

Year-end Report, January-December 2023

Period January-December in brief

- An agreement was entered into with the Swedish Transport Administration for preventive damage compensation of SEK 385 million linked to the construction of the Ostlänken railway line. SEK 100 million was received in the fourth quarter and approximately SEK 150 million will be received in 2024
- Stockholm Skavsta Airport implemented organisational changes and efficiency improvements, which are expected to have a positive impact on earnings of approximately SEK 8 million in 2024 and thereafter approximately SEK 12 million annually
- Letter of intent signed in the fourth quarter regarding a joint venture and a 15-year lease agreement with the cloud services company evroc for the development of a property. The land deal is based on an underlying property value of SEK 4,600/sq.m. in building rights
- A 15-year lease agreement was entered into with Bankomat and a joint venture agreement was entered into with BRA Bygg. Divestment to a joint venture company is based on an underlying property value of SEK 4,450/sq.m. in building rights
- NATO-Industry Forum 2023 was held in Scandinavian XPO during October
- In line with the dividend policy, the Board is proposing that no dividend be paid for 2023

After the end of the period

- Lars Thagesson has notified the Board and the Nomination Committee that he does not wish to be re-elected as a Board member at the Annual General Meeting. The Nomination Committee has notified the Board that it intends to propose the re-election of all Board members apart from Lars Thagesson, as well as the new election of Krister Karlsson, COO of Samhällsbyggnadsbolaget i Norden AB, as a Board member, at the 2024 Annual General Meeting

Financial performance indicators	Jan-Dec 2023	Jan-Dec 2022	Oct-Dec 2023	Oct-Dec 2022
Income, SEK million	421.7	295.9	124.7	87.2
Gross profit, SEK million	111.9	68.4	39.3	14.5
Profit prior to changes in value, SEK million	-89.5	269.5	-19.5	-19.4
Pre-tax profit, SEK million	-128.4	415.8	23.5	-143.2
Profit for the period, SEK million	-127.4	486.6	20.2	-119.0
Profit per share, prior to dilution, SEK	-2.0	7.7	0.3	-1.9
Profit per share, after dilution, SEK	-2.0	7.7	0.3	-1.9
Cash flow from operating activities after changes in working capital, SEK million	-106.3	-93.1	-49.9	7.5
Loan-to-value ratio, properties, %	25	25	25	25
Return on equity, %	-3	11		
Properties, key performance indicators				
Market value properties, SEK million	6,515	6,584	6,515	6,584
Net asset value (NAV), per share, SEK	86	89	86	89
Change in underlying rental value, %	27.9	29.5	7.5	7.9
Underlying rental value, SEK million	237.8	186.0	237.8	186.0
Surplus ratio, %	79	66	78	64
Realised changes in value of properties, SEK million	-	91.1	-	-12.8
Unrealised changes in value of properties, SEK million	-40.1	55.1	9.0	-111.0

Property portfolio
market value

6,515 MSEK
(SEK 6,584 million)

Profit for the period

-127.4 MSEK
(SEK 486.6 million)

Return on equity

-3%
(11%)

Income

421.7 MSEK
(SEK 295.9 million)

Loan-to-value
ratio

25%
(25%)

NAV per share

86 SEK
(SEK 89)

Healthy business activity and strengthened liquidity

Arlandastad Group's income increased during the year, while profit was weighed down by higher interest expenses. Measures designed to strengthen earning capacity and profitability are starting to have an impact. Despite an uncertain world, we generated business with attractive property values, as well as noting increased activity towards the end of the year. Liquidity was strengthened through the agreement with the Swedish Transport Administration.

Income increased by 43 per cent to SEK 421.7 million during the year, of which income from rent contributed SEK 184.0 million and income from Operating activities contributed SEK 223.2 million. Profit fell to SEK -127.4 million as a result of increased financial costs in the wake of significantly higher interest rates and a deficit in the operation in Skavsta. In order to strengthen profitability, we implemented organisational changes that are gradually having an impact, and we increased the repayments on our loans. Cash flow amounted to SEK -160.1 million and cash and cash equivalents at the end of the period totalled SEK 234.2 million.

Continued low loan-to-value ratio

The market value of the property and building rights portfolio showed stability in the prevailing market climate, amounting to SEK 6.52 billion. The market value of commercial properties increased by SEK 252 million, principally as a result of higher rental values, while the market value of the building rights fell by SEK 248 million as a result of higher required rates of return. The loan-to-value ratio remained low, at 25 per cent.

Transactions at attractive property values

We entered into a 15-year lease agreement with Bankomat and entered into a joint venture agreement with BRA Bygg. The divestment to the joint venture company is based on an underlying property value of SEK 4,450/sq.m. in building rights. During the fourth quarter, we signed a letter of intent with the new cloud services company evroc to form a



joint venture company for the joint ownership and development of the company's first data centre in Europe and a fifteen-year lease. The land deal is based on an underlying property value of SEK 4,600/sq.m. in building rights. The joint venture model means that we will be developing properties at the same time as safeguarding liquidity.

Agreement provides liquidity injection

At the end of the year, liquidity was strengthened through an agreement with the Swedish Transport Administration regarding preventive damage compensation totalling SEK 385 million linked to the Ostlänken railway line. We received SEK 100 million in the fourth quarter, and a further approximately SEK 150 million will be paid out in 2024.

Plans for a new international congress centre

We decided to start work on developing a new international congress centre adjacent to Scandinavian XPO in the wake of the successful letting operations during Sweden's presidency of the EU and the autumn's NATO-Industry Forum 2023.

Development and efficiency improvement

The development and efficiency improvement of Stockholm Skavsta Airport continued. This involves both increasing revenues through more routes, and reducing costs through organisational changes. The number of passengers increased by 23.4 per cent. We carried out a major reorganisation and introduced a more efficient working method, which is expected to have a positive impact on earnings of approximately SEK 8 million in 2024 and thereafter approximately SEK 12 million annually.

Good starting point

We took an important step towards increased sustainability during the year, by introducing a new framework with targets and KPIs that are integrated into the business. Working on the basis of our new sustainability framework and with good liquidity, we are in a good position to continue the successful development of our areas alongside customers and partners over the coming years.

Dieter Sand

Managing Director and CEO

About the Arlandastad Group

Arlandastad Group is a property development company. Through our ability to see and take advantage of the potential in large, strategically placed areas, we create value for investors and for society at large. Arlandastad Group governs the entire chain from land acquisition to long-term management, as well as running operating 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 environment's 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

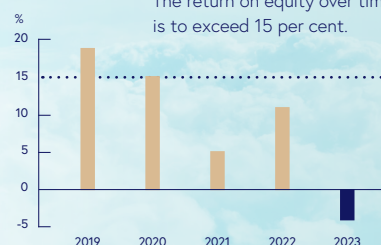
Our key words in working with detailed development plans are analysis, function and a long-term perspective. It's about us realising our business concept of harnessing the potential in large, strategically placed areas. An important step in this process is to create general detailed development plans that allow us to adapt the area to the needs that arise.

Property development, land acquisition

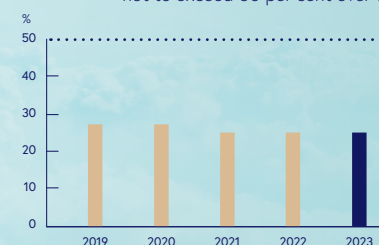
We identify and acquire large, strategically located areas with a growing infrastructure and undeveloped potential. Each location should be able to be sustainably planned, developed, built and managed based on our business model.

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	135,815		Project development	-	-	-	-
In detailed planning process District 6	Not specified	Estimated	500,000	Detailed planning process	-2025	-	-	-
In the detailed development planning process 'A district for exercise, health and innovation'	Not specified	Estimated	150,000	Detailed planning process	-2024	-	-	-
Subtotal			1,277,649			-	-	-

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	205	102	100%
Scandinavian XPO – Phase 2	Offices, service, hotel, healthcare	16,550	Project development	2020–2025	160	97	30%
Bankomat (JV 50%)	Stock and distribution	1,695	Project development	2023–2024	40	25	100%
Subtotal		152,365			2,218	1,924	-

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 evroc (50%)	Data centre	3,500	Project development	2024–2025	90	90	-
DRIVELAB BIG – Phase 2	Training and conferences	4,500	Project development	2026–2027	90	90	-
DRIVELAB Sales & Service – Phase 2	Car sales and service	9,000	Project development	2025–2026	95	95	-
F60 Business Park – Phase 2	business park	38,000	Project development	2026–2028	551	551	-
XPO Congress Center	Congress / Hotel	10,000	Project development	2026–2027	300	300	-
Scandinavian XPO – Co-working	Offices	6,000	Project development	2026–2027	120	120	-
F59	Offices, warehouses and operations	15,000	Project development	2026–2027	200	120	-
Infrastructure/road District 6	Infrastructure/road		Detailed planning process	2026	50	50	-
District 6 – Phase 1	Offices and businesses	17,000	Detailed planning process	2025–2026	375	375	-
Subtotal		103,000			1,871	1,791	-

Explore Skavsta – Building rights

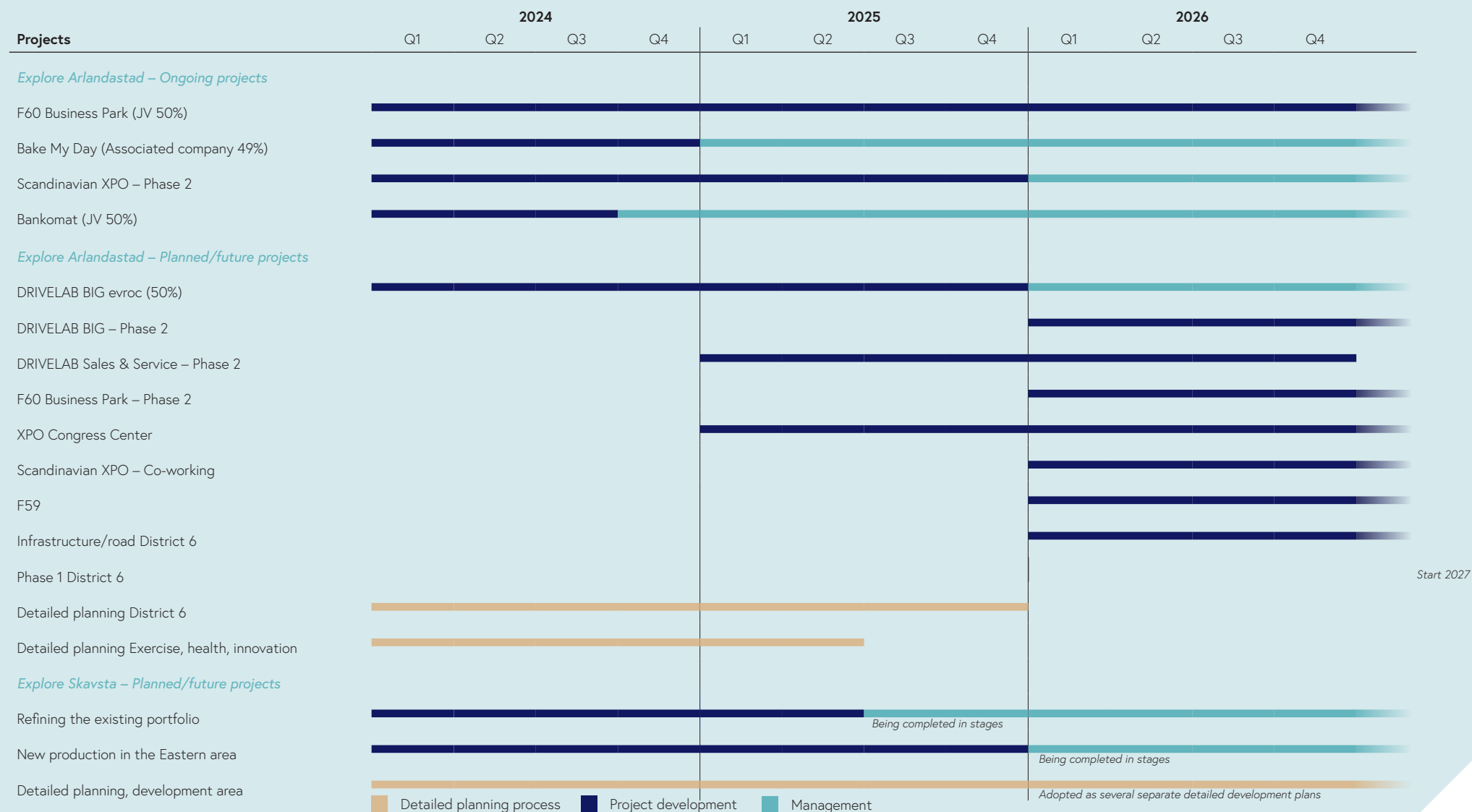
Projects	Type of project	Building rights (sq.m.)	Status	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
Accepted	Not specified	612,000	Project development	-	-	-	-
In detailed planning process	Not specified	Estimated 430,000	Detailed planning process	2023–	-	-	-
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	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%
Subtotal		15,000			250	250	-

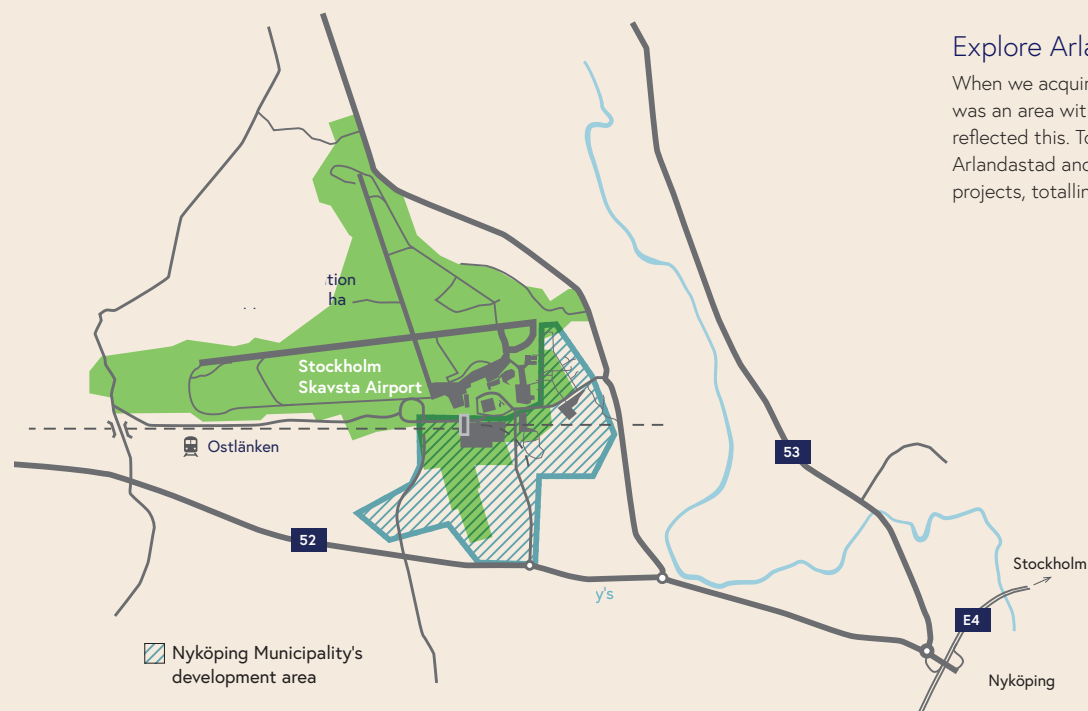


Project phases over the next three years



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.



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 and partners, including Bankomat, BRA Bygg, evroc, Tesla and NIO.

We signed a lease with Bankomat that 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 approximately 200 sq.m. 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.

A letter of intent was signed with cloud services company evroc to form a joint venture company for the joint ownership and development of 3,400 sq.m. of building rights, as well as a fifteen-year lease with one of the companies in the evroc Group. The land deal is based on an underlying property value of SEK 4,600/sq.m. in building rights.

The electric car company Tesla entered into an agreement to establish a charging station with 40 electric car chargers, where all that remains to commence construction is obtaining a building permit. NIO built its battery replacement station, which 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 are expected to provide more than 1 million sq.m. in building rights once they are adopted.

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

The meetings in Scandinavian XPO led to more business and expansion plans

Scandinavian XPO was hired by the Government Offices during Sweden's presidency of the EU in January – June 2023, and for the NATO-Industry Forum 2023 in October. These lettings increased interest and attracted new tenants. In the wake of the successful lettings, a new international congress centre is being planned in Arlandastad, which marks a significant expansion for the area.

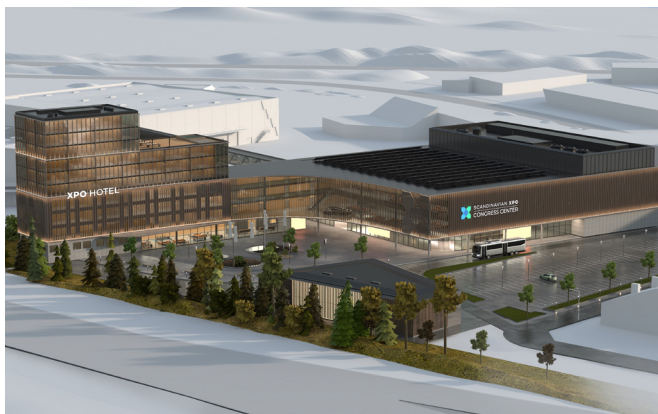
After the end of the period, Scandinavian XPO was nominated for the award "Europe's Leading Meeting and Conference Centre" in World Travel Award 2024.



Cloud services company evroc (artist's impression)



NATO-Industry Forum 2023



New congress centre at Scandinavian XPO (artist's impression)

Explore Skavsta

Development of Explore Skavsta

The work was intensified with the development of the area where planning permission has already been granted, as well as for areas where detailed development plans have been produced. 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 Ostlänken railway 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.

Development and efficiency improvement of Stockholm Skavsta Airport

Work was ongoing on the development and efficiency improvement of Stockholm Skavsta Airport. Organisational changes and the new, more efficient working method, known as the Basic Airport Concept, are expected to have a positive impact on earnings of approximately SEK 8 million in 2024 and thereafter approximately SEK 12 million annually.

Increased passenger numbers at Stockholm Skavsta Airport

The number of passengers increased after Norwegian began flying from Stockholm Skavsta Airport on 1 April. Norwegian decided to expand its services to Alicante and Malaga in the summer of 2024, and to also fly during the winter months from November 2024. The airline also decided to launch a new direct route to Palma from 1 May 2024. Additional destinations are under consideration.

In December 2023, Lumiwings began flights to Tuzla. The new direct route will fly from Stockholm Skavsta Airport twice a week all year round.

Liquidity injection of SEK 385 million and extended bank credit

Arlandastad Group's subsidiary Stockholm Skavsta Flygplats AB entered into an agreement with the Swedish Transport Administration for a preventive compensation of SEK 385 million in connection with the construction of the Ostlänken railway line, which is expected to begin in 2024. The payment will be made in instalments from the fourth quarter of 2023 up to the end of 2027. SEK 100 million was received in the fourth quarter of 2023, and the payment will amount to approximately SEK 150 million in 2024. Sörmlands Sparbank granted an increased credit of SEK 50 million.

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

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.

Financing – 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

Resource efficiency – We will work to achieve increased resource efficiency and circularity

Approaches with business ethics – Good business ethics will permeate our entire operation and value chain

Mankind – 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

Together – We are contributing towards sustainable development together with our stakeholders throughout the value chain

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

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

Ecosystem services – Our aim is to protect ecosystem services and biodiversity

Now – 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 during the period

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 period, project engineering work was completed in line with EU taxonomy regulations and the environmental certification system 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 electric buses

We conducted a feasibility study alongside RISE and Vy regarding the introduction of self-driving electric buses between the long-term car park and the terminal buildings at Stockholm Arlanda Airport.

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.

Improved follow-up of climate data

To support the work regarding the improved follow-up of climate data, system support for the processing of sustainability data was procured and implemented.

Energy strategy

Work was launched on a Group-wide energy strategy, targeting climate neutrality by 2030.

Condensed statement of the Group's comprehensive income

Amounts in SEK thousands	Jan-Dec 2023	Jan-Dec 2022	Oct-Dec 2023	Oct-Dec 2022
Rental income	184,008	125,521	60,112	32,065
Income from Operating activities	223,215	167,476	54,313	54,314
Other operating income	14,472	2,945	10,276	817
Income	421,695	295,941	124,701	87,193
Property expenses	-75,854	-61,262	-26,003	-17,496
Expenses from Operating activities	-233,896	-166,278	-59,366	-55,217
Gross profit	111,945	68,401	39,332	14,480
Administration costs	-108,016	-83,350	-38,865	-20,603
Financial income	7,435	1,331	7,038	768
Financial expenses	-103,037	-54,166	-28,859	-14,018
Profit from business combinations	-	337,289	-	-
Profit from divestment of equipment	2,173	-	1,816	-
Profit prior to changes in value	-89,500	269,506	-19,538	-19,373
Profit from associated companies	1,176	-	34,034	-
Realised changes in value of properties	-	91,142	-	-12,825
Unrealised changes in value of properties	-40,106	55,133	8,990	-111,044
Pre-tax profit	-128,430	415,781	23,486	-143,242
Tax on profit for the period	1,039	70,769	-3,291	24,266
Profit for the period	-127,391	486,550	20,195	-118,976
Other comprehensive income				
<i>Items that may later be transferred to the income statement:</i>				
Recalculation of foreign branches	-	-	-	-1,572
Other comprehensive income	-	-	-	-1,572
Total comprehensive income	-127,391	486,550	20,195	-120,548
Profit for the period attributable to				
shareholders of the Parent Company	-136,587	490,050	6,061	-117,762
Non-controlling interests	9,196	-3,500	14,134	-1,214
- of which the share of profit for the period				
Comprehensive income for the period attributable to				
shareholders of the Parent Company	-136,587	490,050	6,061	-119,334
Non-controlling interests	9,196	-3,500	14,134	-1,214
- of which share of other comprehensive income				
<i>Profit per share, before/after dilution, SEK</i>	<i>-2.0</i>	<i>7.7</i>	<i>0.3</i>	<i>-1.9</i>

Turnover and profit

Income increased to SEK 421.7 million (295.9), of which SEK 184.0 million (125.5) relates to rental income and SEK 223.2 million (167.5) relates to Operating activities. The increase in rental income is mainly due to higher turnover rent and indexation at SEK 45.1 million, and Skavsta at SEK 13.4 million. Of revenues from Operating Activities, training accounted for SEK 91.7 million (104.9), airport operations for SEK 70.3 million (36.2) and event operations for SEK 61.2 million (23.3).

Property expenses of SEK 75.9 million (61.3) include depreciation of operating properties amounting to SEK 30.0 million (18.2).

Gross profit amounted to SEK 111.9 million (68.4), of which SEK 108.1 million (64.3) comes from Property Development and Management and SEK -10.7 million (1.2) from Operating activities.

Administration costs totalled SEK 108.0 million (83.4), of which SEK 34.2 million (31.2) relates to Group-wide costs and SEK 45.8 million (25.4) relates to Operating activities. Property Management accounted for SEK 25.6 million (21.4) and Property Development accounted for SEK 2.4 million (5.4). Administration costs increased during the fourth quarter, of which SEK 6.9 million refers to a correction of the amortisation of leasing costs for 2022.

Net financial items totalled SEK -95.6 million (-52.8) and primarily include interest expenses for loan financing. The change is due principally to higher interest expenses resulting from significantly higher interest rates.

The property value for the Bake My Day project increased during the fourth quarter due to an increase in the rental value, which resulted in a weak positive full-year effect from associated companies.

Unrealised changes in the value of management properties amounted to SEK -40.1 million (55.1), mainly as a result of higher required rates of return counteracting the increase in value of developed properties. As of 31 December 2023, the properties have been valued externally by Forum Fastighetsekonomi AB, as previously.

As of mid-year, the terminal building on the property Skavsta 8:9 was reclassified from an operating property to a management property, as it is used for internal purposes to a limited extent, and is not deemed to be saleable in parts. In addition, a clearer division between operation and property management will be created ahead of a restructuring of the operations in Skavsta. This reclassification is included in unrealised changes in the value of properties and affected half-year and full-year profit by SEK 122.3 million.

Tax on profit for the period amounted to SEK 1.0 million (70.8). Profit for the period amounted to SEK -127.4 million (486.6), and earnings per share stood at SEK -2.0 (7.7).

Condensed statement of the Group's financial position

Assets

Amounts in SEK thousands	31 Dec 2023	31 Dec 2022
Goodwill	15,718	15,718
Other intangible assets	844	416
Management properties	5,956,550	5,953,500
Operating properties	549,575	574,628
Lease assets	9,529	14,994
Inventories	1,750	-
Other fixed assets	79,884	82,504
Participations in associated companies	332,904	302,003
Fixed assets	6,946,754	6,943,764
Current receivables	232,960	147,535
Cash and cash equivalents	234,216	394,307
Current assets	467,176	541,842
Total assets	7,413,930	7,485,606

Equity and liabilities

Equity	4,521,707	4,649,074
Long-term liabilities	1,427,345	1,635,287
Advance	100,000	-
Long-term lease liabilities	1,461	4,435
Deferred tax liability	916,507	917,547
Provisions	50,000	50,000
Long-term liabilities	2,495,313	2,607,268
Current liabilities	170,386	24,317
Current lease liabilities	7,404	3,024
Current tax liabilities	21,939	3,256
Other current liabilities	197,181	198,662
Current liabilities	396,910	229,264
Total equity and liabilities	7,413,930	7,485,606

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 31 December 2023 was SEK 6.52 billion (6.58). The property portfolio also includes a land facility located on leased land.

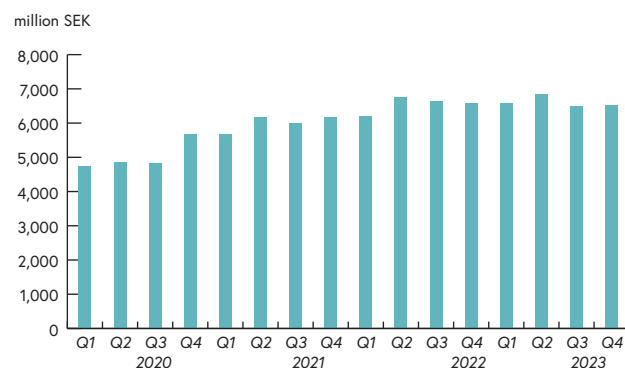
Rising interest rates during the year have resulted in higher required rates of return. For Arlandastad Group, the market value of the building rights decreased by SEK 248 million as a result of higher required rates of return.

The market value of the commercial properties increased by SEK 252 million, principally as a result of higher rental values, while the market value of the operating properties fell by SEK 73 million. In total, the market value of commercial and operating properties increased by SEK 179 million (see tables on page 13).

Participations in associated companies

Participations in associated companies totalled SEK 332.9 million (302.0) and consist primarily of participations in the joint venture Arlandastad F60 AB of SEK 228.7 million (255.7) and Arlandastad Extra Fem AB (Bake My Day) of SEK 44.1 million (46.2). The participations have been recognised using the equity method.

Property portfolio market value



Carrying amount, operating properties

Amounts in SEK million	Jan-Dec 2023	Jan-Dec 2022
Opening acquisition value	575	513
Investments in existing properties	15	55
Reclassifications from management properties	-	25
Reclassifications to management properties	-10	-
Depreciation for the period	-30	-18
Accounted value carried forward	550	575
Market value of operating properties	558	631

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 7.4 billion (7.5) at the end of the period. Equity amounted to SEK 4.5 billion (4.6). The Group's debt/equity ratio amounted to 61 per cent (62). The return on equity, rolling twelve months, stood at -3 per cent (11).

Taxes

Deferred tax liabilities as of 31 December 2023 totalled SEK 916.5 million (917.5). 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 1,597 million (1,659) at the end of the period. Repayment of loan liabilities amounted to SEK 110.5 million (29.0). The average interest rate for financing stood at 6.16 per cent. The interest coverage ratio was 1.16 (1.29). The average term of the loans in the company is 2.5 years.

The company's financing consists mainly of bank debt, which is covered by loan covenants related to a sub-group of the Arlandastad Group. The covenants are linked to interest coverage ratio, debt/equity ratio, liquidity and loans in relation to the market value of properties. During the fourth quarter, the company has made additional repayments of SEK 90 million over and above ongoing repayments.

The finance policy provides the opportunity to use financial instruments, for example for interest rate and loan maturity management. No such instruments were used in the fourth quarter.

Distribution of interest-bearing liabilities

Amounts in SEK million	
Property loans	1,447.0
Subordinated loans	150.0
Construction credit, used in ongoing projects*	-
Other financing	-
Total interest-bearing liabilities	1,597.0
Granted construction credit, unused*	-
Loan commitments for construction credit in upcoming projects	-
Unused credit facility	8.0

Schedule of due dates for credit liabilities, 31 December 2023

Credit agreements	SEK million	Percentage, %
0–1 year	170.4	11%
1–2 years	776.2	48%
2–3 years	100.0	6%
3–4 years	560.8	35%
4–5 years	0.0	0%
> 5 years	0.0	0%
Total	1,597.0	100%

Management property market value

Amounts in SEK million	Jan-Dec 2023	Jan-Dec 2022
Market value as of 1 January	5,953	5,610
Investments in existing properties	33	140
Acquisitions for the period	-	626
Disposals	-	-452
Reclassifications	11	-25
Unrealised changes in value	-40	55
Market value as of the end of the period	5,957	5,953
Distribution of management properties' market value		
Commercial properties	2,593	2,341
Building rights	3,364	3,612

* 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
Equity 01/01/2022	569	834,340	2,565	3,322,972	-	4,160,446
Profit for the period Jan-Dec 2022	-	-	-	490,050	-3,500	486,550
Transfer of translation reserve	-	-	-2,565	-	-	-2,565
Transactions with owners:						
Non-controlling interests	-	-	-	-	4,727	4,727
Incentive programme	-	-84	-	-	-	-84
Equity, 31 Dec 2022	569	834,256		3,813,022	1,227	4,649,073
Profit for the period Jan-Dec 2023	-	-	-	-136,587	9,196	-127,391
Profit from mergers		25				25
Transactions with owners:						
Non-controlling interests					-	-
Equity, 31 Dec 2023	569	834,281	-	3,676,435	10,423	4,521,707



Consolidated cash flow statement

Amounts in SEK thousands	Jan-Dec 2023	Jan-Dec 2022	Oct-Dec 2023	Oct-Dec 2022
Profit prior to changes in value	-89,500	269,506	-19,538	-19,373
Adjustments for items not included in the cash flow	53,224	-309,590	23,684	-5,528
Total	-36,276	-40,084	4,146	-24,901
Tax paid	19,843	-3,605	1,015	4,603
Cash flow from operating activities prior to changes in working capital	-16,433	-43,689	5,161	-20,298
Cash flow from changes in working capital				
Change in inventories	1,250	-1,145	1,219	-1,083
Changes in operating receivables	-89,587	-33,727	-94,174	5,437
Changes in operating liabilities	-1,481	-14,533	37,888	23,493
Cash flow from operating activities	-106,251	-93,094	-49,906	7,549
Investment activities				
Business combinations	-	-30,140	-	-
Divestment of properties	-	266,146	-	-
Acquisition of intangible fixed assets	-427	-	-100	-
Divestment of intangible fixed assets	-	-10	-	-31
Down payment made	-	-30,000	-	-30,000
Acquisitions of tangible fixed assets	-63,955	-216,967	-21,859	-65,677
Acquisition of financial assets	-28,987	-28,491	749	29,901
Cash flow from investment activities	-93,369	-39,462	-21,210	-65,807
Financing activities				
Incentive programme	-	-84	-	-
Advance received	100,000		100,000	
Loans raised from credit institutions	50,000	114,505	50,000	25,000
Repayment of loan liabilities	-110,471	-28,993	-99,614	590
Cash flow from financing activities	39,529	85,428	50,386	25,590
Cash flow for the period	-160,091	-47,128	-20,730	-32,668
Cash and cash equivalents at start of the period	394,307	441,435	254,946	426,983
Exchange rate difference in cash and cash equivalents		-		-8
Cash and cash equivalents at end of the period	234,216	394,307	234,216	394,307

Cash flow and liquid assets

Cash flow for the period totalled SEK -160.1 million (-47.1), which consists of cash flow from operating activities of SEK -106.3 million (-93.1), investing activities of SEK -93.4 million (-39.5) and financing activities of SEK 39.5 million (85.4).

Cash flow from operating activities before changes in working capital amounted to SEK -16.4 million (-43.7). Non-cash items totalled SEK 53.2 million (-309.6). The change in working capital amounted to SEK -89.8 million (-49.4). 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 -93.4 million (-39.5) is attributed to investments in properties amounting to SEK -64.0 million (-217.0), as well as financial fixed assets comprising shareholder contributions to associated companies totalling SEK -29.0 million (-28.5). Investing activities were impacted positively during 2022 by a property sale that raised SEK 266.1 million for the company.

Financing activities affected cash flow by SEK 39.5 million (85.4) and consist of the payment of SEK 100 million from the Swedish Transport Administration, which is included in the item Advance received, as well as repayment of loan liabilities and loans raised. Cash and cash equivalents at end of the period amounted to SEK 234.2 million (394.3).

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-Dec, SEK thousands	Property development	Property management	Operating activities	Group-wide	Eliminations	Total
Rental income	6,796	205,134	15,501	-43,423	-	184,008
Income from Operating activities	-	860	223,215	-860	-	223,215
Other income	1,082	2,476	9,598	1,316	-	14,472
Operating income	7,879	208,470	248,313	-42,967	-	421,695
Property expenses	-2,587	-42,712	-361	-161	-	-45,820
Depreciation of property	-	-21,808	-8,226	-	-	-30,034
Expenses from Operating activities	-	-	-277,319	43,423	-	-233,896
Gross profit	5,292	143,951	-37,593	295	-	111,945
Administration costs	-2,351	-25,643	-45,799	-34,223	-	-108,016
Net financial items	-585	-94,208	-808	-	-	-95,601
Profit from divestment of equipment	-	2,107	-	65	-	2,173
Profit prior to changes in value	2,356	26,207	-84,200	-33,863	-	-89,500
Profit from participations in associated companies	964	-	212	-	-	1,176
Unrealised changes in value of properties	-214,182	174,076	-	-	-	-40,106
Pre-tax profit	-210,862	-200,283	-83,988	-33,863	-	-128,430

Group 2022 Jan-Dec, SEK thousands	Property development	Property management	Operating activities	Group-wide	Eliminations	Total
Rental income	7,321	141,928	-	-26,468	-	122,781
Income from Operating activities	-	-	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
Expenses from Operating activities	-	-	-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

Property Management business area

Income from rent totalled SEK 205.1 million (141.9). The increase is mainly attributable to increased turnover rent and indexation, as well as operations in Skavsta. Skavsta was acquired in May 2022 and is accordingly included in part of the comparison period.

Property costs totalled SEK 42.7 million (43.0) and depreciation on operating properties totalled SEK 21.8 million (18.2). Gross profit amounted to SEK 144.0 million (81.2). The increase mainly comes from indexation and increased turnover rents.

Administration costs totalled SEK 25.6 million (21.4). Financial items totalled SEK -94.2 million (-50.1) 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 6.16 per cent (3.28) for the period.

Profit prior to changes in value totalled SEK 26.2 million (9.7).

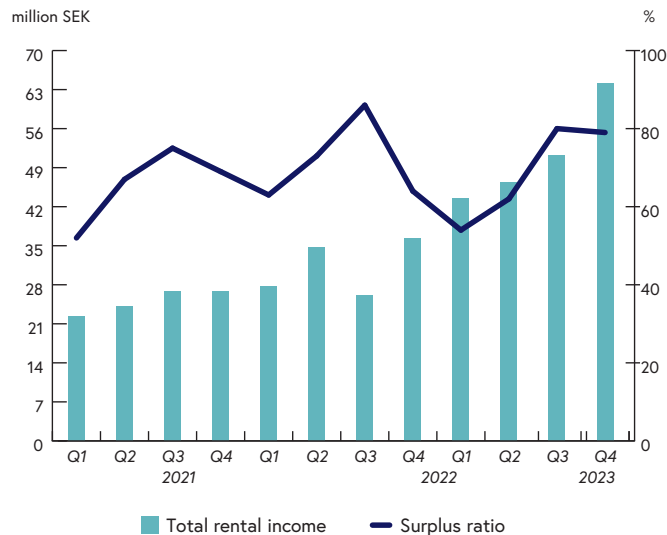
Arlandastad Group determines the value of management properties through external valuations by independent valuation agencies at each quarter. As of 31 December 2023, the properties have been valued externally by Forum Fastighetsekonomi AB, as in previous years. Average required rate of return for the portfolio stood at 6.9 per cent (6.5).

Key performance indicators, Property management

Net operating income, SEK million	162.4	93.0	50.1	23.2
Surplus ratio, %	79	66	78	64
Profit prior to changes in value, SEK million	26.2	9.7	26.0	-13.6
Underlying rental value, SEK million	237.8	186	237.8	186
Change in underlying rental value, %	27.9	29.5	7.5	7.9
Change in underlying rental value adjusted for acquired properties, %	27.9	9.7	7.5	8.2
Loan-to-value ratio, %	25	25	25	25
Market value of commercial properties, SEK million	2,593	2,341	2,593	2,341

	Accumulated		Quarter	
	Jan-Dec 2023	Jan-Dec 2022	Oct-Dec 2023	Oct-Dec 2022
Net operating income, SEK million	162.4	93.0	50.1	23.2
Surplus ratio, %	79	66	78	64
Profit prior to changes in value, SEK million	26.2	9.7	26.0	-13.6
Underlying rental value, SEK million	237.8	186	237.8	186
Change in underlying rental value, %	27.9	29.5	7.5	7.9
Change in underlying rental value adjusted for acquired properties, %	27.9	9.7	7.5	8.2
Loan-to-value ratio, %	25	25	25	25
Market value of commercial properties, SEK million	2,593	2,341	2,593	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 31 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 amounted to SEK 3,364 million (3,612).

In Explore Arlandastad, the average value of building rights has decreased from SEK 3,426 to SEK 3,181/square metre GTA. In Explore Skavsta, the building rights have been rated at an average value of SEK 287/square metre (302) GTA. Total project profit was 40 per cent for the period (35).

Key performance indicators, Property Development	Jan–Dec 2023	Jan–Dec 2022	Oct–Dec 2023	Oct–Dec 2022
Investments, SEK million	48	195	16	67
Project profit %	40	35	-	-
Average value of building rights Arlandastad (SEK/sq.m.)	3,181	3,426	3,181	3,426
Average value of building rights Skavsta (SEK/sq.m.)	287	302	287	302
Market value of development properties, SEK million	3,364	3,612	3,364	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 in the meeting and event arena of the same name.

Income from Operating activities amounted to SEK 223.2 million (170.2). Revenues from training activities contributed SEK 91.7 million (104.9) and airport operations provided SEK 70.3 million (36.2). Revenue from event operations in Scandinavian XPO amounted to SEK 61.2 million (23.3).

The business area's total order book, prebooked events, training, etc., totalled SEK 95.1 million (148.2) at the end of the period, of which SEK 87.5 million (99.7) is expected to be included in the accounts in the coming 12 months. The booking pattern for conferences has changed in recent years, resulting in shorter lead times. Orders received for Training Partner are affected by seasonal variations. Airport operations are not included in the order book.

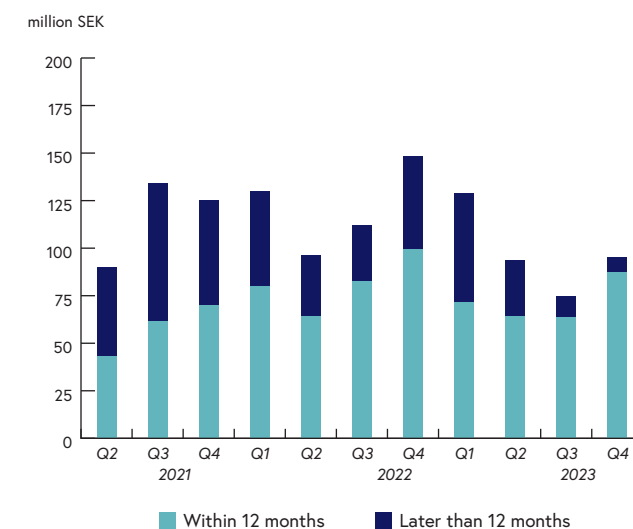
Gross loss totalled SEK -37.6 million (-20.2). The lower profit is mainly due to Stockholm Skavsta Airport. Profit prior to changes in value totalled SEK -84.2 million (-47.7). Administration costs increased during the fourth quarter, of which SEK 6.9 million refers to a correction of the amortisation of leasing costs for Stockholm Skavsta Airport in respect of 2022. Organisational changes are expected to have a positive impact on earnings of approximately SEK 8 million in 2024, and thereafter approximately SEK 12 million annually.

Key performance indicators	Jan-Dec 2023	Jan-Dec 2022
Operating activities, SEK million		
Income from Operating activities	223.2	170.2
Gross profit	-37.6	-20.2
Total order book	95.1	148.2
Order book coming 12 months	87.5	99.7

Total revenue and gross margin



Order book



Condensed income statement for the Parent Company

Amounts in SEK thousands	Jan-Dec 2023	Jan-Dec 2022	Oct-Dec 2023	Oct-Dec 2022
Rental income	9,989	21,693	-	5,069
Other operating income	11,576	10,132	2,582	2,965
Total revenue	21,565	31,825	2,582	8,034
Property expenses	-5,680	-10,106	-223	-3,247
Operating surplus	15,885	21,719	2,359	4,788
Administration costs	-44,819	-40,444	-12,415	-12,792
Depreciation and impairment of tangible fixed assets	-3,022	-40,504	-99	-36,433
Net financial items	152,977	-	4,782	-4,733
Sale of shares in subsidiaries	-	251,407	-	-
Profit from property management	121,021	192,178	-5,373	-49,171
Loss from divestment of property	-44,641	-	-	-
Balance sheet allocations	-28,727	-1,073	-	-6,673
Pre-tax profit	47,653	191,105	-5,373	-55,844
Tax on profit for the period	-4,703	706	-	706
Profit for the period	42,950	191,811	-5,373	-55,138

Income statement

The operations of the Parent Company, Arlandastad Group, consist of Group functions and Group administration. Total revenues for the period amounted to SEK 21.6 million (31.8). Rental income totalled SEK 10.0 million (21.7) and other income totalled SEK 11.6 million (10.1). Other operating income mainly relates to management fees and the re-invoicing of Group-wide costs to the subsidiaries.

Administration costs totalled SEK 44.8 million (40.4). Depreciation and impairment losses amounted to SEK 3.0 million (40.5). Net financial items amounted to SEK 153.0 million (0) 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 43.0 million (191.8).

Condensed statement of the Parent Company's financial position

Assets

Amounts in SEK thousands	31 Dec 2023	31 Dec 2022
Management properties	-	138,569
Participations in group companies	32,197	215,712
Receivables with Group companies	1,045,003	1,869,549
Other fixed assets	64,312	39,247
Fixed assets	1,141,511	2,263,077
Receivables with Group companies	66,186	-
Other current receivables	79,752	39,562
Cash and bank	75,581	340,761
Current assets	221,519	380,323
Total assets	1,363,031	2,643,399
Equity and liabilities		
Equity	982,853	939,903
Liabilities to credit institutions	-	1,503,262
Long-term liabilities	-	1,503,262
Liabilities to Group companies	218,723	167,969
Current liabilities	161,455	32,266
Current liabilities	380,178	200,235
Total equity and liabilities	1,363,031	2,643,399

Balance sheet

The Parent Company's balance sheet total was SEK 1,363.0 million (2,643.4). Equity amounted to SEK 982.9 million (939.9). The increase in equity comes from the profit for the period.

The property Norslunda 1:8 was sold internally during the second quarter of 2023 in connection with a restructuring of the Group's loan portfolio.

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
Equity 01/01/2022	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:					
Incentive programmes	-	-84	-	-	-84
Equity, 31 Dec 2022	569	530,918	216,605	191,811	939,903
Transfer of last year's profit	-	-	191,811	-191,811	-
Profit for the period	-	-	-	42,950	42,950
Transactions with owners					
Incentive programmes	-	-	-	-	-
Equity, 31 Dec 2023	569	530,918	408,416	42,950	982,853



Other information

Employees

At the end of the period, there were 148 (162) 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. 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

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.

Compensation from the Swedish Transport Administration for work linked to the planned Ostlänken railway line

In October 2023, Arlandastad Group's subsidiary Stockholm Skavsta Flygplats AB entered into an agreement with the Swedish Transport Administration relating to damages of SEK 385 million for remedial measures at the facility that will need to be carried during the period 2024–2027 in preparation for the development of the Ostlänken railway project. In December 2023, the company received a first payment under the agreement, amounting to SEK 100 million. An additional SEK 285 million will be received in the coming years, of which approximately SEK 150 million in 2024. In accordance with IAS 20, the company will recognise the received amounts as advances for measures that are to be implemented in order to meet the undertakings in the agreement. In this way, income will be recognised as costs for the undertakings arise, so that income is matched against expenses. To the extent that an amount remains, in accordance with the plan for the cost of the compensation, said amount will be recognised as revenue when the size of the cost for remaining undertakings can be assessed with the requisite level of reliability.

Rounding

In the year-end report, all figures are rounded according to the usual principle. Subtotals in tables have not been adjusted to get the totals to match. When adding up rounded subtotals, the total may therefore differ in some cases.

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 valuation is based on observable and unobservable input data. The observable data that has the greatest impact on the value mainly comprises current rents, actual operating and maintenance costs, planned investments and current vacancy rates. Input data that can be deemed unobservable includes required rates of return as well as expectations regarding rent and vacancy levels.

As in previous years, 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. In 2023, Forum Fastighet-sekonomi AB was engaged to estimate the fair value of the property holdings. The fees for valuations do not depend on the properties' market values. External valuations are carried out by authorised/certified valuers. The main method for carrying out valuations is a model where 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

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 the company, 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 regarding 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 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, 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

Arlandastad Group has one class of shares. The number of outstanding shares on 31 December 2023 totalled 63,255,586. The closing price on 29 December 2023 was SEK 31 per share, corresponding to a market value of SEK 1,961 million. As of 31 December 2023, the largest shareholders in Arlandastad Group AB comprised: Gelba Management AB with 46.6 per cent, Samhällsbyggnadsbolaget i Norden AB with 14.2 per cent and Styviken Invest AS with 9.8 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.

Dividends

The Board of Directors is proposing that no dividend be paid for the 2023 financial year, in line with the dividend policy.

Annual General Meeting

The Annual General Meeting will be held on 16 April 2024 in Sigtuna.

Events after the accounting date

Lars Thagesson has notified the Board and the Nomination Committee that he does not wish to be re-elected as a Board member at the Annual General Meeting of Arlandastad Group AB (publ) on 16 April 2024. The Nomination Committee has notified the Board that it intends to propose the re-election of all Board members apart from Lars Thagesson, as well as the new election of Krister Karlsson, COO of Samhällsbyggnadsbolaget i Norden AB, as a Board member, at the 2024 Annual General Meeting. The Nomination Committee's full proposal will be presented in connection with the notice to attend the Annual General Meeting.

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

Arlandastad, 15 February 2024.

The Board

Calendar

21 March 2024	Annual and Sustainability Report 2023
16 April 2024	Annual General Meeting
16 May 2024	Interim report for the period January–March 2024
18 July 2024	Interim report for the period January–June 2024
14 November 2024	Interim report for the period January–September 2024
13 February 2025	Year-end report 2024

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 February 2024 at 8.00 AM CET.

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.

Financial definitions

Average number of outstanding shares

Average number of outstanding shares during the period.

Debt/equity ratio, %

Reported equity at the end of the period as a percentage of the balance sheet total.

Gross profit Operating Activities

Income from operating activities minus operating costs for these activities.

Gross profit Property Management

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

Interest coverage ratio

Gross profit after financial income through financial costs.

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.

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.

Order book incomes from operating activities

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

Outstanding shares

Number of registered shares at end of period.

Profit per share, SEK

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

Return on equity, %

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

Property-related definitions

GLA, sq.m.

The Gross Leasable Area of the building(s).

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.

Project profit, %

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

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.

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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