

Year-end report January–December 2023

Increased rental income and increased net operating income

Rental income	Net operating income	Average yield in the property portfolio	Net letting	Long-term net worth	Net operating income through borrowing
+6 %	+13 %	4.8 %	7 SEK million	31.40 [*] SEK/share	7.4 %

Refers to the period January–December 2023

Results in brief for the period January–December 2023

- Rental income increased by 6 percent and amounted to SEK 732.8 million (688.3). Rental income in the like-for-like portfolio increased by 10 percent.
- Net operating income increased by 13 percent to SEK 498.3 million (439.6) and the surplus ratio was 68 percent (63). Net operating income in the like-for-like portfolio increased by 16 percent.
- The profit from property management amounted to SEK 162.9 million (231.8).
- Profit for the period amounted to SEK -206.1 million (171.4), corresponding to earnings per share of SEK -1.59 (0.84) both before and after dilution.
- Changes in the value of investment properties amounted to SEK -272.6 million (-234.5).
- Changes in the value of derivatives amounted to SEK -151.4 million (196.4).

Results in brief, fourth quarter 2023

- Rental income increased by 5 percent and amounted to SEK 183.1 million (173.6). Rental income in the like-for-like portfolio increased by 12 percent.
- Net operating income increased by 16 percent to SEK 123.4 million (106.4) and the surplus ratio was 67 percent (61). Net operating income in the like-for-like portfolio increased by 23 percent.
- The profit from property management amounted to SEK 46.6 million (35.4).
- Profit for the period amounted to SEK -314.5 million (-309.7), corresponding to earnings per share of SEK -1.95 (-2.05) both before and after dilution.
- Changes in the value of investment properties amounted to SEK -225.7 million (-412.1).
- Changes in the value of derivatives amounted to SEK -189.7 million (-6.3).

^{*}Excluding hybrid capital.



Significant events

Rental income

183 SEK million

Net operating income

123 SEK million

Profit from property
management

47 SEK million

Profit for the period

-315 SEK million

Property value

12,289 SEK million

Return on equity

-24 %

Refers to the period October–December 2023

Significant events the fourth quarter

- Interest rate swaps during the fourth quarter and after the end of the period have, through swaps and short-term fixed-rate loans, increased the hedge ratio from 42 percent to 83 percent.
- Hybrid bonds repurchased through conversion to class B shares for a total of SEK 370 million. The aim of the repurchase was to increase earnings per share and to improve cash flow.

Significant events 2023

- Net letting for the year amounted to SEK 7.2 million and new leases were signed for SEK 18 million during 2023. Property valuations show write-downs of 1.7 percent during the quarter and 2.6 percent in 2023.
- According to the earnings capacity, rental income increased by SEK 75

million in like-for-like portfolio from 2023 to 2024. In the joint venture, rental income increased by SEK 15 million during the same period.

- Reduced real estate costs and central administration by SEK 25 million compared with previous year.
- The fixed interest period in the loan portfolio was 2.6 years (0.5) and the capital tie-up period was 2.9 years (3.2).
- Energy savings of 2 percent were made in 2023 and 7.4 percent during the business plan period 2021-2023.
- Property valuations show negative changes in value of 1.7 percent in the quarter and 2.6 percent in 2023.

- Property deal with Stjernplan: Properties in the second phase were partially divested in December. The remaining properties are planned to be divested in 2024.

Significant events after the end of the period

- Finalized rent negotiations in Malmö resulting in rent increases of 5.3% for 2024 and a further 4.9% for 2025.
- The Board of Directors proposes that no dividend be paid for the financial year 2023.

Loan-to-value (LTV)/
Total assets*

51 %

* The Group's share in properties owned by associates and joint ventures is financed through interest-bearing net debt and the key figure is a complement to the loan-to-value ratio relative to property value.





Now we are on the up again – the interest rate hits have been absorbed

Despite a challenging year, with rising interest rates and multiple quarters with declining profit from property management, in the fourth quarter we were once again able to deliver an increase in profit from property management. We can handle current market interest rates with a margin and, if there are no further interest rate cuts, we can achieve an interest coverage ratio of at least 1.6 times in 2024. We will achieve our target of 1.75 during the year. Our average yield is 4.8 percent, which can be considered a high yield for a company with predominantly residential properties. In addition, agreement has been reached with the Swedish Union of Tenants for 2024, which entails a rent increase of 5.3 percent and a further increase from 1 January 2025 of 4.9 percent. This provides stable property values.

I am proud of the way the organisation has fought hard to control costs, focused strongly on increasing revenue and worked hard to achieve our positive net letting. We signed new agreements totalling SEK 18 million in 2023. Our sustainability work has continued at a rapid pace, bringing energy savings of 2 percent compared with last year and fulfilling several social sustainability goals relating to safety and job creation; see page 6.

Fourth quarter

We increased our rental income by 5 percent during the fourth quarter and our net operating

income increased by 16 percent. In the like-for-like portfolio, rental income increased by 12 percent and net operating income by 23 percent. Profit from property management increased by 32 percent thanks to increased rental income, good cost control, the completion of projects and a higher interest rate hedge ratio.

Malmö is growing

Malmö is an attractive and constantly growing city. Last year, the population of Malmö increased by almost 5,000 and we still have up to 100–150 applicants for every rental apartment that becomes

vacant. The current slowdown in new construction is leading to increased demand for rental properties. Malmö's positive development, alongside its strong population growth, is reflected in current statistics from both the City of Malmö and the police, which show an improvement in school results and an increasing feeling of safety among Malmö residents*. The number of households receiving welfare support is also falling considerably.

Profitable investments

In 2023, we invested SEK 350 million in adaptations to meet tenants' requirements, apartment renovations, energy efficiency improvements and newly constructed apartments. These investments were made at a return of 7.1 percent, resulting in an increased net operating income of SEK 25 million.

Valuations – the difference between value and price

It is well known that there is a difference between the value and the price when it comes to properties. Property valuations should reflect the point where a buyer and a seller would meet in a normal market. The property deal with Stjernplan and the renewed interest in investing in residential properties towards the end of the year are clear signals that our valuations are in line with the transaction

market. We had valued 67 percent of our properties before year-end, resulting in write-downs of SEK 226 million.

In light of our own real estate transactions, as well as transactions in the market, we conclude that our book values are in line with current transaction market prices.

Strong and sustainable financing

Since 2022, we have renegotiated all of our loans at unchanged margins. Very few mature in 2024. During the fourth quarter and the early part of this year, we implemented interest rate hedges for 83 percent of our debt portfolio. This secures our earnings. Our loan-to-value ratio of 51.5 percent relative to total assets and our net operating income through borrowing of 7.4 percent provides stability.

Continued strong support from the main owners

During the fourth quarter, Trianon carried out a partial repurchase offer to the holders of Trianon's subordinated Trianon's subordinated sustainable hybrid bonds, through payment in newly issued ordinary shares in Trianon. Trianon, in order to improve cash flow and earnings per share. Through the offering, a total of SEK 370 million of Trianon's hybrid loan of SEK 500 million was converted into to ordinary shares, where the

company's four largest owners – who previously also owned the hybrid bond – Briban Invest AB, Grenspecialisten, Mats Cederholm and myself, participated in the offering and thereby increased their exposure in Trianon shares by the equivalent of a total of about SEK 300 million. I myself contributed SEK 100 million. All of the owners have expressed their common will to continue to support Trianon.

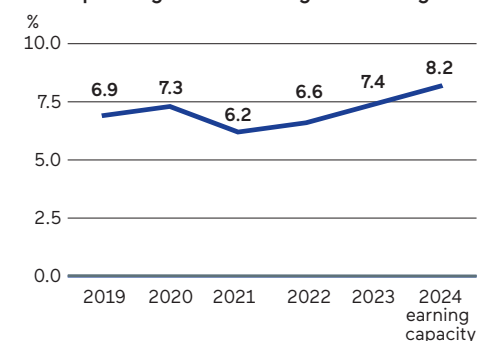
Goals and focus for the future

Of course, 2023 has been a challenging year for the company. That said, it has also been a year of change and adaptation, which has given us the scope to consolidate and head into 2024 with good cost control, where the interest rate hits have been absorbed, property values are stable and we have very secure rental income. All this in a city that is growing. I have said it before – we are in the right place in the right segment. Our long-term business is intact.



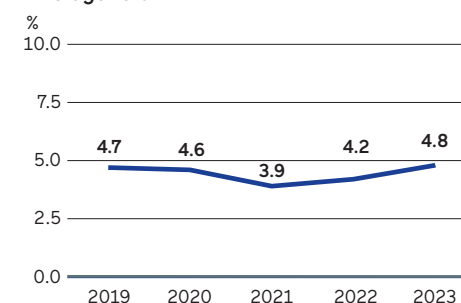
Olof Andersson, CEO

Net operating income through borrowing



The key figure shows net operating income before property administration in relation to net debt and is a measure of cash flow in relation to net debt.

Average return



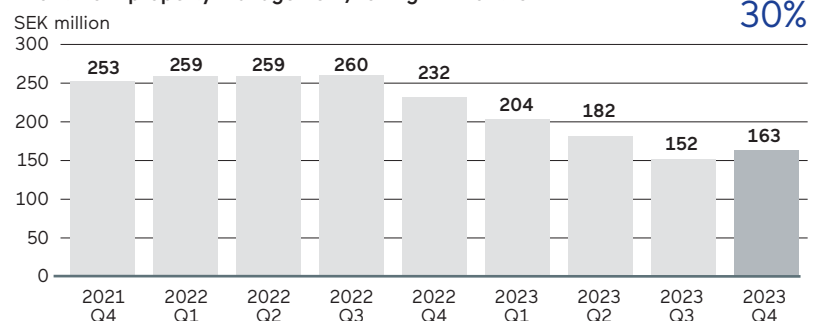
* Police safety survey 2023

Financial objectives

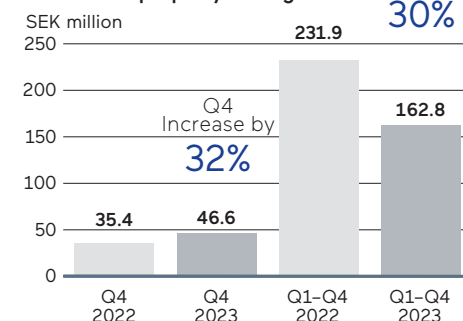
Trianon's financial objectives 2022–2024

- The profit from property management shall increase by 12 percent annually.
- Return on equity shall exceed 12 percent over an economic cycle.
- The loan-to-value ratio shall not exceed 60 percent.
- The interest coverage ratio shall exceed 1.75 times.
- Annual investment profit from the project portfolio shall amount to at least SEK 100 million.

Profit from property management, rolling 12 months



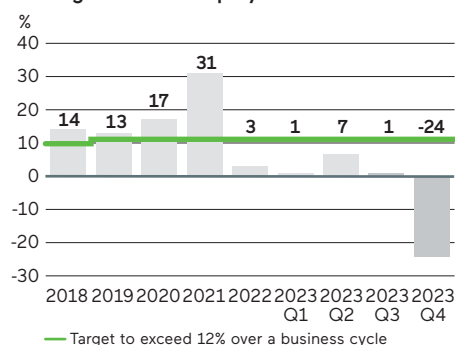
Profit from property management



Target to exceed 12% annually

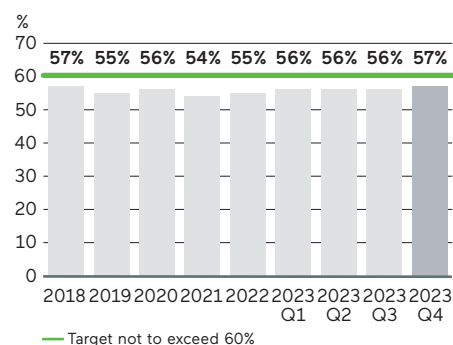
Average
5 years
12%

Average return on equity



Average
5 years
55%

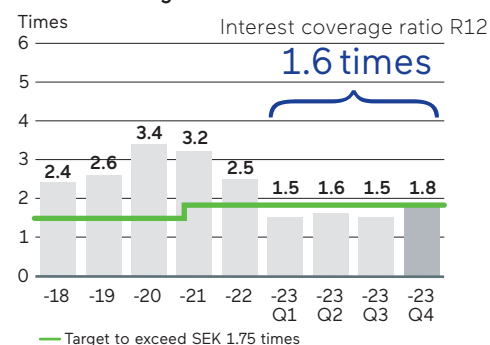
Loan-to-value ratio



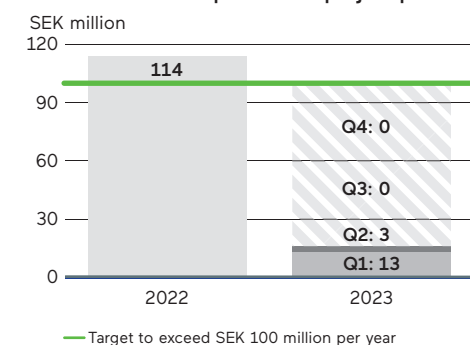
The loan-to-value ratio in relation to total assets amounted to 51.5 percent.

Average
5 years
2.6 times

Interest coverage ratio



Annual investment profit from project portfolio



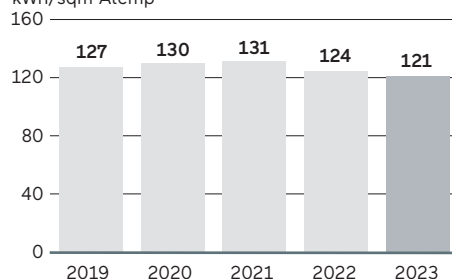
Trianon's sustainability objectives

Environmental objectives



Energy consumption

kWh/sqm Atemp



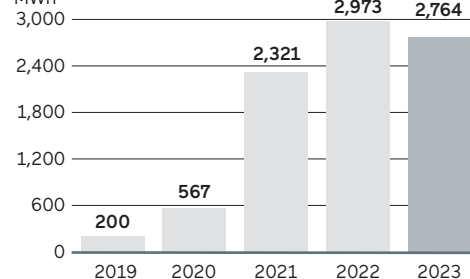
Target: Reduce energy consumption by 10 percent in kWh 2022-2024.

Reducing energy consumption

Trianon's target to reduce energy consumption by 10 percent over a three-year period corresponds to a reduction in carbon dioxide emissions of 418 tons CO₂e. Energy savings can be achieved in a variety of ways, such as recycling exhaust air, replacing windows, new district heating systems, new control equipment or new pumps. Measures designed to reduce the consumption of hot water also help to reduce energy use. The measures that are most suitable for each property is dependent on the design, year of construction and standard of the property. Average energy consumption decreased from 131 kWh/sqm Atemp in 2021 to 121 kWh/sqm Atemp in 2023, which is a reduction of 7.4 percent. Consumption includes properties owned throughout the respective calendar year. Properties acquired or sold during a calendar year are thus excluded from that year's values. Normal year-adjusted values have been used for energy consumption relating to heating.

Renewable energy, solar cell production

MWh



Target: Install solar cells equivalent to 100,000 kWh per year.

Increasing the share of renewable energy

Trianon's goal to increase the share of renewable energy in the property portfolio means an increased focus on the installation of solar cells. There are solar cell installations on several properties in Malmö, including Lindängen, Hermodsdal and Sofielund, but also on the roofs of Rosengård Centrum and Entré.

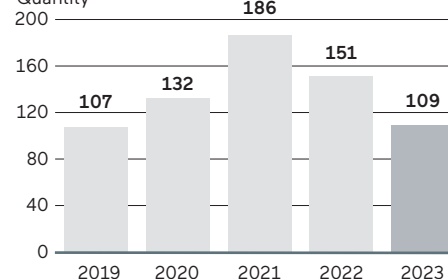
Two new PV plants have been completed in 2023 in the new construction projects in Sege Park, Malmö, and Svedala. Together, these plants have a total installed capacity of 147 kW and are expected to generate around 150,000 kWh per year, exceeding the target of 100 000 kWh per year by 50 percent. In 2023, Trianon's PV panels generated 2,764 MWh, corresponding to 17 percent of total electricity consumption.

Social objectives



Renovated apartments

Quantity



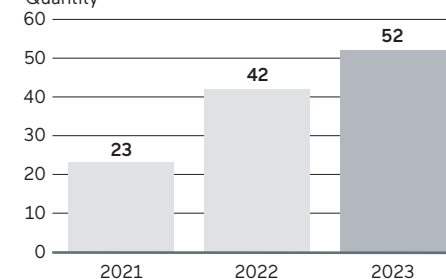
Target: To renovate apartments at a reasonable rent to promote long-term residence.

Renovate cost-effectively

To promote long-term residence, Trianon renovates cost-effectively and when relocating. The number of renovations amounted to 109 apartments during the year, which is fewer than in previous years due to the fact that fewer tenants moved in the unrenovated portfolio, but is also because the required return for renovations has become more difficult to achieve owing to higher market interest rates. The goal is to renovate 200 apartments annually, of which 150 according to Trianon's basic model to promote long-term retention.

Persons in employment including summer workers

Quantity



Target: Reduce unemployment.

Reducing unemployment

As part of our efforts to improve safety in our residential areas, Trianon has several job creation activities in progress. During the year, 34 young people got summer jobs, 5 adults received temporary employment in the initiative 'Skills give opportunity' and 13 people received internships via our contractors in new production projects. Stiftelsen Momentum, the non-profit foundation of Trianon and MKB, organises activities during the school holidays for younger children in Nydala, Hermodsdal, Lindängen and Rosengård. The programme includes activities such as a summer swimming school, basketball, football, circus school and book circles.

» You will find all of Trianon's sustainability objectives on page 21 of the Annual and Sustainability Report 2022.

Trianon in brief

Trianon is an entrepreneurial property company that owns, manages, acquires, develops and builds both residential and commercial premises in Malmö and the surrounding area. The company works for sustainable housing and social responsibility.

We are long-term – with commitment, innovation and courage

Trianon owns, manages, develops and builds properties in Malmö and the surrounding area. With a long-term approach and through commitment, innovative thinking and courage, Trianon works for sustainable urban development.

Acquire and own – our property portfolio is mainly located in Malmö and the surrounding area. We take a long-term view of our ownership and build the portfolio based on our knowledge of the region.

Let and manage – We manage our properties with our own personnel to provide our customers with a local and personal service.

Develop – Every building and every neighbourhood has its own development potential, which we take advantage of. We take an active part in long-term sustainable urban development.

Build – We build new homes in a market with a major housing shortage and so contribute to the growth of the region.

Sustainability

Trianon's committed sustainability work leads to positive social development and the fulfilment of several of the global goals within the framework of Agenda 2030.

Core values

Our core values are at the heart of our work. With commitment, innovation and courage, we build our company and our Malmö for the future.



The strength of our business is the management and development of properties and areas. Through leasing, value-creating investments, new production and acquisitions, we create value for tenants, communities and shareholders.



**ACQUIRE
AND OWN**



**LEASE AND
MANAGE**



DEVELOP



BUILD



Through **COMMITMENT**, **NEW THINKING** and **COURAGE**, Trianon will promote sustainable urban development.

Condensed consolidated statement of comprehensive income

SEK million	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Rental income	183.1	173.6	732.8	688.3
Property costs	-64.7	-69.3	-252.0	-273.4
Income from development properties	5.8	6.7	21.4	90.6
Development property costs	-5.8	-6.7	-19.6	-82.2
Other income	5.1	2.2	15.7	16.3
Net operating income	123.4	106.4	498.3	439.6
Central administration	-20.4	-21.5	-67.2	-72.9
Income from shares in associates and joint ventures	9.0	3.7	31.7	22.2
<i>of which management income from associates and joint ventures</i>	2.7	1.6	11.5	14.0
Financial income	9.8	7.8	33.8	9.2
Interest cost on right of use (leasehold)	-1.5	-1.5	-6.1	-6.1
Financial expenses	-67.4	-57.4	-307.4	-151.9
Profit or loss including changes in value and taxes in associates and joint ventures	53.0	37.5	183.1	240.1
Profit from property management	46.6	35.4	162.9	231.8
Change in value of investment property	-225.7	-412.1	-272.6	-234.5
<i>of which changes in value related to projects</i>	0.0	21.8	15.6	113.8
Change in value of derivatives	-189.7	-6.3	-151.4	196.4
Profit/loss before tax	-362.4	-380.9	-240.9	201.9
Tax on profit for the period	47.9	71.2	34.8	-30.5
Profit for the period	-314.5	-309.7	-206.1	171.4
Other comprehensive income	0.0	0.0	0.0	0.0
Comprehensive income for the period	-314.5	-309.7	-206.1	171.4
Comprehensive income for the period attributable to:				
Shareholders of the parent company	-314.5	-309.7	-206.1	171.4
Non-controlling interests	0.0	0.0	0.0	0.0
Profit/loss for the year attributable to the shareholders of the parent company, SEK per share before dilution*	-1.95	-2.05	-1.59	0.84
Profit/loss for the year attributable to the shareholders of the parent company, SEK per share after dilution	-1.95	-2.05	-1.59	0.84**
Average number of outstanding shares before dilution, thousand*	163,582.0	157,439.7	159,037.4	157,127.6
Average number of outstanding shares after dilution, thousand	163,582.0	157,439.0	159,037.4	157,324.0**

* The average number of shares is a weighted average for the period taking into account the issue through conversion of 407,690 shares on 20 September 2022, the conversion of 92,307 shares on 6 December 2022 and the conversion of 26,618,705 shares on 11 December 2023.

** Dilution relating to 3-year convertible loans maturing in 2022, converted at the end of 2022.

Commentary

To the condensed consolidated statement of comprehensive income

The income statement items below refer to the period January–September 2023 unless otherwise stated. The comparative items in brackets refer to amounts for the corresponding period last year.

Rental income

Rental income for the period amounted to SEK 732.8 million (688.3), which corresponds to an increase of 6 percent. The increase in the like-for-like portfolio was 10 percent.

The increase is mainly attributable to rent increases, new leasing and completion of projects. Net letting for the period amounted to SEK 7.2 million (21.4), including joint ventures. Total new leasing (newly signed contracts) amounted to SEK 18 million during 2023. The economic occupancy rate was 96 percent (95). The total rental value amounted to SEK 820.3 million (798.4). The increase is mainly due to rent increases and new lettings during the year. Rental income for the fourth quarter increased by 5 percent to SEK 183.1 million (173.6). The increase in the like-for-like portfolio was 12 percent.

Other income

Other income amounted to SEK 15.7 million (16.3) and is mainly attributable to income from property management and other compensations.

Property costs

Property costs amounted to SEK 252.0 million (273.4). Operating costs are affected by the usual seasonal variation in electricity and heating costs, which have the greatest impact during the first and fourth quarters. Property costs for the fourth quarter amounted to SEK 64.7 million (69.3). Electricity support has been paid and reduced costs

by SEK 12 million. Renovation work on apartments continues, with 109 (151) apartments being renovated during the year and 13 apartments (39) during the fourth quarter. The renovation of apartments is carried out in connection with turnover in the residential portfolio and the target is to renovate 200 apartments per year. The required return for the renovation of apartments has increased to 10 percent, resulting in slightly fewer apartments being renovated.

Net operating income

Net operating income for the period amounted to SEK 498.3 million (439.6), corresponding to an increase of 13 percent. The increase in the like-for-like portfolio was 16 percent. Net operating income for the fourth quarter increased by 16 percent to SEK 123.4 million (106.4). The increase in the like-for-like portfolio was 23 percent. The operating surplus for 2023 was 68 percent (63).

Central administration

Central administration amounted to SEK 67.2 million (72.9). Central administration consists of personnel costs for common Group functions, as well as the costs for IT, marketing, financial reports and audit fees. The total number of employees including both joint Group functions and property administration was 85 (88), of whom 44 (46) were white-collar staff.

Central administration was also charged with bad debts of SEK 0.9 million (8.4).

Other income including shares in associates and joint ventures

Income from shares in associates and joint ventures amounted to SEK 31.7 million (22.2)

including changes in value and tax. The change is mainly due to earnings from the sale of building rights in Burlöv and increased letting. Income from property management was negatively affected by changes in market interest rates. Income from property management from associates and joint ventures amounted to SEK 11.5 million (14.0).

Interest income and expenses and other financial expense

Financial expenses for the period amounted to SEK 307.4 million (151.9). The average interest rate for the period, including swap rates, was 3.9 percent (2.2). Financial expenses for the fourth quarter amounted to SEK 67.4 million (57.4). The average interest rate for the quarter amounted to 3.2 percent (2.8), affected by increased interest rate hedging and the capitalisation of interest expenses in completed new construction projects. The increase in financial expenses is mainly due to higher market interest rates during the year. Interest expenses for right-of-use assets relating to site leaseholds amounted to SEK 6.1 million (6.1).

Changes in the value of properties and financial instruments

Changes in the value of investment properties amounted to SEK -272.6 million (-234.5) for the period, of which SEK 15.6 million (113.8) represented changes in value related to projects. Realised changes in value amounted to SEK 42.0 million (0.6). Write-downs amounted to approximately 2.6 per cent of the property value at the beginning of the year and 1.7 per cent during the fourth quarter. Negative changes in value due to increased yield requirements were offset by newly signed leases in the commercial portfolio,

residential rent rises and continued development in the existing portfolio. At year-end, 67 percent of the property value has been externally valued, with 90 percent valued in 2023. The remaining properties have been valued internally. The direct yield for the full property portfolio was 4.8 percent (4.2), excluding project properties and properties sold (but not vacated), and the yield on residential properties was 4.6 percent (4.0).

Changes in the value of derivative instruments for the period amounted to SEK -151.4 million (196.4). For more information, see page 13.

Taxes

Reported tax for the period amounted to SEK 34.8 million (-30.5). Deferred tax attributable to investment properties amounted to SEK -10.5 million (6.8), changes in the value of derivative instruments to SEK 31.2 million (-13.2), untaxed reserves to SEK -3.9 million (-3.5) and deficits in Group companies to SEK 33.7 million (-12.1). Current tax amounted to SEK -15.7 million (-8.5).

Comprehensive income

Comprehensive income for the period amounted to SEK -206.1 million (171.4), of which SEK -206.1 million (171.4) was attributable to shareholders of the parent company. The profit for the period corresponds to earnings per share of SEK -1.59 (0.84) before and after dilution. Return on equity was -3.9 percent (3.2). Comprehensive income for the fourth quarter amounted to SEK -314.5 million (-309.7), corresponding to SEK -1.95 per share (-2.05) and a return on equity of -24.3 percent (-22.6).

Consolidated statement of financial position

Condensed consolidated balance sheet

SEK million	31 Dec 2023	31 Dec 2022
ASSETS		
<i>Property, plant and equipment</i>		
Investment properties	12,288.6	12,862.6
Right of use, leasehold land	181.6	181.4
Machinery and equipment	3.6	3.5
Total property, plant and equipment	12,473.9	13,047.5
<i>Financial non-current assets</i>		
Investments in associates and joint ventures	533.2	475.2
Other holdings of securities	150.0	0.0
Receivables from associates and joint ventures	41.0	34.6
Derivative instruments	9.6	0.0
Other non-current receivables	11.8	12.8
Total financial non-current assets	745.6	522.6
Deferred tax assets	110.7	35.5
Total non-current assets	13,330.1	13,605.6
<i>Current assets</i>		
Current receivables	141.3	63.3
Receivables from associates and joint ventures	48.3	16.7
Derivative instruments	0.0	22.2
Cash and cash equivalents	109.8	90.0
Total current assets	299.4	192.2
TOTAL ASSETS	13,629.5	13,797.7

SEK million	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES		
Equity attributable to parent company shareholders	5,020.3	5,372.9
Non-controlling interests	0.0	0.0
Total equity	5,020.3	5,372.9
<i>Non-current liabilities</i>		
Interest-bearing liabilities	5,239.5	4,127.0
Other non-current liabilities	2.9	3.6
Lease liabilities	181.6	182.3
Derivative instruments	166.9	28.2
Deferred tax liability	841.4	855.1
Total non-current liabilities	6,432.3	5,196.3
<i>Current liabilities</i>		
Interest-bearing liabilities	1,861.1	2,980.4
Bank overdraft facility	21.7	0.0
Other current liabilities	294.2	248.2
Total current liabilities	2,177.0	3,228.6
TOTAL EQUITY AND LIABILITIES	13,629.5	13,797.7

Commentary

To the consolidated statement of financial position

The amounts for balance sheet items and comparative figures refer to the position at the close of the period. Comparative figures in brackets refer to the corresponding period last year.

Property portfolio

Trianon's property portfolio is located in Malmö and the surrounding area and consists of residential, community and commercial properties. The properties are mainly located in Malmö, but also in Svedala and Burlöv municipalities. The property portfolio consists of 131 properties with a total rentable area of 455,485 square metres, excluding 3,000 garage and parking spaces, as well as properties recognised as associates and joint ventures. Residential and community properties represent 85 percent of the property value. During the period, SEK 349.7 million (554.9) was invested in existing properties. The investment consisted of ongoing apartment renovations in the residential portfolio, adaptations to meet tenants' require-

ments in business premises, and new construction projects.

Acquisitions and divestments

During the second quarter of 2023, agreements were signed regarding the sale of 45 properties of 65,500 square metres in Skurup, Eslöv, Landskrona, Trelleborg, northern Skåne and Stockholm. The agreed property value amounted to SEK 1.3 billion and the planned divestment of the properties is scheduled for the second and fourth quarters of 2023. The sale involved a streamlining of the portfolio and concentrates the property portfolio in the municipalities of Malmö, Burlöv and Svedala. At the end of June 2023, the divestment of 18 properties took place in accordance with the agreement at an agreed property value of SEK 645 million. Realised change in value amounted to SEK 40.9 million. During the fourth quarter, seven properties in Osby were divested. Trianon will remain a 50% part owner of the properties in

Osby during 2024. Also the property portfolio in Landskrona and Stockholm is planned to be divested during 2024. Trianon has received a down payment in the form of shares in Stjernplan AB (publ) for the final part of the transaction.

A small office property was acquired at Limhamn during the second quarter, at an agreed property value of SEK 35 million.

Possession was taken of the Svedala 1:87 property, which has 53 apartments in Svedala, during the second quarter. The property, which was built with government investment support, is fully let and occupied from 1 May 2023 onwards.

Project portfolio

The new construction projects in Sege Park and Hyllie, with a total of 138 apartments, have been completed and tenants moved in during 2023. On page 12 is a summary of the current project portfolio. The project summary includes land allocation for Svedala 25:18 in Svedala. A total of

around 600 apartments are in the project plan for new production with the current zoning plan, including joint venture. In addition, construction is ready to begin on 129 apartments in the part-owned property Rosengård Centrum now that planning permission has been granted. No new projects have been started during the period.

Property valuation

The fair value of investment properties amounted to SEK 12,288.6 million (12,862.6). Changes in the value of investment properties for the year amounted to SEK -272.6 million (-234.5). Realised changes in value amounted to SEK 42.0 million (0.6), changes in value related to projects to SEK 15.6 million (113.8) and other changes in value to SEK -330.2 million (-348.9). Write-downs amounted to approximately 2.6 per cent of the property value at the beginning of the year and 1.7 per cent during the fourth quarter. Negative changes in value due to increased yield requirements were offset by newly signed leases in the commercial portfolio, residential rent rises and continued development in the existing portfolio. At year-end, 67 percent of the property value has been externally valued, with 90 percent valued in 2023. The remaining properties have been valued internally. The direct yield for the full property portfolio was 4.8 percent (4.2), excluding project properties and properties sold (but not vacated), and the yield on residential properties was 4.6 percent (4.0). Potential building rights have not been valued for existing properties or have been valued at any costs paid.

Change in fair value of investment property

SEK million	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
Fair value at the beginning of the period	12,568.3	12,552.6	12,964.8	12,862.6	13,136.2
Investments via companies*	0.0	0.0	146.7	0.0	0.0
Investments in existing properties	77.0	85.7	75.5	111.4	138.5
Sales via companies	0.0	0.0	-626.2	0.0	0.0
Sales to associates and joint ventures	129.5	0.0	0.0	0.0	0.0
Change in value	-227.2	-70.0	-8.2	-9.2	-412.1
Fair value at the end of the period	12,288.6	12,568.3	12,552.6	12,964.8	12,862.6

* Acquisition of property through companies.

Project portfolio

Project properties	Number of apartments	Gross total area, m²	Living area/ Area of premises m²	Estimated investment, SEK million*	Costs incurred, SEK million	Estimated rental value, SEK million	Expected construction start	Expected completion
Projects with an existing detailed plan								
Badmössan 1, Hyllie (premises and rental apartments)	73	5,445	4,206	185	174	11	2021	2024
Svedala 22:8 (terraced houses)	21	3,600	3,050		10		Not decided	
Centralköket 3, Sege Park (residential)	11	1,580	1,232		14		Not decided	
Fjällrutan 1 (residential)	12	1,050	900		0		Not decided	
Total projects with existing detailed plans	117	11,675	9,388	185	198	11		
Projects under detailed planning								
Svedala 25:18	120	11,300	8,900		2		Not decided	
Husie 172:75, Malmö	60	9,000			4		Not decided	
Spiralen 10, Malmö**	180	17,000			3		Not decided	
Total projects under detailed planning	360	37,300	8,900	0	8	0		
Total project portfolio	477	48,975	18,288	185	206	11		
Divested with future possession								
Norra Sorgenfri, phase 1 and phase 2**	385	22,200	16,650	726	102	37	2022	2026/2027

* Estimated investment is indicated only after investment decision.

** Estimated additional residential building rights in kv Spiralen including contracted but not yet completed acquisitions, Spiralen 6 and Spiralen 11.

*** Norra Sorgenfri, phases 1 and 2 sold, with possession when the property is completed.

Joint venture	Number of apartments	Gross total area, m²	Living area/ Area of premises m²	Estimated investment, SEK million*	Costs incurred, SEK million	Estimated rental value, SEK million	Expected construction start	Expected completion
Kvarteret Hanna, Burlöv (premises, rental and condominiums)	111	16,600	11,500	463	278	18	2022	2024/2025
Rosengård Centrum, phase 1 Södra	54	5,400	4,600		3		2025	2027
Tågarp 15:4, phase 1 (Burlöv Center)	258	39,000			18		2024/2025	2026/2027
Bojen 1 and Fendern 1 (Silos at Limhamn)	130	13,400					2025	2027
Rosengård Centrum, phase 1 Norra	75	7,000			3		2025	2027
Tågarp 15:4, phase 2 (Burlöv Center)	850	100,000			3			
Smedjan 2, Malmö			8,200**					
Total	1,478	181,400	24,300	463	306	18		

Possible future detailed plans

Rosengård Centrum, phases 2 and 3

* Estimated investment is indicated only after investment decision.

** Refers to new Living area/Area of premises.

Liabilities

Consolidated interest-bearing liabilities amounted to SEK 7,100.6 million (7,107.3) at the end of the period. The liability has reduced as a result of property sales and amortisation and has increased through investments in existing properties as well as new production. Approved overdraft facilities amounted to SEK 60 million (35) of which SEK 21.7 million (0.0) was utilised. Interest-bearing liabilities included bond loans of SEK 222.7 million (398.8) recognised net after the deduction of transaction costs.

During the third quarter, a bond loan of SEK 220 million maturing in August 2023 was replaced with a bank loan at a lower margin. As a result, the share of bank financing amounts to 98 percent.

In June 2023, Trianon issued senior unsecured sustainable bonds of SEK 150 million and subsequently a tap of SEK 75 million in December 2023. The total framework amounts to SEK 500 million and the issued amount to SEK 225 million at the end of the period. The sustainable bonds have a maturity of 2 years with final maturity in June 2025 and carry an interest rate of Stibor 3m + 500 basis points. The bond loan is listed on Nasdaq Stockholm's list of sustainable bonds.

Trianon's fixed interest period amounted to 2.6 years (0.5). Most of the interest rate swaps have been made during the first two quarters and at the end of the period, increasing the hedge ratio and average fixed interest period. Interest rate swaps totalled SEK 4,350 million and are reported in the table. The company has previously entered into a swaption agreement for SEK 1.0 billion at an interest rate of 2.5 percent beginning in November 2024, which is not included in the calculation of the fixed-interest period. At the beginning of January 2024, existing variable-rate loans were converted to fixed-rate loans in the amount of SEK 1,485 million for 1 to 2 years, which is taken into account in the hedge ratio. The hedge ratio amounted to 83 percent of the outstanding loan portfolio excluding swaption and 96 percent including swaption.

The average interest rate during the period was 3.9 percent (2.2) including swap rates. The derivatives portfolio amounted to SEK 166.9 million (28.2) in liabilities and SEK 9.6 million (22.2) in receivables at the end of the period. The capital tie-up period at the end of the period was 2.9 years (3.2).

The loan-to-value ratio amounted to 57.1 percent (54.6). Calculated on total assets, the loan-to-value ratio amounted to 51.5 percent (50.9).

Hybrid bond

In November 2022, Trianon issued new subordinated sustainable hybrid bonds for a total of SEK 500 million with perpetual maturity and with the first ordinary redemption date three years after the issue date. The new bonds carry a variable interest rate of Stibor 3m + 7 percent and are recognised as equity less transaction costs. In December 2023, a voluntary buyback offer was made for the hybrid bonds by way of set-off against new class B shares in the company. In total, SEK 370 million of the hybrid bonds were repurchased, leaving SEK 130 million outstanding at the end of the period. For further information, see Trianon's website, www.trianon.se.

Equity, equity ratio and cash and cash equivalents

Equity amounted to SEK 5,020.3 million (5,372.9). Equity has been affected by the repurchase of hybrid bonds in the amount of SEK -98.0 million (0.0) and the dividend linked to the hybrid bonds in the amount of SEK -58.5 million (-39.8). Conversion of hybrid bonds to shares has had a net impact on equity of SEK -1.6 million. Equity per share amounted to SEK 27.27 (34.11), and to SEK 26.58 per share (31.14) after the deduction of equity attributable to the hybrid bonds. The equity ratio was 36.8 percent (38.9) at the end of the period including hybrid capital. Consolidated cash and cash equivalents amounted to SEK 109.8 million (90.0). Unutilised overdraft facilities at the end of the period amounted to SEK 38.3 million (35.0).

Sustainable financing

Since 2022, Trianon has had an updated framework for sustainable financing of social and green assets. The framework has been established in accordance with the Sustainability Bond Guidelines (developed by ICMA) as well as the Green Loan Principles and Social Loan Principles (developed by the LMA). An independent third party, ISS ESG, has performed an external review of the framework. Both the hybrid bond and the new senior bond 2023 are issued under this framework.

In addition to the framework, Trianon has bilateral financing agreements linked to green and social objectives, which if the targets are met, lead to lower interest rates.

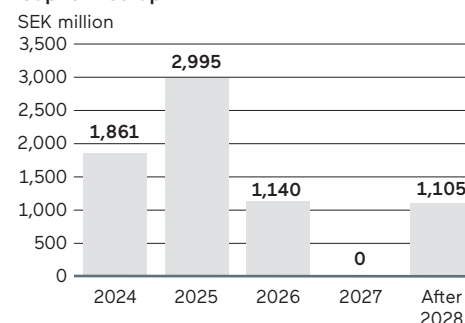
The total share of sustainable financing amounts to approximately 38 percent of total interest-bearing liabilities including hybrid bonds.

Derivative financial instruments

Maturity, Year	Nominal amount, SEK million	Unrealised change in value, SEK million	Average interest rate, %
2025	2,000	-77.3	2.7
2026	250	-9.6	2.5
2028	1,400	3.8	2.6
2029	250	-9.7	3.0
2032	200	-13.1	3.1
2033	250	-10.9	2.8
	4,350	-116.8	2.7

In addition to the above derivatives, a swaption with a nominal amount of SEK 1 billion has been sold with a maturity of 8 years at a fixed interest rate of 2.50 percent. The derivative has not affected the average fixed interest period, as it has a start date of 2024. The derivative liability linked to swaptions amounted to SEK -40.5 million.

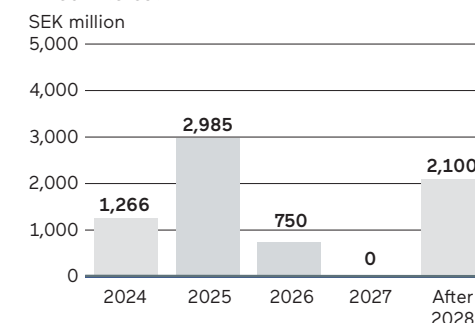
Capital tied up



Cash flow

Cash flow for the period amounted to SEK 19,8 million (2.6). Cash flow was affected by investments in existing properties of SEK 349,7 million (-554.9). Financing activities were affected by the raising of loans on existing and acquired properties of SEK 920,2 million (523.9), the amortisation and repayment of loans of SEK 551,8 million (-294.8) and the dividend on hybrid bonds of SEK 58,5 million (-39.8). Cash flow from operating activities before changes in working capital amounted to SEK 149.3 million (336.9) for the period. Cash and cash equivalents at the end of the period amounted to SEK 109,8 (90.0) million.

Fixed interest



Current earning capacity of Group companies

The table below shows earning capacity on a 12-month basis. It is important to note that the current earning capacity is not to be equated with a forecast for the coming 12 months.

For example, the earning capacity does not include assessment of changes in rents, vacancies, or interest rates. Trianon's income statement is also affected by changes in the value of the property portfolio as well as future acquisitions and/or property sales. The income statement is also

affected by changes in the value of derivatives. This has also not been taken into account in the current earning capacity.

The earning capacity is based on the property portfolio's contracted rental income, estimated property costs in a normal year and administration costs. Properties acquired during the period have been adjusted to a full year. Costs for interest-bearing liabilities have been based on an average interest rate of 4.4 percent including the effect of derivative instruments and fixed-rate loans calculated on the net debt.

Current earning capacity, 12 months

Group companies SEK million	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
Rental value*	820.3	793.2	778.9	805.9	798.4
Vacancies	-33.3	-31.4	-29.7	-27.0	-28.2
Contracted vacancies	-1.5	-2.1	-2.6	-3.7	-3.8
Discounts	-7.2	-7.6	-7.5	-8.8	-8.2
Other income	8.2	6.7	6.7	6.7	6.7
Rental income	786.4	758.9	745.9	773.1	765.0
Property costs	-210.3	-213.8	-212.5	-228.1	-226.8
Property administration	-21.1	-22.6	-22.7	-23.3	-22.1
Net operating income	555.0	522.5	510.7	521.7	516.0
Surplus ratio, %	71	69	68	67	67
Central administration	-62.2	-61.6	-64.1	-65.4	-65.4
Profit/loss from participations in associates and joint ventures	13.8	15.3	19.6	25.1	24.2
Ground rent	-6.1	-6.1	-6.1	-6.1	-6.1
Financial income and expenses**	-309.5	-285.2	-271.3	-265.7	-196.1
Profit from property management	191.0	184.9	188.8	209.6	272.6
Interest coverage ratio, times	1.6	1.6	1.7	1.8	2.4

* The rental value decreased by SEK 46 million through the sale made in the second quarter of 2023.

The rent increase in Malmö for housing for 2024 is assumed to be an average of 5.7 percent from January 1, 2024 based on 2023's outgoing rents. After the end of the period, agreements were signed on rent increases in Malmö totaling 10.2 percent for 2024 and 2025.

** Based on an average interest rate of 4.4 percent on net debt at the end of the period.



In 2023, Trianon has signed a lease agreement with Berättarministeriet in Rolf 6, Entré. Berättarministeriet works to reduce the negative consequences on children's education by supporting teachers and students in schools with a high socio-economic index

Current earning capacity of associates and joint ventures

The table below shows the earning capacity of associates and joint ventures on a 12-month basis. It is important to note that the current earning capacity is not to be equated with a forecast for the coming 12 months. The table is presented as 100 percent of the earning capacity of the property, and Trianon's ownership share is shown in the table below. This has been calculated according

to the same principles as for Group companies. Together with Wallfast, Trianon acquired the Burlöv Center property at the end of 2020, a large urban development project with the potential development of 1,000 homes. Rosengård Centrum has been owned since 1 September 2021 in a joint venture involving Trianon, Brunswick Real Estate and Bonnier Fastigheter. The joint venture will develop Rosengård Centrum with new retail units, community services and homes.

During the fourth quarter, 7 properties in Osby were divested in connection with the deal agreed with Stjernplan AB (publ). Trianon will remain part owner of the properties in Osby during 2024 and these are therefore recognised as associates.

Current earning capacity, 12 months

Associates and joint ventures SEK million	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
Rental value	178.9	161.4	167.0	165.9	164.7
Vacancies	-18.6	-19.5	-17.1	-19.2	-19.7
Contracted vacancies	-0.5	-1.2	-1.9	-0.2	-0.2
Discounts	-5.8	-5.9	-6.0	-5.4	-5.5
Rental income	154.0	134.8	142.0	141.2	139.3
Property costs	-52.4	-49.0	-49.0	-49.0	-49.0
Property administration	-4.5	-2.6	-2.6	-2.6	-2.6
Net operating income	97.1	83.2	90.5	89.6	87.8
Surplus ratio, %	63	62	64	63	63
Central administration	-19.5	-17.7	-17.7	-17.7	-17.7
Ground rent	-1.7	-1.7	-1.7	-1.7	-1.7
Financial income and expenses	-48.3	-33.2	-31.9	-20.0	-20.0
Profit from property management	27.6	30.6	39.2	50.2	48.3

Shareholdings in associates and joint ventures

Property	Trianon's share
Burlöv Arlöv 22:189	50%
Burlöv Kv Hanna	50%
Burlöv Tågarp 15:4, Burlöv Center	50%
Malmö Bojen 1	50%
Malmö Fendern 1	50%
Malmö Landshövdingen 1, Rosengård Centrum	50%
Malmö Smedjan 2	50%
Osby Kandidaten 7	50%
Osby Linjalen 1	50%
Osby Linjalen 11	50%
Osby Linjalen 12	50%
Osby Linjalen 13	50%
Osby Linjalen 14	50%
Osby Smeden 16	50%

Earning capacity by segment

Property category	Quantity properties	Quantity apartments	Rentable area, m ²	Property value		Rental value	
				SEK million	SEK/m ²	SEK million	SEK/m ²
Residential*	62	4,078	295,632	8,154	27,581	514	1,737
Community	17	166	47,959	1,454	30,308	104	2,165
Commercial	16	62	63,389	1,834	28,934	155	2,446
Total excluding project properties	95	4,306	406,980	11,442	28,113	772	1,898
Properties sold (not vacated)**	19	289	18,168	508	27,942	28	1,548
Projects	17	54	30,337	339	-	20	-
Total including project properties	131	4,649	455,485	12,288	26,977	820	1,801

Trianon's property portfolio, 31 December 2023

The table by property category shows a summary of the properties owned by Trianon on 31 December 2023 and reflects the contracted revenue for the properties on an annual basis on 1 January 2024, and costs on an annual basis as if the properties had been owned throughout the preceding 12-month period. Here, acquired and completed properties have been recalculated as if they had been owned or completed during the preceding 12-month period.

For a complete list of properties, see Trianon's website, www.trianon.se.

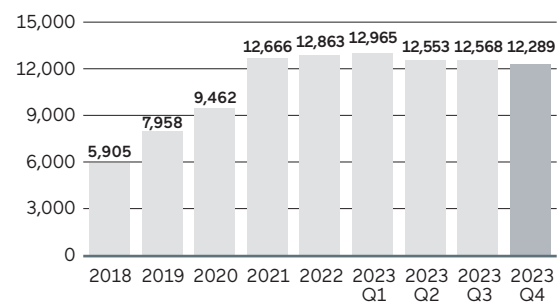
Property category	Economic occupancy rate, %	Rental income, SEK million	Net operating income, SEK million	Surplus ratio, %	Net operating profit, excl. admin, SEK million	Direct yield excl. admin, %
Residential*	99	507	358	71	372	4.6
Community	95	99	75	77	78	5.4
Commercial	88	136	96	71	99	5.4
Total excluding project properties	96	741	530	71	549	4.8
Properties sold (not vacated)**	99	28	17	61	18	3.5
Projects	-	9	0	-	1	-
Total including project properties	95	778	547	70	568	4.6

The classification of the properties above is based on the predominant share of rental value.

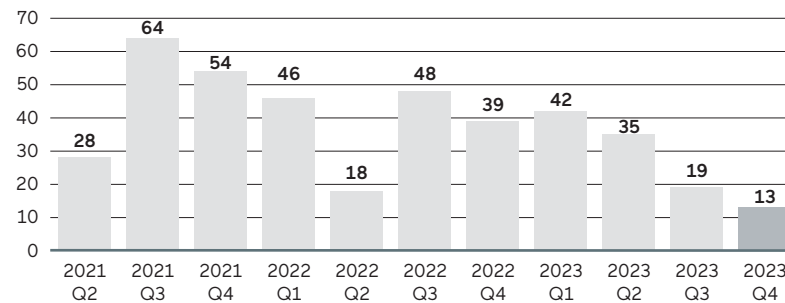
* The rental value as at 31 December 2023 from apartments only, excluding block agreements, in the entire property portfolio averaged SEK 1,514 per square metre.

** Properties sold (not vacated) refers to properties sold to Stjernplan but not yet vacated.

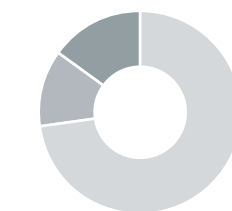
Fair value of investment properties, SEK million



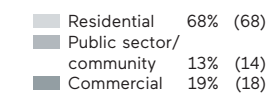
Number of renovated apartments per quarter



Property value per segment



Rental value per segment



In Liljan 12 in Malmö city center
restaurant Ruths from Trianon

Condensed consolidated statement of changes in equity

SEK million	31 Dec 2023	31 Dec 2022
Total equity at the beginning of the period	5,372.9	5,243.9
<i>Equity attributable to parent company shareholders</i>		
Amount at the beginning of the period	5,372.9	5,217.3
New issue	368.4	9.8
Dividends	0.0	-78.5
Hybrid bond issue	0.0	497.1
Repurchase of hybrid bond	-98.0	-402.0
Dividend, hybrid bond	-58.5	-39.8
Tax, hybrid bond	11.6	0.0
Conversion of hybrid bond	-370.0	0.0
Acquisition of non-controlling interests	0.0	-2.5
Profit/loss and comprehensive income for the period excluding non-controlling interests	-206.1	171.4
Equity attributable to the parent company shareholders at the end of the period	5,020.3	5,372.9
<i>Equity attributable to non-controlling interests</i>		
Amount at the beginning of the period	0.0	26.6
Acquisition of minority	0.0	-26.6
Equity attributable to non-controlling interests at the end of the period	0.0	0.0
Total equity at the end of the period	5,020.3	5,372.9

Condensed cash flows

SEK million	Jan-Dec 2023	Jan-Dec 2022
Cash flow from operating activities		
Net operating income	498.2	439.6
Central administration	-67.2	-72.9
Net financial charges paid	-279.8	-23.1
Non-cash items	0.1	-6.2
Income tax paid	-2.0	-0.5
Cash flow from operating activities before changes in working capital	149.3	336.9
Changes in working capital		
Changes in operating receivables	9.0	137.0
Changes in operating liabilities	-29.4	-32.6
Cash flow from operating activities	128.9	441.2
Investing activities		
Investment in investment properties	-349.7	-554.9
Acquisition of investment properties via subsidiaries	-80.8	-7.7
Other investments in property, plant and equipment	-0.1	-0.5
Sale of investment properties via subsidiaries	115.1	0.0
Sales of subsidiaries to associates and joint ventures	10.1	36.2
Sale of property	4.6	0.0
Change in investments in associates and joint ventures	-15.3	0.0
Investment receivables, associates and joint ventures	-26.2	-91.6
Amortisation of financial non-current assets	1.0	3.0
Cash flow from investing activities	-341.3	-615.6
Financing activities		
Loans raised	920.2	523.9
Amortisation of loans	-151.8	-117.6
Repayment of other loans and deposits	-400.0	-177.1
Change in overdraft facilities	21.7	0.0
Acquisition of shares from non-controlling interests	0.0	-29.0
Hybrid bond, issue	0.0	497.1
Hybrid bond, repurchase	-99.3	-402.0
Hybrid bond, dividend	-58.5	-39.8
Dividends paid	0.0	-78.5
Cash flow from financing activities	232.3	177.0
Cash flow for the period	19.8	2.6
Cash and cash equivalents at the beginning of the period	90.0	87.4
Cash and cash equivalents at the end of the period	109.8	90.0

Group key figures

Trianon presents certain financial measures in its reports which are not defined under IFRS. Trianon believes that these measures provide valuable supplementary information to investors and the company's management as they enable the evaluation of the company's performance. As not all companies calculate financial measures in the same way, these are not always comparable with measures used by other companies. Consequently, these measures should not be seen as a substitute for measures defined under IFRS. The following table presents measures that are not defined under IFRS, unless otherwise stated. In addition, the definitions of these measures can be found on page 27.

The following financial targets were set by the Board of Directors and apply for the period 2022–2024.

- Profit from property management shall increase by 12 percent annually.
- Return on equity shall exceed 12 percent over an economic cycle.
- The loan-to-value ratio shall not exceed 60 percent.
- The interest coverage rate shall exceed 1.75 times.
- Annual investment profit from the project portfolio shall amount to at least SEK 100 million.

Financial	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Return on equity, %	-24.3	-22.6	-3.9	3.2
Interest coverage ratio, times	1.8	1.6	1.6	2.4
Equity ratio, %	36.8	38.9	36.8	38.9
Average interest rate, %	3.2	2.8	3.9	2.2
Profit from property management, SEK million	46.6	35.4	162.9	231.8
Change in profit from property management compared with the same period last year, %	31.8	-44.8	-29.7	-8.4
Profit before tax, SEK million	-362.4	-380.9	-240.9	201.9
Comprehensive income for the period, SEK million	-314.5	-309.7	-206.1	171.4
Comprehensive income for the period attributable to the parent company's shareholders, SEK million	-314.5	-309.7	-206.1	171.4
Equity, SEK million	5,020.3	5,372.9	5,020.3	5,372.9
Equity attributable to the parent company's shareholders, SEK million	5,020.3	5,372.9	5,020.3	5,372.9
Equity attributable to the parent company's shareholders after the deduction of equity attributable to hybrid bonds, SEK million	4,893.8	4,905.0	4,893.8	4,905.0
Long-term net worth, SEK million	5,908.3	6,198.4	5,908.3	6,198.4
Long-term net worth after the deduction of equity attributable to hybrid bonds, SEK million	5,781.8	5,730.6	5,781.8	5,730.6
Total assets, SEK million	13,629.6	13,797.7	13,629.6	13,797.7

Equity-related	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Number of shares outstanding, thousand*	184,124.7	157,506.0	184,124.7	157,506.0
Average number of shares outstanding, thousand*	163,582.0	157,439.7	159,037.4	157,127.6
Equity per share, SEK	27.27	34.11	27.27	34.11
Equity per share, SEK**	26.58	31.14	26.58	31.14
Earnings per share, SEK*	-1.95	-2.05	-1.59	0.84
Long-term net worth per share, SEK	32.09	39.35	32.09	39.35
Long-term net worth per share, SEK**	31.40	36.38	31.40	36.38

* Definition in accordance with IFRS. ** After the deduction of equity attributable to the hybrid bond. Historical key figures per share have been recalculated taking into account a 4:1 share split in 2022.

Property-related	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Rental income, SEK million	183.1	173.6	732.8	688.3
Net operating income, SEK million	123.4	106.4	498.3	439.6
Rental value, SEK million	820.3	798.4	820.3	798.4
Economic occupancy rate, %	96.1	95.2	96.1	95.2
Surplus ratio, %	67.4	61.3	67.8	62.6
Management margin, %	55.4	48.0	58.0	52.4
Loan-to-value ratio relative to property value, %	57.1	54.6	57.1	54.6
Loan-to-value ratio relative to total assets, %	51.5	50.9	51.5	50.9
Net operating income through borrowing, %	7.4	6.4	7.4	6.6
Proportion of residential and community properties, %	85	85	85	85
Rentable area excluding garage, thousand m²	455	491	455	491

Derivation of key figures

SEK million, unless otherwise stated	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Rental income	183.1	173.6	732.8	688.3
Other income	5.1	2.2	15.7	16.3
Property costs	64.7	-69.3	-252.0	-273.4
Net operating income	123.4	106.4	496.5	431.2
Surplus ratio, %	67.4	61.3	67.8	62.6
Equity	5,020.3	5,372.9	5,020.3	5,372.9
Total assets	13,629.6	13,797.7	13,629.6	13,797.7
Equity ratio, %	36.8	38.9	36.8	38.9
Interest-bearing liabilities, non-current	5,239.5	4,127.0	5,239.5	4,127.0
Interest-bearing liabilities, current	1,861.1	2,980.4	1,861.1	2,980.4
Bank overdraft facility	21.7	0.0	21.7	0.0
Cash and cash equivalents	-109.8	-90.0	-109.8	-90.0
Interest-bearing net debt	7,012.4	7,017.4	7,012.4	7,017.4
Investment properties	12,288.6	12,862.6	12,288.6	12,862.6
Loan-to-value ratio, %	57.1	54.6	57.1	54.6
Profit/loss before tax	-362.4	-380.9	-240.9	201.9
Reversal of changes in value, investment property and derivatives	415.4	418.4	424.0	38.1
Reversal of interest expense	67.4	57.4	307.4	151.9
Adjusted profit/loss before tax	120.4	94.9	490.5	392.0
Financial expenses	-67.4	-57.4	-307.4	-151.9
Interest expense on derivatives	0.0	-0.4	-0.1	-11.2
Total interest expense including interest expense on derivatives	-67.4	-57.8	-307.5	-163.1
Interest coverage ratio, times	1.8	1.6	1.6	2.4

SEK million, unless otherwise stated	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Profit for the period attributable to shareholders of the parent company	-314.5	-309.7	-206.1	171.4
Estimated annualised rate	-1,258.1	-1,238.9	-206.1	171.4
Average equity attributable to the parent company's shareholders	5,180.4	5,485.9	5,245.6	5,421.5
Return on equity, %	-24.3	-22.6	-3.9	3.2
Equity attributable to the parent company's shareholders	5,020.3	5,372.9	5,020.3	5,372.9
Reversal of deferred tax	841.4	855.1	841.4	855.1
Reversal of derivative liability	166.9	28.2	166.9	28.2
Reversal of derivative receivable	-9.6	-22.2	-9.6	-22.2
Reversal of deferred tax asset	-110.7	-35.5	-110.7	-35.5
Long-term net worth	5,908.3	6,198.4	5,908.3	6,198.4
Deduction for equity attributable to hybrid bonds	-126.6	-467.8	-126.6	-467.8
Long-term net worth after deduction of equity attributable to hybrid bonds	5,781.8	5,730.6	5,781.8	5,730.6
Net operating income	123.4	106.4	498.3	439.6
Central administration	-20.4	-21.5	-67.2	-72.9
Interest expense for access rights	-1.5	-1.5	-6.1	-6.1
Management surplus	101.5	83.4	425.1	360.6
Rental income	183.1	173.6	732.8	688.3
Management margin, %	55.4	48.0	58.0	52.4
Net operating income	123.4	106.4	498.3	439.6
Reversal of property administration	5.5	5.1	22.7	21.1
Net operating profit, excl. admin costs	128.9	111.6	521.0	460.6
Estimated annualised rate	515.6	446.2	521.0	460.6
Net debt	7,012.4	7,017.4	7,012.4	7,017.4
Net operating income through borrowing, %	7.4	6.4	7.4	6.6

Parent company financial statements

The income statement items below refer to the period January to December 2023 unless otherwise stated. The comparative items in brackets refer to amounts for the corresponding period last year.

The parent company

Net sales amounted to SEK 94.5 million (72.7), with the increase due to increased letting and other income. The operating profit was SEK -8.0 million (-21.5). Changes in the value of derivatives amounted to SEK -138.7 million (121.4) and are due to changes in the value of market interest rates. Tax on the profit for the period amounted to SEK 14.6 million (-4.3).

Condensed income statement

SEK million	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<i>Operating income</i>				
Net sales	25.3	18.4	94.5	72.7
Other operating income	3.7	4.6	9.8	8.2
Total operating income	28.9	23.0	104.3	80.9
Operating expenses	-44.3	-28.8	-112.3	-102.4
Operating profit/loss	-15.3	-5.8	-8.0	-21.5
<i>Financial items</i>				
Income from participations in Group companies	-66.4	-50.4	-66.4	-14.8
Income from participations in associates and joint ventures	0.0	-10.0	0.0	-10.0
Interest income and similar items	24.5	22.2	88.0	55.6
Interest expense and similar items	0.1	-23.9	-40.8	-83.8
Change in value of derivatives	-166.9	-28.2	-138.7	121.4
Profit/loss after financial items	-224.1	-96.1	-166.0	46.9
Appropriations	18.7	55.7	18.7	55.7
Profit/loss before tax	-205.4	-40.4	-147.2	102.7
Tax on profit for the period	17.6	26.1	14.6	-4.3
Profit for the period	-187.8	-14.3	-132.6	98.4

Condensed balance sheet

SEK million	31 Dec 2023	31 Dec 2022
ASSETS		
<i>Non-current assets</i>		
Property, plant and equipment	877.1	848.5
Receivables from Group companies	1,658.4	1,367.5
Financial non-current assets	1,694.8	1,778.4
Total non-current assets	4,230.3	3,994.4
<i>Current assets</i>		
Current receivables	155.7	65.0
Receivables from Group companies	337.0	381.3
Cash and bank balances	74.1	57.9
Total current assets	566.8	504.2
TOTAL ASSETS	4,797.1	4,498.7
EQUITY AND LIABILITIES		
<i>Equity</i>		
Restricted equity	146.2	129.6
Unrestricted equity	1,704.9	2,000.2
Total equity	1,851.1	2,129.8
Provisions for tax	15.5	12.8
<i>Non-current liabilities</i>		
Liabilities to credit institutions and bonds	860.5	445.3
Derivative instruments	166.9	28.2
Liabilities to Group companies	1,230.3	957.1
Total non-current liabilities	2,257.6	1,430.6
<i>Current liabilities</i>		
Liabilities to credit institutions and bonds	7.0	471.9
Bank overdraft facility	21.7	0.0
Liabilities to Group companies	546.7	405.4
Other liabilities	97.6	48.1
Total current liabilities	672.9	925.4
TOTAL EQUITY AND LIABILITIES	4,797.1	4,498.7

Other information

Segment reporting

Operations are monitored by segment.

The property portfolio is divided into three segments: residential, community and commercial. The aspect which is predominant in relation to the rental value of the property determines the segment to which a property belongs.

Rental income, property costs, net operating income, change in value of investment properties, fair value and surplus ratio are monitored.

SEK million	Total		Residential		Community		Commercial	
	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Rental income	726.6	684.9	516.7	495.1	90.5	73.5	119.4	116.3
Property costs	-246.6	-267.3	-181.3	-197.6	-23.4	-26.8	-41.9	-42.9
Net operating income	480.0	417.6	335.4	297.5	67.1	46.7	77.5	73.4
Interest cost on right of use (leasehold)	-6.1	-6.1	-6.0	-6.0	-0.1	-0.1	0.0	0.0
Change in value of investment property	-254.4	-290.4	-199.9	-325.0	-39.3	74.6	15.2	-40.0
Segment profit/loss	219.5	121.1	-129.5	-33.5	27.7	121.2	62.3	33.4
Unallocated items								
Net operating income from project properties	0.8	5.7						
Other income and central administration	-49.7	-56.6						
Income from associates and joint ventures	31.7	22.2						
Net financial items excluding leaseholds	-273.7	-142.7						
Change in value of project properties	-18.2	55.9						
Change in value of derivatives	-151.4	196.4						
Profit/loss before tax	-240.9	202.0						
Fair value by segment	11,950.0	12,452.2	8,662.4	9,086.5	1,453.5	1,514.8	1,834.1	1,850.9
Fair value of projects	338.6	410.4						
Fair value of investment property	12,288.6	12,862.6	8,662.4	9,086.5	1,453.5	1,514.8	1,834.1	1,850.9
Surplus ratio, %	67.8	62.6	64.9	60.1	74.1	63.5	64.9	63.1

Vårsången, Lindängen
in Malmö

Accounting policies***The Group's accounting policies***

In its consolidated financial statements, Trianon follows the EU-adopted IFRS (International Financial Reporting Standards) and their interpretations (IFRIC). This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. In addition, the relevant provisions of the Swedish Annual Accounts Act have been applied.

The parent company's accounting policies

The parent company has prepared its financial statements in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 requires the parent company to apply the same accounting principles as the Group, i.e. IFRS, to the extent permitted by RFR 2.

Group and parent company

For full details of the accounting policies, please refer to Trianon's Annual Report for 2022. The accounting policies are unchanged from those applied in the Annual Report for 2022. Rounding has been applied to certain amounts, which may mean that the tables and calculations do not always add up.

Disclosure of financial instruments

All financial assets and liabilities, with the exception of interest rate derivatives and other securities, are measured at amortised cost. Interest rate derivatives are recognised at fair value with changes in value in the income statement. Hedge accounting is not applied.

Related party transactions

Board member Richard Hultin received consultancy fees through companies for management services provided to partly owned companies. The fee amounted to SEK 374,064 in 2023. A company related to CEO Olof Andersson has purchased project management services from Trianon to a value of SEK 34,500 during the first half of the year for a private housing project on market terms.

Otherwise, there were no other transactions with related parties during the period other than remuneration paid to senior executives.

Significant risks and uncertainties

The preparation of financial statements in accordance with generally accepted accounting practice

requires the company's management to make assessments and assumptions which affect the assets, liabilities, income and expenses reported in the accounts, as well as other information provided. Actual outcomes may differ from these estimates. Investment properties are recognised at fair value with changes in value in the income statement, which means that profit/loss may vary both up and down during the year.

In the 2022 Annual Report, pages 81–82, there are more detailed descriptions of assessments and sensitivity analyses and how changes in rental income, property costs, interest changes and other market factors can affect the property value. The Group's operations, financial position and performance can be affected by a number of risks and uncertainties. These are described in greater detail in the Annual Report for 2022, on pages 50–52.

Annual Report and Annual General Meeting

The Annual Report for 2023 will be available on Trianon's website, www.trianon.se, from week 13 of 2024 onwards. The Annual General Meeting will take place on 15 May 2024 in Malmö. Any shareholder wishing to have a matter raised at the AGM may submit a proposal to Trianon's Board of Directors by email to ir@trianon.se or by post to Fastighets AB Trianon, Fredsgatan 21, 212 12 Malmö. For inclusion in the Notice of the meeting, a proposal for the AGM must have been received by the Board no later than 15 March 2024.

Dividend

The Board of Directors proposes that no dividend be paid for the financial year 2023.

Rosengård Centrum in Malmö



Rosengård Centrum

David and Burhan at
the Kil 1 property in Malmö



Signatures

The Board of Directors and the CEO certify that the interim report gives a true and fair view of the Group's and the Parent Company's operations, financial position and results, and describes significant risks and uncertainties facing the Group and the Parent Company.

Malmö, 15 February 2024

Viktoria Bergman
Chair of the Board

Olof Andersson
Member of the Board and CEO

Axel Barchan
Member of the Board

Patrik Emanuelsson
Member of the Board

Richard Hultin
Member of the Board

Jens Ismunden
Member of the Board

Sofie Karlsryd
Member of the Board

This Year-end Report has not been reviewed by the company's auditors.

Share

The company has a total of 184,124,662 shares, divided into 6,084,472 class A shares and 178,040,190 class B shares. Each class A share provides entitlement to 1 vote and each class B share to 1/10 vote, making the total number of votes 23,888,491.0. The share capital amounted to SEK 115,077,914 and the quota value per share was SEK 0.625. On 21 June 2017, Trianon's class B share was listed on the Nasdaq First North Premier Growth Market. As of 17 December 2020, Trianon's class B share is listed on Nasdaq Stockholm in the Mid Cap segment. The closing price on 29 December 2023 was SEK 16.75 per share. The company's total market capitalisation was SEK 3.1 billion on 29 December 2023.

Evolution of the share

Date of decision	Event	Change in the number of shares		Number of shares after the transaction			Share capital (SEK)	
		A shares	B shares	A shares	B shares	Total shares	Change	Total
20 Jun 1991	New issue	74,000	20,600	504,000	610,000	1,114,000	946,000	6,846,000
03 Jan 1992	Exchange of convertible bonds	37,000	0	541,000	630,600	1,171,600	370,000	7,216,000
29 Oct 2008	New issue	1,082,000	342,000	1,623,000	972,600	2,595,600	14,240,000	21,456,000
17 May 2010	New issue	168,391	54,221	1,791,391	1,026,821	2,818,212	2,226,120	23,682,120
03 Jun 2010	New issue	1,621,700	50,000	3,413,091	1,076,821	4,489,912	21,217,000	44,899,120
09 Jun 2011	New issue	682,618	215,364	4,095,709	1,292,185	5,387,894	8,979,820	53,878,940
29 Jun 2012	New issue	0	1,001,992	4,095,709	2,294,177	6,389,886	10,019,920	63,898,860
16 Apr 2015	New issue	409,571	229,418	4,505,280	2,523,595	7,028,875	6,389,890	70,288,750
03 Apr 2017	Share split (4:1)	0	0	18,021,120	10,094,380	28,115,500	0	70,288,750
03 Apr 2017	Re-stamping	-16,500,002	16,500,002	1,521,118	26,594,382	28,115,500	0	70,288,750
21 Jun 2017	New issue	0	6,250,000	1,521,118	32,844,382	34,365,500	15,625,000	85,913,750
27 Nov 2019	New issue	0	2,100,000	1,521,118	34,944,382	36,465,500	5,250,000	91,163,750
08 Jul 2020	New issue	0	1,000,000	1,521,118	35,944,382	37,465,500	2,500,000	93,663,750
03 Aug 2021	New issue in kind	0	285,990	1,521,118	36,230,372	37,751,490	714,975	94,378,725
18 Nov 2021	New issue	0	1,500,000	1,521,118	37,730,372	39,251,490	3,750,000	98,128,725
24 May 2022	Share split (4:1)	0	0	6,084,472	150,921,488	157,005,960	0	98,128,725
20 Sep 2022	Issue by conversion	0	407,690	6,084,472	151,329,178	157,413,650	254,806	98,383,531
06 Dec 2022	Issue by conversion	0	92,307	6,084,472	151,421,485	157,505,957	57,692	98,441,223
11 Dec 2023	Issue by conversion	0	26,618,705	6,084,472	178,040,190	184,124,662	16,636,691	115,077,914
Total				6,084,472	178,040,190	184,124,662		115,077,914

Owners

The two largest shareholders in Trianon are Jan Barchan, through companies, and Olof Andersson, privately and through companies, each of them representing around 27 percent of the company's total shares and approximately 32 percent of the company's total votes.

The ownership of the total number of shares in the company is shown in the table on the right.

Shareholders as at 31 December 2023

Name	A shares	B shares	Total holdings	Equity	Total votes	Votes
Briban Invest AB	2,890,984	47,453,431	50,344,415	27.34%	7,636,327.1	31.97%
Olof Andersson privately and through companies	2,890,984	47,205,093	50,096,077	27.21%	7,611,493.3	31.86%
Grenspecialisten Förvaltning AB	-	18,767,218	18,767,218	10.19%	1,876,721.8	7.86%
SEB Fonder	-	11,242,095	11,242,095	6.11%	1,124,209.5	4.71%
Länsförsäkringar Fastighetsfond	-	8,834,154	8,834,154	4.80%	883,415.4	3.70%
Mats Cederholm privately and through companies	302,504	5,060,055	5,362,559	2.91%	808,509.5	3.38%
The Eklund Family privately and through companies	-	4,580,000	4,580,000	2.49%	458,000.0	1.92%
Verdipapirfondet Odin Eiendom	-	3,702,456	3,702,456	2.01%	370,245.6	1.55%
Humble small cap fund	-	2,511,960	2,511,960	1.36%	251,196.0	1.05%
Tredje AP-fonden [the Third National Pension Fund]	-	1,944,412	1,944,412	1.06%	194,441.2	0.81%
Other shareholders	-	26,739,316	26,739,316	14.52%	2,673,931.6	11.19%
Total	6,084,472	178,040,190	187,124,662	100.00%	23,888,491.0	100.00%

Share information

Ticker symbol: TRIAN B
ISIN code: SE0018013658

Share price development 2023, SEK per share



Definitions and glossary

Return on equity

Comprehensive income for the period attributable to the Parent's shareholders as a percentage of average equity attributable to the Parent's shareholders.

Reason for use: The aim is to show the return generated on the capital which the shareholders have invested in the Company.

Loan-to-value ratio relative to total assets

Interest-bearing net debt in relation to total assets at the end of the period.

Reason for use: Aims to show how large a proportion of the Group's assets are financed by borrowing. The Group's share in properties owned by associates and joint ventures is financed through interest-bearing net debt and the key figure is a complement to the loan-to-value ratio relative to property value.

Loan-to-value ratio relative to property value

Interest-bearing net debt in relation to property value at the end of the period.

Reason for use: Aims to show how large a proportion of the property value is financed by borrowing.

Residential floor area

The residential floor area or usable area is the total interior area consisting of the living area, area of premises, non-living area and other areas for all floors of a building.

Gross total area

Gross area or gross total area is the total area of all floors in a building. The gross area extends to the outside surface of the walls.

Net operating income through borrowing

Net operating income less the costs of property administration relative to net debt.

Reason for use: Aims to indicate how large a proportion of borrowing is covered by net operating income. This key indicator is a measure of cash flow relative to net debt.

Equity per share

Equity attributable to the Parent's shareholders in relation to the number of shares at the end of the period.

Equity per share after the deduction of equity attributable to hybrid bonds

Equity attributable to Parent's shareholders after the deduction of equity attributable to hybrid bonds in relation to the number of shares at the end of the period.

Economic occupancy rate

Contracted rent for leases which are running at the end of the period as a percentage of rental value.

Reason for use: The aim is to facilitate the assessment of rental income in relation to the total value of possible rentable area.

Development property

Development property refers to property that is held with the intention of developing and selling it.

Management margin

Net operating income less central administration and interest expenses for rights of use (leasehold) relative to rental income.

Reason for use: Aims to show what proportion of rental income remains to cover interest, etc. after payment for property management and operations.

Profit from property management

Profit/loss before tax with reversal of changes in value.

Profit from property management from associates and joint ventures

Profit from property management attributable to partly owned properties through associates and joint ventures.

Sustainable hybrid bond

Subordinated sustainable bond loan in which the liquidity is linked to a sustainable framework, with a focus on social and environmental sustainability.

Rental value

Rental income plus estimated market rent for unleased space in its existing condition.

Investment profit from project portfolio

Refers to changes in value relating to project properties.

Long-term net worth

Equity attributable to Parent's shareholders with reversal of interest rate derivatives and deferred tax.

Reason for use: Aims to provide an adjusted and supplementary measure of the amount of equity.

Long-term net worth after the deduction of equity attributable to hybrid bonds

Equity attributable to the parent company's shareholders after the deduction of equity attributable to hybrid bonds with reversal of interest rate derivatives and deferred tax.

Reason for use: The aim is to provide an adjusted and supplementary measure of the long-term net worth attributable to the Company's ordinary shareholders with a deduction for that part of equity which is attributable to hybrid bonds.

Project property

Project property is property for development and buildings under construction.

Earnings per share

The profit/loss for the period attributable to the Parent's shareholders after the deduction of interest on hybrid bonds in relation to the average number of shares. Definition according to IFRS.

Interest coverage ratio

The profit before tax for the period, with add-back of changes in the value of derivatives and properties, as well as finance costs, in relation to finance costs with add-back of interest expense for derivatives.

Reason for use: Aims to show the company's ability to cover its interest costs.

Community properties

Properties for which the rental value consists predominantly of tax-financed operations, and which are specifically adapted for community services.

Equity ratio

Equity including non-controlling interests as a percentage of total assets.

Reason for use: Shows the proportion of the company's total assets financed by the company's owners.

Surplus ratio

Net operating profit as a percentage of rental income.

Reason for use: Aims to show the property yield relative to rental income.



Trianon owns, manages, develops and builds properties in Malmö and the surrounding area. We are an entrepreneurial property company that promotes social responsibility and sustainable housing.

By being an active and committed player in our neighbourhood, we contribute to long-term and sustainable urban planning.

Financial calendar

07 May 2024	Interim report Q1 2024
15 May 2024	Annual General Meeting 2024
12 July 2024	Interim Report Q2 2024
07 November 2024	Interim report Q3 2024

For more information

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This information is such that Fastighets AB Trianon (publ) is obliged to disclose under the EU's Market Abuse Regulation. The information was provided, through the above-mentioned contact persons, for release on 16 February 2024 at 07:45.

The English version of Trianon's reports is an unofficial translation of the Swedish version. In the event of any differences between the English and Swedish versions, the Swedish version is to be used.

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