

Interim report January–June 2023

Strong demand and transactions provide stable property values

Rental income	Net operating income	Average yield in the property portfolio	Net letting	Long-term net worth
+8%	+16%	4.4%	10 SEK million	36* SEK/share

Results in brief for the period January–June 2023

- Rental income increased by 8 percent and amounted to SEK 370.8 million (341.9).
- Net operating income increased by 16 percent to SEK 241.4 million (207.5) and the surplus ratio was 65 percent (61).
- The profit from property management amounted to SEK 75.2 million (125.1).
- Profit for the period amounted to SEK 98.1 million (369.2), corresponding to earnings per share of SEK 0.44 (2.24) before dilution and SEK 0.44 (2.23) after dilution.
- Changes in the value of investment properties amounted to SEK 25.3 million (130.4), of which SEK 15.6 million (50.4) related to project gains.
- Changes in the value of derivatives amounted to SEK 2.0 million (195.4).

Results in brief, second quarter of 2023

- Rental income increased by 9 percent and amounted to SEK 187.6 million (171.4).
- Net operating income increased by 22 percent to SEK 130.6 million (107.3) and the surplus ratio was 70 percent (63).
- The profit from property management amounted to SEK 43.8 million (66.2).
- Profit for the period amounted to SEK 88.8 million (144.9), corresponding to earnings per share of SEK 0.48 (0.87) before dilution and SEK 0.48 (0.86) after dilution.
- Changes in the value of investment properties amounted to SEK 34.5 million (37.1) for the period, of which SEK 3.0 million (27.7) related to project gains.
- Changes in the value of derivatives amounted to SEK 22.6 million (67.8).

*Excluding hybrid capital.

Significant events

Rental income

188 SEK million

Net operating income

131 SEK million

Profit from property management

44 SEK million

Profit for the period

89 SEK million

Property value

12,553 SEK million

Return on equity

7 %

Refers to the period April–June 2023.

- Continued strong net letting of SEK 10 million for the first half of the year.
- Signs an agreement to sell 45 properties totalling 65,500 square metres for SEK 1.3 billion. The transaction is taking place in two roughly equal stages with possession planned for the second and fourth quarters of 2023.
- Issues senior unsecured sustainable bonds in the amount of SEK 150 million.
- Signs a five-year agreement with Normal Sweden AB to establish the retail chain in Rosengård Centrum.
- Signs an agreement with APL, Apotek Produktion & Laboratorier AB, to work together to develop Kvarteret Spiralen with homes, offices and creative activities in an area of 40,000 square metres at Sorgenfri in Malmö.
- There were 77 apartments renovated in the first half of the year. The target is to renovate 200 apartments per year.
- Divests the first stage of 18 properties to Stjernplan for SEK 645 million in accordance with an agreement signed in April.
- Increases the fixed interest period in the loan portfolio to 1.6 years by increasing the swap volumes to SEK 2.9 billion at an average interest rate of 2.7 percent.
- The loan-to-value ratio in relation to total assets amounted to 50.8 percent, which is a decrease of 0.8 percent since the previous quarter.

Events after the quarter

- Additional rentals of SEK 2 million after the end of the quarter.

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

50.8 %

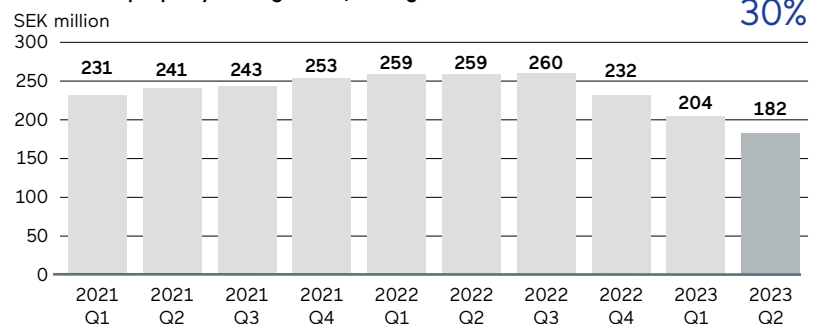
Entré, Malmö

Financial objectives

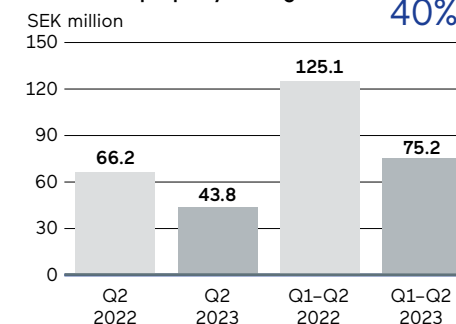
Trianon's financial objectives 2022-2024

- 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

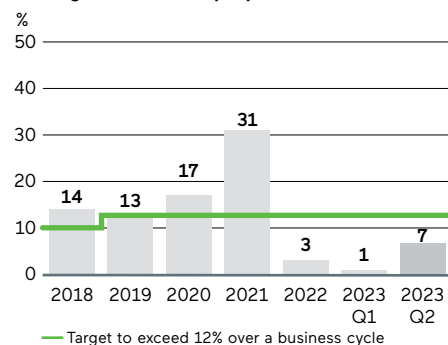


Profit from property management

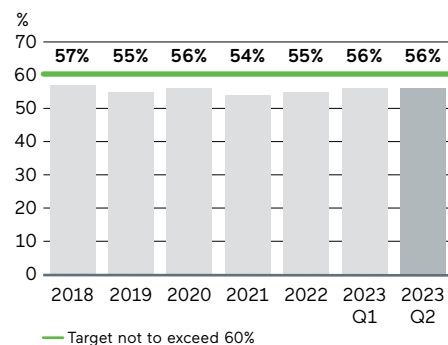


Target to exceed 12% annually

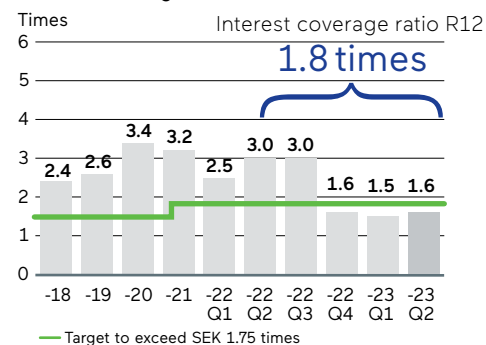
Average return on equity



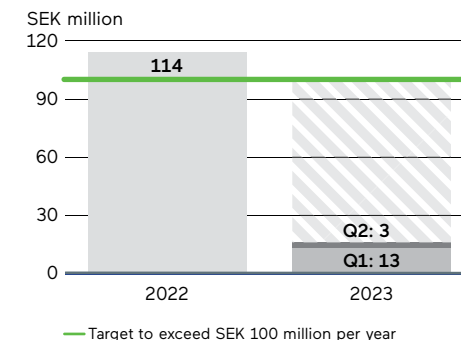
Loan-to-value ratio



Interest coverage ratio



Annual investment profit from project portfolio

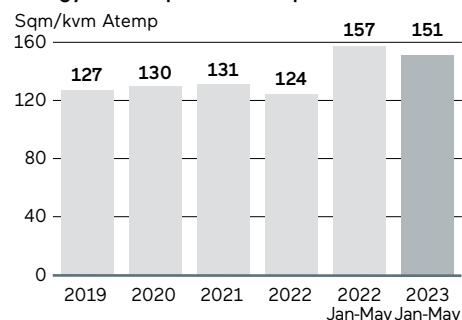


Trianon's sustainability objectives

Environmental objectives



Energy consumption kWh/sqm

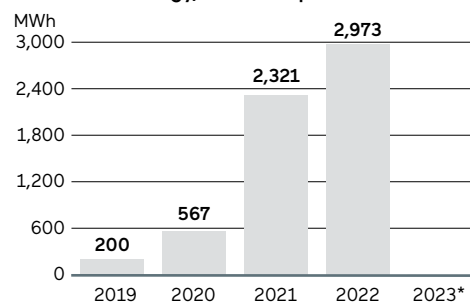


Target: Reduce energy consumption by 10 percent in kWh 2022–2024.

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 that reduce hot water consumption also help to reduce energy use. The measures that are suitable for each property are determined by the property's construction, year of construction and standard. Average energy consumption decreased by 5.5 percent for 2022 and for the first five months of 2023, energy consumption decreased by 4 percent compared to the same period last year.

Renewable energy, solar cell production



Target: Increase the share of renewable energy by installing solar panels.

* Reported per full year.

Increasing the share of renewable energy

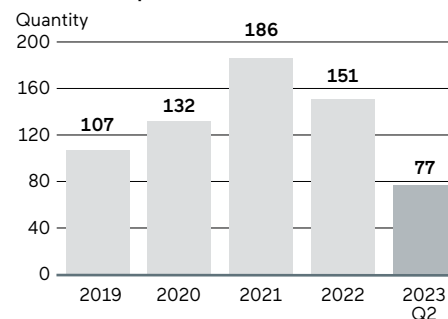
Trianon's goal to increase the share of renewable energy in the property portfolio means an increased focus on the installation of solar cells. There are solar cell installations on several properties in Malmö, including Lindängen, Hermodsdal and Sofielund, but also on the roofs of Rosengård Centrum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

In the new construction project completed in Sege Park in Malmö, an existing, older photovoltaic system was used to supply the construction project with energy. This plant has been supplemented during the project with a new plant for future operation before occupancy in July 2023. In 2022, installed PV plants contributed 2,973 MWh, corresponding to 17 percent of total electricity consumption. This target will be reported for the full year 2023.

Social objectives



Renovated apartments

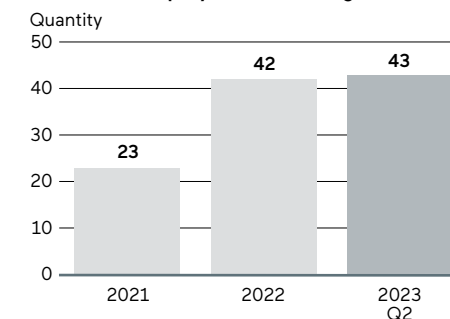


Target: To renovate apartments at a reasonable rent to promote long-term residence.

Renovate cost-effectively

Trianon renovates cost-effectively and when relocating. The number of renovations amounted to 77 during the first half-year, which is fewer than in previous years due to fewer tenants moved during the year. 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



Target: Reduce unemployment.

Reducing unemployment

Trianon has several job creation activities in progress. During the first half of the year, 33 young people got summer jobs, 5 adults received temporary employment in the initiative 'Skills give opportunity' and 5 people received internships via our contractors in new production projects.

Through Trianon's and MKB's public utility foundation, Stiftelsen Momentum, activities are arranged during the school holidays for younger children in Nydala, Hermodsdal, Lindängen and Rosengård in Malmö. The program includes activities such as a summer swimming school, basketball, football, circus school and book circles.

» See all sustainability goals on page 21 of Trianon's Annual and Sustainability Report 2022.



Strong demand, increased rental income and transactions provide stable property values

At the beginning of the second quarter, we completed the largest sale of properties in the company's history, when properties worth SEK 1.3 billion were divested. This is in line with our book values. At the end of June, the buyer took possession of the first part and the second part will be taken possession of on October 31.

In the second quarter we increased our rental income by 9 percent and increased our net operating income by 22 percent. Income from property management decreased by 34 percent to SEK 44 million, due to increased interest expenses. Our interest expenses increased by over SEK 50 million compared with the corresponding quarter in 2022, which we have not been able to compensate for in the short term. We have continued our work on interest rate hedging and our swap portfolio now amounts to SEK 2.95 billion and carries an average interest rate of 2.7 percent. Already last year, Trianon began work to restructure the company and adapt to new conditions with inflation and increased interest costs. This work is proceeding according to plan and will mean that in 2024 we are back on the growth journey, please see earnings capacity for 2024 on page 14. Our increased

rental income and our interest rate hedges will strengthen our interest coverage ratio.

Stable property values

We have externally valued 10 percent of our property portfolio during the quarter, which has resulted in minor adjustments to the values. The average direct yield for the entire portfolio now amounts to 4.4 percent (3.9), which means that we have increased our average direct yield from 4.27 percent since the first quarter. Our historically cautious valuations combined with strong demand, increased rental income and transactions provide stable property values.

Strong demand and high leasing activity

With high leasing activity, we reached a positive net leasing of SEK 3 million in the second quarter

and SEK 10 million in the first 6 months of the year, thus once again confirming that there is a stable demand for all of our premises. The strong demand is noticeable in all of Trianon's segments and on the residential side we have hundreds of applicants for almost every available apartment. The positive net leasing continues and in the first two weeks of the third quarter we have signed agreements for an additional SEK 2 million.

Negotiating directly with tenants in Malmö

It is important that housing rents follow the cost trend in society, so that the right to rent is not impoverished. We do not believe in free rent setting, we believe in the negotiation model and want to develop the model and the right to rent together with the tenants' association. At the end of the last quarter, we called for negotiations with the Swedish Tenants' Association on a 2 percent rent adjustment in Malmö in order to ensure a continued good level of maintenance and good service to our customers. After the negotiations failed, we chose to negotiate directly with our customers with an offer of 1.75 percent as of July 1, which almost 80 percent have accepted. I am grateful that our customers understand the cost increases and it cannot be ruled out that direct negotiations will become the norm in the future.

Several urban development projects

During the quarter, we started renting out apartments in Sege Park, a leafy area with a high sustainability profile in Malmö. The Hanna block in Burlöv and Badmössan in Hyllie, with 111 and 73 apartments respectively, are progressing according to plan. We continue to develop new projects and drive forward detailed plans for exciting urban development, including the silo project in Limhamn, several new residential blocks around Burlöv Center and exciting residential construction in Husie. Our recently signed cooperation agreement with the state-owned company APL to jointly develop the Spiralen neighborhood with 40,000 square meters of housing and businesses in Sorgenfri in Malmö will create value for both us and APL in the future.

Summer jobs and the Momentum Foundation

I am proud that this year we have once again given about thirty young people aged 16–20 who live in our areas summer jobs. The opportunity to get out and get to know new friends, us at Trianon and gain new knowledge and experience is something we want to give all our young tenants every summer. Through Trianon and MKB's non-profit foundation, Stiftelsen Momentum, activities are arranged during the school holidays for the younger children in Nydala, Hermodsdal, Lindängen and Rosengård. The program includes

summer swimming school, basketball, football, circus school and book circles.

Goals and focus going forward

Naturally, Trianon is affected by prevailing inflation and increased interest rates as well as by the availability of capital. However, the adaptation of the company to the new conditions and the recent transaction in which we sold properties for SEK 1.3 billion means that our already strong balance sheet has been strengthened and that we are strengthening important key figures. The high demand, increased income and transactions at book value confirm our property values. We are streamlining our operations to three municipalities, all with strong inward migration and growth.

In good times and bad times, companies develop when there is a positive approach and a clear strategy. When managers and employees ask themselves every day how what was done yesterday can be done even better today - to create business benefits, customer benefits and social benefits. Trianon is such a company. We are in the right place, in the right segment with a committed, courageous and innovative team. Therefore, I am optimistic and hopeful.



Olof Andersson, VD

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	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022
Rental income	187.6	171.4	370.8	341.9	688.3
Property costs	-59.8	-66.6	-136.1	-139.5	-273.4
Income from development properties	0.0	0.0	15.6	0.0	90.6
Development property costs	0.0	0.0	-13.8	0.0	-82.2
Other income	2.9	2.6	5.0	5.2	16.3
Net operating income	130.6	107.3	241.4	207.5	439.6
Central administration	-17.0	-17.3	-31.3	-35.3	-72.9
Income from shares in associates and joint ventures	3.9	5.6	13.7	9.0	22.2
<i>of which management income from associates and joint ventures</i>	5.1	5.4	7.8	9.5	14.0
Financial income	8.4	0.7	15.8	1.4	9.2
Interest cost on right of use (leasehold)	-1.6	-1.5	-3.1	-3.0	-6.1
Financial expenses	-81.7	-28.4	-155.4	-55.0	-151.9
Profit or loss including changes in value and taxes in associates and joint ventures	42.6	66.3	81.1	124.5	240.1
Profit from property management	43.8	66.2	75.2	125.1	231.8
Change in value of investment property	34.5	37.1	25.3	130.4	-234.5
<i>of which changes in value related to projects</i>	3.0	27.7	15.6	50.4	113.8
Change in value of derivatives	22.6	67.8	2.0	195.4	196.4
Profit/loss before tax	99.7	171.2	108.4	450.3	201.9
Tax on profit for the period	-10.9	-26.3	-10.3	-81.1	-30.5
Profit for the period	88.8	144.9	98.1	369.2	171.4
Other comprehensive income	0.0	0.0	0.0	0.0	0.0
Comprehensive income for the period	88.8	144.9	98.1	369.2	171.4
Comprehensive income for the period attributable to:					
Shareholders of the parent company	88.8	144.9	98.1	369.2	171.4
Non-controlling interests	0.0	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*	0.48	0.87	0.44	2.24	0.84
Profit/loss for the year attributable to the shareholders of the parent company, SEK per share after dilution	0.48	0.86	0.44	2.23	0.84**
Average number of outstanding shares before dilution, thousand*	157,506.0	157,006.0	157,506.0	157,006.0	157,127.6
Average number of outstanding shares after dilution, thousand	157,506.0	157,293.1	157,506.0	157,338.7	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 and the conversion of 92,307 shares on 6 December 2022.

** 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–June 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 370.8 million (341.9), which corresponds to an increase of 8 percent. The increase is mainly attributable to rent increases and new leasing. Net leasing for the period amounted to SEK 9.5 million (5.1), including joint ventures. The economic occupancy rate was 96 percent (96). The total rental value amounted to SEK 778.9 million (750.9). The increase is mainly due to rent increases and new leases. Rental income for the second quarter increased by 9 percent to SEK 187.6 million (171.4).

Other income

Other income amounted to SEK 5.0 million (5.2) and is attributable to income from property management.

Property costs

Property costs amounted to SEK 136.1 million (139.5). Operating costs are affected by the usual seasonal variation in electricity and heating costs, which have the greatest impact during the first quarter. Property costs for the second quarter amounted to SEK 59.8 million (66.6). Renovation

work on apartments continues, with 77 (64) apartments being renovated during the first half of the year and 35 apartments (18) during the second 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.

Net operating income

Net operating income for the period amounted to SEK 241.4 million (207.5), corresponding to an increase of 16 percent. Net operating income for the second quarter increased by 22 percent to SEK 130.6 million (107.3). The surplus ratio for the first half of the year amounted to 65 percent (61).

Central administration

Central administration amounted to SEK 31.3 million (35.3). 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 Group-wide functions and property administration was 90 (85) of whom 45 (44) were white-collar staff.

Central administration was charged with bad debts of SEK 0.5 million (3.2).

Other income including shares in associates and joint ventures

Income from shares in associates and joint ven-

tures amounted to SEK 13.7 million (9.0) including changes in value and tax. The change is mainly due to earnings from the sale of building rights in Burlöv. Income from property management from associates and joint ventures amounted to SEK 7.8 million (9.5).

Interest income and expenses and other financial expense

Financial expenses for the period amounted to SEK 155.4 million (55.0). The average interest rate for the period including swap rates amounted to 3.8 percent (1.8), and excluding swap rates to 3.9 percent (1.5). Financial expenses for the second quarter amounted to SEK 81.7 million (28.4). The average interest rate for the quarter amounted to 3.9 percent (1.8). The increase is mainly due to higher market interest rates. Interest expenses for right-of-use assets relating to site leaseholds amounted to SEK 3.1 million (3.0).

Changes in the value of properties and financial instruments

Changes in the value of investment properties amounted to SEK 25.3 million (130.4) for the period, of which SEK 15.6 million (50.4) represented changes in value related to projects. Realised changes in value amounted to SEK 43.1 million (0.0). Other changes in value are mainly due to increased yield requirements, newly signed leases in the commercial portfolio and changes in value

in ongoing projects. The direct yield for the full property portfolio was 4.4 percent (3.9), excluding project properties, and the yield on residential properties was 4.1 percent (3.6).

Changes in the value of derivative instruments for the period amounted to SEK 2.0 million (195.4). Of this, SEK 3.0 million (-10.9) relates to swap interest paid during the period. For more information, see page 13.

Taxes

Reported tax for the period amounted to SEK -10.3 million (-81.1). Deferred tax attributable to investment properties amounted to SEK -6.3 (-56.3) and changes in the value of derivative instruments to SEK -4.0 million (-24.8).

Comprehensive income

Comprehensive income for the period amounted to SEK 98.1 million (369.2), of which SEK 98.1 million (369.2) was attributable to shareholders of the parent company. The profit for the period corresponds to earnings per share of SEK 0.44 (2.24) before dilution, and SEK 0.44 (2.23) after dilution. Return on equity was 4 percent (14). Comprehensive income for the quarter amounted to SEK 88.8 million (144.9), corresponding to SEK 0.48 per share (0.87) and a return on equity of 7 percent (11).

Consolidated statement of financial position

Condensed consolidated balance sheet

SEK million	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
<i>Property, plant and equipment</i>			
Investment properties	12,552.6	13,048.6	12,862.6
Right of use, leasehold land	181.4	181.4	181.4
Machinery and equipment	3.2	3.5	3.5
Total property, plant and equipment	12,737.2	13,233.5	13,047.5
<i>Financial non-current assets</i>			
Investments in associates and joint ventures	564.8	257.0	475.2
Receivables from associates and joint ventures	37.0	171.6	34.6
Derivative instruments	0.0	145.6	0.0
Other non-current receivables	12.8	11.5	12.8
Total financial non-current assets	614.5	585.7	522.6
Deferred tax assets	37.1	48.3	35.5
Total non-current assets	13,388.8	13,867.5	13,605.6
<i>Current assets</i>			
Current receivables	165.0	38.0	63.3
Receivables from associates and joint ventures	37.5	0.0	16.7
Derivative instruments	9.1	0.0	22.2
Cash and cash equivalents	188.3	83.2	90.0
Total current assets	399.8	121.2	192.2
TOTAL ASSETS	13,788.6	13,988.7	13,797.7

SEK million	30 Jun 2023	30 Jun 2022	31 Dec 2022
EQUITY AND LIABILITIES			
Equity attributable to parent company shareholders	5,344.0	5,487.9	5,372.9
Non-controlling interests	0.0	0.0	0.0
Total equity	5,344.0	5,487.9	5,372.9
<i>Non-current liabilities</i>			
Interest-bearing liabilities	4,198.9	3,443.0	4,127.0
Other non-current liabilities	3.5	47.8	3.6
Lease liabilities	182.3	182.3	182.3
Derivative instruments	16.0	25.2	28.2
Deferred tax liability	845.8	927.0	855.1
Total non-current liabilities	5,246.6	4,625.2	5,196.3
<i>Current liabilities</i>			
Interest-bearing liabilities	2,969.6	3,762.0	2,980.4
Bank overdraft facility	27.3	0.0	0.0
Other current liabilities	201.1	113.6	248.2
Total current liabilities	3,198.0	3,875.6	3,228.6
TOTAL EQUITY AND LIABILITIES	13,788.6	13,988.7	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 137 properties with a total rentable area of 463,000 square metres, excluding 3,000 garage and parking spaces, as well as properties recognised as associates and joint ventures. Residential and community properties represent 84 percent of the property value. During the period, SEK 186.9 million (213.8) was invested

in existing properties. The investment consisted of ongoing apartment renovations in the residential portfolio, adaptations to meet tenants' requirements in business premises, and new construction projects.

Acquisitions and divestments

After the end of the period, agreements have been signed regarding the sale of 45 properties of 65,500 square meters 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 involves 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 changes in value of SEK 43 million were recognised in the second quarter.

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

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 700 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. The ongoing projects in Hyllie, Sege Park, Svedala and in Burlöv (kvarteret Hanna), comprising around 300 apartments, have been procured at fixed prices without indexation.

Property valuation

The fair value of investment properties amounted to SEK 12,552.6 million (13,048.6). Changes in the value of investment properties for the first half of the year amounted to SEK 25.3 million (130.4). Realised changes in value amounted to SEK 43.1 million (0.0), changes in value related to projects to SEK 15.6 million (50.4) and other changes in value to SEK -33.4 million (80.0). Other changes in value are mainly due to increased yield requirements, newly signed leases in the commercial portfolio and changes in value in ongoing projects. The direct yield for the full property portfolio was 4.4 percent (3.9), excluding project properties, and the yield on residential properties was 4.1 percent (3.6). 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	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2022
Fair value at the beginning of the period	12,964.8	12,862.6	13,136.2	13,048.6	12,863.4
Investments via companies*	146.7	0.0	0.0	0.0	39.0
Investments in existing properties	75.5	111.4	138.5	202.6	109.1
Sales via companies	-626.2	0.0	0.0	0.0	0.0
Sales to associates and joint ventures	0.0	0.0	0.0	-86.6	0.0
Sale to development property	0.0	0.0	0.0	-75.5	0.0
Change in value	-8.2	-9.2	-412.1	47.2	37.1
Fair value at the end of the period	12,552.6	12,964.8	12,862.6	13,136.2	13,048.6

* 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	5,450	4,200	182	140	8	2021	2024
Centralköket 1, Sege Park (rental apartments)	65	4,850	3,750	152	125	6	2021	2023
Norra Sorgenfri, phase 1 and phase 2**	391	22,200	16,650	726	89	37	2022	2026
Centralköket 1, Sege Park (condominiums)	11	1,600	1,300		4	0	TBD	2025
Fjällrutan 1 (condominiums)	12	1,050	900		1	0	TBD	2026
Total projects with existing detailed plans	552	35,150	26,800	1,060	358	51		
Projects under detailed planning								
Svedala 25:18	143	10,000			2		TBD	2026
Svedala 22:8	41	4,100			3		TBD	2026
Husie 172:75, Malmö	60	9,000			2		TBD	2026
Spiralen 10, Malmö	123	17,000			1		TBD	
Total projects under detailed planning	367	40,100	0	0	8	0		
Total project portfolio	919	75,250	26,800	1,060	366	51		

Possible future detailed plans

Alven 26, Malmö

Bunkeflostrand 155:3

* Estimated investment is indicated only after investment decision.

** 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	206	18	2022	2024
Rosengård Centrum, phase 1 Södra	54	5,400			3		2024	2026
Tågarp 15:4, phase 1 (Burlöv Center)	250	28,800			15		2024	2026
Bojen 1 and Fendern 1 (Silos at Limhamn)	70	15,000					2024	2027
Rosengård Centrum, phase 1 Norra	75	7,000			3		2024	2026
Tågarp 15:4, phase 2 (Burlöv Center)	910	85,000			3			
Total	1,470	157,800		463	230	18		

Possible future detailed plans

Rosengård Centrum, phases 2 and 3

Smedjan 2, Malmö

* Estimated investment is indicated only after investment decision.

Liabilities

Consolidated interest-bearing liabilities at the end of the period amounted to SEK 7,168.5 million (7,204.9). The increase is mainly due to investments in existing properties and new production of properties. Approved overdraft facilities amounted to SEK 60 million (35) of which SEK 27.3 million (0) was utilised. Interest-bearing liabilities included bond loans of SEK 367.8 million (497.8) recognised net after the deduction of transaction costs.

During the first half, SEK 180.5 million of the unsecured bond loan of SEK 400 million maturing in August 2023 was repurchased and replaced with bank financing. Liquid assets or credit commitments are in place for the redemption of the remaining SEK 220 million when the bond matures in August 2023. Trianon issued in June 2023 senior unsecured sustainable bonds of senior unsecured sustainable bonds of SEK 150 million under a total framework of SEK 500 million. The new sustainable bonds have a maturity of 2 years with final 2 years with a final maturity in June 2025 and carry an interest rate of 3M Stibor + 500 basis points. Trianon intends to apply for admission to trading of the new the new sustainable bonds on Nasdaq Stockholm's list for sustainable bonds. The issue proceeds from the new sustainable bonds will be used in used in accordance with the company's sustainability framework including investments in energy efficiency improvements and other value-creating investments in existing properties as well as new real estate transactions.

Trianon's fixed interest period amounted to 1.6 years. Most of the interest rate swaps were made during the first half of the year, increasing the hedge ratio and average fixed interest period. Interest rate swaps totalled SEK 2,950 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. The hedge ratio amounted to 55 percent of the outstanding loan portfolio.

The average interest rate during the first half was 3.8 percent (1.8) including swap rates and 3.9 percent (1.5) excluding swap rates. The derivatives portfolio amounted to SEK 16.0 million (25.2) in liabilities and SEK 9.1 million (145.6) in receivables at the end of the period. The capital tie-up period at the end of the period was 2.7 years (2.3).

The loan-to-value ratio amounted to 55.8 percent (54.6). Calculated on total assets, the loan-to-value ratio amounted to 50.8 percent, which is a decrease from the previous quarter of 0.8 percent.

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. The bonds are listed on the Nasdaq Stockholm Sustainable Bond List and are linked to a framework for the sustainable financing of green and social investments. Four of Trianon's larger shareholders subscribed for around 65 percent of the issue.

The sustainable hybrid bond issued in 2019 was repaid in full in April 2023. For further information, see Trianon's website, www.trianon.se.

Equity, equity ratio and cash and cash equivalents

Equity amounted to SEK 5,344.0 million (5,487.9). Equity has been affected by the repurchase of the hybrid bond in the amount of SEK 98.0 million (0.0) and the dividend linked to the hybrid bond of SEK 7.8 million (17.6). Equity per share amounted to SEK 33.93 per share (34.95) and after deduction of equity attributable to the hybrid bonds to SEK 31.76 per share (32.44). The equity ratio was 38.8 percent (39.2) at the end of the period. Consolidated cash and cash equivalents amounted to SEK 188.3 million (83.2). Unutilised overdraft facilities at the end of the period amounted to SEK 32.7 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 conducted 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.

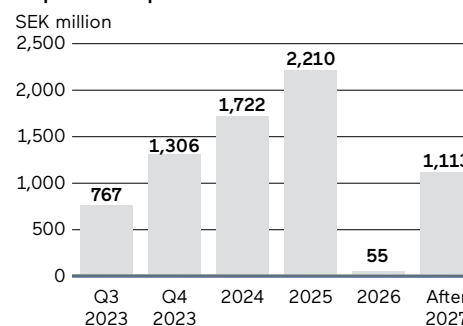
The total share of sustainable financing amounts to approximately 37 percent of total interest-bearing liabilities including hybrid bond.

Derivative financial instruments

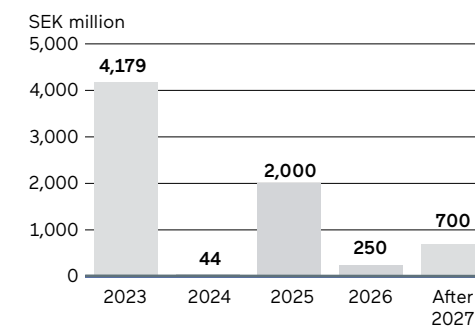
Maturity, Year	Nominal amount, SEK million	Unrealised change in value, SEK million	Average interest rate, %
2025	2,000	46.0	2.6
2026	250	8.2	2.5
2028	250	4.3	2.9
2032	200	-1.6	3.1
2033	250	3.9	2.8
	2,950	60.8	2.7

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 76.8 million.

Capital tied up



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 the Group's average interest rate level including the effect of derivative instruments calculated on the net debt.

Current earning capacity, 12 months

Group companies SEK million	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2022
Rental value*	778.9	805.9	798.4	755.3	750.9
Vacancies	-29.7	-27.0	-28.2	-24.6	-20.2
Contracted vacancies	-2.6	-3.7	-3.8	-5.4	-6.7
Discounts	-7.5	-8.8	-8.2	-6.5	-5.1
Other income	6.7	6.7	6.7	6.1	6.1
Rental income	745.9	773.1	765.0	724.9	724.9
Property costs	-212.5	-228.1	-226.8	-222.7	-222.7
Property administration	-22.7	-23.3	-22.1	-21.2	-22.1
Net operating income	510.7	521.7	516.0	481.0	480.0
Surplus ratio, %	68	67	67	66	66
Central administration	-64.1	-65.4	-65.4	-56.0	-56.0
Profit/loss from participations in associates and joint ventures	19.6	25.1	24.2	26.2	24.4
Ground rent	-6.1	-6.1	-6.1	-6.1	-6.1
Financial income and expenses	-271.3	-265.7	-196.1	-153.7	-126.4
Profit from property management	188.8	209.6	272.6	291.4	316.0
Interest coverage ratio, times	1.7	1.8	2.4	2.9	3.5

* The rental value decrease by SEK 46 million through the sale during the second quarter of 2023.

Pro forma earning capacity 2024

The table below shows earning capacity on a 12-month basis for the year 2024. It is important to note that the current earning capacity is not to be equated with a forecast for 2024. 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. A rent increase of 5 percent for 2024 has been included. The properties divested have been excluded and the new construction projects under production have been included. The interest cost has been based on an average interest rate of 5 percent calculated on a net debt of SEK 6.2 billion. After hedging and taking into account market interest rate forecasts, the interest coverage ratio is estimated to be 1.6 times in 2024.

Pro forma earning capacity 2024

Group companies SEK million	30 Jun 2023	31 Mar 2023
Rental income*	767	759
Property costs	-204	-204
Property administration	-23	-23
Net operating income	540	532
Surplus ratio, %	70	70
Central administration	-64	-65
Profit/loss from participations in associates and joint ventures	20	25
Ground rent	-6	-6
Financial income and expenses	-308	-308
Profit from property management	181	178
Interest coverage ratio, times	1.6	1.6

* Average rent increase of 5 percent taken into account for 2024.

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.

Current earning capacity, 12 months

Associates and joint ventures SEK million	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2022
Rental value*	167.0	165.9	164.7	155.8	154.2
Vacancies	-17.1	-19.2	-19.7	-19.0	-17.4
Contracted vacancies	-1.9	-0.2	-0.2	-1.4	-5.8
Discounts	-6.0	-5.4	-5.5	-6.0	-5.2
Rental income	142.0	141.2	139.3	129.4	125.9
Property costs	-49.0	-49.0	-49.0	-43.8	-43.8
Property administration	-2.6	-2.6	-2.6	-3.8	-3.8
Net operating income	90.5	89.6	87.8	81.8	78.3
Surplus ratio, %	64	63	63	63	62
Central administration	-17.7	-17.7	-17.7	-10.2	-10.2
Ground rent	-1.7	-1.7	-1.7	-1.7	-1.7
Financial income and expenses	-31.9	-20.0	-20.0	-17.6	-17.6
Profit from property management	39.2	50.2	48.3	52.4	48.9

Shareholdings in associates and joint ventures

Property	Trianon's share
Burlöv Arlöv 22:189	50%
Burlöv Kv Hanna	50%
Burlöv Tågårp 15:4, Burlöv Center	50%
Malmö Bojen 1	50%
Malmö Fendern 1	50%
Malmö Landshövdingen 1, Rosengård Centrum	50%
Malmö Smedjan 2	50%



Kvarteret Trädgård, Svedala

Earning capacity by segment

	Quantity properties	Quantity apartments	Rentable area, m²	Property value		Rental value	
				SEK million	SEK/m²	SEK million	SEK/m²
Property category							
Residential*	88	4,413	321,432	8,715	27,114	512	1,593
Community	18	176	48,340	1,472	30,455	100	2,065
Commercial	19	62	65,549	1,929	29,435	153	2,334
Total excluding project properties	125	4,651	435,321	12,117	27,834	765	1,757
Projects	12	40	27,384	436	-	14	-
Total including project properties	137	4,691	462,705	12,553	27,834	779	1,757

	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, %
Property category						
Residential*	99%	506	344	68%	360	4.1%
Community	93%	93	70	75%	72	4.9%
Commercial	87%	133	93	70%	96	5.0%
Total excluding project properties	96%	732	506	69%	528	4.4%
Projects	-	8	-3	-	-1	-
Total including project properties	96%	739	504	69%	527	4.2%

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

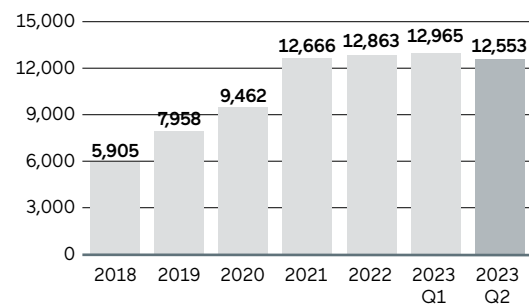
* The rental value as at 30 June 2023 from apartments only, excluding block agreements, in the entire property portfolio averaged SEK 1,477 per square metre.

Trianon's property portfolio, 30 June 2023

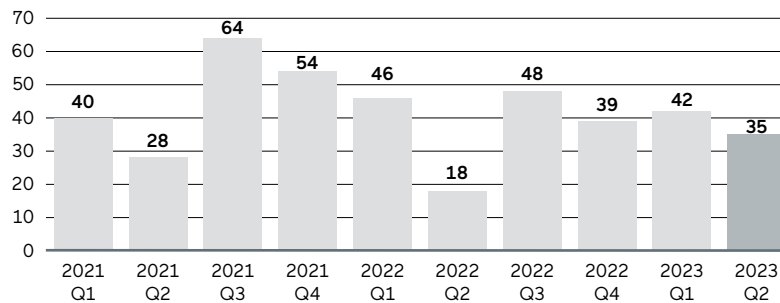
The table by property category shows a summary of the properties owned by Trianon on 30 June 2023 and reflects the contracted revenue for the properties on an annual basis on 1 July 2023, and costs on an annual basis as if the properties had been owned throughout the preceding 12-month period. Here, acquired and completed properties have been recalculated as if they had been owned or completed during the preceding 12-month period. Properties sold by 30 June 2023 have been excluded.

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

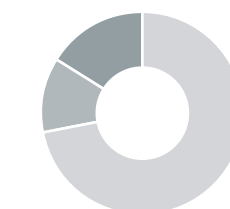
Fair value of investment properties, SEK million



Number of renovated apartments per quarter



Property value per segment



Residential 72% (74)
Public sector/ community 12% (11)
Commercial 16% (15)

Rental value per segment



Residential 67% (68)
Public sector/ community 13% (14)
Commercial 20% (18)



Condensed consolidated statement of changes in equity

SEK million	30 Jun 2023	30 Jun 2022	31 Dec 2022
Total equity at the beginning of the period	5,372.9	5,243.9	5,243.9
<i>Equity attributable to parent company shareholders</i>			
Amount at the beginning of the period	5,372.9	5,217.3	5,217.3
New issue	0.0	0.0	9.8
Dividends	0.0	-78.5	-78.5
Hybrid bond issue	0.0	0.0	497.1
Repurchase of hybrid bond	-98.0	0.0	-402.0
Dividend, hybrid bond	-28.7	-17.6	-39.8
Acquisition of non-controlling interests	0.0	-2.5	-2.5
Profit/loss and comprehensive income for the period excluding non-controlling interests	98.1	369.2	171.4
Equity attributable to the parent company shareholders at the end of the period	5,344.0	5,487.9	5,372.9
<i>Equity attributable to non-controlling interests</i>			
Amount at the beginning of the period	0.0	26.6	26.6
Dividends	0.0	0.0	0.0
Acquisition of minority	0.0	-26.6	-26.6
Profit for the period	0.0	0.0	0.0
Equity attributable to non-controlling interests at the end of the period	0.0	0.0	0.0
Total equity at the end of the period	5,344.0	5,487.9	5,372.9

Condensed cash flows

SEK million	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Cash flow from operating activities			
Net operating income	241.4	207.5	439.6
Central administration	31.3	-35.3	-72.9
Net financial charges paid	130.7	-38.7	-23.1
Non-cash items	-0.8	1.2	-6.2
Income tax paid	-0.2	0.0	-0.5
Cash flow from operating activities before changes in working capital	78.4	134.7	336.9
Changes in working capital			
Changes in operating receivables	-26.8	3.1	137.0
Changes in operating liabilities	-52.2	-94.2	-32.6
Cash flow from operating activities	-0.6	43.6	441.2
Investing activities			
Investment in investment properties	-187.3	-213.8	-554.9
Acquisition of investment properties via subsidiaries	-80.8	-7.7	-7.7
Other investments in property, plant and equipment	-0.3	0.0	-0.5
Sale of investment properties via subsidiaries	115.1	0.0	0.0
Sales of subsidiaries to associates and joint ventures	0.0	0.0	36.2
Sale of property	4.6	0.0	0.0
Investment receivables, associates and joint ventures	-22.9	-8.8	-91.6
Amortisation of financial non-current assets	0.0	3.1	3.0
Cash flow from investing activities	-171.6	-227.1	-615.6
Financing activities			
Loans raised	620.1	401.7	523.9
Amortisation of loans	-80.1	-52.1	-117.6
Repayment of other loans and deposits	-170.0	-45.1	-177.1
Acquisition of shares from non-controlling interests	0.0	-29.0	-29.0
Hybrid bond, issue	0.0	0.0	497.1
Hybrid bond, repurchase	-98.0	0.0	-402.0
Hybrid bond, dividend	-28.7	-17.6	-39.8
Dividends paid	0.0	-78.5	-78.5
Cash flow from financing activities	270.5	179.3	177.0
Cash flow for the period	98.3	-4.2	2.6
Cash and cash equivalents at the beginning of the period	90.0	87.4	87.4
Cash and cash equivalents at the end of the period	188.3	83.2	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	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022
Return on equity, %	6.7	10.6	3.7	13.7	3.2
Interest coverage ratio, times	1.6	3.0	1.6	2.7	2.4
Equity ratio, %	38.8	39.2	38.8	39.2	38.9
Average interest rate, %	3.9	1.8	3.8	1.8	2.2
Profit from property management, SEK million	43.8	66.2	75.2	125.1	231.8
Increase in profit from property management compared with the same period last year, %	-34.0	-0.3	-39.8	5.0	-8.4
Profit before tax, SEK million	99.7	171.2	108.4	450.3	201.9
Comprehensive income for the period, SEK million	88.8	144.9	98.1	369.2	171.4
Comprehensive income for the period attributable to the parent company's shareholders, SEK million	88.8	144.9	98.1	369.2	171.4
Equity, SEK million	5,344.0	5,487.9	5,344.0	5,487.9	5,372.9
Equity attributable to the parent company's shareholders, SEK million	5,344.0	5,487.9	5,344.0	5,487.9	5,372.9
Equity attributable to the parent company's shareholders after the deduction of equity attributable to hybrid bonds, SEK million	4,871.4	5,093.1	4,871.4	5,093.1	4,905.0
Long-term net worth, SEK million	6,159.7	6,246.1	6,159.7	6,246.1	6,198.4
Long-term net worth after the deduction of equity attributable to hybrid bonds, SEK million	5,687.1	5,851.3	5,687.1	5,851.3	5,730.6
Total assets, SEK million	13,788.6	13,988.7	13,788.6	13,988.7	13,797.7

Equity-related	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022
Number of shares outstanding, thousand*	157,506.0	157,006.0	157,506.0	157,006.0	157,506.0
Average number of shares outstanding, thousand*	157,506.0	157,006.0	157,506.0	157,006.0	157,127.6
Equity per share, SEK	33.93	34.95	33.93	34.95	34.11
Equity per share, SEK**	30.93	32.44	30.93	32.44	31.14
Earnings per share, SEK*	0.48	0.87	0.44	2.24	0.84
Long-term net worth per share, SEK	39.11	39.78	39.11	39.78	39.35
Long-term net worth per share, SEK**	36.11	37.27	36.11	37.27	36.38

* Definition according to IFRS.

** After deduction of equity attributable to hybrid bonds.

Historical key figures per share have been recalculated taking into account a 4:1 share split in 2022.

Property-related	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022
Rental income, SEK million	187.6	171.4	370.8	341.9	688.3
Net operating income, SEK million	130.6	107.3	241.4	207.5	439.6
Rental value, SEK million	778.9	750.9	778.9	750.9	798.4
Economic occupancy rate, %	95.6	95.7	95.6	95.7	95.2
Surplus ratio, %	69.6	62.6	64.6	60.7	62.6
Loan-to-value ratio, %	55.8	54.6	55.8	54.6	54.6
Proportion of residential and community properties, %	84	85	84	85	85
Rentable area excluding garage, thousand m ²	463	491	463	491	491

Derivation of key figures

SEK million, unless otherwise stated	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022
Rental income	187.6	171.4	370.8	341.9	688.3
Other income	2.9	2.6	5.0	5.2	16.3
Property costs	-59.8	-66.6	-136.1	-139.5	-273.4
Net operating income	130.6	107.3	239.6	207.5	431.2
Surplus ratio, %	69.6	62.6	64.6	60.7	62.6
Equity	5,344.0	5,487.9	5,344.0	5,487.9	5,372.9
Total assets	13,788.6	13,988.7	13,788.6	13,988.7	13,797.7
Equity ratio, %	38.8	39.2	38.8	39.2	38.9
Interest-bearing liabilities, non-current	4,198.9	3,443.0	4,198.9	3,443.0	4,127.0
Interest-bearing liabilities, current	2,969.6	3,762.0	2,969.6	3,762.0	2,980.4
Bank overdraft facility	27.3	0.0	27.3	0.0	0.0
Cash and cash equivalents	-188.3	-83.2	-188.3	-83.2	-90.0
Interest-bearing net debt	7,007.5	7,121.7	7,007.5	7,121.7	7,017.4
Investment properties	12,552.6	13,048.6	12,552.6	13,048.6	12,862.6
Loan-to-value ratio, %	55.8	54.6	55.8	54.6	54.6
Profit/loss before tax	99.7	171.2	108.4	450.3	201.9
Reversal of changes in value, investment property and derivatives	-57.1	-104.9	-27.3	-325.8	38.1
Reversal of interest expense	81.7	28.4	155.4	55.0	151.9
Adjusted profit/loss before tax	124.3	94.8	236.5	179.6	392.0
Financial expenses	-81.7	-28.4	-155.4	-55.0	-151.9
Interest expense on derivatives	3.1	-3.4	2.9	-10.9	-11.2
Total interest expense including interest expense on derivatives	-78.6	-31.9	-152.5	-65.9	-163.1
Interest coverage ratio, times	1.6	3.0	1.6	2.7	2.4

SEK million, unless otherwise stated	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022
Profit for the period attributable to shareholders of the parent company	88.8	144.9	98.1	369.2	171.4
Estimated annualised rate	355.3	579.6	196.2	738.4	171.4
Average equity attributable to the parent company's shareholders	5,325.0	5,459.2	5,289.1	5,378.6	5,421.5
Return on equity, %	6.7	10.6	3.7	13.7	3.2
Equity attributable to the parent company's shareholders	5,344.0	5,487.9	5,344.0	5,487.9	5,372.9
Reversal of deferred tax	845.8	927.0	845.8	927.0	855.1
Reversal of derivative liability	16.0	25.2	16.0	25.2	28.2
Reversal of derivative receivable	-9.1	-145.6	-9.1	-145.6	-22.2
Reversal of deferred tax asset	-37.1	-48.3	-37.1	-48.3	-35.5
Long-term net worth	6,159.7	6,246.1	6,159.7	6,246.1	6,198.4
Deduction for equity attributable to hybrid bonds	-472.6	-394.8	-472.6	-394.8	-467.8
Long-term net worth after deduction of equity attributable to hybrid bonds	5,687.1	5,851.3	5,687.1	5,851.3	5,730.6

Parent company financial statements

The income statement items below refer to the period January to June 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 45.2 million (35.5). The operating profit was SEK 2.8 million (-13.8). Changes in the value of derivatives amounted to SEK 12.2 million (-3.3) and are due to changes in the value of market interest rates. Tax on the profit for the period amounted to SEK 2.8 million (3.8).

Condensed income statement

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
<i>Operating income</i>					
Net sales	23.2	17.9	45.2	35.5	72.7
Other operating income	0.9	1.2	1.8	2.5	8.2
Total operating income	24.1	19.1	47.0	38.0	80.9
<i>Operating expenses</i>					
	-21.0	-24.7	-44.2	-51.8	-102.4
Operating profit/loss	3.1	-5.6	2.8	-13.8	-21.5
<i>Financial items</i>					
Income from participations in Group companies	0.0	0.0	0.0	0.0	-14.8
Income from participations in associates and joint ventures	0.0	0.5	0.0	-0.1	-10.0
Interest income and similar items	19.5	16.6	40.3	22.4	55.6
Interest expense and similar items	-11.6	-23.7	-29.3	-41.4	-83.8
Change in value of derivatives	26.0	7.3	12.2	-3.3	121.4
Profit/loss after financial items	36.9	-5.0	26.0	-36.3	46.9
Appropriations	0.0	0.0	0.0	0.0	55.7
Profit/loss before tax	36.9	-5.0	26.0	-36.3	102.7
Tax on profit for the period	0.0	1.6	2.8	3.8	-4.3
Profit for the period	36.9	-3.4	28.8	-32.5	98.4

Condensed balance sheet

SEK million	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment	874.9	753.6	848.5
Receivables from Group companies	1,343.1	1,640.0	1,367.5
Financial non-current assets	1,872.2	1,785.9	1,778.4
Total non-current assets	4,090.1	4,179.5	3,994.4
<i>Current assets</i>			
Current receivables	144.5	27.4	65.0
Receivables from Group companies	384.8	23.0	381.3
Cash and bank balances	204.6	65.0	57.9
Total current assets	733.9	115.4	504.2
TOTAL ASSETS	4,824.0	4,294.9	4,498.7
EQUITY AND LIABILITIES			
<i>Equity</i>			
Restricted equity	129.6	129.6	129.6
Unrestricted equity	1,901.7	1,786.8	2,000.2
Total equity	2,031.3	1,916.4	2,129.8
Provisions for tax	12.8	12.3	12.8
<i>Non-current liabilities</i>			
Liabilities to credit institutions and bonds	710.4	573.0	445.3
Derivative instruments	16.0	25.1	28.2
Liabilities to Group companies	1,028.4	1,259.4	957.1
Total non-current liabilities	1,754.8	1,857.5	1,430.6
<i>Current liabilities</i>			
Liabilities to credit institutions and bonds	292.0	479.6	471.9
Liabilities to Group companies	678.9	10.6	405.4
Other liabilities	54.2	18.5	48.1
Total current liabilities	1,025.1	508.7	925.4
TOTAL EQUITY AND LIABILITIES	4,824.0	4,294.9	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-Jun 2023	Jan-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
Rental income	368.3	340.3	261.8	246.8	45.2	35.4	61.3	58.1
Property costs	-133.8	-136.2	-99.1	-102.6	-13.3	-13.7	-21.5	-19.9
Net operating income	234.5	204.1	162.7	144.2	31.9	21.7	39.8	38.2
Interest cost on right of use (leasehold)	-3.1	-3.0	-3.1	-3.0	0.0	0.0	0.0	0.0
Change in value of investment property	24.5	109.3	-5.6	63.8	-4.4	44.3	34.5	1.3
Segment profit/loss	255.9	310.4	154.0	205.0	27.5	66.0	74.3	39.5
Unallocated items								
Net operating income from project properties	0.3	-1.8						
Other income and central administration	-24.7	-30.1						
Income from associates and joint ventures	13.7	9.0						
Net financial items excluding leaseholds	-139.6	-53.6						
Change in value of project properties	0.8	21.1						
Change in value of derivatives	2.0	195.4						
Profit/loss before tax	108.4	450.3						
Fair value by segment	12,116.6	12,663.4	8,715.1	9,413.6	1,472.1	1,372.6	1,929.4	1,877.2
Fair value of projects	436.1	385.1						
Fair value of investment property	12,552.6	13,048.6	8,715.1	9,413.6	1,472.1	1,372.6	1,929.4	1,877.2
Surplus ratio, %	64.6	60.7	62.1	58.4	70.6	61.3	65.0	65.7



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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, 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 210,188 in the first half of 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

The Annual Report for 2022 is available on Trianon's website, www.trianon.se.

Impression of Kvarteret Hanna, Buriöv



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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, 12 July 2023

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

Share

The company has a total of 157,505,957 shares, divided into 6,084,472 class A shares and 151,421,485 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 21,226,620.5. The share capital amounted to SEK 98,441,223 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 30 June 2023 was SEK 16.10 per share. The company's total market capitalisation was SEK 2.5 billion on 30 June 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
Total				6,084,472	151,421,485	157,505,957		98,441,223

Owners

The two largest shareholders in Trianon are Olof Andersson, privately and through companies, and Jan Barchan, 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 30 June 2023

Name	A shares	B shares	Total holdings	Equity	Total votes	Votes
Olof Andersson privately and through companies	2,890,984	39,996,848	42,887,832	27.23%	6,890,668.8	32.46%
Briban Invest AB	2,890,984	38,532,568	41,423,552	26.30%	6,744,240.8	31.77%
Grenspecialisten Förvaltning AB	-	15,170,096	15,170,096	9.63%	1,517,009.6	7.15%
SEB Fonder	-	9,697,095	9,697,095	6.16%	969,709.5	4.57%
Länsförsäkringar Fastighetsfond	-	8,335,695	8,335,695	5.29%	833,569.5	3.93%
Mats Cederholm privately and through companies	302,504	3,333,436	3,635,940	2.31%	635,847.6	3.00%
The Eklund Family privately and through companies	-	4,080,000	4,080,000	2.59%	408,000.0	1.92%
Verdipapirfondet Odin Eiendom	-	3,468,248	3,468,248	2.20%	346,824.8	1.63%
Tredje AP-fonden [the Third National Pension Fund]	-	1,944,412	1,944,412	1.23%	194,441.2	0.92%
Humble small cap fund	-	1,657,960	1,657,960	1.05%	165,796.0	0.78%
Other shareholders	-	25,205,127	25,205,127	16.00%	2,520,512.7	11.87%
Total	6,084,472	151,421,485	157,505,957	100.00%	21,226,620.5	100.00%

Share information

Ticker symbol: TRIAN B
ISIN code: SE0018013658

Share price development 2023, SEK per share



Definitions and other

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

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

Reason for use: The aim is to indicate how large a proportion of the value of properties is constituted by net debt.

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.

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.

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.

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: The aim is 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 Parent'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 reversal of changes in the value of derivatives and properties, as well as finance costs, in relation to finance costs with reversal of interest expense for derivatives.

Reason for use: Enables investors to assess the ability to meet ongoing financial commitments.

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 capital structure through how large a percentage of total assets consists of equity.

Surplus ratio

Net operating profit as a percentage of rental income.

Reason for use: Aims to show the return on net operating profit in relation to the Company's rental income.

Financial calendar

31 October 2023	Interim report Q3 2023
16 February 2024	Year-end report 2023
07 May 2024	Interim report Q1 2024
15 May 2024	Annual General Meeting 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 and the Swedish Securities Market Act. The information was provided, through the above-mentioned contact persons, for release on 13 July 2023 at 07.45.

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.



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.

Fastighets AB Trianon

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