

Strong gross margin and increased sales in Besqab's interim report for January - June 2024

The interim report for January – June 2024 for Besqab AB (publ) (“Besqab”) shows strong gross margin and increased sales, with a high proportion of sold homes in ongoing production.

Link to the digital presentation of the interim report on Friday, August 30 at 09:00:

<https://ir.financialhearings.com/besqab-q2-report-2024>

Magnus Andersson, CEO Besqab, says:

“Besqab has seen an increase in the number of homes sold during the year. Expectations of upcoming interest rate cuts provide good prospects for continued recovery. We started 82 new residential apartments in the second quarter and are ready to start the production of additional homes as the market improves and demand increases.”

Sales have increased compared to the previous year, both for the quarter and the half-year. The merger between Aros Bostadsutveckling and Besqab was completed on March 15. The number of homes sold for the entire new Besqab, including the period before the acquisition, amounts to 165 units for January – June 2024.

The period January – June

- » According to the segment reporting, operating revenues amounted to SEK 947.3 million (727.4). Gross profit was SEK 162.4 million (150.7) and the gross margin was 17.1 percent (20.7).
- » According to the segment reporting, operating profit amounted to SEK 53.8 million (90.0) and the operating margin was 5.7 percent (12.4). The result for the period amounted to SEK 20.4 million (73.0). Earnings per share before and after dilution amounted to SEK 0.25 (1.52).
- » According to the segment reporting, the equity ratio as of the balance sheet date was 63.1 percent (68.6), equity amounted to SEK 3,526.9 million (1,902.7), and total assets amounted to SEK 5,585.5 million (2,771.8).
- » According to IFRS, net sales amounted to SEK 1,822.6 million (560.8), and the operating margin was negative (13.7). The result for the period was SEK -54.2 million (63.1). Earnings per share before and after dilution amounted to SEK -0.66 (1.32).
- » According to IFRS, the equity ratio as of the balance sheet date was 55.4 percent (52.2), equity amounted to SEK 3,143.3 million (1,546.5), and total assets amounted to SEK 5,672.3 million (2,962.0).
- » The proportion of booked or sold homes in ongoing production was 82 percent (91). The number of homes sold during the period amounted to 111 (22).
- » The number of homes taken into possession by housing cooperative buyers during the period amounted to 305 (256). The number of homes recognized for profit according to IFRS amounted to 553 (308).

The period April – June

- » According to the segment reporting, operating revenues amounted to SEK 486.8 million (338.2). Gross profit was SEK 99.7 million (75.3) and the gross margin was 20.5 percent (22.3).

- » According to the segment reporting, operating profit amounted to SEK 33.4 million (41.2) and the operating margin was 6.9 percent (12.2). The result for the period was SEK 11.1 million (31.4). Earnings per share before and after dilution amounted to SEK 0.11 (0.66).
- » According to IFRS, net sales amounted to SEK 1,433.6 million (65.4), the operating margin was 0.9 (8.4). The result for the period was SEK 0.9 million (-3.9). Earnings per share before and after dilution amounted to SEK 0.01 (-0.08).
- » The proportion of booked or sold homes in ongoing production was 82 percent (91). The number of homes sold during the period amounted to 73 (12).
- » The number of homes taken into possession by housing cooperative buyers during the period amounted to 210 (68). The number of homes recognized for profit according to IFRS amounted to 308 (56).

Significant events during the quarter

- » At the extraordinary general meeting on April 16, a new board was appointed with a total of eight members. Johan A. Gustavsson and Samir Taha were re-elected as board members, and Per Rutegård was re-elected as a member and chairman of the board. Olle Nordström, Sara Mindus, Zdravko Markovski, Andreas Philipson, and Alexander Alm-Pandeya were newly elected as board members. The board was then re-elected in its entirety at the annual general meeting on June 3.
- » Name change of Aros Bostadsutveckling AB to Besqab AB. The first trading day on Nasdaq First North Growth Market under the new ticker symbols BESQAB and BESQAB PEF B was on April 24.
- » On May 15, notice was given for the termination of approximately 25 employees due to redundancy following the merger between Aros Bostadsutveckling AB and Besqab AB.
- » On May 16, Anna Jepson announced that she was leaving her role as CFO for a new position outside the group. The recruitment process for a new CFO was immediately initiated.
- » In conjunction with the release of the Q1 2024 report, a capital markets day was held with a presentation of the strategic direction for the merged company.
- » In early June, a building permit was obtained for 164 apartments in the Tegeltornen residential project, and a construction contract was signed with TL Bygg AB. The four residential buildings represent the final phase of Fabriksparken in central Sundbyberg.

Significant events after the reporting period

- » On July 5, the property Mörtånäs 1:587 in Värmdö municipality was acquired through a company acquisition. The acquisition includes building rights for the new construction of approximately 60 homes, distributed across apartment buildings and townhouses.
- » In August, Magnus Sundell was recruited as the new CFO of the group. His employment begins on September 1, and Sundell will immediately join Besqab's group management.

Certified Adviser for Besqab AB (publ) at Nasdaq First North Growth Market is Carnegie Investment Bank AB (publ).

This information is information that Besqab AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU 596/2014). The information in this press release has been made public through the agency of the responsible person set out above for publication at the time stated the Company's news distributor, Cision, at the publication of this press release.

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About Besqab

Besqab AB (publ) develops sustainable, high-quality residential housing in sought-after locations in Greater Stockholm and Uppsala. The business also includes development of community services for external ownership or own management. The company is listed on the Nasdaq First North Growth Market. Certified Adviser is Carnegie Investment Bank AB (publ). More information at www.besqab.se