

SEK 131.1 MILLION
Income

SEK 39.3 MILLION
Gross profit

SEK 6,749 MILLION
Market value properties

SEK 45–50 BILLION
The company's project portfolio amounts to approximately SEK 45-50 billion. Historically, the project profit on completed projects has amounted to approximately 30 percent.

Q2 – 2022

Interim report, January–June

The period in brief

- Revenues totalled SEK 131.1 million (78.8).
- Profit prior to value changes totalled SEK 317.8 million (loss: 19.4).
- Profit before tax totalled SEK 317.8 million (loss: 19.4).
- Profit for the period totalled SEK 680.9 million (loss: 33.1), corresponding to SEK 10.8 per share (-3.5) prior to and after dilution.
- The market value of the properties totalled SEK 6.7 billion (5.8).
- Loans on the properties totalled SEK 1.56 billion (1.56), corresponding to a loan-to-value ratio of 23 percent (27).
- Net asset value (NAV) per share increased to SEK 94 (69).

Financial performance indicators	Jan–Jun 2022	Jan–Jun 2021	Apr–Jun 2022	Apr–Jun 2021	Jan–Dec 2021
Income, million SEK	131.1	78.8	84.3	41.7	199.3
Gross profit, million SEK	39.3	26.6	23.8	13.4	74.4
Change in contracted annual rent, %	25 %	3 %	25 %	3 %	9 %
Surplus ratio, %	67 %	60 %	77 %	67 %	66 %
Profit prior to value changes, million SEK	317.8	-19.4	328.3	-11.2	-40.8
Realised changes in value of properties, SEK million	70.0	-	-	-	-
Unrealised changes in value of properties, million SEK	280.8	-14.9	280.8	-14.9	281.0
Profit for the period, million SEK	680.9	-33.1	693.3	-23.6	176.4
Profit per share, prior to dilution, SEK	10.8	-3.5	11.0	-2.5	3.0
Profit per share, after dilution, SEK	10.8	-3.5	11.0	-2.5	3.0
Cash flow from operating activities, million SEK		-16		10.5	-16.4
Market value properties, million SEK	6,749	5,766	6,749	5,766	6,166
Loan-to-value ratio, properties, %	23 %	27 %	23 %	27 %	25 %
Net asset value (NAV), per share, SEK	94	69	94	69	81
Return on equity, %	21 %	16 %	21 %	16 %	5 %

Strong profit and strengthened cash

The company's property portfolio is approaching a value of SEK 7 billion. Half-yearly profit of SEK 680.9 million, a reduced loan-to-value ratio to 23 percent and a strengthened cash flow provide stability and long-term sustainability in a challenging time. The second quarter involved taking possession of a Joint Venture for the F60 Business Park and Stockholm Skavsta Flygplats AB (Skavsta) that the company agreed on during the first quarter of the year.

Profit for the first half of the year

Profit for the first half of the year totalled SEK 680.9 million. The increased profit is largely due to the transactions for the F60 deal and the acquisition of Skavsta, which had positive profit effects of approximately SEK 70 million and SEK 337 million, respectively, excluding tax. The loan-to-value ratio decreased to 23 percent (27), an effect of the increase in the market value of properties. The low loan-to-value ratio provides stable conditions in a troubled world. It also gives us good conditions for future

financing solutions. In total, revenues increased from SEK 78.8 million to SEK 131.1 million, an increase of 67 percent. The revenue increase is driven by normalisation for our operating companies, newly signed lease agreements and increased turnover rent.

Increase in value in property portfolio

At the end of the period, the property portfolio was valued at SEK 6.7 billion, an increase of 17 percent in one year and a total of 39 percent in two years. The increase in the quarter is largely attributable to the acquisition of Skavsta, but over time it is primarily our property development that is the basis of the company's strong value development.

External and market conditions

Despite the uncertainty in the surrounding world, which in addition to great human suffering has led to increased inflation, longer delivery times and higher production costs, the company has maintained its stability. Despite investments in our projects of SEK 100 million, acquisitions of SEK 60 million and the redemption of loans in Stockholm Skavsta Airport of SEK 45.5 million, we have as strong a cash flow as at the end of the year.

We are seeing continued interest in establishments in our land holdings. In order to adapt to the new conditions in the construction market, we continuously review the timetables for our projects. Thanks to a strong financial position, we have continued to have plenty of room to manoeuvre and can optimise our pace of development based on the market conditions. The company's lease agreements are virtually all indexed.



Dieter Sand

Managing Director
and CEO

Transactions that create opportunities for future growth and profitability


On 17 May, Arlandastad Group took possession of 90.1 percent in Stockholm Skavsta Flygplats AB – an acquisition that included 4.84 million sq.m. of land with high development potential. The detailed planning process for a first phase is under way, with the ambition to develop a business and logistics park and a solar-cell farm. The first phase of approximately 600,000 sq.m. involves an addition of SEK 5-10 billion to our existing project portfolio. The deal increased the market value of the property portfolio by SEK 626 million and at the same time lowers the loan-to-value ratio by financing the acquisition with our own funds. On 29 June, we took possession of our newly formed Joint Venture with Swiss Life Asset Managers and Cavandium. The cooperation concerns the development of the F60 Business Park in Explore Arlandastad, which enables a higher pace of development of the area.

A long-term sustainable business model


In recent years, we have grown and built a stronger company – both in our existing property portfolio and in our operating companies. Our projects build long-term value while property management and the operating companies generate continuous revenue. This provides both stability and growth potential for the company. It is gratifying that all turnover-based lease agreements, such as hotels and event premises, were positively affected by the end of pandemic restrictions.

Our organisation is in a strong growth phase, which provides good hope for a fast-paced autumn. It will also be interesting to follow the Arlanda inquiry, which is proposing extensive investments in and around Arlanda. It is too soon to say what changes it will eventually entail, but I am convinced that it will have a positive impact on us as a company.

Dieter Sand, Managing Director and CEO



I am looking forward to an autumn filled with exciting business and new personal meetings with both customers and employees.



Half-yearly profit of SEK 680.9 million, a reduced loan-to-value ratio to 23 percent and a strengthened cash flow provide stability and long-term sustainability in a challenging time.

About the Arlandastad Group

Arlandastad Group is a property company founded in 2005. It takes a long-term investment perspective with a focus on identifying strategic land areas and developing properties to their full potential.

Our Vision

To be the obvious accelerator of choice in areas with potential.

Strategy

Our strategy is to create attractive business clusters through concept and property development. Arlandastad Group manages the entire chain, from land acquisition to long-term management of completed properties.

Goals

Return

Return on equity is to exceed 15 percent over time.

Risk reduction

The properties' loan-to-value ratio is not to exceed 50 percent over time.

How we create smart business clusters

1. Land acquisition

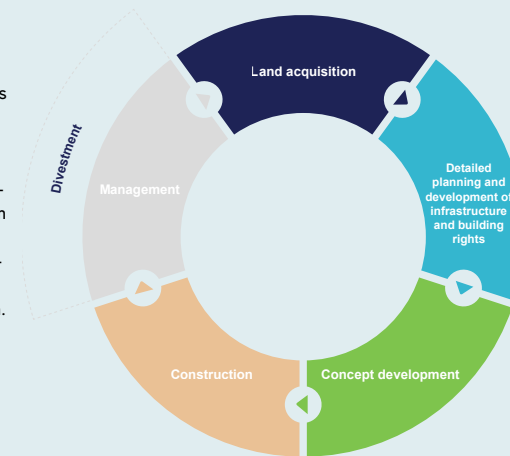
We identify and acquire larger strategic areas of land where we believe there is potential to build, develop and improve properties in accordance with our model.

5. Management

We own operating companies active in the area, where such companies' business flows strengthen our property business. The management portfolio's cash flow generation can also contribute to the financing of future realisation and acquisitions. All our management has a long-term perspective. If it is attractive to do so from a financial or a commercial perspective, Arlandastad Group may also divest management properties after completion.

2. Detailed planning and development of infrastructure and building rights

Detailed planning is absolutely crucial, and requires unique expertise. In its detailed planning work, Arlandastad Group works with the key words function, analysis and sustainability. All projects carried out by the company are well thought-out, well planned and well prepared. Areas planned in detail are designed as business clusters to create new platforms, synergies and leverage for all parties.



4. Construction

Our construction focus is on creating multi-flexible, modern and attractive buildings. The construction process follows a comprehensive sustainability strategy.

3. Concept development

With carefully developed knowledge of the customer's business, we develop attractive industry hubs. The blend of tenants is crucial here. Complementary activities support and create synergies. One example is the ancillary services around Drivelab, which makes it possible for the automotive industry to gather all training with training facilities, workshops, test tracks, conference and exhibition rooms and hotels in one place at an airport.

Project portfolio



An important part of our work at Arlandastad Group is finding new land to exploit. Value creation takes place in the transformation of unused land into smart business platforms. We are good at realising the potential and seeing the whole of a place that others do not see – we are specialists in every aspect of property development. From the acquisition of undeveloped land to management.

With our large project portfolio, the unifying theme is long-term value creation. The portfolio is continuously being expanded with new land that we deem to have great potential. The latest addition is Explore Skavsta. Explore is our place brand, which is combined with the geographical name. It holds together but also separates our major projects. Like Explore Arlandastad, it will be developed and marketed according to its own conditions.

Our first two place brands and land projects are adjacent to airports. This is not a requirement for our future land projects, but they have given Explore Arlandastad and Explore Skavsta a strong value for development potential. New Explore projects can be created in every area, where we see potential, areas well suited to our expertise.

Explore Arlandastad

Explore Skavsta

Explore Arlandastad – Ongoing projects

Projects	Type of project	Planned area (sq.m.)	Status	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
F60 Business Park (JV 50 %)	Business park	124,444	Project development	2022-2027	1,813	1,800	1 %
Bake My Day (associated company 49 %*)	Bakery	9,676	Project development	2022-2023	150	150	100 %
Scandinavian XPO – Phase 2	Offices, service, hotel, healthcare	16,550	Project development	2020-2024	160	50	21 %
Car park	Car park	19,500	Project development	2023-2024	68	65	14 %
Infrastructure/road District 5	Infrastructure/road		Project development	2021-Q3 2022	64	10	-
Subtotal		170,170			2,255	2,075	-

Explore Arlandastad – Planned/future projects

Projects	Type of project	Planned area (sq.m.)	Status	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
DRIVELAB BIG – Phase 2 and 3	Training and conferences	12,000	Project development	2024-2026	180	180	-
DRIVELAB Sales & Service – Phase 2	Car sales and service	9,000	Project development	2024-2025	95	95	-
F60 Business Park – Phase 2 (JV 50 %)	Business park	38,000	Project development	2024-2027	551	551	-
Hotel	Hotel	6,000	Project development	2023-2024	150	150	-
Subtotal		65,000			976	976	-

Explore Arlandastad – Building rights

Projects	Type of project	Building rights (sq.m.)	Status	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
Accepted	Not specified	503,200	Project development	-	-	-	-
Accepted in JV/associated company	Not specified	124,444	Project development	-	-	-	-
In detailed planning process District 6	Not specified	Estimated 500,000	Detailed planning process	- 2023	-	-	-
In detailed planning process Training Academy	Not specified	Estimated 150,000	Detailed planning process	- 2024	-	-	-
Subtotal		1,277,644			-	-	-

Explore Skavsta – Building rights

Projects	Type of project	Building rights (sq.m.)	Status	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
Accepted	Not specified	612,000	Project development	-	-	-	-
In detailed planning process	Not specified	Estimated 430,000	Detailed planning process	-2024	-	-	-
Subtotal		1,042,000			-	-	-

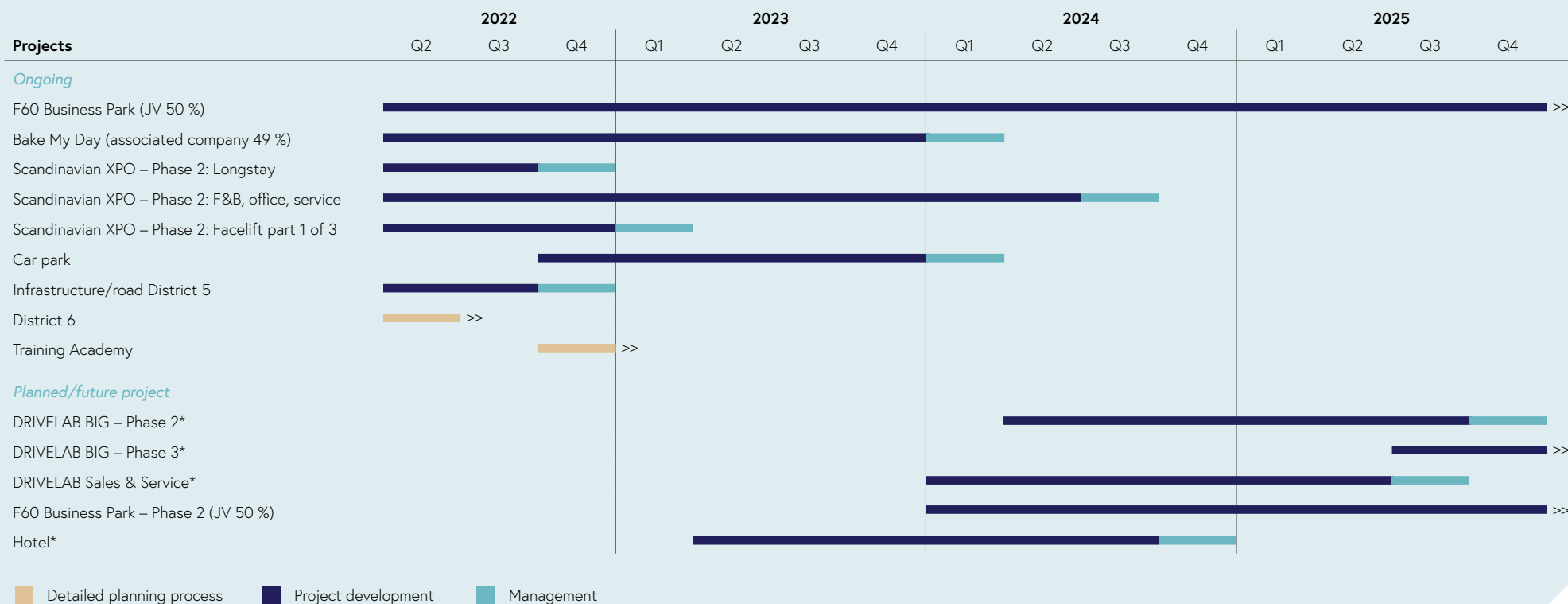
* The sale of 51 percent of shares in the subsidiary will take place during the month of July.

Scandinavian XPO Phase 2: Longstay

Construction of 126 longstay units began after the summer of 2021 in the southern part of the Scandinavian XPO property. The first phase with 68 rooms was opened on 1 May 2022 by Stockholm Hotel Apartments. Work on a second phase with the remaining 58 rooms is ongoing and should be ready for use in September 2022.



Project phases over the next three years



Explore Arlandastad

Explore Arlandastad is divided into six different districts, four of which – districts 1, 4, 5 and 6 – are located within the Arlandastad Group area.

We are running a number of major projects within Explore Arlandastad. One important asset is our knowledge of property improvement – being able to read development, navigate correctly through permit procedures, politics and urban planning, find the right tenants and carry out high-quality, economic projects that contribute to sustainable urban development over time.



Our districts in Explore Arlandastad

District 1

District 1 is the absolute heart of Explore Arlandastad, and the obvious meeting-place for businesses and visitors. Scandinavian XPO is located here, with the Quality Hotel Arlanda XPO. District 1 also houses much of DRIVELAB Stockholm, which is the platform for one of the Nordic region's largest training and trainingsites in the automotive industry. The DRIVELAB Center training site is in District 1, along with the sales and service cluster DRIVELAB Sales & Service. Located between DRIVELAB and Scandinavian XPO is the Hotel Scandic Arlandastad, with 150 rooms ready for environmental classification. All of Scandic's hotel operations carry the Nordic Swan ecolabel, and the chain's environmental work is industry leading.

District 4

District 4, east of the E4 motorway, is located at the southern tip of Explore Arlandastad. The area is planned in detail, and comprises an extension of District 1 accessed through the tunnel. Offices, commerce and light industry can be established here. The district's location makes it an ideal place for businesses to operate and grow. The disposition and design of this district offers great potential to become a vibrant meeting place. This is the location for DRIVELAB BIG, a training and training facility within DRIVELAB that focuses on larger vehicles. To the south is long-term car park P1, which is operated by Swedavia.

District 5

District 5 is a large area with a strong pace of development. This is the location of the F60 Business Park of about 125,000 sq.m. near Scandinavian XPO and DRIVELAB Stockholm. F60 is a billion-SEK investment and will be an important, visible part of Explore Arlandastad. The district includes both small and large premises for production, industry, offices and sales. The planned construction rate is 20,000 – 25,000 sq.m. annually until F60 Business Park is completed in five to six years' time. We are adapting development in the business park to the terrain as we focus on long-term sustainability. This creates good conditions for environmental certifications. District 5 also houses the DRIVELAB Test Track 1 and DRIVELAB Test Track Terrain test tracks.

District 6

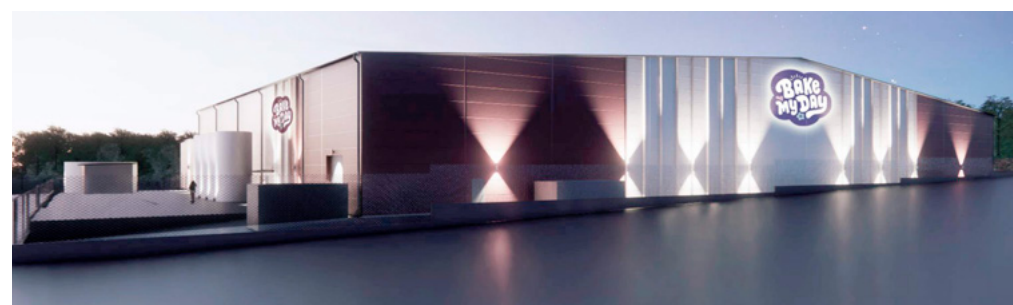
This is the area closest to the terminal in the northern part of the land holding. Companies with operations closely related to the airport can establish themselves here, as can stakeholders actively seeking smooth access to the airport and valuing the easily accessible location. Tenants will have synergies to the operations at and around Arlanda and Explore Arlandastad. The area has good visibility from the motorway exit to Arlanda Airport. Here is Nybygget, a permanent show house area exhibiting houses from Sweden's leading house manufacturers. A place for information and inspiration for a future house construction or a renovation.





F60 Business Park

Together with Swiss Life Asset Managers and Cavandium, we are developing a roughly 125,000 sq.m. business park in Explore Arlandastad. Here, companies will come together whose core business is based on service, maintenance, manufacturing or production. Companies that will have their customers at Arlanda and among local companies in the adjacent surrounding municipalities who see the logistical value of being next to the E4 motorway right in between Stockholm and Uppsala. F60 Business Park is the location for companies that value the airport city's hub of infrastructure. Site improvement permits have been submitted for preliminary ground work. A substation and an initial area for establishment are in place.



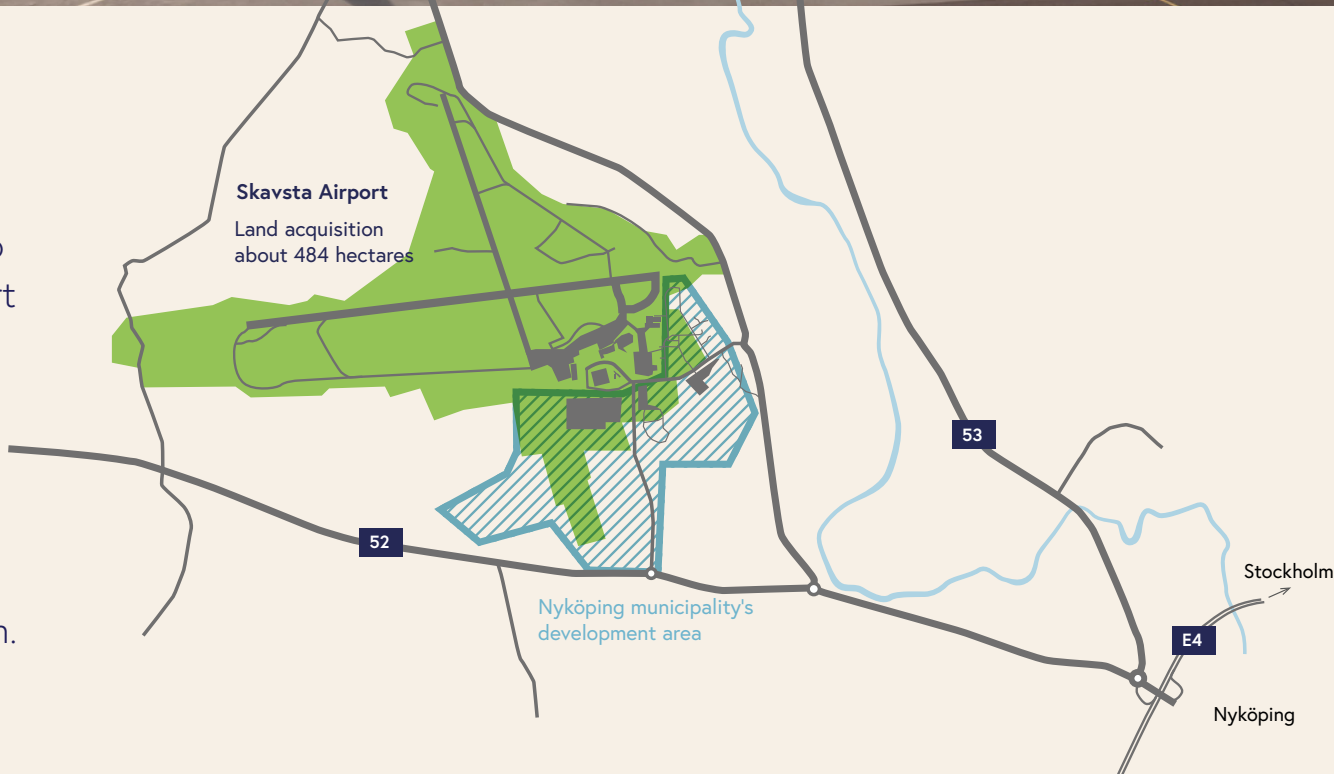
Bake My Day

During the first quarter, Arlandastad Group entered into an associated company with Bake My Day Holding AB. At the same time, a 15-year lease agreement was signed with Bake My Day AB involving a bakery of approximately 10,000 sq.m. The planning permission application for the bakery has been submitted, and construction is now planned to begin in the summer of 2022. Bake My Day will be the local producer of fresh premium baked goods in Explore Arlandastad. The bakery will be strategically located adjacent to the E4 motorway and Arlanda Airport, midway between Stockholm and Uppsala.

Explore Skavsta



Explore Skavsta is a long-term development project that fits our company perfectly. We see great potential in the acquired land, with the attractive location of Nyköping, its proximity to Stockholm, the E4, the Baltic Sea's deepest port at Oxelösund, the planned Ostlänken railway line and, not least, the airport with its foreign destinations. Explore Skavsta comprises a total of 4.84 million sq.m. of land. The detailed planning process for a first phase is already under way, with the ambition to develop a business and logistics park and a solar-cell farm.



Operating company strengthens the property business

Stockholm Skavsta Airport, Sweden's fourth largest airport in terms of the number of travellers, is on the acquired land. An airport that is of major importance to the region's industry and tourism.

Airport operations will continue to develop and a major focus is on restoring profitability. At the same time, we see the strength of an airport as a positive contributing factor that strengthens the property business – an airport is a transportation hub. Cities and hubs grow forth where people meet.

Possible development of solar-cell farm

In order to contribute to sustainable development through renewable energy, Arlandastad Group and VINCI Airports have signed a contract enabling SunMind, a subsidiary of VINCI Concessions, to develop, finance, build and operate a solar-cell farm on the land at the airport. With an area of 100 hectares and a capacity of almost 100 MWh, the solar-cell farm will be one of the largest in Sweden. The solar-cell farm will contribute to the energy supply for Nyköping Municipality.



Sustainability

Sustainability is important to Arlandastad Group. We start from a business idea that is viable over time. We integrate sustainability into our business model, policies and control systems.

Our approach to sustainability

Our sustainability strategy sets out the path towards a sustainable future for Arlandastad Group through governance and follow-up of sustainability issues. The work began by identifying and defining the requirements and expectations that various stakeholders place on Arlandastad Group related to sustainability. Based on the stakeholder analysis, environmental goals were developed for the next few years in areas such as innovation, energy and construction. Similarly, a number of goals were designed in the field of social sustainability with an emphasis on our work environment.

UN Global Goals

The UN has adopted 17 global sustainable development goals in its Agenda 2030, and Arlandastad Group supports these. We intend to work to achieve the global goals and contribute to a sustainable society, and we have chosen to focus on four areas: equality, sustainable energy, decent working conditions and sustainable cities and communities.



Equality

There is no room for discrimination or harassment in our workplaces. We do not accept special treatment. The company also has a whistleblower function.



Sustainable energy for all

Arlandastad Group uses only renewable energy. We continuously optimise our own energy needs, and together with our customers we review their energy needs.



Decent working conditions and economic growth

We must have a good working environment without negative stress, work accidents or corruption. Our employees enjoy benefits such as wellness, medical care and insurance. In the case of parental leave, the company accounts for up to 80 percent of the salary on the basis of parental allowance.



Sustainable cities and communities

We environmentally certify new buildings and prioritise tenants who choose an environmentally certified building. Arlandastad Group also prioritises sustainable materials in production and operation, and promotes accessibility for everyone in new apartments.



Sustainable employees

Sustainability is not just a matter of safe working conditions, well-being and equality. It's also about being able to attract and recruit the best talent. Healthy, committed and competent employees are a prerequisite for our company's development.

We are steeped in four core values. We are team players, we challenge, we are enablers and we are reliable. For us, it is important that our values permeate everything we do as a business. They are the foundation we stand on and therefore it is important that we constantly investigate how to work with these values in our daily work.

Sustainable environment and resource use

We seek efficient construction methods and smart systems for operating our buildings old and new. Here are some examples of how we work with sustainability in this area:

- We environmentally certify new-build properties according to BREEAM or other certifications
- We use 100 percent renewable electricity in our properties
- We continuously optimise the consumption of electricity and heat, unit operating times and return temperatures in district heating
- We provide our new buildings with the latest building management technology through connectivity and programmed scenarios
- We equip our older buildings with additional technology to streamline and improve energy performance

Energy use constitutes a large part of a building's climate impact and its operating and production expenses. For all buildings we make conscious use of preventive maintenance for economic and environmental sustainability.

In our construction projects, we strive for innovative ideas to achieve minimal environmental impact. One example is prefabricated rooms in Quality Hotel Arlanda XPO that were lifted into place, resulting in significant environmental, work environment and time gains.

Sustainable business ethics

We impose high standards on our suppliers to safeguard quality, environmental and work environment norms. This, in turn, places demands on our follow-up processes. Furthermore, all suppliers must receive and accept our Code of Conduct.

Business ethics is about being businesslike. Corruption undermines healthy competition, and is therefore inefficient. Arlandastad Group has zero tolerance for corruption and reports every attempted attempt at corruption to the police.

Our whistleblower function, which was introduced in the first quarter of 2022, enables our employees anonymously to report suspicions of corruption and other crimes or departures from our policies. The function is entrusted to a certified external supplier and notifications are handled by the CEO and HR manager



Condensed statement of the Group's comprehensive income

Amounts in SEK thousands	Jan–Jun 2022	Jan–Jun 2021	Apr–Jun 2022	Apr–Jun 2021	Jan–Dec 2021
Rental income	53,401	38,992	29,678	21,208	88,529
Income from operating companies	77,122	39,827	54,146	20,514	106,603
Other operating income	549	-	517	-	4,197
Income	131,072	78,819	84,341	41,722	199,330
Property expenses	-28,842	-24,680	-13,891	-12,664	-51,355
Costs from operating companies	-62,995	-27,503	-46,639	-15,705	-73,578
Gross profit	39,275	26,636	23,810	13,353	74,397
Administration costs	-36,125	-27,121	-20,324	-13,606	-74,416
Financial income	546	27	-	9	342
Financial expenses	-23,222	-18,922	-12,485	-10,966	-41,110
Reversal of negative goodwill	337,289	-	337,289	-	-
Profit prior to value changes	317,762	-19,380	328,290	-11,210	-40,786
Realised changes in value of properties	69,967	-	69,967	-	0
Unrealised changes in value of properties	280,752	-14,898	280,752	-14,898	280,964
Pre-tax profit	668,481	-34,278	679,008	-26,108	240,177
Tax on annual profit	12,450	1,192	14,295	2,470	-63,738
Profit for the period	680,931	-33,086	693,303	-23,638	176,440
Other comprehensive income					
<i>Items that may later be transferred to the income statement:</i>					
Recalculation of foreign branches	795	1,461	-861	-1,152	2,565
Other comprehensive income	795	1,461	-861	-1,152	2,565
Total comprehensive income	681,726	-31,625	692,442	-24,790	179,005
Comprehensive income for the period attributable to					
Shareholders	689,996	-	-	-	-
Non-controlling interests	8,270	-	-	-	-
- of which share of other comprehensive income	0	-	-	-	-
<i>Profit per share, before/after dilution, SEK</i>	<i>10.8</i>	<i>-0.5</i>	<i>-</i>	<i>-</i>	<i>3.0</i>

Turnover and profit

The Group's income totalled SEK 131.1 million (78.8) for the first six months, of which SEK 53.4 million (39.0) pertains to rental income and SEK 77.1 million (39.8) can be attributed to the Operating Companies segment. The increase in rental income is mainly attributable to new rental contracts and increased turnover rent. Of revenues from operating companies of SEK 77.1 million, SEK 55.6 million pertains to training activities, SEK 9.4 million to event activities, SEK 9.5 million to income from airport operation and SEK 2 million to parking facilities. Gross profit for the first six

months totalled SEK 39.3 million (26.6). This increase in gross profit is mainly attributable to property management and increased rental incomes.

Administration costs totalled SEK 36.1 million (27.1) for the first six months. The increase in the same period last year is mainly attributable to increased personnel expenses resulting from the strengthening of the organisation and from acquired operations in Skavsta. Net financial items amounted to an expense of SEK

22.7 million (18.9) and relates to interest expenses for loan financing. The increase in interest expenses is attributable to an increase in the interest-bearing debt. See also the Financing section on page 17. The acquisition of Skavsta resulted in a negative goodwill of SEK 337.3 million, which, in accordance with IFRS, has immediately been recognised as income in profit and loss. The large negative goodwill item arose as the purchase consideration was substantially below fair value.

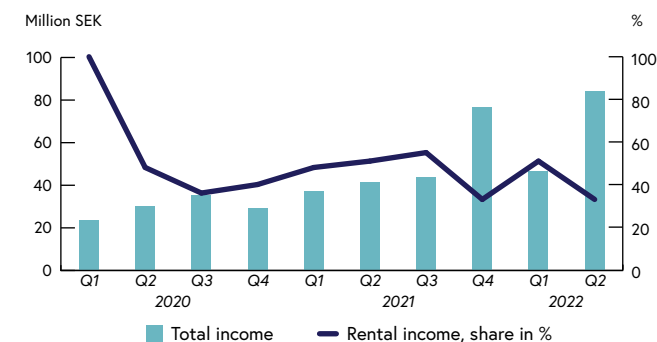
Realised changes in value of SEK 70 million are the result of the divestment of land to the joint venture Arlandastad F60 AB.

Unrealised value changes in management properties totalled SEK 280.8 million (-14.9) for the first six months. The increase in value is driven by new contracts and tenants providing SEK 108 million and that the average value of building rights has increased, resulting in SEK 172.8 million. The Group's properties were valued by an external party as of 30 June 2022.

Tax on profit for the period amounted to SEK 12.5 million (1.2) in the first half of 2022 and consists mainly of deferred tax attributable to unrealised changes in value of SEK -70 million. Deferred tax for joint venture divested property has been reversed in an amount of SEK 82.5 million, which is why the net effect is positive.

Profit for the first half of the year amounted to SEK 680.9 million (loss: 33.1), corresponding to profit per share of SEK 10.85 (0.5).

Total income and rental income



Condensed statement of the Group's financial position

Assets

Amounts in SEK thousands	30 Jun 2022	30 Jun 2021	31 Dec 2021
Goodwill	15,718	15,718	15,718
Other intangible assets	401	-	-
Management properties	6,184,152	5,261,049	5,610,328
Operating properties	515,095	521,002	512,549
Rights of use	7,418	10,200	8,698
Other fixed assets	81,396	38,539	37,820
Participations in associated companies and joint ventures	245,572	-	-
Fixed assets	7,049,752	5,846,508	6,185,113
Current receivables	133,089	102,249	104,596
Liquid assets	416,183	57,751	441,435
Current assets	549,272	160,000	546,032
Total assets	7,599,024	6,006,508	6,731,145
Equity and liabilities			
Equity	4,846,818	3,524,134	4,160,446
Long-term liabilities	1,541,540	1,523,913	1,505,409
Long-term liabilities, rights of use	4,330	6,823	5,472
Deferred tax liability	978,230	824,319	889,249
Provisions	50,000	-	-
Long-term liabilities	2,574,100	2,355,055	2,400,130
Current interest-bearing liabilities	20,163	32,934	66,876
Current liabilities, rights of use	2,755	3,377	3,225
Current tax liabilities	1,199	9,330	7,826
Other current liabilities	153,989	81,677	92,641
Current liabilities	178,106	127,318	170,569
Total equity and liabilities	7,599,024	6,006,508	6,731,145

Goodwill

Goodwill attributable to acquisitions amounted to SEK 15.7 million (15.7) and is entirely attributable to the acquisition of Training Partner.

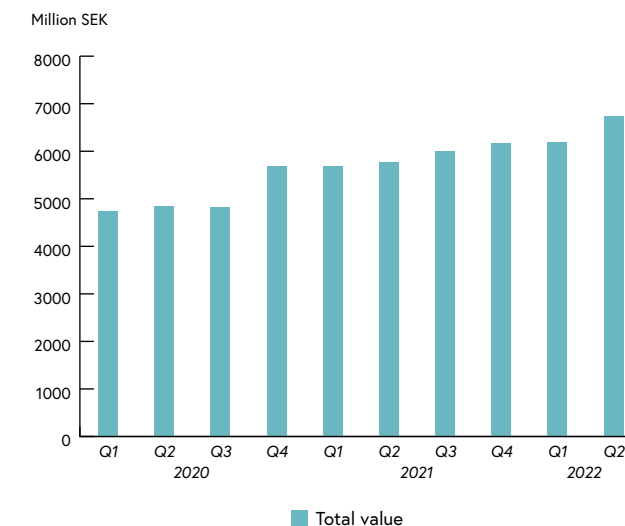
Participations in associated companies and joint ventures

The Group's value of participations in associated companies amounted to SEK 245.6 million and is mainly related to the new joint venture Arlandastad F&O AB.

Properties

At the end of the period, Arlandastad Group's property portfolio consisted of 14 properties, which comprise commercial properties and building rights. According to an external valuation, the market value of the properties at 30 June amounted to SEK 6.7 billion (5.8). Skavsta accounted for SEK 0.6 billion of the increase. The remaining increase comes from the increased value of building rights and new and renegotiated rental contracts. The property portfolio also includes a land facility located on leased land.

Market value of the property portfolio



Management property market value

Amounts in million SEK	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Market value as of January 1	5,610	5,222	5,222
Investments in existing properties	88	54	108
Acquisitions of the year	626	-	-
Reclassifications	-	-	-
Unrealised changes in value	281	-15	281
Market value as of the end of the period	6,184	5,261	5,610
Distribution of fair value management properties			
Commercial properties	2,516	1,774	1,995
Building rights	3,668	3,487	3,615

Operating properties

Amounts in million SEK	Jan–Jun 2022	Jan–Jun 2021	Jan–Dec 2021
Opening acquisition value	513	502	502
Investments in existing properties	12	25	25
Reclassifications from management properties	-	-	-
This year's depreciations	-9	-6	-6
Accounted value carried forward	515	521	521

Loan-to-value ratio in property portfolio

The loan-to-value ratio was 23 percent (27) at the end of the quarter.

	30 Jun 2022	30 Jun 2021
Opening acquisition value	23 %	27 %

The loan-to-value ratio is calculated as interest-bearing liabilities in relation to the total value of management and operating properties.

Equity

Arlandastad Group's balance sheet total was SEK 7.6 billion as of 30 June 2022 (6.0). Equity amounted to SEK 4.9 billion, which is an increase from the beginning of the year and is attributable to profit. Other comprehensive income includes a translation difference from foreign offices of SEK 3.4 million. The Group's debt/equity ratio was 64 percent at the end of the period, compared with 62 percent in the same quarter of 2021. The return on equity was 21 percent over the last 12-month period (17 percent as of 30 June 2021).

The Board of Directors of Arlandastad Group on 18 August 2021 approved the introduction of an incentive programme for key individuals within the company. Briefly, the program entails the issue of a maximum of 286,195 warrants to leading decision-makers. The warrants were valued at market value according to the Black & Scholes valuation model and were issued free of charge. As of 30 June 2022, no warrants have been transferred.

Taxes

Deferred tax as of 30 June totalled SEK -890.9 million (-826.8). The deferred tax liability is mainly attributable to management properties. The deferred tax is booked at 20.6 percent, which applies from the 2021 financial year.

Provisions

In connection with the acquisition of Stockholm Skavsta Airport, an environmental study was carried out to determine the environmental risks associated with the acquisition of an airport. One of the largest items in the environmental risk relates to possible future treatment of water catchment in the airport area. Arlandastad Group has thus made a provision of SEK 50 million in connection with the acquisition for the environmental risk.

Financing

Interest-bearing net liabilities totalled SEK 1.6 billion (1.6) at the end of the period, which was in line with the beginning of the year. In April 2022, all of the Group's property loans were refinanced and divided into two loans with terms of three and five years, respectively.

The average interest rate for the financing was 2.9 percent (2.8). The interest coverage ratio for the full year was 1.71 (1.41). Of liabilities to credit institutions that mature within one year, SEK 27.3 million relates to construction loans that will be converted into long-term financing. Liabilities that fall due within 2–3 years include subordinated loans of SEK 150 million.

Distribution of interest-bearing liabilities

Amounts in million SEK	
Property loans	1,383.4
Subordinated loans	150.0
Construction credit, used in ongoing projects	27.3
Other financing	-
Total interest-bearing liabilities	1,560.7
Granted construction credit, unused	3.7
Loan commitments for construction credit in upcoming projects	213.0
Unused credit facility	8.0

Schedule of due dates for credit liabilities, 30 Jun 2022

Credit agreements	million SEK	Percent- age, %
0–1 years	47.2	3 %
1–2 years	19.9	1 %
2–3 years	907.9	58 %
3–4 years	8.3	1 %
4–5 years	577.1	37 %
> 5 years	0.0	0 %
Total	1,560.4	100 %

Schedule of due dates for interest liabilities, 30 Jun 2022

Maturity date	million SEK	Percent- age, %
0–1 years	29.9	23 %
1–2 years	44.4	34 %
2–3 years	40.2	30 %
3–4 years	15.6	12 %
4–5 years	2.3	2 %
> 5 years	0.0	0 %
Total	132.5	100 %

Of the SEK 47.2 million that falls due within one year, SEK 27.3 million is for construction credit to be converted into property loans. The table does not take into account any potential refinancing.

Condensed statement of the Group's changes in equity

Amounts in thousand SEK	Share capital	Other contributed equity	Translation reserve	Profit brought forward	Non-controlling interests	Total equity
Equity 1 Jan 2021	179	408,725	-	3,146,855	-	3,555,759
New share issue	-	-	-	-	-	-
Profit for the period Jan-Jun 2021	-	-	-	-33,086	-	-33,086
Other comprehensive income for the period Jan-Jun 2021*	-	-	1,461	-	-	1,461
Transactions with owners:	-	-	-	-	-	-
Incentive programme	-	-	-	-	-	-
Equity 30 Jun 2021	179	408,725	1,461	3,113,769	-	3,524,134
New share issue registered	11	-11	-	-	-	-
Bonus issue	323	-	-	-323	-	-
New share issue	56	425,542	-	-	-	425,598
Profit/loss for the period Jan-Dec 2021	-	-	-	209,526	-	209,526
Other comprehensive income for the period Jan-Dec 2021*	-	-	1,104	-	-	1,104
Transactions with owners:	-	-	-	-	-	-
Incentive programme	-	84	-	-	-	84
Equity 31 Dec 2021	569	834,340	2,565	3,322,972	-	4,160,446
Non-controlling interests	-	-	-	-	-3,540	-3,540
Profit for the period Jan-Jun 2022	-	-	-	680,931	8,270	689,201
Other comprehensive income for the period Jan-Jun 2022*	-	-	795	-	-	795
Transactions with owners:	-	-	-	-	-	-
Incentive programme	-	-84	-	-	-	-84
Equity 30 Jun 2022	569	834,256	3,360	4,003,903	4,730	4,846,818

* Refers to translation differences in Nordic offices of operating companies.



Consolidated cash flow statement

Amounts in SEK thousands	Jan–Jun 2022	Jan–Jun 2021	Apr–Jun 2022	Apr–Jun 2021	Jan–Dec 2021
Profit prior to value changes	317,762	-19,380	328,290	-11,210	-40,786
Adjustments for items not included in the cash flow	-395,006	9,637	-401,316	5,961	21,721
Total	-77,244	-9,743	-73,026	-5,249	-19,065
Tax paid	-5,527	-1,105	-1,147	-1,490	1,700
Cash flow from operating activities prior to changes in operating capital	-82,771	-10,848	-74,173	-6,739	-17,365
Cash flow from changes in operating capital					
Changes in operating receivables	-18,716	-1,261	6,315	3,015	-6,829
Changes in operating liabilities	3,494	-3,938	705	14,244	7,827
Cash flow from operating activities	-97,993	-16,047	-67,153	10,520	-16 367
Investment activities					
Acquisition of subsidiaries	-30,140	-	-30,140	-	-
Divestment of property	245,542	-	245,542	-	-18
Down payment made	-30,000	-	-30,000	-	-
Acquisitions of tangible fixed assets	-99,805	-84,882	-53,863	-41,992	-139,512
Sale of financial assets	-	-	-	-	-
Cash flow from investment activities	85,597	-84,882	131,539	-41,992	-139,530
Financing activities					
New share issue	0	0	0	-	425,598
Incentive programme	-84	0	-84	-	84
Loans raised	10,797	0	10,797	-	19,954
Repayment of loan liabilities	-23,564	-4,687	-14,721	-2,807	-11,689
Cash flow from financing activities	-12,851	-4,687	-4,008	-2,807	433,947
Cash flow for the period	-25,247	-105,616	60,378	-34,279	278,050
Liquid assets at year start	441,435	163,351	355,843	92,063	163,351
Exchange rate difference in liquid assets	-5	16	-38	-34	34
Liquid assets at year end	416,183	57,751	416,183	57,751	441,435

Cash flow and liquid assets

Cash flow for the period totalled SEK -25.2 million for the first six months (-105.6), which consists of cash flow from operating activities of SEK -98.0 million, investing activities of SEK 85.6 million and financing activities of SEK -12.8 million.

Cash flow from operating activities before changes in working capital amounted to SEK -82.8 million (-10.8). Non-cash items consist of revenue recognition of negative goodwill of SEK -337.3 million (0), income from property sales to joint ventures of SEK -70.0 million (0) and depreciation of SEK 12.3 million (5.7).

Cash flow from changes in working capital amounted to SEK -15.2 million (-5.1).

Cash flow from investing activities amounted to SEK 85.6 million (-84.9) and consisted of divestment of property to joint ventures in an amount of SEK 245.5 million, investments in existing properties of SEK -99.8 million, acquisitions of subsidiaries at SEK -30.1 million and advance payment in connection with acquisitions of SEK -30 million.

Financing activities impacted the cash flow by SEK -12.9 million (-4.7) and pertain to newly raise building credits of SEK 10.38 million and repayment of loan liabilities of SEK -23.6 million.

Liquid assets at the end of the period totalled SEK 416.1 million, compared with SEK 57.8 million for the same period last year.

Segment Accounting – Business Areas

Arlandastad Group is a real estate company built around operations in three business areas, which are also its accounting segments: Property Development, Property Management and Operating Companies.

The property development segment comprises acquisitions, the detailed planning process, development of infrastructure and building rights, as well as concept development and construction. So far, no developed properties have been divested, which means that Arlandastad Group also conducts property management. After construction, the properties are transferred to management and then monitored within the Property Management segment.

The operating companies contribute to an ecosystem where the whole becomes stronger than the individual operations, thus attracting new establishments in the area, which in turn means on the one hand that the Company can sign lease agreements at higher levels than before as a district is steadily brought to completion, and on the other that regular rent levels are higher than in nearby areas and municipalities. Furthermore, the operations within Operating Companies, such as Training Partner and Scandinavian XPO, contribute to more visits to areas, creating demand for ancillary services, which in turn contributes to higher turnover potential for tenants and thus higher revenues for the company in the form of higher turnover rents.

Since 17 May, another operational unit has been added, the operation of Stockholm Skavsta Airport. In the same way as Training Partner and Scandinavian XPO, the airport operation will contribute to both property development and property management in the acquired area of Explore Skavsta.

Group 2022 Jan-Jun, SEK thousands	Property Development	Property Management	Operational companies	Unallocated Group costs and eliminations	Total
Rental income	3,560	62,483	0	-12,642	53,401
Income from operating companies	0	0	77,122	0	77,122
Other income	0	364	355	-170	549
Operating income	3,560	62,847	77,477	-12,812	131,072
Property expenses	-102	-19,610	-11	-28	-19,751
Depreciation of property	0	-9,092	0	0	-9,092
Costs from operating companies	0	0	-75,795	12,840	-62,955
Gross profit	3,458	34,146	1,671	0	39,275
Administration costs	-224	-6,100	-15,815	-13,986	-36,125
Net financial items	0	-20,847	-1,829		-22,677
Reversal of negative goodwill	0	0	337,289	0	337,289
Profit prior to value changes	3,233	7,199	321,315	-13,986	317,762
Realised changes in value of properties	69,967	0	0	0	69,967
Unrealised changes in value of properties	172,752	108,000	0	0	280,752
Pre-tax profit	416,479	-55,328	321,315	-13,986	668,481

Group 2021 Jan-Jun, SEK thousands	Property Development	Property Management	Operational companies	Unallocated Group costs and eliminations	Total
Rental income	677	46,988	-459	-8,214	38,992
Income from operating companies	-	-	39,827	-	39,827
Other income	-	0	0	-	0
Operating income	677	46,988	39,368	-8,214	78,819
Property expenses	-131	-18,508	-151	-	-18,790
Depreciation of property	-	-5,890	-	-	-5,890
Costs from operating companies	-	-	-35,717	8,214	-27,503
Gross profit	546	22,590	3,500	0	26,636
Write-down goodwill	-	-	-	-	0
Administration costs	-92	-2,116	-9,287	-15,626	-27,121
Net financial items	-708	-16,397	-1,774	-16	-18,895
Profit prior to value changes	-254	4,077	-7,560	-15,642	-19,380
Unrealised changes in value of properties	-79,642	64,744	-	-	-14,898
Pre-tax profit	-79,896	68,821	-7,560	-15,642	-34,278

Property Management business area

Income from rent totalled SEK 62.5 million (47.0). The increase in rental income is mainly attributable to new rental contracts and increased turnover rent as the impact of COVID-19 restrictions disappeared.

The company conducts property management in existing properties in Explore Arlandastad and since 17 May 2022 property management is also included in the acquired company Stockholm Skavsta Airport.

Property expenses (excluding depreciation) amounted to SEK -19.6 million (-18.5) and are slightly higher than in the same period last year. The increase is partly due to the introduction of a new facility and the acquired operations in Stockholm Skavsta Airport.

Gross profit for the first half of the year in the segment amounted to SEK 34.1 million (22.6). The increase is mainly attributable to higher rental income of SEK +15.5 million, higher operating costs of SEK -1.1 million and an increase in depreciation on operating properties as new assets were completed of SEK -3.2 million.

Financial items totalled SEK -20.8 million (-16.4) and are related primarily to interest costs for loan financing. The increase is due to a higher interest-bearing liability and the increase of the average interest rate to 2.9 percent.

Profit prior to value changes totalled SEK 7.2 million (4.1).

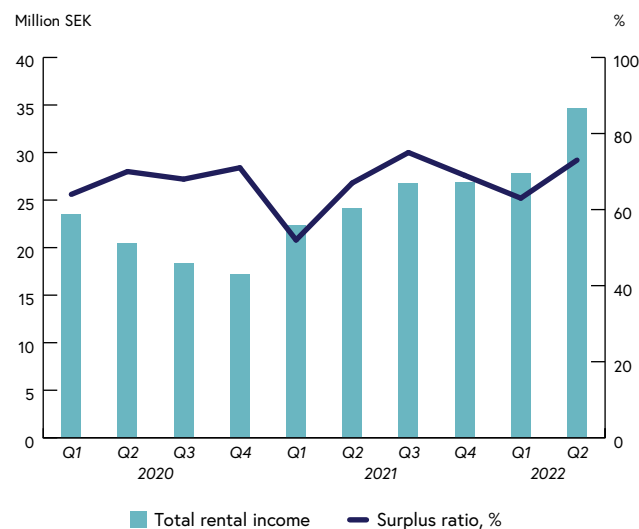
Arlandastad Group determines the value of management properties by means of external valuations by independent valuation agencies, occurring at least twice a year, at the end of the second and fourth quarters. As of 30 June 2022, the properties have been valued externally by Forum Fastighetsekonomi AB. The average required rate of return amounted to 6.41 percent including acquired properties in Skavsta; the corresponding figure not taking Skavsta into account is 5.92 percent (6.38).

Key performance indicators, Property management, million SEK

Net operating income	62.5	27.9	34.7	16.2	66.6
Surplus ratio	69 %	60 %	77 %	67 %	66 %
Profit prior to value changes	7.2	5.0	5.8	1.5	4.7
Underlying rental value	180.0	137	180.0	137	145
Changes in underlying rental value	25.4 %	3.2 %	25.4 %	3.2 %	8.8 %
Change in underlying rental value adjusted for acquired properties	6.8 %	-	6.8 %	-	-
Loan-to-value ratio	23 %	27 %	27 %	27 %	25 %
Market value of commercial properties	2,516	2,279	2,516	2,279	1,995

	Accumulated		Quarter		Full year
	Jan–Jun 2022	Jan–Jun 2021	Apr–Jun 2022	Apr–Jun 2021	Jan–Dec 2021
Net operating income	62.5	27.9	34.7	16.2	66.6
Surplus ratio	69 %	60 %	77 %	67 %	66 %
Profit prior to value changes	7.2	5.0	5.8	1.5	4.7
Underlying rental value	180.0	137	180.0	137	145
Changes in underlying rental value	25.4 %	3.2 %	25.4 %	3.2 %	8.8 %
Change in underlying rental value adjusted for acquired properties	6.8 %	-	6.8 %	-	-
Loan-to-value ratio	23 %	27 %	27 %	27 %	25 %
Market value of commercial properties	2,516	2,279	2,516	2,279	1,995

Rental income and surplus ratio



Property Development business area

Property Development is the Arlandastad Group business area that handles strategy or concept development, along with realisation of the existing land portfolio that the company has at its disposal. The business model is based on controlling the entire value chain from land acquisitions and detailed planning processes to concept development and construction, which then shifts to management.

As of 30 June 2022, the Group has claimed less than 10 percent of the potential building rights in Explore Arlandastad, which consists of approximately 1.3 million sq.m. GTA. Investments in new construction as well as renovation and extension of the existing portfolio are important factors in Arlandastad Group's value creation.

In the past year, the value of building rights and development properties in Explore Arlandastad has increased to SEK 3,465 million (3,487), despite the fact that in the second quarter of 2022 the company divested approximately 125,000 sq.m. GTA to the joint venture Arlandastad F60 AB. The average value of building rights has increased from SEK 3,093/sq.m. GTA to SEK 3,453/sq.m. GTA, partly because the time within which they are considered to be usable has decreased and completed transactions have impacted the value positively.

Through the acquisition of Skavsta, the Group has acquired building rights comprising 540,000 sq.m. GTA and is valued at SEK 163 million and an average value of SEK 302/sq.m. GTA.

The total project profit amounted to 26 percent for the first half of 2022 (28).

Key performance indicators, Property Development, million SEK	Jan–Jun 2022	Jan–Jun 2021	Apr–Jun 2022	Apr–Jun 2021	Jan–Dec 2021
Investments	88	38	42	17	108
Project profit %	26 %	28 %	-	-	33 %
Average value of building rights Arlandastad (SEK/sq.m.)	3,453	3,093	3453	3,093	3,206
Average value of building rights Skavsta (SEK/sq.m.)	302	-	302	-	-
Market value of development properties	3,668	3,487	3,668	3,487	3,668



Operating Companies business area

The Operating Companies business area mainly comprises three subsidiaries: Training Partner and Scandinavian XPO and since 17 May, the airport operations in Stockholm Skavsta Airport. Training Partner is a former major tenant in the Group's properties, offering training courses to retailers and general agents in the automotive industry. Scandinavian XPO conducts event activities (events/fairs/conferences) in the meeting and event arena of the same name.

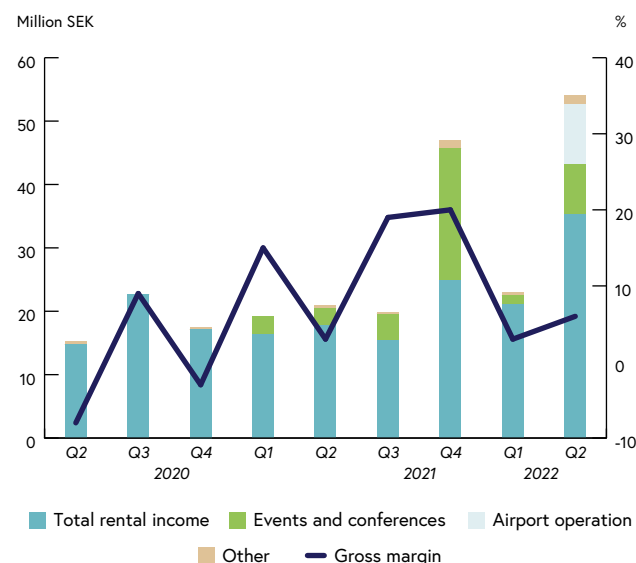
Total revenues amounted to SEK 77.1 million (39.8) for the first six months. The increase is due to an increase in training activities of approximately SEK 23 million. At the same time, event operations in Scandinavian XPO were positively impacted in an amount of SEK 3.6 million compared with the previous year. The acquired operations in Skavsta have contributed SEK 9.5 million.

Of the operating area's total revenue for the half-year of SEK 77.1 million, Training Partner accounts for SEK 56.6 million, Scandinavian XPO for SEK 9.4 million and Stockholm Skavsta Airport for SEK 9.5 million. The remaining revenue relates to parking operations.

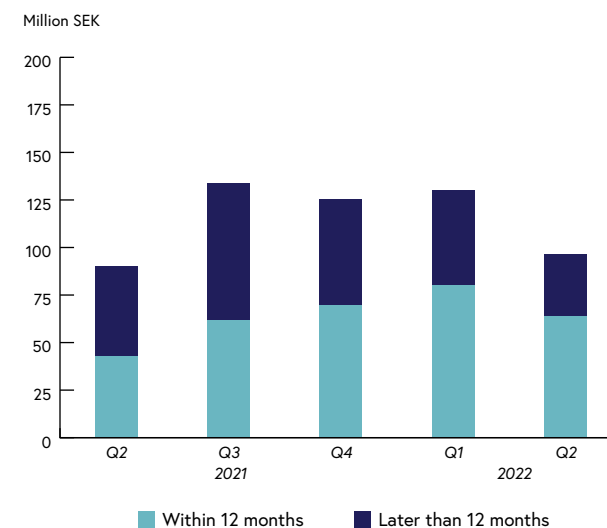
The business area's total order book, prebooked events, training etc., totalled SEK 96.4 million (90.0) at the end of the period, of which SEK 64.1 million is expected to be included in accounts in the coming 12-month period. Gross profit totalled SEK 1.7 million (4.1), with a margin of 2 percent (10). Profit before tax was 321.3 (-7.6), of which negative goodwill recognised as revenue accounts for SEK 337.3 million.

Key performance indicators, Operating Companies, million SEK	Jan–Jun 2022	Jan–Jun 2021	Jan–Dec 2021
Income from operating companies	77.1	39.8	106.6
Gross profit	1.7	4.1	16.8
Total order book	96.4	90.0	125.4
Order book coming 12 months	64.1	43.0	69.8

Total income and gross profit



Order book



Condensed income statement for the Parent Company

Amounts in SEK thousands	Jan–Jun 2022	Jan–Jun 2021	Apr–Jun 2022	Apr–Jun 2021	Jan–Dec 2021
Rental income	10,020	9,175	5,171	4,759	19,206
Other operating income	4,016	-	1,988	-	9,065
Total revenue	14,036	9,175	7,160	4,759	28,271
Property expenses	-3,759	-4,552	-1,804	-1,679	-7,245
Operating surplus	10,278	4,623	5,356	3,080	21,026
Administration costs	-17,790	-16,289	-9,862	-9,023	-49,511
Depreciations and write-downs	-2,659	-2,692	-1,330	-1,346	-18,689
Net financial items	-6,873	-6,028	-4,480	-3,028	-12,431
Net financial items	250,847	-	250,847	-	-
Profit from property management	233,802	-20,387	240,531	-10,318	-59,605
Balance sheet allocations	-	-	-	-	-30,913
Pre-tax profit	233,802	-20,387	240,531	-10,318	-90,518
Tax on annual profit	-	-	-	-	715
Profit for the period	233,802	-20,387	240,531	-10,318	-89,803

Profit statement

The operations of the Parent Company, Arlandastad Group, currently consist of Group functions, Group administration and Property Management. Total revenues for the first six months amounted to SEK 14.0 million (9.2). Rental income totalled SEK 10.0 million (9.2) and other income totalled SEK 4.0 million (0). Other operating income mainly relates to the re-invoicing of Group-wide costs to the subsidiaries. Administration costs totalled SEK 17.8 million (16.3). The increase compared with the previous year is mainly attributable to higher personnel expenses due to the enlargement of the organisation.

In the Parent Company, a profit of SEK 250.8 million is recognised in the period for the divestment of shares in subsidiaries in connection with the company entering a joint venture and the selling 50 percent of the shares in the subsidiary. The Parent Company's profit for the year totalled SEK 233.8 million (loss: 20.4).

Condensed statement of the Parent Company's financial position

Assets

Amounts in SEK thousands	30 Jun 2022	30 Jun 2021	31 Dec 2021
Management properties	138,873	137,077	137,684
Participations in group companies	185,506	146,836	151,459
Receivables with Group companies	1,659,020	378,857	425,496
Other fixed assets	5,795	3,677	4,336
Fixed assets	1,989,194	666,447	718,974
Receivables with Group companies	115,034	20,170	-
Other current receivables	39,555	6,750	17,887
Liquid assets	382,356	46,880	418,254
Current assets	536,945	73,800	436,140
Total assets	2,526,139	740,247	1,155,114
Equity and liabilities			
Equity	981,896	391,910	748,176
Long-term interest-bearing liabilities	1,513,223	326,525	315,600
Long-term liabilities	1,513,223	326,525	315,600
Liabilities to Group companies	-	-	50,988
Current liabilities	31,020	21,812	40,350
Current liabilities	31,020	21,812	91,338
Total equity and liabilities	2,526,139	740,247	1,155,114

Equity and indebtedness

The Parent Company's balance sheet total amounted to SEK 2,526.1 million at 30 June, compared with SEK 740.2 million in the same period last year. Receivables from Group companies increased from SEK 378.9 million to SEK 1,659 million. The increase is due to the fact that the Group has refinanced all property loans and collected them in the Parent Company. At the same time, the loans were allocated to the property companies with promissory notes.

Equity amounted to SEK 981.9 million, compared with SEK 391.9 million at 30 June 2021. The increase in equity is mainly due to the new share issue made at the time of the listing and the company's profit.

The Parent Company's statement on changes in equity

Amounts in SEK thousands	Share capital	Other contributed equity	Profit brought forward	Profit for the year	Total equity
Equity 1 Jan 2021	180	105,470	371,098	-64,451	412,296
New share issue registered	-	-105,470	105,459	-	-
Transfer of last year's profit	-	-	-64,452	64,452	0
Bonus issue	-	-	-323	-	-
Profit for the period	-	-	-	-20,387	-20,387
Equity 30 Jun 2021	180	0	411,782	-20,385	391,910
Bonus issue	323	-	-323	-	0
New share issue	55	425,543	84	-	425,682
Incentive programmes	-	-	-	-	0
Profit for the period	-	-	-	-69,416	-69,416
Equity 31 Dec 2021	569	320,073	411,543	-89,801	748,176
Transfer of last year's profit	-	-	-89,803	89,803	0
New share issue	-	-	-	-	0
Incentive programmes	-	-	-	-84	-84
Profit for the period	-	-	-	233,802	233,802
Equity 30 Jun 2022	569	320,073	362,747	298,172	981,896



Other information

Employees

At the end of the period, the number of full-time employees was 161 (78), of which 87 were added through the acquired company Stockholm Skavsta Airport.

Seasonal variations

Arlandastad Group's operating surplus is affected by seasonal variations in operating costs. In general, costs are higher during the first and last quarters of the year, mainly because of higher costs for heating and property management, such as snow removal. The Group's operating companies also have seasonal variations, with operations decreasing during the Christmas and New Year holidays and during the summer months.

Accounting principles

Arlandastad Group prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The interim report is prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. Disclosures in accordance with IAS 34 Interim Financial Reporting are presented both in the notes and elsewhere in the interim report.

The Parent Company applies the same accounting principles as the Group, but taking into account recommendations from the Swedish Financial Reporting Council, RFR 2, Accounting for Legal Entities.

Applied accounting principles and calculation methods are unchanged since the annual report last year.

Transactions with closely related parties

During the period, there were no significant transactions with closely related parties.

Income from operating companies

Income from operating companies is reported in accordance with IFRS 15. Revenue is reported when the Group fulfils a performance commitment, i.e. when the customer assumes control of the product or service. The assessment is that each training session or event constitutes a separate performance commitment.

Management properties

Management properties consist of properties held for rent to external tenants. Management properties are valued at fair value in accordance with IAS 40 in the statement of financial position. Valuation was performed in accordance with level 3 of the IFRS valuation hierarchy.

Operating properties

Operating properties are properties held for the Group's production and provision of goods or services, storage or administrative purposes, and are reported at acquisition value minus depreciation in accordance with IAS16.

Investment properties and value changes

For a detailed description of valuation principles, see the 2021 Annual Report.

Valuation of interest-bearing liabilities

The Group's interest-bearing liabilities are reported at accrued acquisition value. Financial liabilities reported at accrued acquisition value are initially valued at fair value including transaction costs. After the first reporting occasion, they are valued using the effective interest method.

Risks and uncertainties

Within Arlandastad Group, property valuation, project operations, financing and letting, taking into account both complexity and the size of the amounts, are primarily priority areas for risk management. The company has procedures to continuously evaluate and mitigate these risks.

The company is, of course, affected by developments in the surrounding world. The Russian invasion of Ukraine has led to increased inflation and greater uncertainty in supply chains in terms of both price and delivery times for construction materials. Energy prices are higher and interest rates have risen and are predicted to continue upwards in the current year.

Access to borrowed capital has varied with a relatively closed capital market, with rising credit margins as a result. Thus, the total financing cost in the market is higher than at the beginning of the year.

Ownership structure

As of 30 June 2022, share ownership in Arlandastad Group AB was distributed as follows:

Gelba Management AB approx. 45 percent; SBB approx. 14 percent; other shareholders with holdings over 5 percent own 21 percent of shares; other shareholders 20 percent.

Dividend policy

Arlandastad Group will use its ongoing cash flow to finance further realisation of the existing project portfolio and explore potential future acquisitions. The Board of Directors therefore does not intend to propose any dividend within the next few years.

Annual General Meeting 2022

At Arlandastad Group's Annual General Meeting on 21 April 2022, the Annual Report for 2021 was approved. No dividend was decided.

The Annual General Meeting further resolved that the Board of Directors shall consist of eight ordinary members. For the period until the next Annual General Meeting, the following were re-elected: Peter Wågström, who was also appointed Chairman, Leif West, Per Taube, Sunniva Fallan Röd, Maria Rankka, Tomas Rudin, Peter Markborn and Lars Thagesson.

The Annual General Meeting resolved to authorise the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, to resolve to issue shares not exceeding 10 percent of the number of shares at the time of issue.

At the Annual General Meeting, it was resolved to re-elect Ernst&Young AB as the audit firm, with Oskar Wall as auditor in charge.

Events after the accounting date

Arlandastad Group AB has reached an agreement to sell 51 percent of its subsidiary Arlandastad Extra 5 AB. The buyer is Bake My Day Holding AB. The joint company is simultaneously signing a 15-year lease agreement with Bake My Day AB involving the construction of a bakery of approximately 10,000 sq.m. Completion is planned for 15 July 2022.

The interim report has not been subject to the auditors' review.

Arlandastad, 14 July 2022.

The Board

Calendar

10 Nov 2022

Interim report for the period January-September 2022

15 February 2023

Year-end report 2022

30 March 2023

Annual report 2022

19 April 2023

Annual General Meeting

18 July 2023

Interim report for period January-June 2023



Financial definitions

Return on equity, %

Period profit after tax for the most recent 12-month period, as a percentage of average equity.

Net asset value (NAV), per share, SEK

Reported equity adjusted for the fair value of the entire property portfolio, with the repayment of deferred tax divided by the number of outstanding shares at the end of the period.

Net asset value (NAV) is used to inform stakeholders of Arlandastad Group's long-term net asset value per share calculated in a uniform manner for listed property companies.

Outstanding shares

Number of registered shares at end of period.

Loan-to-value ratio, properties, %

Interest-bearing liabilities, excluding liabilities for financial leasing, as a percentage of the properties' fair value at end of period.

Gross profit Property Management

Rental income minus costs for property management and depreciation on operating properties.

Gross profit Operating Companies

Income from operating companies minus operating costs for these companies.

Average number of outstanding shares

Average number of shares outstanding at end of period.

Order book incomes from operating companies

Agreed future income for training, meeting and event operations of the operating companies.

Profit per share, SEK

Profit for the period divided by the average number of outstanding shares for the period.

Interest coverage ratio

Gross profit after financial income through financial costs.

Debt/equity ratio

Reported equity at the end of the period as a percentage of the balance sheet total. Used to highlight Arlandastad Group's financial stability.

Property-Related Definitions

GTA, sq.m.

Gross Total Area refers to the total area of the building, including exterior walls.

Net operating income, Property Management

Rental income minus costs for property management, excluding depreciation on properties.

Property expenses

The item includes both direct property expenses and costs for operation, property taxes and depreciation on operating properties.

Changes in underlying rental value

The year's change in contracted rental value in relation to the previous year's contracted rental value.

Rental income

Charged rent fees plus supplements, such as costs for heating, electricity and property tax.

Rental value

Contracted annual rents excluding rental surcharges. Used to highlight the Group's income potential.

GLA, sq.m.

The Gross Leasable Area of the building(s).

Project profit, %

The market value after completed projects minus total investment, as a percentage of total investment.

Surplus ratio

Net operating income, not including depreciation on operating properties, in the Property Management segment, as a percentage of reported rental income.



Arlandastad Group AB

Cederströmsslinga 17, SE-195 61 Arlandastad, Sweden, +46 (0)8 440 42 40

For further information, please contact:

Dieter Sand, Managing Director and CEO, dieter.sand@arlandastad.se, mobile: 0722-253771

Johanna Klingvall, CFO, johanna.klingvall@arlandastad.se, mobile: 0702-812 499

Arlandastad Group AB

Corp. ID no.: 556694-0978, Box 214, SE-190 47 Stockholm-Arlanda

Visiting address:

Cederströmsslinga 17, SE-195 61 Arlandastad