

# Interim report, January–September 2023

## The period in brief

- A 15-year lease with Bankomat comprising approximately 1,700 sq.m. and a joint venture with BRA Bygg. The divestment to the joint venture of 3,300 sq.m. building rights is based on an underlying property value of SEK 4,450/sq.m. in building rights.
- Leases with six new customers in the third quarter
- Quality Hotel™ Arlanda XPO was named Sweden's leading conference hotel for the second consecutive year

## After the end of the period

- Preventive damage compensation totalling SEK 385 million from the Swedish Transport Administration linked to the construction of the East Link railway line
- Increased bank credit of SEK 50 million from Sörmlands Sparbank
- Norwegian adds Palma as a new destination from Stockholm Skavsta Airport starting in May 2024
- Stockholm Skavsta Airport implements organisational changes and streamlines the work in order to reduce costs. The measures mean that about thirty employees are notified of termination.
- NATO-Industry Forum held in Scandinavian XPO

	Jan–Sept 2023	Jan–Sept 2022	July– Sept 2023	July– Sept 2022	Jan–Dec 2022
<b>Financial performance indicators</b>					
Income, SEK million	297.0	208.7	86.7	77.7	295.9
Gross profit, SEK million	72.6	53.9	23.1	14.6	68.4
Profit prior to changes in value, SEK million	-70.0	288.9	-20.1	-28.9	269.5
Pre-tax profit, SEK million	-151.9	559.0	-144.8	-109.5	415.8
Profit for the period, SEK million	-147.6	605.5	-122.4	-75.4	486.6
Profit per share, prior to dilution, SEK	-2.3	9.6	-1.9	-	7.7
Profit per share, after dilution, SEK	-2.3	9.6	-1.9	-	7.7
Cash flow from operating activities after changes in working capital, SEK million	-56.3	-100.6	22.3	93.1	-93.1
Loan-to-value ratio, properties, %	25	25	25	25	25
Return on equity, %	-6	16	-6	16	11
<b>Properties, key performance indicators</b>					
Market value properties, SEK million	6,506	6,655	6,506	6,655	6,584
Net asset value (NAV), per share, SEK	86	92	86	92	89
Change in underlying rental value, %	18.9	20.0	3.5	0.4	29.5
Underlying rental value, SEK million	221.2	172.3	221.2	172.3	186.0
Surplus ratio, %	80	72	84	70	66
Realised changes in value of properties, SEK million	-	104.0	-	34.0	91.1
Unrealised changes in value of properties, SEK million	-49.1	166.2	-118.1	-114.6	55.1

## Property portfolio market value

**SEK 6,506** MILLION  
(SEK 6,655 million)

## Loan-to-value ratio

**25%**  
(25%)

## Profit for the period

**SEK -147.6** MILLION  
(SEK 605.5 million)

## NAV per share

**SEK 86**  
(SEK 92)

## Income

**SEK 297.0** MILLION  
(SEK 208.7 million)

## Return on equity

**-6%**  
(16%)

## Increased revenue and continued focus on profitability

Our revenues increased while earnings were affected by increased financial expenses in the period as a result of higher interest rates. Despite the uncertain market situation, the number of interest inquiries increased and we signed more new leases during the quarter than in previous quarters of this year. The cost situation means that we have taken further steps in the form of organisational changes in order to improve profitability. Liquidity is also strengthened in the future by the agreement with the Swedish Transport Administration on preventive damage compensation of SEK 385 million linked to the East Link railway line. The compensation is paid in instalments starting from the fourth quarter.

Revenues during the period increased by 42 per cent to SEK 297.0 million. Operating Activities increased revenues to SEK 168.9 million with the greatest improvement in airport operations and event operations. Higher passenger numbers and the fact that Skavsta is now included for the entire period increased revenues for airport operations, while event operations were positively affected by the lease to the Government Office during the first six months. Rental income amounted to SEK 123.9 million, where the increase is mainly due to increased turnover rents and indexation.

### Measures to strengthen profitability

Loss for the period amounted to SEK 147.6 million (profit: 605.5). Loss prior to changes in value totalled SEK 70.0 million (profit: 288.9). The main explanations are higher financial expenses and costs linked to Skavsta. In addition, last year's profit included a

profit in business combinations of SEK 337.3 million after the acquisition of Skavsta. Further measures in the form of organisational changes are being implemented to improve profitability both in Arlandastad and in Skavsta.

Cash flow amounted to SEK -139.4 million (-14.5). Cash and cash equivalents at the end of the period amounted to SEK 254.9 million (427).


### Property values of SEK 6.51 billion

The market value of the properties as of 30 September amounted to SEK 6.51 billion (6.66). Compared to 30 September 2022, the market value of building rights has decreased by SEK 309 million as a result of higher required rates of return, while higher rental value led to an increase in the market value of commercial properties by SEK 176 million. The loan-to-value ratio was 25 per cent (25).

### New customers and partners

We continue to generate business and develop our areas. The flows of high-level conferences held in the Scandinavian XPO meeting and event arena contribute to increased interest and demand for premises. During the third quarter, we signed leases with six new customers. The common factor among them is that they value the strategic location near Stockholm Arlanda Airport, the E4 motorway, Stockholm and Uppsala.

The lease with Bankomat has a term of 15 years and means that we will build a new building of approximately 1,700 sq.m. with the possibility to grow by an additional 200 sq.m. At the same time, we formed a joint venture with BRA Bygg for the development of the property. The divestment to the joint venture of 3,300 sq.m. in building rights is based on an underlying property value of SEK 4,450/sq.m. in building rights. The proceeds from the sale to the joint venture constitute our share of the financing for the construction of the building for Bankomat. Accordingly, the deal does not affect our liquidity.



Despite the uncertain market situation, the number of interest inquiries increased and we signed more new leases during the quarter than in previous quarters of this year.

Dieter Sand  
Managing Director and CEO



## Increased passenger numbers at Stockholm Skavsta Airport

The number of passengers increased during the period since Norwegian began flying to Malaga and Alicante from Stockholm Skavsta Airport on 1 April. Norwegian is planning more flight departures and has decided to add Palma as a new destination beginning in May 2024. Additional destinations are under consideration as well as extending service to the airport to the winter months. Wizz Air has decided to concentrate its traffic to Stockholm Skavsta Airport and Stockholm Arlanda Airport, which means that seven destinations depart from Skavsta and two from Arlanda.

## Liquidity supplement of SEK 385 million in preventive damage compensation from the Swedish Transport Administration

After the end of the period, we entered into an agreement with the Swedish Transport Administration on preventive damage compensation of SEK 385 million linked to the impact on the area arising from work on building the East Link double-track railway. Construction on the railway will begin in 2024 and will have a travel centre at Stockholm Skavsta Airport. The compensation will be paid in instalments starting in the fourth quarter of 2023 through 2027. We will receive SEK 100 million in the fourth quarter and an additional SEK 100 million in the first quarter of 2024.

## Development and efficiency improvement of Skavsta

Our work to develop and streamline Skavsta continues. This involves both increasing revenues through more routes, and reducing costs through organisational changes. Since the end of the period, this has meant that we served some thirty employees with notice of dismissal due to a lack of work. Sörmlands Sparbank granted an increased credit of SEK 50 million and this funding gives us the opportunity to continue to follow our development plan for the area.

## NATO meeting in Scandinavian XPO

The attention received in connection with more than 100 EU meetings being held in Scandinavian XPO during Sweden's

Presidency of the EU is creating a ripple effect. In October, the NATO-Industry Forum was held in the meeting and event arena when the defence alliance met with member and partner countries, the defence industry and other relevant technology industries. Again being entrusted with conferences of this magnitude demonstrates the excellent functionality of the premises and the quality

**Recently, the NATO-Industry Forum was held, which testifies to the excellent functionality of the premises and the quality of service that our employees provide, as well as the importance of the strategic location of the site.**

Skavsta Airport.



of service that our employees provide, as well as the importance of the strategic location of the site. Another stamp of quality was provided by Quality Hotel™ Arlanda XPO when the hotel, which is part of the meeting arena, was named Sweden's leading conference hotel at the World Travel Awards for the second consecutive year.

## Cooperation for sustainable growth

Our success is based on collaboration with partners, customers and the municipalities where we operate. In September, working alongside Sigtuna and Nyköping municipalities, we were involved in arranging the Nordic region's largest sustainability conference, with forums in both Arlandastad and Skavsta. Over 150 people from industry, the public sector and civil society participated in panel debates and workshops on sustainable development. Together, we can work to create lasting value.

**Dieter Sand**  
Managing Director and CEO

# About the Arlandastad Group

Arlandastad Group is a property development company. Through our ability to see and realise the potential of large strategically located areas, we create value for investors and society at large. We control the entire chain from land acquisition to long-term management and run operational activities where it adds value to the property business.

## Goals

### Return

Return on equity over time is to exceed 15 per cent.

### Risk reduction

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

## The way our business model creates value

### Property development, project development

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

### Operating activities

In those 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 activities that generate cash flow.

### Property 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.

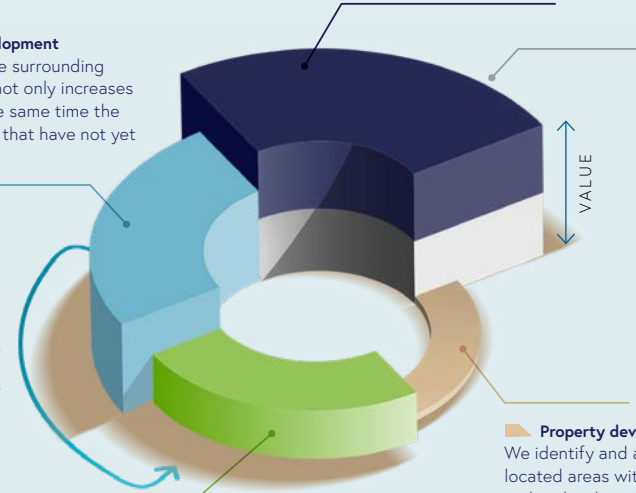
### Property development, detailed planning process

Our key words in working with detailed development plans are analysis, function and a long-term perspective. It's about us realising our business concept 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.

### Property development, land acquisition

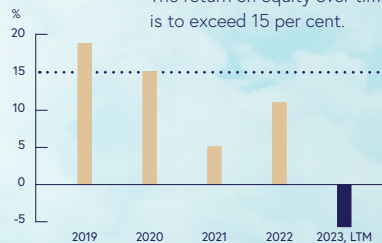
We identify and acquire large, strategically located areas with a growing infrastructure and undeveloped potential. Each location should be able to be sustainably planned, developed, built and managed based on our business model.

Increase in value, building rights

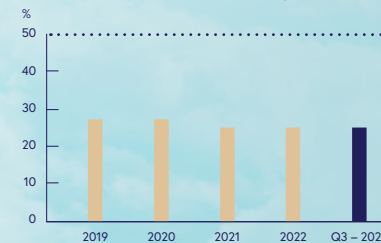


## Our goals

The return on equity over time is to exceed 15 per cent.



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



Explore Arlandastad

Explore Skavsta

# Projects and building rights

## 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	491,834	Project development	-	-	-	-
Accepted in JV/associated company	Not specified	134,120	Project development	-	-	-	-
In detailed planning process District 6	Not specified	Estimat- ed 500,000	Detailed planning process	-2025	-	-	-
In the detailed development planning process A district for exercise, health and innovation	Not specified	Estimat- ed 150,000	Detailed planning process	-2024	-	-	-
<b>Subtotal</b>		<b>1,275,954</b>			<b>-</b>	<b>-</b>	<b>-</b>

## 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	1,700	1%
Bake My Day (associated company 49%)	Bakery	9,676	Project development	2022-2024	190	110	100%
Scandinavian XPO – Phase 2	Offices, service, hotel, healthcare	16,550	Project development	2020-2025	160	98	30%
Bankomat (JV 50%)	Stock and distribution	1,690	Project development	2023-2024	40	40	100%
<b>Subtotal</b>		<b>152,360</b>			<b>2,203</b>	<b>1,948</b>	<b>-</b>

## 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	2025-2026	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	2025-2026	150	150	-
Scandinavian XPO – Co-working	Offices	6,000	Project development	2025-2026	120	120	-
Infrastructure/road District 6	Infrastructure/road		Detailed planning process	2025-2026	50	50	-
District 6 – Phase 1	Offices and businesses	17,000	Detailed planning process	2025-2026	375	375	-
<b>Subtotal</b>		<b>88,000</b>			<b>1,521</b>	<b>1,521</b>	<b>-</b>



## Explore Skavsta – Building rights

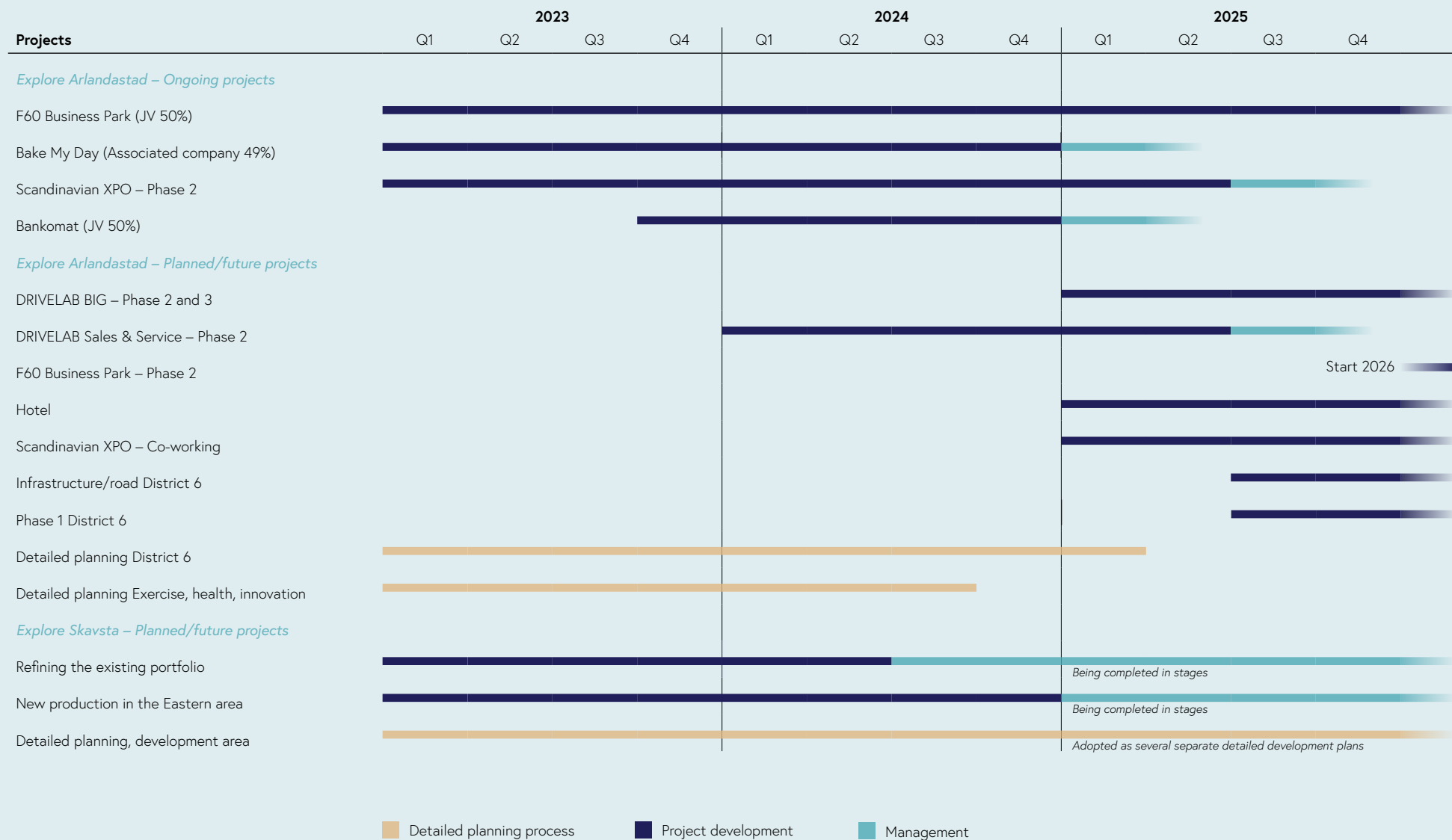
Projects	Type of project	Building rights (sq.m.)	Status	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
Accepted	Not specified	612,000	Project development	-	-	-	-
In detailed planning process	Not specified	Estimated 430,000	Detailed planning process	2023-	-	-	-
<b>Subtotal</b>		<b>1,042,000</b>			<b>-</b>	<b>-</b>	<b>-</b>

## 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	5,000	Project development	2024-2025	100	100	0%
New production in the Eastern area	Offices/business	10,000	Project development	2024-2025	150	150	0%
<b>Subtotal</b>		<b>15,000</b>			<b>250</b>	<b>250</b>	<b>-</b>



# Project phases over the next three years



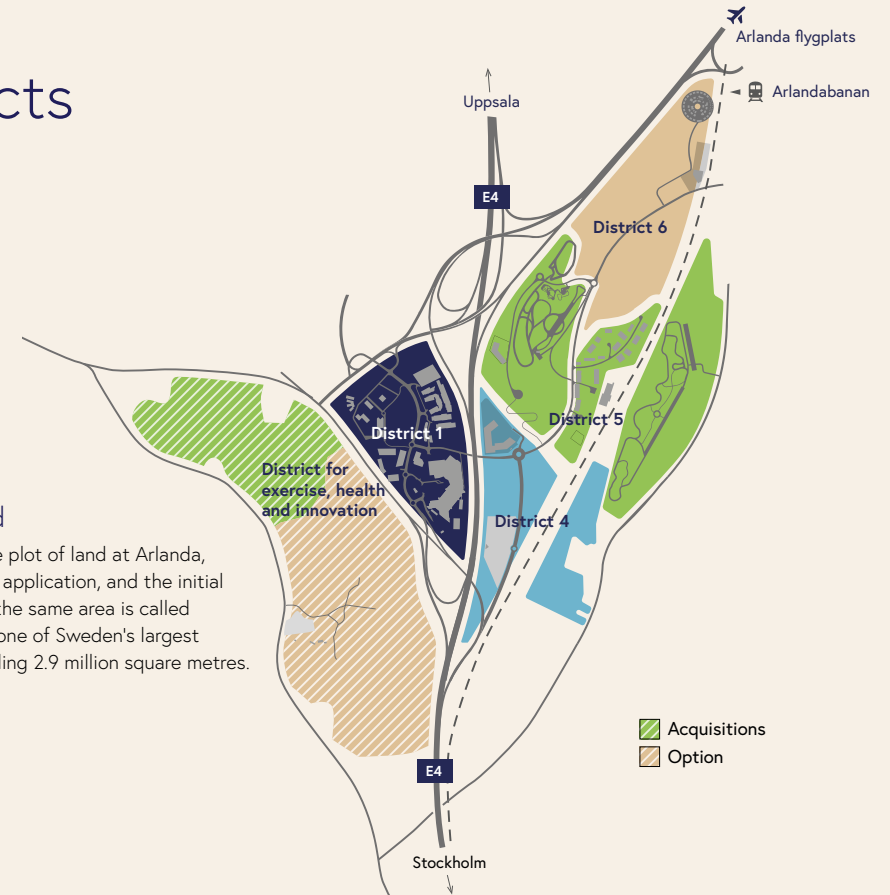
# Two of Sweden's largest development projects

Arlandastad Group owns and operates two of Sweden's largest development projects. We own and have at our disposal almost 8 million square metres of land, split into two strategically located areas.



## Explore Arlandastad

When we acquired the large plot of land at Arlanda, it was an area with no clear application, and the initial value reflected this. Today, the same area is called Explore Arlandastad and is one of Sweden's largest development projects, totalling 2.9 million square metres.



Acquisitions  
Option

## Explore Skavsta

In 2022, we acquired an area covering 4.84 million square metres adjacent to Stockholm Skavsta Airport. By doing so, we currently own and operate two of Sweden's largest development projects.



## Explore Arlandastad

### New customers and partners

Arlandastad Group welcomed a number of new customers in the third quarter: Bankomat, Skincare by us, NIO, Kemteknik, Traveller Buss and Brunkeberg.

The lease with Bankomat has a term of 15 years and means that Arlandastad Group will build a new building of approximately 1,700 sq.m. with the opportunity to grow by an additional 200 sq.m. At the same time, a joint venture was formed with BRA Bygg for the development of the property. The divestment to the joint venture of 3,300 sq.m. in building rights is based on an underlying property value of SEK 4,450/sq.m. in building rights.

In October, the electric car company NIO opened its battery swap station directly adjacent to the E4 motorway. The station holds 21 batteries and can perform up to 408 battery changes per day.

### Potential for more than 1 million building rights

The work continued on detailed development plans that have a potential of more than 1 million sq.m. in building rights once they are adopted. All ongoing and adopted projects are fully funded.

Construction of the Bake My Day bakery of 10,000 sq.m. continued as well as work on detailed development plans in District 6 and in the area for sports and health.

### NATO meeting in Scandinavian XPO and Quality Hotel™ Arlanda XPO named best conference hotel

During the month of October, the NATO-Industry Forum was held in the Scandinavian XPO meeting and event arena. The Defence Alliance met with member and partner countries, the defence industry and other relevant technology industries for strategic discussions on innovation, technology development, supply and future capabilities related to NATO.

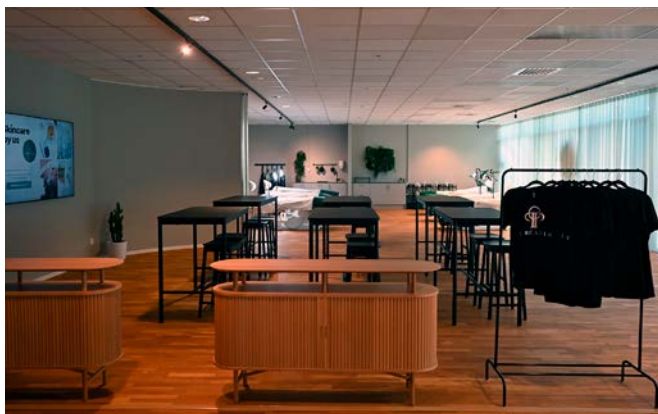
Quality Hotel™ Arlanda XPO, which is part of the arena, was named Sweden's leading conference hotel at the World Travel Awards for the second consecutive year.



NATO Industry Forum



NIO battery replacement station



Skincare by us

## Explore Skavsta

### Liquidity supplement of SEK 385 million and extended bank credit

Sörmlands Sparbank granted an increased credit of SEK 50 million. This funding provides the opportunity to continue to follow the development plan for the site.

Arlandastad Group's subsidiary Stockholm Skavsta Airport AB entered into an agreement with the Swedish Transport Administration for a preventive damage compensation of SEK 385 million in connection with the construction of the East Link railway line, which is expected to begin in 2024. The payment will be made in rounds starting in the fourth quarter of 2023 through 2027. In the fourth quarter of 2023, the compensation amounts to SEK 100 million and in the first quarter of 2024 the compensation is SEK 100 million.

### Increased passenger numbers at Stockholm Skavsta Airport

The number of passengers increased after Norwegian began flying to Malaga and Alicante from Stockholm Skavsta Airport on 1 April. Norwegian is planning more flight departures and has decided to add Palma as a new destination beginning in May 2024. Additional destinations are under consideration as well as extending service to the airport to the winter months.

Wizz Air has decided to concentrate its traffic to Stockholm Skavsta Airport and Stockholm Arlanda Airport, which means that seven destinations depart from Skavsta and two from Arlanda.

### Detailed planning work and development of land planned in detail

Work was carried out on developing the area around the terminal building, where positive planning decisions have already been made, as well as in relation to areas adjacent to the future railway, for which detailed plans have been completed. Preparatory work ahead of the start of new detailed plans was carried out for other land areas, where Nyköping Municipality is responsible for the progress with our support, for example through project management and technical documentation. The Swedish Transport Administration's work on ongoing infrastructure investments, such as the East Link Project, new roads and other infrastructure, are influencing the pace and the order in which the detailed planning work is being carried out for the area.

### Efficiency improvement to reduce costs

Stockholm Skavsta Airport is implementing organisational changes and streamlining the work in order to reduce costs. These measures mean that about thirty employees were notified of termination due to a lack of work.

# Sustainability

We view our sustainability work as a central aspect in future-proofing the Arlandastad Group. It gives us the opportunity to continue to generate value for everyone who works and spends time on our sites.



## New sustainability framework in place

Sustainability is a key part of our business strategy. In line with the company's overall objective "We make room for the future", we have implemented the sustainability framework FRAMTIDEN (Financing, Resource efficiency, Approaches with business ethics, Mankind, Together, Innovative, Decarbonisation, Ecosystem services, Now), "framtiden" is the Swedish word for "the future".

The sustainability framework is based on earlier goals and strategies, but is more wide-ranging. With FRAMTIDEN, we are addressing the company's key sustainability areas.

**F**inancing – By linking financing to our sustainability work, we are making it possible to achieve a broader base of investors as well as relationships with our financiers that are characterised by greater trust

**R**esource efficiency – We will work to achieve increased resource efficiency and circularity

**A**pproaches with business ethics – Good business ethics will permeate our entire operation and value chain

**M**ankind – Our aim is to promote health and well-being among of our employees as well as among those who work in and spend time on our sites

**T**ogether – We are contributing to sustainable development together with our stakeholders throughout the value chain

**I**nnovative – The transition to a sustainable society requires us to think innovatively to identify new ways of moving forward

**D**ecarbonisation – With decarbonisation, we are working to reduce greenhouse gas emissions throughout the entire value chain

**E**cosystem services – Our aim is to protect ecosystem services and biodiversity

**N**ow – We need to act now in order to create the future we want

## Systematic sustainability work

The sustainability framework is integrated into the business through systematic sustainability work. Each area incorporates goals, key initiatives, activities and KPIs, making it possible to measure results and progress.

## Events in the third quarter

Environmental certification of buildings is an important tool to ensure that our properties are built in a more sustainable way, with reduced environmental impact and safe and healthy environments. During the third quarter, project engineering work was completed in line with EU taxonomy requirements and the Sweden Green Building Council 4.0, resulting in the following:

- Climate risk analysis in order to identify and prevent the greatest climate risks.
- The ecological value of the construction area has been evaluated and measures identified in order to protect and develop ecological values.
- Requiring climate declarations and climate impact analyses for the product groups with the greatest climate impact.

## Preliminary study on the introduction of self-driving full-sized buses

During the third quarter, a preliminary study was completed linked to the introduction of self-driving full-sized buses in the area. The preliminary study concluded that a pilot study is deemed to have the potential to result in the introduction of new services with full-sized self-driving buses in the near future.

## Local support and collaboration for sustainable development

In order to ensure a strong local support and to be an accelerator for sustainable development in the areas where we work, Arlandastad Group together with Sigtuna and Nyköping Municipality arranged two sustainability events where we gathered over 150 people from industry, the public sector and civil society for inspiration, local panel debates and workshops on the theme of sustainable development.

# Condensed statement of the Group's comprehensive income

Amounts in SEK thousands	Jan–Sept 2023	Jan–Sept 2022	July–Sept 2023	July–Sept 2022	Jan–Dec 2022
Rental income	123,896	93,459	45,527	40,058	125,521
Income from Operating activities	168,902	113,162	37,856	36,040	167,476
Other operating income	4,196	2,128	3,308	1,579	2,945
<b>Income</b>	<b>296,994</b>	<b>208,749</b>	<b>86,691</b>	<b>77,677</b>	<b>295,941</b>
Property expenses	-49,851	-43,766	-11,988	-14,923	-61,262
Expenses from Operating activities	-174,530	-111,061	-51,623	-48,106	-166,278
<b>Gross profit</b>	<b>72,613</b>	<b>53,922</b>	<b>23,080</b>	<b>14,647</b>	<b>68,401</b>
Administration costs	-69,151	-62,742	-19,392	-26,617	-83,350
Financial income	397	563	337	17	1,331
Financial expenses	-74,180	-40,148	-25,349	-16,925	-54,166
Profit from business combinations	-	337,289	-	-	337,289
Profit from divestment of equipment	357	-	357	-	-
<b>Profit prior to changes in value</b>	<b>-69,962</b>	<b>288,884</b>	<b>-20,967</b>	<b>-28,878</b>	<b>269,506</b>
Profit from associated companies	-32,858	-	-5,756	-	-
Realised changes in value of properties	-	103,967	-	34,000	91,142
Unrealised changes in value of properties	-49,096	166,177	-118,062	-114,575	55,133
<b>Pre-tax profit</b>	<b>-151,916</b>	<b>559,028</b>	<b>-144,785</b>	<b>-109,453</b>	<b>415,781</b>
Tax on profit for the period	4,330	46,503	22,354	34,053	70,769
<b>Profit for the period</b>	<b>-147,586</b>	<b>605,530</b>	<b>-122,431</b>	<b>-75,400</b>	<b>486,550</b>
<b>Other comprehensive income</b>					
<i>Items that may later be transferred to the income statement:</i>					
Recalculation of foreign branches	-	1,572	-	777	-
<b>Other comprehensive income</b>	<b>-</b>	<b>1,572</b>	<b>-</b>	<b>777</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>-147,586</b>	<b>607,098</b>	<b>-122,431</b>	<b>-74,628</b>	<b>486,550</b>
<b>Profit for the period attributable to</b>					
shareholders of the Parent Company	-143,368	607,816	-118,213	-74,077	490,050
Non-controlling interests	-4,218	-2,286	-4,218	-1,323	-3,500
- of which the share of profit for the period					
<b>Comprehensive income for the period attributable to</b>					
shareholders of the Parent Company	-143,368	609,384	-118,213	-73,305	490,050
Non-controlling interests	-4,218	-2,286	-4,218	-1,323	-3,500
- of which share of other comprehensive income					
<i>Profit per share, before/after dilution, SEK</i>	<i>-2.3</i>	<i>9.6</i>	<i>-1.9</i>	<i>-</i>	<i>7.7</i>

## Turnover and profit

The Group's income increased by 42 per cent to SEK 297.0 million (208.7), of which SEK 123.9 million (93.5) pertains to rental income and SEK 168.9 million (113.2) comes from Operating activities. The increase in rental income is mainly due to increased turnover rents and indexation of SEK 28.2 million and operations in Skavsta of SEK 2.2 million. Of revenues from Operating Activities of SEK 168.9 million (113.2), the training activities accounted for SEK 64.8 million (76.6), the airport operations provided SEK 54.7 million (20.7) and the event operations SEK 49.3 million (15.9), which, among other things, comes from the rental of Scandinavian XPO to the Government Offices during the first half of the year.

Property expenses include depreciation of operating properties amounting to SEK 19.0 million (13.6). Gross profit amounted to SEK 72.6 million (53.9), where the largest included items are property management operations at SEK 93.5 million and Operating Activities at SEK -25.5 million.

Administration costs amounted to SEK 69.2 million (62.7), of which SEK 23.8 million (20.8) consists of Group-wide costs, SEK 21.6 million (8.3) is attributable to Property Management, SEK 19.3 million (29.3) comes from Operating Activities, and SEK 4.3 million (4.3) from Property Development. In the third quarter, administration costs were reduced as a result of ongoing cost-saving measures.

Net financial items totalled SEK -73.8 million (-39.6) and are related to interest expenses for loan financing. The change is decisively due to higher interest expenses resulting from significantly higher interest rates. Unrealised changes in value of management properties decreased to SEK -49.1 million (166.2) as a result of higher required rates of return. All of the Group's properties were valued externally, by Forum Fastighetsekonomi, as of 30 September 2023.

As of mid-year, the terminal building on the property Skavsta 8:9 was reclassified from an operating property to a management property. The reasons for the reclassification are that the terminal building is used for internal purposes only to a limited extent, that the building is not deemed to be saleable in parts and that an impending restructuring of the operations in Skavsta creates a clearer division between operation and property management. The reclassification affected profit for the second quarter as well as profit for the period by SEK 122.3 million.

Tax on profit for the period amounted to SEK 4.3 million (46.5). This tax relates to deferred tax and is basically attributable to unrealised changes in the value of properties and reversed depreciation. Loss for the period totalled SEK 147.6 million (profit: 605.5), corresponding to earnings of SEK -2.3 (9.6) per share before and after dilution.



# Condensed statement of the Group's financial position

## Assets

Amounts in SEK thousands	30 Sept 2023	30 Sept 2022	31 Dec 2022
Goodwill	15,718	15,718	15,718
Other intangible assets	743	385	416
Management properties	5,946,450	6,079,208	5,953,500
Operating properties	553,154	509,914	574,628
Lease assets	11,134	6,667	14,994
Inventories	2,969	-	-
Other fixed assets	78,347	113,153	82,504
Participations in associated companies	298,882	301,253	302,003
<b>Fixed assets</b>	<b>6,907,397</b>	<b>7,026,297</b>	<b>6,943,764</b>
Current receivables	138,641	129,056	147,535
Cash and cash equivalents	254,946	427,611	394,307
<b>Current assets</b>	<b>393,587</b>	<b>556,667</b>	<b>541,842</b>
<b>Total assets</b>	<b>7,300,984</b>	<b>7,582,336</b>	<b>7,485,606</b>
<b>Equity and liabilities</b>			
Equity	4,501,487	4,772,188	4,649,074
Long-term liabilities	1,624,538	1,615,267	1,635,287
Long-term lease liabilities	4,091	3,870	4,435
Deferred tax liability	913,217	941,813	917,547
Provisions	50,000	50,000	50,000
<b>Long-term liabilities</b>	<b>2,591,846</b>	<b>2,610,950</b>	<b>2,607,268</b>
Current liabilities	21,203	20,042	24,317
Current lease liabilities	6,378	2,298	3,024
Current tax liabilities	20,776	1,627	3,256
Other current liabilities	159,293	175,217	198,662
<b>Current liabilities</b>	<b>207,650</b>	<b>199,184</b>	<b>229,264</b>
<b>Total equity and liabilities</b>	<b>7,300,984</b>	<b>7,582,336</b>	<b>7,485,606</b>

## Properties

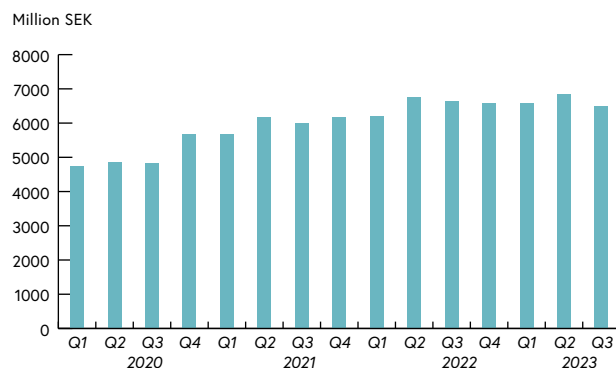
At the end of the period, Arlandastad Group's property portfolio consisted of 14 properties, which comprise commercial properties and building rights. According to an external valuation, the market value of the properties as at 30 September 2023 was SEK 6.51 billion (6.66). The property portfolio also includes a land facility located on leased land.

Compared to 30 September 2022, the market value of building rights has decreased by SEK 309 million as a result of higher required rates of return, while higher rental value led to an increase in the market value of commercial properties by SEK 176 million. See table on page 13.

## Participations in associated companies

Participations in associated companies totalled SEK 298.9 million (301.3) and consist primarily of participations in the joint venture Arlandastad F60 AB of SEK 268.1 million and Arlandastad Extra Fem AB (Bake My Day) of SEK 30.8 million. The participations have been recognised using the equity method.

## Market value of the property portfolio



## Management property market value

Amounts in SEK million	Jan–Sept 2023	Jan–Sept 2022	Jan–Dec 2022
<b>Market value as of 1 January</b>	<b>5,953</b>	<b>5,610</b>	<b>5,610</b>
Investments in existing properties	32	128	140
Acquisitions for the period	-	626	626
Disposals	-	-451	-452
Reclassifications	10	-	-25
Unrealised changes in value	-49	166	55
<b>Market value as of the end of the period</b>	<b>5,946</b>	<b>6,079</b>	<b>5,953</b>
<b>Distribution of fair value management properties</b>			
Commercial properties	2,590	2,414	2,341
Building rights	3,356	3,665	3,612

## Carrying amount, operating properties

Amounts in SEK million	Jan–Sept 2023	Jan–Sept 2022	Jan–Dec 2022
<b>Opening acquisition value</b>	<b>575</b>	<b>513</b>	<b>513</b>
Investments in existing properties	7	11	55
Reclassifications from management properties	-	-	25
Reclassifications to management properties	-10	-	-
Depreciation for the period	-19	-14	-18
<b>Accounted value carried forward</b>	<b>553</b>	<b>510</b>	<b>575</b>

## Loan-to-value ratio in property portfolio

The loan-to-value ratio was 25 per cent (25) at the end of the period. 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 7.3 billion (7.6) at the end of the period. Equity amounted to SEK 4.5 billion (4.8). The Group's debt/equity ratio amounted to 62 per cent (63). The return on equity, rolling twelve months, stood at -6 per cent (16).

## Taxes

Deferred tax liabilities as of 30 September 2023 totalled SEK 913.2 million (941.8). 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. For the environmental risks, a provision of SEK 50 million was made in connection with our taking over Skavsta during the second quarter of 2022. The provision remained unchanged at the end of the period.

## Financing

Interest-bearing liabilities amounted to SEK 1,645 million (1,635) at the end of the period. The average interest rate for the financing was 5.88 per cent for the period. The interest coverage ratio for the period was 0.99 (1.36). The average term of the loans in Arlandastad Group is 2.4 years.

Arlandastad Group's financing consists mainly of bank debt, which is covered by so-called loan covenants linked to interest coverage ratio, debt/equity ratio and loans in relation to properties' market value. The covenants are based on the sub-group that forms the borrower. At the end of the third quarter, Arlandastad Group fulfilled its stipulated loan covenants.

Arlandastad Group's finance policy stipulates opportunities to use financial instruments for, among other things, its interest rate and loan maturity management. No such instruments were used in the third quarter

## Distribution of interest-bearing liabilities

Amounts in SEK million	
Property loans	1,495.0
Subordinated loans	150.0
Construction credit, used in ongoing projects*	-
Other financing	-
<b>Total interest-bearing liabilities</b>	<b>1,645.0</b>
Granted construction credit, unused*	-
Loan commitments for construction credit in upcoming projects	-
Unused credit facility	56.2

## Schedule of due dates for credit liabilities, 30 September 2023

Credit agreements	SEK million	Percentage, %
0–1 year	20.4	1%
1–2 years	935.0	57%
2–3 years	0.0	0%
3–4 years	689.6	42%
4–5 years	0.0	0%
> 5 years	0.0	0%
<b>Total</b>	<b>1,645.0</b>	<b>100%</b>

\* Existing construction credits are located in the joint ventures and are thus not consolidated in Arlandastad Group.

## 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
<b>Equity 01/01/2022</b>	<b>569</b>	<b>834,340</b>	<b>2,565</b>	<b>3,322,972</b>	<b>-</b>	<b>4,160,446</b>
Profit for the period Jan-Sept 2022	-	-	-	607,812	-2,286	605,526
Transfer of translation reserve	-	-	1,572	-	-	1,572
<b>Transactions with owners:</b>						
Non-controlling interests	-	-	-	-	4,728	4,728
Incentive programme	-	-84	-	-	-	-84
<b>Equity 30 Sept 2022</b>	<b>569</b>	<b>834,256</b>	<b>4,137</b>	<b>3,930,784</b>	<b>2,442</b>	<b>4,772,188</b>
Discontinued foreign operations	-	-	-4,137	-	-	-4,137
Profit/loss for the period Oct-Dec 2022	-	-	-	-117,762	-1,214	-118,976
<b>Transactions with owners:</b>						
Non-controlling interests	-	-	-	-	-	-
Incentive programme	-	-	-	-	-	-
<b>Equity, 31 Dec 2022</b>	<b>569</b>	<b>834,256</b>	<b>-</b>	<b>3,813,022</b>	<b>1,227</b>	<b>4,649,073</b>
Profit/loss for the period Jan-Sept 2023	-	-	-	-143,368	-4,218	-147,586
<b>Transactions with owners:</b>						
Non-controlling interests	-	-	-	-	-	-
<b>Equity, 30 September 2023</b>	<b>569</b>	<b>834,256</b>	<b>-</b>	<b>3,669,654</b>	<b>-2,991</b>	<b>4,501,487</b>





# Consolidated cash flow statement

Amounts in SEK thousands	Jan–Sept 2023	Jan–Sept 2022	July–Sept 2023	July–Sept 2022	Jan–Dec 2022
Profit prior to changes in value	-69,962	288,879	-20,966	-28,883	269,506
Adjustments for items not included in the cash flow	29,540	-304,062	5,958	90,944	-309,590
<b>Total</b>	<b>-40,422</b>	<b>-15,183</b>	<b>-15,008</b>	<b>62,061</b>	<b>-40,084</b>
Tax paid	18,828	-8,208	21,992	-2,681	-3,605
<b>Cash flow from operating activities prior to changes in working capital</b>	<b>-21,594</b>	<b>-23,391</b>	<b>6,984</b>	<b>59,380</b>	<b>-43,689</b>
<b>Cash flow from changes in working capital</b>					
Change in inventories	31	-62	9	-62	-1,145
Changes in operating receivables	4,587	-39,164	-8,556	9,554	-33,727
Changes in operating liabilities	-39,369	-38,026	23,868	24,196	-14,533
<b>Cash flow from operating activities</b>	<b>-56,345</b>	<b>-100,643</b>	<b>22,305</b>	<b>93,068</b>	<b>-93,094</b>
<b>Investment activities</b>					
Business combinations	-	-30,140	-	-	-30,140
Divestment of property	-	266,146	-	20,604	266,146
Acquisition of intangible fixed assets	-327	21	-92	-	-
Divestment of intangible fixed assets	-	-	-	15	-10
Down payment made	-	-	-	-	-30,000
Acquisitions of tangible fixed assets	-42,096	-151,290	-14,467	-117,400	-216,967
Acquisition of financial assets	-29,736	-58,392	-	-58,187	-28,491
<b>Cash flow from investment activities</b>	<b>-72,159</b>	<b>26,345</b>	<b>-14,559</b>	<b>-154,968</b>	<b>-39,462</b>
<b>Financing activities</b>					
Incentive programme	-	-84	-	-	-84
Loans raised from credit institutions	-	89,505	-	78,708	114,505
Repayment of loan liabilities	-10,857	-29,583	2,261	-6,019	-28,993
<b>Cash flow from financing activities</b>	<b>-10,857</b>	<b>59,838</b>	<b>2,261</b>	<b>72,689</b>	<b>85,428</b>
<b>Cash flow for the period</b>	<b>-139,361</b>	<b>-14,460</b>	<b>10,007</b>	<b>10,789</b>	<b>-47,128</b>
Cash and cash equivalents at start of the period	394,307	441,435	244,939	416,183	441,435
Exchange rate difference in cash and cash equivalents	-	8	-	11	-
<b>Cash and cash equivalents at end of the period</b>	<b>254,946</b>	<b>426,983</b>	<b>254,946</b>	<b>426,983</b>	<b>394,307</b>

## Cash flow and liquid assets

Cash flow for the period totalled SEK -139.4 million (-14.5), which consists of cash flow from operating activities of SEK -56.3 million (-100.6), investing activities of SEK -72.2 million (26.3) and financing activities of SEK -10.9 million (59.8).

Cash flow from operating activities before changes in working capital amounted to SEK -21.6 million (-23.4). The change in working capital totalled SEK -34.8 million (-77.3), and non-cash items totalled SEK 29.5 million (-304.1). The comparison figure for 2022 includes the acquisition of Skavsta. Adjustments for items not included in the cash flow comprise depreciation.

The cash flow from investing activities of SEK -72.2 million (26.3) is attributed to investments in properties amounting to SEK -42.1 million (-151.3), as well as financial fixed assets comprising shareholder contributions to participations in associated companies totalling SEK -29.7 million (-58.4). Investing activities were impacted positively during the corresponding period in 2022 by a property sale that raised SEK 266.1 million for the company.

Financing activities affect cash flow by SEK -10.9 million (59.8) and pertain to the repayment of loan liabilities. Cash and cash equivalents at end of the period amounted to SEK 254.9 million (427.0).

The lines "Loans raised with credit institutions" and "Repayment of loan liabilities" have been reported for the period net, which is a departure from the presentation at the second quarter when the loan rescheduling to new sub-groups was reported gross.

## Segment accounting – Business areas

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

The company owns and has at its disposal a total of almost 8 million square metres of land, split between two of Sweden's largest development projects, Explore Arlandastad and Explore Skavsta. The company's property development is made up of detailed planning, project development and the conversion of existing properties into new operations. 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. In cases where the company sees that it can add value, such as attracting other tenants or driving traffic to the area in the property business, the company runs Operating Activities that generate cash flow.

A reclassification took place of activities previously recognised as Operating Activities to be accounted for as rental income due to the operation being administered by an external party.

Group 2023 Jan-Sept, SEK thousands	Property Development	Property Management	Operating Activities	Group-wide	Eliminations	Total
Rental income	5,347	141,070	9,579	-	-32,100	123,896
Income from Operating Activities	-	-	169,753	-851	-	168,902
Other income	443	163	2,883	707	-	4,196
<b>Operating income</b>	<b>5,790</b>	<b>141,233</b>	<b>182,215</b>	<b>-144</b>	<b>-32,100</b>	<b>296,994</b>
Property expenses	-804	-28,772	-289	-129	-	-29,994
Depreciation of property	-	-18,980	-876	-	-	-19,856
Expenses from Operating activities	-	-	-206,585	-45	32,100	-174,530
<b>Gross profit</b>	<b>4,986</b>	<b>93,481</b>	<b>-25,535</b>	<b>-318</b>	<b>-</b>	<b>72,613</b>
Administration costs	-4,341	-21,636	-19,335	-23,837	-	-69,149
Net financial items	28	-72,013	-1,814	17	-	-73,783
Profit from divestment of equipment	-	357	-	-	-	357
<b>Profit prior to changes in value</b>	<b>673</b>	<b>189</b>	<b>-46,684</b>	<b>-24,138</b>	<b>-</b>	<b>-69,962</b>
Profit from associated companies	-32,840	-	-18	-	-	-32,858
Unrealised changes in value of properties	-226,792	177,699	-3	-	-	-49,096
<b>Pre-tax profit</b>	<b>-258,959</b>	<b>177,888</b>	<b>-46,705</b>	<b>-24,138</b>	<b>-</b>	<b>-151,916</b>

Group 2022 Jan-Sept, SEK thousands	Property Development	Property Management	Operating Activities	Group-wide	Eliminations	Total
Rental income	5,638	105,527	1,673	-337	-19,042	93,459
Income from Operating activities	-	-	113,162	-	-	113,162
Other income	7	541	1,206	373	-	2,128
<b>Operating income</b>	<b>5,645</b>	<b>106,068</b>	<b>116,041</b>	<b>36</b>	<b>-19,042</b>	<b>208,749</b>
Property expenses	-181	-29,192	-720	-36	-	-30,129
Depreciation of property	-	-13,637	-	-	-	-13,637
Expenses from Operating Activities	-	-78	-130,025	-	19,042	-111,061
<b>Gross profit</b>	<b>5,464</b>	<b>63,161</b>	<b>-14,704</b>	<b>-</b>	<b>-</b>	<b>53,922</b>
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	-	-	-39,593
Reversal of negative goodwill	-	-	337,289	-	-	337,289
<b>Profit prior to value changes</b>	<b>-2,186</b>	<b>22,120</b>	<b>289,775</b>	<b>-20,826</b>	<b>-</b>	<b>288,884</b>
Realised changes in value of properties	103,967	-	-	-	-	103,967
Unrealised changes in value of properties	50,000	116,177	-	-	-	166,177
<b>Pre-tax profit</b>	<b>151,781</b>	<b>138,297</b>	<b>289,775</b>	<b>-20,826</b>	<b>-</b>	<b>559,028</b>

## Property Management business area

Income from rent totalled SEK 141.1 million (105.5). The increase is mainly attributable to increased turnover rent and indexation, as well as operations in Skavsta. Skavsta was acquired in May last year and is accordingly included in part of the comparison period.

Property costs totalled SEK 28.8 million (29.2) and depreciation on operating properties totalled SEK 19.0 million (13.6). Gross profit amounted to SEK 93.5 million (63.2). The increase mainly comes from indexation and increased turnover rents, as well as Skavsta.

Administration costs totalled SEK 21.6 million (8.3). The increase is mainly attributable to higher personnel expenses due to the enlargement of the organisation as well as expenses in Stockholm Skavsta Airport. In the third quarter, administration costs were reduced as a result of ongoing cost-saving measures.

Financial items totalled SEK -72.0 million (-32.8) and are primarily related to interest costs for loan financing. The increase is due to a slightly larger interest-bearing debt and substantially higher interest rates. The average interest rate for the financing was 5.88 per cent for the period.

Profit prior to changes in value totalled SEK 0.2 million (22.1). Arlandastad Group determines the value of management properties through external valuations by independent valuation agencies at each quarter. As of 30 September 2023, the properties have been valued externally by Forum Fastighetsekonomi AB. The average required rate of return for the portfolio stood at 6.84 per cent (6.5).

### Key performance indicators, Property Management

Net operating income, SEK million	112.3	76.3	45.1	34.0	93.0
Surplus ratio, %	80	72	84	70	66
Profit prior to changes in value, SEK million	0.2	22.1	12.9	3.7	-9.7
Underlying rental value, SEK million	221.2	172.3	221.2	172.3	186
Change in underlying rental value, %	18.9	20.0	3.5	0.4	29.5
Change in underlying rental value adjusted for acquired properties, %	18.9	1.4	3.5	0.4	9.7
Loan-to-value ratio, %	25	25	25	25	25
Market value of commercial properties, SEK million	2,590	2,414	2,590	2,414	2,341

	Accumulated		Quarter		Full year
	Jan–Sept 2023	Jan–Sept 2022	July–Sept 2023	July–Sept 2022	Jan–Dec 2022
Net operating income, SEK million	112.3	76.3	45.1	34.0	93.0
Surplus ratio, %	80	72	84	70	66
Profit prior to changes in value, SEK million	0.2	22.1	12.9	3.7	-9.7
Underlying rental value, SEK million	221.2	172.3	221.2	172.3	186
Change in underlying rental value, %	18.9	20.0	3.5	0.4	29.5
Change in underlying rental value adjusted for acquired properties, %	18.9	1.4	3.5	0.4	9.7
Loan-to-value ratio, %	25	25	25	25	25
Market value of commercial properties, SEK million	2,590	2,414	2,590	2,414	2,341

### Rental income and surplus ratio





## Property Development business area

Property Development is the Arlandastad Group business area that handles 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 2023, the Group has claimed less than 10 per cent of the potential building rights of a gross total area (GTA) of approximately 1.3–1.4 million square metres in the Explore Arlandastad development project.

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 amounts to SEK 3,356 million (3,665).

In Explore Arlandastad, the average value of building rights has decreased from SEK 3,479 to SEK 3,174/square metre GTA. In Explore Skavsta, the building rights have been rated at an average value of SEK 308/square metre GTA. Total project profit was 41 per cent for the period (46).

Key performance indicators, Property Development	Jan–Sept 2023	Jan–Sept 2022	July–Sept 2023	July–Sept 2022	Jan–Dec 2022
Investments, SEK million	32	128	3	86	195
Project profit %	41	46	-	-	35
Average value of building rights Arlandastad (SEK/sq.m.)	3,174	3,479	3,174	3,479	3,426
Average value of building rights Skavsta (SEK/sq.m.)	308	302	308	302	302
Market value of development properties, SEK million	3,356	3,665	3,356	3,665	3,612



## Operating Activities business area

The Operating Activities business area mainly comprises three subsidiaries: Training Partner and Scandinavian XPO, and airport operations in Skavsta since 17 May 2022. Training Partner offers training courses to dealers 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.

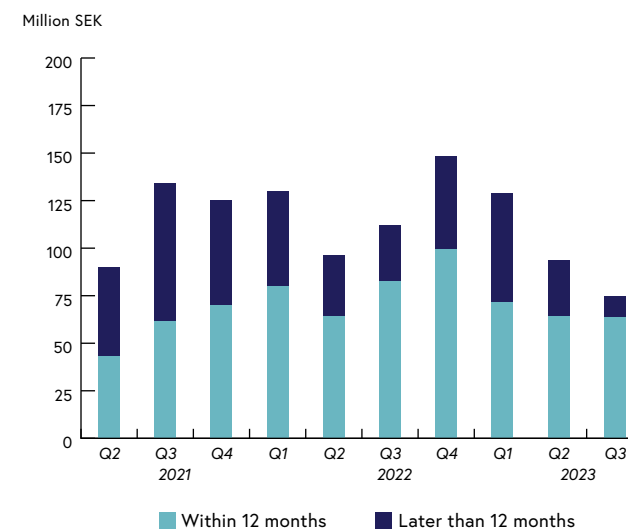
Total revenues amounted to SEK 168.9 million (113.2) for the period. Revenues from training activities contributed SEK 64.8 million (76.6) and airport operations provided SEK 54.7 million (20.7). Revenue from event operations in Scandinavian XPO increased to SEK 49.3 million (15.9). In the third quarter, the revenue from training activities was affected by the lack of launches of new vehicle models. Revenues during the quarter from the event operations returned to lower levels after the end of the Government Offices' lease during the EU Presidency, which ran until 30 June.

The business area's total order book, prebooked events, training, etc., totalled SEK 74.9 million (112.0) at the end of the period, of which SEK 63.5 million is expected to be included in the accounts in the coming 12-month period. Orders received for Training Partner are affected by seasonal variations. Airport operations are not included in the order book. Gross loss totalled SEK 25.5 million (14.7). The lower profit is mainly due to Stockholm Skavsta Airport.

## Total income and gross margin



## Order book



Key performance indicators	Jan–Sept 2023	Jan–Sept 2022	Jan–Dec 2022
Operating Activities, SEK million	168.9	113.2	167.5
Income from Operating Activities	168.9	113.2	167.5
Gross profit	-25.5	-14.7	-22.9
Total order book	74.9	112.0	148.2
Order book coming 12 months	63.5	82.8	99.7



## Condensed income statement for the Parent Company

Amounts in SEK thousands	Jan–Sept 2023	Jan–Sept 2022	July–Sept 2023	July–Sept 2022	Jan–Dec 2022
Rental income	9,989	16,624	-200	6,603	21,693
Other operating income	8,994	6,630	3,226	2,614	10,132
<b>Total revenue</b>	<b>18,983</b>	<b>23,254</b>	<b>3,026</b>	<b>9,217</b>	<b>31,825</b>
Property expenses	-5,457	-6,859	-665	-3,100	-10,106
<b>Operating surplus</b>	<b>13,526</b>	<b>16,396</b>	<b>2,361</b>	<b>6,117</b>	<b>21,719</b>
Administration costs	-32,404	-27,116	-9,453	-9,326	-40,444
Depreciation and impairment of tangible fixed assets	-2,923	-4,071	-99	-1,412	-40,504
Net financial items	148,195	5,293	-1,538	12,166	-
Sale of shares in subsidiaries	-	250,847	-	-	251,407
<b>Profit from property management</b>	<b>126,394</b>	<b>241,348</b>	<b>-8,729</b>	<b>7,545</b>	<b>192,178</b>
Loss from divestment of property	-44,641	-	-	-	-
Balance sheet allocations	-	5,600	-	5,600	-1,073
<b>Pre-tax profit</b>	<b>81,753</b>	<b>246,948</b>	<b>-8,729</b>	<b>13,145</b>	<b>191,105</b>
Tax on profit for the period	-	-	-	-	706
<b>Profit for the period</b>	<b>81,753</b>	<b>246,948</b>	<b>-8,729</b>	<b>13,145</b>	<b>191,811</b>

### Income statement

The operations of the Parent Company, Arlandastad Group, consist of Group functions, Group administration and Property Management. Total revenues for the period amounted to SEK 19.0 million (23.3). Rental income totalled SEK 10.0 million (16.6) and other income totalled SEK 9.0 million (6.6). Other operating income mainly relates to management fees and the re-invoicing of Group-wide costs to the subsidiaries. From mid-year, Group-wide costs will be re-invoiced from Arlandastad Business Development AB instead of from the Parent Company.

Administration costs totalled SEK 32.4 million (27.1). Depreciation and impairment losses amounted to SEK 2.9 million (4.1). Net financial items amounted to SEK 148.2 million (256.1) and are mainly attributable to restructuring within the Group, where properties and loans have been moved from the Parent Company to a sub-group, as well as increased interest expenses and also interest income. Loss from divestment of property refers to internal sales in connection with restructuring. The Parent Company's profit totalled SEK 81.8 million (246.9).

## Condensed statement of the Parent Company's financial position

### Assets

Amounts in SEK thousands	30 Sept 2023	30 Sept 2022	31 Dec 2022
Management properties	0	139,671	138,569
Participations in group companies	32,197	200,885	215,712
Receivables with Group companies	954,824	1,654,197	1,869,549
Other fixed assets	64,303	8,443	39,247
<b>Fixed assets</b>	<b>1,051,325</b>	<b>2,003,196</b>	<b>2,263,077</b>
Receivables with Group companies	135,787	82,175	-
Other current receivables	39,835	44,832	39,562
Cash and bank	163,947	399,857	340,761
<b>Current assets</b>	<b>339,569</b>	<b>526,864</b>	<b>380,323</b>
<b>Total assets</b>	<b>1,390,894</b>	<b>2,530,060</b>	<b>2,643,399</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>1,021,656</b>	<b>995,042</b>	<b>939,903</b>
Liabilities to credit institutions	150,000	1,508,242	1,503,262
<b>Long-term liabilities</b>	<b>150,000</b>	<b>1,508,242</b>	<b>1,503,262</b>
Liabilities to Group companies	215,703	-	167,969
Current liabilities	3,535	26,776	32,266
<b>Current liabilities</b>	<b>219,238</b>	<b>26,776</b>	<b>200,235</b>
<b>Total equity and liabilities</b>	<b>1,390,894</b>	<b>2,530,060</b>	<b>2,643,399</b>

### Equity and indebtedness

The Parent Company's balance sheet total was SEK 1,390.9 million (2,530.1). Equity amounted to SEK 1,021.7 million (995.0). The increase in equity comes from the profit for the period. The property Norslunda 1:8 was sold internally during the second quarter in connection with a restructuring of the Group's loan portfolio. The historical values of management properties consist of equipment.

## The Parent Company's statement of changes in equity

Amounts in SEK thousands	Share capital	Share premium reserve	Profit brought forward	Profit for the period	Total equity
<b>Equity 01/01/2022</b>	<b>569</b>	<b>531,002</b>	<b>306,408</b>	<b>-89,803</b>	<b>748,176</b>
Transfer of last year's profit	-	-	-89,803	89,803	-
Profit for the period	-	-	-	246,948	246,948
<b>Transactions with owners:</b>					
Incentive programmes	-	-84	-	-	-84
<b>Equity 30 Sept 2022</b>	<b>569</b>	<b>530,918</b>	<b>216,605</b>	<b>246,950</b>	<b>995,042</b>
Transfer of last year's profit	-	-	-	-	-
Profit for the period	-	-	-	-55,137	-55,137
<b>Transactions with owners</b>					
Incentive programmes	-	-	-	-	-
<b>Equity, 31 Dec 2022</b>	<b>569</b>	<b>530,918</b>	<b>216,605</b>	<b>191,811</b>	<b>939,903</b>
Transfer of last year's profit	-	-	191,811	-191,811	-
Profit for the period	-	-	-	81,753	81,753
<b>Transactions with owners</b>					
Incentive programmes	-	-	-	-	-
<b>Equity, 30 September 2023</b>	<b>569</b>	<b>530,918</b>	<b>408,416</b>	<b>81,753</b>	<b>1,021,656</b>





## Other information

### Employees

At the end of the period, there were 160 (159) full-time employees.

### 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 agreements with customers

In order for the Group to be able to report income from agreements with customers, each customer agreement is analysed in accordance with the five-step model, which can be found in IFRS 15.

### 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. For properties with mixed use, when part of the property is held in order to generate rental income and/or value increase and another part is used in the business, Arlandastad Group makes an assessment whether the parts can be sold separately. If so, the property is divided into a management property and an operating property. If the parts are not deemed to be separately saleable, Arlandastad Group classifies the property as a management property if the portion used in the business amounts to a maximum of 10 per cent of the total property.

Otherwise, the entire property is classified as an operating property. Depreciation takes place on a straight-line basis over the estimated useful life of the asset. The estimated useful life of operating properties is 25 years.

### Management properties and changes in value

Management properties are recognised at fair value, i.e. an estimated market value at the closing date. To ensure that the valuations are accurate, independent external valuation consultants are used. The property portfolio is valued under valuation hierarchy 3, which

means that not all input in the valuation model is observable. The property portfolio is valued by external valuers four times a year, at the end of each quarter. All properties are not inspected at each valuation, but with agreed periodicity according to age, use and duration of lease agreements.

During 2023, Forum Fastighetskonomi AB was engaged to estimate the market value of the property holding. The fees for the valuations do not depend on the properties' market values. The external valuations are carried out by authorised/certified valuers. The main method for carrying out valuations is a model in which future cash flows and an estimated residual value are subjected to present value calculation (DCF method). For building rights, the market value is assessed using an extended local price method by comparing with contracts for transfers of similar objects.

### 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 the primary priority areas for risk management. The company has procedures to continuously evaluate and minimise these risks.

A turbulent outside world caused increased inflation and greater uncertainty in supply chains in terms of both price and delivery times for construction materials during the spring. By the end of the period, however, prices and delivery times had returned to the levels witnessed before the Covid-19 pandemic. Access to borrowed capital has varied on a strained capital market, with rising credit margins as a result. Thus, the total financing cost in the market is significantly 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 2022.

## Ownership structure

As of 30 September 2023, the largest shareholders in Arlandastad Group AB were: Gelba Management AB with 46.6 per cent and Samhällsbyggnadsbolaget i Norden AB with 14.2 per cent.

## 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 2023

At Arlandastad Group's Annual General Meeting on 19 April 2023, the Annual Report for 2022 was approved. No dividend was decided. The AGM pass resolutions on a long-term incentive programme ("LTIP 2023"), as well as the issue of warrants and the subsequent transfer of shares and/or warrants. More information about the incentive programme can be found on the company's website: [arlandastadgroup.se/sv/bolagsstyrning/bolagsstamma](https://arlandastadgroup.se/sv/bolagsstyrning/bolagsstamma)

The Annual General Meeting further resolved that the Board of Directors should 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 per cent 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 Gabriel Novella as auditor in charge.

During the statutory Board meeting following the Annual General Meeting, the Board of Directors of Arlandastad Group AB elected Leif West as Deputy Chairman of the Board.

## Events after the accounting date

An agreement was signed with the Swedish Transport Administration on preventive damage compensation of SEK 385 million linked to the impact on the area due to work to build the East Link railway line. The compensation will be paid in instalments starting in the fourth quarter of 2023 and will extend through 2027. In the fourth quarter of 2023, the compensation amounts to SEK 100 million and in the first quarter of 2024, the compensation is SEK 100 million.

Increased credit of SEK 50 million from Sörmlands Sparbank. This funding strengthens the cash available to Stockholm Skavsta Airport AB.

Stockholm Skavsta Airport is implementing organisational changes and streamlining the work in order to reduce costs. These measures mean that about thirty employees were notified of termination due to a lack of work.

## Report signatures

Arlandastad, 15 November 2023

**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 15 November 2023 at 8:00 AM CET.

## Calendar

<b>15 February 2024</b>	Year-end report for the period January-December 2023
<b>22 March 2024</b>	Annual and Sustainability Report 2023
<b>16 April 2024</b>	Annual General Meeting
<b>16 May 2024</b>	Interim report for the period January-March 2024
<b>18 July 2024</b>	Interim report for period January-June 2024
<b>14 November 2024</b>	Interim report for the period January-September 2024
<b>13 February 2025</b>	Year-end report 2024

# 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 general 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 generally accepted auditing standards otherwise.

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, 15 November 2023

Gabriel Novella  
Authorised Public Accountant  
Ernst & Young AB

## Financial definitions

### **Outstanding shares**

Number of registered shares at end of period.

### **Return on equity, %**

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

### **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 outstanding shares during the 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.

### **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.

## 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.

### **Rental income**

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

### **Rental value**

Contracted annual rents, including turnover rent, excluding rental surcharges.

### **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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