

INTERIM REPORT
JANUARY – MARCH 2025

AB | SAGAX

AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industrial segment

Interim Report January – March 2025

FIRST QUARTER 2025

- Rental revenue increased 10% to SEK 1,307 M (SEK 1,185 M in the year-earlier period).
- Profit from property management attributable to the Parent Company's shareholders increased 6% to SEK 1,053 M (994).
- Profit from property management per Class A and B share after dilution increased 6% to SEK 2.92 (2.75).
- Property revaluation had an impact on profit of SEK –17 M (61).
- Revaluation of financial instruments had an impact on profit of SEK 31 M (197).
- Profit after tax for the quarter attributable to the Parent Company's shareholders was SEK 878 M (1,080).
- Cash flow from operating activities before changes in working capital amounted to SEK 870 M (905), corresponding to SEK 2.38 (2.49) per Class A and B share after dilution.
- Net investments in properties amounted to SEK 1,041 M (955), of which property acquisitions accounted for SEK 849 M (707).

UNCHANGED FORECAST FOR 2025

Profit from property management for 2025 attributable to the Parent Company's shareholders, meaning profit before revaluations and tax, based on the current property portfolio, announced acquisitions and divestments and current exchange rates, is expected to amount to SEK 4,400 M. The forecast was presented in the 2024 year-end report.

Selected key performance indicators

	2025 Jan–Mar	2024 Jan–Mar	2024 Jan–Dec	2023 Jan–Dec	2022 Jan–Dec	2021 Jan–Dec	2020 Jan–Dec
Profit from property management per Class A and B share after dilution, SEK	2.92	2.75	11.95	11.16	9.70	7.99	6.62
<i>Change compared with preceding year, %</i>	6	0	7	15	21	21	20
Earnings per Class A and B share after dilution, SEK	2.41	3.01	14.78	–0.82	7.75	30.04	10.78
Dividend per Class A and B share, SEK (2024 proposed)	–	–	3.50	3.10	2.70	2.15	1.65
Net debt/EBITDA, multiple	5.3	5.2	5.4	5.2	7.1	5.8	6.4
Interest coverage ratio, multiple	4.6	5.8	5.0	5.7	7.1	6.5	5.7
Debt ratio at the end of the period, %	41	42	42	41	45	42	43
Properties' market value at the end of period, SEK M	64,040	59,814	65,874	57,061	52,682	46,067	37,548
Yield, %	6.6	6.5	6.6	6.4	5.8	6.0	6.3
Return on equity, %	8.5	11.6	13.5	0.0	8.4	36.6	17.8

Definitions of key performance indicators are provided on pages 31–32.

Business concept, targets and strategies

BUSINESS CONCEPT

Sagax's business concept is to invest in commercial properties, mainly in the warehouse and light industrial segments.

OPERATIONAL TARGETS

Sagax's goal is to generate attractive risk-adjusted return for the company's shareholders. This is to be achieved by accomplishing the following operational targets:

- The company's operations are to generate long-term sustainable return and strong cash flows.
- The company is to continue to grow through new investments if attractive risk-adjusted returns are expected to be achieved.
- Cash flow growth in existing operations is to exceed inflation.

FINANCIAL TARGETS

Sagax has the following financial targets:

- Return on equity, measured over a five-year period, shall exceed 15% per year.
- Profit from property management per Class A and B share shall increase by a minimum of 15% per year.

The table and charts below illustrate the outcome for the past five years in relation to the financial targets:

Financial targets

	Outcome rolling 12 months	Five-year average
Return on equity, measured over a five-year period, shall exceed 15% per year	13%	15%
Profit from property management per Class A and B share shall increase by a minimum of 15% per year	9%	17%

STRATEGIES

Sagax has a long-term "buy and hold" approach to its investments. Sagax does not engage in property trading activities other than occasional sales of properties that no longer meet the company's investment criteria.

Sagax's property development activities are limited and projects are carried out primarily after they have been let.

To achieve the company's operational and financial targets the company has adopted the following strategies.

Investment strategy

Property acquisitions and investments in the existing portfolio aim to increase cash flow and diversify rental revenue, thereby reducing the company's operational and financial risks.

Sagax invests in commercial properties, mainly in the warehouse and light industrial segments. This segment combine low rates of new construction with stable occupancy levels, generating stable cash flow and opportunities for long-term value creation. Sagax invests in add-on acquisitions and in existing properties.

In addition to direct investments Sagax invests in properties via joint ventures and associated companies. This enables the company to invest in markets that Sagax cannot reach successfully on its own. The indirect investments allow Sagax to team-up with specialised management teams and to leverage Sagax's general industry knowledge to develop attractive investments.

Financing strategy

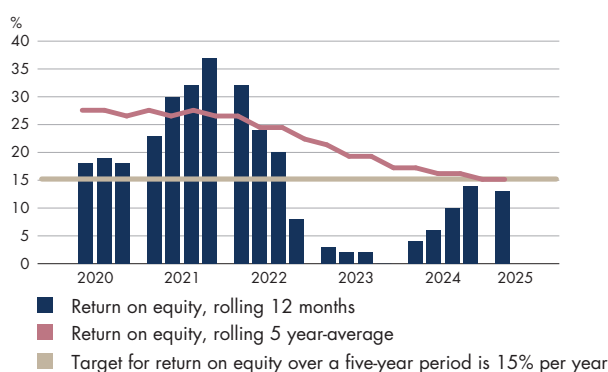
The financial structure of Sagax is designed with a clear focus on operating cash flow and interest coverage ratio. This is expected to create both good prerequisites for expansion and attractive return on equity.

The chart on page 4 shows that Sagax's cash flow from operating activities largely corresponds to its profit from property management. The difference is mainly due to joint ventures and associated companies, where dividends instead of profit from property management are recognised as cash flow from operating activities.

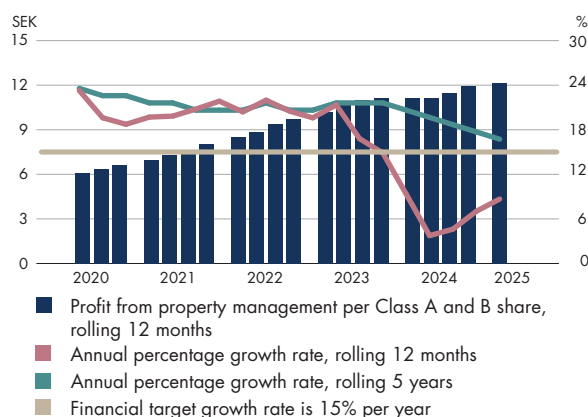
Sagax endeavours to have well-balanced fixed interest and loan maturity profiles to secure its operating cash flow. The company's interest-bearing debt mainly consists of senior unsecured bonds issued in the EUR market. Sagax also finances its operations via issuance of commercial paper in EUR and SEK. Sagax can also raise bank loans in EUR and in SEK when this is deemed to be advantageous. Moody's Investors Service has rated Sagax Baa2 with a stable outlook.

The company has three classes of shares: Class A, B and D common shares. The Class A and B shares participate fully in the company's profit

Return on equity



Profit from property management per Class A and B share



or equity. The Class D shares participate in an annual dividend of up to SEK 2.00 per share. The aim with the Class D shares is to attract investor categories that value stable and regular dividends while limiting dilution for the holders of common shares of Class A and B.

Asset management strategy

Sagax's long-term perspective applies to the company's asset management strategy. Sagax endeavours to attract reputable and creditworthy tenants. The company prioritises long-term customer relationships even if this entails foregoing higher rental levels. This is regarded as being advantageous since it reduces the risk of vacancies, while leading to lower costs for letting premises and adapting premises to tenant needs.

Sagax invests primarily in regions experiencing stable population growth with diversified business activities. This reduces the risk of a decline in occupancy rates and rent levels due to a weaker rental market. Sagax's largest markets are Stockholm, Helsinki and Paris, which are regarded as offering favourable conditions for long-term growth.

The company mainly enters into net leases. This strategy protects the company's operating cash flow from increased expenses deriving from changes in property taxes, consumption levels or for utility rates.

SUSTAINABILITY ACTIVITIES

The aim of Sagax's sustainability activities is to avoid short-term gains arising at the expense of negative longer-term consequences. The company's investing activities, management and funding are conducted to achieve the best possible long-term – meaning sustainable – outcome. The planning, governance and monitoring of sustainability activities follow Sagax's organisational structure with well-defined delegation of responsibilities and authorities. Sustainability activities are based on applicable legislation and internal policies. Sagax has identified the following focus areas:

Environmental and resource efficiency

Heating and the use of electricity account for the largest share of properties' energy use. Sagax takes regular measures to reduce energy consumption. Sagax obtains sustainability ratings for buildings that are constructed and is working to have existing buildings sustainability rated.

Business ethics

Sagax works to combat all forms of corruption, and has a whistle-blower function available on the Sagax website and a Code of Conduct for Suppliers.

Economic sustainability

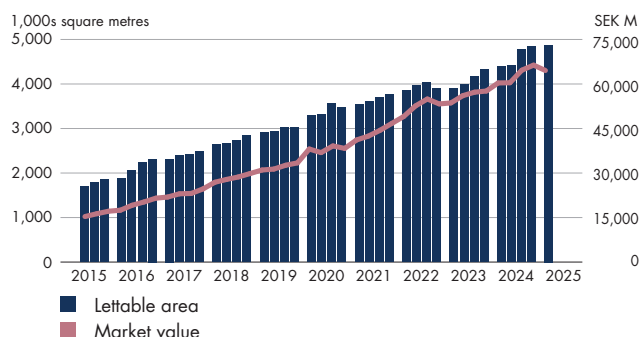
Sagax's business model is characterised in all areas by a long-term approach. Short-term gains are subordinate to the company's long-term value creation. Accordingly, sustainability work is integrated into the business model.

Professional and dedicated employees

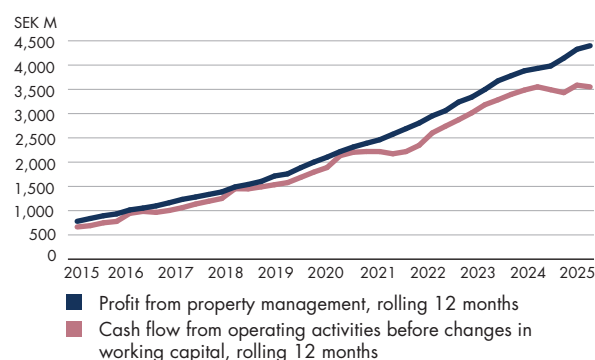
The development of the company is dependent on highly skilled employees. For this reason, it is important that the company is an attractive employer that can recruit and has the ability to retain highly skilled personnel. Sagax employees are expected to assume responsibility of their work duties and serve as good representatives of the company's values and culture.

Additional information on Sagax's sustainability activities is available in the sustainability report in Sagax's 2024 Annual Report.

Market value and lettable area of properties



Profit from property management and cash flow





In the first quarter, Sagax acquired the Femades 37 property in southwest Barcelona. The newly constructed building on the property encompasses 9,000 square metres of lettable area with an estimated rental value corresponding to SEK 13 M. The occupancy rate was 34%.

Profit, revenue and expenses

The profit and cash flow items below refer to the January to March 2025 period. The balance-sheet items refer to the position at the end of the period. The comparative items refer to the year-earlier period and the position at the end of the period last year.

PROFIT

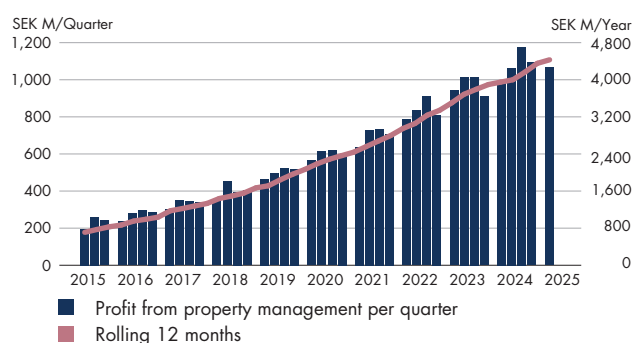
Profit from property management attributable to the Parent Company's shareholders increased 6% to SEK 1,053 M (994), mainly due to property acquisitions, rent indexation and higher profit from property management from joint ventures and associated companies. Profit from property management per Class A and B share after dilution amounted to SEK 2.92 (2.75).

Property revaluation had an impact on profit of SEK -17 M (61), of which SEK 50 M (-95) referred to changes in value of properties in joint ventures and associated companies.

Revaluation of financial instruments had an impact on profit of SEK 31 M (197), of which SEK 34 M (98) referred to changes in value from joint ventures and associated companies.

Profit for the period was SEK 894 M (1,080), of which SEK 878 M (1,080) was attributable to the Parent Company's shareholders. Accordingly, profit attributable to non-controlling interests amounted to SEK 15 M (-) and was attributable to French Wholesale Properties, in which Sagax's ownership at the end of the period amounted to 77%.

Profit from property management



REVENUE

Rental revenue increased 10% to SEK 1,307 M (1,185). Revenue was primarily affected by property acquisitions in the France, Spain, Finland and Benelux segments and rent indexation.

During the period, rental revenue in comparable portfolios increased 1.2% (4.9) excluding currency effects. The segments with the largest percentage increases were France 3.5% and Benelux 2.9%. The weighted inflation rate for the reporting period was 1.1% (2.8) at an annual rate.

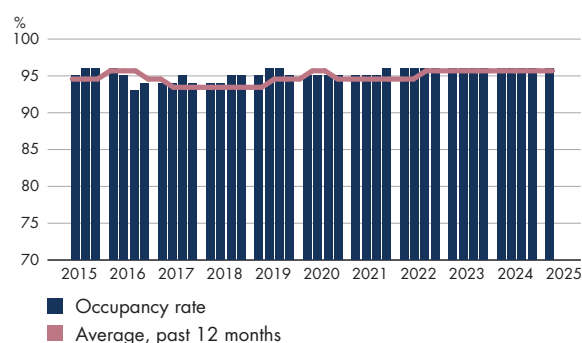
Other revenue declined to SEK 4 M (8) and mainly related to insurance compensation.

Rental revenue, comparable portfolios

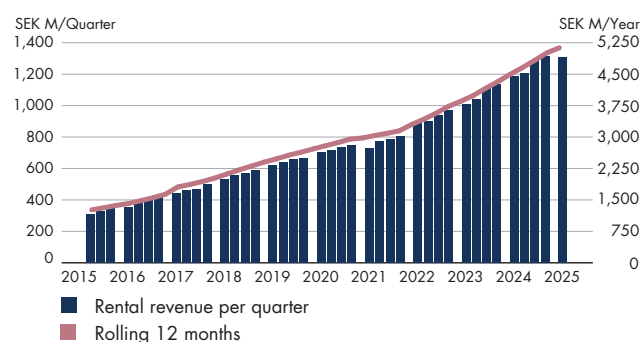
Amounts in SEK M	2025 Jan-Mar	2024 Jan-Mar
Rental revenue	1,307	1,185
Acquisitions and divestments	-137	-25
Currency adjustment ¹⁾	-	-4
Total	1,170	1,156

¹⁾ The preceding period has been adjusted so that the exchange rate is the same as in the current period.

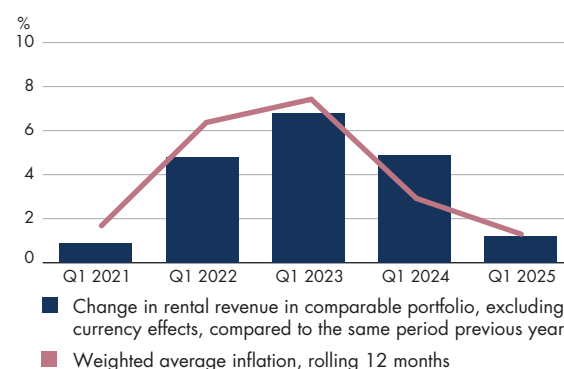
Economic occupancy rate



Rental revenue



Rental revenue, comparable portfolios



CHANGE IN THE ECONOMIC OCCUPANCY RATE

The economic occupancy rate amounted to 96% (96). During the period, the vacancy value increased SEK 46 M (49) due to tenants vacating premises and declined SEK 53 M (50) following new lettings. Fixed-term rent discounts increased the vacancy value by SEK 3 M (decreased by 3) to SEK 43 M (49) on an annual basis at the end of the period. Acquired, divested and disposed properties during the period reduced the vacancy value by a net SEK 9 M (increased by 6), and exchange rate fluctuations reduced the vacancy value by SEK 9 M (increased by 5). The total vacancy value at the end of the period amounted to SEK 210 M (189).

FUTURE VACANCY CHANGES

At the end of the period, notice of termination had been served for leases with a rental value of SEK 224 M (97), of which leases with notice of vacating the premises accounted for SEK 222 M (87) and leases amounting to SEK 1 M (10) were terminated with notice of renegotiation. Of the leases for which notice had been received, vacancies corresponding to a rental value of SEK 88 M will arise in 2025. Lettings of premises to tenants who have not yet occupied reduced the adjusted vacancy value by SEK 23 M (2). New lettings corresponding to a rental value of SEK 21 M will occur in 2025. The adjusted vacancy value was SEK 410 M (283).

Vacancy changes

Amounts in SEK M	2025 Jan-Mar	2024 Jan-Dec
Opening vacancy for each year	231	182
New lettings	-53	-156
Vacancies	46	199
Change in discounts provided	3	-11
Vacancy value, acquired properties	13	20
Vacancy value, divested properties	-1	-7
Decommissioning of properties	-21	-
Change in exchange rates	-9	4
Closing vacancy value	210	231
Terminated for renegotiation	1	5
Terminated lease, not vacated	222	196
Letting, not occupied	-23	-43
Adjusted closing vacancy value	410	389

PROPERTY EXPENSES

Operating and maintenance costs amounted to a total of SEK 143 M (148). Operating and maintenance costs in comparable portfolio fell 5.8%, corresponding to SEK 9 M compared with last year, primarily due to lower costs for snow clearing, caretaking, electricity and heating. Weighted inflation for the period was 1.1%, resulting in a decrease in costs, in real terms, of 6.9% corresponding to SEK 10 M. Expenses for property tax increased to SEK 73 M (60) and other property expenses increased to SEK 30 M (26) due to property acquisitions. The corresponding costs in comparable portfolio were lower compared with last year.

CENTRAL ADMINISTRATION

Central administration costs amounted to SEK 47 M (43), corresponding to 3.6% (3.7) of the period's rental revenue.

At the end of the period, Sagax had 98 (97) employees. Functions such as property caretaking and on-call operations are outsourced. Sagax has offices in Stockholm, Helsinki, Paris, Rotterdam, Barcelona and Frankfurt.

Number of employees

Country	Total
Sweden	38
Finland	29
France	12
Netherlands	10
Spain	8
Germany	1
Total	98

Signed leases and leases terminated

Year of occupancy and vacancy	New lettings		Vacancies	
	No. of leases	Rental value, SEK M	No. of leases	Rental value, SEK M
2025	23	21	93	88
2026	3	1	35	120
2027	1	1	2	8
2028	-	-	2	6
>2028	-	-	-	-
Total	27	23	132	222

Vacancies, 1 April 2025

Market segment	Rental value, SEK M	Vacancy value, SEK M ¹⁾	Economic vacancy rate ¹⁾	Lettable area, sqm	Vacant area, sqm	Vacancy rate by area
Sweden	1,143	66	6%	931,000	50,000	5%
Finland	1,798	73	4%	1,460,000	65,000	4%
France	1,187	30	3%	1,065,000	28,000	3%
Benelux	683	17	3%	714,000	8,000	1%
Spain	396	16	4%	561,000	24,000	4%
Germany	148	8	6%	138,000	10,000	7%
Other Europe	12	-	-	6,000	-	-
Total	5,366	210	4%	4,876,000	186,000	4%

1) The vacancy value and economic vacancy rate take into account both vacancies and discounts granted.

PROFIT FROM JOINT VENTURES AND ASSOCIATED COMPANIES

Profit from joint ventures and associated companies for the period amounted to SEK 287 M (177), of which profit from property management amounted to SEK 281 M (238), changes in the value of properties to SEK 50 M (–95) and changes in the value of fixed income derivatives to SEK 34 M (98). Tax expense on profit from joint ventures and associated companies amounted to SEK 78 M (64). For additional information, see page 13.

NET FINANCIAL ITEMS

Financial income amounted to SEK 18 M (31), of which SEK 12 M (18) refers to interest income on listed bonds.

Financial expenses excluding the interest component relating to the Group's lease liabilities increased to SEK 240 M (184). The increase is due to higher interest-bearing liabilities resulting from property acquisitions and refinancing at higher market interest rates. The average interest rate on interest-bearing liabilities was 2.5% (2.2) on the balance sheet date.

The interest component relating to the Group's lease liabilities amounted to SEK –9 M (–9). This expense primarily comprised site leaseholds and ground rents.

REVALUATION OF PROPERTIES

Sagax uses external valuations to determine the market value of its properties. As per the balance sheet date, a corresponding 99% of the market value of the properties had been externally valued. For other properties, the market value was determined as the acquisition price or internal valuations were applied. The changes in value for the properties amounted to SEK –67 M (156), of which unrealised changes in value amounted to SEK –67 M (152) and realised changes in value amounted to SEK 0 M (4). Of the unrealised change in value, SEK –14 M (115) was attributable to property management and SEK –53 M (37) was related to general changes in market value. For additional information, see page 12.

REVALUATION OF FINANCIAL INSTRUMENTS

The change in value of financial instruments was SEK –2 M (99) and related entirely to unrealised changes in value.

The revaluation of financial instruments in joint ventures amounted to SEK –13 M (75). The unrealised change in value attributable to fixed

income derivatives amounted to SEK 10 M (25).

TAX

Sagax recognised a tax expense of SEK 110 M (107) comprising a current tax expense of SEK 63 M (33) and a deferred tax expense of SEK 47 M (74).

The Group's deferred tax liabilities at the end of the period amounted to SEK 4,184 M (4,101). Deferred tax assets pertaining to accumulated loss carryforwards and financial instruments amounted to SEK 153 M (155).

CASH FLOW

Cash flow from operating activities before changes in working capital amounted to SEK 870 M (905). Changes in working capital had an impact of SEK –148 M (–406) on cash flow. Investing activities had an impact of SEK –1,116 M (–1,025) on cash flow. Cash flow from financing activities amounted to SEK 234 M (511). In total, cash and cash equivalents changed by SEK –160 M (–13) during the period.

PARENT COMPANY

The Parent Company, AB Sagax, is responsible for stock market issues, such as financial reporting and stock market information. Services between Group companies are charged on commercial terms and conditions and in accordance with market-based pricing. Intra-Group services comprise management services. The Parent Company's management fees from Group companies amounted to SEK 29 M (28).

Forecast and current earnings capacity

UNCHANGED FORECAST FOR 2025

Profit from property management for 2025 attributable to the Parent Company's shareholders, meaning profit before revaluations and tax, based on the current property portfolio, announced acquisitions and divestments and current exchange rates, is expected to amount to SEK 4,400 M. The forecast was presented in the 2024 year-end report.

CURRENT EARNINGS CAPACITY

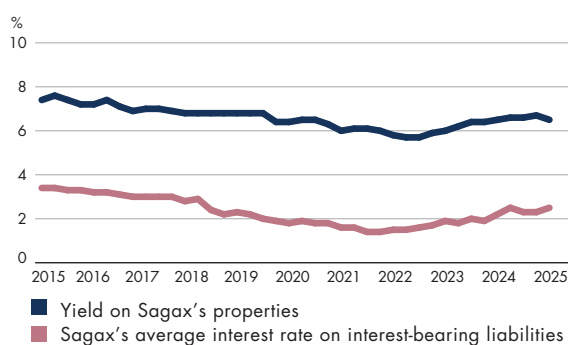
Current earnings capacity is reported in conjunction with interim reports and year-end reports.

The table below shows the earnings capacity on a 12-month basis on 1 April. It is important to note that this capacity is not equivalent to a forecast for the forthcoming 12 months since it does not contain assessments about, for example, future vacancies, interest rate scenario, currency effects, rent trends or changes in value.

Current earnings capacity

Amounts in SEK M	1 Apr 2025	1 Jan 2025
Rental value	5,366	5,553
Vacancy	-210	-231
Rental revenue	5,156	5,323
Property expenses	-873	-909
Net operating income	4,283	4,414
Central administration	-191	-187
Joint ventures and associated companies	1,207	1,162
Net financial items	-899	-859
Lease expenses	-36	-36
Profit from property management	4,365	4,494
– of which profit from property management attributable to non-controlling interests	57	61
Tax	-698	-764
Profit after tax	3,666	3,730
Attributable to the Parent Company's shareholders.	3,609	3,669
– of which, holders of Class D shares	253	253
– of which, holders of Class A and B shares	3,357	3,416
Run rate yield, %	6.6	6.7
Net debt/run rate EBITDA, multiple	5.3	5.1

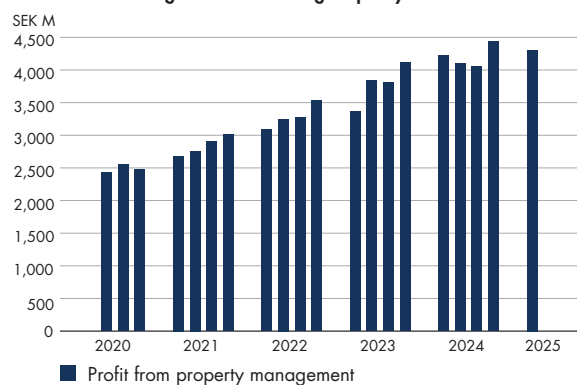
Yield and interest rate



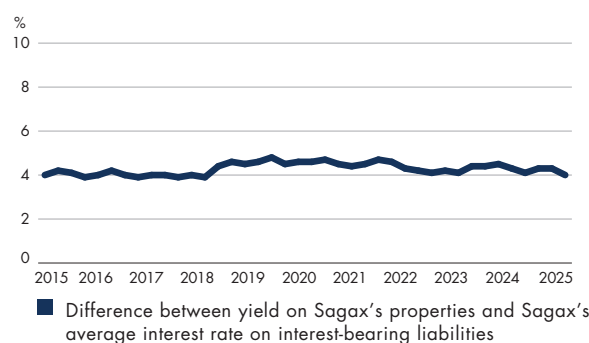
The rental value is based on contractual rental revenue on an annual basis, with supplements for estimated market rents for vacant premises. Property expenses are based on actual outcomes over the past 12 months adjusted for the holding period. Central administration costs are based on actual outcomes over the past 12 months. Net financial items are calculated based on interest-bearing liabilities and assets on the balance sheet date. Expenses for interest-bearing liabilities are based on the Group's estimated average interest rate, plus accrued financing costs and the costs for unutilised credit facilities on the balance sheet date. Lease expenses essentially pertain to site leasehold fees that are based on actual outcomes over the past 12 months. Dividends attributable to the company's holdings of listed shares were not taken into account in the earnings capacity. Tax is calculated at the standard tax rate of 16% (17). Translation from EUR took place at the closing rate of SEK 10.85, which was a 5.5% lower rate compared with the rate of SEK 11.49 that was used to calculate the earnings capacity as per 1 January 2025. As per 1 April 2025, 79% of Sagax's rental value was generated in EUR. Excluding currency effects, the earnings capacity's rental value and net operating income for the period increased 1.1% and 1.6%, respectively.

Share in profit from joint ventures and associated companies are calculated in accordance with the same principles as for Sagax, taking into account the size of the participations.

Profit from property management attributable to Parent Company's shareholders according to current earnings capacity



Difference between yield and interest rate



Property portfolio

On 31 March 2025, the property portfolio comprised 989 properties (911) with a lettable area of 4,876,000 square metres (4,386,000). At the end of the period, the rental value and contractual annual rent amounted to SEK 5,366 M (5,026) and SEK 5,156 M (4,837), respectively. This corresponds to an economic occupancy rate of 96% (96).

PROPERTY ACQUISITIONS

During the quarter, Sagax invested SEK 1,052 M (985), of which property acquisitions accounted for SEK 849 M (707). The number of properties acquired was 9 (10).

INVESTMENTS IN THE EXISTING PORTFOLIO

A total of SEK 203 M (278) was invested in the existing property portfolio. SEK 45 M (54) referred to property maintenance and SEK 79 M (143)

to new construction. In addition, SEK 64 M (57) was invested in connection with new lettings and SEK 14 M (24) against rent supplements. Of total investments, SEK 6 M (11) referred to investments in energy-saving measures.

DIVESTMENTS

During the quarter, 3 properties (2) with a carrying amount of SEK 12 M (30) million were divested.

PROPERTY PORTFOLIO YIELD

The yield for the period was 6.6% (6.5). The run rate yield was 6.6% (6.7).

Summary of property portfolio, 1 April 2025

Market segment	Market value			No. of properties	Lettable area, sqm	Vacant area, sqm	Rental value, SEK M	Economic occupancy rate	Contractual annual rent, SEK M
	SEK M	Share	SEK per sqm						
Sweden	15,217	24%	16,300	128	931,000	50,000	1,143	94%	1,077
Finland	18,414	29%	12,600	247	1,460,000	65,000	1,798	96%	1,725
France	13,930	22%	13,100	311	1,065,000	28,000	1,187	97%	1,157
Benelux	8,991	14%	12,600	158	714,000	8,000	683	97%	666
Spain	5,649	9%	10,100	128	561,000	24,000	396	96%	380
Germany	1,724	3%	12,500	15	138,000	10,000	148	94%	140
Other Europe	117	0%	18,100	2	6,000	–	12	100%	12
Total	64,040	100%	13,100	989	4,876,000	186,000	5,366	96%	5,156

Property investments January–March 2025

	Property acquisitions, SEK M	Property acquisitions, no. of properties	Existing portfolio, SEK M	Total, SEK M	Share of total investments	Divestments, SEK M	Divestments, no. of properties	Net investments, SEK M
Sweden	–	–	108	108	10%	–	–	108
Finland	–	–	49	49	5%	–1	1	48
France	170	3	19	189	18%	–11	2	178
Benelux	200	1	19	219	21%	–	–	219
Spain	423	4	8	431	41%	–	–	431
Germany	56	1	1	56	5%	–	–	56
Total	849	9	203	1,052	100%	–12	3	1,041

LEASE STRUCTURE

Sagax has a diverse lease structure, which improves the company's possibilities to maintain a stable occupancy rate. To reduce the risk of lower rental revenue, Sagax endeavours to create long-term relationships with the company's tenants and to achieve diversification in terms of the duration and size of its leases.

Sagax's annual rent at the end of the period was distributed between 2,632 leases (2,465). The table below presents the size of Sagax's leases in relation to the Group's annual rent at the end of the period. The table shows that 2,625 leases (2,459) had an individual rental value of less than 1% of the Group's annual rent. The total rental value for these leases accounted for 91% (91) of Sagax's annual rent. In addition, Sagax is party to seven leases (five) with a rental value corresponding to 1–2% of the Group's annual rent. Combined, these leases total 9% (7) of Sagax's annual rent. None of Sagax's leases had an annual rental value that accounted for more than 2% of the Group's annual rent (last year one lease accounted for more than 2% of the Group's annual rent).

Sagax's annual rent at end of the quarter was distributed between 1,472 tenants. The table below shows that 70% of the Group's annual rent comprised tenants who each accounted for less than 1% of the Group's

annual rent, 11% of Sagax's annual rent comprised tenants who each accounted for 1–2% of the Group's annual rent and 19% of the Group's annual rent comprised tenants who each accounted for more than 2% of the Group's annual rent. The six largest tenants in alphabetical order are the Baxter Group, Groupe Colas, Kesko, Metro France and Nokia as well as state and municipal-owned operations.

Sagax's tenants operate in a variety of sectors. Companies in the manufacturing industry accounted for 17% (17) of rental revenue. The food-related operations and automotive-related industry, including sales, service and manufacturing, accounted for 15% (10) and 13% (14) of rental revenue, respectively. Diverse tenant industries are considered to lower the risk of vacancies and rent losses. The main industries are presented in the pie chart below.

According to Sagax's asset management strategy, the company strives to secure long-term leases and an even distribution of contract maturities over the years. This is deemed to reduce the risk of significant variations in the Group's occupancy rate. Leases representing 50% of the annual rent expire in or after 2029. 10–16% of annual rent expires each year between 2025 and 2028.

Distribution of leases

Share of contractual annual rent	Annual rent		No. of leases	Average annual rent, SEK M	Lease term, years
	SEK M	Share, %			
>2%	–	–	–	–	–
1–2%	475	9	7	68	6
<1%	4,681	91	2,625	2	5
Total	5,156	100	2,632	2	5

Distribution of tenants

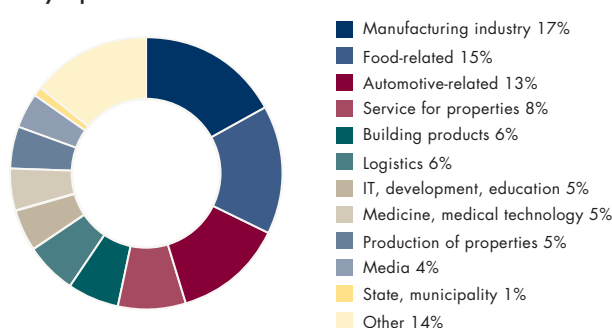
Share of contractual annual rent	Annual rent		No. of tenants ¹⁾	No. of leases	Average annual rent, SEK M	Lease term, years
	SEK M	Share, %				
>2%	961	19	6	192	87	7
1–2%	572	11	8	125	27	6
<1%	3,623	70	1,458	2,315	3	4
Total	5,156	100	1,472	2,632	4	5

1) Companies within the same group or with state and municipal ownership are listed as one tenant.

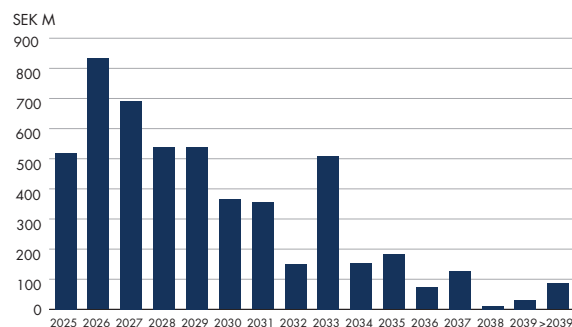
Lease terms

Year of expiry	No. of leases	Area, sqm	Contractual annual rent	
			SEK M	Share
2025	700	436,000	512	10%
2026	649	763,000	833	16%
2027	430	685,000	691	13%
2028	304	456,000	539	10%
2029	138	495,000	540	10%
>2029	411	1,855,000	2,041	40%
Total	2,632	4,690,000	5,156	100%

Industry exposure



Year of maturity of annual rent



Market value of property portfolio

Sagax prepares its consolidated financial statements in accordance with IFRS[®] Accounting Standards. The company has decided to measure its properties at fair value according to Level 3 of IFRS 13 Fair Value Measurement.

Sagax uses external valuations to determine the market value of its properties. The valuations are carried out by independent valuation companies and updated on a quarterly basis.

The total market value of Sagax's 989 properties (911) was established at SEK 64,040 M (59,814) on 31 March 2025. Exchange rate fluctuations during the period resulted in property values denominated in EUR and DKK changing by SEK –2,807 M (1,646).

The unrealised change in value amounted to SEK –67 M (152) corresponding to a change in value of –0.1% (0.3). In the same period, weighted inflation was 0.5% (0.8) in the markets where Sagax is active. Accordingly, the real change in value amounted to –0.6% (–0.6).

Of this unrealised change in value, SEK –14 M was attributable to property management and SEK –53 M was related to general changes in market value. The weighted capitalisation rate was unchanged compared with the preceding quarter and amounted to 6.40%.

VALUATION METHOD AND IMPLEMENTATION

The valuations were carried out in accordance with generally accepted international valuation methods. Properties corresponding to 99% of the property value had been valued by authorised property appraisers from independent valuation companies as per 31 March 2025. For other properties, the market value was determined as the acquisition price or internal valuations were applied.

The principal method of appraisal used was cash flow calculations in which the present value of net operating income, investments and residual values was calculated. The calculation period was adjusted to the remaining term of existing leases and varies between five and 20 years. As a rule, the calculation period is ten years. For more information, see Note 13 in Sagax's 2024 Annual Report.

ANALYSIS AND GENERAL CONDITIONS

The discount rate for the present value calculation of cash flows (5.3–16.0%), the discount rate for the present value calculation of residual values (5.3–16.0%) and the capitalisation rate for the residual value calculations (4.3–14.0%) are based on comparable transactions and on individual assessments of the risk level and market position of each property.

The weighted discount rate for the present value calculation of cash flows and residual values for the property portfolio amounted to 8.2% (7.8) and 8.2% (8.0), respectively. The weighted capitalisation rate was 6.4% (6.5).

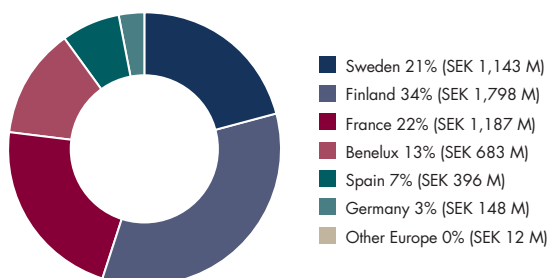
Change in the carrying amounts of the property portfolio

	SEK M	No.
Property portfolio, 31 December 2024	65,874	983
Acquisition of properties	849	9
Investments in the existing portfolio	203	–
Divestment/decommissioning of properties	–12	–3
Currency translation effect	–2,807	–
Unrealised changes in value	–67	–
Property portfolio, 31 March 2025	64,040	989
Properties acquired, possession pending	–	–

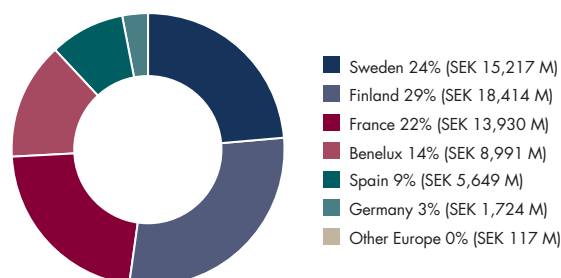
Unrealised changes in the value of properties

Amounts in SEK M	Jan–Mar 2025
Leases/renewals	71
Vacancies/renewals	–84
General change in market value	–53
Total	–67

Group's rental value



Market value of properties



Joint ventures and associated companies

In addition to the directly owned property portfolio, Sagax has invested in joint ventures and associated companies since 2010. The investment objective is to reach markets that are considered attractive for Sagax where the company is not active. The accumulated investments amounted to SEK 8,003 M, which has generated an accumulated dividend of SEK 3,845 M (3,424) for Sagax. The carrying amount of these investments amounted to SEK 15,438 M (13,295), of which 97% comprised Hemsö Fastighets AB, NP3 Fastigheter AB, Nyfosa AB, Söderport Property Investment AB and Fastighetsbolaget Emilshus AB.

Investments in joint ventures and associated companies contributed a total of SEK 281 M (238) to profit from property management during the period and SEK 111 M (175) to the cash flow. Sagax's share of changes in the value of properties amounted to SEK 50 M (-95) and the share of changes in the value of derivatives was SEK 34 M (98).

In addition to what is presented below, Sagax shares amounting to SEK 196 M (88) in joint ventures and associated companies.

JOINT VENTURES

Hemsö Fastighets AB (Hemsö)

Sagax indirectly owns 15% of Hemsö, with the remaining share owned by the Third Swedish National Pension Fund. Hemsö conducts operations in Sweden, Germany and Finland. Operations consist of owning, managing and developing public properties. For more information, refer to www.hemso.se.

Söderport Property Investment AB (Söderport)

Sagax owns 50% of Söderport, with the remaining share owned by Nyfosa AB. Söderport's operations consist of owning, managing and developing properties in Sweden. Sagax handles the financial administration and most of the asset management.

A corresponding 74% of Söderport's rental value of SEK 1,181 M was located in Stockholm on 31 March 2025.

Fastighetsaktiebolaget Ess-Sierra (Ess-Sierra)

Sagax owns 50% of Ess-Sierra, with the remainder owned by NP3 Fastigheter AB. The operations entail owning and managing properties for primarily building supply stores. The lettable area amounts to 184,000 square metres, the majority of which comprises warehouse premises and building supply stores. Most of the properties are situated in university and regional cities. Sagax handles the financial administration and asset management.

ASSOCIATED COMPANIES

NP3 Fastigheter AB (NP3)

Sagax owns shares corresponding to 20.5% of the votes and 15.2% of the capital in NP3. The market value of Sagax's shareholding amounted to SEK 3,179 M (2,898) and the carrying amount to SEK 3,526 M (2,145) on 31 March 2025.

NP3 is a property company focusing on high-yielding commercial investment properties mainly in northern Sweden. The company's property portfolio encompassed 557 properties with a total property value of SEK 23.7 billion and a rental value of SEK 2,357 M on 31 March 2025. NP3 is listed on Nasdaq Stockholm, Large Cap. For more information, refer to www.np3fastigheter.se.

Nyfosa AB (Nyfosa)

Sagax owns shares corresponding to 21.6% of the votes and capital in Nyfosa. The market value of Sagax's shareholding amounted to SEK 3,942 M (4,699) and the carrying amount to SEK 2,829 M (2,745) on 31 March 2025.

Nyfosa is a property company active in the Swedish, Finnish and Norwegian markets focusing on commercial properties in high-growth municipalities. The company's property portfolio encompassed 492 properties with a total property value of SEK 38.8 billion and a rental value of SEK 3,868 M on 31 March 2025. Nyfosa is listed on Nasdaq Stockholm, Large Cap. For more information, refer to www.nyfosa.se.

Fastighetsbolaget Emilshus AB (Emilshus)

Sagax owns shares corresponding to 25.7% of the votes and 25.2% of the capital in Emilshus. The market value of Sagax's shareholding amounted to SEK 1,392 M (912) and the carrying amount to SEK 1,011 M (736) on 31 March 2025.

Emilshus acquires, develops and manages commercial properties in Småland and nearby growth regions. The company's property portfolio encompassed 183 properties with a total property value of SEK 10.1 billion and a rental value of SEK 894 M on 31 March 2025. Emilshus is listed on Nasdaq Stockholm, Mid Cap. For more information, refer to www.emilshus.com.

Sagax's joint ventures

	Hemsö		Söderport		Ess-Sierra	
	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar
<i>Sagax's ownership, %</i>	15	15	50	50	50	50
<i>Sagax's share of comprehensive income, SEK M</i>	27	-6	100	58	4	7
<i>Sagax's share of profit from property management, SEK M</i>	80	74	57	50	6	6
Rental revenue, SEK M	1,283	1,283	274	274	25	24
Profit from property management, SEK M	628	590	115	100	12	12
Profit for the period, SEK M	447	367	200	101	8	14
	31 Mar 2025	31 Mar 2024	31 Mar 2025	31 Mar 2024	31 Mar 2025	31 Mar 2024
<i>Carrying amount of ownership interest, SEK M</i>	4,888	4,615	2,702	2,686	286	280
No. of properties	474	487	86	86	39	39
Carrying amounts of properties, SEK M	84,655	84,236	14,838	14,434	1,483	1,481
Lettable area, sqm	2,427,000	2,446,000	778,000	773,000	184,000	184,000
Lease term, years	9.0	9.4	3.7	4.0	6.4	6.2
Economic occupancy rate, %	98	98	94	96	100	100
Interest-bearing liabilities, SEK M	49,775	50,876	7,707	7,462	844	843
Loan maturity, years	5.1	5.4	2.8	3.7	2.8	3.8
Average fixed interest rate period, years	4.7	5.1	2.0	2.5	1.9	2.7
Market value of derivatives, SEK M	-382	-357	-37	-7	-	-

Funding

EQUITY

Consolidated equity amounted to SEK 41,872 M (38,045) on 31 March 2025. In the first quarter of 2025, equity increased primarily due to total comprehensive income of SEK 69 M.

INTEREST-BEARING LIABILITIES

Sagax's interest-bearing liabilities at the end of the period amounted to SEK 33,604 M (32,038) corresponding to a nominal amount of SEK 33,764 M (32,179). An amount corresponding to SEK 31,849 M (30,355) of liabilities was recognised in EUR. Exchange rate fluctuations impacted interest-bearing liabilities by SEK -1,856 M (1,122).

Listed bonds amounted to SEK 26,712 M (23,789). Other interest-bearing liabilities comprised liabilities to banks of SEK 5,512 M (5,924) and commercial paper of SEK 1,380 M (2,325).

Unsecured liabilities including commercial papers corresponded to 85% (83) of interest-bearing liabilities.

The interest coverage ratio amounted to 4.6 times (5.8) for the period and the debt ratio to 41% (42) at the end of the period. Net interest-bearing debt was 5.3 times (5.2) EBITDA for the past 12 months and 5.3 (4.9) times run rate EBITDA.

During the quarter, a total of SEK 6,164 M (4,003) was raised in loans and SEK 5,842 M (3,443) was repaid. Net interest-bearing debt amounted to SEK 24,165 M (22,105).

The average remaining fixed interest and loan maturity terms were 3.4 years (2.7) and 3.7 years (3.4), respectively, at the end of the period. The average interest rate on interest-bearing liabilities on the balance sheet date was 2.5% (2.2), including the effects of derivatives.

Of Sagax's interest-bearing liabilities excluding commercial paper, SEK 26,712 M (23,790), or 79% (74), bear fixed interest rates. The company had interest-rate swaps with a total nominal value of SEK 3,915 M (2,720), corresponding to 12% (8) of interest-bearing liabilities.

WORKING CAPITAL AND UNUTILISED CREDIT FACILITIES

Sagax's working capital amounted to SEK -4,958 M (-6,516) on 31 March 2025. At the same date, unutilised credit facilities including back-up facilities for commercial paper programmes amounted to SEK 11,585 M (10,757).

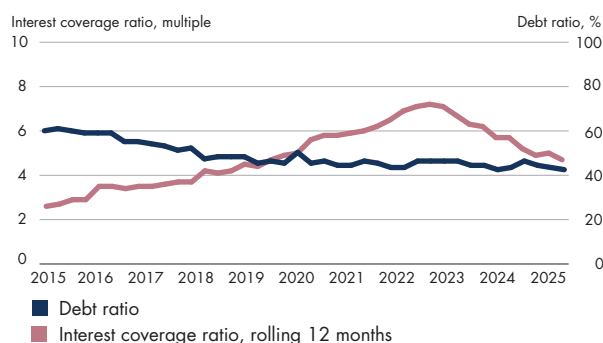
Interest rate exposure and loan maturity 31 March 2025

Year of expiry	Interest rate exposure ¹⁾			Loan maturity	
	Nominal amount, SEK M	Interest rate ²⁾	Share	Nominal amount, SEK M	Share
2025	2,998	3.4%	9%	140	0%
2026	3,255	1.6%	10%	3,522	10%
2027	4,985	1.8%	15%	4,448	13%
2028	6,336	1.3%	19%	7,538	22%
2029	7,512	1.9%	22%	9,437	28%
>2029	8,679	4.2%	26%	8,679	26%
Total/Average	33,764	2.5%	100%	33,764	100%

1) Including derivatives.

2) The average interest rate for 2025 includes the margin for the variable portion of the debt portfolio.

Debt ratio and interest coverage ratio

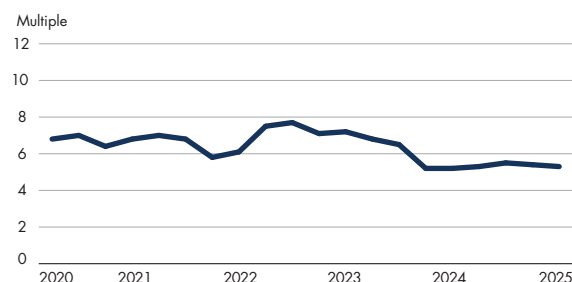


Net debt

Amounts in SEK M	2025 31 Mar	2024 31 Mar
Interest-bearing liabilities	33,604	32,038
Interest-bearing assets	-306	-761
Listed instruments ¹⁾	-9,006	-9,157
Cash and cash equivalents	-127	-15
Net debt	24,165	22,105

1) Including associated companies whose shares are listed.

Net debt/EBITDA, rolling 12 months



Listed bonds, 31 March 2025

Maturity	Interest base	Nominal amount, EUR M	Liabilities, EUR M	Effective interest	Coupon rate	Maturity date	ISIN code
2022–2026	Fixed interest	300	300	1.8%	1.6%	24 Feb 2026	XS2447539060
2020–2027	Fixed interest	375	370	1.9%	1.1%	30 Jan 2027	XS2112816934
2021–2028	Fixed interest	500	498	0.9%	0.8%	26 Jan 2028	XS2291340433
2021–2029	Fixed interest	500	500	1.0%	1.0%	17 May 2029	XS2342227837
2024–2030	Fixed interest	500	498	4.5%	4.4%	29 May 2030	XS2830446535
2025–2032	Fixed interest	300	297	4.2%	4.0%	13 Mar 2032	XS3025210694
Total/average		2,475	2,462	2.3%	2.1%		

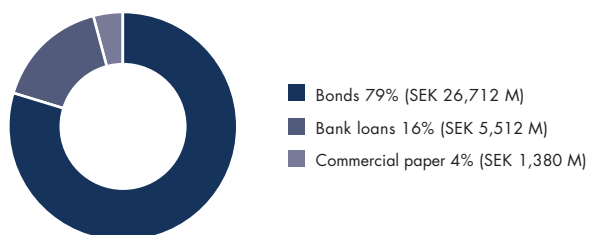
Derivative contracts, 31 March 2025

Amounts in SEK M	Nominal amount	Years to maturity	Market value 31 Mar 2025	Market value 31 Dec 2024	Change for the period
Nominal interest-rate swaps	3,915	4	-58	-71	13
Total/average	3,915	4	-58	-71	13

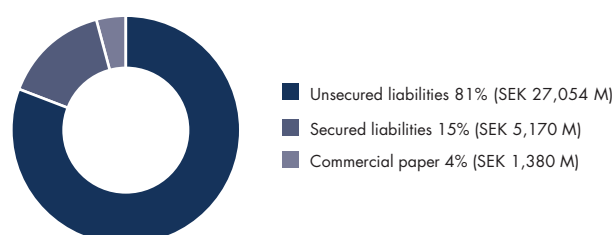
Rating and key performance indicators according to EMTN programme

	Financial covenant in EMTN programme		31 Mar 2025	31 Dec 2024
Rating according to Moody's Investors Services			Baa2, stable outlook	Baa2, stable outlook
Net debt/total assets	<65%		30%	30%
Interest coverage ratio	>1.8x		5.6x	6.5x
Secured liabilities/total assets	<45%		6%	6%

Sources of financing



Distribution between secured and unsecured liabilities



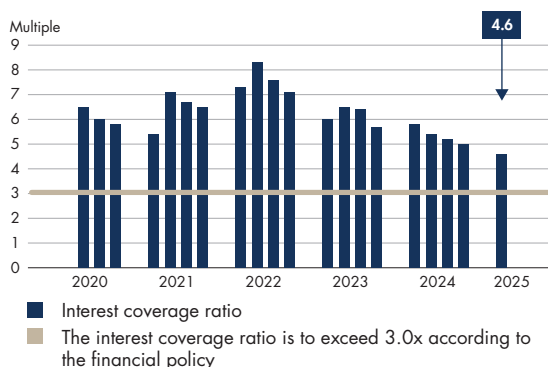
FINANCIAL POLICY

Sagax's financial policy sets guidelines and rules for the financial operations to illustrate how financial risks are to be limited. Sagax has the following guidelines for its financial operations.

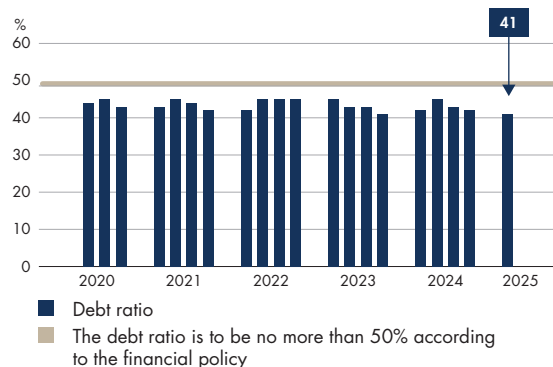
- A debt ratio of no more than 50%.
- An interest coverage ratio exceeding 3.0x.
- Net debt in relation to the Group's EBITDA not above 8x.

The following charts illustrate the outcome for the past five years in relation to the company's guidelines.

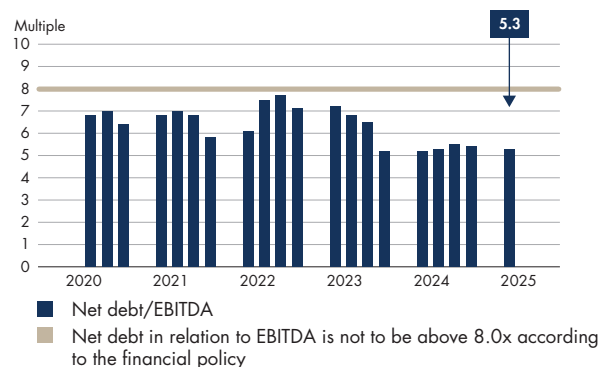
Interest coverage ratio



Debt ratio



Net debt/EBITDA



Other balance-sheet items

LEASES AND SITE LEASEHOLDS

Sagax reports leases and site leaseholds in accordance with IFRS 16. Right-of-use assets are recognised as an asset with a corresponding liability. Sagax's leases and site leaseholds at the end of the period amounted to SEK 535 M (539).

LISTED INSTRUMENTS

Listed instruments amounted to SEK 624 M (753) and comprised listed bonds.

OTHER CURRENT ASSETS

Other current assets amounted to SEK 648 M (646) at the end of the period and primarily comprised rent receivables of SEK 322 M (315), of which due rent receivables amounted to SEK 28 M (25).

ACCRUED EXPENSES AND DEFERRED INCOME

Accrued expenses and deferred income amounted to SEK 1,150 M (898) at the end of the period and primarily comprised deferred rental revenue of SEK 674 M (581) and accrued interest expenses of SEK 309 M (139).

The Sagax share and shareholders

At the end of the period, Sagax had 28,781 shareholders (23,907). Sagax's market capitalisation amounted to SEK 75,308 M (99,284).

Sagax has three classes of shares: Class A, B and D common shares. The shares are listed on Nasdaq Stockholm, Large Cap.

A total of 466,685,788 shares were outstanding at the end of the period, of which 2,000,000 were Class B treasury shares. According to the Articles of Association, each Class D share is entitled to five times the total dividend on Class A and B shares, although not more than SEK 2.00 per share annually.

WARRANTS

Sagax has three warrant plans for the company's employees. In total, Sagax's employees hold warrants corresponding to 0.3% of the number of Class A and B shares outstanding. The company's CEO and Board Members do not participate in the plans. These plans are valid for three years, and encompass the periods 2022–2025, 2023–2026 and 2024–2027.

The subscription price corresponds to the price paid for the Class B share at the start of each warrant plan, converted using the average share price performance in accordance with a real estate index comprising property companies listed on Nasdaq Stockholm's main list for a three-year period.

Accordingly, the warrants will have a value on condition that the price performance of the Sagax share exceeds the average for the listed property companies during each three-year period.

PROFIT FROM PROPERTY MANAGEMENT PER CLASS A AND B SHARE

Profit from property management per Class A and B share after dilution on a rolling 12-month basis amounted to SEK 12.12 (11.15), which, compared with the share price of the Class B share, corresponded to a multiple of 17.4 (25.3).

EQUITY PER CLASS A AND B SHARE

Equity per Class A and B share after dilution amounted to SEK 108.21 (99.35). Net asset value per Class A and B share amounted to SEK 125.30 (115.45). The share price for the Class B share at the end of the period was 195% (284) of equity per Class A and B share and 168% (245) of net asset value per Class A and B share.

Key performance indicators per Class B share

	2025 31 Mar	2024 31 Mar	2024 31 Dec	2023 31 Dec	2022 31 Dec	2021 31 Dec	2020 31 Dec
Share price at the end of period, SEK	210.60	282.40	226.20	277.40	236.50	305.00	169.60
Profit from property management after dilution, SEK ¹⁾	12.12	11.15	11.95	11.16	9.70	7.99	6.62
Cash flow after dilution, SEK ^{1) 2)}	9.75	10.00	9.85	9.94	8.68	6.58	6.09
Equity after dilution, SEK	108.21	99.35	107.91	95.01	91.20	83.84	55.09
Net asset value, SEK	125.30	115.45	125.23	110.90	106.61	97.92	66.38
Share price/profit from property management, multiple ¹⁾	17.4	25.3	18.9	24.9	24.4	38.2	25.6
Share price/cash flow, multiple ^{1) 2)}	21.6	28.3	23.0	27.9	27.3	46.4	27.9
Share price/equity, %	195	284	210	292	259	364	308
Share price/net asset value, %	168	245	181	250	222	311	255

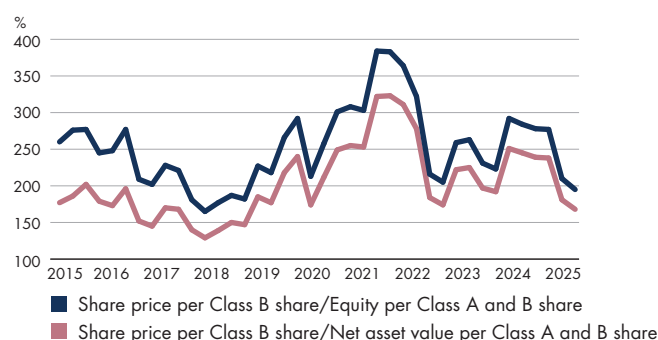
1) Profit from property management and cash flow pertains to rolling 12 months.

2) Cash flow pertains to cash flow from operating activities before changes in working capital.

Share price/Profit from property management per Class A and B share



Share price in relation to equity and net asset value



Trade in the shares on the Nasdaq Stockholm

	Price paid, SEK		Turnover rate on an annual basis, %		Average trading volume per trading day, SEK M	
	31 Mar 2025	31 Mar 2024	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar
	Class A shares	209.00	281.00	2	1	0
Class B shares	210.60	282.40	35	32	100	101
Class D shares	32.30	29.90	73	63	12	9

Ownership structure, 31 March 2025¹⁾

No. of shares	No. of shareholders	Shareholder category	No. of shareholders	Share of voting power	Shareholders by country		No. of shareholders	Share of voting power
1-500	20,335	Private individuals residing in Sweden	26,832	14%	Sweden	27,551	83%	
501-1,000	2,523				USA	98	6%	
1,001-2,000	2,049	Private individuals residing abroad	337	1%	Norway	185	2%	
2,001-5,000	1,850				Netherlands	15	1%	
5,001-10,000	781	Companies/institutions in Sweden	720	70%	Finland	158	1%	
10,001-50,000	891				Companies/institutions abroad	892	11%	Other
50,001-	352	Unknown type of shareholder	-	4%				
Total	28,781	Total	28,781	100%	Total	28,781	100%	

1) Including shares held by AB Sagax.

Largest shareholders, 31 March 2025

	No. of shares			Share of	
	Class A shares	Class B shares	Class D shares	Share capital	Votes ¹⁾
David Mindus and companies	14,000,000	63,713,912	900,000	16.8%	29.1%
Staffan Salén and companies	5,737,309	28,598,279	-	7.4%	12.2%
Vanguard	-	9,413,726	7,751,311	3.7%	2.4%
Avanza Pension	48,148	972,581	15,208,023	3.5%	2.4%
Fourth Swedish National Pension Fund	821,630	8,006,263	4,387,842	2.8%	2.9%
Länsförsäkringar Fonder	-	11,967,931	1,143,585	2.8%	1.9%
SEB Investment Management	-	12,428,445	-	2.7%	1.8%
Handelsbanken Fonder	-	9,255,900	2,796,054	2.6%	1.7%
BlackRock	-	10,263,694	56,777	2.2%	1.5%
Lannebo Kapitalförvaltning	-	9,639,684	-	2.1%	1.4%
Third Swedish National Pension Fund	-	8,719,384	-	1.9%	1.2%
Patrik Brummer and companies	-	-	8,357,887	1.8%	1.2%
Carnegie Fonder	-	7,815,708	-	1.7%	1.1%
Norges Bank Investment Management	-	4,026,824	2,592,275	1.4%	0.9%
Filip Engelbert and companies	241,000	1,869,784	4,200,000	1.4%	1.2%
Second Swedish National Pension Fund	-	5,904,391	-	1.3%	0.8%
Cliens Fonder	-	5,493,000	-	1.2%	0.8%
Swedbank Robur Fonder	500,000	4,289,629	-	1.0%	1.3%
Nordea Fonder	-	4,190,277	-	0.9%	0.6%
Folksam	-	4,038,338	-	0.9%	0.6%
Total 20 largest shareholders	21,348,087	210,607,750	47,393,754	59.9%	67.1%
Other shareholders	5,110,507	101,358,115	78,867,575	39.7%	32.9%
Sub-total	26,458,594	311,965,865	126,261,329	99.6%	100.0%
Shares held by AB Sagax	-	2,000,000	-	0.4%	-
Total	26,458,594	313,965,865	126,261,329	100.0%	100.0%
- of which, Board and employees	20,353,565	100,931,225	6,311,228	27.3%	44.2%

1) Voting rights for treasury shares held by AB Sagax have been excluded.

Source: Monitor from Modular Finance AB. Data compiled and processed from such sources as Euroclear, Morningstar and Finansinspektionen.

Voting rights and proportion of share capital

Class of share	No. of shares	Voting rights per share	No. of votes	Proportion of voting rights	Proportion of share capital
Class A shares	26,458,594	1.0	26,458,594.00	38%	6%
Class B shares	313,965,865	0.1	31,396,586.50	45%	67%
Class D shares	126,261,329	0.1	12,626,132.90	18%	27%
Total	466,685,788		70,481,313.40	100%	100%

Risks and uncertainties

To prepare the accounts based on IFRS Accounting Standards, company management must make judgements and assumptions that affect asset and liability items, revenue and expense items recognised in the accounts and other information provided. The actual outcome may differ from these judgements. Sagax is also exposed to various risks that may be of significance to the company's future business, earnings and financial position. Sagax works continuously to identify and, if possible, address any risks.

Sagax's main risks are described below and in the 2024 Annual Report, on pages 50–53.

PROPERTY-RELATED RISKS

The valuation of investment properties is affected by the estimates and assumptions made. To reduce the risk of incorrect estimates, properties corresponding to 99% of the property value on 31 March 2025 were valued by authorised property appraisers from independent valuation companies. By their very nature, properties valuations are always associated with uncertainty.

Sagax prioritises leasing to tenants with a high credit rating and long-term leases, despite these entailing slightly lower immediate earnings. The intention is to reduce the risk of rent losses and the risk of vacancies.

Sagax mainly enters into net leases. This means the tenant accounts for the costs of such items as heating, electricity, property tax, water and sewage, in addition to the contractual rent. Accordingly, Sagax is only affected to a limited extent by changed costs due to changes in consumption or changed rates for such utilities as heating and electricity. More than 95% of Sagax's leases are indexed to the CPI or the equivalent. Annual indexation may, in certain cases, be limited by a CPI ceiling or floor. A small number of leases have annual fixed rental adjustments.

The geographic distribution of Sagax's property portfolio and the industries of its tenants are highly diversified. Sagax's lease structure of many small leases help reduce the risks of vacancies and rent losses.

FINANCIAL RISKS

Sagax's financial expenses comprise the single largest expense for the Group. To reduce Sagax's exposure to a rise in interest rates, the Group has a significant portion of fixed-rate loans. To limit interest-rate risk for loans at floating interest rates, interest-rate swaps and interest-rate caps are used. Sagax's funding primarily comprises equity and interest-bearing liabilities. Sagax endeavours to secure a long average remaining term of interest-bearing liabilities to limit its refinancing risk, defined as the risk that refinancing existing debt cannot take place on reasonable terms. The company's long-term funding comprises listed bonds and bank loans. The complete terms and conditions for the bond loans are available at www.sagax.se.

CURRENCY RISKS

The amounts in the consolidated balance sheet are partly exposed to exchange rate fluctuations, particularly for the EUR. Net exposure on 31 March 2025, assets less liabilities in EUR, amounted to SEK 13,968 M (13,017). In total, net exposure in EUR amounted to 33% (34) of equity. In preparing the consolidated financial statements, the balance sheets of the Group's foreign operations are translated from their functional currencies into SEK based on the exchange rates applying on the balance sheet date. On 31 March, EUR 1 was equivalent to SEK 10.85 (11.53), and DKK 1 was equivalent to SEK 1.45 (1.55). Revenue and expense items are translated at the average exchange rate for the period: EUR 1 was equivalent to SEK 11.23 (11.28) and DKK 1 was equivalent to SEK 1.51 (1.51). In accordance with IAS 21, the currency effects for foreign operations and hedge accounting are recognised in Other comprehensive income. Other currency effects are recognised in profit or loss.

RISK OF CONFLICTS OF INTEREST

To limit the risk of potential conflicts of interest, the Group has policies that prohibit Sagax's employees and Board members from:

- Committing to Board assignments in property companies that primarily own warehouse and industrial premises except for those companies in which Sagax is a shareholder and when the Board assignment is performed within the framework of Sagax's operations.
- Investing in companies in which Sagax is a shareholder.
- Investing in competitors for an amount exceeding 10% of the value of the employee's or Board member's holdings in Sagax.

The policies also specify that senior executives and Board members who borrow against more than 10% of the market value of their shares in Sagax shall notify the company. As per the publication of this report no such notification has been received.

Currency exposure

Amounts in EUR M	2025 31 Mar	2024 31 Mar
Investment properties	4,489	3,956
Other assets	129	155
Total assets	4,619	4,111
Interest-bearing liabilities	2,936	2,634
Other liabilities	396	349
Total liabilities	3,331	2,983
Net exposure	1,288	1,129

SENSITIVITY ANALYSIS

Sagax's exposure to material risks in the company's operations is presented below.

Debt ratio on change in value of property portfolio						Interest coverage ratio upon change in occupancy rate					
	-20%	-10%	0%	+10%	+20%		-10%	-5%	0%	+5%	+10%
Value change, SEK M	-12,808	-6,404	-	6,404	12,808	Occupancy rate, %	87	91	96	N/A	N/A
Debt ratio, %	48	44	41	38	35	Interest coverage ratio, multiple	4.1	4.3	4.6	N/A	N/A

Sensitivity analysis for property values		
	Change	Value change, SEK M
Capitalisation rate	+/-0.25% point	-1,719/+1,875
Discount rate	+/-0.25% point	- 970/+993
Rental revenue	+/-5%	+2,569/-2,565
Property expenses	+/-5%	-331/+334

Sensitivity analysis on 31 March 2025¹⁾

Amounts in SEK M	Change	Effect on profit from property management, annual basis	Effect on profit after tax, annual basis	Effect on equity
Economic occupancy rate	+/-1% point	+54/-54	+45/-45	+45/-45
Rental revenue	+/-1%	+52/-52	+43/-43	+43/-43
Property expenses	+/-1%	-9/+9	-7/+7	-7/+7
Interest expenses for liabilities in SEK including fixed income derivatives	+/-1% point	-5/+5	-4/+4	-4/+4
Interest expenses for liabilities in EUR including fixed income derivatives	+/-1% point	-17/+17	-15/+15	-15/+15
Change in SEK/EUR exchange rate ²⁾	+/-10%	+238/-238	+196/-196	+1,397/-1,397
Changed rent level for contract maturities in 2025	+/-10%	+51/-51	+43/-43	+43/-43

1) Excluding shares in profit of joint ventures and associated companies.

2) Sagax's net exposure to the SEK/EUR exchange rate comprises assets and liabilities recognised in EUR, in addition to revenue and expenses in EUR.

Key performance indicators

	2025 Jan-Mar	2024 Jan-Mar	2024 Jan-Dec	2023 Jan-Dec	2022 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec
Property-related key figures							
Yield, %	6.6	6.5	6.6	6.4	5.8	6.0	6.3
Surplus ratio, %	81	81	84	83	82	83	83
Occupancy rate by area, %	96	97	96	97	95	96	95
Economic occupancy rate, %	96	96	96	96	96	96	95
Lettable area at the end of the period, '000s sqm	4,876	4,386	4,834	4,331	3,895	3,759	3,480
No. of properties at the end of the period	989	911	983	903	751	673	673
Financial key figures							
Return on total capital, %	6.3	6.3	6.7	6.4	5.7	5.9	6.6
Return on equity, %	8.5	11.6	13.5	0.0	8.4	36.6	17.8
Average interest rate, %	2.5	2.2	2.3	1.9	1.7	1.4	1.8
Fixed interest period incl. derivatives, years	3.4	2.7	2.9	2.8	3.2	4.0	3.4
Loan maturity, years	3.7	3.4	3.1	3.1	3.7	4.3	3.4
Equity/assets ratio, %	51	50	50	50	46	50	48
Debt ratio, %	41	42	42	41	45	42	43
Net debt/run rate EBITDA, multiple	5.3	4.9	5.1	4.9	6.5	5.4	6.4
Net debt/EBITDA, multiple	5.3	5.2	5.4	5.2	7.1	5.8	6.4
Interest coverage ratio, multiple	4.6	5.8	5.0	5.7	7.1	6.5	5.7
Interest coverage ratio, EMTN programme, multiple	5.6	7.2	6.5	8.1	12.7	9.4	6.4
Data per Class A and B share							
Price of Class B share at the end of the period, SEK	210.60	282.40	226.20	277.40	236.50	305.00	169.60
Net asset value, SEK	125.30	115.45	125.23	110.90	106.61	97.92	66.38
Equity, SEK	108.22	99.39	107.92	95.05	91.33	83.93	55.19
Equity after dilution, SEK	108.21	99.35	107.91	95.01	91.20	83.84	55.09
Earnings, SEK	2.41	3.01	14.78	-0.82	7.76	30.09	10.80
Earnings after dilution, SEK	2.41	3.01	14.78	-0.82	7.75	30.04	10.78
Profit from property management, SEK	2.92	2.75	11.95	11.17	9.71	8.01	6.63
Profit from property management after dilution, SEK	2.92	2.75	11.95	11.16	9.70	7.99	6.62
Cash flow, SEK	2.38	2.49	9.85	9.95	8.69	6.59	6.10
Cash flow after dilution, SEK	2.38	2.49	9.85	9.94	8.68	6.58	6.09
Dividend per share, SEK (proposed for 2024)	-	-	3.50	3.10	2.70	2.15	1.65
No. of shares at end of period, million	338.4	338.3	338.4	338.3	318.0	317.7	317.3
No. of shares at end of period after dilution, million	338.5	338.5	338.4	338.5	318.5	318.0	317.9
Average number of shares, millions	338.4	338.3	338.4	324.8	317.8	317.5	317.1
Average number of shares after dilution, millions	338.5	338.5	338.5	325.1	318.3	318.0	317.7
Data per Class D share							
Share price at the end of period, SEK	32.30	29.90	30.95	28.00	26.70	33.40	32.05
Equity, SEK	35.00	35.00	35.00	35.00	35.00	35.00	35.00
Earnings, SEK	0.50	0.50	2.00	2.00	2.00	2.00	2.00
Dividend per share, SEK (proposed for 2024)	-	-	2.00	2.00	2.00	2.00	2.00
No. of shares at end of period, million	126.3	126.3	126.3	126.3	126.3	126.3	125.8
Average number of shares, millions	126.3	126.3	126.3	126.3	126.3	126.2	118.4

Definitions of key performance indicators are provided on pages 31–32.

Consolidated statement of comprehensive income

Amounts in SEK M	2025 Jan-Mar	2024 Jan-Mar	2024 Jan-Dec	Rolling 12 months
Rental revenue	1,307	1,185	4,994	5,116
Other revenue	4	8	69	65
Operating expenses	-110	-113	-357	-354
Maintenance costs	-33	-35	-126	-124
Property tax	-73	-60	-272	-285
Other property expenses	-30	-26	-117	-121
Net operating income	1,064	960	4,191	4,295
Central administration	-47	-43	-187	-191
Profit from joint ventures and associated companies	287	177	783	893
– of which, profit from property management	281	238	1,108	1,151
– of which, changes in value	84	3	-69	12
– of which, tax	-78	-64	-256	-270
Financial income	18	31	162	149
Financial expenses	-240	-184	-912	-968
Financial expense, interest component of leases	-9	-9	-36	-36
Profit including profit from joint ventures and associated companies	1,073	932	4,001	4,142
– of which, profit from property management	1,067	994	4,326	4,399
– of which, profit from property management attributable to Parent Company's shareholders	1,053	994	4,296	4,355
Changes in value of properties, realised	-	4	-17	-21
Changes in value of properties, unrealised	-67	152	563	344
Changes in value of financial instruments, realised	-	-	-17	-17
Changes in value of financial instruments, unrealised	-2	99	1,202	1,100
Profit before tax	1,004	1,187	5,732	5,548
Deferred tax	-47	-74	-264	-237
Current tax	-63	-33	-194	-224
Profit for the period	894	1,080	5,274	5,087
– of which attributable to the Parent Company's shareholders	878	1,080	5,255	5,053
– of which attributable to non-controlling interests	15	-	19	34
Other comprehensive income				
Items that might be reclassified subsequently to the profit or loss:				
Translation differences for foreign operations	-1,476	718	642	-1,552
Share of other comprehensive income for joint ventures	-26	-49	9	32
Translation differences, hedge accounting	659	-272	-240	692
Tax on items that may be reclassified	19	-10	-8	21
Total other comprehensive income, net of tax	-825	387	404	-808
Total comprehensive income for the period	69	1,467	5,678	4,280
– of which attributable to the Parent Company's shareholders	101	1,467	5,646	4,280
– of which attributable to non-controlling interests	-32	-	32	0
Earnings per Class A and B share, SEK	2.41	3.01	14.78	14.18
Earnings per Class A and B share after dilution, SEK	2.41	3.01	14.78	14.18
Earnings per Class D share, SEK	0.50	0.50	2.00	2.00
Average no. of Class A and B shares, million	338.4	338.3	338.4	338.5
Average no. of Class A and B shares after dilution, million	338.5	338.5	338.5	338.4
Average number of Class D shares, million	126.3	126.3	126.3	126.3

Condensed consolidated statement of financial position

Amounts in SEK M	2025 31 Mar	2024 31 Mar	2024 31 Dec
Investment properties	64,040	59,814	65,862
Investment properties for sale	–	–	12
Leases, right-of-use assets	535	539	546
Joint ventures and associated companies	15,438	13,295	15,170
Deferred tax assets	153	155	163
Derivatives	–	3	–
Interest-bearing financial receivables	246	238	230
Other fixed assets	85	90	91
Total fixed assets	80,497	74,134	82,073
Listed instruments	624	753	625
Interest-bearing current receivables	61	523	129
Other current assets	648	646	574
Prepaid costs and accrued income	588	574	356
Cash and bank balances	127	15	287
Total current assets	2,047	2,511	1,971
Total assets	82,545	76,645	84,044
Equity	41,872	38,045	41,803
– of which equity attributable to non-controlling interests	830	–	862
Non-current interest-bearing liabilities	28,583	24,646	30,002
Deferred tax liabilities	4,184	4,101	4,289
Derivatives	58	–	71
Non-current lease liabilities ¹⁾	487	493	498
Other non-current liabilities	354	332	357
Total non-current liabilities	33,667	29,572	35,216
Commercial paper	1,380	2,325	456
Other current interest-bearing liabilities	3,641	5,067	4,676
Current lease liabilities ¹⁾	48	46	48
Other current liabilities	787	690	612
Accrued expenses and deferred income	1,150	898	1,231
Total current liabilities	7,005	9,027	7,024
Total equity and liabilities	82,545	76,645	84,044

1) Comparative figures as per 31 March 2024 and 31 December 2024 for current and non-current lease liabilities have been updated. Non-current lease liabilities declined SEK 46 M and SEK 48 M, respectively. Current lease liabilities increased in a corresponding amount.

Consolidated statement of cash flows

Amounts in SEK M	2025 Jan-Mar	2024 Jan-Mar	2024 Jan-Dec	Rolling 12 months
Profit before tax	1,004	1,187	5,732	5,548
Tax paid	-53	-32	-162	-183
Dividends from joint ventures and associated companies	111	175	477	414
<i>Adjustment for non-cash items</i>				
Changes in value of financial instruments	2	-99	-1,184	-1,083
Change in value of properties	67	-156	-546	-323
Profit from joint ventures and associated companies	-287	-177	-783	-892
Dissolution of allocated borrowing costs	21	13	56	64
Other items not included in cash flow	4	-6	-4	6
Cash flow from operating activities before changes in working capital	870	905	3,586	3,551
Cash flow from changes in current receivables	163	151	196	207
Cash flow from changes in current liabilities	-310	-557	-431	-185
Cash flow from operating activities	722	499	3,351	3,574
Acquisition of properties	-849	-707	-4,853	-4,996
Divestment of properties	12	30	127	109
Investments in existing properties	-203	-278	-1,129	-1,054
Purchase of financial instruments	-	-15	-101	-86
Sale of financial instruments	65	15	683	733
Investments in joint ventures and associated companies	-132	-96	-442	-477
Changes in lending to joint ventures and associated companies	-15	-11	-54	-58
Increase in other fixed assets	-2	-2	-51	-51
Decrease in other fixed assets	7	39	88	56
Cash flow from investing activities	-1,116	-1,025	-5,732	-5,824
Issue of new Class B shares	-	-	15	15
Dividends paid to shareholders	-63	-63	-1,301	-1,301
Incentive plan	-	-	-4	-4
Proceeds from borrowings	6,164	4,003	13,405	15,565
Repayment of borrowings	-5,842	-3,443	-9,683	-12,082
Decrease in other non-current liabilities	-25	-3	-24	-46
Increase in other non-current liabilities	-	17	181	164
Transactions with non-controlling interests	-	-	52	52
Cash flow from financing activities	234	511	2,639	2,362
Cash flow for the period	-161	-14	258	111
Exchange rate differences in cash and cash equivalents	1	1	1	1
Change in cash and cash equivalents	-160	-13	259	112
Cash and cash equivalents at beginning of period	287	28	28	15
Cash and cash equivalents at end of period	127	15	287	127

Consolidated statement of changes in equity

Amounts in SEK M	Share capital	Other contributed capital	Reserves, translation differences	Profit earned incl. net profit for the period	Total equity attributable to Parent Company's shareholders	Non-controlling interests	Total equity
Equity 31 December 2023	817	7,746	1,177	26,838	36,578	–	36,578
Profit for the period, January–March 2024	–	–	–	1,080	1,080	–	1,080
Other comprehensive income, January–March 2024	–	–	387	–	387	–	387
Total comprehensive income for the period	–	–	387	1,080	1,467	–	1,467
Equity, 31 March 2024	817	7,746	1,564	27,918	38,045	–	38,045
Profit for the period, April–December 2024	–	–	–	4,175	4,175	19	4,194
Other comprehensive income, April–December 2024	–	–	4	–	4	13	17
Total comprehensive income for the period	–	–	4	4,175	4,179	32	4,211
<i>Transactions with shareholders</i>							
Issue of Class B shares	0	15	–	–	15	–	15
Dividends	–	–	–	–1,301	–1,301	–	–1,301
Transactions with shareholders	0	15	–	–1,301	–1,287	–	–1,287
<i>Other transactions</i>							
Transaction costs	–	–1	–	–	–1	–	–1
Redemption of incentive plan	–	–13	–	–	–13	–	–13
Subscription of incentive plan	–	–	–	9	9	–	9
Transfer to other contributed capital	–	2,179	–	–2,179	–	–	–
Transactions with non- controlling interests	–	10	–	–	10	–	10
Change in non-controlling interests	–	–	–	–	–	830	830
Other transactions	–	2,175	–	–2,170	4	830	834
Equity 31 December 2024	817	9,935	1,568	28,621	40,941	862	41,803
Profit for the period, January–March 2025	–	–	–	878	878	15	894
Other comprehensive income, January–March 2025	–	–	–777	–	–777	–47	–825
Total comprehensive income for the period	–	–	–777	878	101	–32	69
Equity, 31 March 2025	817	9,935	791	29,499	41,043	830	41,872

Parent Company income statement

Amounts in SEK M	2025 Jan–Mar	2024 Jan–Mar	2024 Jan–Dec
Net sales	31	30	139
Administration costs	-34	-34	-136
Profit/loss before financial income and expenses	-3	-4	3
Profit from participations in Group companies	-	400	1,182
Profit from participations in joint ventures	-	-	122
Financial income	190	243	1,054
Financial expenses	-243	-113	-732
Profit/loss before tax and appropriations	-56	525	1,629
Appropriations	-	-	-52
Tax	-	-	-45
Profit/loss for the period	-56	525	1,531

Condensed Parent Company balance sheet

Amounts in SEK M	2025 31 Mar	2024 31 Mar	2024 31 Dec
Tangible fixed assets	2	2	2
Receivables from Group companies	1,755	1,918	2,097
Other financial fixed assets	19,835	15,581	17,118
Total fixed assets	21,592	17,501	19,216
Receivables from Group companies	27,359	24,489	26,034
Other current assets	22	18	18
Cash and bank balances	-	-	172
Total current assets	27,381	24,507	26,223
Total assets	48,973	42,008	45,440
Restricted equity	966	966	966
Unrestricted equity	10,189	10,556	10,263
Equity	11,155	11,522	11,229
Untaxed reserves	11	13	11
Non-current interest-bearing liabilities	12,617	4,197	9,936
Liabilities to Group companies	18,264	18,268	18,252
Deferred tax liabilities	6	5	6
Total non-current liabilities	30,887	22,470	28,194
Current interest-bearing liabilities	1,427	2,462	456
Liabilities to Group companies	5,196	5,427	5,200
Other current liabilities	297	113	350
Total current liabilities	6,920	8,003	6,006
Total equity, untaxed reserves and liabilities	48,973	42,008	45,440

Segment information

Market segment	Rental revenue		Net operating income		Changes in value, properties				Total return	
					Unrealised		Realised			
	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar
Sweden	265	264	215	217	8	-149	-	-	224	67
Finland	450	445	355	343	-157	153	-	2	197	497
France	291	203	236	164	35	154	-	3	271	321
Benelux	173	158	155	144	22	-39	-	-	177	105
Spain	90	84	82	77	38	37	-	-	121	114
Germany	35	28	34	27	-12	-2	-	-	22	25
Other Europe	3	3	2	3	-2	-2	-	-	1	1
Non-specified	-	-	-16	-16	-	-	-	-	-16	-16
Total	1,307	1,185	1,064	960	-67	152	-	4	997	1,116

Market segment	Market value properties		Investments properties		Acquisition properties		Divestment properties	
	2025 31 Mar	2024 31 Mar	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar	2025 Jan-Mar	2024 Jan-Mar
Sweden	15,217	14,681	108	182	-	-	-	-
Finland	18,414	19,457	49	47	-	394	-1	-19
France	13,930	10,415	19	19	170	55	-11	-11
Benelux	8,991	8,796	19	21	200	27	-	-
Spain	5,649	4,995	8	9	423	230	-	-
Germany	1,724	1,343	1	-	56	-	-	-
Other Europe	117	126	-	-	-	-	-	-
Total	64,040	59,814	203	278	849	707	-12	-30

Notes

NOTE 1 ACCOUNTING POLICIES

This condensed interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The term IFRS Accounting Standards in this report means application of IFRS Accounting Standards as adopted by the EU. The accounting policies and calculation methods are the same as those applied in the 2024 Annual Report and are to be read together with this Annual Report.

On 9 April 2024, the IASB[®] issued a new standard, IFRS 18, which will replace IAS 1. IFRS 18 enters force for financial years beginning on or after 1 January 2027, with early application permitted. Retrospective application is to be applied for comparative periods. The EU has yet to adopt this standard. As yet, the Group has not fully assessed the impact of IFRS 18.

There are no other changes to accounting standards that have not yet come into effect and that are expected to have any material impact on Sagax's accounts.

Rounding-off differences may occur.

NOTE 2 SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are described in Note 27 of the 2024 Annual Report. No material changes regarding transactions with related parties have taken place in relation to the information presented in the 2024 Annual Report.

NOTE 3 EVENTS AFTER THE REPORTING PERIOD

On 14 April 2025, it was announced in a press release that Sagax had acquired six properties in Barcelona and one property in Madrid through four separate transactions for an equivalent of SEK 830 M, with closing taking place on four of the properties, corresponding to SEK 445 M, after the end of the reporting period.

On 2 May 2025, it was announced in a press release that Sagax had acquired 3 properties through 2 separate transactions for the equivalent of SEK 570 million. The properties comprise a lettable area of 80,400 square metres and 196,200 square metres of land, of which 183,200 square metres are held with site leasehold title. The annual rental income amounts to the equivalent of SEK 60 million. The occupancy rate is 93% and the average remaining lease term is 3.2 years. Closing for the equivalent of SEK 505 million has taken place. Closing for the remaining SEK 65 million is expected to take place during the second quarter of 2025. The acquisitions will be reported in Sagax's segments Benelux (SEK 505 million) and France (SEK 65 million).

No other significant events have occurred after the end of the period.

SIGNING OF THE REPORT

The Board of Directors and CEO give their assurance that this interim report provides a fair overview of the company's and the Group's operations, financial position and earnings and describes significant risks and uncertainties faced by the company and the companies included in the Group.

Stockholm, 8 May 2025
AB SAGAX (publ)
Corporate Registration Number 556520-0028

Staffan Salén
Chairman of the Board

Johan Cederlund
Board member

Filip Engelbert
Board member

David Mindus
CEO and Board member

Johan Thorell
Board member

Ulrika Werdelin
Board member

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

This constitutes information that AB Sagax (publ) is legally obliged to publish under the EU's Market Abuse Regulation. The information was released for publication on 8 May 2025 at 11:00 a.m. CEST.

CALENDAR

The financial calendar is available at www.sagax.se.

Interim report January – June 2025	14 July 2025
Interim report January – September 2025	24 October 2025

SCHEDULE OF DIVIDEND PAYMENTS TO HOLDERS OF CLASS D SHARES

June 2025¹⁾

■ Final day for trading including dividend rights	26 June 2025
■ Record date for dividend payment	30 June 2025

September 2025¹⁾

■ Final day for trading including dividend rights	26 September 2025
■ Record date for dividend payment	30 September 2025

December 2025¹⁾

■ Final day for trading including dividend rights	23 December 2025
■ Record date for dividend payment	30 December 2025

March 2026¹⁾

■ Final day for trading including dividend rights	27 March 2026
■ Record date for dividend payment	31 March 2026

¹⁾ Date proposed by the Board.

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Definitions

Sagax applies the European Securities and Market Authority's (ESMA) Guidelines on the Alternative Performance Measures. Alternative performance measures refer to financial measures of historical or future earnings trends, financial position, financial results or cash flows that are not defined or stated in the applicable rules for financial reporting, which in Sagax's case is IFRS Accounting Standards. The basis of the alternative performance measures provided is that they are used by company management to assess the financial performance and thus are considered to provide valuable information to shareholders and other stakeholders.

The table below presents definitions of Sagax's key performance indicators. The calculation of alternative performance measures is described separately on the following pages.

Key performance indicators	Description	Reason for alternative performance measure
Cash flow per Class A and B share after dilution	Profit before tax adjusted for items not included in cash flow, less tax paid and increased by dividends received from joint ventures and associated companies in relation to the weighted average number of Class A and B shares after dilution. Dividends on Class D shares for the period have also been deducted from profit before tax.	The KPI shows the amount of cash flow for the period that can be considered to be attributable to owners of Class A and Class B shares.
Debt ratio	Interest-bearing liabilities at the end of the period in relation to total assets at the end of the period.	The KPI shows financial risk.
Dilution	Dilution due to outstanding warrants has been calculated, in line with IAS 33, as the number of Class A and B shares to be issued to cover the difference between the strike price and market price for all potential Class A and B shares (warrants) outstanding, insofar as it is probable that they will be utilised.	Not an APM.
Earnings per Class A and B share	Profit for the period attributable to the Parent Company's shareholders in relation to the weighted average number of Class A and B shares after taking into account the portion of profit for the period represented by Class D shares.	The KPI shows the shareholders' share of profit.
Earnings per Class D share	Class D shares are entitled to five times the total dividend on Class A and B shares, although not more than SEK 2.00 per share annually.	The KPI shows the shareholders' share of profit.
EBITDA	Net operating income less central administration costs plus dividends received from joint ventures and associated companies.	Sagax uses EBITDA so that the Net debt/EBITDA KPI shows financial risk.
Economic occupancy rate	Contractual annual rent directly after the end of the period as a percentage of rental value directly after the end of the period.	The KPI shows the economic degree of utilisation of the Group's properties.
Equity/Assets ratio	Equity in relation to total assets.	The KPI shows financial risk.
Equity per Class A and B share	Equity attributable to the Parent Company's shareholders at the end of the period in relation to the number of Class A and B shares at the end of the period after taking into account equity attributable to Class D shares.	The KPI shows the owner's share of equity.
Equity per Class D share	Equity at the end of the period as a percentage of the number of common shares at the end of the period. Equity is restricted to SEK 35.00 per Class D share.	The KPI shows the owner's share of equity.
Fixed income derivatives	Agreements on lending rates that may include the factors of time, inflation and/or maximum interest rates. Usually signed to hedge interest rates for interest-bearing loans.	Not an APM.
Interest coverage ratio	Profit from property management, excluding profit from property management from joint ventures and associated companies but including dividends from joint ventures and associated companies, after reversal of financial expenses in relation to financial expenses (including lease expenses).	The KPI shows financial risk.
Interest coverage ratio, EMTN programme	Profit from property management after reversal of financial income and expenses as a percentage of net financial items.	The KPI shows financial risk.
Interest-rate swaps	An agreement between two parties to swap interest rate conditions in the same currency. The swap entails that one party exchanges its floating interest rate for a fixed rate, while the other party receives a fixed rate in exchange for a floating rate. The purpose of an interest-rate swap is to reduce interest-rate risk.	Not an APM.
Lease term	Remaining term of a lease.	The KPI shows the risk of future vacancies.
Net asset value	Recognised equity attributable to the Parent Company's shareholders according to the balance sheet, less equity attributable to Class D shares, with add-back of reserves for fixed income derivatives, deferred tax on temporary differences on property values and fixed income derivatives. Reversal of corresponding items attributable to joint ventures and associated companies takes place on a separate row.	An established indicator of the Group's net asset value that facilitates analyses and comparisons with EPRA NAV.

Key performance indicators	Description	Reason for alternative performance measure
Net debt	Interest-bearing liabilities less interest-bearing assets, cash and cash equivalents, listed instruments and the market value of shares in listed associated companies and joint ventures.	The KPI shows the Group's indebtedness.
Net debt according to EMTN programme	Financial indebtedness less cash and cash equivalents, listed shares including the market value of shares in listed associated companies and joint ventures.	The KPI shows the Group's indebtedness.
Net debt according to EMTN programme/Total assets	Financial indebtedness less cash and cash equivalents, listed shares including the market value of shares in listed associated companies and joint ventures in relation to total assets.	The KPI shows financial risk.
Net debt/Total assets	Interest-bearing liabilities less interest-bearing assets, cash and cash equivalents, listed instruments and the market value of shares in listed associated companies and joint ventures as a percentage of total assets.	The KPI shows financial risk.
Net investments	The net of property acquisitions and investments in the existing property portfolio, as well as sales of properties.	The KPI shows the investment volume.
Occupancy rate by area	Area let as a percentage of total lettable area directly after the end of the period.	The KPI shows the occupancy situation.
Profit from property management	Profit, including profits of associated companies and joint ventures, excluding changes in value and tax.	An indicator of the earnings generation in the operations, excluding changes in value.
Profit from property management per Class A and B share after dilution	Profit from property management attributable to the Parent Company's shareholders for the period reduced by dividends on Class D shares divided by the weighted average number of Class A and B shares after dilution.	An indicator of the earnings generation of the assets, excluding the changes in value accruing to holders of Class A and B shares.
Property	Pertains to properties held under title or site leasehold.	Not an APM.
Rental revenue, comparable portfolios	Rental revenue from properties that were included in the portfolio for the entire reporting period and the entire comparative period. Project properties and properties that were acquired or sold are not included.	The KPI shows the trend in rental revenue excluding non-recurring effects, such as prematurely vacating premises, not impacted by acquired and sold properties.
Rental value	The contractual annual rent applicable directly after the end of the period, with supplements for estimated market rents for vacant premises.	The key performance indicator shows the Group's income potential.
Return on equity	Profit for the period, recalculated to 12 months, as a percentage of average equity (opening and closing balances) divided by 2 for the period.	The KPI shows how shareholders' capital yields interest during the period.
Return on total capital	Profit from property management for the period, recalculated to 12 months, after reversal of financial expenses as a percentage of average total assets for the period.	The KPI shows the ability to generate earnings on the Group's assets, excluding financing costs.
Run rate EBITDA	Net operating income according to current earnings capacity less central administration costs plus dividends received from joint ventures and associated companies rolling 12 months.	Sagax uses EBITDA so that the run rate Net debt/EBITDA KPI shows financial risk.
Run rate yield	Net operating income according to current earnings capacity less site leasehold fees, as a percentage of the carrying amounts of the properties at the end of the period.	The KPI shows the earnings generation of the operations before financial expenses and central administration costs are taken into account.
Secured liabilities/total assets	Liabilities secured with pledged assets as a percentage of total assets.	The KPI shows financial risk for bond holders.
Surplus ratio	Net operating income for the period as a percentage of rental revenue for the period.	The KPI shows the profitability of the properties.
Triple net lease	A type of lease whereby the tenant pays, in addition to the rent, all costs incurred on the property that would normally have been paid by the property owner. These include operating expenses, maintenance, property tax, site leasehold fees, insurance, property caretaking, etc.	Not an APM.
Working capital	Current assets less current liabilities.	The KPI describes the capital that Sagax has available, excluding available credit facilities, to conduct its daily operations.
Yield	Net operating income for the period with add-back of site leasehold fees, recalculated to 12 months, adjusted for the holding periods of the properties during the period and recalculated to the current exchange rates on the balance sheet date as a percentage of the carrying amounts of the properties at the end of the period.	The KPI shows the earnings generation of the operations before financial expenses and central administration costs are taken into account.

The calculation of alternative performance measures is presented in the tables below.

Amounts in SEK M	2025 Jan–Mar	2024 Jan–Mar	2024 Jan–Dec
Cash flow per Class A and B share			
Profit before tax	1,004	1,187	5,732
Dividends from joint ventures and associated companies	111	175	477
Items not affecting cash flow	-193	-426	-2,460
Tax paid	-53	-32	-162
Dividends attributable to Class D shares	-63	-63	-253
Cash flow	806	841	3,334
Cash flow per Class A and B share after dilution, SEK	2.38	2.49	9.85
Debt ratio			
Interest-bearing liabilities	33,604	32,038	35,134
Total assets	82,545	76,645	84,044
Debt ratio	41%	42%	42%
Earnings per Class A and B share¹⁾			
Profit after tax attributable to Parent Company's owners	878	1,080	5,255
Dividends attributable to Class D shares	-63	-63	-253
Adjusted profit after tax	815	1,017	5,002
Earnings per Class A and B share after dilution, SEK	2.41	3.01	14.78
EBITDA rolling 12 months			
Net operating income	4,295	3,702	4,191
Central administration	-191	-183	-187
Dividends from joint ventures and associated companies	464	714	527
EBITDA	4,569	4,233	4,531
Economic occupancy rate			
Contractual annual rent	5,156	4,837	5,323
Rental value	5,366	5,026	5,553
Economic occupancy rate	96%	96%	96%
Equity/Assets ratio			
Equity	41,872	38,045	41,803
Total assets	82,545	76,645	84,044
Equity/Assets ratio	51%	50%	50%
Equity per Class A and B share			
Equity attributable to Parent Company's owners	41,043	38,045	40,941
Equity attributable to Class D shares	-4,419	-4,419	-4,419
Equity attributable to Class A and B shares	36,624	33,626	36,522
No. of shares, '000s	338,424	338,335	338,424
Number of shares after dilution, '000s	338,455	338,476	338,444
Equity per Class A and B share, SEK	108.22	99.39	107.92
Equity per Class A and B share after dilution, SEK	108.21	99.35	107.91
Interest coverage ratio			
Profit from property management	1,067	994	4,326
Reversal of profit from property management joint ventures and associated companies	-281	-238	-1,108
Dividends from joint ventures and associated companies	111	175	527
Financial expenses including leases	249	193	947
Adjusted profit from property management before financial expenses	1,146	1,122	4,693
Interest coverage ratio	4.6x	5.8x	5.0x

Amounts in SEK M	2025 Jan–Mar	2024 Jan–Mar	2024 Jan–Dec
Interest coverage ratio, EMTN programme			
Profit from property management	1,067	994	4,326
Net financial items	231	161	786
Profit from property management before net financial items	1,298	1,155	5,112
Interest coverage ratio	5.6x	7.2x	6.5x
Net asset value			
Equity attributable to Parent Company's owners	41,043	38,045	40,941
Equity attributable to Class D shares	-4,419	-4,419	-4,419
Reversal of derivatives	58	-3	71
Reversal of deferred tax, net	4,078	4,030	4,185
Reversals due to joint ventures and associated companies	1,648	1,424	1,605
Net asset value	42,408	39,077	42,382
NAV per Class A and B share after dilution, SEK	125.30	115.45	125.23
Net debt			
See page 15.			
Net debt according to EMTN programme			
Interest-bearing liabilities	33,604	32,038	35,134
Listed shares in fixed assets ²⁾	-8,381	-8,404	-9,496
Cash and cash equivalents	-127	-15	-287
Net debt according to EMTN programme	25,096	23,619	25,352
Net debt according to EMTN programme/Total assets			
Net debt according to EMTN programme	25,096	23,619	25,352
Total assets	82,545	76,645	84,044
Net debt according to EMTN programme/Total assets	30%	31%	30%
Net debt/EBITDA			
Net debt	24,165	22,105	24,367
EBITDA rolling 12 months	4,569	4,233	4,531
Net debt/EBITDA	5.3x	5.2x	5.4x
Net debt/Run rate EBITDA			
Net debt	24,165	22,105	24,367
EBITDA, run rate	4,556	4,547	4,754
Net debt/EBITDA run rate	5.3x	4.9x	5.1x
Net debt/Total assets			
Net debt	24,165	22,105	24,367
Total assets	82,545	76,645	84,044
Net debt/Total assets	29%	29%	29%

1) IFRS performance measure.

2) Pertains to listed shares in companies recognised as associated companies. Associated companies are recognised in the income statement pursuant to the equity method.

Calculation of alternative performance measures is presented in the tables below, cont'd.

Amounts in SEK M	2025 Jan–Mar	2024 Jan–Mar	2024 Jan–Dec
Occupancy rate by area			
Contracted area, '000s sqm	4,690	4,234	4,631
Total lettable area, '000s sqm	4,876	4,386	4,834
Occupancy rate by area	96%	97%	96%
Profit from property management			
Profit after tax	894	1,080	5,274
Tax	188	171	714
Changes in value	-14	-258	-1,661
Profit from property management	1,067	994	4,326
– of which attributable to non-controlling interests	15	–	30
– of which attributable to Parent Company's owners	1,053	994	4,296
Profit from property management per Class A and B share after dilution			
Profit from property management attributable to Parent Company's owners	1,053	994	4,296
Dividends attributable to Class D shares	-63	-63	-253
Adjusted profit from property management	990	930	4,044
Average no. of Class A and B shares after dilution, '000s	338,452	338,473	338,465
Profit from property management per Class A and B share after dilution, SEK	2.92	2.75	11.95
Profit from property management per Class A and B shares, rolling 12 months			
Profit from property management attributable to the Parent Company's owners	4,355	3,932	4,296
Dividends attributable to Class D shares	-253	-253	-253
Adjusted profit from property management	4,103	3,679	4,044
Average no. of Class A and B shares after dilution, '000s	338,460	330,106	338,465
Profit from property management per Class A and B share, current period	12.12	11.15	11.95
Profit from property management per Class A and B share, preceding period	11.15	10.19	11.16
Annual growth rate, %	9%	9%	7%
Rental revenue, comparable portfolios			
Rental revenue	1,307	1,185	N/A
Acquired and sold properties	-137	-25	N/A
Currency adjustment ¹⁾	–	-4	N/A
Rental revenue, comparable portfolios excluding currency effects	1,170	1,156	N/A
Return on equity			
Profit after tax	894	1,080	5,274
Addition for translation to annual value	2,681	3,241	–
Adjusted profit after tax	3,575	4,321	5,274
Average equity	41,838	37,312	39,191
Return on equity	8.5%	11.6%	13.5%
Return on total capital			
Profit from property management	1,067	994	4,326
Addition for translation to annual value	3,202	2,981	–
Financial expenses	249	193	947
Addition for translation to annual value	747	578	–
Profit before financial expenses	5,264	4,744	5,274
Average total assets	83,294	75,027	78,727
Return on total capital	6.3%	6.3%	6.7%

Amounts in SEK M	2025 Jan–Mar	2024 Jan–Mar	2024 Jan–Dec
Run rate EBITDA			
Net operating income according to current earnings capacity	4,283	4,016	4,414
Central administration	-191	-183	-187
Dividends from joint ventures and associated companies	464	714	527
Run rate EBITDA	4,556	4,547	4,754
Run rate yield			
Net operating income according to current earnings capacity	4,283	4,016	4,414
Add-back of site leasehold fees	-33	-32	-32
Adjusted net operating income	4,250	3,984	4,382
Carrying amounts of properties	64,040	59,814	65,874
Run rate yield	6.6%	6.7%	6.7%
Secured liabilities/Total assets			
Secured liabilities	5,170	5,507	4,937
Total assets	82,545	76,645	84,044
Secured liabilities/Total assets	6%	7%	6%
Surplus ratio			
Net operating income	1,064	960	4,191
Rental revenue	1,307	1,185	4,994
Surplus ratio	81%	81%	84%
Yield			
Net operating income	1,064	960	4,191
Add-back of site leasehold fees	-8	-8	-32
Addition for translation to annual value	3,167	2,855	–
Holding adjustment, acquisitions/divestments/other	97	19	184
Currency translation to closing rate	-119	65	17
Adjusted net operating income	4,200	3,891	4,360
Carrying amounts of properties	64,040	59,814	65,874
Yield	6.6%	6.5%	6.6%

1) The preceding period has been adjusted so that the exchange rate is the same as in the current period.

AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industrial segment.
Sagax's property holdings on 31 March 2025 amounted to 4,876,000 square metres, distributed between 989 properties.
AB Sagax (publ) is listed on Nasdaq Stockholm, Large Cap.
More information is available at www.sagax.se.

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