

SEK 208.7 MILLION
Income

SEK 53.9 MILLION
Gross profit

SEK 6,655 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.

Q3 – 2022

Interim report, January–September

The period in brief

- Income totalled SEK 208.7 million (122.7).
- Profit prior to value changes totalled SEK 288.9 million (loss: 41.1).
- Profit before tax totalled SEK 559.0 million (131.6).
- Profit for the period totalled SEK 605.5 million (92.7), corresponding to SEK 9.6 per share (1.5) before and after dilution.
- The market value of the properties totalled SEK 6.7 billion (6.0).
- Loans on the properties totalled SEK 1.56 billion (1.57), corresponding to a loan-to-value ratio of 25 percent (26).
- Net asset value (NAV) per share amounted to SEK 92 (79).

Financial performance indicators	July–Sept 2022	July–Sept 2021	Jan–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Income, million SEK	77.7	43.9	208.7	122.7	199.3
Gross profit, million SEK	14.6	19.4	53.9	46.0	74.4
Changes in underlying rental value, %	-	-	18.2%	-	9%
Surplus ratio, %	70%	74%	74%	66%	66%
Profit prior to value changes, million SEK	-28.9	-21.7	288.9	-41.1	-40.8
Realised changes in value of properties, SEK million	34.0	-	104.0	-	-
Unrealised changes in value of properties, million SEK	-114.6	187.5	166.2	172.6	281.0
Profit for the period, million SEK	-75.4	125.8	605.5	92.7	176.4
Cash flow from operating activities, million SEK	63.1	24.4	-130.6	-40.5	-16.4
Market value properties, million SEK	6,655	5,998	6,655	5,998	6,166
Loan-to-value ratio, properties, %	25%	26%	25%	26%	25%
Profit per share, prior to dilution, SEK	-1.2	2.0	9.6	1.5	3.0
Profit per share, after dilution, SEK	-1.2	2.0	9.6	1.5	3.0
Net asset value (NAV), per share, SEK	92	79	92	79	81
Return on equity, %	16%	20%	16%	20%	5%

Moving our positions forward

In 2022, Arlandastad Group has taken several important steps in line with the plan made in connection with the IPO in September 2021. We increased our pace of development, formed joint ventures and associated companies with external parties to ensure a continued high pace forward and established ourselves in a new location with the acquisition of Skavsta. An important milestone for our future growth.

Profit/loss for the period

There was a loss for the quarter amounting to SEK 75.4 million (profit: 125.8) and a profit for the first nine months of the year of SEK 605.5 million (92.7). Profit for the period January to September comes mainly from the acquisition of Skavsta, SEK 337 million, realised changes in value in the sale of properties to associated companies, SEK 104 million, and unrealised changes in value of SEK 166.2 million.

The interim report for January to June 2022 contains an accounting error regarding the Bake My Day deal, which is the main reason for the third quarter's loss. In the interim report, the company recognised excessively high unrealised value changes in the property corresponding to SEK 97 million. The net effect, taking into account deferred tax, amounted to SEK 76 million. Of this SEK 76 million, SEK 34 million is attributable to a period allocation error between the second and third quarters of 2022 and the remainder of SEK 42 million constituted an error in the accounting. This error has been adjusted in the interim report for January to September 2022.

In total, income increased to SEK 208.7 million (122.7), an increase of 70 percent. The increase in income is driven by new lease agreements, increased turnover rent, acquired operations

and a return to more normal market conditions for our operating companies after the pandemic.

We stand strong in a turbulent market

We are continuing to experience high pressure from partners and stakeholders for our development projects. A further statement of strength during the third quarter was that we secured financing of SEK 75 million for Stockholm Skavsta Airport through Sörmlands Sparbank. Our low loan-to-value ratio of only 25 percent, an average maturity of the Group's loans of 3.3 years and cash of approximately SEK 430 million create security in a turbulent market.

New detailed planning processes under way

During the third quarter, we started the detailed planning process for a Training Academy, a given meeting place for Swedish sports, health and innovation, in Explore Arlandastad. We are looking forward to continued close cooperation with the municipality and organised sports in Sweden in the planning of the area.

During the quarter, we also started the zoning process for the first development phase in Explore Skavsta. An important step to realise the potential of the 4.84 million sq.m. of land in Skavsta.

Dieter Sand

Managing Director
and CEO



Culture important as the organisation grows

One of the success factors for Arlandastad Group is our corporate culture. As the organisation grows at the pace it does, the work on the corporate culture and values becomes even more important, and as of 1 September, Head of HR Marie Sterner Henriksson is a member of the management team. Today, we are 159 employees compared to 64 at the beginning of the year, after growing in numbers as a result of the acquisition of Skavsta.

I am also pleased that we have now recruited two key people in the development of Explore Skavsta. Maria Karlsson as the new head of property development Explore Skavsta and Jesper Fredmark as the new managing director of Stockholm Skavsta Airport.

Important agreements and business


Scandinavian XPO's success in major meetings and events has led the Government Office to choose to organise its meetings there during the EU Presidency in 2023. This means full occupancy of both Scandinavian XPO and Quality Hotel Arlanda XPO during January to June next year. The deal of course has positive effects for our other partners in the area, such as fully booked hotels, car parks and an increased flow of visitors to, and interest in, the area. This is an excellent example of how our strategy on synergies between activities works.

During the quarter, construction began of Bake My Day's new bakery of approximately 10,000 sq.m. The project is expected to be completed during Q4 2023. It is a business that underpins the strong value development we see in our building rights portfolio.

We are growing, developing and being developed

We are growing, developing and being developed on all fronts in line with our long-term plan to generate value for tenants, shareholders, employees and society at large. I am looking forward to a continued high pace in both business and projects, although the market conditions have become more challenging for the industry as a whole. It is difficult to predict what will happen in Sweden and the world moving forward, but I nonetheless feel secure thanks to our long-term focus, strong cash, low loan-to-value ratio and competent organisation.

Dieter Sand, Managing Director and CEO



We are growing, developing and being developed on all fronts in line with our long-term plan to generate value for tenants, shareholders, employees and society at large.

About the Arlandastad Group

Arlandastad Group works with concept and property development and covers the entire chain from land acquisitions to long-term sustainable business for us and our customers. What distinguishes us is our ability to run large projects and our long-term focus. The fact that we also run operating companies when it contributes to the property deal makes us unique.

Our Vision

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

Strategy

Our strategy is to create attractive business platforms 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% over time.

Risk reduction

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

How we create value

Project development

We adapt the way we build based on the conditions of the settings. By developing a long-term sustainable product, we generate a project development profit while increasing the value of the remaining building rights that are not yet developed.

Management

The focus is on understanding and cooperating with our tenants. We manage our buildings with a long-term and sustainable focus in agreement with our tenants/partners. Our long-term management generates cash flows.

Operating companies

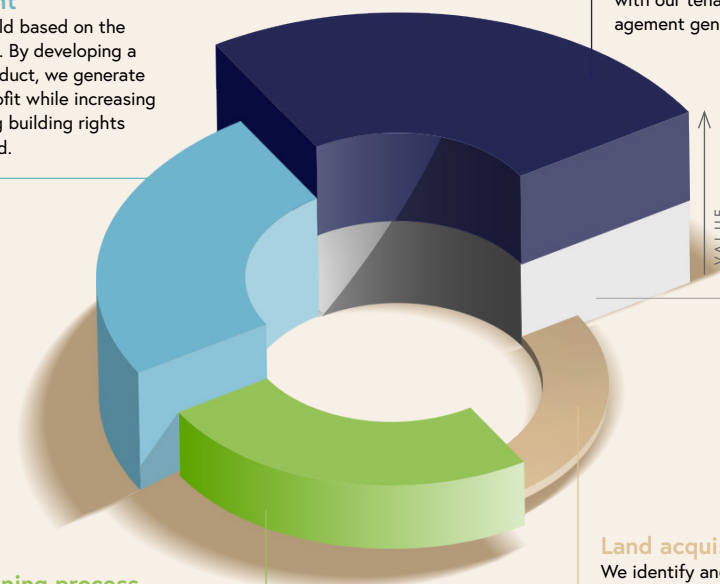
In cases where we see that we can add value, such as attracting other tenants or driving traffic to the area in our property business, we can also run operating companies that generate cash flows.

Land acquisition

We identify and acquire large land areas with a growing infrastructure and undeveloped potential. Each location should be able to sustainably plan, develop, build and manage based on our business model.

Detailed planning process

Our key words in working with detailed development plans are analysis, function and a long-term perspective. It involves us both realising our business concept and being a good society builder. An important step in this process is to create general detailed development plans and building rights that allow us to adapt the area to the needs that arise.



Project portfolio



From the acquisition of undeveloped land to management

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 attractive business platforms. We are good at realising the potential and seeing the full picture of a location.

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 site 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 development projects are adjacent to airports. This is not a requirement for our future development 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	1,785	1%
Bake My Day (associated company 49%)	Bakery	9,676	Project development	2022-2023	170	155	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	0%
Infrastructure/road District 5	Infrastructure/road		Project development	2021-2022	64	2	-
Subtotal		170,170			2,275	2,057	-

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	493,524	Project development	-	-	-	-
Accepted in JV/associated company	Not specified	134,120	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			-	-	-

Scandinavian XPO Phase 2: Longstay

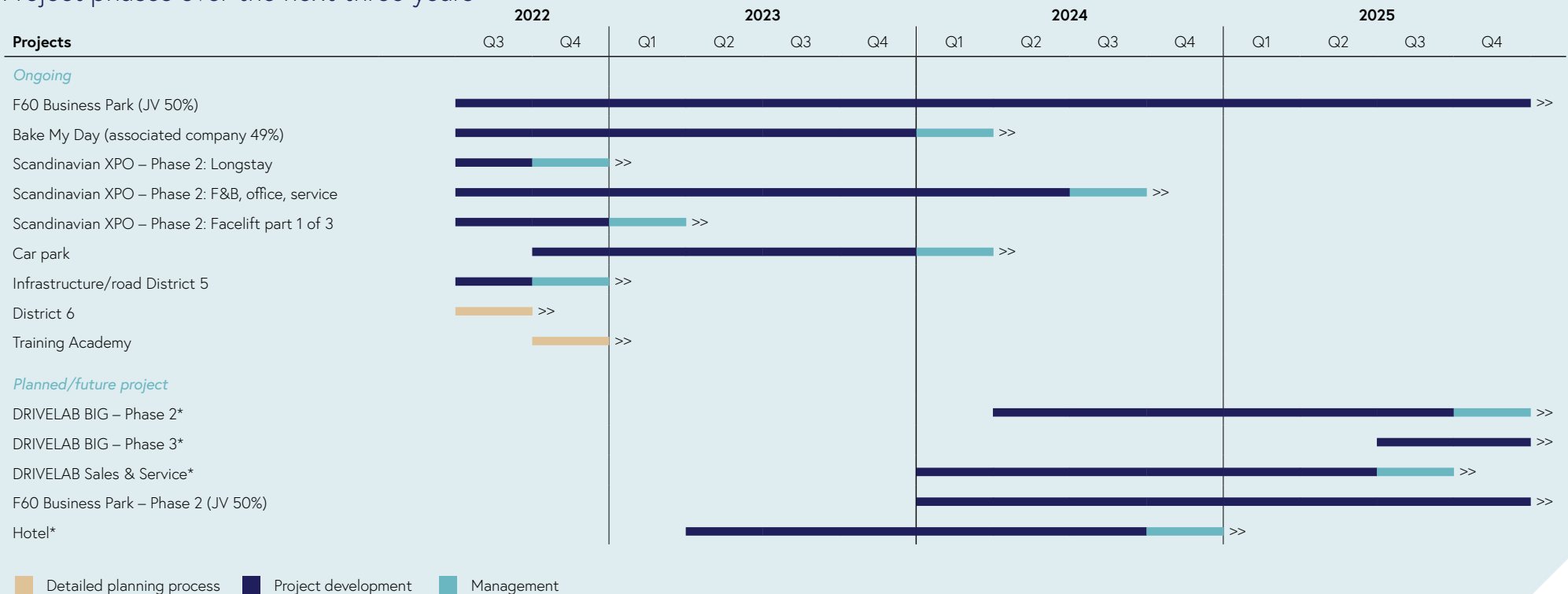
Construction of 126 longstay units began after the summer of 2021 in the southern part of the Scandinavian XPO property. The first phase with 68 rooms was opened on 1 May 2022 by Stockholm Hotel Apartments. Work on the second phase of 58 rooms was completed in September 2022.

Scandinavian XPO Phase 2: Facelift

Phase 2 of Scandinavian XPO includes an improvement of the building's southern sections. In connection with Phase 2 improvement, an upgrade of the common indoor areas and the exterior façades is planned. The intention is to modernise the impression the property makes, and turn the façade facing the car park into a welcoming entrance for tenants as they arrive. Building permits were obtained during the second quarter and during the summer work was started on the external and internal surfaces and is proceeding according to plan. The idea is to complete a large part of Phase 2 during 2022 as the Government Office has chosen to host its meetings in the arena during the EU Presidency in 2023.



Project phases over the next three years



* Project development postponed/deviates from business plan

Explore Arlandastad

Arlandastad is divided into several different districts, five of which are within Arlandastad Group's area, jointly named Explore Arlandastad. The districts are 1, 4, 5 and 6 as well as the latest addition – a district for sports, exercise and health called Training Academy.

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 Quality Hotel Arlanda XPO and Stockholm Hotel Apartments. District 1 also houses much of DRIVELAB Stockholm, which is the platform for one of the Nordic region's largest training and education sites 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 Center 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 facility within DRIVELAB that focuses on larger vehicles. In the south is the long-term car park P1.

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. The business park is a billion-SEK investment and will be an important, visible part of Explore Arlandastad. There is room to tailor surface-efficient premises for offices, services and production. 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

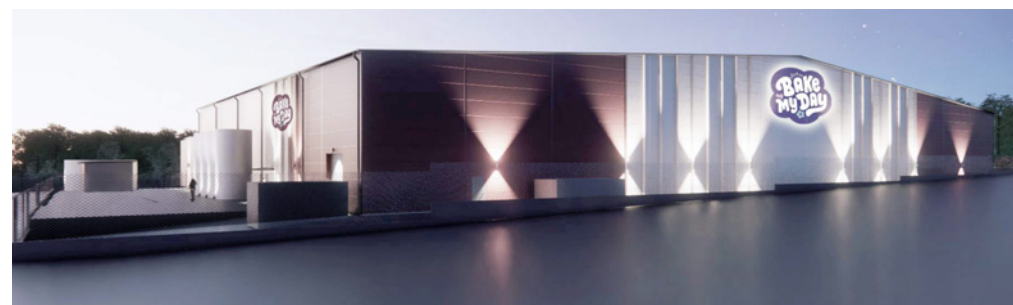
This is the area closest to the terminal in the northern part of the land holding. Companies with operations closely related to the airport can establish themselves here, as can stakeholders actively seeking smooth access to the airport and valuing the easily accessible location. Tenants will have synergies 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.





Development of a district for exercise, health and innovation

A first step towards a Swedish Training Academy was taken in November 2021 with the acquisition of part of Arlandastad Golf. The first phase of development involves 490,000 sq.m., and aims to create a meeting place for people, companies and businesses that can develop and grow in sports, health and innovation. The acquisition is conditional on receipt of planning permission, which was granted by Sigtuna Municipality in April, the starting signal for work on our future Training Academy. During the third quarter, planning agreements were signed with the municipality and the company has thereby entered into the planning process work.



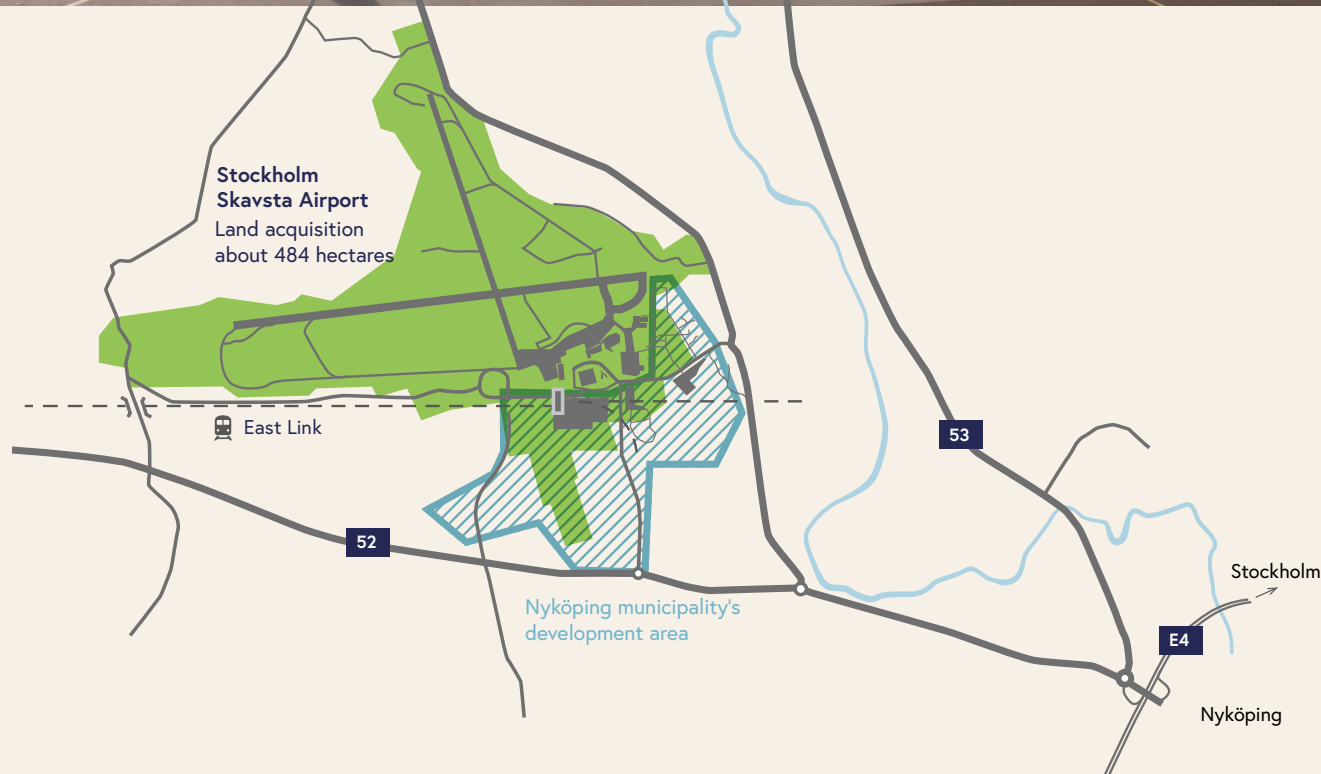
Bakery 10,000 sq.m. – Bake My Day

During the first quarter, Arlandastad Group entered into a joint venture 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. A positive building permit for the bakery exists, and the starting clearance for the groundwork is in place and started. 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 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 sustainability 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. It is 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	July–Sept 2022	July–Sept 2021	Jan–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Rental income	38,385	23,962	91,786	62,954	88,529
Income from operating companies	37,713	19,666	114,835	59,493	106,603
Other operating income	1,579	222	2,128	222	4,197
Income	77,677	43,850	208,749	122,669	199,330
Property expenses	-14,923	-11,201	-43,766	-35,881	-51,355
Costs from operating companies	-48,106	-13,273	-111,061	-40,776	-73,578
Gross profit	14,647	19,376	53,922	46,012	74,397
Administration costs	-26,617	-29,979	-62,742	-57,100	-74,416
Other operating income	9	0	9	0	0
Financial income	8	0	554	27	342
Financial expenses	-16,925	-11,111	-40,148	-30,033	-41,110
Reversal of negative goodwill	0	0	337,289	0	0
Profit prior to value changes	-28,878	-21,714	288,884	-41,094	-40,786
Realised changes in value of properties	34,000	0	103,967	0	0
Unrealised changes in value of properties	-114,575	187,545	166,177	172,647	280,964
Pre-tax profit	-109,453	165,831	559,028	131,553	240,177
Tax on annual profit	34,053	-40,064	46,503	-38,872	-63,738
Profit for the period	-75,400	125,767	605,530	92,681	176,440
Other comprehensive income					
<i>Items that may later be transferred to the income statement:</i>					
Recalculation of foreign branches	777	403	1,572	1,864	2,565
Other comprehensive income	777	403	1,572	1,864	2,565
Total comprehensive income	-74,628	126,170	607,098	94,545	179,005
Comprehensive income for the period attributable to					
Shareholders	-73,305	126,170	609,384	94,545	179,005
Non-controlling interests	-1,323	-	-2,286	-	-
- of which share of other comprehensive income	-	-	-	-	-
<i>Profit per share, before/after dilution, SEK</i>	<i>-</i>	<i>-</i>	<i>9.6</i>	<i>1.5</i>	<i>3.0</i>

Turnover and profit

The Group's income totalled SEK 208.7 million (122.7) for the first nine months, of which SEK 91.8 million (63.0) pertains to rental income and SEK 114.8 million (59.5) can be attributed to the Operating Companies segment. The increase in rental income is mainly attributable to new rental contracts, increased turnover rent and acquired business. Of revenues from Operating companies of SEK 114.8 million, SEK 76.6 million pertains to training activities, SEK 15.9 million to event activities, SEK 3.3 million to parking facilities and SEK 19.1 million to income from airport operation. The increase in revenues from the Operating companies segment comes primarily from the training and event

Total income and rental income



operations no longer being affected by the pandemic and restrictions.

Gross profit amounted to SEK 53.9 million (46.0) for the first nine months. Administration costs totalled SEK -62.7 million (-57.1). The increase compared to the same period last year is mainly attributable to increased personnel expenses resulting from the strengthening of the organisation and from acquired operations.

Net financial items totalled SEK -39.6 million (-22.7) and are related to interest costs for loan financing. The increase in interest expenses is mainly attributable to an increase in the interest-bearing debt.

The acquisition of Skavsta in May 2022 resulted in a profit in the business combination at a low price of SEK 337.3 million, which, in accordance with IFRS, was dissolved over profit.

Realised changes in value for the first nine months of the year of SEK 104.0 million consist of profits in the divestment of properties to joint ventures and associated companies, which in the quarter amount to SEK 34.0 million.

Unrealised changes in value of property management totalled SEK 166.2 million for the first 9 months of the year and SEK -114.6 million for the quarter. The unrealised change in value of the quarter includes an adjustment of the item as of 30 June 2022, when one of the Group's properties sold to associated companies was recorded at a SEK 97 million too high value when both the value of building rights and construction after exercised building rights were recognised, which meant that the values were taken into account twice and that unrealised changes in value in the second quarter were too high by an equivalent amount.

The net effect on profit after tax in the second quarter amounted to SEK -76.4 million, of which SEK 34 million has been realised in the third quarter with the sale of property to associated companies.

Unrealised changes in value in the quarter of SEK -114.6 million thus consist of an adjustment of SEK -97 million. The external valuation of the Group's property portfolio as of 30 September 2022 resulted in further unrealised value changes of SEK -17 million.

Tax on profit for the period amounted to SEK 46.5 million (-38.9). The tax mainly relates to deferred tax and is attributable to unrealised changes in the value of properties, reversed depreciation and other adjustments to the residual tax value of the properties.

In the period, deferred tax on divested properties to joint ventures and associated companies has been reversed by SEK 109 million, so the net effect will be positive. No deferred tax on losses carried forward has been considered.

Profit for the period totalled SEK 605.5 million (92.7), corresponding to earnings of SEK 9.6 per share before and after dilution.



Condensed statement of the Group's financial position

Assets

Amounts in SEK thousands	30 Sept 2022	30 Sept 2021	31 Dec 2021
Goodwill	15,718	15,718	15,718
Other intangible assets	385	-	-
Management properties	6,079,208	5,458,100	5,610,328
Operating properties	509,914	516,574	512,549
Rights of use	6,667	9,368	8,698
Other fixed assets	113,153	38,825	37,808
Participations in associated companies	301,253	13	13
Fixed assets	7,026,297	6,038,599	6,185,113
Current receivables	129,056	107,986	104,596
Liquid assets	427,611	430,125	441,435
Current assets	556,039	538,111	546,032
Total assets	7,582,336	6,576,710	6,731,145
Equity and liabilities			
Equity	4,772,188	4,050,304	4,160,446
Long-term liabilities	1,615,267	1,495,316	1,505,409
Long-term liabilities, rights of use	3,870	6,139	5,472
Deferred tax liability	941,813	864,383	889,249
Provisions	50,000	-	-
Long-term liabilities	2,610,950	2,365,838	2,400,130
Current interest-bearing liabilities	20,042	70,148	66,876
Current liabilities, rights of use	2,298	3,229	3,225
Current tax liabilities	1,627	4,150	7,826
Other current liabilities	175,217	83,041	92,641
Current liabilities	199,184	160,569	170,569
Total equity and liabilities	7,582,336	6,576,710	6,731,145

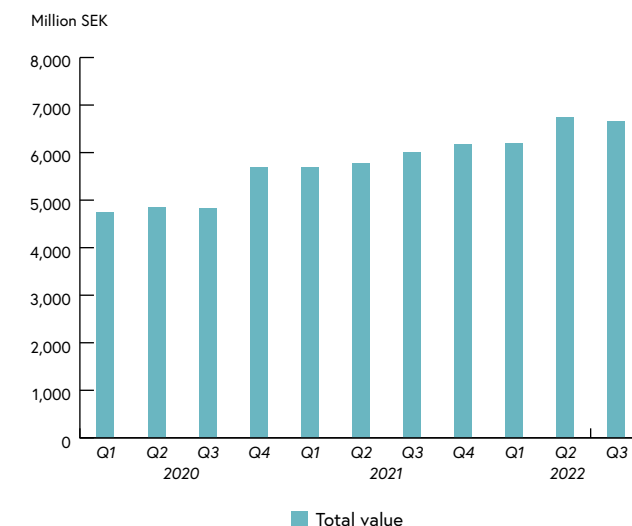
Goodwill

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

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 external valuation, the market value of the properties, as at 30 September 2022, amounted to SEK 6.6 billion (6.0); of the reduction, sold properties account for SEK 0.45 billion, while acquired properties account for SEK +0.6 billion. 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–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Market value as of January 1	5,610	5,222	5,222
Investments in existing properties	128	64	108
Acquisitions of the year	626	-	-
Disposals	-451	-	-
Reclassifications	-	-	-
Unrealised changes in value	166	173	281
Market value as of the end of the period	6,079	5,458	5,610
Distribution of management properties market value			
Commercial properties	2,414	1,915	1,995
Building rights	3,665	3,543	3,615

Operating properties

Amounts in million SEK	Jan–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Opening acquisition value	513	502	502
Investments in existing properties	11	25	25
Reclassifications from management properties	-	-	-
This year's depreciations	-14	-10	-15
Accounted value carried forward	510	517	513

Loan-to-value ratio in property portfolio

The loan-to-value ratio was 25 percent (26) at the end of the quarter.

	30 Sept 2022	30 Sept 2021
Opening acquisition value	25%	26%

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 September 2022 (6.6). Equity amounted to SEK 4.8 billion, which is an increase from the beginning of the year of SEK 623 million and is attributable to profit. Other comprehensive income includes a translation difference from foreign offices of SEK 4.1 million. The Group's debt/equity ratio was 63 percent at the end of the period, compared with 62 percent in the same quarter of 2021. The return on equity was 16 percent over the last 12-month period (20 percent as of 30 September 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. As of 30 September 2022, no warrants have been exercised.

Taxes

Deferred tax as of 30 September totalled SEK -941.8 million (-864.4). The deferred tax liability is mainly attributable to management properties.

Provisions

In connection with the acquisition of Stockholm Skavsta Airport AB, 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 3.0 percent (2.7). The interest coverage ratio for the full year was 1.71 (1.41). Of liabilities to credit institutions that mature within one year, SEK 31.0 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. Loan commitments for construction loans in projects not yet started totalled SEK 213,0 million as of 30 September 2022.

Distribution of interest-bearing liabilities

Amounts in million SEK	
Property loans	1,453.3
Subordinated loans	150.0
Construction credit, used in ongoing projects	31.0
Other financing	-
Total interest-bearing liabilities	1,634.3
Granted construction credit, unused	-
Loan commitments for construction credit in upcoming projects	213.0
Unused credit facility	8.0

Schedule of due dates for credit liabilities, 30 September 2022

Credit agreements	million SEK	Percentage, %
0–1 years	50.9	3%
1–2 years	19.9	1%
2–3 years	905.0	55%
3–4 years	83.3	5%
4–5 years	575.2	35%
> 5 years	0.0	0%
Total	1,634.3	100%

Schedule of due dates for interest liabilities, 30 September 2022

Maturity date	million SEK	Percentage, %
0–1 years	52.6	32%
1–2 years	47.1	29%
2–3 years	42.9	26%
3–4 years	18.4	11%
4–5 years	2.4	1%
> 5 years	0.0	0%
Total	163.4	100%

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
Profit for the period Jan-Sept 2021	-	-	-	92,681	-	92,681
Other comprehensive income for the period Jan-Sept 2021*	-	-	1,864	-	-	1,864
Transactions with owners:						
New share issue registered	11	-11	-	-	-	0
Bonus issue	323	-	-	-323	-	-
New share issue	53	399,947	-	-	-	400,000
Equity 30 Sept 2021	566	808,661	1,864	3,239,213	-	4,050,304
Profit for the period Jan-Dec 2021	-	-	-	83,759	-	83,759
Other comprehensive income for the period Jan-Dec 2021*	-	-	701	-	-	701
Transactions with owners:						
New share issue	3	25,595	-	-	-	25,598
Incentive programme	-	84	-	-	-	84
Equity 31 Dec 2021	569	834,340	2,565	3,322,972	-	4,160,446
Profit for the period Jan-Sept 2022	-	-	-	607,812	-2,286	605,526
Other comprehensive income for the period Jan-Sept 2022*	-	-	1,572	-	-	1,572
Transactions with owners:						
Minority interest	-	-	-	-	4,728	4,728
Incentive programme	-	-84	-	-	-	-84
Equity 30 Sept 2022	569	834,256	4,137	3,930,784	2,442	4,772,188

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



Consolidated cash flow statement

Amounts in SEK thousands	July–Sept 2022	July–Sept 2021	Jan–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Profit after financial items	-28,883	-21,714	288,879	-41,093	-40,786
Adjustments for items not included in the cash flow	90,944	5,615	-304,062	15,252	21,721
Total	62,061	-16,099	-15,178	-25,841	-19,065
Tax paid	-2,681	-1,356	-8,208	-2,461	1,700
Cash flow from operating activities prior to changes in working capital	59,380	-17,455	-23,391	-28,302	-17,365
Cash flow from changes in working capital					
Change in inventories	-62	-	-62	-	-
Changes in operating receivables	9,554	-9,124	-39,164	-10,385	-6,829
Changes in operating liabilities	24,196	2,164	-38,026	-1,774	7,827
Cash flow from operating activities	93,068	24,415	-100,643	-40,461	-16 367
Investment activities					
Business combinations	-	-	-30,140	-	-
Divestment of property	20,604	-	266,146	-	-18
Divestment of intangible fixed assets	15	-	21	-	-
Acquisitions of tangible fixed assets	-117,400	-10,191	-151,290	-95,073	-139,512
Acquisitions of financial fixed assets	-58,187	-	-58,392	-	-
Cash flow from investment activities	154,968	-10,191	26,345	-95,073	-139,530
Financing activities					
New share issue	-	400,000	-	400,000	425,598
Incentive programme	-	-	-84	-	84
Loans raised	78,708	7,092	89,505	7,092	19,954
Repayment of loan liabilities	-6,019	-113	-29,583	-4,800	-11,689
Cash flow from financing activities	72,689	406,979	59,838	402,292	433,947
Cash flow for the period	10,789	421,203	-14,460	266,758	278,050
Liquid assets at year start	416,183	8,920	441,435	163,351	163,351
Exchange rate difference in liquid assets	11	2	8	16	34
Liquid assets at year end	426,983	430,125	426,983	430,125	441,435

Cash flow and liquid assets

Cash flow for the period totalled SEK -14.5 million for the first nine months (266.8), which consists of cash flow from operating activities of SEK -100.6 million, investing activities of SEK 26.3 million and financing activities of SEK 59.8 million.

Cash flow from operating activities was mainly affected by the negative operating profit. The change in working capital totalled SEK -100.6 million (-41.5), and non-cash items totalled SEK -304.1 million (15.3). Adjustment for non-cash items consists of a realised change in value of SEK 33.2 million and profit from business combinations at a low price that has been dissolved over profit of SEK -337.3 million.

Cash flow from investing activities of SEK 26.3 million (-95.1) refers to investments in properties and other tangible fixed assets at SEK -151.3 million (-95.0), acquisition of financial fixed assets at -58.3 million (0), divestment of properties at SEK 266.1 million (0) and business combinations at -30 million (0).

Financing activities affect the cash flow by SEK 59.8 million (402.3), mainly attributable to new loans raised of SEK 89.5 million.

Liquid assets at the end of the period totalled SEK 427.0 million, compared with SEK 430.1 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.

To-date, the business has focused on improving and managing one large area of land. This has been done by acquiring undeveloped land for subsequent detailed planning and development, and by transforming existing properties, reimagining them and developing them for entirely new operations.

Since the fourth quarter of 2020, two buildings have been classified as operating properties where two operating companies within the Group, Training Partner and Scandinavian XPO, have their main operations. During the fourth quarter of 2022, some of the acquired properties in Skavsta will also be reclassified into operating property.

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 in operating companies, such as Training Partner and Scandinavian XPO, contribute to more visits to the 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.

Group 2022 Jan-Sept, SEK thousands	Property Development	Property Management	Operating Companies	Unallocated Group costs and eliminations	Total
Rental income	5,638	105,527	-	-19,379	91,786
Income from operating companies	-	-	114,835	-	114,835
Other income	7	541	1,206	373	2,128
Operating income	5,645	106,068	116,041	-19,006	208,749
Property expenses	-181	-29,192	-720	-36	-30,129
Depreciation of property	-	-13,637	-	-	-13,637
Costs from operating companies	-	-78	-130,025	19,042	-111,061
Gross profit	5,464	63,161	-14,704	0	53,922
Administration costs	-4,317	-8,252	-29,347	-20,826	-62,742
Other operating income	-	-	9	-	9
Net financial items	-3,333	-32,789	-3,472	-	-39,594
Reversal of negative goodwill	-	-	337,289	-	337,289
Profit prior to value changes	-2,186	22,120	289,775	-20,826	288,884
Realised changes in value of properties	103,967	-	-	-	103,967
Unrealised changes in value of properties	50,000	116,177	-	-	166,177
Pre-tax profit	151,781	138,297	289,775	-20,826	559,028

Group 2021 Jan-Sept, SEK thousands	Property Development	Property Management	Operating Companies	Unallocated Group costs and eliminations	Total
Rental income	1,314	73,266	-	-11,625	62,954
Income from operating companies	-	-	59,493	-	59,493
Other income	-	-	222	-	222
Operating income	1,314	73,266	59,715	-11,625	122,669
Property expenses	-187	-25,258	-	-	-25,445
Depreciation of property	-	-10,436	-	-	-10,436
Costs from operating companies	-	-	-52,401	11,625	-40,776
Gross profit	1,127	37,572	7,314	0	46,012
Administration costs	-175	-2,974	-13,312	-40,639	-57,100
Other operating income	-	-	-	-	-
Net financial items	-1,469	-25,748	-2,765	-24	-30,006
Reversal of negative goodwill	0	0	-	-	0
Profit prior to value changes	-518	8,850	-8,763	-40,663	-41,094
Realised changes in value of properties	-	9	-	-	-
Unrealised changes in value of properties	-13,438	186,085	-	-	172,647
Pre-tax profit	-13,956	194,935	-8,763	-40,663	131,553

Property Management business area

Income from rent totalled SEK 105.5 million (73.2). The increase in rental income is mainly attributable to new and renegotiated rental contracts, increased turnover rent and acquired business.

Property expenses (excluding depreciation) amounted to SEK -29.2 million (-25.3).

Gross loss totalled SEK 63.1 million (37.6). The increase can mainly be attributed to higher rental income of SEK 30.3 million.

Administration costs amounted to SEK -8.3 million (-3.0); the increase over the same period last year is mainly attributable to increased personnel costs.

Financial items totalled SEK -32.8 million (-25.7) and are primarily related to interest costs for loan financing. The increase is mainly due to a higher interest-bearing debt but is also affected by higher interest rates. The average interest rate was 3.0 percent.

Profit prior to value changes totalled SEK 22.1 million (8.9).

Arlandastad Group AB determines the value of management properties through external valuations by independent valuation agencies at each quarter. As of 30 September, the property portfolio has been valued by Forum Fastighetsekonomi AB. The average required rate of return for the portfolio stood at 6.5 (6.1) percent.

Key performance indicators, Property management, million SEK

Net operating income	34.0	26.3	111.0	48.0	66.6
Surplus ratio	70%	66%	74%	66%	66%
Profit prior to value changes	3.7	4.8	22.1	8.9	4.7
Underlying rental value	172	139	172	139	145
Changes in underlying rental value	0.4%	1%	18.2%	1%	8.8%
Change in underlying rental value adjusted for acquired properties	1.4%	-	0.4%	-	-
Loan-to-value ratio	25%	26%	25%	26%	25%
Market value of commercial properties	2,414	1,915	2,414	1,915	1,995

	Quarter		Accumulated		Full year
	July–Sept 2022	July–Sept 2021	Jan–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Net operating income	34.0	26.3	111.0	48.0	66.6
Surplus ratio	70%	66%	74%	66%	66%
Profit prior to value changes	3.7	4.8	22.1	8.9	4.7
Underlying rental value	172	139	172	139	145
Changes in underlying rental value	0.4%	1%	18.2%	1%	8.8%
Change in underlying rental value adjusted for acquired properties	1.4%	-	0.4%	-	-
Loan-to-value ratio	25%	26%	25%	26%	25%
Market value of commercial properties	2,414	1,915	2,414	1,915	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 the acquisition of land and planning processes to the construction and subsequent management of the properties.

As of 30 September 2022, the Group has claimed less than 10 percent of the potential building rights of between 1.3 to 1.4 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 Arlandastad Group has increased to SEK 3,665 million (3,465), despite the fact that, in the second quarter of 2022, the company divested approximately 124,000 sq.m. to the joint venture F60. The average value of building rights has increased from SEK 3,142/sq.m. GTA to SEK 3,479/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 Stockholm Skavsta Airport, 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 18 percent for the first half of 2022 (36). Arlandastad Group's infrastructure projects are not part of the project's profit.

Key performance indicators, Property Development, million SEK	July–Sept 2022	July–Sept 2021	Jan–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Investments	86	10	128	89	108
Project profit, %	-	-	46%	36%	33%
Average value of building rights Arlandastad (SEK/sq.m.)	3,479	3,142	3,479	3,142	3,206
Average value of building rights Skavsta (SEK/sq.m.)	302	-	302	-	-
Market value of development properties	3,665	3,543	3,665	3,543	3,615



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 114.8 million (59.5) for the first nine months. The increase is mainly due to the training activities at SEK +27.1 million, event activities in Scandinavian XPO increased by SEK 5.9 million, and airport operations contributed SEK 19.0 million.

Of the operating area's total revenue for the first nine months of SEK 114.8 million, Training Partner accounts for SEK 79.6 million, Scandinavian XPO for SEK 15.9 million and Stockholm Skavsta Airport for SEK 19.0 million.

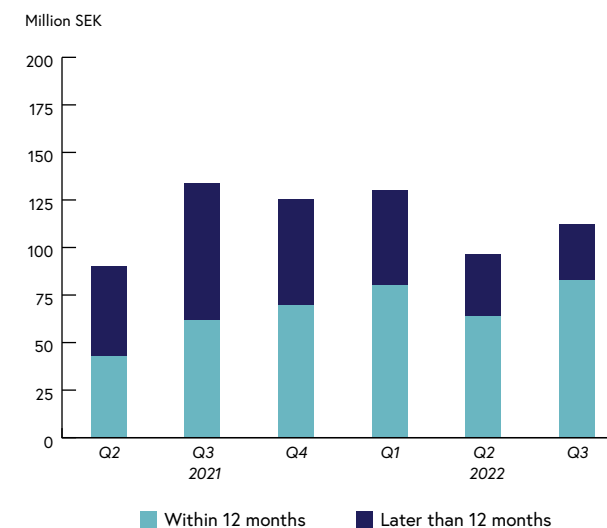
The remaining revenue relates to parking operations. Of the corresponding 2021 period's revenues of SEK 59.5 million, Training Partner accounted for SEK 49.5 million and Scandinavian XPO for SEK 9.9 million.

The business area's total order book, prebooked events, training, etc. totalled SEK 112.0 million (133.9) at the end of the period, of which SEK 82.8 million is expected to be included in accounts in the coming 12-month period. Gross profit totalled SEK 2.3 million (7.3), with a margin of 2 percent (12).

Total income and gross profit



Order book



Key performance indicators, Operating Companies, million SEK	Jan–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Income from operating companies	114.8	59.5	106.6
Gross profit	2.3	7.3	16.8
Total order book	112.0	133.9	125.4
Order book coming 12 months	82.8	61.6	69.8

Condensed income statement for the Parent Company

Amounts in SEK thousands	July–Sept 2022	July–Sept 2021	Jan–Sept 2022	Jan–Sept 2021	Jan–Dec 2021
Rental income	6,603	4,727	16,624	13,903	19,206
Other operating income	2,614	0	6,630	0	9,065
Total revenue	9,217	4,727	23,254	13,903	28,271
Property expenses	-3,100	-754	-6,859	-5,307	-7,245
Operating surplus	6,117	3,973	16,395	8,596	21,026
Administration costs	-9,326	-25,367	-27,116	-41,657	-49,511
Depreciations and write-downs	-1,412	-1,337	-4,071	-4,029	-18,689
Net financial items	12,166	-3,041	256,140	-9,069	-12,431
Profit from property management	7,545	-25,772	241,348	-46,159	-59,605
Balance sheet allocations	5,600	0	5,600	0	-30,913
Pre-tax profit	13,145	-25,772	246,948	-46,159	-90,518
Tax on annual profit	0	0	0	0	715
Profit for the period	13,145	-25,772	246,948	-46,159	-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 nine months amounted to SEK 23.3 million (13.9). Rental income totalled SEK 16.6 million (13.9) and other income totalled SEK 6.6 million (0). Other operating income mainly relates to management fees and the re-invoicing of Group-wide costs to the subsidiaries.

Administration costs totalled SEK -27.1 million (-41.7). Net financial items totalled SEK 256.1 million (-9.1) and are mainly attributable to the sale of shares in subsidiaries. The Parent Company's profit for the year totalled SEK 246.9 million (loss: 46.2).

Condensed statement of the Parent Company's financial position

Assets

Amounts in SEK thousands	30 Sept 2022	30 Sept 2021	31 Dec 2021
Management properties	139,671	137,077	137,684
Participations in group companies	200,885	146,836	151,459
Receivables with Group companies	1,654,197	378,857	425,496
Other fixed assets	8,443	3,677	4,336
Fixed assets	2,003,196	666,447	718,974
Receivables with Group companies	82,175	20,170	-
Other current receivables	44,832	6,750	17,887
Liquid assets	399,857	46,880	418,254
Current assets	526,864	73,800	436,140
Total assets	2,530,060	740,247	1,155,114
Equity and liabilities			
Equity	995,042	766,137	748,176
Long-term interest-bearing liabilities	1,508,242	326,525	315,600
Long-term liabilities	1,508,242	326,525	315,600
Liabilities to Group companies	-	-	50,988
Current liabilities	26,776	21,812	40,350
Current liabilities	26,776	21,812	91,338
Total equity and liabilities	2,530,060	740,247	1,155,114

Equity and indebtedness

The Parent Company's balance sheet total amounted to SEK 2,530.1 million at 30 September, compared with SEK 740.2 million in the same period last year.

Equity amounted to SEK 995.0 million, compared with SEK 766.1 million at 30 September 2021. The increase in equity is mainly due to the issue of new shares and the company's earnings.

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	179	105,470	371,098	-64,451	412,296
Transfer of last year's profit	-	-	-64,451	64,451	0
Profit for the period	-	-	-	-46,159	-46,159
Transactions with owners:					
New share issue registered	11	-11	-	-	-
Bonus issue	323	-	-323	-	-
New share issue	53	399,947	-	-	400,000
Equity 30 Sept 2021	566	505,406	306,324	-46,159	766,137
Profit for the period	-	-	-	-43,643	-43,643
Transactions with owners					
New share issue registered	-	-105,470	105,470	-	0
New share issue	3	25,595	-	-	25,598
Incentive programmes	-	84	-	-	84
Equity 31 Dec 2021	569	425,615	411,794	-89,802	748,176
Transfer of last year's profit	-	-	-89,802	89,802	0
Profit for the period	-	-	-	246,948	246,948
Transactions with owners					
Incentive programmes	-	-84	-	-	-84
Equity 30 Sept 2022	569	425,531	321,992	246,948	995,042



Other information

Employees

At the end of the period, the number of full-time employees was 159 (64), of which 80 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, no significant transactions have occurred with related parties, except for customary remuneration of the Board of Directors and senior executives.

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 minimise 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 strained 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.

In addition to the above, the Group's and the Parent Company's risks and risk management are described in the Annual Report for 2021.

Ownership structure

As of 30 September 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 reelected: 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

No significant events have occurred since the end of the accounting date.

Report signatures

Arlandastad, 10 November 2022.

Peter Wågström
Chairman of the Board

Per Taube
Board member

Tomas Rudin
Board member

Leif West
Board member

Sunniva Fallan Röd
Board member

Lars Thagesson
Board member

Maria Rankka
Board member

Peter Markborn
Board member

Dieter Sand
Managing Director

This information is such that Arlandastad Group is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted for publication by the above contact persons on 10 November 2022 at 8:00 AM CET.



Calendar

15 February 2023

Year-end report 2022

30 March 2023

Annual report 2022

19 April 2023

Annual General Meeting

17 May 2023

Interim report for the period January-March 2023

18 July 2023

Interim report for the period January-June 2023

15 November 2023

Interim report for the period January-September 2023

Auditor's report

*Arlandastad Group AB (publ), corp. ID no. 556694-0978.
To the Board of Directors of Arlandastad Group AB (publ).*

Introduction

We have carried out a summary review of the condensed interim financial information (the interim report) for Arlandastad Group AB (publ) as of 30 September and the nine-month period ending on this date. The Board of Directors and the Managing Director are responsible for preparing and presenting 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.

Focus and scope of the general review

We carried out our review in accordance with the International Standard on Review Engagements ISRE 2410 Overview of interim financial information by the company's elected auditor. A general review consists of making inquiries, primarily to persons responsible for financial and accounting matters, carrying out analytical examinations and implementing other general review procedures. A general review has a different focus and a much smaller scope compared to the focus and scope of an audit according to International Standards on Auditing and good auditing practice in general.

The review procedures implemented in a general review do not allow us to obtain such assurance that we become aware of all the important circumstances that could have been identified if an audit had been carried out. Therefore, the stated conclusion based on a general review does not have the level of assurance of a stated conclusion based on an audit.

Conclusion

Based on our review, no circumstances have come forth that give us reason to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 10 November 2022.

Ernst & Young AB

Oskar Wall

Authorised Auditor

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

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