. This method has been chosen because costs incurred are seen as best reflecting the transfer to the customer. Costs for the project management agreement consist mainly of personnel costs and costs for sub-consultants.

Revenue recognition of projects (property)
Magnolia Bostad considers that the time of revenue recognition of projects (property) is when control has been passed to the buyer. The buyer is usually a stable Swedish institution or a property company. The control is deemed to pass when (i) a binding agreement is entered into with a purchaser of the project (the property), (ii) local planning is in place, and (iii) a binding turnkey contract has been entered into with a contractor. The turnkey contract is signed by or transferred to the buyer. The Group makes the assessment that control over the asset is passed at the point in time when there is a legally binding agreement with the purchaser and the significant risks and benefits associated with the ownership of the asset are thus passed to the purchaser.

The transaction price contains elements of variable consideration. For rental apartment projects, hotels and residential care properties, the variable consideration is linked to the future property's rent/net operating income and area. Variable remuneration amounts are estimated at the expected value and included in the transaction price to the extent that a significant reversal at a later point in time is highly improbable. At the end of each reporting period, the estimated transaction price is updated to correctly reflect the circumstances at that point in time. The variable consideration for rents is dependent on warranties limited in time and scope linked to future rent levels/net operating income and future vacancy levels for rental apartment projects. The vacancy guarantee is updated using the current rental status.

Variable consideration in the transaction price linked to the area consists of zonal planning risk and any risk in the turnkey contract. Planning risk is based on due diligence regarding the local zonal planning work and is reported as revenue when the building permit gains legal force, which is when the uncertainty surrounding planning risk ceases. The risk in the turnkey contract is considered to cease and is reported as revenue when the turnkey contract has been concluded. The Group makes an individual assessment of the expected value of any variable consideration in each individual project.

Following revaluation of the projects' expected final profit/loss, previously calculated profit in the projects concerned is adjusted and the projects are recognized as revenue or reported as a decrease in revenue in the period during which the transaction price is changed.

Table of contents	Our business	Sustainable urban development	Projects and properties	Financing	Directors' report and financial reports	Sustainable reporting	Corporate governance and other information
<div>Table of contents →</div> <div>Directors' report →</div> <div>Consolidated financial reports →</div> <div>Parent company's financial reports →</div> <div>Additional information and Notes</div> <div>Declaration by the Board →</div> <div>Auditors' report →</div> <div>Multi-year overview →</div> <div>Alternative KPIs →</div>	<p><i>Sale of tenant-owned apartments</i> Via the tenant-owner association, an agreement is signed with the tenant-owner on the acquisition of a right of use in the tenant-owner association corresponding to a certain apartment. Magnolia Bostad assesses that controlling influence over tenant-owner associations ends at the time when the final tenant-owners access their apartments and the tenant-ownership is consolidated until this time. Revenues and costs for tenant-owned apartment projects are reported as the apartment buyers take over the tenant-owned apartments and consist of the actual revenue for the apartment sold and the sold apartment's share of the project's total cost.</p> <p>Remuneration to employees Remuneration to employees in the form of salaries, paid vacation, paid absence due to illness, etc., and pensions are reported as earned.</p> <p><i>Defined-contribution pensions</i> The Group only utilizes defined-contribution pension plans. In defined-contribution plans, the company pays fixed fees to an external public or private legal entity that manages the future pension commitments. The Group's profit is debited for costs as benefits are accrued. The Group has no additional payment commitments or other obligations once the fees are paid.</p> <p>Financial income and expenses Financial income consists of interest-bearing income on bank balances, receivables and financial investments. Interest income is reported using the effective interest method. When the value of a receivable classified as a loan receivable and accounts receivable</p>	<p>or a loan liability has been impaired, the Group lowers the carrying amount to the recoverable amount, which is determined by the forecast cash flow discounted by the original effective interest rate for the instrument and continues to dissolve the discounting effect as interest income. Interest income on impaired loan receivables and accounts receivable are reported at the original effective interest rate.</p> <p>Financial expenses consist of interest expenses and other costs for borrowing. Interest expenses are reported using the effective interest method. Financial expenses are reported in the period to which they relate.</p> <p>Leasing – lessor Lease agreements are classified as either finance or operating leases. Finance leases occur when the economic risks and rewards attributable to the leasing object in all material respects are transferred to the lessee. All other leases are considered to be operating leases. The Group does not have any material finance lease agreements and all lease agreements are therefore reported as operating lease agreements, which means that the lease fee is distributed on a straight line basis over the term of the lease.</p> <p>Leasing - lessee As the lessee, rights of use and leasing liabilities for the vast majority of leasing agreements are recognized in the balance sheet. Depreciation of rights of use and interest costs for leasing liabilities are reported in the income statement. In the cash flow analysis, payments attributable to the amortization of leasing liabilities are reported in financing operations and payments attributable to interest in operating activities. The leasing</p>	<p>liability is valued at the acquisition date at the present value of unpaid leasing fees at the commencement date. Subsequently, the lease liability increases with interest costs and decreases with paid lease fees. The right of use is initially reported at acquisition value, i.e. the original value of the lease liability. The right of use then depreciates over the period of use. Leasing fees are discounted with the implicit interest rate if it can be determined otherwise the marginal loan interest rate is used are discounted by the marginal loan interest rate. The Group applies the exceptions that the standard allows for short-term leases and leases for which the underlying asset is of low value. These lease agreements are reported as other expenses. After the start date, the lease liability is revalued to reflect re-evaluations and changes to the lease agreement. The revaluation of the lease liability is adjusted against the right of use. Profits or losses attributable to changes in lease agreements are recognized in the income statement.</p> <p>Investment properties Investment properties are properties held for the purpose of earning rental income or capital appreciation or a combination of these. Investment properties are initially recognized at cost, which includes expenses directly attributable to the acquisition. Investment properties are normally recognized in the balance sheet on the date of the agreement, unless control is transferred from the seller at another time. If control of the asset is transferred from the seller at another time, the investment property is recognized from that other time.</p> <p>Additional expenses are only added to the reported value if it is probable that the future</p>	<p>economic benefits associated with the asset will come to the company and the acquisition value can be calculated reliably. Investment support received reduces the asset's carrying amount to a corresponding extent. Expenses for repairs and maintenance are reported in the period they occur.</p> <p>Investment properties are reported at fair value on the balance sheet date. Fair value is the estimated amount that would be received in a transaction at the time of reporting between knowledgeable parties independent of each other and who have an interest in the transaction being carried out. The valuations are made at the end of each quarter and all investment properties are externally valued at least once a years. Both unrealized and realized changes in value are reported in the income statement under the heading Changes in value of investment properties in the operating profit.</p> <p>Income from the sale of investment properties is normally reported on the contract date if the transfer to the buyer is not made on a different date. The transfer of the asset may have occurred at a different time to the contract date. If this is the case, the revenue is reported under this other date. When assessing the revenue recognition date, consideration is given to what has been agreed between the parties regarding risks and benefits and involvement in day-to-day management.</p> <p>In connection with a review of the company's strategic direction, all investment properties have been reclassified as development and warehouse properties as of 31 December 2024 as the intention is no longer to develop these for long-term ownership. The changed</p>			

	classification means that these properties are no longer reported at fair value but at the lower of acquisition value and net realizable value. The most recent external valuation for the properties is considered to be the net realizable value and all positive changes in value are written down so that the properties are valued at a maximum at acquisition value.	and project properties are reported in their entirety when a binding agreement exists. In certain agreements on asset acquisitions, there are additional payments that are payable if certain events occur in the future. These additional payments are recognized when the underlying event causing an additional payment occurs. Any tax discounts at acquisition reduce the property's cost.	company becomes party to the instrument's contractual terms and conditions. Financial assets are derecognized from the balance sheet when the rights of the agreement are realized, fall due or the company in any other way loses control over them. Financial liabilities are derecognized from the balance sheet when the obligations in the agreement are discharged or in any other way extinguished. Financial instruments are initially reported at cost corresponding to the instrument's fair value at the time of acquisition including transaction costs for all financial instruments except those that belong to the category Financial asset reported at fair value in the income statement, which are reported without transaction costs. Reporting thereafter depends on how they are classified in accordance with that stated below. The financial assets category consists of three sub-groups: financial assets measured at fair value through the income statement, financial assets measured at accrued acquisition value and financial assets measured at fair value via other comprehensive income.	and which are not identified as valued at fair value through profit or loss, are valued at accrued acquisition value. The reported value of these assets is adjusted with any reported expected credit losses. A default is defined as receivables where a significant part of the obligation is delayed by more than 90 days. Individual assessment and provision is made on the basis of rating-based impairment models. Due to short maturities and/or high creditworthiness, the provisions amount to insignificant amounts. Interest income from these financial assets is reported in net financial items using the effective interest method.
Table of contents →	Tangible and intangible fixed assets Tangible and intangible fixed assets are recognized as an asset in the balance sheet when, based on available information, it is probable that the future economic benefits associated with the holding will flow to the company and that the cost of the asset can be measured reliably. Tangible and intangible fixed assets are recognized at cost less depreciation and any impairment losses.	Provisions and contingent liabilities A provision is recognized in the balance sheet when the company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the effect of the timing of payment is material, provisions are calculated by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where applicable, the risks specific to the liability. Provisions are reviewed at each balance sheet date. Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent liabilities also include claims arising from past events, but which are not recognized as liabilities or provisions because it is not probable that an outflow of resources will be required to settle the claim and/or that the amount cannot be estimated with sufficient certainty.	Classifications of liability and equity instruments are described below: <i>Liability instruments</i> are the instruments that fulfil the definition of financial liabilities from the issuer's perspective, such as customer receivable and loan receivables. The Group classifies its liability instruments in one of the following two evaluation categories:	Accounts receivable are reported at the amount that is expected to be received after deductions for doubtful receivables that have been assessed individually. The expected maturity of rental receivables is short, which is why the value is reported at a nominal amount without discounting.
Directors' report →				
Consolidated financial reports →				
Parent company's financial reports →				
Additional information and Notes				
Declaration by the Board →	Depreciation and amortization principles for intangible and tangible fixed assets Depreciation according to plan is based on the original cost less the estimated residual value. Depreciation/amortization occurs on a straight-line basis over the estimated useful life of the asset.			Receivables are reported at cost less any impairment losses. A receivable is tested individually for its estimated probability of default and recognized at the amount expected to be received. Write-downs are made for bad debts and are reported under operating expenses.
Auditors' report →	Licenses 5 years Machinery and equipment 3–5 years			
Multi-year overview →				
Alternative KPIs →	Development and project properties Development and project properties are held for the purpose of developing and selling residential units, such as rental apartments and tenant-owned apartments. The properties are reported as current assets, even if some properties are under management and generate rental income pending their development. They are reported at the lowest of cost and net realizable value. Development	Financial instruments A financial asset or financial liability is recognized in the balance sheet when the	<i>Financial assets measured at accrued acquisition value</i> Assets held for the purpose of collecting contractual cash flows that only constitute payments of principal amounts and interest,	<i>Financial assets measured at fair value through the profit/loss</i> Assets that do not meet the criteria for accrued acquisition value are measured at fair value through the profit/loss. Profits or losses due to a debt instrument that after initial recognition are valued at fair value through profit or loss and are not included in a hedging relationship are recognized in

	<p>net financial items when they arise. Interest income from these financial assets is reported in net financial items using the effective interest method.</p> <p>Liability instruments are reclassified only when the Group's business model for managing these assets changes</p> <p><i>Equity capital instruments</i> are instruments that meet the definition of equity capital from the issuer's perspective, which means instruments without a contractual obligation to pay and which deposit a residual right in the issuer's net assets. Profits or losses due to equity instruments measured at fair value via the balance sheet are recognized in net financial items.</p> <p><i>Financial liabilities measured at accrued acquisition value</i> Refers to all other financial liabilities, such as borrowing, accounts payable, accrued costs for services and goods that are settled in cash. Financial liabilities (interest-bearing loans and other financing), with the exception of short-term liabilities where the interest rate effect is insignificant, are measured initially at fair value, and thereafter at amortized cost when applying the effective interest method. Accounts payable and other liabilities with short-term expected maturities are measured without discounting to a nominal amount. Liabilities are reported when the counter-party has delivered and a contractual payment obligation arises, even if the invoice has not yet been received. Accounts payable are reported when the invoice has been received.</p>	<p>A financial asset and a financial liability are off-set and reported as a net amount in the balance sheet only in the presence of a legal right to net the amounts and to settle the items with a net amount or simultaneously realize the asset and settle the liability. As of the balance sheet date, there were no financial instruments reported net or covered by off-set agreements.</p> <p>Cash Flow Statement The indirect method is applied to the preparation of the cash flow statement. The reported cash flow only includes transactions that result in incoming or outgoing payments.</p> <p>Parent company's accounting principles The parent company prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The Swedish Financial Reporting Board's statements for listed enterprises also apply. Under RFR 2, the parent company in the annual report for the legal entity shall apply all of the IFRS and statements approved by the EU to the extent possible Within the framework of the Swedish Annual Accounts Act and with consideration given to the link between accounting and taxation. The recommendation states which exceptions and additions may be made in relation to IFRS.</p> <p><i>Participations in Group companies</i> Participations in Group companies are reported using the cost method. Costs related to acquisition of subsidiaries are included as part of the cost for participations in Group companies. The carrying amount for participations in Group companies are tested for</p>	<p>any impairment need when such indications arise.</p> <p><i>Group contributions, dividends and shareholders' contributions</i> The company reports Group contributions according to the alternative rule, which entails that Group contributions received or paid are reported under appropriations. Anticipated dividends are reported as financial income by the recipient. Shareholders' contributions are reported directly under equity by the recipient and capitalized in shares and participations by the issuer to the extent a write-down is not required. Shareholder's contributions received are reported as an increase in unrestricted equity.</p> <p><i>Financial instruments</i> Financial instruments are not reported in accordance with IFRS 9, Financial Instruments, but rather are reported as the lower of cost or net realizable value in accordance with the Annual Accounts Act. Receivables in the parent company largely consist of receivables from subsidiaries which are reported at acquisition value. Rating-based impairment models are applied.</p> <p>Changed reporting principles New or changed existing standards that came into force on 1 January 2024 have not had any significant impact on the Group's financial reports.</p> <p><i>New and changed standards that are not yet applied by the Group</i> None of the new or revised existing standards that have not yet come into force are expected to have any significant impact on the Group's financial reports.</p>
<div>Table of contents →</div> <div>Directors' report →</div> <div>Consolidated financial reports →</div> <div>Parent company's financial reports →</div> <div>Additional information and Notes</div> <div>Declaration by the Board →</div> <div>Auditors' report →</div> <div>Multi-year overview →</div> <div>Alternative KPIs →</div>			

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Note 2 Critical assessments and estimations

The preparation of the financial statements in accordance with IFRS requires that the Board of Directors and executive management make assessments, estimations and assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. The estimations and assumptions are based on historical experiences and a number of other factors that given the current circumstances are deemed to be reasonable. The results of these estimations and assumptions are then used to assess the carrying amounts for assets and liabilities that otherwise are not clearly evident from other sources. The actual outcome may deviate from these estimations and assessments. The estimations and assumptions are reviewed regularly.

Revenue recognition of projects (property)
The project development of rental apartments is recognized as revenue as of the date that (i) a binding agreement has been signed with a rental project purchaser, (ii) there is a zoning plan, and (iii) a binding turnkey contract has been signed with a contractor. The turnkey contract is signed by or transferred to the buyer. The Group makes an individual assessment on the need for any provisions in each individual project.
The Group establishes certain guarantees for the project in relation to vacancy and rental levels for which the Group makes provisions based on the specific circumstances of each respective project. Reassessment of the provision for rental guarantees takes place regularly based on the current rental situation. The Group makes provisions for planning risk on the basis of its knowledge of the local planning work. The provision for planning risk is dissolved when the building

permit enters into legal force. The Group also makes provisions for any risk in the turnkey contract. Variable remuneration amounts are estimated at the expected value and included in the transaction price to the extent that a significant reversal at a later point in time is highly improbable. Assessment and estimation of variable components to include in the transaction price is largely based on an assessment of future expected performance and all information (historical, current and forecast) that is reasonably available to us. Reassessments of the expected end result of the project mean adjustments of previously calculated profit in the projects concerned. These changes to forecasts are included in the recognized profit/loss for the period. Estimated losses are charged directly to the profit/loss in the period in which they are identified. Assessments and estimates affect the receivable property sales, which is stated in Note 19 - Other long-term receivables and Note 22 - Other receivables.

Revenue recognition, right of use (tenant-owned apartments)
Magnolia Bostad assesses that controlling influence over tenant-owner associations ceases at the time when the final tenant-owners purchase their apartments and the tenant- ownership is consolidated until this time. Revenues and costs for tenant- owned apartment projects are reported as the apartment buyers take over the tenant-owned apartments and consist of the actual revenue for the apartment sold and the sold apartment's share of the project's total cost. Revaluations of the projects' expected end result entail a correction of previously prepared results in the projects This forecast change is included in the period's reported results. Assessed losses are charged in their

entirety directly to the profit for the period in the period in which they are identified.

Revenue recognition, project management
Revenues from project management agreements are reported successively based on the degree of completion of the project. The degree of completion is determined mainly on an ongoing basis as the work is carried out.

Valuation of properties
When valuing investment properties, estimates and assessments can have a significant impact on the Group's reported results and position. Internal valuations of investment properties require assessments of and assumptions about, for example, future cash flows and the determination of direct yields for each individual property. The assessments made affect the carrying amount in the statement of financial position for the item Investment properties and for investment properties owned in joint ventures, which affects the item Participations in associated companies and joint ventures. In the income statement, it affects the item Changes in value of investment properties and for investment properties, it affects the item Profit from participations in associated companies and joint ventures.

Magnolia Bostad continually monitors relevant property transactions. Internal valuations of the entire property portfolio are carried out with each quarterly report. To ensure the quality of internal valuations, Magnolia Bostad continually has parts of the portfolio externally valued. The discrepancies between external and internal values have historically been insignificant.

For more information on valuation, assessments and assumptions as well as sensitivity, see Note 17 - Investment properties for properties reported as Investment properties and Note 18 - Participations in associated companies and joint ventures for investment properties owned via joint ventures.

Deferred tax assets
Deferred tax assets and liabilities are reported for temporary differences and unutilized loss carry-forwards. The measurement of loss carry-forwards and the Group's ability to utilize loss carry-forwards are based on company management's estimations of future taxable income. Since a large portion of the Group's income according to current tax rules is treated as non-taxable income, the company's management has made the assessment that no deferred tax asset for loss carry-forwards is reported

Classification of development and project properties and investment properties
When acquiring a property, an assessment is made whether the property should be developed or used as a management property. The assessment affects the consolidated profit/loss and financial position since each approach is handled differently from an accounting perspective. Properties that are to be developed are classified as development and project properties. Development and project properties are reported as inventory since the intent is to sell the property after completion. The measurement is then the lowest of cost and net realizable value. Investment properties, rental income and appreciation. Investment properties are measured at fair value and the change in value is recorded in the income statement. Executive management makes an individual

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

assessment of each property to determine whether the purpose is to develop and sell residential units, both rental apartments and tenant-owned apartments, or whether it is to own the property in the long-term. As of 31 December 2024, all properties are classified as development and project properties.

Demarcation between business combinations and asset acquisitions
When acquiring businesses, an assessment is conducted of how the acquisition should be reported based on whether there are employees and the complexity of internal processes. Such an assessment also takes into account the number of businesses and the occurrence of contracts with varying degrees of complexity. If the above criteria are largely

present, the acquisition is classified as a business combination, and if they are minimally present, as an asset acquisition. Executive management makes an assessment on an acquisition-by-acquisition basis which criteria are met. In 2024 and 2023, the company's management made the assessment that only asset acquisitions occurred.

Additional payments for asset acquisitions
In certain asset acquisitions, there are additional payments that are payable if certain events occur in the future. These additional payments are recognized when the underlying event causing an additional payment occurs.

Note 3 Financial risks and finance policy

Through its operations, the Group is exposed to different types of financial risks. Financial risks refer to fluctuations in the company's profit/ loss and cash flow as a result of changes in, for example, interest rates. The company is primarily exposed to liquidity risk, financing risk, interest rate risk and credit risk. The Group's finance policy for management of financial risks has been drawn up and decided by the Board of Directors. The finance policy forms a framework of guidelines and rules in the form of risk mandates and limits for the financial operations.

The company's financial risk-taking and position can be derived from, among others, the equity/assets ratio. In credit agreements with banks and credit institutions, there are often set limits known as loan covenants, for this key ratio. The company's own goals are in line with the banks' requirements. In order for dividends to be paid or share buybacks to be allowed, the Group's equity/assets ratio, according to the latest published financial report at the time of payment, must exceed 30% tested pro forma including relevant payments. For a description of the company's risks and risk management, see the Risk Management section in the Board of Directors' Report.

Liquidity risk
Liquidity risk refers to the risk that there would not be sufficient liquidity to meet future payment obligations. Internal liquidity forecasts are prepared on a regular basis for the coming twelve months, where all items affecting the cash flow are analysed in aggregate. The aim of the liquidity forecast is to verify the need for capital. Capital tie-up is evaluated individually for each project financing and synchronized with each project maturity. The objective is to match cash flows from forward funding and final consideration from buyers with maturities on financing. Magnolia Bostad has a policy to hold cash of SEK 250 m , excluding overdraft facilities. In the short-term, the Group's cash position may be lower. If liquidity is estimated to be less than SEK 250 m investment decisions with a liquidity impact of more than SEK 25 m must be made by the Board. At the end of the years, cash and cash equivalents totalled SEK 128 m (331). In addition to cash and cash equivalents, there were unutilized credit facilities of SEK 235 m (358).

Below is a maturity analysis for financial liabilities. The table contains undiscounted cash flows based on the date of contract and includes both the interest rate and the nominal amount.

Maturity analysis 31/12/2024	0–1 years	1–2 years	2–3 years	3–5 years	Over 5 years
Interest-bearing liabilities	1,786	355	3	3	163
Leasing liabilities	9	7	6	11	12
Accounts payable	7	–	–	–	–
Other liabilities	126	26	28	58	–
Total	,1,928	388	37	73	175

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Maturity analysis 31/12/2023	0–1 years	1–2 years	2–3 years	3–5 years	Over 5 years
Interest-bearing liabilities	1,118	1,854	468	6	160
Leasing liabilities	22	9	7	11	17
Liabilities till intresseföretag	11	25	–	–	–
Accounts payable	27	–	–	–	–
Other liabilities	691	89	26	–	–
Total	1,869	1,977	501	17	177

Of the cash flows from interest-bearing liabilities Within 0–1 years of SEK 1,786 m (1,118), SEK 1,734 m (736) is within 6 months and SEK 52 m (324) after 6 months but within 12 months.

The majority of bank financing is linked to various individual projects where repayment of debt will take place in connection with Magnolia Bostad's handover when the sale proceeds are received from the buyer of the project. Project financing and building credit are considered to be able to be refinanced upon maturity.

Financing risk

Financing risk refers to the risk that either no financing can be obtained or financing can only be obtained at much higher prices. In order to manage this risk, the Finance Policy contains rules regarding the spread of capital tie-up for the credit stock and the size of unutilized loan facilities and investments. The refinancing risk is reduced through a structured and early start to the refinancing process. For large loans, the process is begun 9 months prior to the maturity date. The Group has an equity/assets ratio target of

at least 30%. A higher equity/assets ratio makes Magnolia Bostad a more attractive borrower.

Outstanding bonds have certain limitations in terms of the type of debt that may be raised. According to the terms for outstanding bonds, the Group's equity/assets ratio according to the latest published financial report at the time of the loan, must exceed 30%, tested pro forma and including relevant loans, in order for Magnolia Bostad to take up new bond liability or other debt that is ranked equally, or subordinated, existing bonds. There are no restrictions on the raising of project-related debt in the terms for outstanding bonds.

Credit risk

Credit risk refers to the risk that a counterparty or issuer will not be able to fulfill its obligations to the company. The maximum credit exposure corresponds to the carrying amount of the assets and amounted to SEK 976 m (1,433). The credit risk among receivables for property sales is considered to be limited as the risk that the counterparties will not be able to fulfill their obligations is considered to be low. The majority of recei-

vables from property sales are concentrated on a few large, established property companies such as Heimstaden, PFA Bostad and Trenum.

The company is also exposed to credit risk to the extent that surplus liquidity is invested. A rating-based impairment model is applied. Funds in cash accounts and any investments may not exceed SEK 750 in exposure to one and the same banking group.

Market risk

Interest rate risk
Interest rate risk can consist in part of a change in fair value as a result of changes in interest rates (price risk) and changes in cash flow (cash flow risk). Fixed interest periods are an important factor that influence the interest rate risk. Long fixed interest periods mean a higher price risk and short fixed interest period mean higher cash flow risk. The Group strives to have a short interest rate fixation period for project development and a longer interest rate fixation period for properties for self-management

The Group's exposure to interest rate risk in the form of rising market rates is illustrated by a sensitivity analysis. Interest rate expenses during the year amounted to SEK –296 m (–295) and the average interest rate at the end of the year amounted to 9.3% (9.8). An increase in STIBOR 3M by onepercentage point would increase the Group's interest rate expense for the financial year by around SEK 19 m (29).

Capital risk management

The Group's objective regarding capital structure is to safeguard the Group's ability to continue as a going concern, so that it can continue to generate returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to keep the cost of capital low. To maintain or adjust the capital structure, the Group may change the dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group assesses its capital on the basis of the equity/assets ratio. This key figure is calculated as equity, including holdings without a controlling influence, as a% of the balance sheet total.

In 2024, the Group's strategy was to maintain an equity/assets ratio of at least 30%.. At the end of the year, the target was adjusted to 25%. The equity/assets ratio as of 31 December 2024 was 26.2 % (31.2).

[Table of contents](#)

[Directors' report](#)

[Consolidated financial reports](#)

[Parent company's financial reports](#)

[Additional information and Notes](#)

[Declaration by the Board](#)

[Auditors' report](#)

[Multi-year overview](#)

[Alternative KPIs](#)

FINANCIAL INSTRUMENTS PER CATEGORY

31/12/2024 The Group	Financial assets/ liabilities meas- ured at fair value through the inco- me statement	Accrued acquisi- tion value	Financial liabilities valued at accrued acquisition value
Assets in the balance sheet			
Receivables from joint ventures	–	197	–
Other long-term receivables	–	155	–
Accounts receivable	–	11	–
Other receivables	–	483	–
Prepaid expenses and accrued income	–	2	–
Cash and cash equivalents	–	128	–
Total	–	976	–
Liabilities in the balance sheet			
Long-term interest-bearing liabilities	–	–	465
Liabilities to joint ventures	–	–	–
Other long-term liabilities	–	–	112
Leasing liabilities	–	–	34
Current interest-bearing liabilities	–	–	1,699
Accounts payable	–	–	7
Other current liabilities	–	–	1
Accrued expenses and deferred income	–	–	35
Total	–	–	2,353

The carrying amount of all financial assets and liabilities is not judged to deviate sig- nificantly from the fair value except for the bonds, where the fair value is estimated to amount to SEK 1,087 m (1111) compared to the carrying amount of SEK 1,242 m (1,418). Fair value for the bonds has been assessed

according to Level 1, which means that the value is derived from listed prices on an ac- tive market Accounts receivable, other recei- vables, cash and cash equivalents, accounts payable and some other liabilities have a remaining life of less than six months, which is why the carrying amount is consid- ered

FINANCIAL INSTRUMENTS PER CATEGORY

31/12/2023 The Group	Financial assets/ liabilities meas- ured at fair value through the inco- me statement	Accrued acquisi- tion value	Financial liabilities valued at accrued acquisition value
Assets in the balance sheet			
Receivables from joint ventures	–	213	–
Other long-term securities held	–	–	–
Other long-term receivables	–	509	–
Accounts receivable	–	18	–
Other receivables	–	355	–
Prepaid expenses and accrued income	–	7	–
Cash and cash equivalents	–	331	–
Total	–	1,433	–
Liabilities in the balance sheet			
Long-term interest-bearing liabilities	–	–	2,339
Liabilities till joint ventures	–	–	36
Other long-term liabilities	–	–	115
Leasing liabilities	–	–	52
Current interest-bearing liabilities	–	–	860
Accounts payable	–	–	27
Other current liabilities	–	–	41
Accrued expenses and deferred income	–	–	105
Total	–	–	4,044

to reflect the fair value. The majority of the interest-bearing bank loans have a variable interest rate, and the carrying amount thus is considered to reflect fair value.

Note 4 The Group's composition

The operations of the Magnolia Bostad-the Group are run in several companies. Ownership in operating companies is spread across several different holding companies that are owned either directly or indirectly by Magnolia Bostad AB. For information on Magnolia Bostad AB's subsidiaries, **see Note 31 – Participations in Group companies.**

Some of the Group's loan agreements contain conditions that limit the ability to transfer cash or other assets to other companies Within the Group.

In total, there are non-controlling interests (minority) of SEK 0 m (–64) in Magnolia Bostad-the Group.

Magnolia Holding 4 AB

In 2024, Magnolia Holding 4 carried out a new share issue of SEK 2 bn to strengthen its capital base. The minority owner did not subscribe for its share, which resulted in a dilution effect. After the issue, Magnolia Utveckling AB owns 99.99% of the shares in Magnolia Holding 4 AB.

Projects that are being developed in limited liability companies in the minority ownership structure Holding 4 will continue, but no new projects will be allocated to these companies.

Magnolia Hotellutveckling 2 AB

Magnolia Bostad's share of Magnolia Hotellutveckling 2 AB amounts to 92% and Videbo Invest AB's share amounts to 8%. Videbo Invest AB's share of Magnolia Hotellutveckling 2 AB amounts to SEK 0 m (0) and its share of the year's profit amounted to SEK 0 m.

Summary of financial information for subgroups that have non-controlling interests

	Magnolia Holding 4 AB		Magnolia Hotellutveckling 2 AB	
	2024	2023	2024	2023
Fixed assets	485	3,963	0	0
Cash and cash equivalents	13	6	1	1
Other current assets	2146	1,321	12	12
Total assets	2,644	5,290	12	13
Equity	368	–292	3	2
Long-term liabilities	517	1,020	-	–
Current liabilities	1,758	4,562	9	10
Total equity and liabilities	2,644	5,290	12	13
Net sales	1,355	213	3	0
Operating expenses	-2,140	–381	-2	–6
Change in value of investment property	-249	–55	-	–
Profit/loss from participations in associated companies and joint ventures	-70	–268	-	–
Net financial items	-294	–310	0	0
Income tax	58	6	-	–
Profit/loss for the year	-1,339	–795	1	–5

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Note 5 Net sales

The Group's net sales relate entirely to Sweden. Net sales are distributed across the following business areas:

	The Group		Parent company	
	2024	2023	2024	2023
Revenue from contracts with customers	1,615	273	26	26
Rental income	28	32	–	–
Total	1,643	305	26	26
	The Group		Parent company	
	2024	2023	2024	2023
Sales, development and project properties	1,568	58	–	–
Total income reported at a point in time	1,568	58	–	–
Project management revenue	30	49	–	–
Rental income	28	32	–	–
Invoicing for projects	18	157	–	–
Other revenue	0	9	26	26
Total income recognized over time	75	247	26	26
TOTAL REVENUE	1,643	305	26	26

Revenue from three (0) of Magnolia Bostad's customers individually exceeds 10% of Magnolia Bostad's total revenue.

Cash flow from project sales is partly received in connection with the transfer of the land via forward funding, as Magnolia Bostad receives payment for investments made up to the transfer. Magnolia Bostad often receives a portion of the project's profit in cash upon transfer. The remaining part of the cash flow from property sales is received in connection with project completion. After selling and handing over the project, Magnolia Bostad has a project management

agreement for the project, which is valid until the property is completed. The project management agreement is invoiced and recognized as revenue on an ongoing basis during the contract period.

For sales of undeveloped property, the entire consideration is normally received in connection with the handover. Other income, such as rent, and invoicing for the projects, are reported and invoiced on an ongoing basis.

Note 6 Leasing – lessor

Rental contracts in the company from an accounting perspective can be viewed as operational leasing contracts. The contracts refer to rental of commercial premises and residential units. Below are the agreed future minimum lease fees within each interval.

	The Group		Parent company	
	2024	2023	2024	2023
Contractual rental income				
Within one year	7	54	–	–
Within two years	0	4	–	–
Within three years	–	–	–	–
Within four years	–	–	–	–
Within five years	–	–	–	–
After five years	–	–	–	–
Total future leasing income	7	58	–	–

The total rental income included in the Group's income statement was SEK 28 m (32).

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Note 7 Leasing – lessee

The Group's leasing fees consist mainly of parking spaces rented in three projects and rent for the premises in which Magnolia Bostad conducts its operations. Right-of-use assets are reported in the balance sheet as Right-of-use assets.

	The Group	
	2024	2023
Right-of-use assets		
Opening carrying amount	46	49
Additional right-of-use assets	1	17
Depreciation	–18	–20
Terminated contracts	0	0
Closing carrying amount	30	46

Changes to leasing liabilities linked to right of use assets are listed below..

	The Group	
	2024	2023
Leasing liabilities		
Opening carrying amount	52	54
Additions	1	17
Interest expenses	3	4
Payments	–22	–23
Terminated contracts	0	0
Closing carrying amount	34	52
Current leasing liabilities	7	19
Long-term leasing liabilities	27	33

The maturity structure for leasing liabilities is shown in Note 3 – Financial risks and financial policy.

	The Group	
	2024	2023
Reported in the income statement		
Depreciation of right-of-use assets	–18	–20
Interest expenses for leasing liabilities	–3	–4
Costs for short-term leasing	0	0
Costs for low-value leases	0	0
Costs for variable leasing fees	0	0
Income from sub-leasing right-of-use assets	4	4
Total amount reported in the income statement	–17	–20

Note 8 Disclosures regarding fees and cost reimbursement to the auditor

	The Group		Parent company	
	2024	2023	2024	2023
Ernst & Young				
auditing assignment	–2.5	–2.7	–2.5	–2.7
audit operations in addition to the audit assignment	0	–0.4	0	–0.1
tax advisory services	0	–0.2	0	–0.2
other assignments	0	–0.2	0	–0.2
Total	–2.5	–3.5	–2.5	–3.2

The audit assignment refers to the examination of the annual accounts and accounting records as well as the administration of the Board of Directors and the CEO. It also includes other tasks that it are the respon-

sibility of the company's auditor to perform, as well as advice or other assistance that is prompted by observations during such an examination or the implementation of such other tasks.

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Note 9 Remuneration to employees

SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY EXPENSES

	The Group			
	2024		2023	
	Board and Management Management	Other employees	Board and Management Management	Other employees
Salaries and other remuneration	-16	-84	-15	-75
(of which bonuses etc.)	-4	-23	(-6)	(-2)
Social security expenses	-4	-25	-5	-27
Pension expenses including special employer's contribution	-3	-12	-3	-15
Total	-23	-121	-22	-117

Some of the company's personnel costs are capitalized in the projects. Therefore, the amount stated in the note exceeds the amount reported in the income statement.

	Parent company			
	2024		2023	
	Board and Management Management	Other employees	Board and Management Management	Other employees
Salaries and other remuneration	-5	0	-6	0
(of which bonuses etc.)	(-2)	(0)	(-3)	(0)
Social security expenses	-2	0	-2	0
Pension expenses including special employer's contribution	-1	0	-1	0
Total	-9	0	-9	0

SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY EXPENSES

2024, SEK 000	Basic salary/ Board fees	Variable remuneration	Pension premiums
Erika Olsén, Chairman of the Board	-	-	-
Johan Bengtsson, board member	-	-	-
Therese Rattik, board member	-	-	-
Henrik Brinck Landelius, deputy member	-	-	-
Anders Lif, deputy member	-	-	-
Martin Svensson, deputy member	-	-	-
Johan Tengelin, CEO	-3,296	-1,717	-905
Other senior executives, 3 people	-7,975	-2,743	-1,658
Total	-11,271	-4,460	-2,563

REMUNERATION TO THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

2023, SEK 000	Basic salary/ Board fees	Variable remuneration	Pension premiums
Erika Olsén, Chairman of the Board	-	-	-
Johan Bengtsson, board member	-	-	-
Therese Rattik, board member	-	-	-
Leif Andersson, deputy member	-	-	-
Anders Lif, deputy member	-	-	-
Erik Rune, member ¹⁾	-	-	-
Fredrik Tibell, member ¹⁾	-	-	-
Fredrik Holmström, former Chairman of the Board ¹⁾	-	-	-
Johan Tengelin, CEO	-2,941	-3,069	-872
Other senior executives, 4 people	-6,051	-2,498	-1,517
Total	-8,992	-5,567	-2,389

¹⁾ Was part of the Board until 3 July 2023

For more information, see a Note 32 – Closely related parties

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

AVERAGE NUMBER OF EMPLOYEES

	The Group		Parent company	
	2024	2023	2024	2023
Average number of employees	71	98	1	1
(of which male)	(43)	(55)	(1)	(1)

GENDER DISTRIBUTION OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

	The Group		Parent company	
	2024	2023	2024	2023
The Board	3	3	3	3
(of which male)	(1)	(1)	(1)	(1)
CEO and Executive Management	4	4	4	4
(of which male)	(3)	(3)	(3)	(3)

Remuneration to the Board

At the 2023 AGM, it was decided that no remuneration shall be paid to the board members for the period up to and including the end of the 2025 AGM.

Executive management

The management team consisted of four (4) people as of 31 December 2024, CEO, deputy CEO and CFO, COO and Chief Investment Officer.

Salary and other benefits for the CEO and senior executives are determined by Magnolia Bostad AB's Board.

Remuneration and benefits

The CEO and other members of Executive Management are paid fixed and variable salaries

Pensions

Members of Executive Management have a defined-contribution pension, with no other obligations from the company than

to pay an annual premium during the period of employment. This means that, when employment is terminated, employees are entitled to decide during what period the previously defined contribution payments and resulting yield are drawn as pensions.

Termination

The CEO's employment agreement has a mutual notice of termination of 12 months. There are non-competition terms and terms regarding remuneration after employment termination for the CEO. The competition ban applies for 12 months. The total monthly remuneration as a result of the non-competition term shall not exceed an amount corresponding to 60% of the average monthly income from fixed and variable salary during the most recent year of employment. Other members of Group management have a mutual six-month notice of termination.

Note 10 Earnings from participations in associated companies and joint ventures

	The Group		Parent company	
	2024	2023	2024	2023
Earnings from participations in associated companies and joint ventures	-70	-268	-	0
Total	-70	-268	-	0

Of the earnings from participations in associated companies, SEK -23 m (-47) came from Upplands Bro Brogårds Etapp 2 AB, which the company owns with Heimstaden Bostad Invest AB, SEK -26 m (0) from Österåkerporten AB, which the company owns with Heimstaden Bostad Invest AB, SEK 32 m (-3) from Magnolia projekt 625

AB, which the company owns with Niam VII Luxembourg S.A R.L., SEK -44 m (-44) from Magsam Holding AB, which the company owned with Samhällsbyggnadsbolaget i Norden AB. The holding in Magsam Holding AB was divested during the financial year. For more information, see Note 18 – Participations in associated companies and joint ventures

Note 11 Costs for the business broken down by cost type

	The Group		Parent company	
	2024	2023	2024	2023
Operating costs	-23	-27	-	-
Production costs	-1,805	-203	-	-
Other external costs	-57	-47	-41	-40
Personnel costs	-117	-140	-8	-9
Depreciation/amortization and impairment	-380	-228	0	0
Capitalized project costs	77	117	-	-
Total	-2,305	-528	-49	-49

- [Table of contents](#)
[→](#)
- [Directors' report](#)
[→](#)
- [Consolidated financial reports](#)
[→](#)
- [Parent company's financial reports](#)
[→](#)
- [Additional information and Notes](#)
- [Declaration by the Board](#)
[→](#)
- [Auditors' report](#)
[→](#)
- [Multi-year overview](#)
[→](#)
- [Alternative KPIs](#)
[→](#)

Note 12 Financial income

	The Group		Parent company	
	2024	2023	2024	2023
Interest income, other	4	9	2	5
Interest income, associated companies	10	10	–	–
Interest income, Group companies	–	–	192	182
Total financial income according to the effective interest method	14	19	194	188
Dividend from Group companies	–	–	–	–
Other	2	0	0	0
Total	16	19	194	188

Note 13 Financial expenses

	The Group		Parent company	
	2024	2023	2024	2023
Interest expenses, external	–273	–271	–151	–164
Interest expenses, shareholder loans,	–4	–8	–	–8
Interest expenses, Group companies	–	–	–6	–7
Dissolution of setting-up fees	–19	–10	–15	–7
Total financial expenses according to the effective interest method	–296	–290	–172	–186
Other financial expenses	–16	–5	–16	–5
Impairment of financial fixed assets i	–	–	–680	–
Total	–312	–295	–867	–191

Interest expansions mainly relate to finan-
cial liabilities measured at amortized cost
and are reported using the effective interest
method.

Note 14 Tax on profit/loss for the year

	The Group		Parent company	
	2024	2023	2024	2023
Current tax	0	0	0	0
Deferred tax for temporary differences	59	6	0	0
Capitalized loss deductions	–35	–3	–	–
Total	25	3	0	0

RECONCILIATION OF REPORTED TAX

	The Group		Parent company	
	2024	2023	2024	2023
Profit/loss before tax	–1,272	–871	–745	–79
Nominal tax according to current tax rate (20.6%)	262	179	153	16
Tax effect of non-deductible interest expenses	–53	–56	1	0
Tax effect of other non-deductible expenses	–57	–28	–140	–1
Tax effect of other non-taxable income	–54	–45	–1	1
Tax effect of non-capitalized loss carry-forwards	–73	–48	–15	–16
Current tax attributable to previous years	0	0	0	0
Other	1	2	1	0
Reported effective tax (0.2%)	25	3	0	0

The tax expense deviates from 20.6% due
to the fact that certain reported income
(mainly sales of companies) is not taxable
and that deferred tax is not recognized on
loss carry-forwards. Loss carry-forwards
consist of previous years' tax losses. The

losses, which are not time-limited, are rolled
forward to subsequent years and utilized by
offsetting against future taxable profits. For
more information on loss carry-forwards, see
Note 26 – Deferred tax.

Table of contents	→
Directors' report	→
Consolidated financial reports	→
Parent company's financial reports	→
Additional information and Notes	
Declaration by the Board	→
Auditors' report	→
Multi-year overview	→
Alternative KPIs	→

Note 15 Other intangible assets

	The Group	
	31/12/2024	31/12/2023
Opening acquisition value	1	1
Acquisitions	0	0
Closing accumulated acquisition value	1	1
Opening depreciation according to plan	–1	–1
Depreciation for the year according to plan	0	0
Closing accumulated depreciation according to plan	–1	–1
Closing residual value according to plan	0	0

Note 16 Machinery and equipment

	The Group	
	31/12/2024	31/12/2023
Opening acquisition value	35	35
Acquisitions	0	0
Closing accumulated acquisition value	35	35
Opening depreciation according to plan	–33	–31
Depreciation for the year according to plan	–2	–2
Closing accumulated depreciation according to plan	–35	–33
Closing residual value according to plan	0	2

Note 17 Investment properties

	The Group	
	31/12/2024	31/12/2023
Opening carrying amount	3,085	2,489
Reclassifications	–2,648	0
Investments and acquisitions	354	702
Unrealized changes in value	–244	–106
Uncompleted acquisitions	–547	–
Closing carrying amount	0	3,085

In Q4 2024, all investment properties were reclassified to Development and warehouse properties. As a result, valuation at fair value will not be made in future. The most recently prepared external valuation has been used as the basis for assessing net realizable value.

Investment properties are reported in accordance with IFRS at fair value. Normally, a cash flow model is used where the operating surplus less remaining investments is calculated at present value over a five or ten-year calculation period to determine fair value. The calculation interest rate constitutes a nominal interest rate requirement for total capital before tax. The interest requirement is based on assessments of the market's return requirements for similar objects. The calculation interest rate for the investment properties is between 6.33% and 6.43% (5.83% and 6.69%) and the median amounts to 6.42% (6.24%). The direct yield requirement in valuations carried out is within the range of 4.30–4.41% (3.75–5.75%) and the median amounts to 4.40% (4.20%).

An individual assessment is made of the rental levels and rental trends. For rented premises, an estimated market rent is used in the cash flow calculations after the end of

the rental agreement. Assessment is made of market rents, future normalized operating costs, investments, vacancies, etc. Operating and maintenance costs are based on historical outcomes as well as budget figures and statistics on similar properties. Investment properties under construction are valued based on the completed project with deductions for remaining investments. Depending on the phase the project is in, there is a risk premium. A long-term inflation assumption of 1.0% has been used in the valuations. Projects that lack a zoning plan in force, or where there is no binding acquisition agreement, are valued at acquisition value, unless there is a sales agreement that indicates a different value. Valued investment properties where there is no sales agreement, in addition to the internal valuation, were also valued by external valuers from Newsec in 2024. Uncompleted acquisitions refer to projects that were contractually acquired through option agreements but where Magnolia has chosen not to take possession of the properties.

Note 18 Shares in associated companies and joint ventures

	The Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening acquisition value	338	515	–	–
Acquisitions	–	–	–	–
Contributions	3	85	–	–
The year's share of associated companies and joint ventures' earnings and capital gains/losses	–68	–268	–	–
Dividend	0	0	–	–
Sales	–34	6	–	–
Closing carrying amount	239	338	–	–

Shares in associated companies are reported in the Group in accordance with the equity method.

Group compan	Co. reg. no.	Registered office	Share of capital	Carrying amount
Bryggkaffe Fastighetsutveckling AB	559159-7496	Stockholm	50%	17
Upplands Bro Brogårds Etapp 2 AB	559175-4915	Stockholm	50%	24
Yard Holding AB	559175-4923	Stockholm	50%	14
Yard Holding 2 AB	559267-5101	Stockholm	50%	37
Yard Holding 3 AB	559319-6818	Stockholm	50%	8
Bro Mälarstrand Bostad AB	559302-2402	Stockholm	50%	134
Österåkerporten AB	559175-4907	Stockholm	50%	6
JV Edeh Bostad AB	559254-2251	Stockholm	50%	0
Magnolia Linnefabriken 2 AB	559304-4216	Stockholm	50%	0
Magnolia Projekt 623 AB	559285-8640	Stockholm	50%	0
Magnolia Linnefabriken 4 AB	559307-2688	Stockholm	50%	0
Magnolia Projekt 625 AB	559285-8665	Stockholm	50%	0
Total				239

Yard and Upplands Bro Etapp 2 hold investment properties that are valued at fair value. Other JVs report their properties as current assets. Internal valuations are made for all investment properties in JVs every quarter. These are also confirmed with external valuations at least once a year.

Normally, a cash flow model is used where the operating surplus minus remaining investments are discounted to present value over a five- or ten-year calculation period to determine fair value. The discount rate constitutes a nominal interest rate requirement on total capital before tax. The interest rate requirement is based on assessments of the market's return requirements for similar properties. The discount rate for investment properties is in an interval between 6.04% to 6.8% (6.06% to 6.59%) and the median is 6.50% (6.25%). The required return in completed valuations is within the interval 4.03% – 4.80% (3.98 – 4.50) and the median is 4.50% (4.16).

An individual assessment is made of the rental levels and rental trends. For leased premises, an estimated market rent is used in the cash flow calculations after the lease contract expires. Assessment is made of market rents, future normalized operating costs, investments, vacancies, etc. Operating and maintenance costs are based on historical outcomes as well as budget figures and statistics on similar properties. Investment properties under construction are valued based on the completed project with deductions for remaining investments. Depending on the phase the project is in, there is a risk premium.

A long-term inflation assumption of 1.0% has been used in the valuations. The discount rate is primarily affected by changes in the yield requirement. Changes in market rents, operating costs or vacancies affect the net operating income.

Sensitivity analysis property valuation	Effect on the value of property in JVs (SEK m)	Effect on value of the company's share of JV (SEK m)	Effect on the company's equity/assets ratio, percentage points
Net operating income, +/- 10%	+308/-305	+122/-121	+2.5%/-2.65%
Required return, +/- 0.5 percentage points	-259/+335	-103/+133	+2.24%/2.71%

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Upplands Bro Brogårds Etapp 2 AB	2024	2023
Fixed assets	704	787
Cash and cash equivalents	46	108
Other current assets	124	123
Long-term financial liabilities	−381	−492
Current financial liabilities	−406	−381
Other liabilities	−41	−49
Net assets	47	94
Company's share of net assets	24	47
Net sales	14	16
Produktions- och driftkostnader	−12	−10
Värdeförändring förvaltningsfastigheter	29	−34
Interest expanses	−71	−72
Income tax	−5	8
Profit/loss for the year	−47	−94
Company's share of profit/loss for the year	−23	−47

In 2019, 50% of the shares in Upplands Bro Brogårds Etapp 2 AB were sold to Heimstaden Bostad Invest AB. Upplands Bro Brogårds Etapp 2 AB currently has 416 properties in production. The loss during the year consists mainly of interest expansions and changes in value of production-started properties.

Bro Mälarstrand Bostad AB	2024	2023
Buildings held for resale	142	149
Cash and cash equivalents	3	3
Other current assets	0	0
Long-term financial liabilities	−	−
Current financial liabilities	−113	−119
Other liabilities	−2	−4
Net assets	30	29
Company's share of net assets	15	15
Net sales	0	0
Production and operating costs	−3	−2
Interest expanses	−2	−2
Change in value of investment properties	−	−
Income tax	−	−
Profit/loss for the year	−4	−5
Company's share of profit/loss for the year	−2	−2

In 2021, 50% of the shares in Bro Mälastrand Bostad AB were acquired from KF Fastigheter. The JV owns an area in Upplands-Bro in the development stage for the planned development of around 900 residencies. The

reported value of the holding differs from the share of net assets as a result of Magnolia acquiring its share at a higher price than equity at the time of acquisition.

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Note 19 Other long-term receivables

	The Group	
	31/12/2024	31/12/2023
Receivables from property sales	122	429
Deposits received	12	40
Deposits	21	21
Other	0	19
Total	155	509

Mostly refers to long-term receivables from buyers.

	The Group	
	2024	2023
Receivables, property sales		
Opening balance	429	802
Incoming from new property sales	29	0
Change in estimation of variable remuneration	5	19
Outgoing to other receivables	–341	–392
Closing balance	122	429

Reported as current other receivables are additional receivables from property sales amounting to SEK 424 m (298). For information on current receivables from buyers, see Note 22 – Other receivables. Counterparties are primarily Swedish institutions or other

reputable partners. Receivables from buyers are usually due for payment when the property is completed and the project is handed over, which usually occurs 2.5–3 years after leaving the property.

Note 20 Development and project properties

	The Group	
	31/12/2024	31/12/2023
Opening value	1,426	1,348
Construction in progress	214	298
Reclassifications	2,608	115
Depreciation	–316	–206
Acquisitions	61	74
Sales	–1,761	–203
Total	2,232	1,426

Development and project properties are reported as inventory assets, which means that they are recorded at the lower of acquisition cost and net realizable value. The net realizable value is normally assessed based on the project's calculation, which is updated quarterly with a view to assessed areas, cost estimates and market conditions. The year's reclassifications relate to properties that were previously reported as investment properties. The most recent external valuation for these properties has been used as a basis for determining the net realizable value. In the future, the evaluation of the net realizable value will be based on the project's

calculations, as for other current-income properties.

Development and project properties amounted to SEK 2,232 m as of 31/12/2024, of which project properties in production amounted to SEK 385 m These properties inproduction are pledged as collateral for the building credits.

Development and project properties have been affected by continued impairment losses due to deteriorating market conditions for certain projects.

Development and project properties, SEK m	Number of residences	Carrying amount in Magnolia Bostad
<i>Project portfolio</i>		
Taken over - in production	373	385
In process - not invoiced	0	92
Project portfolio	373	477
<i>Building rights portfolio</i>		
Taken over - not production started	5,691	1,567
Not taken over	3,870	161
Projects in early stage	0	27
Building rights portfolio	9,561	1,755
Total development and project propertie	9,934	2,232

[Table of contents](#)

[Directors' report](#)

[Consolidated financial reports](#)

[Parent company's financial reports](#)

[Additional information and Notes](#)

[Declaration by the Board](#)

[Auditors' report](#)

[Multi-year overview](#)

[Alternative KPIs](#)

Note 21 Accounts receivable

	The Group	
	31/12/2024	31/12/2023
Accounts receivable, gross	19	19
Provision for bad debt	-9	-1
Closing carrying amount	11	18
Provision for bad debt		
Provision at start of the year	-1	-6
Realized losses	0	6
Provisions for expected credit losses	-8	-1
Provisions at the end of the year	-9	-1

	The Group	
	31/12/2024	31/12/2023
Age-distributed accounts receivable		
Accounts receivable not past due date	3	11
Past due date < 30 days	1	1
Past due date 31 – 90 days	2	0
Past due date > 90 days	14	7
Total non-written-down accounts receivable	20	19
Past due date and written-down accounts receivable	-9	-1
Total accounts receivable	11	18

The company has reported losses of SEK 8 m (-1) for write-downs of accounts receivable.

Note 22 Other receivables

	The Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Receivable, property sales	424	298	-	-
Deposits received	50	34	-	-
Deposits	0	0	-	-
Other items	9	23	5	7
Total	483	355	5	7

Of other receivables är SEK 0 m (0) are past due date.

Receivable, property sales	The Group	
	31/12/2024	31/12/2023
Opening balance	298	370
Incoming from new property sales	113	0
Incoming from other long-term receivables	341	392
Change in estimate of variable remuneration	203	15
Payments received	-531	-479
Total	424	298

The majority of the receivables are from Swedish rproperty companiess and other reputable partners.

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Note 23 Prepaid expenses and accrued income

	The Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Prepaid expenses	7	13	0	0
Accrued income	1	2	0	0
Accrued interest income	1	5	0	0
Other items	0	1	0	0
Total	9	21	0	0

Note 24 Cash and cash equivalents

	The Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Cash and bank balances	128	331	43	237
Total	128	331	43	237

Note 25 Share capital and other contributed capital

The share capital of the parent company Magnolia Bostad AB amounts to SEK 151 m (151) and is divided into 37,822,283 ordinary shares. The shares have a quotient value of SEK 4 per share. Each ordinary share corresponds to one vote. All shares registered as of the balance sheet date are fully paid.

Equity in the parent company
Share capital
 The item share capital includes the registered share capital. The number of shares as of 31 December 2024 amounted to 37,822,283 (37,822,283) and the quotient value is SEK 4 per share.

Share premium reserve
 Share premium reserve is part of unrestricted equity. The item arises when a new issue is subscribed for at a premium.

Retained earnings
 Retained earnings correspond to accumulated profits and losses generated in the company with additions/deductions for allocations to the reserve fund, dividends and other contributions from shareholders.

SHARE CAPITAL DEVELOPMENT

Ordinary shares	Number of shares	Quotient value per share, SE	Share capital SEK
Opening balance 01/01/2023	37,822,283	4	151,289,132
Closing balance 31/12/2023	37,822,283	4	151,289,132
Opening balance 01/01/2024	37,822,283	4	151,289,132
Closing balance 31/12/2024	37,822,283	4	151,289,132

Proposed appropriation of profits

The following is available to the Annual General Meeting, SEK:

Share premium reserve	180,323,859
Retained earnings	2,015,319,622
Profit/loss for the year	–745,227,236
Total	1,450,416,245
The Board proposes:	
To be carried forward	1,450,416,245
Total	1,450,416,245

Equity in the Group

Share capital
 The item share capital includes the registered share capital. The number of shares as of 31 December 2024 amounted to 37,822,283 (37,822,283) and the quotient value is SEK 4 per share.

Other capital contributions
 The item includes capital contributed by the owners, such as share premium reserves for new issues, shareholder contributions received and hybrid loans.

Retained earnings including profit/loss for the year
 Retained earnings correspond to accumulated profits and losses generated in the company with additions/deductions for allocations to the reserve fund and dividends

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Note 26 Deferred tax

	The Group	
	31/12/2024	31/12/2023
Deferred tax liability		
For temporary difference between carrying amounts and taxable values of buildings	–	59
Capitalized loss deductions	–	–35
Total	–	24

The reported deferred tax liability has been calculated at 20.6% (20.6%). The deferred tax liability amounts to SEK 0 m (24) and the change has been reported in its entirety against the profit/loss and consists of the resolution of previously capitalized loss carry-forwards and temporary differences for properties that were sold and reclassified during the year. Total loss carry-forwards

without corresponding capitalization of deferred tax assets amounted to SEK 1,783 m (1,426), which corresponds to a deferred tax asset of SEK 367 m (294) at a tax rate of 20.6% (20.6%). Deferred tax attributable to leasing agreements amounts to 0.

Note 27 Interest-bearing liabilities, other long-term liabilities and other current liabilities

	The Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Long-term interest-bearing liabilities				
Bank loans	33	1,105	–	–
Bonds	299	1,018	299	1,018
Promissory notes	133	217	–	–
Current interest-bearing liabilities				
Promissory notes	72	121	–	–
Bonds	928	400	928	400
Shareholder loans	–	–	–	–
Deposits	–	58	–	58
Bank loans	698	281	–	–
Total	2,164	3,199	1,227	1,474
Liabilities that fall due for payment within one year after the balance sheet date	1,699	860	928	458
Liabilities that fall due for payment between one and five years after the balance sheet date	332	2,186	299	1,018
Liabilities that fall due for payment later than five years after the balance sheet date	133	153	–	–
Total	2,164	3,199	1,227	1,474

No bond loans are secured. For bank loans, the Group has provided collateral amounting to SEK 985 m (1,667). The bond loans are subject to covenants that mean that the

Group's equity ratio may not fall below 25%. Bank loans are subject to LTV covenants that may not exceed 80%. As of 31/12/2024, all covenant requirements were met.

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

	The Group	
	2024	2023
Other long-term liabilities		
Acquisition liabilities	26	26
Purchase price returned to buyers	54	62
Project provisions	32	26
Total	112	115
Liabilities that fall due for payment between one and five years after the balance sheet date	112	115
Liabilities that fall due for payment later than five years after the balance sheet date	–	–
Total	112	115

	The Group	
	2024	2023
Other current liabilities		
Acquisition liabilities	68	573
Purchase price returned to buyers	57	77
Deposits	–	40
Other liabilities	11	12
Total	136	702

Note 28 Accrued expenses and deferred income

	The Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Accrued personnel costs	20	43	1	5
Accrued interest expenses	35	40	11	19
Deferred income	0	3	–	–
Property tax	0	0	–	–
Accrued project-related costs and provisions	51	114	–	–
Other items	16	17	3	4
Total	122	216	15	29

Note 29 Pledged assets

	The Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Property mortgages	285	1,020	–	–
Pledged shares in subsidiaries	91	37	–	–
Pledged shares in associated companies	–	52	–	–
Pledged internal reversals	672	610	–	–
Total	1,048	1,719	–	–

Note 30 Contingent liabilities and other commitments

	The Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Guarantees to the benefit of associated companies	379	519	379	519
Guarantees to the benefit of Group companies	–	–	965	1,573
Guarantees to the benefit of liabilities in tenant-owner associations	854	229	–	206
Guarantees to the benefit of liabilities according to turnkey contracts	54	74	207	222
Total	1,287	822	1,551	2,520

In tenant-owned projects that have been transferred to a tenant-owner's association, the Group has a commitment to acquire housing that has not been leased with a tenant-owner's residence for a certain period of time after approved final inspection.

In certain asset acquisitions, there are additional purchase prices that will be paid if certain events occur in the future. These additional purchase prices are recognized when

the underlying event that causes an additional purchase price to be paid occurs.

In the course of its operations, Magnolia Bostad is involved in disputes and legal proceedings from time to time. These disputes and legal proceedings are not expected, either individually or in the aggregate, to have a material impact on Magnolia Bostad's financial results or position.

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes
- Declaration by the Board →
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Note 31 Shares in Group companies

	Parent company	
	31/12/2024	31/12/2023
Opening acquisition value	123	102
Mergers	–	–14
Impairment	–680	–6
Shareholders' contribution	764	41
Closing carrying amount	206	123

Company name	Co. reg. no.	Registered office	Share of capital ¹⁾	Carrying amount
Magnolia Utveckling AB	556776-1464	Stockholm	100.0%	111
Magnolia Holding 5 AB	559314-7225	Stockholm	100.0%	96
Magnolia Hotellutveckling 2 AB	559125-7604	Stockholm	92.0%	0
				206

¹⁾ Share of capital agrees with ownership.

Note 32 Closely-related parties

The Group
The Group is subject to controlling influence from HAM Nordic AB, co. reg. no. 559279-7376, with its registered office in Stockholm.

Transactions with related parties have occurred between the parent company and its subsidiaries and associated companies and between the subsidiaries in the form of loans of cash and cash equivalents and invoicing of internal administrative services between the companies.

Transactions with associated companies and joint ventures	The Group	
	31/12/2024	31/12/2023
Sales to joint ventures		
JV Näsängen	1	1
Bollmora Vårdfastigheter AB	0	0
Sollentuna Stinsen JV AB	0	2
Yard Holding 3 AB	1	0
Upplands Bro Brogårds Etapp 2 AB	2	5
Yard Holding AB	1	0
Magsam Holding AB	0	3
Bro Mälarstrand Bostad AB	1	1
Fixfabriken	5	4
Total	11	16
Acquisitions from joint ventures		
	15	249
Total	15	249

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs →

Receivables from joint ventures	The Group	
	31/12/2024	31/12/2023
Yard Holding 2 AB	22	18
Bryggkaffe Fastighetsutveckling AB	24	23
Upplands Bro Brogårds Etapp 2 AB	0	10
Yard Holding AB	28	55
Magnolia Linnefabriken 1-4 AB	59	43
Yard Holding 3 AB	4	4
Bro Mälarstrand Bostad AB	57	56
JV Edeh Bostad AB	3	0
Total	197	213

Liabilities to joint ventures	The Group	
	31/12/2024	31/12/2023
Yard Holding AB	0	36
Total	0	36

During the year, Magnolia Bostad received capital contributions in the form of unconditional shareholder contributions issued by HAM Nordic AB of SEK 183 m.

Transactions occurred with F. Holmström Fastigheter AB and other companies over which Fredrik Holmström, former Chairman of the Board of Magnolia Bostad AB, has a controlling influence. During the year, Magnolia Bostad Group incurred costs of SEK 2 m (2) for services acquired from companies related to the former main owner Fredrik Holmström. Magnolia Bostad has rented office space from F. Holmström Fastigheter AB for SEK 1 m (1). During the year, Magnolia Projekt 32 AB divested the property Kungsängen 29:2 to a company controlled by Magnolia Bostad's main owner Areim.

Fredrik Lidjan, former CEO of Magnolia Bostad, holds 320 shares in the Group company

Magnolia Holding 4 AB, co. reg. no. 559114-8415 and 40 shares in the Group company Magnolia Hotellutveckling 2 AB, co. reg. no.559125-7604 through Videbo Invest AB. In 2024, Magnolia Holding 4 AB carried out a new share issue that resulted in dilution for the minority owner. For more information, see Note 4 – Composition of the Group. For information on remuneration to senior executives, see Note 9 – Employee remuneration.

Parent company

In addition to the closely related parties stated for the Group, the parent company has closely related party relationships that include a controlling influence over its subsidiaries, see Note 31 – Shares in Group companies. The parent company has sold services to Group companies for SEK 26 m (26) and purchased services for SEK 36 m (36).

Note 33 Events after the balance sheet date

- Issued a bond consisting of senior unsecured bonds of SEK 825 m. Early redemption of all other outstanding bonds totalling SEK 1,226 m will take place on 20 February 2025
- Received an unconditional shareholder contribution of SEK 300 m from Magnolia Bostad's owner HAM Nordic AB
- Published new operating objectives and financial target
- To create stable, long-term and continuous value growth by developing attractive, sustainable living environments in Sweden's metropolitan area
- The equity/assets ratio shall be at least 25%.

Board of Directors' statement of assurance

The Board of Directors and the CEO ensure that the consolidated financial statements have been prepared in accordance with the IFRS international accounting standards as presentation of the Group's position and	performance. The annual accounts have been prepared in accordance with generally accepted auditing standards and are a true and fair presentation of the Parent Company's position and performance. The Directors'	Report for the Group and the Parent Company is a true and fair presentation of the development in the Group's and Parent Company's operations, position and performance, and describes significant risks and	uncertainties facing the Parent Company and the companies included in the Group.
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- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes →
- Declaration by the Board
- Auditors' report →
- Multi-year overview →
- Alternative KPIs →

Stockholm 11 April 2025

Therese Rattik Member	Erika Olsén Chairman of the Board	Johan Bengtsson Member
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Johan Tengelin
CEO

We issued our Auditor's Report on 11 April 2025

Ernst & Young AB

Katrine Söderberg
Authorized Public Accountant

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Auditor's report

To the general meeting of the shareholders of Magnolia Bostad AB, corporate identity number 556797-7078

Report on the annual accounts and consolidated accounts

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report
- Multi-year overview →
- Alternative KPIs →

Opinions
 We have audited the annual accounts and consolidated accounts of Magnolia Bostad AB (publ) for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 22-63 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The

statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions
 We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are

independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters
 Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and

in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

VALUATION OF DEVELOPMENT AND PROJECT PROPERTIES			
Description		How our audit addressed this key audit matter	
<p>Consolidated carrying value of development and project properties amounted to SEK 2 232 msek in the statement of financial position at December 31, 2024.</p> <p>The development and project properties are classified as inventories. Book value is at the lower of acquisition cost and net realizable value (estimated sales price after deduction of selling expenses and completion costs). The assessment of net realizable value is based on</p>		<p>a number of assumptions, such as planning and development costs, time aspect and estimated sales price, resulting in valuation of development and project properties being considered as a key audit matter in our audit, as a result of the uncertainties included in the assumptions. The accounting and valuation principles are stated in Note 1 (accounting principles) and Note 2 (critical assessments and estimations).</p>	
		<p>Our audit includes review of acquisition cost of development and project properties and the internal valuation prepared by the Group.</p> <p>We have reviewed assumptions including expected yields, planning and development</p>	
		<p>costs and estimated sales price. We have reviewed that booked value is at the lower of acquisition cost and net realizable value.</p> <p>We have reviewed the information disclosed in the annual report.</p>	

REVENUE RECOGNITION FROM SALES OF DEVELOPMENT AND PROJECT PROPERTIES INCLUDING ADDITIONAL PURCHASE PRICE			
Description		How our audit addressed this key audit matter	
<p>Consolidated net revenue from the sale of development and project properties amounted to 1 568 msek for 2024.</p> <p>The transaction price includes variable components linked to the future property's area, rental level and vacancy rate. Variable components in the transaction price related to area consists of planning risk as well as any risk in the general contract. Planning risk is based on knowledge of the detailed planning work and is recognized as revenue when the general contract is completed. The group makes an individual assessment of the expected value of variable components in each individual project at the end of each reporting period. Revalua-</p>		<p>tions of the expected final results of projects lead to adjustments of previously reported results, which increase or decrease revenue in the period during which the transaction price changes.</p> <p>Due to the fact that the assessments and assumptions made are complex in nature and involve several different positions and judgments by the company, this is a particularly significant area in our audit. The accounting and valuation principles are stated in Note 1 (accounting principles) and Note 2 (critical assessments and estimations).</p>	
		<p>In our audit, we have examined the group's principles for revenue recognition. We have evaluated and assessed selected controls in the group's revenue recognition process.</p> <p>We have performed detailed reviews of significant contracts, calculations, and assessments regarding estimated transaction prices, including assessments of risks for various types of revenue reductions.</p>	
		<p>We have reviewed the group's assessments of the expected value of variable components in the transaction price and revaluations of the expected final results of projects for significant transactions, including evaluating the reliability of the assessments made regarding the final transaction price against previously made assessments.</p> <p>We have reviewed the disclosures provided in the annual report.</p>	

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report

Multi-year overview →

Alternative KPIs →

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report

Multi-year overview →

Alternative KPIs →

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-21, 68-85 and 95-97. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Stan-

dards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty

exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report
- Multi-year overview →
- Alternative KPIs →

independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions
In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Magnolia Bostad AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions
We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors'

guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility
Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and

maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Ernst & Young AB, Box 7850 103 99 Stockholm, was appointed auditor of Magnolia Bostad AB by the general meeting of the shareholders on the 25 April 2024 and has been the company's auditor since the 7 May 2014.

Stockholm, 14 April 2025

Ernst & Young AB

Katrine Söderberg
Authorized Public Accountant

Multi-year overview

[Table of contents →](#)
[Directors' report →](#)
[Consolidated financial reports →](#)
[Parent company's financial
reports →](#)
[Additional information
and Notes →](#)
[Declaration by the Board →](#)
[Auditors' report →](#)
[Multi-year overview](#)
[Alternative KPIs →](#)

Income statement Amounts in SEK m	01/01/2024 –31/12/2024	01/01/2023 –31/12/2023	01/01/2022 –31/12/2022	01/01/2021 –31/12/2021	01/01/2020 –31/12/2020
Net sales	1,643	305	569	1,268	2,358
Production and operating costs	–2,223	–452	–795	–1,117	–1,764
Gross profit/loss	–580	–147	–226	151	594
Central administration	–82	–76	–98	–107	–98
Earnings from shares in associated companies	–70	–268	–193	88	74
Change in value of investment properties	–244	–104	–230	128	336
Operating profit/loss	–976	–595	–747	260	906
Financial income	16	19	19	5	2
Financial expenses	–312	–295	–201	–190	–183
Profit/loss before tax	–1,272	–871	–929	75	725
Income tax	25	3	67	–25	–37
Profit/loss for the year	–1,247	–868	–863	50	688
Profit/loss attributable to					
Parent company's shareholders	–1,184	–807	–790	60	658
Non-controlling interests	–64	–61	–73	–10	30

Report on financial position

Amounts in SEK m	31/12/2024	31/12/2023	31/12/2022	31/12/2021	31/12/2020
ASSETS					
Goodwill	–	–	6	6	6
Other intangible fixed assets	0	0	1	1	0
Total intangible fixed assets	0	0	7	7	6
Investment properties	–	3,085	2,489	2,276	1,483
Right-of-use assets	30	47	49	55	72
Machinery and equipment	0	2	4	7	12
Total tangible fixed assets	30	3,134	2,541	2,338	1,567
Shares in associated companies and joint ventures	239	338	515	607	350
Receivables from associated companies	59	78	192	159	45
Other long-term securities held	–	–	–	31	41
Other long-term receivables	155	509	910	1,179	1,059
Total financial fixed assets	453	925	1,618	1,976	1,495
Total fixed assets	484	4,059	4,166	4,320	3,068
Current assets					
Development and project properties	2,232	1,426	1,348	810	999
Tenant-owned apartments	4	4	4	4	11
Accounts receivable	11	18	17	16	45
Receivables from joint ventures	138	135	149	217	136
Other receivables	483	355	439	608	742
Prepaid expenses and accrued income	9	21	13	11	19
Cash and cash equivalents	128	331	772	233	277
Total current assets	3,006	2,290	2,742	1,899	2,229
TOTAL ASSETS	3,489	6,350	6,908	6,219	5,297

- Table of contents →
- Directors' report →
- Consolidated financial reports →
- Parent company's financial reports →
- Additional information and Notes →
- Declaration by the Board →
- Auditors' report →
- Multi-year overview
- Alternative KPIs →

Report on financial position					
Amonts in SEK m	31/12/2024	31/12/2023	31/12/2022	31/12/2021	31/12/2020
EQUITY AND LIABILITIES					
Equity attributable to parent company's shareholders	913	2,042	2,228	2,317	1,624
Non-controlling interests	0	-64	18	89	109
Total equity	914	1,978	2,245	2,406	1,733
Deferred tax liability	0	24	27	94	68
Long-term interest-bearing liabilities	465	2,339	2,515	2,025	1,377
Long-term liabilities to joint ventures	0	25	24	22	10
Long-term leasing liabilities	27	33	36	43	57
Other long-term liabilities	112	115	906	587	532
Total long-term liabilities	605	2,537	3,507	2,771	2,044
Current interest-bearing liabilities	1,699	860	506	130	644
Current leasing liabilities	7	19	18	16	18
Accounts payable	7	27	33	27	65
Liabilities to joint ventures	0	11	11	24	13
Tax liabilities	0	0	0	0	0
Other current liabilities	136	702	402	674	626
Accrued expenses and deferred income	122	216	185	171	154
Total current liabilities	1,971	1,835	1,155	1,042	1,520
TOTAL EQUITY AND LIABILITIES	3,489	6,350	6,908	6,219	5,297

Cash flow analysis Amonts in SEK m	01/01/2024 -31/12/2024	01/01/2023 -31/12/2023	01/01/2022 -31/12/2022	01/01/2021 -31/12/2021	01/01/2020 -31/12/2020
Operating activities					
Profit/loss after financial items	-1,272	-871	-929	75	725
Adjustments for non-cash flow items, etc.	876	560	576	-363	-1,043
Income tax paid	0	0	0	0	0
Cash flow from operating activities before changes in working capital	-396	-311	-353	-288	-318
Cash flow from changes in working capital					
Decrease (+)/increase (-) of development and project properties	-128	-447	-571	-432	-627
Decrease(+)/increase (-) of operating receivables	479	449	641	292	1,141
Decrease (-)/increase (+) of operating liabilities	-175	-118	-122	141	209
Cash flow from operating activities	-221	-427	-404	-288	405
Investment activities					
Acquisition of intangible fixed assets	0	-	-	-1	0
Acquisition of investment properties	-381	-702	-395	-394	-114
Sale of subsidiary	433	-	-	142	-
Acquisition of machinery and equipment	0	-1	-	-1	-6
Investment support received	-	27	-	-	-
Investments in financial assets	-3	-77	-105	-53	-48
Sales/reduction of financial assets	13	-	35	4	0
Cash flow from investment activities	63	-753	-465	-303	-168

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview

Alternative KPIs →

Cash flow analysis Amounts in SEK m	01/01/2024 –31/12/2024	01/01/2023 –31/12/2023	01/01/2022 –31/12/2022	01/01/2021 –31/12/2021	01/01/2020 –31/12/2020
Financing activities					
Shareholder contribution	100	300	700	–	–
Amortization of leasing liabilities	–19	–20	–19	–18	–
Issue of warrants	–	–	–	–	0
Hybrid loan received	–	–	–	640	
Contribution from non-controlling interests	–	–	–	17	–
Borrowings	296	915	1,004	1,170	1,513
Buy-back of warrants		–	–	–4	–
Repayment of borrowings	–422	–434	–277	–1,229	–1,810
Dividend paid to Parent Company's owners	–	–	–	–	–76
Dividend paid to non-controlling interests	–	–	–	–29	–28
Acquisition of non-controlling interests	–	–24	–	0	–
Cash flow from financing activities	–45	737	1,408	547	–401
Cash flow for the year	–203	–442	539	–44	–164
Cash and cash equivalents at start of the year	331	772	233	277	441
Cash and cash equivalents at the end of the year	128	331	772	233	277

Alternative KPIs

Guidelines for alternative key performance indicators (KPIs) have been issued by the European Securities and Markets Authority (ESMA). Guidelines for alternative (KPIs)s aim to facilitate comprehension of these indicators and thus improve their usability. The alternative KPIs offer additional valuable information to assess the company's operations.

Table of contents →

Directors' report →

Consolidated financial reports →

Parent company's financial reports →

Additional information and Notes →

Declaration by the Board →

Auditors' report →

Multi-year overview →

Alternative KPIs

Non-IFRS financial indicators	Definition	Reason used
Net financial items	Net of financial income and financial expenses.	Net financial items are listed to give a picture of the profit/loss generated by the company's financing activities.
Profit/loss after financial items	Operating profit/loss plus financial income minus financial expenses.	Profit/loss after financial items presents the company's profit/loss after tax.
Interest-bearing net liabilities	Interest-bearing liabilities minus cash and cash equivalents.	Interest-bearing net liabilities are presented as they can be used to show the financial position.
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 and profit/loss from participations in associated companies	Operating profit/loss and operating margin is presented to give a picture of the profit/loss generated in operating activities
Equity/assets ratio, %	Equity, including holdings without a controlling influence, as a percentage of the balance sheet total	The equity/assets ratio is used to measure the company's financial position. The equity/assets ratio shows how much of the company's assets is financed with its own funds
Profit margin, %	Profit/loss for the yeari as a percentage of net sales.	Profit margin is presented to give a picture of the profit generated in operating activities and their financing

For reconciliation of alternative KPIs, refer to Magnolia Bostad AB's website, www.magnolia-bostad.se.

Sustainability reporting

[Sustainability management →](#)

[Value chain and stakeholders →](#)

[Essential areas →](#)

[The UN's global goals →](#)

[Sustainability notes →](#)

[Climate footprint →](#)

[GRI index →](#)

[Auditors' report →](#)

Sustainability management

Sustainability management

Value chain and stakeholders→

Essential areas →

The UN's global goals →

Sustainability notes →

Climate footprint →

GRI index →

Auditors' report →

About the sustainability report

Magnolia Bostad's sustainability report is issued by the Board. We have chosen to divide the sustainability report into two areas. A part where we describe our work with sustainable social development and a factual part with tables and detailed information. The first part consists of pages 9-13 and the second part of **pages 72-85**. The company's business model can be found on pages 7-8 and the GRI index can be found on pages 83-85. All information in the report refers to the period 1 January–31 December 2024, unless otherwise stated. This is Magnolia Bostad's eighth sustainability report and it is inspired by the GRI Standards guidelines, GRI 1 Foundation. Magnolia Bostad will report sustainability information according to CSRD for financial year 2026 at the earliest, based on the rules that apply at the time of publication of this report on April 14, 2025. The auditor's opinion is that the Sustainability Report has been prepared in accordance with the Annual Accounts Act and no extended review is needed.

Sustainability management

The Board of Directors determines the company's sustainability direction. The company's COO is responsible for the company's sustainability work, to whom the company's Head of Sustainability reports. Sustainability issues are a standing item at every executive management meeting where they are discussed and decided upon and then reported at the company's board meetings.

Strategy and policy documents are revised by the Board of Directors or CEO once a year. The company

has an Ethics Council, a crisis committee and a safety committee. The Ethics Council consists of the Deputy CEO & CFO and the COO/General Counsel and is established as part of the company's whistleblower function. The company's safety committee monitors the company's work environment issues. The COO/General Counsel is the chairman and includes the HR manager, safety representative and employee representative.

Governing documents:

- Board rules of procedure
- CEO instructions
- Finance policy
- Job description for the investment committee
- Instructions for financial reporting
- Decision matrix
- Risk management policy
- Decision and approval procedure
- Policy for managing conflicts of interest
- Information policy
- IT policy
- Privacy policy, processing of personal data in general
- Privacy policy, processing of personal data by employees and consultants
- Sustainability policy
- Insider policy with instructions for insider handling
- Ethics council, instructions with appendices
- Whistleblowing policy
- Guidelines for the safety committee
- Guidelines for harassment and offensive discrimination

Magnolia Bostad's impact through the value chain

We have an impact on the world around us and on people when we develop housing and new communities. Our impact varies depending on where in the value chain the project in question is. We have the greatest opportunity to influence various sustainability factors at the beginning of the project's development process, when basic decisions for the design of the project are made.

We develop all our projects to be environmentally certified at least according to the Swedish Green Building Council's silver certification, the Nordic Swan eco-label, or other equivalent certification. Environmental certifications focus on reducing the environmental impact from the construction process as well as from operation and maintenance of the building. This can include reduced energy consumption, reduced water consumption, reduced greenhouse gas emissions and other environmental impacts. Building in accordance with environmental certifications also helps to ensure that the building meets the increasingly stringent environmental regulations and legislation that apply to the construction and property sector. On page 75, we show Magnolia Bostad's value chain and its stakeholders. On page 76, we show our impact on essential sustainability areas.

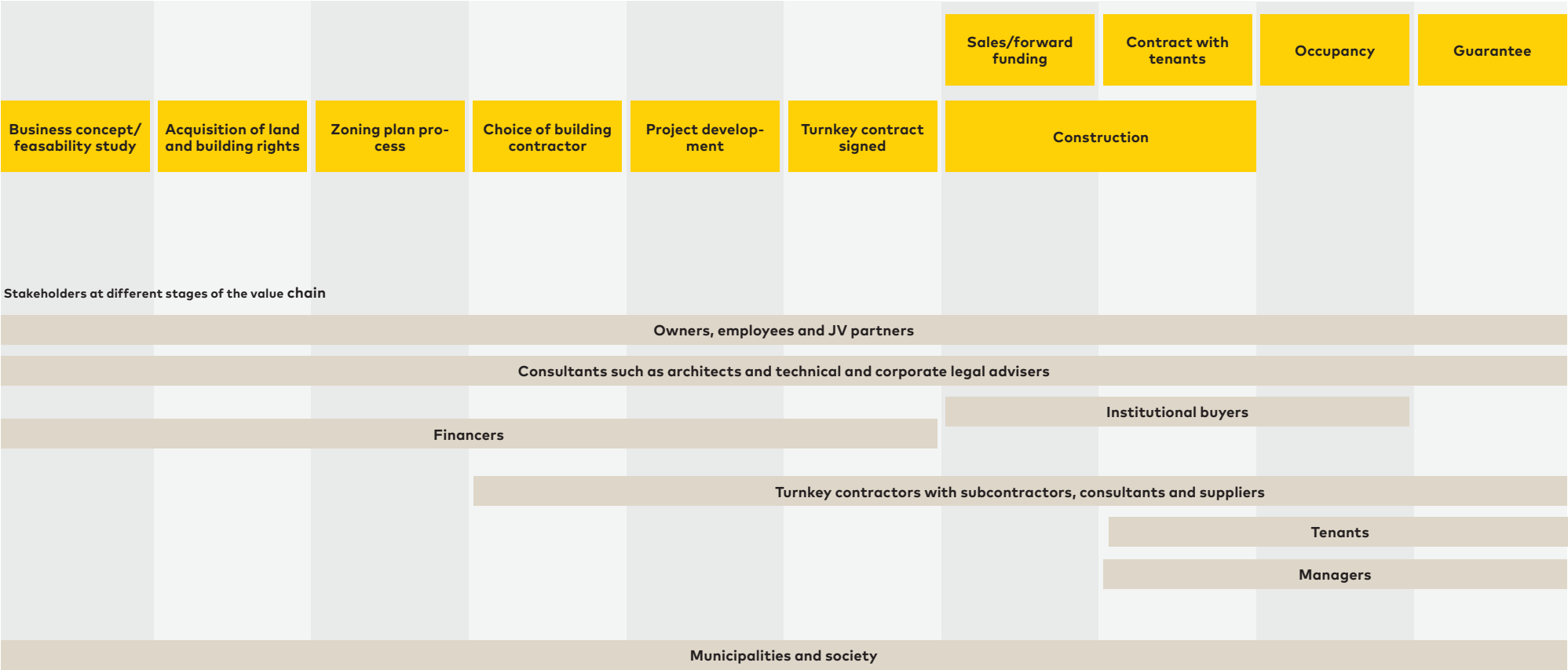
Sustainability risks and their management, **see pages 27–29**.
Business model, **see pages 7–8**.

Value chain and stakeholders

Magnolia Bostad mainly develops rental properties, tenant-owner apartments and community service properties. Below is our value chain and its stakeholders for our largest segment which is rental property development.

Magnolia Bostad's value chain

- Sustainability management →
- Value chain and stakeholders
- Essential areas →
- The UN's global goals →
- Sustainability notes →
- Climate footprint →
- GRI index →
- Auditors' report →



Impact on essential sustainability areas

	Area	
<div>Sustainability management →</div> <div>Value chain and stakeholders→</div> <div>Essential areas</div> <div>The UN's global goals →</div> <div>Sustainability notes →</div> <div>Climate footprint →</div> <div>GRI index →</div> <div>Auditors' report →</div>	Adaptation to climate change	– We adapt to the climate through where and how we develop housing and communities. We adhere to the requirements of municipalities and do our own climate calculations.
	Climate change mitigation	
	Energy	– Climate emissions from material manufacturing, construction and energy use during the property's operation are significant, see page 10.
		– We can impact energy use and climate emissions by developing our projects for environmental certification, having requirements for energy use of buildings, introducing IMD for heat and by using renewable energy sources such as geothermal energy or solar power
	Land use/	– When planning construction projects, it is important to identify and preserve existing biodiversity and ecosystems. Where and how we build affects communities and people.
	Biodiversity and ecosystems	– We have a design program that states that we must protect existing nature and that planning for new biodiversity is done by planting trees and plants with consideration for ecological diversity. We plan our holdings so that stormwater can be disposed of locally.
	Circular construction	– By reusing building material, we can reduce demolition waste and reduce emissions and energy use associated with manufacturing and transporting new materials. Recycling has great development potential, and we participate in research projects for the reuse of energy-intensive building materials such as brick and concrete.
	Pollution	– Land where we develop new housing may need to be cleaned up before construction starts to comply with the Swedish Environmental Protection Agency's guidelines.
		– By choosing approved material according to building materials databases, we can avoid toxins being built into our houses.
	Water consumption	– The choice of building material has an effect in that some materials require more water, for example cement.
		– In the homes' operation, we can influence water consumption by introducing the IMD of water.
	Our own workforce/	– Magnolia Bostad aims to offer its employees a fair, equal and pleasant workplace with a balance between work and leisure.
	Company culture	– A prerequisite for this is a good corporate culture.
	Workers in the value chain	– Protecting workers in the construction value chain is crucial to ensuring fair working conditions and promoting human rights. We can influence the procurer of contractors by setting requirements and by making our code of conduct for suppliers part of the turnkey contract.
	People's health and security/ Social inclusion	– Our residential units are developed for environmental certification, which provides the conditions for a healthy indoor climate.
		– Safe housing is about creating a physical and social environment where residents feel safe and protected, for example by creating open and accessible communal areas that invite communality. We use BoTryggt2030's guidelines.
	Responsible provision of information	– Correct, reliable information to all our stakeholders enables well-informed decisions. See Stakeholders on page 74.
	Corruption and bribery	– Property projects often involve large financial transactions which can be targets for corruption. Through training and our codes of conduct, we can make employees, suppliers and partners aware of the risks of corruption and bribery.

The UN's global goals for sustainable development

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals
- Sustainability notes →
- Climate footprint →
- GRI index →
- Auditors' report →

Magnolia Bostad's operations mainly affect ten of the UN's global sustainability goals. We have taken into account the targets most relevant to the company

Goal 3 Good health and well-being

A home must be a safe place from dangerous substances. The indoor environment must have good ventilation, access to daylight, not be too hot, cold or humid.

Target 3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution.

- The Swedish Green Building Council's silver certification has detailed guidelines for how the living environment should be designed. Guidelines exist for, among other things, solar power, moisture, noise, thermal climate summer, winter and climate risks.

Goal 5 Gender equality

For social sustainability, Goal 5 is important to how we work in our operations and how we work with our engagement with the community.

Targets 5.1 and 5.5: End discrimination against women and girls and Ensure women's full participation in leadership and decision-making.

- We work for gender equality in the company. Distribution women and men, see page 80.
- Our code of conduct is signed by all employees and included in external agreements with collaboration partners and partners who receive sponsorship.
- We have zero tolerance towards harassment and discrimination and have an Ethics Council and a Protection Committee. We also have a whistle-

blower function for employees and external stakeholders.

Goal 7 Affordable and clean energy

Within our environmental responsibility, Goal 7 is central to how we work with sustainable energy.

Targets 7.2 and 7.3: Increase global percentage of renewable energy and Double the improvement in energy efficiency

- We collaborate with selected turnkey contractors for smart, sustainable energy solutions based on renewable energy.
- We aim to certify all projects according to the Swedish Green Building Council's silver certification, the Nordic Swan eco-label or an equivalent and usually also set specific requirements for energy use.

Goal 8 Decent work and economic growth

Goal 8 underpins how we work and view sustainability in relation to growth in business ethics and financial responsibility.

Targets 8.1 and 8.8: Sustainable Economic Growth and Protect labour rights and promote safe working environments for everyone

- Sustainable profitable growth is a prerequisite for the company's continued future. Sustainability is a standing point at the Executive Management's meetings.
- Magnolia Bostad works for a safe and secure work environment through the Ethics Council, Crisis Committee and Protection Committee.



- We set working environment requirements in turnkey agreements and aim at carrying out an audit of a turnkey contractor every year.
- The company's code of conduct includes taking a stand against the violation of human rights.

Goal 10 Reduced inequalities

- In terms of social responsibility, goal 10 is important to how we work within our business.
- *Target 10.3: Ensure equal opportunities and end discrimination*
- We conduct annual employee surveys and works actively with the results through internal discussion and evaluation.

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals
- Sustainability notes →
- Climate footprint →
- GRI index →
- Auditors' report →

Goal 11 Sustainable cities and communities

How we work with environmental and climate responsibility, but also part of our green framework for sustainable financing and financial sustainability.

Targets 11.1, 11.3 and 11.6: Safe and affordable housing, Inclusive and sustainable urbanization and Reduce the environmental impacts of cities.

- By developing several different forms of housing, Magnolia Bostad develops communities and residential areas that attract a wide range of people
- Magnolia Bostad develops neighbourhoods with a focus on enabling residents to make sustainable choices in terms of reduced environmental impact.

Goal 12 Responsible consumption and production

The Goal concerns waste, recycling and circularity. Materials and resources are needed in the development of new homes and residential areas. Recycling and circularity are still relatively undeveloped, but in the short-term they mean big environmental gains.

Target 12.5: By 2030, significantly reduce the amount of waste through measures to prevent, reduce, reuse and recycle waste.

-For example, we participate in a research project that deals with the reuse of heavy, load-bearing structural parts from climate-intensive building materials such as concrete.

Goal 13 Climate action

An important goal for how we work with environmental and climate responsibility, but also part of our green framework for sustainable financing and financial sustainability.

Targets 13.1 and 13.3: Strengthen resilience and adaptive capacity to climate-related disasters and Build knowledge and capacity to meet climate change

- When developing new neighbourhoods, Magnolia Bostad, in collaboration with the relevant municipality, considers the risk of climate change, such as rising sea levels and extreme weather.

Goal 15 Ecosystems and biological diversity

As part of our environmental responsibility, biodiversity is an important area and we strive to reduce our negative impact.

Targets 15.5: Protect biodiversity and natural habitats,

- Magnolia Bostad strives to reduce its negative impact by working in close dialogue with specialists, municipalities and interest groups on how to protect nearby habitats
- We have a design programme with guidelines for biodiversity and stormwater management.








Goal 16 Peace, justice and strong institutions

A key area of business ethics that is essential to our operation is anti-corruption, which we strive to combat in line with Goal 16 of Agenda 2030.

Targets 16.5: Substantially reduce corruption and bribery

- Magnolia Bostad works preventively against corruption and bribery in dialogue with partners and employees through the company's code of conduct and whistleblowing function.
- In the company's projects, safety and security are mandatory aspects to consider when developing housing. The company works in accordance with the BoTryggt2030 guidelines to ensure this.

Sustainability notes

Created value

We create value through the development of housing and communities. The reported distributed value to the employees (in the table below) differs from reported personnel costs in Note 9, Remuneration to employees. In the table below, part of the costs are capitalized and reported as operating expenses and social security contributions and other personnel-related taxes are taken out and reported as payments to the public sector. On the other hand, Note 9, Remuneration to employees includes the total payments relating to personnel. Figures in the tables are averages for the year unless otherwise stated.

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals →
- Sustainability notes
- Climate footprint →
- GRI index →
- Auditors' report →

Sustainability aspect	Target	Outcome	
Sustainable profitable growth	For Magnolia Bostad's business and financial objectives, see page 6.	Direct financial value created and delivered, GRI 201-1	
		SEK m	20242023
		Created value	
		Property sales	1 56858
		Project management revenue	3471
		Renatal income	3131
		Financial income	1619
		Other income	10145
		Distributed value	
		Operating expenses	-555-439
		Employee wages and benefits	-53-43
		Payments to financers	-312-295
		(of which dividends to owners)	(0)(0)
		Payments to the public sector	-37-44
		Community investments	0-1
		Unrealized changes in value	-289-369
		Remaining in Magnolia Bostad	-1 247-868

Sustainability aspect	Target	Outcome	
Anti-corruption	No cases of corruption	Incidents of corruption GRI 406-1/205-3	ReportedReported cases
		Discrimination	0
		Violations	0
		Corruption	0
		Violation of the code of conduct	0
Sustainable purchasing and supplier evaluations	All new employees must sign the code of conduct	2024	
		Percentage of new employees who have signed the company's code of conduct	100
	At the time of employment	Percentage of employees trained in human rights GRI 412-2	100
	An audit by the contractor is intended to be carried out every year	Number of suppliers audited regarding agreement fulfilment and Code of Conduct, GRI 414-1	0

Environment

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals →
- Sustainability notes
- Climate footprint →
- GRI index →
- Auditors' report →

Sustainability aspect	Target	Outcome	
		2024	2023
Reduced environmental impact	All projects must be certified in accordance with a minimum of the Swedish Green Building Council's silver certification, the Nordic Swan Ecolabel or an equivalent standard	Type and number of sustainability certifications, rankings and markings according to new buildings, GRI CRE-8	18 of 18 completed projects were certified or planned to be certified in accordance with the Swedish Green Building Council's silver certification, the Nordic Swan Ecolabel or equivalent
			11 of 11 completed projects were certified or planned to be certified in accordance with the Swedish Green Building Council's silver certification, the Nordic Swan Ecolabel or equivalent
		2024	2023
Reduced environmental impact		Greenhouse gas emissions in CO2e for scope 1, 2 and 3 according to the Greenhouse Gas Protocol GRI 305	Se pages 81-82
			See page 82

Social responsibility

Sustainability aspect	Target	Outcome			
Health and safety for Magnolia Bostad employees	All employees must be covered by a health and safety committee	2024		2023	
		Representation on working environment committees, GRI 403-1		100%	
	No workplace accidents	Number of work-place accidents, GRI 403-9			
		Absence due to illness ¹⁾	0.7%	1.5%	
		Of which short-term illness	39%	58%	
		Of which long-term illness	61%	42%	
		Occupational injuries ²⁾	3	0	
		Deaths	0	0	
	Staff turnover	Staff turnover 401-1	Percentage women	Percentage men	Total
		New employees	100%	0%	1 st
		Leaving	50%	50%	40 st
Training and skills development	Average number of hours of training per woman and man.	Total average hours of training, GRI 404-1			
		2024	Women	Men	Total
		Executive management	5	4	5
		Managers	6	15	10
		Employees	8	6	7
		Total	8	8	8
		2023	Women	Men	Total
		Executive management	12	6	8
		Managers	44	15	21
		Employees	10	10	10
		Total	14	11	12

¹⁾ Long-term sick leave is defined as sick leave of more than four consecutive weeks.
²⁾ Two of the injuries occurred on the way to/from work, the third occurred in the office.

Sustainability management →

Value chain and stakeholders→

Essential areas →

The UN's global goals →

Sustainability notes

Climate footprint →

GRI index →

Auditors' report →

Sustainability aspect	Target	Outcome			
Training and skills development	All employees should have annual performance re-views and career planning	Performance reviews and career planning GRI		2024	
		GRI 404-3		2024	
		Percentage of employees with regular performance reviews and career planning			100%
Diversity and gender equality	Gender breakdown between women and men	Diversity of governance bodies and employees, GRI 405-1, based on average number of employees during 2024			
		2024	The Board	Executive management	Employees
					Total
		Gender distribution			
		Women	67%	25%	39%
		Men	33%	75%	61%
		Age group			
		<30	0	0	2%
		30-50	100%	25%	63%
		>50	0%	75%	35%
		2023	The Board	Executive management	Employees
					Total
		Women			
		Men	67%	25%	44%
		Age group			
		<30			
		30-50	0%	0%	5%
		>50	100%	25%	82%
		>50	0%	75%	16%

The number of employees is calculated as full-time employment.

Sustainability aspect	Target	Outcome			
Diversity and gender equality	Gender breakdown between women and men	Total number of employees by gender, region and employment type, GRI 102-8, number of employees as of 31 December 2024			
					2024
		Region	Women	Men	Total
		Eastern Region	7	12	19
		Western Region	1	4	5
		Southern Region	1	3	4
		Central functions including management			22
		Total			50
					2023
		Region	Women	Men	Total
		Eastern Region	10	17	27
		Central Region	1	4	5
		Western Region	1	5	6
		Southern Region	4	5	9
		Northern Region	0	5	5
		Centrall functions including management	21	16	37
		Total			89

Under januari 2025 ägde en omorganisation rum och strukturen med regioner upphörde.

Climate footprint

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals →
- Sustainability notes →
- Climate footprint
- GRI index →
- Auditors' report →

In the Annual Report for 2024, Magnolia Bostad is reporting its climate footprint for the fourth time in accordance with the Greenhouse Gas Protocol's three scopes.

To calculate Magnolia Bostad's climate accounts, the Greenhouse Gas Protocol (GHG Protocol) has been used, which is the most widely accepted global standard for calculating greenhouse gas emissions from operations. The calculations have been carried out according to the three associated standards: The Corporate Standard, The Corporate Value Chain (Scope 3) Standard Technical Guidance for Calculating Scope 3 Emissions.

According to the GHG Protocol, a control approach needs to be established, either the Equity share approach or the Control approach, which in turn is divided into the Financial control approach and the Operational control approach. The consolidation of emissions from companies that the company owns is affected by the choice of control approach. For Magnolia Bostad's climate accounts for 2024, the Operational control approach is used. This means that greenhouse gas emissions are classified as direct emissions when the activity gives rise to emissions during use, for example when leasing vehicles or if the company operates in rented premises

Scope and boundaries
Data collection is improving as we develop our sustainability work. In connection with this year's climate accounts, we have partially changed the method, which has led to figures for 2023 being recalculated to achieve comparability in terms of impact from projects. All completed projects during each year are

included and emissions have been calculated using templates and reference projects. Emissions for 2024 were affected by the fact that a large number of projects were completed, this is in scope 3, mainly in categories 3.2 and 3.11.

Magnolia Bostad's climate accounts include all emissions in scope 1 and 2. Greenhouse gas emissions in the value chain are reported in scope 3 and are categorized according to the GHG protocol in different categories.

Scope 1 includes all direct greenhouse gas emissions. The only emissions that fall within scope 1 for Magnolia Bostad consist of company cars, for electric cars, emissions are in scope 2.

Scope 2 is calculated according to a market-based methodology and includes energy consumption where the climate impact occurs at the producer. Office electricity, district heating and district cooling from Magnolia's offices are included in scope 2. Managed properties' consumption of property electricity, district heating and district cooling is also included. Tenants' electricity consumption is included in scope 3, category 13. With the location-based methodology, the result for Scope 2 is 88 tons CO2e. The difference between location-based results and market-based results is due to the lack of verifications for green agreements at several properties, which has meant that calculations for market-based results have been made using the residual mix. The residual mix is the electricity mix that should be used to calculate environmental impact if there is no verification for active selection of eco-labeled electricity.

Scope 3 is reported in a table at the end, which also shows what has been included and excluded. During the year, Magnolia Bostad owned a number of properties in joint ventures (JVs). As we did not have complete operational control over these properties, all of their emissions are in scope 3, category 15.

In addition to production emissions, the use of properties developed for sale is also calculated as Use of sold products, with an expected life of sixty years. For sold properties that Magnolia Bostad managed before the sale, the use phase of the properties has been calculated if the management has been ongoing for a period of less than six months.

For the year 2024, the total amount of greenhouse gas emissions was 104,772 tonnes CO2e, of which 5 tonnes (<0.1%) CO2e were attributed to scope 1, 378 tonnes (0.4%) CO2e to scope 2 and 104,389 tonnes (99.6%) CO2e to scope 3.

The two dominant emission categories are Capital Goods (New Construction) and Use of Sold Products (Future Use Phase of Sold Properties). These categories contain emissions calculated from properties sold during the year, the emissions are calculated for both the construction stage and the future use of the properties.

The calculations and analyses were carried out by 2050 Consulting.

Climate footprint

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals →
- Sustainability notes →
- Climate footprint
- GRI index →
- Auditors' report →

Climate footprint	
tCO ₂ e	2024
Scope 1	
Company cars	5
Total scope 1	5
Scope 2	
Company cars, electric	2
Office:	
Elektricity	4
Heating	9
Cooling	0
Property holdings:	
Elektricity	289
Heating	28
Cooling	0
Total scope 2	332
Scope 3	
3.1 Purchased goods and services	178
3.2 Capital goods	87 592
3.3 Fuel and energy-related activities	35
3.4 Upstream transport	-
3.5 Waste	115
3.6 Business trips	11
3.7 Commuting	33
3.8 Leased assets	-
3.9 Downstream transport	-

	2024
3.10 Processing of sold products	-
3.11 Use of sold products	12 324
3.12 End-of life of sold products	-
3.13 Leased out assets	22
3.14 Franchises	-
3.15 Investorments	4 064
Total scope 3	104 375
Total scope 1, 2 and 3 (tCO ₂ e)	104 713

Key figures		
	2024	2023
Construction of completed properties, kgCO2e/m2	328	322
Company cars, MWh	61	133
Office energy, MWh	396	338
Property portfolio, kWh/m²	68	51
Percentage of fossil-free electricity, office (%)	100	100
Construction completed properties: Construction emissions from completed projects in 2024 per GFA.		
Company cars: Purchased energy for company cars.		
Property portfolio: Property electricity, heating and tenant electricity per managed sq m.		

Scope 3 categories (irrelevant categories have been omitted)			
3.1	Purchased goods and services	Included	Environmental spending analysis (all goods and services from financial data in the form of invoices in addition to those handled separately for the projects and offices)
3.2	Capital goods	Included	Emissions from all completed projects in 2024 calculated on GFA, use of templates and reference projects
3.3	Upstream emissions from scope 1 and 2	Included	Energy-related emissions not included in scope 1 or 2
3.4	Uppstream transport	Included	Included in 3.2, via calculations with templates
3.5	Waste generated in the business	Included	Waste reports, environmental spending analysis. Construc-tion waste and waste from offices
3.6	Business trips	Included	Environmental spending analy-sis and number of hotel nights
3.7	Commuting	Included	Commuting survey
3.11	Use of sold products	Included	Properties developed for sale are included here. Energy consumption is calculated over the expected lifespan of the properties, 60 years.
3.12	End-use of sold products	Excluded	Emissions in connection with the demolition of property
3.13	Nedströms leased assetsr	Included	Tenants' electricity consump-tion, measured IMD and stan-dardized values Atemp when IMD was not available
3.15	Investments	Included	Energy consumption in JV, Magnolia Bostad's ownership percentage

GRI index

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals →
- Sustainability notes →
- Climate footprint →
- GRI index
- Auditors' report →

Statement on the report

Magnolia Bostad reports inspired by GRI 1 Foundation 2021 Standards for the period 1 January – 31 December 2024.

GRI Standard	Details		Page reference	Comments
GENERAL INFORMATION				
GRI 2: General Disclosures	2-1	Information about the organization	6, 24	
	2-2	Units covered by the sustainability report	73	
	2-3	Accounting period, frequency and contact person	73	Publication 14 April 2025. Contact person: Fredrik Westin, Deputy CEO & CFO.
	2-4	Changes in previously reported information		No changes have been made to previously reported information
	2-5	External validation	86	The sustainability report has not been externally reviewed, but has received the auditor's opinion.
	2-6	Activities, value chain and other business relations	7-8, 10-12 74-75	
	2-7	Employees	78-79	
	2-8	Employees not employed		None
	2-9	Composition and structure of governance	88-96	
	2-10	Nominating and election of the highest governing body	88	
	2-11	Chairman of the highest governing body	88, 91	
	2-12	The highest governing body's role in the work with review and management of impact	73, 88	
	2-13	Delegation of decision-making to manage impact	73, 88	

GRI Standard	Details		Page reference	Comments
GENERAL INFORMATION				
	2-14	The highest governing body's role in relation to the sustainability report	72	
	2-15	Conflict of interest	28, 72	
	2-16	Communication of critical issues	73	
	2-17	Collective knowledge of the highest governing body	91	
	2-18	Evaluation of the work of the highest governing body	88	
	2-19	Remuneration policy	51,52	
	2-20	Process for determining remuneration	52	
	2-21	Annual total compensation rate		None
	2-22	Statement on strategy for sustainable development	5	
	2-23	Policy commitment	72	
	2-24	Anchoring of policy committment	72, 98-90	
	2-25	Process to address adverse impact	89	
	2-26	Mechanisms for advising and reporting matters	89	
	2-27	Compliance with laws and regulations	26, 88-89	
	2-28	Membership in organizations	12	
	2-29	Stakeholder engagement method	8-9, 79-80	
	2-30	Collective bargaining agreements		None

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals →
- Sustainability notes →
- Climate footprint →
- GRI index
- Auditors' report →

GRI Standard	Details		Page reference	SDG ¹⁾	Comments
SIGNIFICANT FOCUS AREAS					
Economy					
Sustainable profitable growth				11, 13	
GRI 3: Material Topics 2021	3-3	Management of material topics	6-8, 73, 25		
GRI 201: Economic Performance	201-1	Direct economic value created and distributed	78		
Anti corruption				8, 16	
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 27, 73, 76, 82, 83		
GRI 205: Anti-corruption	205-3	Corruption incidents and measures	27, 78		
Sustainable purchasing and supplier evaluations				8, 16	
GRI 3: Material Topics 2021	3-3	Management of material topics	78		
GRI 412: Human Rights Assessment	412-2	Employee training on human rights	78		
	414-1	Number of suppliers audited for compliance with agreements and code of conduct.	78		
Climate					
Reduced climate impact				11, 12, 13	
GRI 3: Material Topics 2021	3-3	Management of material topics	7-8, 10-12, 75-77, 79		
GRI 305: Greenhouse gas emissions	GRI 305-1	Direct (Scope 1) greenhouse gas emissions	81-82		
	GRI 305-2	Indirect (Scope 2) greenhouse gas emissions	81-82		
	GRI 305-3	Other indirect (Scope 3) greenhouse gas emissions	81-82		
	GRI 305-4	Greenhouse gas emissions intensity measures	81-82		
Environment					
Reduced climate impact				7, 12, 15	
GRI 3: Material Topics 2021	3-3	Management of material topics	11-12, 77, 79		
GRI Construction and Real Estate Sector Supplement	CRE-8	Type and number of sustainability certifications, rankings and markings for new construction	79		

¹⁾ SDG: Sustainable Development Goals. The UN's global goals for sustainable development. See pages 76-77 .

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals →
- Sustainability notes →
- Climate footprint →
- GRI index
- Auditors' report →

GRI Standard	Details		Page reference	SDG ¹⁾	Comments
SIGNIFICANT FOCUS AREAS					
Social					
Health and safety fro Magnolia Bostad's employees				5, 10	
GRI 3: Material Topics 2021	3-3	Management of material topics	7-8, 79		
GRI 403: Occupational Health and Safety	403-1	Representationin work environment committees	79		
	403-9	Work-related injuries and illness	79		
Utbildning och kompetensutveckling				8, 10	
GRI 3: Material Topics 2021	3-3	Management of material topics	80		
GRI 404: Training and Education 2016	404-1	Average number of training hours per employee	79		
	404-3	Percentage of employees with regular performance reviews	80		
Mångfald och jämställdhet				5, 10	
GRI 3: Material Topics 2021	3-3	Management of material topics	8, 11, 73, 76		
GRI 405: Diversity and Equal Opportunity	405-1	Diversity between governing bodies and employees	80		
Security				3, 10, 11, 16	
GRI 3: Material Topics 2021	3-3	Management of material topics	7-8, 13, 25, 75, 76		

¹⁾ SDG: Sustainable Development Goals. The UN's global goals for sustainable development. See pages 76-77 .

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Auditor's report on the statutory sustainability statement

To the general meeting of the shareholders of Magnolia Bostad AB (publ), corporate identity number 556797-7078

- Sustainability management →
- Value chain and stakeholders→
- Essential areas →
- The UN's global goals →
- Sustainability notes →
- Climate footprint →
- GRI index →
- Auditors' report

Engagement and responsibility

It is the Board of Directors who is responsible for the statutory sustainability statement for the year 2024 on pages 9-13 and 72-85 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A statutory sustainability statement has been prepared.

Stockholm, 14 April 2025

Ernst & Young AB

Katrine Söderberg
Authorized Public Accountant

Corporate governance report

[Corporate governance report →](#)

[Board of Directors →](#)

[Executive management →](#)

[Auditors' report on the
corporate governance report →](#)

[Other information](#)

[Definitions →](#)

[Financial calendar, contacts →](#)

Corporate governance report

Corporate governance report

Board of Directors →

Executive management →

Auditors' report on the corporate governance report →

Other information

Definitions →

Financial calendar, contacts →

Magnolia Bostad AB (publ), co.reg.no. 556797-7078, is a public Swedish limited liability company with its registered office in Stockholm, owned by Ham Nordic AB. Magnolia Bostad's bonds are listed on Nasdaq Stockholm.

The Corporate Governance Report for 2024 has been prepared as part of the company's application of the Swedish Companies Act and the Annual Accounts Act. The company has previously and until September 2021, applied the Swedish Code of Corporate Governance due to the company being listed on the stock exchange. Several parts of the Code do not apply to companies with a few owners, but in the parts of the Code that apply, the Company continues to follow them.

The Corporate Governance Report has been approved by the company's Board and has been reviewed by the company's auditors. To ensure that Magnolia Bostad is managed efficiently, the division of responsibilities between the company's decision-making bodies is clear.

Articles of Association
The Articles of Association, together with applicable laws and existing shareholder agreements, regulate operations and governance. The company shall directly or indirectly through subsidiaries acquire, own, manage, develop and sell properties, conduct project activities regarding properties and own and manage securities and other related activities. The financial year includes calendar years. The Articles of Association can be found on the company's website under the section Corporate Governance.

Election of the Board of Directors and amendments to the Articles of Association
Magnolia Bostad's Articles of Association do not contain any special provisions on the appointment and dismissal of Board members or on amendments to the Articles of Association.

Shares and shareholding
The share capital amounted to SEK 151,289,132 on 31 December 2024, divided into 37,822,283 shares 100% owned by HAM Nordic AB.

Shareholders' voting rights
The Annual General Meeting is the highest decision-making body and the forum in which shareholders formally exercise their influence.

Annual General Meeting
The Annual General Meeting was held on 25 April 2024. HAM Nordic AB was represented by Erika Olsén. The Annual General Meeting was held through a per capsulam procedure, which is why a Chairman was not appointed.

An extraordinary general meeting was held on 8 November 2024, when the meeting decided to appoint Katrine Söderberg as the new auditor in charge. HAM Nordic AB was represented by Erika Olsén. The extraordinary general meeting was held through a per capsulam procedure, which is why a chairman was not appointed.

Board of Directors
The Board of Directors is appointed by the Annual General Meeting and as of 31 December 2024 consi-

sted of three members, Erika Olsén, Therese Rattik, Johan Bengtsson, and three deputies. For the Board of Directors, see page 91.

The Board's task is to be responsible for the company's organization and administration, to continuously assess the company's financial position and to ensure that there are effective systems for monitoring and controlling the company's operations and compliance with laws and other rules

The Board's tasks are carried out through organized interaction with the company's management team. Through submitted reports, the Board follows the assessment obligations that follow from law. In addition, the Board's work is governed by guidelines from the Annual General Meeting, by the Board's rules of procedure and selected parts of the Code. In 2024, 32 minuted Board meetings were held, of which 17 were per capsulam. The company's Board has no committees, which means that the tasks are fulfilled by the entire Board. The Board continuously evaluates the Board's work with the aim of developing the Board's working methods and efficiency.

Chairman of the Board
The Chairman of the Board shall, in close collaboration with the CEO, monitor the company's results and act as Chairman of Board meetings. The Chairman is responsible for ensuring that other members of the Board receive sufficient information to carry out their work effectively.

CEO and executive management
The CEO is responsible for operational management, for managing the day-to-day administration and for

- Corporate governance report
 - Board of Directors →
 - Executive management →
 - Auditors' report on the corporate governance report →
- Other information
 - Definitions →
 - Financial calendar, contacts →

managing the business in accordance with the Board of Directors' guidelines, instructions and decisions. The company's executive management consisted of Johan Tengelin, Fredrik Westin, Hanna Jessing and Henrik Meeths on 31 December 2024. For executive management, see pages 92 and 93.

Investment Committee

Magnolia Bostad has an investment committee whose main task is to act as an advisor to the Board and prepare all investment decisions in connection with acquisitions, sales and property investments. A job description adopted by the Board applies for the investment committee, with a delegation procedure and decision matrix.

Auditors

The company's external auditors are appointed by the AGM. The auditors task is reviewing the Board of Directors' and CEO's management of the company on behalf of the shareholders and ensuring that the annual report has been prepared in accordance with applicable laws and regulations. The 2024 AGM resolved to elect the auditing firm Ernst & Young AB with Fredric Hävrén as auditor-in-charge for the period until the end of the 2025 AGM. At an extraordinary general meeting on 8 November 2024, Katrine Söderberg was appointed as the new auditor-in-charge for the period until the next AGM in 2025. In addition to auditing, Ernst & Young has also provided advice during the year, primarily on tax matters. In 2024, total remuneration to auditors amounted to SEK 2.5 m (3.5). See also Note 8 – Disclosure of auditor's fees and expense reimbursement.

Internal controls

According to the Swedish Companies Act, the Board is responsible for internal controls. The purpose of internal control is, with a reasonable degree of certainty, to achieve effective and efficient operations, reliable financial reporting and information about the operations, as well as compliance with applicable laws, rules, policies and guidelines.

The Corporate Governance Report on the company's internal controls refers to the company's financial reporting. The Company has established control structures and regularly monitors that these are implemented, updated and complied with. Regional managers and department heads are responsible for ensuring that internal controls are established within their areas of responsibility and that these controls achieve the intended effect. The company follows the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) framework to evaluate a company's internal control over financial reporting, "Internal Control -Integrated Framework". The framework consists of the following five components: control environment, risk assessment, control activities, information, and communication and follow-up.

The internal control process has been designed to ensure reliable overall financial reporting and external financial reporting in accordance with IFRS, applicable laws and regulations and other requirements that may be imposed on companies with bonds listed on Nasdaq Stockholm. Risk assessment regarding financial reporting takes place annually and involves the Board, senior executives and other employees.

To ensure that the company's Code of Conduct is complied with, the company has a whistleblower function. Through this whistleblower function, appropriate channels are offered for reporting serious irregularities committed by persons in key positions or in leading positions at the Company. Registration can be done in a way that is safe for the person reporting, while administration and monitoring of the whistleblower function is handled by an external party. The Company has also established an Ethics Council, whose task is to ensure that reported whistleblower cases are handled correctly. If necessary, the Ethics Council also handles any matters concerning violations of the company's Code of Conduct, etc, and which are not handled within the framework of the whistleblower function.

Control environment

The basis for internal controls on financial reporting is Magnolia Bostad's organization, decision-making procedures, responsibility and authorizations that are communicated in the governing documents. These documents include the Articles of Association, the Board of Directors' rules of procedure, the CEO's instructions, the Code of Conduct, the company's business plan, policies, the Investment Committee work description, process descriptions and manuals. The company's work on internal control aims to identify high-risk areas and minimize these risks. All internal steering documents are regularly updated when, for example, legislation, accounting standards or listing requirements are changed.

Corporate governance report

Board of Directors →

Executive management →

Auditors' report on the corporate governance report →

Other information

Definitions →

Financial calendar, contacts →

Risk assessment

The risk of material misstatement in financial reports is assessed annually by the company's Board of Directors, Executive Management and the Company's external auditors. There is an established risk management process at Magnolia Bostad. The CEO, in collaboration with other departments within the company, is responsible for structured risk mapping across all business activities. the company's risks are divided into three main types: (1) external risks, (2) operational risks and (3) organizational risks, see pages 27-29.

Control activities

Control activities are designed on the basis of the risk analysis to address the significant risks identified. These are both of a preventive nature, in other words actions aiming to avoid losses or errors in reports and for purposes of discovery. The controls must also ensure that any errors will be corrected. Examples of areas that have a material impact on the company's results and that have well-established quality control measures include accounting for projects and funding matters and sales as well as the IT environment. Controls are carried out using methods such as variance analyses and on the occasion of quarterly meetings between business areas and Executive Management. The Deputy CEO and CFO ensures the company maintains a secure IT environment. For the business, the business system forms the basis of the control structure established and focuses on important stages in the business such as investment decisions, production start-up and sales. The company places great emphasis on follow-up of projects linked to established procedures for the project process, such as regular follow-up meetings and the Investment Committee.

Information, communication

The guidelines for communication are that correct information must be provided in the correct manner and at the right time and comply with the law and Nasdaq Stockholm's regulations for issuers (interest-bearing instruments). The company's governing documents in the form of a Code of Conduct, policies, process descriptions and manuals are reviewed annually and made available via the company's intranet. All new employees receive information about the governing documents and the company has information opportunities where values and Codes of Conduct are discussed.

Follow-up

Follow-up takes place at many different levels within the company. The company's business plan and budget are decided by the Board every year. The Board receives at least once a quarter financial reports with comments including project follow-up and follow-up of guarantees and provisions. The company's external auditor reports his observations from reviews and assessments of internal control to the Board. The company has routines that ensure that measures are taken to deal with any shortcomings, as well as that proposals for measures that have received attention are followed up

Board of Directors

Data as of 31 December 2024
Selection of Board of Directors assignments

- Corporate governance report →
- Board of Directors
- Executive management →
- Auditors' report on the corporate governance report →
- Other information
- Definitions →
- Financial calendar, contacts →



Erika Olsén
Chairman of the Board since June 2023
Board member since September 2021

Born 1976
Partner, Investments Areim. Chairman of the Board of HAM Nordic AB. Board member of Genova Property Group AB and Diös Fastigheter AB.

M.Sc. in Property Economics from KTH Stockholm.



Therese Rattik
Board member since September 2021

Born 1976

Partner Areim until March 2024. Board member of the Swedish Green Building Council. Board member of HAM Nordic AB.

EMBA, specializing in Global Economy, Stockholm School of Economics, and M.Sc. in Property Economics from KTH Stockholm.



Johan Bengtsson
Board member since September 2021

Born 1975

Fund manager Areim. Board member of HAM Nordic AB.

MBA from the Stockholm School of Economics.

Executive Management

Data as of 31 December 2024

- Corporate governance report →
- Board of Directors →
- Executive management
- Auditors' report on the corporate governance report →
- Other information
- Definitions →
- Financial calendar, contacts →



Johan Tengelin
CEO

Employed and member of Executive Management since December 2020.

Born 1970

Former partner at Brunswick Real Estate, and CEO Svea-fastigheter. Prior to that, CEO of the Nordic operations at GE Capital Real Estate and partner at Carnegie Investment Bank.

MBA from School of Economics at the University of Gothenburg. Authorized Financial Analyst (CEFA) from Stockholm School of Economics.



Fredrik Westin
Deputy CEO & CFO

Employed and member of Executive Management since 2016.

Born 1973

Previously Head of Finance at Kungsleden. Also has a background as FP&A Manager and Accounting Manager at GE Capital Real Estate Nordic.

MBA from Gothenburg School of Economics.



Hanna Jessing
COO

Employed and member of Executive Management since 2018.

Born 1971
Former legal counsel at Vasakronan AB. Before that, attorney at Lindskog Malmström Advokatbyrå and district court lawyer.

Master of Laws (LL.M) from Stockholm University.

Executive Management

Data as of 31 December 2024



Henrik Meeths
Investment manager

Employed since 2015. Member of Executive Management since 2022.

Born 1980

Former Associate Director at Cushman & Wakefield. Prior to that, Analyst at London & Regional Properties.

Master's degree in finance from Stockholm University and the University of California, Santa Barbara Anställd sedan 2015.

Auditors
Ernst & Young AB
Chief auditor:
Katrine Söderberg
Authorized public accountant

Data as of March 2025

Executive Management was expanded in March 2025 to six people from four. Additional people:

Magnus Ericsson
Head of Business Development

Employed since 2015, Member of Executive Management since 2025.

Born 1974

Previously Director DTZ Sweden AB, Asset Manager EFM Sverige AB, Associate Director DTZ, Analyst, Realia AB. M.Sc. in Engineering from KTH, Stockholm

Niklas Ohldin
Head of Product Development

Employed since 2018. Member of Executive Management since 2025.

Born 1969

Former CEO of Stena Bygg AB and CEO of Wästbygg AB. Prior to that, business manager and foreman at NCC Construction. M.Sc in Engineering from Chalmers University of Technology plus training in property management. Also educated in business administration, Uppsala University.

- Corporate governance report →
- Board of Directors →
- Executive management
- Auditors' report on the corporate governance report →
- Other information
- Definitions →
- Financial calendar, contacts →

Auditor's report on the corporate governance

To the annual general meeting of the shareholders of Magnolia Bostad AB (publ), corporate identity number 556797-7078

- Corporate governance report →
- Board of Directors →
- Executive management →
- Auditors' report on the corporate governance report
- Other information
- Definitions →
- Financial calendar, contacts →

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2023 on pages 100–105 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 in the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act. Ernst & Young AB

Stockholm, 14 April 2025

Katrine Söderberg
Authorized public accountant

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Definitions and explanations and important information about assumptions

	<p><i>Alternative KPIs not defined in IFRS, see page 75.</i></p> <p><i>Agenda 2030</i> The UN's 17 Global Sustainable Development Goals for 2030 (UN Sustainable Development Goals), also called the SDGs.</p> <p><i>Number of residencies</i> Estimated number of dwellings at a time when binding sales agreements are signed and revenue recognition takes place.</p> <p><i>Yield-based valuation method</i> Based on an estimate of future cash flows for each property. The valuation consists of an assessment of the present value of the property's future net operating income during the calculation period and the present value of the property's residual value at the end of the calculation period. The calculation period varies between 10 and 15 years and the residual value has been assessed through a perpetual capitalization of an estimated market net operating income the year after the end of the calculation period.</p> <p>Perpetual capitalization takes place with a required return that has been derived from the current transaction market for comparable properties, both direct and indirect transactions have been taken into account (properties sold in companies). Cash flow for operating, maintenance and administration costs is based on market-based and normalized payments for operation, maintenance and property administration, whereby corrections are made for deviations. Investments are calculated on the basis of the investment need that is deemed to exist. Classification takes place at level 3 in accordance with IFRS 13.</p> <p><i>Estimated number of building rights</i> 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.</p>	<p><i>Estimated production start, project portfolio</i> 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.</p> <p><i>Estimated completion of projects</i> The time for the estimated completion of a project is when the project is completed and finalized.</p> <p><i>BoTryggt2030</i> BoTryggt2030 is a national concept based on an overall knowledge model and concrete guidelines. The purpose is to present crime prevention and security-creating guidelines for planning, programming, design, construction, and further development of both new and existing environments.</p> <p><i>CO₂e</i> Carbon dioxide equivalents. A measure that describes greenhouse gas emissions such as carbon dioxide, methane and water vapour that contribute to global warming.</p> <p><i>Direct allocation</i> In the case of direct allocation, the municipality decides that land shall be allocated to the client without a prior land allocation competition. Direct allocations can be used when there are special motives, for example when a building proposal adds special qualities to the benefit of urban development.</p> <p><i>EU Taxonomy</i> The aim of the EU Taxonomy is to identify and compare environmentally sustainable investments through a common classification system for environmentally sustainable economic activities. The taxonomy is a tool for achieving the EU's</p>	<p>climate goals and the objectives of the EU's green growth strategy, the Green Deal.</p> <p><i>UN Global Compact</i> Ten principles for sustainable business concerning the environment, labour law, anti-corruption and human rights.</p> <p><i>The UN's global sustainability goals</i> The UN's 17 Global Sustainable Development Goals for 2030 also called the SDGs or Agenda 2030.</p> <p><i>Forward funding</i> Forward funding means that the project is owned and financed by the project's buyers during the production period.</p> <p><i>Green House Gas Protocol</i> The most widely accepted international accounting standard for understanding, quantifying and managing greenhouse gas emissions. The protocol divides the business's climate impact into three different scopes for direct and indirect impact.</p> <p><i>GRI</i> Global Reporting Initiative – Global standard for sustainability reporting developed through an independent organization. It refers to the fulfilment of all targets through the GRI index.</p> <p><i>HS30</i> (Sustainable Stockholm 2030) brings together actors from the housing development sector in Mälardalen, who work together to sharply reduce the ecological footprint of the industry and to take social sustainability even more seriously.</p> <p><i>LFM30</i> (Local Roadmap Malmö 2030) is an organization that works with collaboration in the construction and civil engineering sector to develop a climate-neutral construction and civil engineering sector in Malmö.</p>
Corporate governance report →			
Board of Directors →			
Executive management →			
Auditors' report on the corporate governance report →			
Other information			
Definitions			
Financial calendar, contacts →			

Corporate governance report →

Board of Directors →

Executive management →

Auditors' report on the corporate governance report →

Other information

Definitions

Financial calendar, contacts →

Life Cycle Analysis
Life Cycle Analysis (LCA) is a method for calculating the impact during a product's entire life cycle - from natural resources being extracted to the product no longer being used and having to be taken care of.

Land allocation
An agreement between a municipality and a client that gives the client the exclusive right to negotiate with the municipality for a limited time, and under given conditions, on the transfer or lease of a certain land area for development.

Land allocation competition
Prior to planning new construction in a city, the municipality can distribute land allocations to various players in the construction market. Prior to such a distribution, the municipality usually announces a land allocation competition. This means that the municipality invites various stakeholders to compete for the land and where the best projects win.

Market-based method
The GHG protocol uses a location-based and market-based approach. With the market-based method, companies can calculate emissions from an electricity mix that they have deliberately chosen to purchase through direct contracts.

Silver environmental building certification
A Swedish environmental certification system for newly produced buildings. Includes indicators linked to energy, indoor environment and material selection. Developed by the Sweden Green Building Council (SGBC).

Environmental certification
Framework to work according to for assessing how environmentally sustainable a building is. For example, there are the Environmental Building (Bronze, Silver, Gold), BREEAM and LEED certifications.

The location price method
In the location price method, the valuer bases the value on the prices in similar markets and transactions and how the market views the object in question. For costs that arise, a simplified development calculation is also made.

The Paris Agreement
The Paris Agreement is a global climate agreement that came into force in 2016. The core of the agreement is to limit global warming by reducing greenhouse gas emissions. The global temperature increase must be kept well below 2° C with the ambition that it will stay at a maximum of 1.5° C.

Location-based method
The GHG protocol uses a location-based and market-based approach. With the location-based method, the average emission intensity of electricity grids within a certain geographical area where energy consumption takes place is used.

Production start
Production starts when the zoning plan has come into legal force and the turnkey contract and binding sales agreements have been signed.

Community service properties
Property that is used predominantly by tax-financed activities and is specifically adapted for community service. Residential care facilities are included under community service properties. In terms of community service properties, Magnolia Bostad primarily develops housing for the elderly and other forms of adapted housing, along with schools and nursery schools.

Swan Eco-labelling
The Nordic Swan Eco-labelling certification is an environmental certification that includes indicators linked to energy, indoor environment, choice of materials and routines in the construction process and management.

Sold residential units in production
Number of residential units in sold projects where binding sales agreements were signed, and then revenue recognized.

Important information about assumptions

Information about projects in production and projects not yet in production is based on assessments of size, focus and scope, as well as when projects are expected to be started and completed. Furthermore, the information is based on assessments of future investments, required returns, inflation and rental value. The assessments and assumptions should not be seen as a forecast.

The assessments and assumptions involve uncertainties regarding the implementation, design and size of the projects, schedules, project costs, required returns and future rental values and inflation.

Information about projects in progress and projects that have not yet started production is reviewed regularly and assessments and assumptions are adjusted as projects start production, are completed or are added, and as conditions change.

For projects that have not started production, financing has not been procured, which means that financing of construction investments in project development is an uncertainty factor. Projects that are currently conducted on their own may in future be conducted in JVs.

Financial calendar

- Corporate governance report →
- Board of Directors →
- Executive management →
- Auditors' report on the corporate governance report →
- Other information
- Definitions →
- Financial calendar, contacts

- Interim report January–March 2025**
25 April 2025
- Interim report January–June 2025**
9 July 2025
- Interim report January–September 2025**
22 October 2025
- Year-end report January–December 2025**
February 2026

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Magnolia Bostad Annual Report 2024	
Project management:	Magnolia Bostad
Photos:	Pix Provider among others
Chapter introductions:	Our activities: Brygghuset Project, Ursvik, Sundbyberg
	Sustainable community development: BM 37 Brogårdstaden Project, Upplands-Bro
	Projects, properties and project financing: Väsjön Norrsätra Project
	Financing: Öresjö Ångar Berget Project, Borås
	Administration report and accounts: Råbylund Project, Lund
	Sustainability reporting: Brygghuset Project, Ursvik, Sundbyberg
	Corporate governance report: Partille Port Project, Partille