

INTERIM REPORT JANUARY–SEPTEMBER 2024



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“Despite all the macroeconomic shifts that have taken place since Titania was listed on the stock exchange, we maintain a resolute focus on our long-term business activities, concentrating on housing development in the Stockholm region. There is still a need for residential properties in the region. Inflation and interest-rate hikes are temporarily denting purchasing power, but conditions for economic growth in the region remain robust in the long term.”

Einar Janson, CEO and founder

The quarter July–September 2024

- Income amounted to SEK 18,454 [16,819] thousand
- Rental income was SEK 18,220 [8,709] thousand
- Net operating income was SEK 12,988 [7,109] thousand
- Unrealised changes in value totalled SEK 279,626 [35,786] thousand
- Profit before tax was SEK 257,321 [11,990] thousand
- Profit for the quarter amounted to SEK 224,705 [2,728] thousand
- Earnings per share before and after dilution amounted to SEK 3.14 [0.04]

The period January–September 2024

- Income amounted to SEK 55,115 [48,888] thousand
- Rental income was SEK 52,926 [25,280] thousand
- Net operating income was SEK 41,478 [20,574] thousand
- Unrealised changes in value totalled SEK 372,579 [30,296] thousand
- Profit/loss before tax was SEK 299,836 [-52,333] thousand
- Profit/loss for the period amounted to SEK 241,795 [-64,453] thousand
- Earnings per share before and after dilution amounted to SEK 3.38 [-0.90]
- The total number of residential units under own management at the end of the period was 526 [300]

Key ratios	July–September		January–September		Full year
	2024	2023	2024	2023	2023
Income, SEK thousand	18,454	16,819	55,115	48,888	64,477
Net operating income, SEK thousand	12,988	7,109	41,478	20,574	26,351
Profit/loss before tax, SEK thousand	257,321	11,990	299,836	-52,333	-15,144
Earnings per share before and after dilution, SEK	3.14	0.04	3.38	-0.90	-0.42
Total assets, SEK thousand	2,865,853	2,038,157	2,865,853	2,038,157	2,354,810
Return on equity, %	35.6	-22.8	35.6	-22.8	-4.1
Equity/assets ratio, %	33.6	34.4	33.6	34.4	31.3
Loan-to-value ratio, %	55.9	54.3	55.9	54.3	62.1
Interest coverage ratio, times	neg	neg	neg	neg	neg
Net asset value per ordinary share, SEK	14.47	9.98	14.47	9.98	10.50

SIGNIFICANT EVENTS DURING THE PERIOD JANUARY–SEPTEMBER 2024

After the end of the period

- Titania signed an agreement with Klöveron on the future acquisition of legally approved zoned land for 416 residential units at Huddinge station.
- Titania was the recipient of Täby Municipality's 2024 urban development award for its Täby Boulevard (Topasen 3) project.
- Titania launched production of terraced houses, link-detached houses and detached houses for its Kristineberg project in Vallentuna. Production is taking place at Titania Group's own module factory.
- Titania was awarded a direct allocation as the anchor contractor for the development of approximately 300 residential units in the district of Gottsunda in southern Uppsala.

Third quarter

- No significant events occurred in the third quarter.

Second quarter

- Under an agreement with Pareto Alternative Investments, Titania obtained a property loan for the company's newly constructed Topasen 3 property in Täby Park.
- Titania was granted a land allocation for the development of approximately 1,400 residential units in the Södra Fornhöjden project in Södertälje Municipality.
- Titania's detailed development plan for Hallunda gård in Botkyrka Municipality, including around 20 hectares of zoned land primarily for residential units, was approved.
- Titania entered into a liquidity provider agreement with Lago Kapital.
- The detailed development plan 'Högsåtra Kärnan' on Lidingö, including Titania's healthcare property Hålsans hus, was approved.

First quarter

- Titania signed a 10-year agreement with Texas Longhorn to open a new restaurant in Titania's Täby Boulevard project in Täby Park. The new restaurant will be located on the ground floor of Titania's newly built property on Robert Killicks square at Boulevarden 38, and is the third and final restaurant planned by Titania.
- Titania published a SEK 525 million bond prospectus and applied for its sustainable bonds to be admitted to trading on Nasdaq Stockholm.



Topasen 3, Täby Park

CEO COMMENTS

We have almost come to the end of 2024, marking three years since Titania was listed on the stock exchange in December 2021. It therefore seems apt to look back at the company's development since then. Our operating environment has changed considerably over the past three years, but we have continued to expand the business throughout this period, while retaining our conviction that we are focusing on the right things in commercial terms for our long-term success.

The past three years have featured dramatic changes on an overall macro level. For the property sector in general, and residential development in particular, several negative changes combined to trigger significant downturns for almost all profitability-related parameters. An extended period of low inflation, and extremely low, expected interest rates made way for a period of high inflation and rapid interest-rate hikes. The war in Ukraine further fuelled global uncertainty and unpredictability, while continuing to create specific problems such as increases in the cost of building materials and disrupted supply chains. Many companies focused on residential development therefore put expansion plans on hold as early as 2022, and this trend has continued. As a result, we have had an unusually low number of construction starts over the past three years in relation to the number of residents. In addition to the low number of construction starts, which can be clearly seen in the statistics, many detailed development plans have also been deferred, which will impact access to developable land for several years to come.

But despite all the macroeconomic shifts that have taken place since Titania was listed on the stock exchange, we maintain a resolute focus on our long-term business activities, concentrating on housing development in the Stockholm region. There is still a need for residential properties in the region. Inflation and interest-rate hikes are temporarily denting purchasing power, but conditions for economic growth in the region remain robust in the long term. It is for this reason that we have opted for a different approach from many other companies over the past three years. We have continued to work with municipalities to acquire new land allocations; we have proceeded with the detailed development plans that we have, and we have continued to launch construction projects. As a result, the company has progressed and expanded in every way. At the time of the IPO, Titania had just over 3,000 development rights for residential units, including several in the relatively early stages of the planning process. 523 of the development rights in the project portfolio had been approved three years previously. Today, the development rights portfolio has grown to just over 5,000 development rights, 1,695 of which have been approved.

Titania owned 246 completed residential units at the time of the company's stock exchange listing, with no units in ongoing

production. Today, Titania owns 526 completed residential units, with 397 units in ongoing production. Reflecting the company's expansion, Titania now has total assets of over SEK 1.1 billion, just over 60 percent higher than after the IPO in 2021.

The trend in terms of overall earnings has not been as consistent, but as of this quarter things are moving in the right direction. To summarise the past three years, the company incurred significant losses in 2022, made a negligible profit in 2023 and has now, as we approach the end of 2024, returned to profit on a par with the impairment losses at the start of the period. Fluctuations between the past three years are mostly in the form of unrealised changes in value. We have done the right thing in managing not to end up in situations where we were forced to realise these losses when values were at their lowest. We still have our development rights and the properties that we have built, and as values now begin to rise again this is a strength compared with the scenario of having exchanged assets for currency, which has lost significant value during this period. According to the consumer price index from Statistics Sweden (SCB), prices in general in Sweden rose by 18.25 percent between January 2022 and September 2024. That is more than the increase over the 13 years between January 2009 and January 2022. If we have learned anything from past trends, it is to hold onto high-quality real assets and weather the storm during periods such as this. Yet still some voices within the sector maintain the opposite, that commercially it would be wiser to sell up in these situations. But to frantically sell up assets at any price to reduce the loan-to-value ratio and achieve a balance in cash flow after the currency has lost value and interest rates have risen rapidly seems entirely contrary to the concept of a business model that involves developing and owning long-term, real value protected assets. Cash flow provides a snapshot, and the idea of a long-term asset is that it should be resilient to inflation and retain or increase its real value in the long run, not that it should be immune to short-term fluctuations in interest expenses and the nominal value of a currency.

This latest quarter has seen significant growth in interest in residential units and housing development in the Stockholm region. In our discussions with international financial compa-

nies, we are seeing an increasingly high level of interest in investing in the region. There has also been a resurgence in operators representing Swedish institutional capital starting to make acquisitions at high prices in Stockholm’s suburbs over the past quarter. This includes completed, new-build rental housing, illustrated by Willhem’s acquisition in Vegastaden in Haninge, and also development rights, illustrated by Alecta’s acquisition in Solna.

We firmly believe that the low number of construction starts, combined with interest from capital market operators in residential units in the Stockholm region, indicates that price increases are around the corner. For certain types of residential units, the low number of construction starts is almost unique from a historical perspective. According to SCB, in the second quarter of 2024 construction began on 78 single-family homes in the whole of Stockholm County. That is the single lowest figure for the whole of the 2000s, while according to the same source, the population of the county rose by just over 34 percent during this period. You have to go back to the third quarter of the year of the property crash, 1993, to find a quarter in which construction began on fewer single-family homes [75]. Other than that, even if you go back to the first

year statistics were collected, 1975, you still won’t find a quarter with a lower figure for construction of single-family homes for the county. The current low level of construction for these homes in Stockholm is not solely linked to a quarter; it follows the same trend as construction levels in general, but it is extreme for this particular type of home. As far as we are concerned, having the lowest construction levels in a half-century period is not an indication that we should not be building now; quite the opposite. Risk aversion is too strong, and we are underestimating the positives of launching projects now that construction costs have yet to follow general inflation upwards. It is based on this reasoning that Titania began construction in the autumn on 117 single-family homes for the company’s project in Kristineberg, Vallentuna. As a residential property developer, taking calculated risks to generate future value growth is in our DNA, and if current conditions cannot be classified as a favourable then it is hard to see what kind of conditions would be.

Einar Janson
CEO and founder



2,549,323

PROPERTY VALUE INVEST-
MENT PROPERTIES,
SEK THOUSAND
30 SEPTEMBER 2024

526

NUMBER OF
RESIDENTIAL UNITS
30 SEPTEMBER 2024

52,926

RENTAL INCOME,
SEK THOUSAND
JANUARY-SEPTEMBER
2024

**“THIS LATEST QUARTER HAS SEEN SIGNIFI-
CANT GROWTH IN INTEREST IN RESIDENTIAL
UNITS AND HOUSING DEVELOPMENT IN THE
STOCKHOLM REGION.”**

Einar Janson, CEO and founder



TITANIA'S BUSINESS MODEL

Our business model is based on assuming responsibility, from the beginning of every project to its end:

- Total control of the entire the value chain, from initial project development to construction phase to property management.
- A project manager allows for a total overview of the process and optimised profitability, from start to finish.
- Considerable time and resources at the initial project phase to minimise any irreparable defects later in the process.
- Agreements with all stakeholders on a shared vision and implementation.
- Close cooperation in design and architecture.



1. Project design and planning

Titania appoints a project manager early on in the project, before submitting a land allocation bid.

This ensures a total overview of a complex project from start to finish.

Titania builds cost effectively while making conscious choices to ensure each project has a good overall impression.



2. Financing

During the planning phase, the company initiates a financing discussion with its funding partner of choice.

To minimise finance costs there is no committed funding until 1–2 months prior to the start of construction, when the funding partner applies for a credit decision.



3. Construction

Effective construction phase via a detailed development plan with clear requirements and a schedule for suppliers.

With meticulous planning, the construction phase can begin as early as the day the detailed development plan is approved.



4. Completion

Titania has a combination of sold development projects and projects under management.

Titania's strategy is to grow the investment property portfolio.

Titania has several projects underway that will expand its investment property portfolio.



5. Property management

Titania's goal is to retain approximately 70 percent of the residential units that Titania produces as rental apartments under proprietary management.

Titania produces as rental apartments under proprietary management.

Operational objectives

Production of residential units

The Group should, over time, start the construction of a minimum of 500 residential units annually.

Production of development rights

The Group should, by means of agreements with landowners or a combination of proprietary land acquisition and municipal land allocations, or municipal planning permission, ensure the creation of at least 500 new development rights for residential units annually.

Proportion of residential units under proprietary management

Long-term rental income from residential units should constitute at least 70 percent of the Group's total rental income.

Property value

Property value should amount to a minimum of SEK 8 billion by 2027.

Sustainability goals

Environmentally sustainable materials

In the long term, the majority of Titania's residential units are to be produced with wooden frames.

Environmental certification

Properties developed by Titania and retained for proprietary management should, in the long term, achieve Swan eco-labelling or the equivalent environmental certification.

Financial targets

Net asset value

Annual growth in net asset value per ordinary share in the long term should be at least 20 percent over a business cycle.

Financial risk limitations

Loan-to-value ratio

The loan-to-value ratio must not exceed 70 percent relative to the market value of the Group's assets in the long term.

Equity/assets ratio

The Group's equity/assets ratio must not fall below 25 percent in the long term.

Interest coverage ratio

The Group's interest coverage ratio must not exceed 1.5 times in the long term.

Dividend policy

Titania's overall objective is to generate the best total long-term yield for shareholders. Therefore, Titania does not intend to distribute dividends in the next few years, as operational surpluses will go towards the launch of additional production projects, as well as to acquiring more properties and projects.

OUR PROPERTIES AND DEVELOPMENT PROJECTS

Our properties and development projects are in areas where the cost of land is lower, and where we can genuinely improve urban development. With our holistic approach and close cooperation with architects and developers, and on all aspects of proprietary management, we take on projects where we can break the negative trend in vulnerable areas, in order to create value for ourselves and society as a whole.

Properties and development projects

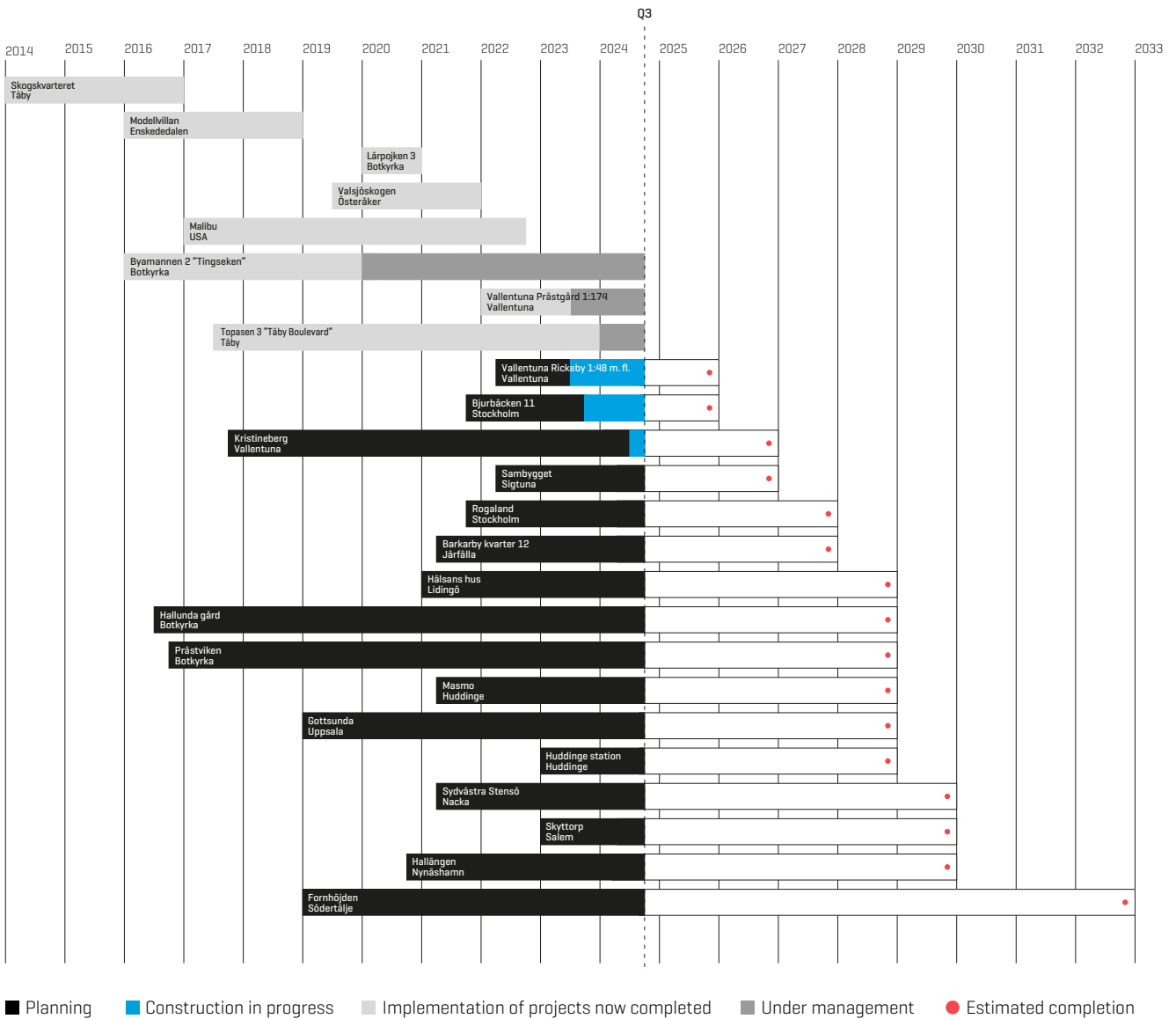
Property/project	Status	Area/nearby address	Municipality	Estimated completion date/ completed	Number of residential units	Residential/ Commercial floor area
Barkarby kvarter 12	Approved	Barkabyfältet	Järfälla	2027	377	19,560
Bjurbäcken 11	Ongoing	Rågsved	Stockholm	2025	206	9,942
Byamannen 2, Tingseken	Completed	Tingstorget, Alby, Lagmansbacken	Botkyrka	2019	246	10,289
Fornhöjden	Planning permission	Östertälje station	Södertälje	2032	1,400	94,792
Gottsunda	Consultation completed	Gottsunda	Uppsala	2028	300	17,625
Hallunda gård	Approved	Hallunda gårdsväg	Botkyrka	2028	718	55,590
Hallängen	Consultation completed	Ösmo Station, Nyblevägen	Nynäshamn	2029	270	9,000
Hallängen 5	Completed	Ösmo Station, Hallängen	Nynäshamn	1972	-	1,199
Herrång 1:24	Completed	Herrångsvägen	Norrtälje	1953	27	1,472
Huddinge station	Approved	Huddinge centrum	Huddinge	2028	416	19,425
Hålsans hus	Approved	Högsåtra, Högsåtravägen	Lidingö	2028	-	4,950
Kristineberg	Ongoing	Gävsjöskogen, Arningevägen	Vallentuna	2026	117	14,949
Masmo	Planning programme	Masmo metro, Varvsvägen	Huddinge	2028	312	14,040
Prästviken	Adopted [appealed]	Norsborg, Sankt Botvids väg	Botkyrka	2028	701	48,880
Rogaland	Consultation completed	Husby, Hanstavägen	Stockholm	2027	200	7,800
Sambygget	Approved	Märsta Station	Sigtuna	2026	91	5,460
Skyttorp	Consultation completed	Salems Centrum, Skyttorpsvägen	Salem	2029	100	5,950
Sydvästra Stensö	Consultation completed	Ålta	Nacka	2029	178	7,500
Topasen 3, Täby Boulevard	Completed	Täby park	Täby	2024	226	10,393
Vallentuna Prästgård 1:174	Completed	Vallentuna Centrum	Vallentuna	2023	27	1,419
Vallentuna Rickeby 1:48, and others*	Ongoing	Vallentuna Centrum, Mörbyvägen	Vallentuna	2025	37	1,150
Total					5,949	361,385

*The property is 50-percent owned via a JV and includes a total of 74 residential units and 2,300 RFA.



Byamannen 2 "Tingseken", Botkyrka

Project portfolio



Notes on the Group's projects

Titania's business concept is to engage in project development, construction and property management in the Greater Stockholm area. The company's growth is primarily achieved through the proprietary development of new residential districts and the control of the value chain in its entirety, from the creation of new detailed development plans to construction and, ultimately, the long-term management of the properties. Most of Titania's projects are in their initial phases, which means that projects will achieve profitability in the longer term. Consequently, Titania's net profits may be lower for now, compared with when its projects are completed and the gains from projects are calculated. In addition to project profitability, Titania's cash flow from investment properties is also expected to increase as we build up a larger rental portfolio over time. Earnings could also be affected by unrealised changes in the value of investment properties.

Titania has projects at various phases of progress and holds about 5,400 development rights. Further information is available under the heading, 'Our properties and development projects'.

The majority of Titania's property portfolio remained fully let at the end of the period. The number of residential units under management was 526 [300].

SUMMARY OF INCOME STATEMENT

Notes on the Group's income statement

The Group recognises its investment properties at fair value in the balance sheet. These fair values correspond to the properties' market value. Changes in market values are recognised as changes in value in profit or loss. The Group's property portfolio consists of completed investment properties, projects in progress, and development rights pertaining to projects aimed at the production of investment properties. All properties are conveyed with freehold or leasehold rights, and consist of both residential properties and commercial premises.

Since the item 'investment properties' comprises various components, an analysis at an overall level could be misleading. For example, the fair value might have declined for certain components, but Titania might nevertheless report a positive effect under 'unrealised changes in value'. At the moment, the measurement of investment properties is more difficult than in previous periods, and we are adjusting the value upward or downward, based on data that we deem to be reliable, and which reflects the bid-ask spread.

The quarter July–September 2024

Income for the quarter totalled SEK 18,454 [16,819] thousand and consisted largely of income from rental operations.

Rental income amounted to SEK 18,220 [8,709] thousand. The increases are attributable to higher rents and additional tenants, combined with an expanded property portfolio compared with the same period in the previous year. Operating expenses totalled SEK 5,232 [1,600] thousand. Net operating income consequently amounted to SEK 12,988 [7,109] thousand.

Operating profit before changes in value was SEK 26,710 [1,154] thousand. This includes capitalised work totalling SEK 118,810 [117,210] thousand and relates to costs incurred that have been capitalised as an asset in the balance sheet. The capitalised work is linked to the property development projects we have ongoing and largely pertains to our projects in progress in Rågsved and Vallentuna.

Unrealised changes in value for completed investment properties amounted to SEK 17,218 [0] thousand. Our investment properties were internally valued in Q3 2024. Projects in progress impacted earnings by SEK 262,408 [35,786] thousand in unrealised changes in value. The changes in value are unrealised as they are not linked to an actual completed transaction and will fluctuate over time. The increase in value for the quarter was fuelled by several new projects, along with an increase in the value of existing investment properties.

Net financial items amounted to SEK -31,500 [-24,950] thousand. The higher finance costs are mainly attributable to increased borrowing and higher interest rates as a consequence of the market situation. Titania is subject to variable interest rates, but the interest rate risk attributable to Titania's bank financing is partly limited through an interest rate cap. This cap does not apply to the Group's bonds.

Profit for the quarter was SEK 224,705 [2,728] thousand.

Cash flow from operating activities for the quarter totalled SEK -15,111 [-21,341] thousand. Cash flow from investing activities amounted to SEK -67,512 [-147,919] thousand. Cash flow from financing activities amounted to SEK 112,285 [130,087] thousand. Cash flow for the quarter thus amounted to SEK 29,662 [-39,173] thousand. Cash flow comprised newly raised loans, which have primarily been used to finance property development projects.

The period January–September 2024

Income for the period totalled SEK 55,115 [48,888] thousand and consisted largely of income from rental operations. The comparative figure includes income from the leasing of construction equipment.

Rental income amounted to SEK 52,926 [25,280] thousand. The increase is in line with our objective of expanding our portfolio of rental properties over time. The increase is attributable to higher rents and additional tenants. Operating expenses totalled SEK 11,448 [4,706] thousand. Net operating income consequently amounted to SEK 41,478 [20,574] thousand. The improvement is mainly attributable to an increase in lettable residential units and higher rental income during the year.

Operating profit/loss before changes in value was SEK 45,224 [-18,052] thousand. This includes capitalised work totalling SEK 308,343 [291,500] thousand and relates to costs incurred that have been capitalised as an asset in the balance sheet. The capitalised work is linked to the property development projects we have ongoing and largely pertains to our projects in progress in Rågsved and Vallentuna.

Unrealised changes in value for completed investment properties amounted to SEK 36,218 [0] thousand. Our investment properties were independently valued in Q4 2023. Projects in progress impacted earnings by SEK 336,361 [30,296] thousand in unrealised changes in value. The changes in value are unrealised as they are not linked to an actual completed transaction and will fluctuate over time. The increase in value for the period was fuelled by several new projects, along with an increase in the value of existing investment properties.

Net financial items amounted to SEK -100,453 [-64,576] thousand. The higher finance costs are mainly attributable to increased borrowing and higher interest rates as a consequence of the market situation. Titania is subject to variable interest rates, but the interest rate risk attributable to Titania's bank financing is partly limited through an interest rate cap. This cap does not apply to the Group's bonds.

Profit/loss for the period amounted to SEK 241,795 [-64,453] thousand. The greatest deviations in profit/loss in relation to the comparative period comprise unrealised changes in value and higher interest rates.

Cash flow from operating activities for the period totalled SEK 142,347 [-106,912] thousand. Cash flow from investing activities amounted to SEK -272,374 [-388,164] thousand. Cash flow from financing activities amounted to SEK 181,641 [355,256] thousand. Cash flow for the period thus amounted to SEK 51,614 [-139,820] thousand. Cash flow comprised refinancing of bonds and newly raised loans, which have primarily been used to finance property development projects.

Notes on the Parent Company's income statement

The Parent Company's activities comprise the administration of all Group companies.

The quarter July–September 2024

The Parent Company's loss for the quarter was SEK -22,107 [-13,795] thousand.

The period January–September 2024

The Parent Company's loss for the period was SEK -69,113 [-43,091] thousand. The decrease in earnings compared with the preceding year is mainly attributable to higher interest costs.

FINANCING

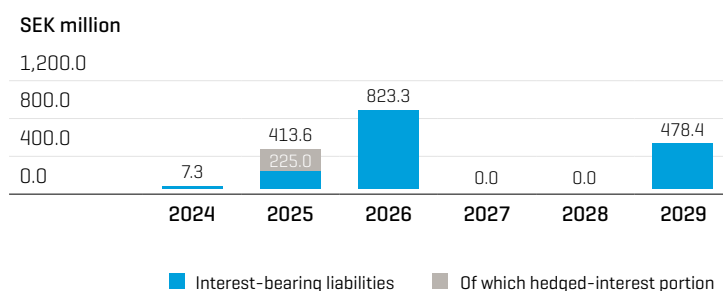
Maturity

Tied-up capital, SEK million	2024	2025	2026	2027	2028	2029	Total	Share, %	Interest-rate cap, SEK million	Interest-rate cap, %	Share of hedged-interest loans, %	Interest
Property loans	2.9	383.7	-	-	-	-	386.6	22	225.0	5	13	Stibor 3M+1.7%
Loans	4.2	29.5	-	-	-	-	33.7	2	-	-	-	6.8%
Property loans	0.1	0.4	58.7	-	-	-	59.2	3	-	-	-	6.8%–8.8%
Property loans	-	-	-	-	-	478.4	478.4	28	-	-	-	5-year swap rate + 3.35%
Construction loans	-	-	239.6	-	-	-	239.6	14	-	-	-	10.0%
Bonds	-	-	525.0	-	-	-	525.0	30	-	-	-	Stibor 3M+8.5%
Total	7.3	413.6	823.3	-	-	478.4	1,722.6	100	225.0	5	13	

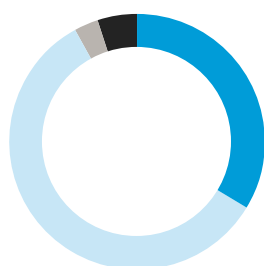
The bond is reported net, together with attributable prepaid transaction costs distributed over the bond's term, up to December 2026.
The bond was admitted to trading on Nasdaq Stockholm.

Provision of capital	SEK million	Share, %
Equity	962.0	34
Interest-bearing liabilities	1,696.4	59
Deferred tax liability	72.5	3
Other liabilities	135.0	5
Total assets	2,865.9	100

Loan maturity



Provision of capital



	SEK million	%
Equity	962.0	34%
Interest-bearing liabilities	1,696.4	59%
Deferred tax liability	72.5	3%
Other liabilities	135.0	5%

Tied-up capital



	SEK million	%
Bonds	525.0	30%
Interest-bearing liabilities	776.7	45%
Current interest-bearing liabilities	420.8	24%

33.6%

EQUITY/ASSETS RATIO
30 SEPTEMBER 2024

55.9%

LOAN-TO-VALUE RATIO
30 SEPTEMBER 2024

2,865,853

SEK THOUSAND,
TOTAL ASSETS
30 SEPTEMBER 2024



OTHER DISCLOSURES

Operating environment factors

To date, Titania has not noted any significant consequences on the company's operations due to war and the current change in the external situation. However, there is a potential risk that further interest rate hikes and price increases, continued delivery problems and an economic downturn could adversely affect the company.

Risks and uncertainties

Risks in projects in progress

Although the Group is active in the property market and has expertise throughout the value chain, its operations essentially comprise property development projects. The ability to successfully implement property development projects is dependent on several factors, such as the Group's ability to obtain detailed development plans within the requisite deadlines, which could otherwise result in delays. Delays could also arise as a result of hitherto approved detailed development plans being appealed. The Group is also dependent on acquiring properties with the requisite development rights relevant to the project concerned.

Risks in completed projects

There are also risks related to rental income and rental trends. In the event that one or more of these risks materialises, it could result in a reduction in the Group's rental income and lower occupancy rates, and adversely impact the Group's margins and earnings, as well as its operations and market values.

Market risk

If property market values were to fall, this would affect the valuation of our investment properties, which would have a significant impact on earnings. However, the assessment is that housing prices will increase over time, at least in line with inflation.

Financial risks

The Group is exposed to financial risks through its operations. The Group strives to minimise any unfavourable effects on its financial performance. The Group's financial operations are aimed at ensuring that the Group can meet its payment obligations, securing access to requisite financing, optimising the Group's net financial items and handling financial risks, such as market risks, currency risks, interest rate risks, credit risks, liquidity risks and refinancing risks. The Board of Directors has ultimate responsibility for exposure, management and monitoring with regard to the company's risks. The Board of Directors determines what frameworks are applicable and revises them annually. The Board of Directors has delegated the responsibility for day-to-day risk management to the CEO. The Board of Directors may decide on temporary deviations from the adopted frameworks as needed.

All risks and uncertainties are applicable to the Parent Company as well as to the Group, and are described in detail on pages 66–67 of Titania's 2023 Annual Report.

Significant related-party transactions during the period

During the period, there were no significant transactions with related parties other than intra-Group transactions. See Note 8 for more information.

Disclosures about significant related-party transactions are applicable to the Parent Company as well as to the Group.

Share option programme

Share option programme outstanding	Number of options	Corresponding number of shares	Percentage of total shares	Exercise price	Redemption period
LTIP 2021 2021/2024:1	490,763	490,763	0.7%	29.1	31 Aug–14 Sep 2024
LTIP 2021 2021/2024:2	669,222	669,222	0.9%	29.1	31 Aug–14 Sep 2024
LTIP 2023 2023/2026:1	3,000,000	3,000,000	4.2%	6.4	15 May–31 Aug 2026
LTIP 2023 2023/2027:1	400,000	400,000	0.6%	6.4	15 May–31 Aug 2027
Total	4,559,985	4,559,985			

CONSOLIDATED INCOME STATEMENT

SEK thousand	Note	July–September		January–September		Full year
		2024	2023	2024	2023	2023
Income	2	18,454	16,819	55,115	48,888	64,477
Other operating income		708	371	1,476	1,740	4,662
		19,162	17,190	56,591	50,628	69,139
Capitalised production costs		118,810	117,210	308,343	291,500	276,676
Contractor costs	3	-94,791	-111,452	-271,130	-286,247	-427,722
Property expenses		-5,232	-1,600	-11,448	-4,706	-9,176
Other external expenses		-6,247	-9,850	-19,643	-37,085	-63,212
Personnel expenses		-3,016	-7,593	-12,037	-24,022	-32,349
Depreciation and impairment of property, plant and equipment		-1,976	-2,752	-5,450	-8,120	-10,351
Operating profit/loss before changes in value		26,710	1,154	45,224	-18,052	-196,994
Realised changes in value, investment properties	4	-17,514	-	-17,514	-	-
Unrealised changes in value, investment properties	4	279,626	35,786	372,579	30,296	277,666
Operating profit/loss after changes in value		288,821	36,940	400,289	12,243	80,671
Finance income		16,073	1,940	16,344	3,977	4,983
Finance costs		-47,574	-26,890	-116,796	-68,554	-100,798
Net financial items		-31,500	-24,950	-100,453	-64,576	-95,815
Profit/loss before tax		257,321	11,990	299,836	-52,333	-15,144
Current tax		-	24	-19	16	16
Deferred tax		-32,616	-9,286	-58,022	-12,136	-14,549
Profit/loss for the period		224,705	2,728	241,795	-64,453	-29,677
Profit/loss for the period attributable to:						
Parent Company shareholders		224,705	2,728	241,795	-64,453	-29,677
Earnings per share before and after dilution, SEK		3.14	0.04	3.38	-0.90	-0.42
Average number of ordinary shares outstanding before and after dilution		71,500,000	71,500,000	71,500,000	71,500,000	71,500,000

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF OTHER COMPREHENSIVE INCOME

SEK thousand	July–September		January–September		Full year
	2024	2023	2024	2023	2023
Profit/loss for the period	224,705	2,728	241,795	-64,453	-29,677
Other comprehensive income					
Items that have been or may be transferred to profit or loss					
Exchange differences on translation of foreign operations*	-32,078	-	-16,039	-	-
Other comprehensive income for the period	-32,078	-	-16,039	-	-
Total comprehensive income for the period	192,627	2,728	225,756	-64,453	-29,677
*This item includes a one-off adjustment relating to previously divested operations in foreign currency.					
Total comprehensive income for the period attributable to:					
Parent Company shareholders	192,627	2,728	225,756	-64,453	-29,677

CONSOLIDATED BALANCE SHEET

SEK thousand	Note	30 Sep		31 Dec
		2024	2023	2023
ASSETS				
Non-current assets				
Intangible assets		13,477	14,210	14,019
Investment properties	4	2,549,323	1,590,428	1,974,050
Equipment		526	6,427	1,456
Right-of-use assets		8,214	20,346	8,486
Interests in joint ventures		9,963	-	-
Other non-current receivables		65,151	67,080	43,186
Total non-current assets		2,646,655	1,698,491	2,041,196
Current assets				
Development properties	5	106,464	184,687	46,384
Raw materials and consumables used		-	8,754	289
Trade receivables		2,930	9,822	2,565
Current tax assets		-	358	-
Receivables from joint ventures		7,147	-	-
Other receivables	6	6,233	17,086	207,225
Prepaid expenses and accrued income		2,763	3,568	15,104
Cash and cash equivalents		93,663	115,392	42,048
Total current assets		219,199	339,666	313,614
TOTAL ASSETS		2,865,853	2,038,157	2,354,810

CONSOLIDATED BALANCE SHEET (CONT.)

SEK thousand	Note	30 Sep		31 Dec
		2024	2023	2023
EQUITY AND LIABILITIES				
Equity				
Share capital		715	715	715
Reserves		-	16,039	16,039
Other contributed capital		425,053	424,990	425,053
Retained earnings including profit for the period		536,254	259,682	294,459
Total equity		962,022	701,427	736,266
Liabilities				
Non-current liabilities				
Interest-bearing liabilities	7	1,275,643	421,875	568,315
Lease liabilities		2,794	17,167	6,631
Provisions		-	2,407	-
Deferred tax liability		72,464	12,027	14,442
Total non-current liabilities		1,350,901	453,476	589,388
Current liabilities				
Interest-bearing liabilities	7	420,762	800,040	935,568
Lease liabilities		5,329	3,775	1,945
Trade payables		99,635	59,322	30,900
Current tax liability		5,367	-	14,837
Other current liabilities		5,784	3,318	1,510
Accrued expenses and deferred income		16,053	16,798	44,396
Total current liabilities		552,930	883,254	1,029,156
Total liabilities		1,903,831	1,336,730	1,618,544
TOTAL EQUITY AND LIABILITIES		2,865,853	2,038,157	2,354,810

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK thousand	Attributable to Parent Company shareholders					Total equity
	Share capital	Translation reserve	Other contributed capital	Retained earnings incl. profit for the period		
Opening balance, 1 January 2023	715	16,039	422,137	324,136		763,027
Profit/loss for the year	-	-	-	-64,453		-64,453
Share-related incentive programme	-	-	2,853	-		2,853
Other comprehensive income for the period	-	-	-	-		-
Total comprehensive income for the period	-	-	2,853	-64,453		-61,600
Closing balance, 30 September 2023	715	16,039	424,990	259,682		701,427

SEK thousand	Attributable to Parent Company shareholders					Total equity
	Share capital	Translation reserve	Other contributed capital	Retained earnings incl. profit for the period		
Opening balance, 1 January 2024	715	16,039	425,053	294,459		736,266
Profit/loss for the year	-	-	-	241,795		241,795
Share-related incentive programme	-	-	-	-		-
Other comprehensive income for the period	-	-16,039	-	-		-16,039
Total comprehensive income for the period	-	-16,039	-	241,795		225,756
Closing balance, 30 September 2024	715	-	425,053	536,254		962,022

CONSOLIDATED CASH FLOW STATEMENT

SEK thousand	July–September		January–September		Full year
	2024	2023	2024	2023	2023
Cash flow from operating activities					
Profit/loss before tax	257,321	11,990	299,836	-52,333	-15,144
Adjustment for non-cash items:					
· Depreciation/amortisation	1,976	2,752	5,450	8,120	10,351
· Provisions	-	151	-	300	31
· Divestment of subsidiaries	17,514	-	18,151	-5,745	-9,909
· Changes in value, investment properties	-279,626	-35,786	-372,579	-30,296	-277,666
· Reversal of recognised finance costs	47,573	26,890	116,796	68,554	100,798
· Interest paid	-47,840	-26,890	-105,572	-68,554	-100,798
· Reversal of recognised finance income	-16,074	-1,940	-16,344	-3,977	-4,983
· Interest received	35	1,940	305	3,977	4,983
Income tax paid	9,550	-133	-19	-1,012	-
	-9,570	-21,029	-53,976	-80,965	-292,336
Cash flow from changes in working capital					
Increase/decrease in development properties	-34,280	-12,315	-46,982	-60,989	-110,685
Increase/decrease in operating receivables	8,137	-4,592	212,611	-7,741	1,930
Increase/decrease in operating liabilities	20,603	16,595	30,694	42,783	46,260
Total change in working capital	-5,541	-312	196,323	-25,946	-62,495
Cash flow from operating activities	-15,111	-21,341	142,347	-106,912	-354,832
Cash flow from investing activities					
Investments in investment properties	-96,603	-153,069	-301,465	-393,314	-305,022
Investments in intangible assets	-	-	-	-	-13,288
Change in receivables from joint ventures	6,000	-	6,000	-	-
Increase/decrease in non-current financial investments	-	5,150	-	5,150	29,045
Sale of investment properties	23,091	-	23,091	-	-
Net liquidity impact of sale of investments in subsidiaries	-	-	-	-	2,026
Cash flow from investing activities	-67,512	-147,919	-272,374	-388,164	-287,240
Cash flow from financing activities					
Proceeds from borrowings	116,592	134,652	743,578	366,628	452,944
Repayment of liabilities	-3,078	-2,813	-557,778	-8,438	-11,652
Repayment of lease liabilities	-1,229	-1,752	-4,159	-2,935	-15,301
Share-related incentive programme	-	-	-	-	2,916
Cash flow from financing activities	112,285	130,087	181,641	355,256	428,907
Cash flow for the period	29,662	-39,173	51,614	-139,820	-213,165
Cash and cash equivalents at beginning of period	64,001	154,565	42,048	255,212	255,212
Cash and cash equivalents at end of period	93,663	115,392	93,663	115,392	42,048

INCOME STATEMENT, PARENT COMPANY

SEK thousand	July–September		January–September		Full year
	2024	2023	2024	2023	2023
Income	-	131	-	430	430
Operating expenses					
Other external expenses	-1,420	-602	-4,974	-4,211	-4,415
Personnel expenses	-1,095	-1,126	-3,417	-3,437	-3,912
Operating profit/loss	-2,514	-1,597	-8,391	-7,218	-7,897
Profit/loss from financial items					
Profit/loss from investments in Group companies	-	-14	-782	-14	-214,721
Interest and similar income	-	1,224	-	2,378	3,597
Interest and similar expenses	-19,592	-13,409	-59,940	-38,238	-52,142
Total financial items	-19,592	-12,198	-60,722	-35,873	-263,266
Profit/loss after financial items	-22,107	-13,795	-69,113	-43,091	-271,163
Profit/loss for the period	-22,107	-13,795	-69,113	-43,091	-271,163

BALANCE SHEET, PARENT COMPANY

SEK thousand	Note	30 Sep		31 Dec
		2024	2023	2023
ASSETS				
Financial assets				
Investments in Group companies		111,388	129,341	111,388
Total non-current assets		111,388	129,341	111,388
Current assets				
Receivables from Group companies		717,457	640,491	422,126
Prepaid expenses and accrued income		317	171	11,511
Other receivables	6	21	13	202,923
Cash and bank balances		432	2,688	10,781
Total current assets		718,228	643,363	647,340
TOTAL ASSETS		829,615	772,704	758,728

SEK thousand	Note	30 Sep		31 Dec
		2024	2023	2023
EQUITY				
Restricted equity				
Share capital		715	715	715
Total equity		715	715	715
Unrestricted equity				
Retained earnings		-242,423	28,740	28,740
Share premium reserve		424,990	424,990	424,990
Profit/loss for the year		-69,113	-43,091	-271,163
Total unrestricted equity		113,454	410,639	182,567
Total equity		114,169	411,354	183,282
Non-current liabilities				
Interest-bearing liabilities	7	504,797	-	509,250
Total non-current liabilities		504,797	-	509,250
Current liabilities				
Interest-bearing liabilities	7	-	357,427	63,737
Trade payables		505	509	377
Liabilities to Group companies		206,821	-	-
Tax liabilities		-	175	267
Other liabilities		195	1,857	-
Accrued expenses and deferred income		3,129	1,383	1,816
Total current liabilities		210,649	361,350	66,196
Total liabilities		715,446	361,350	575,446
TOTAL EQUITY AND LIABILITIES		829,615	772,704	758,728

NOTES

All amounts in this report are presented in SEK thousands unless otherwise indicated. Rounding errors may occur in tables that aggregate several amounts.

'Quarter' refers to the most recent quarter of the interim report. 'Period' refers to all quarters of the interim report, accumulated.

Note 1 – Accounting policies

This condensed interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. For the Group and the Parent Company, the accounting policies and calculation methods are the same as those applied in the most recent Annual Report. Disclosures required under IAS 34.16A are provided in the financial statements and related notes, as well as in other parts of the interim report.

Investment properties measured at fair value

The value of properties is measured at the end of every quarter. At least once a year, the measurement is performed by an independent evaluator. For the quarters in which the measurement is performed internally, a dialogue is conducted with an independent property evaluator. Classifications are made pursuant to the requirements of IFRS 13, and investment properties are measured at fair value in accordance with IAS 40. The measurement of investment properties may include fair values for development rights/ future development rights.

The Group's investment properties were independently valued on 31 December 2023.

Development properties

Gains on development properties are recognised on divestment and closing of the transaction.

Measurement of financial instruments

The carrying amounts of receivables, cash and cash equivalents, trade payables, interest-bearing liabilities and other liabilities constitute a reasonable approximation of their fair value.

Accounting estimates

There were no changes to any accounting estimates during the period. See Note 4 of the 2023 Annual Report for further information.

Note 2 – Distribution of income

Distribution of income	July–September		January–September		Full year
	2024	2023	2024	2023	2023
Rental income	18,220	8,709	52,926	25,280	35,527
Lease of construction materials	–	5,403	–	12,483	15,665
Other	234	2,706	2,188	11,125	13,285
Total income	18,454	16,819	55,115	48,888	64,477

See Note 9 for breakdown of income by segment.

Note 3 – Distribution of contractor costs

Distribution of contractor costs	July–September		January–September		Full year
	2024	2023	2024	2023	2023
Contractor costs for investment properties	92,464	108,139	261,790	268,807	401,165
Contractor costs for development properties	2,327	3,313	9,340	17,441	26,557
Total contractor costs	94,791	111,452	271,130	286,247	427,722

Note 4 – Investment properties

Titania recognises its investment properties at fair value in the balance sheet. These fair values correspond to the properties' market value. Changes in market values are recognised as changes in value in profit or loss. The Group's portfolio comprises completed investment properties and projects in progress. All properties are leased with ownership rights and comprise residential properties and commercial properties. The item 'Investment properties' includes development rights pertaining to projects aimed at the production of investment properties.

	30 Sep		31 Dec
	2024	2023	2023
Opening balance, 1 January	1,974,050	1,212,416	1,212,416
Purchases	301,465	321,360	313,859
Sales	-63,708	-	-
Unrealised changes in value recognised in profit or loss	372,579	30,296	277,666
Reclassifications	-35,063	26,356	170,109
Closing balance	2,549,323	1,590,428	1,974,050

Changes in value, investment properties	30 Sep		31 Dec
	2024	2023	2023
Realised changes in value	-17,514	-	-
Unrealised changes in value	372,579	30,296	277,666
Total	355,065	30,296	277,666

Note 5 – Development properties

The cost of development properties includes the purchase consideration and subsequent expenditure incurred during the development period.

	30 Sep		31 Dec
	2024	2023	2023
Opening balance, 1 January	46,384	106,096	106,096
Purchases	25,017	104,947	110,397
Reclassifications	35,063	-26,356	-170,109
Closing balance	106,463	184,687	46,384

Note 6 – Other receivables

At 31/12/2023, the item ‘other receivables’ consisted mainly of an escrow account for the part of the bond that Titania was yet to receive at the reporting date. SEK 203 million was transferred to an ordinary bank account on 15 January 2024.

Note 7 – Borrowings

	30 Sep		31 Dec
	2024	2023	2023
Non-current			
Bonds	504,797	-	509,250
Liabilities to credit institutions	770,846	421,875	59,065
Total	1,275,643	421,875	568,315
	30 Sep		31 Dec
	2024	2023	2023
Current			
Bonds	-	357,427	63,737
Liabilities to credit institutions	420,762	442,613	871,831
Other interest-bearing liabilities	-	-	-
Total	420,762	800,040	935,568

Current liabilities are calculated as the portion of borrowings due for repayment within one year.

The SEK 525 million bond is reported net, together with attributable prepaid transaction costs distributed over the bond's term.

The bond has been admitted to trading on Nasdaq Stockholm, with a maturity of 3 years.

Note 8 – Related-party transactions

The Group is under the control of Einar Janson Invest AB. Related parties are defined as subsidiaries, the Parent Company and the Group's senior executives and their related parties. Transactions exist in the form of loans, rent for premises and management fees between Group companies. No fees were paid to related parties during the period.

Note 9 – Operating segments

Titania's financial reporting is prepared in two segments: 'Completed projects' and 'Projects in progress & miscellaneous'. Completed projects essentially refer to property management, while 'Projects in progress' comprise business development, projects in progress and production.

Segment reporting

INCOME STATEMENT

SEK thousand	July–September 2024			January–September 2024		
	Completed projects	Projects in progress & miscellaneous	Total	Completed projects	Projects in progress & miscellaneous	Total
Income	18,220	234	18,454	52,926	2,188	55,115
Other operating income	103	606	708	287	1,189	1,476
Total	18,322	840	19,162	53,213	3,377	56,591
Capitalised production costs	-	118,810	118,810	-	308,343	308,343
Contractor costs	-	-94,791	-94,791	-	-271,130	-271,130
Property expenses	-5,232	-	-5,232	-11,448	-	-11,448
Other external expenses	-974	-5,273	-6,247	-1,974	-17,669	-19,643
Personnel expenses	-	-3,016	-3,016	-	-12,037	-12,037
Depreciation and impairment of property, plant and equipment	-1,916	-60	-1,976	-	-5,450	-5,450
Operating profit/loss before changes in value	10,200	16,510	26,710	39,791	5,433	45,224
Realised changes in value, investment properties	-	-17,514	-17,514	-	-17,514	-17,514
Unrealised changes in value, investment properties	17,218	262,408	279,626	36,218	336,361	372,579
Operating profit/loss after changes in value	27,418	261,403	288,821	76,010	324,280	400,289
Finance income	1	16,073	16,073	259	16,085	16,344
Finance costs	-16,315	-31,259	-47,574	-44,123	-72,674	-116,796
Net financial items	-16,314	-15,186	-31,500	-43,864	-56,589	-100,453
Profit/loss before tax	11,104	246,217	257,321	32,146	267,691	299,836

SEK thousand	July–September 2023			January–September 2023		
	Completed projects	Projects in progress & miscellaneous	Total	Completed projects	Projects in progress & miscellaneous	Total
Income	8,710	8,108	16,819	25,280	23,608	48,888
Other operating income	2	369	371	735	1,005	1,740
Total	8,712	8,477	17,190	26,015	24,613	50,628
Capitalised production costs	–	117,210	117,210	–	291,500	291,500
Contractor costs	–	-111,452	-111,452	–	-286,247	-286,247
Property expenses	-1,600	–	-1,600	-4,706	–	-4,706
Other external expenses	9	-9,859	-9,850	-238	-36,847	-37,085
Personnel expenses	–	-7,593	-7,593	–	-24,022	-24,022
Depreciation and impairment of property, plant and equipment	–	-2,752	-2,752	–	-8,120	-8,120
Operating profit/loss before changes in value	7,121	-5,968	1,154	21,071	-39,123	-18,052
Realised changes in value, investment properties	–	–	–	–	–	–
Unrealised changes in value, investment properties	–	35,786	35,786	–	30,296	30,296
Operating profit/loss after changes in value	7,121	29,819	36,940	21,071	-8,827	12,243
Finance income	7	1,933	1,940	15	3,962	3,977
Finance costs	-6,052	-20,838	-26,890	-16,572	-51,981	-68,554
Net financial items	-6,046	-18,904	-24,950	-16,557	-48,019	-64,576
Profit/loss before tax	1,075	10,915	11,990	4,513	-56,846	-52,333

BALANCE SHEET

SEK thousand	30 September 2024			30 September 2023		
	Completed projects	Projects in progress & miscellaneous	Total	Completed projects	Projects in progress & miscellaneous	Total
ASSETS						
Total non-current assets	1,569,000	1,077,655	2,646,655	727,200	971,291	1,698,491
Total current assets	20,180	199,018	219,199	104,402	235,264	339,666
TOTAL ASSETS	1,589,180	1,276,673	2,865,853	831,602	1,206,555	2,038,157
LIABILITIES						
Total non-current liabilities	607,407	743,494	1,350,901	431,618	21,858	453,476
Total current liabilities	397,144	155,786	552,930	23,845	859,409	883,254
TOTAL LIABILITIES	1,004,551	899,281	1,903,831	455,462	881,268	1,336,730

Declaration by the Board of Directors and the CEO

The Board of Directors and the CEO confirm that this interim report provides 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 faced by the Parent Company and the companies included in the Group.

Stockholm, 14 November 2024

Titania Holding AB [publ], company registration number 556887-4274

Knut Pousette
Chairman of the Board

Einar Janson
CEO and Board member

Gunilla Öhman
Board member

This report is published in Swedish and English. In the event of any differences between the English version and the Swedish original, the Swedish version takes precedence.

This information constitutes inside information, which Titania Holding AB [publ] is obliged to publish under the EU Market Abuse Regulation (MAR). The information was provided through the agency of the contact persons above for publication on 14 November 2024, at 8.00 a.m. CET at www.titania.se, where all of Titania's financial statements will be available after publication.

Financial calendar

Year-end report January–December 2024	20 February 2025
Annual report January–December 2024	10 April 2025
Interim report January–March 2025	15 May 2025
2025 Annual General Meeting	29 May 2025
Interim report January–June 2025	13 August 2025
Interim report January–September 2025	13 November 2025

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This interim report has been reviewed by the company's auditor.



AUDITOR'S REVIEW REPORT

To the Board of Directors of Titania Holding AB [publ]

Company registration number: 556887-4274

Introduction

We have reviewed the condensed financial information [interim report] for Titania Holding AB [publ] as of 30 September 2024 and for the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of the review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review differs in focus and has substantially less scope than an audit conducted in accordance with ISA and other generally accepted auditing standards. Consequently, the procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group, and with the Annual Accounts Act for the Parent Company.

Stockholm, 14 November 2024

KPMG AB

Fredrik Sjölander

Authorised Public Accountant

RECONCILIATION OF KEY PERFORMANCE MEASURES

Some of the financial measures that Titania presents in the interim report are not defined under IFRS. It is the company's opinion that these measures provide valuable complementary information to investors and the company's management, as they enable evaluation of the company's performance. As not all companies calculate performance measures in the same way, the measures are not always comparable with those used by other companies. The measures should therefore not be viewed as replacements for those defined under IFRS. The table below presents the alternative performance measures considered to be relevant. The performance measures are based on the statements of income, financial position, changes in equity and cash flow. If the performance measures cannot be directly attributed to the above statements, their derivation and calculations are indicated below.

	July–September		January–September		Full year
	2024	2023	2024	2023	2023
Earnings per share before and after dilution*, SEK	3.14	0.04	3.38	-0.90	-0.42
Profit/loss for the year/period	224,705,305	2,728,463	241,794,800	-64,453,357	-29,676,978
Average number of shares	71,500,000	71,500,000	71,500,000	71,500,000	71,500,000
Number of ordinary shares**	71,500,000	71,500,000	71,500,000	71,500,000	71,500,000

*Measure defined under IFRS

**In December 2021, the company was listed on the stock exchange and increased its number of shares to 71,500,000. In 2021, Titania's key personnel and Board of Directors subscribed for 1,159,985 warrants. In 2023, Titania's key personnel and Board of Directors subscribed for 3,400,000 warrants. Further details can be found in Other disclosures.

Net operating income, SEK thousand	12,988	7,109	41,478	20,574	26,351
Rental income	18,220	8,709	52,926	25,280	35,527
Property expenses	-5,232	-1,600	-11,448	-4,706	-9,176
Return on equity*, %	35.6	-22.8	35.6	-22.8	-4.1
Profit/loss, rolling 12 months	276,571	-170,834	276,571	-170,834	-29,677
Average equity	777,066	750,798	777,066	750,798	726,010

*As the calculation has been amended compared with previous reports, the calculation for prior periods has been corrected.

Equity/assets ratio, %	33.6	34.4	33.6	34.4	31.3
Equity	962,022	701,427	962,022	701,427	736,266
Total assets	2,865,853	2,038,157	2,865,853	2,038,157	2,354,810

Loan-to-value ratio, %	55.9	54.3	55.9	54.3	62.1
Interest-bearing liabilities	1,696,405	1,221,915	1,696,405	1,221,915	1,503,882
Cash and cash equivalents	93,663	115,392	93,663	115,392	42,048
Interest-bearing liabilities less cash and cash equivalents	1,602,742	1,106,523	1,602,742	1,106,523	1,461,835
Total assets	2,865,853	2,038,157	2,865,853	2,038,157	2,354,810

Interest coverage ratio*, times	neg	neg	neg	neg	neg
Operating profit/loss before changes in value	26,710	1,154	45,224	-18,052	-196,994
Net financial items	-31,500	-24,950	-100,453	-64,576	-95,814

*As the interest coverage ratio is negative, no amount is recognised

Net asset value per ordinary share, SEK	14.47	9.98	14.47	9.98	10.50
Assets	2,865,853,367	2,038,156,882	2,865,853,367	2,038,156,882	2,354,809,896
Liabilities	1,903,831,237	1,336,729,877	1,903,831,237	1,336,729,877	1,618,543,567
Deferred tax liability	72,464,353	12,027,340	72,464,353	12,027,340	14,441,937
Number of shares:	71,500,000	71,500,000	71,500,000	71,500,000	71,500,000
Equity adjusted for deferred tax liabilities	1,034,486,483	713,454,344	1,034,486,483	713,454,344	750,708,266

DEFINITIONS

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

Return on equity, %

Profit/loss for the year/period as a percentage of average equity at the beginning and end of the period.

Purpose: A relative measurement of the company's ability to generate returns on its equity, expressed as a percentage.

Total assets

Equity and liabilities.

Purpose: Indicates the company's financial position.

Loan-to-value ratio, %

Current and non-current interest-bearing liabilities less cash and cash equivalents, as a percentage of total assets at the end of the reporting period. Current and non-current interest-bearing liabilities exclude lease liabilities under IFRS 16. Interest-bearing liabilities consist of current and non-current interest-bearing liabilities.

Purpose: The loan-to-value ratio is a measure of the company's capital structure. The loan-to-value ratio is an important measure of the company's financial risks, and a key metric for banks and other lenders.

Net operating income

Rental revenues less operating expenses, such as contributions for heating, water supply and sewer system, electricity, property upkeep, as well as continuous and planned maintenance.

Purpose: Net operating income is used to indicate the company's surplus from property management.

Earnings per share before and after dilution, SEK

Profit for the period/year attributable to the Parent Company's shareholders, divided by the weighted average number of shares outstanding during the period.

Purpose: This performance measure shows the development of profit/loss for the year/period, taking into account shares outstanding.

Interest coverage ratio, times

Operating profit/loss before changes in value in relation to net financial items.

Purpose: The interest coverage ratio is used to illustrate the sensitivity of the company's earnings to changes in interest rates.

Equity/assets ratio, %

Total equity at the end of the period as a percentage of total assets at the end of the period.

Purpose: The equity/assets ratio indicates what proportion of the balance sheet total is financed by equity and enables investors to assess the company's capital structure.

Net asset value per ordinary share

Total equity at the end of the period, with deferred tax liability added back, divided by the number of ordinary shares.

Purpose: Net asset value per ordinary share is used as a performance measure to provide stakeholders with information about Titania's net asset value per ordinary share.

Profit/loss for the year/period before tax

Profit/loss before tax.

Purpose: Profit/loss for the year/period is used as a measure of the company's profitability.

OTHER DEFINITIONS

GFA

GFA is an abbreviation of Gross Floor Area. The gross area is the total area of all the floors within a building, up to and including its exterior walls.

GFA above ground

GFA above ground is the usual area specification used for development rights and entails the exclusion of gross floor areas in dark spaces, such as garages.

RFA

RFA refers to the residential floor area – the building's floor space that is used for residential units.

UFA

UFA refers to the usable floor area, which is the total area of all the floors and is limited by the building's enclosing parts.

CFA

CFA refers to commercial floor area – floor space earmarked for utilities (UFA), for purposes other than usage as a residential space. Examples of such spaces are store and restaurant premises.

Interest-rate cap

An interest-rate cap is a guarantee of interest expenses for part of the company's interest-bearing bank debts. The cap entails that Titania will never pay more than the set interest rate, even if market interest rates are higher.

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