

Q4 – 2022

SEK 295.9 MILLION
Income

SEK 68.4 MILLION
Gross profit

SEK 6,584 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.

Year-end Report, January–December

The period in brief

- Income totalled SEK 295.9 million (199.3).
- Profit prior to value changes totalled SEK 269.5 million (-40.8).
- Profit before tax totalled SEK 415.8 million (240.2).
- Profit for the period totalled SEK 486.6 million (176.4), corresponding to SEK 7.7 per share (3.0) before and after dilution.
- The market value of the properties totalled SEK 6.6 billion (6.2).
- Loans on the properties totalled SEK 1.7 billion (1.6), corresponding to a loan-to-value ratio of 25 percent (25).
- Net asset value (NAV) per share amounted to SEK 89 (81).

Financial performance indicators

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Income, SEK million	87.2	76.7	295.9	199.3
Gross profit, SEK million	14.5	28.4	68.4	74.4
Changes in underlying rental value, %	7.9%	4.0%	29.5%	9.0%
Surplus ratio, %	64%	69%	66%	66%
Profit prior to value changes, SEK million	-19.4	0.3	269.5	-40.8
Realised changes in value of properties, SEK million	-12.8	-	91.1	-
Unrealised changes in value of properties, SEK million	-108.4	108.3	55.1	281.0
Pre-tax profit, SEK million	-143.2	108.6	415.8	240.2
Profit for the period, SEK million	-119.0	83.8	486.6	176.4
Profit per share, prior to dilution, SEK	-1.9	1.3	7.7	3.0
Profit per share, after dilution, SEK	-1.9	1.3	7.7	3.0
Cash flow from operating activities, SEK million	7.5	24.1	-93.1	-16.4
Market value properties, SEK million	6,584	6,166	6,584	6,166
Loan-to-value ratio, properties, %	25%	25%	25%	25%
Net asset value (NAV), per share, SEK	89	81	89	81
Return on equity, %	11%	5%	11%	5%

Develops and refines our portfolio

In the last quarter of the year, we focused on developing the large transactions that we created during the year. We continue to build a company with a strong financial position and take care of the opportunities that our large development projects create. Our low loan-to-value ratio of 25 percent, an average maturity of the Group's loans of 3.1 years and cash of approximately SEK 400 million create security in a turbulent market.

For most of 2022, interest rates and inflation have slowed down both property development and the financial and transaction markets. In the fourth quarter, we started to feel some relief, where banks again showed interest in project financing. During the quarter, we secured bank financing of SEK 125 million in the associated company, which we have together with Bake My Day Holding. For Stockholm Skavsta Airport, we secured a further SEK 25 million in funding. This shows that the banks believe in our business model.

Earnings for the period

There was a loss for the quarter amounting to SEK -143.2 million (108.6) and a profit for the full-year of SEK 415.8 million (240.2). Profit for the period January to December comes mainly from the acquisition of Skavsta at SEK 337 million and realised changes in value of properties of SEK 91.1 million. -Unrealised changes in value amounted to SEK 55.1 million and are due to the increase in the value of our building rights. Profit for the year is also affected by an operating loss that comes from the acquired operations Stockholm Skavsta Airport.

Two of Sweden's largest development projects

During the year, we carried out a number of large transactions in line with the 2021 plan. We now own and have at our disposal two of Sweden's largest development projects, Explore Arlandastad and Explore Skavsta.

In Explore Arlandastad, we have formed joint ventures and associated companies with strong partners. Together with one of the world's largest property funds, we have built an organisation that is developing the F60 Business Park, a 125,000 sq.m. area. In our associated company with Bake My Day Holding, we are building a bakery of 10,000 sq.m. We have also worked on the acquisition of Arlandastad Golf, which includes a land holding of 490,000 sq.m. Our ambition is to create a district for people, businesses and activities in sports, health and innovation. There, planning process work is under way together with the municipality, which sees this as one of its most prioritised projects.

In Explore Skavsta, we are building a strong project organisation and are cooperating closely with Nyköping Municipality and the Swedish Transport Administration with important

Dieter Sand

Managing Director
and CEO



infrastructure initiatives such as the Ostlänken railway line. Thanks to a strong financial position, we have continued to have room to manoeuvre and can optimise the pace of development based on the market conditions.

Positive development in Skavsta

In May 2022, we acquired approximately 5 million square metres of land and at the same time became the main owner of Stockholm Skavsta Airport. We have already taken major steps to put the airport on the national and international airport map. In December, the government decided to designate the airport as a standby airport. We also had the opportunity to welcome Norwegian to Stockholm - Skavsta Airport. From 1 April 2023, they are beginning new routes to the popular destinations of Malaga and Alicante. Together with Jesper Fredmark, the new

Managing Director of the airport, and Maria Karlsson, who will run Property Development in Explore Skavsta, we look to 2023 with confidence.

Preparations for the Government Offices of Sweden taking the EU Presidency

The southern part of Scandinavian XPO has undergone extensive modernisation and now includes an attractive range of services and activities for visitors. Some of the new tenants on site are the Stockholm Hotel Apartments with 130 new rooms, Co-working By Stockholm Hotel Apartments, Angelos Bistro & Café and IMPA Golf. At the same time, the conference part of the stadium is fully leased to the Government Offices during the Presidency of the EU Council of Ministers from January to June 2023.

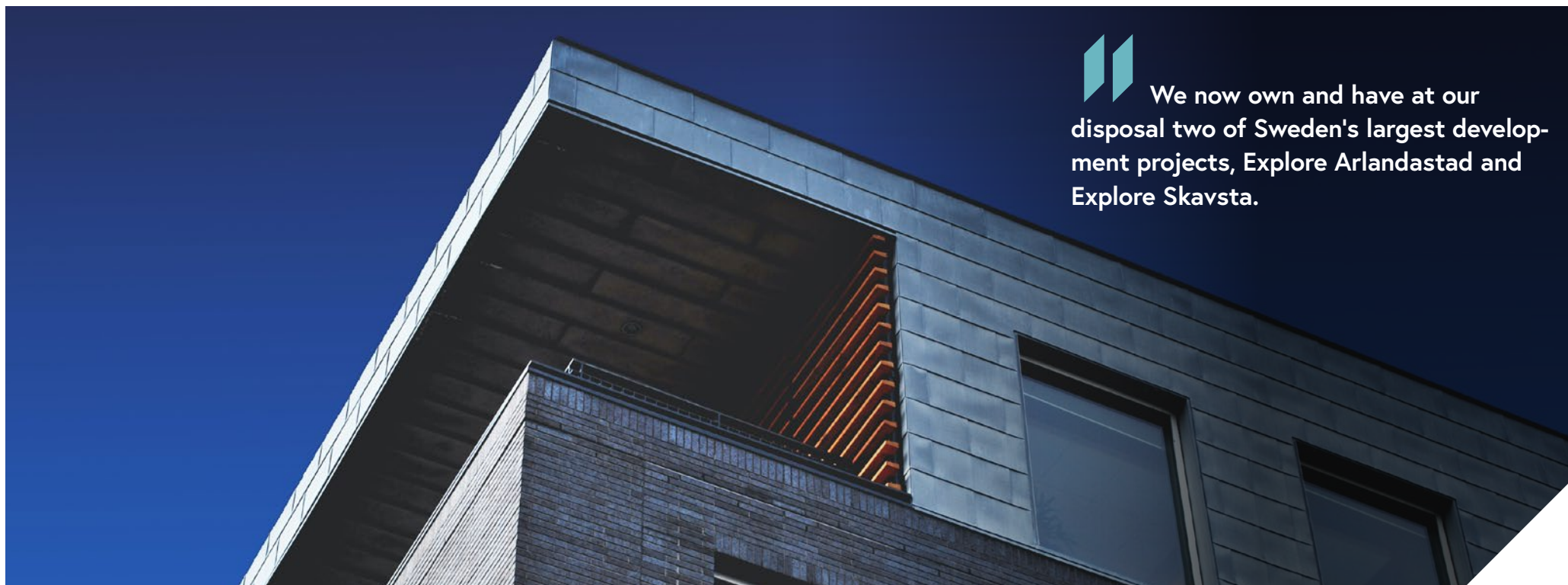
Infrastructure on site

Basic infrastructure is important to succeed well in our projects. During the quarter, we completed a large part of the main infrastructure in Explore Arlandastad. Now we have good access to all the zoned areas of Explore Arlandastad.

Good conditions for continued growth

With our financial stability, our long-term investment perspective and our attractive portfolio, Arlandastad Group has good conditions to grow. The external situation remains difficult and affects most property companies, while interest rates put pressure on the yields. But the company remains strong. Tough times also create good business opportunities.

Dieter Sand,
Managing Director and CEO



We now own and have at our disposal two of Sweden's largest development projects, Explore Arlandastad and Explore Skavsta.

About the Arlandastad Group

We are a property development company with the strength to make visions a reality. Through our ability to see and take advantage of the potential in large strategically placed areas, we create value that grows for our investors and for society at large.

Our Vision

Together with partners and society, we develop sustainable and attractive destinations where businesses can grow, people meet and ideas come to life.

Strategy

Our strategy is to identify the potential in large strategically placed areas and develop sustainable and attractive destinations. Arlandastad Group manages the entire chain, from land acquisition to long-term management. In cases where we see that we can add value, we also operate businesses.

Goals

Return

Return on equity is to exceed 15% over time.

Risk reduction

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

How we create value

Project development

We adapt the way we build based on the environment's conditions. Developing areas in phases not only increases the value where we build, but also at the same time all the remaining building rights that have not yet been developed.

Management

The focus is on understanding and cooperating with our tenants. We manage our buildings with a long-term and sustainable perspective that generates value and cash flow.

Operating Activities

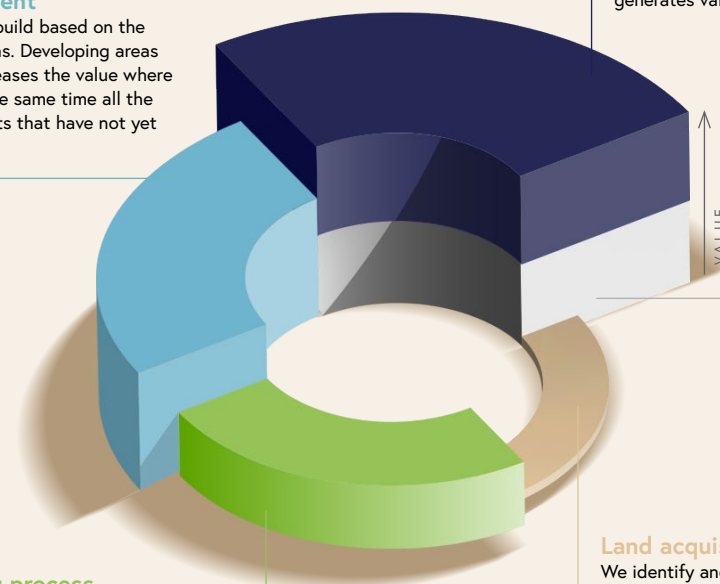
In cases where we see that we can add value, such as attracting other tenants or driving traffic to the area in our property business, we can also run operating companies that generate cash flow.

Land acquisition

We identify and acquire large strategically placed 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's about us realizing our business idea of harnessing the potential in large strategically placed areas. An important step in this process is to create general detailed development plans that allow us to adapt the area to the needs that arise.



Project portfolio



We make room for the future

Arlandastad Group is a property development company with a focus on large strategically placed areas. We have the knowledge and the ability to identify potential. We have the courage and strength to make acquisitions. We have the network of contacts and the creativity to develop attractive destinations. This is how we create value that grows over time.

We own and operate two of Sweden's largest development projects

When many property players are focusing on individual properties and limited areas, we think big. When we acquired the 290-hectare area of land at Arlanda, it was an area without a clear area of use, which reflected the initial value. Today, the same area is called Explore Arlandastad and is one of Sweden's largest development projects, an attractive destination for an increasing number of businesses. In 2022, it was again time when we acquired a 484-hectare area at Stockholm Skavsta Airport, also an area with fantastic potential. In doing so, we currently own and operate two of Sweden's largest development projects.

Explore Arlandastad

Explore Skavsta

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 the detailed development planning process A district for exercise, health and innovation	Not specified	Estimated 150,000	Detailed planning process	-2024	-	-	-
Subtotal		1,277,644			-	-	-

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	1,750	1%
Bake My Day (associated company 49%)	Bakery	9,676	Project development	2022-2024	170	145	100%
Scandinavian XPO – Phase 2	Offices, service, hotel, healthcare	16,550	Project development	2020-2025	160	100	22%
Car park	Car park	19,500	Project development	2023-2024	68	65	0%
Subtotal		170,170			2,211	2,060	-

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	business park	38,000	Project development	2026-2028	551	551	-
Hotel	Hotel	6,000	Project development	2023-2024	150	150	-
Co-working Scandinavian XPO	Offices	6,000	Project development	2024-2025	120	120	-
DRIVELAB Center office and expansion	Office/training	8,000	Project development	2024-2026	170	170	-
Infrastructure/road District 6	Infrastructure/road		Detailed planning process	2024-2025	50	50	-
District 6 – Phase 1	Offices and businesses	17,000	Detailed planning process	2024-2025	375	375	-
Subtotal		96,000			1,691	1,691	-

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			-	-	-

Explore Skavsta – Planned/future projects

Projects	Type of project	Building rights (sq.m.)	Status	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
Refining the existing portfolio	Tenant adaptation	10,000	Project development	2023-2025	100	100	0%
New production in the Eastern area	Offices/business	15,000	Project development	2023-2025	150	150	0%
Subtotal		25,000			250	250	-



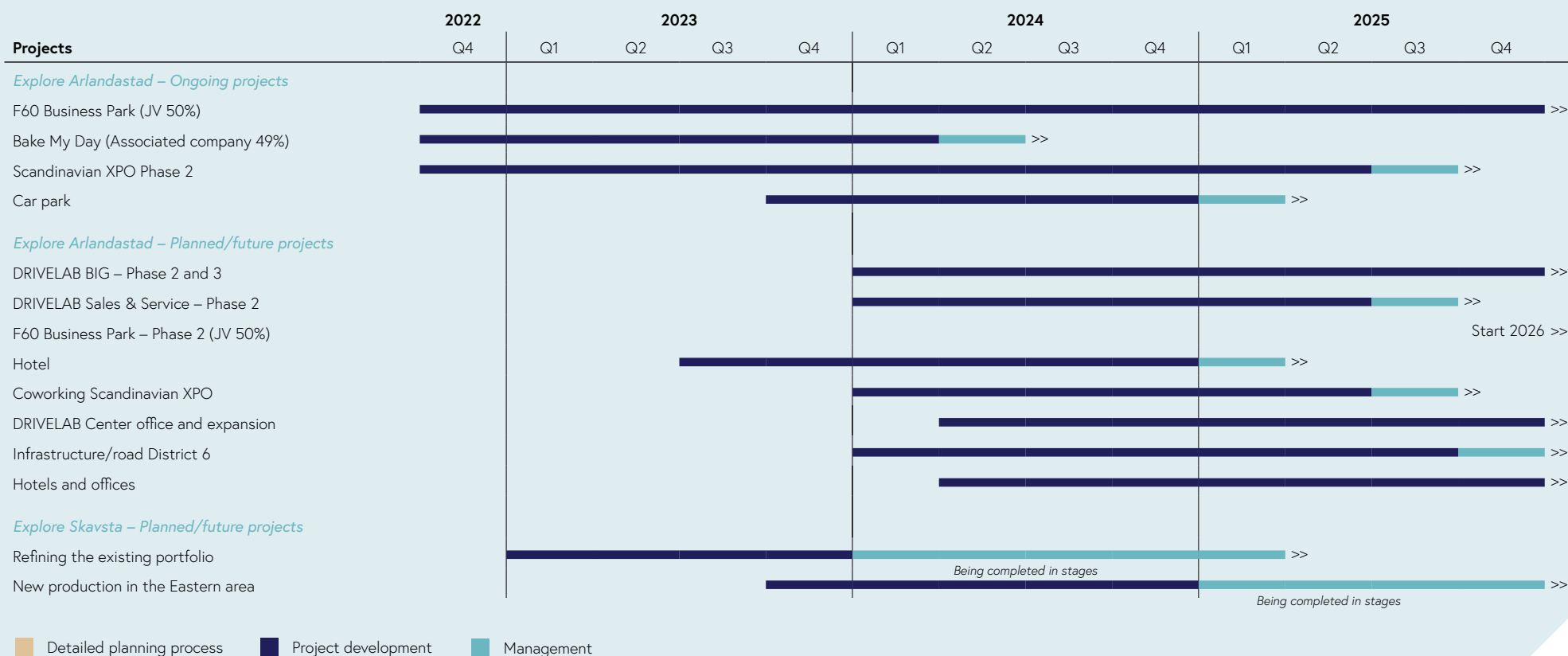
Scandinavian XPO Phase 2: Face lift

A facelift of Scandinavian XPO Phase 2 includes a refinement of the building's southern parts with an extensive renovation of exterior and interior. The intention is to modernise the impression the shared indoor spaces make, and turn the façade facing the car park into a welcoming entrance for tenants and visitors. Building permits were obtained during the second quarter and the work continued throughout the year. Most of the work has been completed and is now taking a break during the six months that the Government Offices are hosting the EU Presidency in 2023.

In the southern part, now called Plaza XPO, there is an attractive range of services and activities for visitors and the area at large. For example, the apartment hotel Stockholm Hotel Apartments with 130 new rooms, a boules court and pop-up operations Co-Working By Stockholm Hotel Apartments, the Lebanese restaurant Angelos Bistro & Café and a training facility for golf by Impa Golf with four swing studios, simulators and professional golf coaches.



Project phases over the next three years



Explore Arlandastad

Explore 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 innovation.

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 and attractive destination development over time.



Our districts in Explore Arlandastad

District 1

District 1 is the 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.

A district for exercise, health and innovation

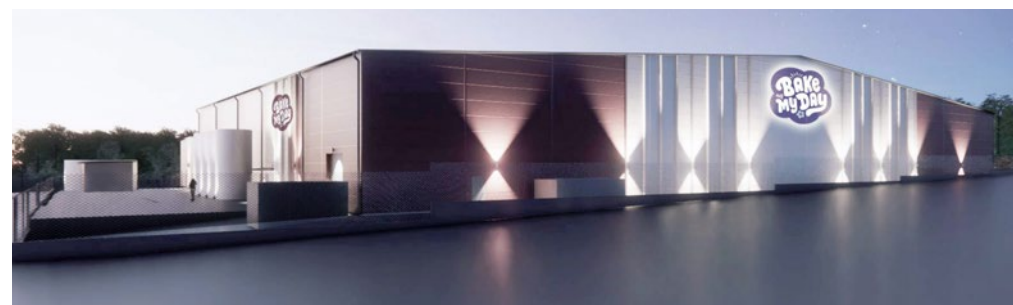
Our latest addition to the land holding is a district with the ambition to create a unified location for sports, health and innovation. A first phase of the area comprises 490,000 square metres. In addition to areas adapted for different types of sports and health, as well as indoor and outdoor sports, an integrated location for innovation is also being created, such as a centre focusing on education, wellness and sports medicine.





Development of a district for exercise, health and innovation

A first step towards a sustainable city district for exercise, health and innovation was taken in November 2021 with the acquisition of part of Arlandastad Golf. The first phase of development involves an area of 490,000 sq.m. of land, and aims to create a meeting place for people, companies and businesses that can develop and grow in precisely 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 our long-term development of the district. During the third quarter, planning agreements were signed with the municipality and during the fourth quarter, great effort was devoted to the planning process work.



Bakery 10,000 sq.m. – Bake My Day

During the third 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. Building permits for the bakery are in place and the groundwork has made extensive progress. 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 Stockholm Arlanda Airport, midway between Stockholm and Uppsala.

Explore Skavsta



Explore Skavsta is a long-term development project that fits our company.

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 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	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Rental income	30,995	25,575	122,781	88,529
Income from operating companies	55,385	47,110	170,216	106,603
Other operating income	817	3,975	2,945	4,197
Income	87,197	76,661	295,941	199,330
Property expenses	-17,497	-15,474	-61,262	-51,355
Costs from operating companies	-55,217	-32,802	-166,278	-73,578
Gross profit	14,483	28,385	68,401	74,397
Administration costs	-20,614	-17,316	-83,350	-74,416
Financial income	777	316	1,331	342
Financial expenses	-14,019	-11,077	-54,166	-41,110
Profit from business combinations	-	-	337,289	-
Profit prior to value changes	-19,373	307	269,506	-40,786
Realised changes in value of properties	-12,825	-	91,142	-
Unrealised changes in value of properties	-111,044	108,317	55,133	280,964
Pre-tax profit	-143,242	108,624	415,781	240,177
Tax on annual profit	24,266	-24,866	70,769	-63,738
Profit for the period	-118,976	83,759	486,550	176,440
Other comprehensive income				
<i>Items that may later be transferred to the income statement:</i>				
Recalculation of foreign branches	-1,572	701	-	2,565
Other comprehensive income	-1,572	701	-	2,565
Total comprehensive income	-120,548	84,459	486,550	179,005
Comprehensive income for the period attributable to*				
Shareholders	-119,133	-	490,050	-
Non-controlling interests	1,214	-	-3,500	-
- of which share of other comprehensive income				
<i>Profit per share, before/after dilution, SEK</i>	<i>-1.9</i>	<i>1.3</i>	<i>7.7</i>	<i>3.0</i>

Turnover and profit

The Group's income totalled SEK 295.9 million (199.3), of which SEK 122.8 million (88.5) pertains to rental income and SEK 170.2 million (106.6) can be attributed to operating activities. The increase in rental income is mainly attributable to new rental contracts, increased turnover rent and acquired business in Skavsta. Of income from operating activities of SEK 170.2 million, SEK 104.9 million (74.3) relates to training activities, SEK 23.3 million (31.1) to event activities, SEK 4.4 million (1.3) to parking operations and SEK 37.6 million to acquired operations in Stockholm Skavsta Airport.

Total income and rental income



Gross profit totalled SEK 68.4 million (74.4) for full-year 2022. The decrease is mainly attributable to the acquisition of Stockholm Skavsta Airport.

Administration costs for 2022 totalled SEK -83.4 million (-74.4). 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. Of administrative expenses, SEK -25.4 million (-6.6) comes from operating activities and the remaining SEK -58.0 million (-67.8) from central administration.

Net financial items totalled SEK -52.8 million (-40.8) and are related to interest costs for loan financing. The increase is due to increased financing and higher interest rates.

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

Realised changes in value of 91.1 (0) consist of results in the sale of properties to joint ventures and associated companies.

Unrealised value changes in management properties totalled SEK 55.1 million (281.0) for full-year 2022. The Group's properties were valued externally as of 31 December 2022.

Tax on profit for the period amounted to SEK 70.8 million (-63.7). The tax mainly relates to deferred tax and is attributable to realised and unrealised changes in the value of properties, reversed depreciation and other adjustments to the residual tax value of the properties.

Profit for the period totalled SEK 486.6 million (176.4), corresponding to earnings of SEK 7.7 (3.0) per share before and after dilution.



Condensed statement of the Group's financial position

Assets

Amounts in SEK thousands	31-12-2022	31-12-2021
Goodwill	15,718	15,718
Other intangible assets	416	-
Management properties	5,953,500	5,610,328
Operating properties	574,628	512,549
Rights of use	14,994	8,698
Other fixed assets	82,504	37,808
Participations in associated companies	302,003	13
Fixed assets	6,943,764	6,185,113
Current receivables	147,535	104,596
Liquid assets	394,307	441,435
Current assets	541,842	546,032
Total assets	7,485,606	6,731,145
Equity and liabilities		
Equity	4,649,074	4,160,446
Long-term liabilities	1,635,287	1,505,409
Long-term liabilities, rights of use	4,435	5,472
Deferred tax liability	917,547	889,249
Provisions	50,000	-
Long-term liabilities	2,607,268	2,400,130
Current interest-bearing liabilities	24,317	66,876
Current liabilities, rights of use	3,024	3,225
Current tax liabilities	3,256	7,826
Other current liabilities	198,662	92,641
Current liabilities	229,264	170,569
Total equity and liabilities	7,485,606	6,731,145

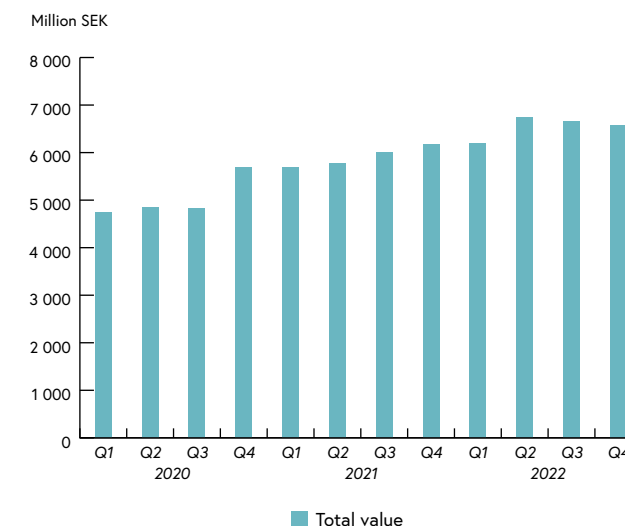
Participations in associated companies

Participations in associated companies totalled SEK 302 million (0) and consist primarily of participations in the joint venture Arlandastad F60 AB of SEK 255.7 million and Arlandastad Extra Fem AB (Bake My Day) of SEK 46.2 million. The participations have been recognised at fair value.

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 31 December was SEK 6.6 billion (SEK 6.2 billion). Of the increase, divested properties account for SEK -0.5 billion, and acquired properties account for SEK +0.6 billion. The unrealised changes in value of the period represent SEK 0.2 million of the increase and come mainly from building rights and land. The property portfolio also includes a land facility located on leased land.

Market value of the property portfolio



Management property market value

Amounts in SEK million	Jan-Dec 2022	Jan-Dec 2021
Market value as of January 1	5,610	5,222
Investments in existing properties	140	108
Acquisitions of the year	626	-
Disposals	-452	-
Reclassifications	-25	-
Unrealised changes in value	55	281
Market value as of the end of the period	5,953	5,610
Distribution of fair value management properties		
Commercial properties	2,341	1,995
Building rights	3,612	3,615

Operating properties

Amounts in SEK million	Jan-Dec 2022	Jan-Dec 2021
Opening acquisition value	513	502
Investments in existing properties	55	25
Reclassifications from management properties	25	-
This year's depreciations	-18	-15
Accounted value carried forward	575	513

Loan-to-value ratio in property portfolio

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

	Jan-Dec 2022	Jan-Dec 2021
Loan-to-value ratio (LTV)	25%	25%

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 7.5 billion as of 31 June 2022 (6.7). Equity amounted to SEK 4.6 billion, which is an increase from the beginning of the year of SEK 489 million and is attributable to profit. The Group's debt/equity ratio was 62 percent at the end of the period, compared with 62 percent in the same quarter of 2021. The return on equity was 11 percent over the last 12-month period (5 percent as of 31 December 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 31 December 2022, no warrants have been exercised. In 2021 subscription proceeds of SEK 84 thousand were paid, which were repaid in 2022.

Taxes

Deferred tax as of 31 December totalled SEK 917.5 million (889.2). The deferred tax liability is mainly attributable to management properties.

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. The largest environmental risk relates to possible future treatment of water catchment in the airport area. A provision of SEK 50 million has been made for environmental risks.

Financing

Interest-bearing net debt amounted to SEK 1.7 billion (1.6) at the end of the period. 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. During the last two quarters of the year, financing of SEK 100 million was secured in Skavsta. The average interest rate for the financing was 4.5 percent (2.8). The interest coverage ratio for the full year was 0.9 (1.41). Of liabilities to credit institutions that mature within one year, SEK 31 million relates to construction loans that will be converted into long-term financing in the first quarter of 2023. Liabilities that fall due within 1–2 years include subordinated loans of SEK 150 million.

Distribution of interest-bearing liabilities

Amounts in SEK million	
Property loans	1,477.6
Subordinated loans	150.0
Construction credit, used in ongoing projects	31.0
Other financing	-
Total interest-bearing liabilities	1,658.6
Unused credit facility	8.0

Schedule of due dates for credit liabilities, 31 December 2022

Credit agreements	SEK million	Percentage, %
0–1 years	50.9	3%
1–2 years	169.9	10%
2–3 years	752.1	45%
3–4 years	108.3	7%
4–5 years	577.4	35%
> 5 years	0.0	0%
Total	1,658.6	100%

Schedule of due dates for interest liabilities, 31 December 2022

Maturity date	SEK million	Percentage, %
0–1 years	85.5	33%
1–2 years	73.1	29%
2–3 years	62.2	24%
3–4 years	31.1	12%
4–5 years	4.0	2%
> 5 years	0.0	0%
Total	255.9	100%

The table does not take into account any potential refinancing. Of credits due for payment within one year, SEK 31 million is in building credit, which is to be converted into final financing.

Condensed statement of the Group's changes in equity

Amounts in SEK thousands	attributable to shareholders of the Parent Company					Total equity
	Share capital	Other capital contributed	Translation reserve	Profit brought forward	Non-controlling interests	
Equity 1 Jan 2021	179	408,725	-	3,146,855	-	3,555,759
Profit for the period Jan-Dec 2021	-	-	-	176,440	-	176,440
Other comprehensive income for the period Jan-Dec 2021*	-	-	2,565	-	-	2,565
Transactions with owners:						
New share issue registered	11	-11	-	-	-	-
Bonus issue	323	-	-	-323	-	-
New share issue	56	425,542	-	-	-	425,598
Incentive programme	-	84	-	-	-	84
Equity 31 Dec 2021	569	834,340	2,565	3,322,972	-	4,160,446
Profit for the period Jan-Dec 2022	-	-	-	490,050	-3,500	486,550
Other comprehensive income for the period Jan-Dec 2022	-	-	-	-	-	-
Transfer of translation reserve*	-	-	-2,565	-	-	-2,565
Minority interest	-	-	-	-	4,727	4,727
Transactions with owners:						
New share issue	-	-	-	-	-	-
Incentive programme	-	-84	-	-	-	-84
Equity, 31 Dec 2022	569	834,256	-	3,813,022	1,227	4,649,074

* Refers to translation differences in Nordic branches, which as of 31 December 2022 have been deregistered.



Consolidated cash flow statement

Amounts in SEK thousands	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Profit after financial items	-19,373	307	269,506	-40,786
Adjustments for items not included in the cash flow	-5,528	6,469	-309,590	21,721
Total	-24,901	6,776	-40,084	-19,065
Tax paid	4,603	4,161	-3,605	1,700
Cash flow from operating activities prior to changes in working capital	-20,298	10,937	-43,689	-17,365
Cash flow from changes in working capital				
Change in inventories	-1,083	-	-1,145	-
Changes in operating receivables	5,437	3,555	-33,727	-6,829
Changes in operating liabilities	23,493	9,601	-14,533	7,827
Cash flow from operating activities	7,549	24,094	-93,094	-16 367
Investment activities				
Business combinations	-	-	-30,140	-
Divestment of property	-	-	266,146	-
Divestment of intangible fixed assets	-31	-	-10	-
Divestment of subsidiaries	-	-18	-	-18
Down payment made	-30,000	-	-30,000	-
Acquisitions of tangible fixed assets	-65,677	-44,439	-216,967	-139,512
Acquisitions of financial fixed assets	29,901	-	-28,491	-
Cash flow from investment activities	-65,807	-44,457	-39,462	-139,530
Financing activities				
New share issue	-	25,598	-	425,598
Incentive programme	-	84	-84	84
Loans raised	25,000	12,862	114,505	19,954
Repayment of loan liabilities	590	-6,889	-28,993	-11,689
Cash flow from financing activities	25,590	31,655	85,428	433,947
Cash flow for the period	-32,668	11,292	-47,128	278,050
Liquid assets at year start	426,983	430,125	441,435	163,351
Exchange rate difference in liquid assets	-8	18	-	34
Liquid assets at year end	394,307	441,435	394,307	441,435

Cash flow and liquid assets

Cash flow for the period totalled SEK -47.1 million for the first six months (278.1), which consists of cash flow from operating activities of SEK -93.1 million (-16.4), investing activities of SEK -39.5 million (-139.5) and financing activities of SEK 85.4 million (433.9).

The change in working capital totalled SEK -49.4 million (0.1), and non-cash items totalled SEK -309.6 million (21.7). Adjustment for non-cash items mainly consists of revaluation of participations in associated companies of -273.7 million, profit from sales of subsidiaries at 273.7 and revenue recognition of negative goodwill of -337.3.

Cash flow from investing activities of SEK -39.5 million (-139.5) refers to investments in properties at SEK -217.0 (-139.5), financial fixed assets at SEK -28.5 million (0), acquisition of subsidiaries at -30.1 million (0), divestment of properties at SEK 266.1 million (0) and down payments made for conditional acquisitions at -30.0 million (0).

Financing activities impacted the cash flow by SEK -85.4 million (-433.9) and pertain to newly raised loans of SEK 114.5 million (20.0) and repayment of loan liabilities of SEK -29.0 (-11.7).

Liquid assets at the end of the period totalled SEK 394.3 million, compared with SEK 441.4 million for the same period last year.

Segment Accounting – Business Areas

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

To-date, the business has focused on improving and managing one large area of land, Explore Arlandastad. This has been done by acquiring land for subsequent detailed planning and development, and by transforming existing properties, reimagining them and developing them for entirely new operations. During 2022, the company acquired a 484-hectare area called Explore Skavsta.

Since the fourth quarter of 2020, two buildings have been classified as operating properties where two operating units within the Group, Training Partner and Scandinavian XPO, have their main operations. As of 31 December 2022, part of the property portfolio in Explore Skavsta has also been reclassified as operating property. This applies to the properties used in the operations of Stockholm Skavsta Airport.

The operating units 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 development project is steadily brought to completion, and on the other that regular rent levels are higher than in nearby areas and municipalities. Furthermore, the units within Operating Activities, such as Training Partner, Scandinavian XPO and Stockholm Skavsta Airport, contribute to more visits to the area, 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-Dec, SEK thousands	Property Development	Property Management	Operational companies	Unallocated Group costs and eliminations	Total
Rental income	7,321	141,928	-	-26,468	122,781
Income from operating companies	-	-	170,216	-	170,216
Other income	12	532	1,758	642	2,945
Operating income	7,333	142,460	171,974	-25,826	295,942
Property expenses	-	-43,041	-	-38	-43,078
Depreciation of property	-	-18,184	-	-	-18,184
Costs from operating companies	-	-	-192,143	25,865	-166,278
Gross profit	7,333	81,235	-20,169	-	68,402
Administration costs	-5,401	-21,437	-25,357	-31,152	-83,350
Net financial items	-514	-50,147	-2,174	-	-52,835
Reversal of negative goodwill	-	-	-	337,289	337,289
Profit prior to value changes	1,418	9,651	-47,700	306,137	269,507
Realised changes in value of properties	91,142	-	-	-	91,142
Unrealised changes in value of properties	53,633	1,500	-	-	55,133
Pre-tax profit	146,193	11,151	-47,700	306,137	415,782

Group 2021 Jan-Dec, SEK thousands	Property Development	Property Management	Operational companies	Unallocated Group costs and eliminations	Total
Rental income	4,796	100,147	-	-16,414	88,529
Income from operating companies	-	-	106,603	-	106,603
Other income	2,702	4	222	1,269	4,197
Operating income	7,498	100,151	106,825	-15,145	199,330
Property expenses	-2,805	-33,568	-	-	-36,373
Depreciation of property	-	-14,982	-	-	-14,982
Costs from operating companies	-	-	-89,991	16,414	-73,578
Gross profit	4,693	51,601	16,834	1,269	74,397
Administration costs	-794	-11,490	-6,568	-55,564	-74,416
Net financial items	-2,157	-35,447	-3,060	-103	-40,768
Profit prior to value changes	1,742	4,664	7,206	-54,398	-40,786
Unrealised changes in value of properties	14,576	266,388	-	-	280,964
Pre-tax profit	16,318	271,052	7,206	-54,398	240,177

Property Management business area

Income from rent totalled SEK 141.9 million (100.1). The increase in rental income is mainly attributable to new rental contracts, increased turnover rent and acquired property management in Skavsta.

Property expenses (excluding depreciation) amounted to SEK -43.0 million (-33.6). Of the increase, approximately SEK 1 million comes from acquired operations in Skavsta, SEK 1 million from increased costs for repairs and maintenance, SEK 1 million from costs for electricity and heating, and SEK 5 million consists of increased operating costs.

Gross profit totalled SEK 81.2 million (51.6). The increase is mainly attributable to higher property revenue of SEK 42.3 million, higher property costs of SEK -9.5 million and an increase in depreciation on operating properties of SEK -3.2 million.

Administration costs amounted to SEK -21.4 million (-11.5); the increase over the same period last year is mainly attributable to increased personnel costs.

Financial items totalled SEK -50.1 million (-35.4) and are primarily related to interest costs for loan financing. The increase is due to a higher interest-bearing debt and a higher interest rate. The average interest rate in the fourth quarter was 4.5 per cent compared with 2.8 per cent in the previous period.

Profit prior to value changes totalled SEK 9.7 million (4.7).

Arlandastad Group determines the value of investment properties through external valuations by independent valuation agencies each quarter. As of 31 December 2022, the properties had been valued externally by Forum Fastighetskonomi AB. The average required rate of return for the portfolio stood at 6.48 (6.38) percent.

Key performance indicators, Property management, SEK million

Net operating income	23.2	26.9	93.0	66.6
Surplus ratio	64%	69%	66%	66%
Profit prior to value changes	-13.6	-4.2	-9.7	4.7
Underlying rental value	186	145	186	145
Changes in underlying rental value	7.9%	4.0%	29.5%	8.8%
Change in underlying rental value adjusted for acquired properties	8.2%	-	9.7%	-
Loan-to-value ratio	25%	25%	25%	25%
Market value of commercial properties	2,341	1,995	2,341	1,995

	Quarter		Accumulated	
	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net operating income	23.2	26.9	93.0	66.6
Surplus ratio	64%	69%	66%	66%
Profit prior to value changes	-13.6	-4.2	-9.7	4.7
Underlying rental value	186	145	186	145
Changes in underlying rental value	7.9%	4.0%	29.5%	8.8%
Change in underlying rental value adjusted for acquired properties	8.2%	-	9.7%	-
Loan-to-value ratio	25%	25%	25%	25%
Market value of commercial properties	2,341	1,995	2,341	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 31 December 2022, the Group has claimed less than 10 percent of the potential building rights in Explore Arlandastad, which comprise approximately 1.3-1.4 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.

The value of building rights and the development properties in Arlandastad Group is in line with the previous year and amounts to SEK 3,612 million (3,615). Arlandastad Group has divested approximately 134,000 sq.m. of GTA to associated companies. At the same time, the acquisition of Skavsta contributed additional value of SEK 204 million, of which SEK 163 million relates to building rights and the remaining valuation of raw land.

In Explore Arlandastad, the average value of building rights has increased from SEK 3,206 to SEK 3,426/sq.m. GTA, largely due to the business the Group has done in the area and changed assumptions about the time within which building rights are expected to be used. In Explore Skavsta, 540,000 sq.m. of GTA has been valued at an average value of SEK 302/sq.m. GTA.

Total project profit was 35 percent for 2022 (40). Arlandastad Group's infrastructure projects are not part of the project profit.

Key performance indicators, Property Development, SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Investments	67	19	195	108
Project profit %	-	-	35%	40%
Average value of building rights Arlandastad (SEK/sq.m.)	3,426	3,206	3,426	3,206
Average value of building rights Skavsta (SEK/sq.m.)	302	-	302	-
Market value of development properties	3,612	3,615	3,612	3,615



Operating Activities business area

The Operating Activities business area mainly comprises three subsidiaries: Training Partner and Scandinavian XPO and since 17 May 2022, the airport operations in Skavsta. 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 170.2 million (106.6) for full-year 2022. The increase is mainly due to the training activities at SEK +64.6 million, event activities in Scandinavian XPO decreased by SEK 1.9 million, and airport operations contributed SEK 37.6 million.

Of the operating area's total revenue for full-year 2022 of SEK 170.2 million, Training Partner accounts for SEK 104.9 million, Scandinavian XPO for SEK 23.3 million and Stockholm Skavsta Airport for SEK 37.6 million. The remaining revenue relates, for example, to parking operations. Of the corresponding 2021 period's revenues of SEK 106.6 million, Training Partner accounted for SEK 74.3 million and Scandinavian XPO for SEK 23.3 million.

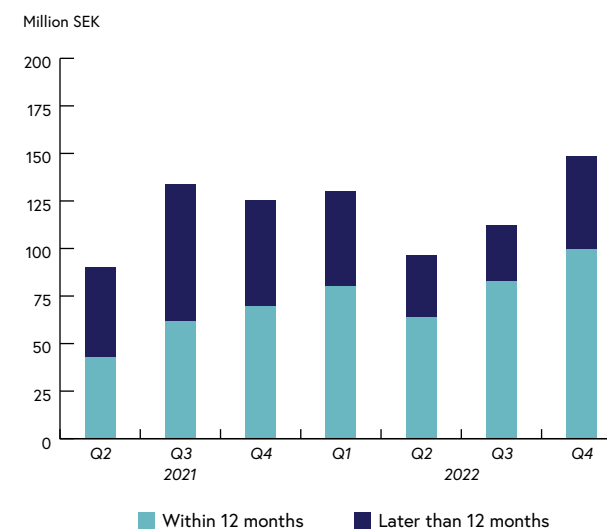
The business area's total order book, prebooked events, training, etc. totalled SEK 148.2 million (125.4) at the end of the period, of which SEK 99.7 million is expected to be included in accounts in the coming 12-month period. There was a gross loss of SEK -20.2 million (16.8), with a margin of -12 percent (16). Loss before tax was SEK -47.7 million (-7.2). The deterioration in earnings is mainly due to the acquisition of Stockholm Skavsta Airport.

Key performance indicators, Operating Companies, SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Income from operating companies	55.4	47.1	170.2	106.6
Gross profit	-22.5	9.5	-20.2	16.8
Total order book	-	-	148.2	125.4
Order book, coming up 12 months	-	-	99.7	69.8

Total income and gross profit



Order book



Condensed income statement for the Parent Company

Amounts in SEK thousands	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Rental income	5,069	5,303	21,693	19,206
Other operating income	2,965	9,065	10,132	9,065
Total revenue	8,034	14,368	31,825	28,271
Property expenses	-3,247	-1,938	-10,106	-7,245
Operating surplus	4,788	12,430	21,719	21,026
Administration costs	-12,792	-7,854	-40,444	-49,511
Depreciations and write-downs	-36,433	-14,660	-40,504	-18,689
Net financial items	-4,733	-3,361	251,407	-12,431
Profit from property management	-49,171	-13,445	192,178	-59,605
Balance sheet allocations	-6,673	-30,913	-1,073	-30,913
Pre-tax profit	-55,844	-44,358	191,105	-90,518
Tax on annual profit	706	715	706	715
Profit for the period	-55,138	-43,643	191,811	-89,803

Profit statement

The operations of the Parent Company, Arlandastad Group, currently consist of Group functions, Group administration and Property Management. Total revenue for the year amounted to SEK 31.8 million (28.3). Rental income amounted to SEK 21.7 million (19.2) and other income to SEK 10.1 million (9). Other operating income mainly relates to management fees and the re-invoicing of Group-wide costs to the subsidiaries.

Administration costs totalled SEK -40.4 million (-49.5). Depreciation and impairment mainly come from impairment of shares in subsidiaries of SEK -35 million (0). Net financial items totalled SEK 251.4 million (-12.4) and are mainly attributable to the sale of shares in subsidiaries. The Parent Company's profit for the year totalled SEK 191.8 million (loss: 89.8).

Condensed statement of the Parent Company's financial position

Assets

Amounts in SEK thousands	31/12/2022	31/12/2021
Management properties	138,569	137,684
Participations in group companies	215,712	151,459
Receivables with Group companies	1,869,549	425,496
Other fixed assets	39,247	4,336
Fixed assets	2,263,077	718,974
Other current receivables	39,562	17,887
Liquid assets	340,761	418,254
Current assets	380,323	436,140
Total assets	2,643,399	1,155,114
Equity and liabilities		
Equity	939,903	748,176
Long-term interest-bearing liabilities	1,503,262	315,600
Long-term liabilities	1,503,262	315,600
Liabilities to Group companies	167,969	50,988
Current liabilities	32,266	40,350
Current liabilities	200,234	91,338
Total equity and liabilities	2,643,399	1,155,114

Equity and indebtedness

The Parent Company's balance sheet total amounted to SEK 2,643.4 million at 31 December 2022, compared with SEK 1,155.1 million in the same period of the previous year. Equity amounted to SEK 939.9 million, compared with SEK 748.2 million at 31 December 2021. The increase in equity comes from the result of the year.

The Parent Company's statement on changes in equity

Amounts in SEK thousands	Share capital	Share premium reserve	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	-
Profit for the period	-	-	-	-89,803	-89,803
Transactions with owners:					
New share issue registered	11	-11	-	-	-
Bonus issue	323	-	-323	-	-
Incentive programmes	-	-	84	-	84
New share issue	56	425,543	-	-	425,599
Equity 31 Dec 2021	569	531,002	306,408	-89,803	748,176
Transfer of last year's profit	-	-	-89,803	89,803	-
Profit for the period	-	-	-	191,811	191,811
Transactions with owners:					
New share issue registered	-	-	-	-	-
New share issue	-	-	-	-	-
Incentive programmes	-	-84	-	-	-84
Equity, 31 Dec 2022	569	530,918	216,605	191,811	939,903



Other information

Employees

At the end of the period, the number of full-time employees was 162 (64), of which 80 were added through the acquired operation 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 activities 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 activities

Income from operating activities 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.

Management 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. A turbulent outside world 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 31 December 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

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

The year-end report has not been subject to the auditors' review.

Arlandastad, 15 February 2023.

The Board

This report is also available in Swedish. The English version is a translation of the Swedish original. If there are any differences, the Swedish version takes precedence.

Calendar

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

15 February 2024

Year-end report for the period January-December 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 Activities

Income from operating activities minus operating costs for these activities.

Average number of outstanding shares

Average number of shares outstanding at end of period.

Order book incomes from operating activities

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

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.



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