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Nivika Fastigheter AB (publ)

Year-end report September 2023 – December 2024

Significant increase in net operating income for the quarter

October 2023 – December 2024

(Figures in brackets refer to the same period last year)

- Total rental income increased by 17 % to 188 MSEK (161)
- Net operation income increased by 18 % to 130 MSEK (111)
- The profit from property management increased with 47 % to 56 MSEK (38), including one-time cost of 3 MSEK during the period
- Change in value for investment properties amounted to 29 MSEK (-192) whereof realised change in value amounted to 0 MSEK (0)
- Comprehensive income increased to 82 MSEK (17)
- Earnings per share 0.81 SEK (0,24) *

*) Right issue carried out in May and November 2023.

September 2023 – September 2024

- Total rental income increased to 923 MSEK
- Net operation income increased to 655 MSEK
- The profit from property management increased to 266 MSEK
- Change in value for investment properties amounted to 126 MSEK whereof realised change in value amounted to 11 MSEK
- Comprehensive income increased to 200 MSEK
- Earnings per share 2.08* SEK
- Property value amounted to 11.788 MSEK
- The board of directors proposes that a dividend of 0,64 SEK per share to be paid for the financial year distributed over 4 payment dates. The dividend proposal is in accordance with Nivikas' dividend policy.
- Annual General Meeting 2023/2024 will be held on 8 May 2025

*) Right issue carried out in May and November 2023.

CEO Sverker Källgården comments:

Clear signals to the market

During the last quarter of the calendar year, Nivika sent clear signals to the market that the company is in a growth phase. Nivika successfully re-entered the bond market and has begun acquiring high-yielding properties for the proceeds.

Increasing rental income and higher net operating margin creates increasing results

The financial performance for the quarter shows financial stability and that we are gradually continuing to increase revenue and profit. It is a statement of strength and a receipt that Nivika is doing the right things and that the business model works. Rental income increased by 17 percent to 188 MSEK (161). The net letting was -6 MSEK in the quarter due to tenant's bankruptcy, there are interested parties for the premises, and we are hopeful of having signed a new lease before summer. For the full year, the net letting continued to be positive, +5 MSEK. Net operating income increased by 18 percent to 130 MSEK (111). The increased net operating income was mainly driven by increased revenue and a higher surplus ratio, the acquisitions of high-yielding properties over the past year have had a positive impact. The profit for the quarter of 80 MSEK (17) includes unrealized changes in the value of property portfolio of 31 MSEK (65) and unrealized changes in value of interest rate derivatives of 63 MSEK (-75). The property portfolio amounts to 11.8 MSEK (10.6) as of 31 of December 2024 with a total of current rental value of 800 MSEK. The property portfolio consists, at the end of the period, of 62 percent commercial properties and 38 percent residentials, in terms of property value.

During the quarter, agreements were signed to acquire ten properties with property values of approximately SEK 300 million. All properties are high-yielding in warehouses and light industry and will strengthen earnings per share and operational cash flow.

During the quarter, Nivika started the construction of a new office and production facility at the Bredasten industrial area in Värnamo for Rudhäll Industri AB, a supply chain company within the Bufab Group. In the Bredasten area, the ground was broken for Sweden's first dedicated electric car filling station, which strengthens the area's service offering and Nivika's sustainability work.

The company continued to structure loan portfolios with partner banks during the quarter, which has resulted in improved cash flow of SEK 80 million on an annual basis.

Sustainability work has continued during the quarter with a CSRD focus, where the Company has developed targets and also taken steps towards an application to the Science Based Target initiative, which will be submitted in 2025. In terms of energy, Nivika has good control and only 6.4 percent of the properties have energy class F or G. These properties all have a plan to improve the energy class and achieve the requirements for the EU taxonomy.

The board of directors proposes that a dividend of 0,64 SEK per share to be paid for the financial year with quartely payments. The dividend proposal is in accordance with Nivikas dividend policy.

Growth in focus

Nivika has carried out a major restructuring in the past two years, where the Company has focused on costs and optimized the balance sheet. With a lowered key interest rate and renegotiated bank loans, together with the bond Nivika successfully issued during the quarter, the Company has available funds to pursue an expansive strategy. During 2024, Nivika has acquired properties worth approximately SEK 800 million and the Company continues to have several interesting deals to evaluate. The focus is on high-yielding properties within warehouses and light industry, where each deal should improve cash flow and earnings per share.

Communications and location are important and will become even more important for our tenants as their market becomes increasingly global and being able to easily transport their goods is one of the keys to their growth. That is why Nivika is investing in the West Swedish triangle consisting of E4, National Road 40 and E6, all of which are within Nivika's market area. The Bredasten area is a successful example of a cluster of properties where the service industry has also grown and serves the businesses in the area. Nivika is actively looking for similar locations where the Company can build clusters along the West Swedish triangle.

Continued focus on earnings per share and cash flow

In a world filled with concerns about punitive tariffs and geopolitics, it is nice to be firmly anchored in the Småland soil. Nivika continues to believe that local presence and closeness to our tenants creates the best shareholder value. By focusing on cash flow, operating net income and growth through the acquisition of high-yielding properties, the Company's key figures will be further strengthened and position us even more as an attractive company to do business with.

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About Nivika

Nivika is a real estate company in Småland with focus on long-term ownership, property management and efficient new development to create profitable and sustainable value growth. The Company primarily operates in Jönköping, Värnamo, Växjö and the West coast of Sweden, areas with growth opportunities and stable rental markets. The diversified real estate portfolio amounts to app. SEK 12 billion, of which two-thirds of the rental value is commercial real estate. The commercial properties mainly consist of industrial, warehouse, office and community service properties. www.nivika.se

