

Interim Report, January – March 2024

Events in brief

Q1 January – March 2024

- Income totalled SEK 89.1 million (100.7), of which rental income increased by SEK 0.8 million and income from Operating activities decreased by SEK 12.9 million
- Gross profit totalled SEK 9.2 million (14.5)
- Profit for the period totalled SEK -40.0 million (-71.3). Expenses from Operating activities decreased as a result of organisational changes and efficiency improvements
- The Swedish Transport Administration paid SEK 100 million in preventive damage compensation linked to the construction of the Ostlänken railway line
- Business activity during the quarter consisted of, among other things, new and extended lease agreements, an agreement on the expansion of premises for the Swedish Coast Guard, and the opening of a new office hotel in Arlandastad

Significant events after the end of the period

- The subsidiary Skavsta Flygplats AB signed an agreement to acquire 50 per cent of a property comprising 57,000 sq.m. of land in Skavsta and to enter into a JV with Fjellskärs Gård AB for the development of the property. Arlandastad Group's share of the purchase price will amount to SEK 11.5 million. The deal is expected to be completed in Q3, 2024
- The subsidiary Skavsta Flygplats AB signed an agreement to sell approximately 7,300 sq.m. of land in Skavsta to Connect Skavsta Property AB for SEK 17 million, corresponding to a land value of SEK 2,329 per sq.m. The impact on earnings of the sale, with a capital gain of approximately SEK 16.8 million, is expected in Q3, 2024

Property portfolio market value

6,487MSEK

Income

89.1MSEK

Cash and cash equivalents

365.3MSEK

NAV per share

85SEK

	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Financial performance indicators			
Income, SEK million	89.1	100.7	421.7
Gross profit, SEK million	9.2	14.5	111.9
Profit prior to changes in value, SEK million	-39.4	-34.4	-89.5
Pre-tax profit, SEK million	-41.6	-63.9	-128.4
Profit for the period, SEK million	-40.0	-71.3	-127.4
Profit per share, prior to dilution, SEK	-0.6	-1.1	-2.0
Profit per share, after dilution, SEK	-0.6	-1.1	-2.0
Cash flow from operating activities after changes in working capital, SEK million	23.1	-58.1	-106.3
Cash and cash equivalents at the end of the period	365.3	276.0	234.2
Loan-to-value ratio, properties, %	25	25	25
Return on equity, %	-2.1	10.0	-2.8
Properties, key performance indicators			
Market value properties, SEK million	6,487	6,586	6,515
Change in underlying rental value, %	-1.0	-4.3	27.9
Underlying rental value, SEK million	235.4	178.6	237.8
Surplus ratio, %*	68	67	75
Realised changes in value of properties, SEK million	-0.2	-	-
Unrealised changes in value of properties, SEK million	-9.0	-26.2	-40.1
Share			
Net asset value (NAV), per share, SEK	85	87	86

*The surplus ratio for the periods Jan–Mar 2023 and Jan–Dec 2023 has been restated after reclassification of costs in Skavsta from operating costs to property expenses.

Improved earnings and strengthened liquidity

Profit for the period increased despite lower income in the first quarter of the year. Further measures to improve profitability are being implemented according to plan and are expected to have a gradual effect during the year. Liquidity was strengthened by the receipt of preventive compensation from the Swedish Transport Administration for the work on the construction of the Ostlänken railway line.

Income for the first quarter totalled SEK 89.1 million (100.7), of which rental income amounted to SEK 39.4 million (38.6). Income from Operating activities decreased to SEK 48.5 million (61.4), mainly due to a strong comparative quarter for event activities in the preceding year during Sweden's presidency of the EU in the first half of 2023, as well as lower passenger numbers in Skavsta. Profit for the period totalled SEK -40.0 million (-71.3). Cash flow from operating activities after changes in working capital totalled SEK 23.1 million (-58.1), and cash and cash equivalents at the end of the period amounted to SEK 365.3 million (276.0).

New business and partners

The project profit in the Property Development business area was 39 per cent (34) for the quarter, and over time the project profit has amounted to approximately 30 per cent. The strong historical and current margin demonstrates the strength of our business model.

When a sale is transacted, the values that exist in the land we are developing are made particularly apparent. In Skavsta, we signed an agreement to sell 7,300 sq.m. of land to Connect Skavsta Property AB. The purchase price of SEK 17 million, or SEK 2,329 per sq.m., can be very favourably compared to the valuation of the building rights in Skavsta at SEK 287 per sq.m. The impact on earnings of the sale, with a capital gain of approximately SEK 16.8 million, is expected in the third quarter.

After the end of the first quarter, we also signed an agreement to form a new joint venture and acquire 50 per cent of a property of 57,000 sq.m.



Signals regarding upcoming interest rate cuts, as well as ongoing and future infrastructure investments, are helping to strengthen interest in strategically located areas such as ours.

in order to develop the area with the previous owner Fjellskärs Gård AB. Four buildings of 2,500 sq.m. each are planned on the property for letting to parties who conduct operations in connection with the airport. The deal also means that Skavsta's currently second largest long-term parking facility will close, which will have a positive impact on the long-term parking we operate.

In Arlandastad there was, among other things, a continuation of the development of the F60 Business Park comprising approximately 125,000 sq.m., which is being run with Swiss Life and Cavandium as partners. We also continued the work on the construction of the 1,700 sq.m. building for Bankomat AB, together with our partner BRA Bygg AB. The premises are expected to be ready for occupancy this autumn.

Infrastructure investments strengthen interest

We continue to create business and develop our areas. Despite turbulence in the outside world, the business situation is better and confidence in the future is brighter. Signals regarding upcoming interest rate cuts, as well as ongoing and future infrastructure investments, are helping to strengthen interest in strategically located areas such as ours.

Collaborations with municipalities, companies and public authorities contribute to the development of our areas and to sustainable infrastructure. The expansion of the Ostlänken railway line is an example of this. The new railway line, which runs across the land in Skavsta, will improve the transport options for the 3 million or so people who live in its vicinity. A station is also being built at Stockholm Skavsta Airport, which increases accessibility for both private individuals and those who work in all the societally important functions at the airport.

Increased pace with focus on profitability and liquidity

In summary, we are planning for a faster pace of property development during the year in both Skavsta and Arlandastad, with continued strong focus on improving profitability and safeguarding liquidity.

Dieter Sand

Managing Director and CEO

This is Arlandastad Group

Arlandastad Group identifies and utilises the potential in large strategically placed areas, thus creating value for investors and for society at large. We control the entire value chain from land acquisition to long-term management, and we conduct operating activities in cases where this adds value to the property transaction.

Long-term goals

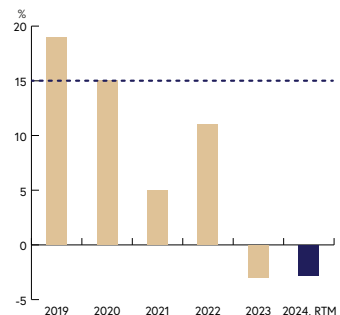
Return on equity

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

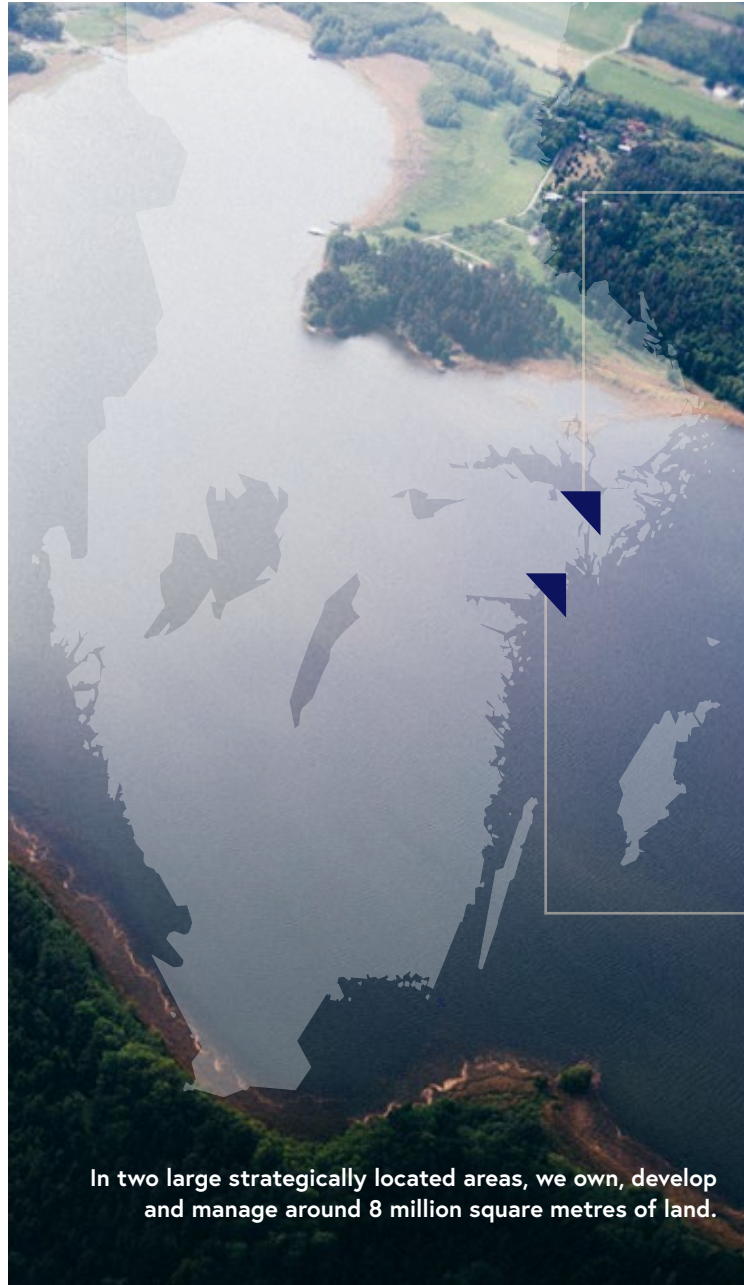
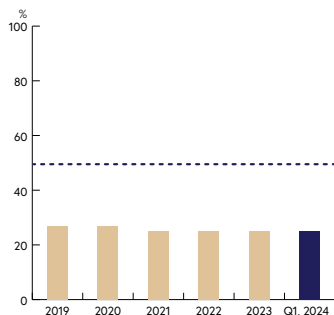
Loan-to-value ratio, properties

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

Return on equity



Loan-to-value ratio, properties



In two large strategically located areas, we own, develop and manage around 8 million square metres of land.

Two of Sweden's largest development projects

Project development in Explore Arlandastad

- Work on construction of a building for Bankomat of 1,700 sq.m. with BRA Bygg
- Continued work on building a bakery of 10,000 sq.m. for Bake My Day
- Detailed planning work that is expected to generate in excess of 1 million sq.m. of building rights when they are accepted

Project development in Explore Skavsta

- Agreement to sell approximately 7,300 sq.m. of land to Connect Skavsta Property for SEK 17 million, corresponding to a land value of SEK 2,329 per sq.m.
- Agreement to acquire 50 per cent of a property comprising 57,000 sq.m. of land in Skavsta, joint venture with Fjellskärs Gård for the development of the property

Developments in Operating activities

- Lower flight activity at Stockholm Skavsta Airport as Wizz Air has temporarily reduced traffic due to fewer available aircraft (Norwegian is commencing this year's flights from 1 April, at which time they will start with year-round traffic)
- Stable business situation in Training Partner
- Lower activity in Scandinavian XPO compared to the strong comparative period in 2023

Projects and building rights

Ongoing projects

Location	Projects	Type of project	Status	Planned area (sq.m.)	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
Explore Arlandastad	F60 Business Park (JV 50%)	Business park	Project development	124,392	2022–2027	1,813	1,685	1%
Explore Arlandastad	Bake My Day (JV, associated company 49%)	Bakery	Project development	9,676	2022–2024	205	85	100%
Explore Arlandastad	Bankomat (JV 50%)	Warehousing and distribution	Project development	1,695	2023–2024	40	15	100%
Explore Arlandastad	Scandinavian XPO – Phase 2	Offices, service, hotel, healthcare	Project development	16,550	2020–2025	160	65	34%
Subtotal				152,313		2,218	1,850	-

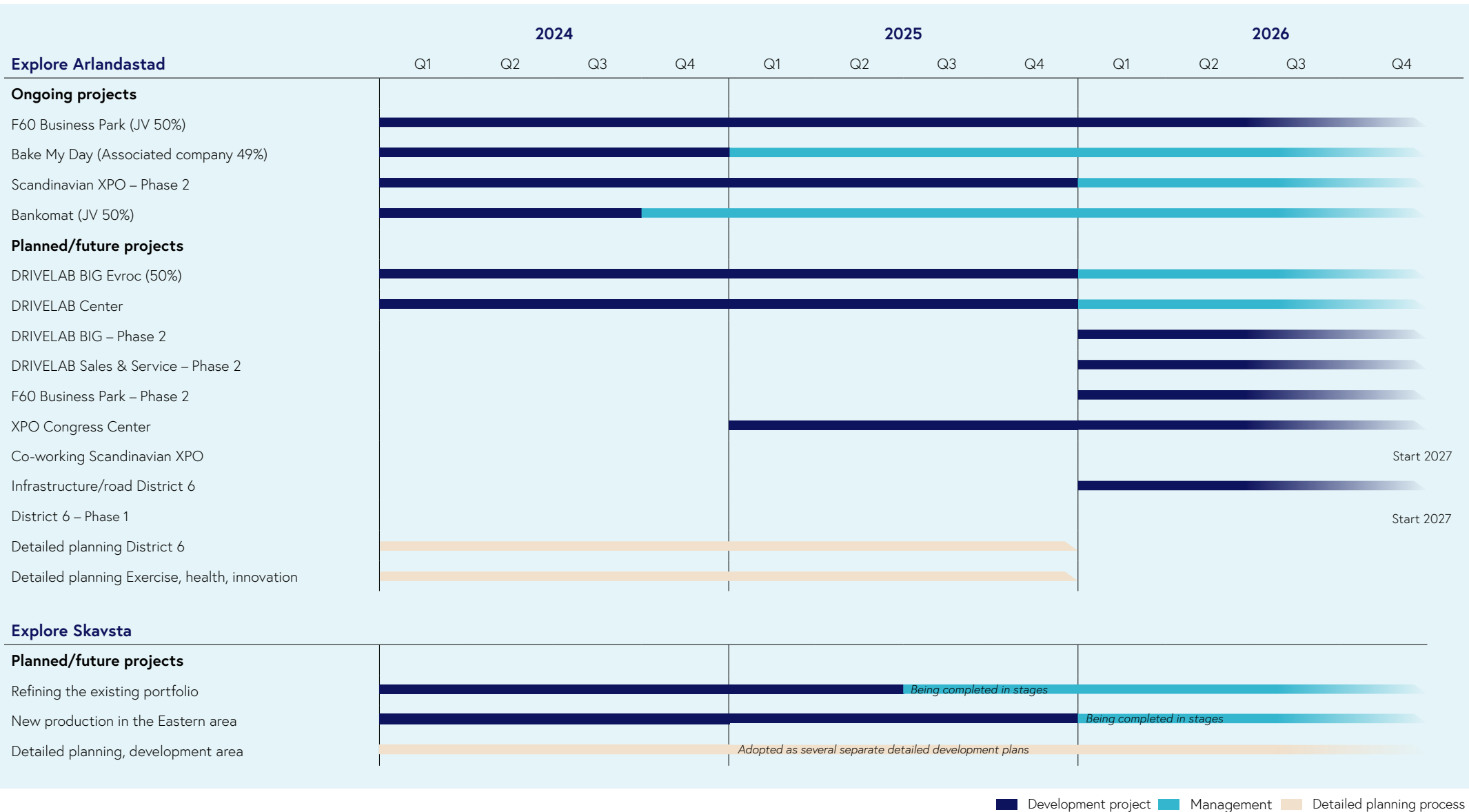
Planned/future projects

Location	Projects	Type of project	Phase	Planned area (sq.m.)	Timetable	Estimated investment (SEK million)	Of which remaining, (SEK million)	Occupancy rate
Explore Arlandastad	DRIVELAB BIG Evroc (50%)	Data centre	Project development	3,500	2024–2025	130	130	-
Explore Arlandastad	DRIVELAB Center	Production/warehousing	Project development	1,900	2024–2025	28	28	-
Explore Arlandastad	DRIVELAB BIG – Phase 2	Training and conferences	Project development	4,500	2026–2027	90	90	-
Explore Arlandastad	DRIVELAB Sales & Service – Phase 2	Car sales and service	Project development	9,000	2026–2027	95	95	-
Explore Arlandastad	F60 Business Park – Phase 2	Business park	Project development	38,000	2026–2028	551	551	-
Explore Arlandastad	XPO Congress Center	Congress/hotel	Project development	10,000	2025–2027	300	300	-
Explore Arlandastad	Scandinavian XPO co-working	Offices	Project development	6,000	2027–2028	120	120	-
Explore Arlandastad	Infrastructure/road District 6	Infrastructure/road	Detailed planning process		2026–2027	50	50	-
Explore Arlandastad	District 6 – Phase 1	Offices and businesses	Detailed planning process	17,000	2027–	375	375	-
Explore Skavsta	Refining the existing portfolio Skavsta	Tenant adaptation	Project development	5,000	2024–2025	100	100	-
Explore Skavsta	New production in the Eastern area	Offices/business	Project development	10,000	2024–2025	150	150	-
Subtotal				104,900		1,989	1,989	-

Building rights

Location	Projects	Type of project	Phase	Building rights (sq.m.)	Timetable
Explore Arlandastad	Accepted	Not specified	Project development	492,151	-
Explore Skavsta	Accepted	Not specified	Project development	605,000	-
Explore Arlandastad	Accepted in JV/associated company	Not specified	Project development	135,763	-
Explore Arlandastad	In detailed planning process, estimated	Not specified	Detailed planning process	500,000	–2025
Explore Arlandastad	In detailed planning process, estimated	Not specified	Detailed planning process	150,000	–2025
Explore Skavsta	In detailed planning processes, estimated	Not specified	Detailed planning process	430,000	2023–
Subtotal				2,298,129	

Project phases over the next three years



■ Development project ■ Management ■ Detailed planning process

Sustainable development

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

Since Arlandastad Group controls the entire value chain from land acquisition to long-term management of completed properties, the company can influence both the environment and ecosystems in connection with the development of areas and the climate impact in connection with the construction and operation of properties. The real estate sector has a major impact on people and the environment. Our focus is on minimising negative impact and making a positive contribution whenever possible. Arlandastad Group strives to reduce greenhouse gas emissions within our operations and in the production chain. When developing land, we take responsibility for natural resources, biodiversity and water management. We also take into account climate-related risks entailed by climate change.

Systematic sustainability work

Arlandastad Group's sustainability framework addresses material sustainability areas. The framework is integrated into the business through systematic sustainability work with goals, key initiatives, activities and KPIs to enable measurement of results and progress.

Events during the period

Feasibility study – Energy strategy

In line with the company's overall climate goals, a feasibility study was carried out during the first quarter. The purpose of the study is to evaluate the potential for solar power production and/or energy storage and to understand the property's conditions for installation of solar power and/or energy storage systems, with regard to the roof, land, electricity, grid, etc. The results of the feasibility study indicate significant potential for efficiency improvement.



We make way for the future

Current environmental certifications

Projects	Status	Year	Certification	Level	Project type
DRIVELAB Test Track 1	Completed	2013	CEEQUAL	Very Good	Civil engineering project
DRIVELAB Sales & Service	Completed	2015	Miljöbyggnad	Silver	New construction
Long-term parking P1	Completed	2017	CEEQUAL	Excellent	Land project
DRIVELAB BIG	Completed	2019	Miljöbyggnad	Silver	New construction
Scandinavian XPO – Existing hotel	Ongoing	Q1 2024	BREEAM Refurbishment	Very Good (under processing)	Redevelopment
Scandinavian XPO – New hotel	Ongoing	Q1 2024	BREEAM New Construction	Excellent (under processing)	New construction
Scandinavian XPO – Event	Ongoing	Q1 2024	BREEAM New Construction, Bespoke	Excellent (under processing)	New construction and redevelopment
Scandinavian XPO – Phase 2*	Ongoing	2025	BREEAM In Use	Very Good or Excellent (Application in progress)	Redevelopment
Bake My Day	Ongoing	Q4 2024	Miljöbyggnad	Silver	New construction

* For Scandinavian XPO – Phase 2, one and the same certification applies to all tenants and premises. Choice of level affects the possible timetable.

KPI, sustainable development	2024, LTM	Jan–Dec 2023
Energy intensity, kWh/sq.m. Atemp*	149	131
KPI, sustainable development	Jan–Mar 2024	Jan–Dec 2023
Number of workplace accidents	0	2

* Total energy use from heating, cooling, tenant electricity and property electricity divided by the average estimated total heated leased area, excluding garage space.

Climate footprint Jan–Mar 2024

Scope	Value	Unit
Scope 1	73.32	tonnes CO2e
Scope 2 market based	161.74	tonnes CO2e
Scope 2 location based	171.84	tonnes CO2e
Scope 3 Leased assets	9.05	tonnes CO2e

Scope 1: Direct emissions from sources controlled by the company.
 Scope 2: Indirect emissions from purchased energy (such as electricity, steam, heating, cooling) generated at the producer site.
 Scope 3: Indirect emissions not covered by scope 1 or 2, for example purchased goods and services.

Condensed statement of the Group's comprehensive income

Amounts in SEK thousands	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Rental income	39,434	38,634	184,008
Income from Operating activities	48,523	61,395	223,215
Other operating income	1,152	693	14,472
Income	89,109	100,722	421,695
Property expenses*	-26,780	-25,616	-94,470
Expenses from Operating activities*	-53,151	-60,632	-215,280
Gross profit	9,177	14,474	111,945
Administration costs**	-23,237	-23,689	-108,016
Profit from divestment of equipment	-	-	2,173
Financial income	1,938	14	7,435
Financial expenses**	-27,310	-25,157	-103,037
Profit prior to changes in value	-39,433	-34,358	-89,500
Profit from participations in associated companies	7,072	-3,382	1,176
Realised changes in value of properties	-239	-	-
Unrealised changes in value of properties	-9,019	-26,180	-40,106
Pre-tax profit	-41,619	-63,920	-128,430
Tax on profit for the period	1,634	-7,414	1,039
Profit for the period	-39,985	-71,334	-127,391
Other comprehensive income	-	-	-
Total comprehensive income	-39,985	-71,334	-127,391
Profit for the period attributable to			
Shareholders of the Parent Company	-37,537	-67,418	-136,587
Non-controlling interests	-2,448	-3,916	9,196
– of which share of profit for the period	-	-	-
Comprehensive income for the period attributable to			
Shareholders of the Parent Company	-37,537	-67,418	-136,587
Non-controlling interests	-2,448	-3,916	9,196
– of which share of other comprehensive income	-	-	-
<i>Profit per share, before/after dilution, SEK</i>	<i>-0.6</i>	<i>-1.1</i>	<i>-2.0</i>

* There has been a reclassification in Q1 2024 relating to the recognition of property expenses in Skavsta, whereby costs attributable to the operation of properties are recognised as property expenses. These costs were previously recognised as expenses from Operating activities in their entirety. The figures for the comparative period Jan–Mar 2023 have been reclassified by SEK 5 million, and the figures for the entire year Jan–Dec 2023 have been reclassified by SEK 18.6 million. The reclassification has not had any effect on gross profit.

** In previous years, depreciation has been made on lease agreements recognised in accordance with IFRS 16. This principle has changed in 2024 whereby the lease agreements are classified as perpetual agreements according to IFRS 16. No depreciation will be made in the future on lease agreements. Depreciation made in previous years of SEK 2 million has been reversed. This has resulted in lower administration costs and higher interest expenses in Q1 2024.

Turnover and profit

The Group's income totalled SEK 89.1 million (100.7), of which SEK 39.4 million (38.6) relates to rental income and SEK 48.5 million (61.4) comes from Operating activities. Of income from Operating activities, SEK 24.0 million (25.2) was attributable to training activities, SEK 11.7 million (14.8) to airport operations and SEK 12.8 million (21.5) to event activities. Income from airport operations decreased due to fewer available aircraft from Wizz Air. When it comes to event activities, the comparative period was positively affected by letting operations during Sweden's presidency of the EU in the first half of 2023.

Property expenses amounted to SEK 26.8 million (25.6). Expenses from Operating activities decreased to SEK 53.2 million (60.6) as a result of the implementation of organisational changes and efficiency improvements. There has been a reclassification in Q1 2024 relating to the recognition of property expenses in Skavsta. This means that costs attributable to the operation of properties in Skavsta are recognised as property expenses and no longer in their entirety as expenses from Operating activities. The figures for the comparative period have been reclassified by SEK 5 million. Gross profit totalled SEK 9.2 million (14.5), of which SEK 26.2 million (19.0) relates to profit from property management and SEK -17 million (-10.2) relates to profit from Operating activities.

Administration costs totalled SEK 23.2 million (23.7). In previous years, depreciation has been made on lease agreements recognised in accordance with IFRS 16. This principle has changed in 2024 whereby the lease agreements are classified as perpetual agreements according to IFRS 16. Depreciation made in previous years of SEK 2 million has been reversed, resulting in decreased administration costs and increased interest expenses in Q1 2024. Net financial items totalled SEK -25.4 million (-25.1).

Profit from participations in associated companies amounted to SEK 7.1 million (-3.4) and was affected by a positive change in value in new production projects. Unrealised changes in value of management properties amounted to SEK -9.0 million (-26.2). All of the Group's properties were valued externally, by Forum Fastighetsekonomi, as of 31 March 2024.

Tax on profit for the period amounted to SEK 1.6 million (-7.4) and includes deferred tax on divested properties of SEK 3.1 million (0.0). The figures in the comparative period include incorrectly recognised tax of SEK -10.8 million attributable to deferred tax on management properties. Profit for the period amounted to SEK -40.0 million (-71.3), corresponding to earnings per share of SEK -0.6 (-1.1).

Condensed statement of the Group's financial position

Assets

Amounts in SEK thousands	31/03/2024	31/03/2023	31/12/2023
Goodwill	15,718	15,718	15,718
Other intangible assets	970	401	844
Management properties	5,934,300	5,945,150	5,956,550
Operating properties	544,624	570,713	549,575
Right-of-use assets	10,615	10,185	9,529
Inventories	1,765	3,091	1,750
Other fixed assets	81,315	81,516	79,884
Participations in associated companies	339,976	328,345	332,904
Fixed assets	6,929,281	6,952,029	6,946,754
Current receivables	190,196	136,074	232,960
Cash and cash equivalents	365,323	275,970	234,216
Current assets	555,519	412,044	467,176
Total assets	7,484,800	7,364,073	7,413,930

Equity and liabilities

Equity	4,481,723	4,577,740	4,521,707
Long-term liabilities	1,427,345	1,629,984	1,427,345
Advances	200,000	-	100,000
Long-term lease liabilities	3,220	7,607	1,461
Deferred tax liability	914,873	924,960	916,507
Provisions	50,000	50,000	50,000
Long-term liabilities	2,595,438	2,612,551	2,495,313
Current liabilities	170,386	23,229	170,386
Current lease liabilities	6,730	3,024	7,404
Current tax liabilities	20,316	2,383	21,939
Other current liabilities	210,207	145,139	197,181
Current liabilities	407,639	173,776	396,910
Total equity and liabilities	7,484,800	7,364,073	7,413,930

Properties

Arlandastad Group's property portfolio consists of a total of 14 management and operating properties, in addition to which the company holds a significant amount of building rights. The commercial properties consist of management properties and properties that are treated as operating properties for reporting purposes. According to an external valuation, the market value of the properties as at 31 March 2024 was SEK 6.49 billion, compared with SEK 6.52 billion at year-end. The property portfolio also includes a land facility located on leased land. During the first quarter, the market value of the building rights decreased by SEK 9 million. The market value of the management properties decreased by SEK 13 million from the beginning of the year, while the market value of the operating properties decreased by SEK 5 million. In total, the market value of the commercial properties decreased by SEK 18 million during the first quarter compared to the market value as at 31 December 2023 (see tables on page 10). In this report, the operating properties are recognised at book value.

Valuation method

Valuation of the property portfolio is carried out by external, 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 model). The calculation period used in the valuation is 10–20 years. For building rights and raw land, the market value is assessed on the basis of the local price method by comparing with contracts for transfers of similar objects. The large amount of building rights in the Group means that not all building rights are deemed to be able to be developed at the same time. An assumption of "waiting time" is made in the valuation, whereby the value of the building rights is calculated to present value with a "waiting interest rate" from the intended time of development to today's date. The interest rate has been assessed at 4 per cent, and the waiting time at 0-20 years in Arlandastad and 0-50 years in Skavsta. For more information on the valuation method, see the Annual Report for 2023, note 14, page 62.

Assumptions about the use of building rights made in the valuation of these (excluding joint ventures)

Arlandastad

Time	Proportion	Sq.m. GTA
Now	2%	19,843
0–3 years	5%	49,608
4–5 years	32%	317,488
6–10 years	33%	327,410
11–15 years	18%	178,587
16–20 years	10%	99,215

Skavsta

Time	Proportion	Sq.m. GTA
Now	8%	43,000
0–10 years	8%	50,000
10–20 years	8%	50,000
20–40 years	8%	50,000
40+ years	68%	412,000

Assumptions about required rate of return

Assessment of required rate of return has been made individually for each property. A present value calculation of all cash flows is performed in the model with a discount rate corresponding to the assumed required rate of return and the average inflation assumption during the calculation period. The average required rate of return as of 31 March amounted to 6.88 per cent (6.89). The range for the average required rate of return is 6.50 – 9.25 per cent (6.47 – 9.25 per cent).

Material input data for property valuation

Valuation assumptions, weighted average	31 Mar 2024	31 Dec 2023
Calculation period, number of years	10–20	10–20
Annual inflation	2%	2%
Rent development, per year	2%	2%
	9.06%	9.08%
Discount rate	(8.58%–11.44%)	(8.58%–11.44%)
	6.88%	6.89%
Average required rate of return	(6.50%–9.25%)	(6.47%–9.25%)
Average long-term vacancy rate	6.6%	8.5%

Sensitivity analysis

The estimate of the market value of the properties is based on future earnings capacity and the market's required rate of return and always contains a degree of uncertainty. The table below shows the change in market value based on changes in individual valuation parameters.

Sensitivity analysis, market value	Change in assumption of SEK thousands	31 Mar 2024,
Rent	+/- 10%	251,846
Operating costs	+/- 10%	-46,151
Discount rate	+1 %pt.	-233,623
Discount rate	-1 %pt.	268,240
Required rate of return	+1 %pt.	-98,769
Required rate of return	-1 %pt.	135,311
Long-term vacancy rate	+3 %pt.	-130,458

Participations in associated companies

Participations in associated companies totalled SEK 339.9 million (332.9) and consist primarily of participations in the joint venture Arlandastad F60 AB of SEK 269.7 million (228.7) and Arlandastad Extra Fem AB (Bake My Day) of SEK 70.1 million (63.9). The participations have been recognised using the equity method.

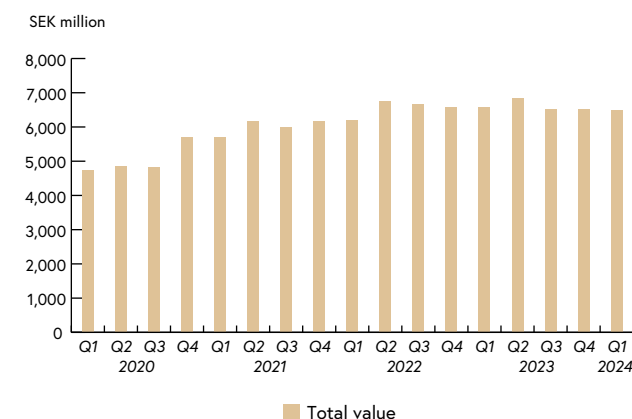
Carrying amount, operating properties

Amounts in SEK million	Jan–Mar 2024	Jan–Dec 2023
Opening acquisition value	550	575
Investments in existing properties	1	15
Reclassification to management properties	-	-10
Depreciation for the period	-6	-30
Closing carrying amount	545	550
Market value of operating properties	553	558

Market value, management properties

Amounts in SEK million	Jan–Mar 2024	Jan–Dec 2023
Market value as of 1 January	5,956	5,953
Investments in existing properties	2	33
Divestments	-15*	-
Reclassifications	-	11
Unrealised changes in value	-9	-40
Market value at the end of the period	5,934	5,956
Distribution of market value, management properties		
Commercial properties	2,580	2,593
Building rights	3,354	3,363

Property portfolio market value



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 market value of management and operating properties including building rights.

Equity

Arlandastad Group's balance sheet total was SEK 7.5 billion (7.4) at the end of the period. Equity amounted to SEK 4.5 billion (4.5). The Group's debt/equity ratio amounted to 60 per cent (61). The return on equity, rolling twelve months, stood at -2.1 per cent (10.0).

Taxes

Deferred tax liabilities as of 31 March 2024 totalled SEK 914.9 million (925.0). 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 the 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 1,597.0 million at the end of the period and were thus unchanged compared with year-end. The average interest rate for financing stood at 6.45 per cent (5.20). The interest coverage ratio was 1.4 (1.1). The average term of the loans in the company is 1.7 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. As of 31 March 2024, the company fulfilled all covenants according to the loan agreement with the bank.

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 first quarter.

Distribution of interest-bearing liabilities

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

Schedule of due dates for credit liabilities, 31 March 2024

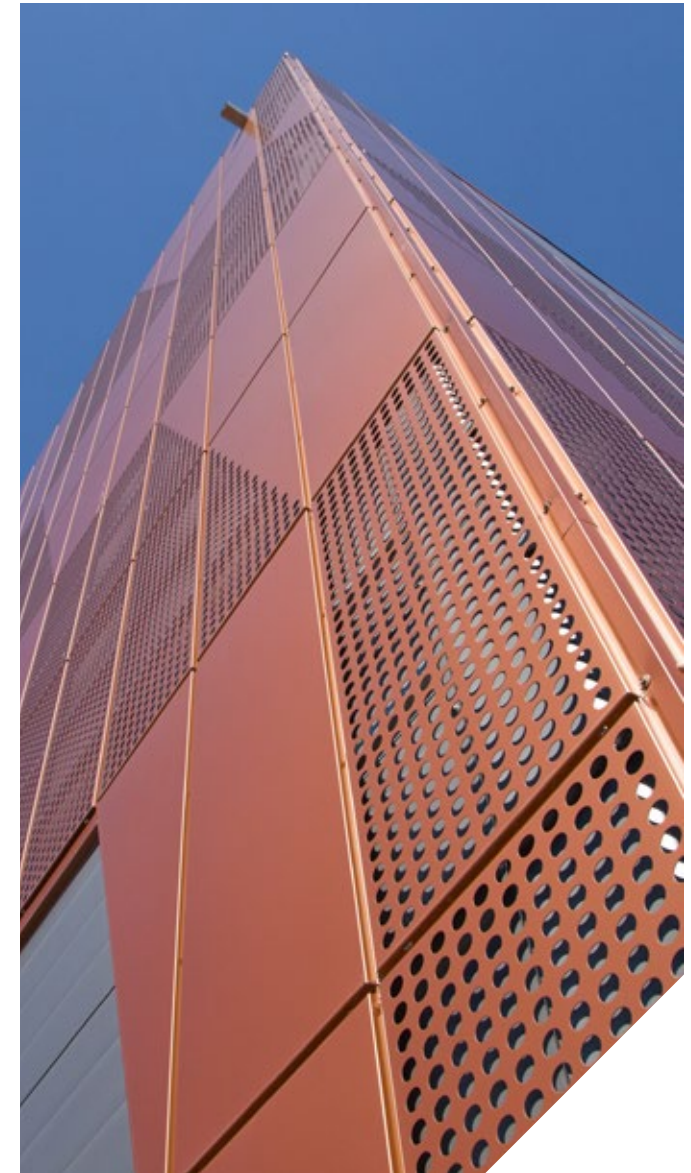
Credit agreements	SEK million	Proportion, %
0–1 years	150.0	9%
1–2 years	886.2	55%
2–3 years	50.0	3%
3–4 years	510.8	32%
4–5 years	0.0	0%
> 5 years	0.0	0%
Total	1,597.0	100%

*Relates to divestment of property for Bankomat to JV.

**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 SEK thousands	Share capital	Other contributed equity	Profit brought forward	Non-controlling interests	Total equity
Equity 01/01/2023	569	834,256	3,813,022	1,227	4,649,073
Profit for the period Jan–Mar 2023	-	-	-67,418	-3,916	-71,334
Equity 31/03/2023	569	834,256	3,745,604	-2,689	4,577,740
Profit for the period Apr–Dec 2023	-	-	-69,169	-13,112	-56,057
Profit from mergers	-	25	-	-	25
Equity 31/12/2023	569	834,281	3,676,435	10,423	4,521,707
Profit for the period Jan–Mar 2024	-	-	-37,537	-2,448	-39,985
Other comprehensive income	-	-	-	-	-
Equity 31/03/2024	569	834,281	3,638,898	7,975	4,481,723



Consolidated cash flow statement

Amounts in SEK thousands	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Pre-tax profit	-41,619	-63,920	-128,430
Adjustments for items not included in the cash flow*	10,557	48,785	92,154
Total	-31,062	-15,135	-36,276
Tax paid	-1,213	-1,472	19,843
Cash flow from operating activities prior to changes in working capital	-32,275	-16,607	-16,433
Cash flow from changes in working capital			
Change in inventories	-15	-91	1,250
Change in operating receivables	42,356	12,152	-89,587
Change in operating liabilities	13,025	-53,522	-1,481
Cash flow from operating activities	23,091	-58,068	-106,251
Investing activities			
Investments in properties	-6,594	-30,724	-63,955
Divestment of properties	14,761	-	-
Acquisition of intangible fixed assets	-151	-	-427
Divestment of intangible fixed assets	-	16	-
Acquisition of financial assets	-	-26,342	-28,987
Cash flow from investing activities	8,016	-57,050	-93,369
Financing activities			
Loans raised from credit institutions	-	-	50,000
Advances received	100,000	-	100,000
Repayment of loan liabilities	-	-3,218	-110,471
Cash flow from financing activities	100,000	-3,218	39,529
Cash flow for the period	131,107	-118,336	-160,091
Cash and cash equivalents at the start of the period	234,216	394,307	394,307
Cash and cash equivalents at the end of the period	365,323	275,970	234,216

* There has been a change in the reporting of cash flow whereby the cash flow statement is based on pre-tax profit, in accordance with IAS 7. The figures for the comparative periods have been restated, which has resulted in the item "Adjustments for items not included in the cash flow" being increased by the change in value of properties and profit from participations in associated companies. See the table on the right.

Interest received and paid

During the first quarter of 2024, the Group received SEK 1.9 million (0.0) in interest income and paid SEK 6.5 million (22.3) in interest expenses. In 2023, the Group received SEK 7.4 million in interest income and paid SEK 104.1 million in interest expenses.

Cash flow and liquid assets

Cash flow for the period totalled SEK 131.1 million (-118.3), which consists of cash flow from operating activities of SEK 23.1 million (-58.1), investing activities of SEK 8.0 million (-57.0) and financing activities of SEK 100.0 million (-3.2).

Cash flow from operating activities before changes in working capital amounted to SEK -32.3 million (-16.6). Non-cash items totalled SEK 10.6 million (48.8). The change in working capital amounted to SEK 55.4 million (-41.4).

The cash flow from investing activities of SEK 8.0 million (-57.1) relates to investments in properties of SEK -6.6 million (-30.7) and divestment of properties of SEK 14.8 million (0.0).

The cash flow from financing activities of SEK 100 million (-3.2) relates to a payment received from the Swedish Transport Administration of SEK 100 million, which is included in the item Advances received. Cash and cash equivalents at the end of the period amounted to SEK 365.3 million (276.0).

Adjustments for items not included in the cash flow, SEK thousands	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Depreciation and impairment losses	8,371	19,223	53,224
Capital gains from divestment of properties	239	-	-
Unrealised changes in value of properties	9,019	26,180	40,106
Profit from participations in associated companies	-7,072	3,382	-1,176
Total	10,557	48,785	92,154

Segment accounting – Business areas

Arlandastad Group consists of three business areas, which are also its accounting segments: Property Development, Property Management and Operating Activities.

Property Development includes concept development and realisation of the existing land portfolio comprising around 8 million sq.m. split between two of Sweden's largest development projects, Explore Arlandastad and Explore Skavsta. The work consists of land acquisition, detailed planning, project development and the conversion of existing properties into new operations. Property Management is responsible for the operation and maintenance of properties, including lease agreements, maintenance, financial management and contact with tenants. Operating Activities consist of business-related training, conference and event activities as well as airport operations.

There has been a reclassification in Q1 2024 relating to the recognition of property expenses in Skavsta. Previously, Skavsta's property expenses were recognised as expenses from operating companies in their entirety. Costs attributable to the operation of properties are recognised as property expenses. The figures for the comparative period Jan–Mar 2023 have been reclassified by SEK 5 million, and the figures for the entire year Jan–Dec 2023 have been reclassified by SEK 18.6 million. This means that the figures in the table for segment accounting have also been reclassified, which has entailed a movement of costs from the Operating Activities segment to the Property Management segment.

Group 2024 Jan–Mar, SEK thousands	Property development	Property management	Operating activities	Group-wide and eliminations	Total
Rental income	277	50,099	3,286	-14,229	39,434
Income from Operating activities	-	85	48,523	-85	48,523
Other income	443	61	626	22	1,152
Operating income	720	50,245	52,435	-14,292	89,109
Property expenses	-445	-15,873	-4,022	-37	-20,378
Depreciation of properties	-	-5,995	-408	-	-6,402
Expenses from Operating activities	-	-2,166	-65,009	14,024	-53,151
Gross profit	275	26,212	-17,005	-305	9,177
Administration costs	-323	-7,029	-9,418	-6,467	-23,237
Net financial items	1,884	-23,728	671	-4,200	-25,372
Profit prior to changes in value	1,837	-4,545	-25,759	-10,919	-39,433
Profit from participations in associated companies	7,072	-	-	-	7,072
Realised changes in value of properties	-	-239	-	-	-239
Unrealised changes in value of properties	-12,293	3,274	-	-	-9,019
Pre-tax profit	-3,385	-1,510	-25,759	-10,919	-41,619
Market value of properties	3,354,000	2,580,300	553,000	-	6,487,300

Group 2023 Jan–Mar, SEK thousands	Property development	Property management	Operating activities	Group-wide and eliminations	Total
Rental income	6,282	41,288	2,210	-11,146	38,634
Income from Operating activities	-	-	61,395	-	61,395
Other income	-	16	500	176	693
Operating income	6,282	41,304	64,105	-10,970	100,722
Property expenses	-333	-13,819	-2,855	-158	-17,165
Depreciation of properties	-	-8,451	-	-	-8,451
Expenses from Operating activities	-	-	-71,481	10,489	-60,632
Gross profit	5,949	19,034	-10,231	-279	14,474
Administration costs	-967	-8,873	-6,695	-7,154	-23,689
Net financial items	2	-24,345	-809	9	-25,143
Profit prior to changes in value	-4,984	-14,184	-17,735	-7,424	-34,358
Realised changes in value of properties	-3,382	-	-	-	-3,382
Unrealised changes in value of properties	-3,922	-22,258	-	-	-26,180
Pre-tax profit	-2,320	-36,442	-17,735	-7,424	-63,920
Market value of properties	3,612,250	2,332,900	641,000	-	6,586,150

Property Management business area

Rental income totalled SEK 50.1 million (41.3)*. The increase is mainly attributable to increased turnover-based rent and indexation, as well as operations in Skavsta.

Property expenses totalled SEK 15.9 million (13.8), and depreciation on operating properties amounted to SEK 6.0 million (8.5). Gross profit amounted to SEK 26.2 million (19.0). The increase mainly comes from indexation and increased turnover-based rent as well as Skavsta.

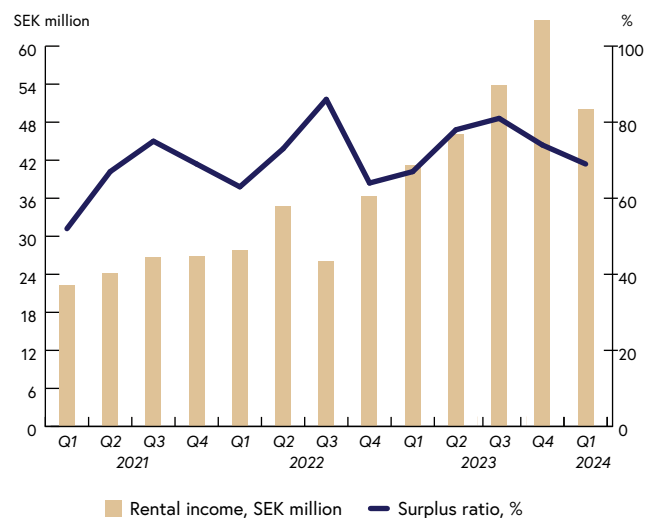
Administration costs totalled SEK 7.0 million (8.9). Financial items amounted to SEK -23.7 million (-24.3) and are primarily related to interest costs for loan financing. The average interest rate for the financing was 6.45 per cent (5.20) for the period.

Profit prior to changes in value totalled SEK -4.5 million (-14.2). Arlandastad Group determines the value of management properties through external valuations by independent valuation agencies at each quarter. As of 31 March 2024, the properties have been valued externally by Forum Fastighetsekonomi AB. The average required rate of return for the property portfolio was unchanged from the beginning of the year and stood at 6.9 per cent (6.9).

The underlying rental value amounted to SEK 235.4 million (237.8). The change is essentially due to the divestment of the property for Bankomat to the joint venture company.

* The rental income includes intra-group rents, which are eliminated at Group level, see tables on page 13.

Rental income and surplus ratio



Key performance indicators, Property management

	Quarter		
	Jan–Mar 2024	Jan–Mar 2023	Full year Jan–Dec 2023
Net operating income, SEK million	34.2	27.5	154.3
Surplus ratio, %	68	67	75
Profit prior to changes in value, SEK million	-4.5	-14.2	18.2
Underlying rental value, SEK million	235.4	179.0	237.8
Change in underlying rental value, %	-1.0	4.0	27.9
Change in underlying rental value adjusted for acquired properties, %	-1.0	-0.1	27.9
Market value of commercial properties, SEK million	2,580	2,333	2,593



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.

Explore Arlandastad is a development project of 2.9 million sq.m. between Stockholm and Uppsala, next to the E4 motorway and close to Stockholm Arlanda Airport. As of 31 March 2024, less than ten per cent of the potential building rights of a gross total area (GTA) of approximately 1.3–1.4 million square metres in Explore Arlandastad had been utilised.

Explore Skavsta is a 4.8 million sq.m. development project at Nyköping and Stockholm Skavsta Airport, close to the E4 motorway and the Port of Oxelösund, and where the future Ostlänken railway line will run.

The value of building rights and the development properties in Arlandastad Group amounts to SEK 3,354 million, a decrease of SEK 10 million from the beginning of the year and of SEK 258 million compared with the corresponding period in 2023. The decrease in value during the twelve-month period is due to generally higher required rates of return.

Since the turn of the year, the average value of the building rights in Explore Arlandastad decreased from SEK 3,181 to SEK 3,167 per square metre GTA. During the same period, the average value of the building rights in Explore Skavsta increased from SEK 287 to SEK 310 per square metre GTA. The total project profit was 39 per cent (40).

Key performance indicators, Property development

	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Investments, SEK million	2	22	48
Project profit, %	39	34	40
Average value of building rights Arlandastad (SEK/sq.m.)	3,167	3,426	3,181
Average value of building rights Skavsta (SEK/sq.m.)	310	302	287
Market value of development properties, SEK million	3,354	3,612	3,364



Operating Activities business area

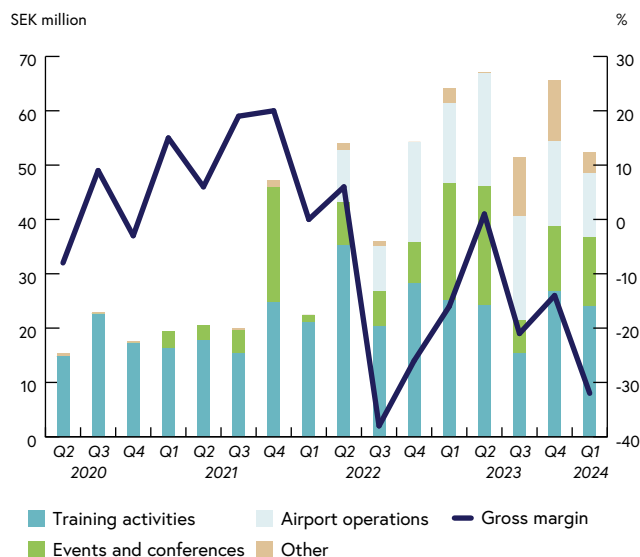
The Operating Activities business area mainly comprises three subsidiaries: Training Partner, Scandinavian XPO and Stockholm Skavsta Airport. Scandinavian XPO conducts event activities in the meeting and event arena of the same name. Training Partner offers training courses and events for dealers and general agents in the automotive industry. Stockholm Skavsta Airport operates the airport in Skavsta.

Operating income from Operating activities amounted to SEK 52.4 million (64.1) for the period. Revenues from training activities contributed SEK 24.0 million (25.2), and airport operations provided SEK 11.7 million (14.8). Revenues from event activities in Scandinavian XPO amounted to SEK 12.8 million (21.5), with revenues in the comparative period having been positively impacted by the letting of premises to Government Offices of Sweden during Sweden's presidency of the EU, which lasted until 30 June 2023.

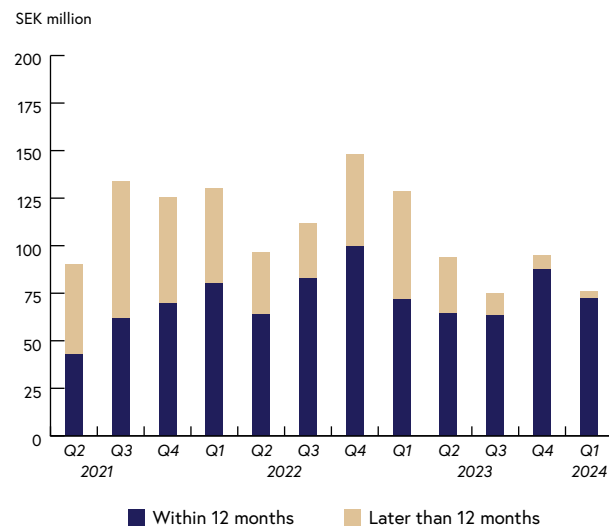
The business area's total order book, pre-booked events, training, etc. totalled SEK 76.2 million (129.0) at the end of the period, of which SEK 72.2 million (71.7) is expected to be included in the accounts in the coming twelve months. Airport operations are not included in the order book. Gross profit totalled SEK -17.0 million (-13.5). The lower profit is mainly due to Stockholm Skavsta Airport.

Key performance indicators, Operating activities, SEK million	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Operating income from Operating activities	52.4	64.1	223.2
Gross profit	-17.0	-13.5	-37.6
Total order book	76.2	129.0	95.1
Order book coming 12 months	72.2	71.7	87.5

Total revenue and gross margin



Order book



Condensed income statement for the Parent Company

Amounts in SEK thousands	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Rental income	-	5,378	9,989
Other operating income	1,948	2,872	11,576
Total revenue	1,948	8,250	21,565
Property expenses	-37	-2,816	-5,680
Operating surplus	1,911	5,434	15,885
Administration costs	-10,844	-9,785	-44,819
Depreciation and impairment of tangible fixed assets	-100	-1,394	-3,022
Net financial items	-1,963	-4,909	152,977
Profit from property management	-10,996	-10,655	121,021
Loss from divestment of property	-	-	-44,641
Appropriations	-	-	-28,727
Pre-tax profit	-10,996	-10,655	47,653
Tax on profit for the period	-	-	-4,703
Profit for the period	-10,996	-10,655	42,950
Comprehensive income for the Parent Company			
Profit for the period as per the income statement	-10,996	-10,655	42,950
Other comprehensive income for the period	-	-	-
Comprehensive income for the period	-10,996	-10,655	42,950

Income statement

The operations of the Parent Company, Arlandastad Group, consist of Group functions and Group administration. Total revenue for the period amounted to SEK 1.9 million (8.3), of which rental income amounted to SEK 0.0 million (5.4). The lack of rental income is due to last year's restructuring of the loan portfolio, whereby properties and loans were moved from the Parent Company to a sub-group. Other operating income amounted to SEK 1.9 million (2.9) and relates mainly to management fees and the re-invoicing of Group-wide costs to subsidiaries.

Administration costs totalled SEK 10.8 million (9.8). Depreciation and impairment losses amounted to SEK 0.1 million (1.4). Net financial items amounted to SEK -2.0 million (-4.9). The Parent Company's profit for the period amounted to SEK -11.0 million (-10.7).

Condensed statement of the Parent Company's financial position

Assets	31/03/2024	31/03/2023	31/12/2023
Amounts in SEK thousands			
Management properties	-	137,385	-
Participations in Group companies	32,197	215,712	32,197
Receivables from Group companies	874,740	1,728,736	1,045,003
Other fixed assets	64,254	68,982	64,312
Fixed assets	971,191	2,150,816	1,141,512
Receivables from Group companies	77,687	24,629	66,186
Other current receivables	41,755	32,383	79,752
Cash and bank	123,520	249,743	75,581
Current assets	242,962	306,755	221,519
Total assets	1,214,153	2,457,571	1,363,031
Equity and liabilities			
Equity	971,857	929,248	982,853
Liabilities to credit institutions	-	1,498,281	-
Long-term liabilities	-	1,498,281	-
Liabilities to Group companies	87,758	-	218,723
Current liabilities	154,538	30,041	161,455
Current liabilities	242,296	30,041	380,178
Total equity and liabilities	1,214,153	2,457,571	1,363,031

Equity and indebtedness

The Parent Company's balance sheet total amounted to SEK 1,214.2 million, compared with SEK 1,363.0 million at year-end and SEK 2,457.6 million at the corresponding point in time in 2023. Equity amounted to SEK 971.9 million, compared with SEK 982.9 million at year-end and SEK 929.2 million at the end of the first quarter of 2023.

In connection with a restructuring of the Group's loan portfolio, the property Norslunda 1:8 was sold internally during the second quarter of 2023, which is the reason for the decrease in the item Management properties.

The Parent Company's statement of changes in equity

Amounts in SEK thousands	Share capital	Other contributed equity	Profit brought forward	Profit for the period	Total equity
Equity 01/01/2023	569	530,918	216,605	191,811	939,903
Transfer of previous year's profit	-	-	191,811	-191,811	-
Profit for the period Jan–Mar 2023	-	-	-	-10,565	-10,565
Equity 31/03/2023	569	530,918	408,416	-10,565	929,248
Profit for the period Apr–Dec 2023	-	-	-	53,605	53,605
Equity 31/12/2023	569	530,918	408,416	42,950	982,853
Transfer of previous year's profit	-	-	42,950	-42,950	-
Profit for the period Jan–Mar 2024	-	-	-	-10,996	-10,996
Other comprehensive income	-	-	-	-	-
Equity 31/03/2024	569	530,918	451,366	-10,996	971,857



Other information

Employees

At the end of the period, the number of full-time employees was 131 (162).

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. In this context, subsidiaries and associated companies are related parties to the Parent Company. For more information, see notes 21 and 22 on page 64 of the Annual Report for 2023.

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 accord-

ance with the five-step model, which can be found in IFRS 15. The Group's income reported in accordance with IFRS 15 consists of income from training for the automotive industry and income from event activities.

Income from Operating activities

Income from Operating activities is reported in accordance with IFRS 15. The income 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.

Comparative figures

Comparative figures in parentheses for profit and loss items refer to the outcome for the corresponding period in the previous year. Comparative figures in parentheses for balance sheet items refer to the outcome at the end of the previous year.

Management properties

Management properties are properties held for the purpose of generating rental income and/or increases in value. Management properties are initially recognised at acquisition value, including directly attributable transaction costs. After the initial recognition, management properties are recognised at fair value.

Fair value is primarily based on return-based valuations according to the cash flow model. This means that future cash flows that the property is expected to generate are forecasted and discounted to a present value. Building rights are valued based on local price studies, the status of the planning process and determined divestment values. For more information on the valuation of management properties, see Note 14 Management properties on pages 61-62 of the Annual Report for 2023.

To ensure that the valuations are accurate, independent external valuation consultants are used. In the first quarter of 2024, Forum Fastighetsekonomi AB was engaged to estimate the fair value of the property holdings. 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 build-

ing rights, the market value is assessed using an extended local price method by comparing with contracts for transfers of similar objects.

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.

Both unrealised and realised changes in value are recognised in the income statement. Unrealised changes in value are calculated on the basis of valuation at the end of the period compared to valuation at the beginning of the period, or acquisition value if the property was acquired during the period, taking into account the investments made during the period. Additional expenditures are capitalised when it is likely that future economic benefits associated with the expenditure will be received by the Group and thus increase the value, and the expenditure can be reliably determined. Other maintenance costs and repairs are recognised in the income statement on an ongoing basis in the period in which they arise. The Group only reclassifies a property from a management property when there is a change in the area of use. A change in the area of use occurs when the property ceases to meet the definition of a management property and there is evidence of the change in the area of use.

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 for the purpose of generating rental income and/or value increase and another part is used in the business, the

company 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, the company 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.

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.

Reporting of cash flow

There has been a change in the reporting of cash flow whereby the cash flow statement is based on pre-tax profit, in accordance with IAS 7. The figures for the comparative periods have been restated, which has resulted in the item "Adjustments for items not included in the cash flow" being increased by the change in value of properties and profit from participations in associated companies.

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. In March 2024, an additional SEK 100 million was received. An additional SEK 185 million will be received in the coming years, of which approximately SEK 50 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.

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.

Access to borrowed capital has varied in a strained capital market, with rising credit margins as a result. In addition to the above, the Group's and the Parent Company's risks and risk management are described in the Annual Report for 2023. No significant changes have been made to the company's assessment of risks after the publication of the Annual Report for 2023.

Ownership structure

The number of outstanding shares on 31 March 2024 totalled 63,255,586. The closing price on 28 March 2024 was SEK 29.50 per share, corresponding to a market value of SEK 1,866 million. As of 28 March 2024, 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.

Annual General Meeting 2024

At Arlandastad Group's Annual General Meeting on 16 April 2024, the Annual Report for 2023 was adopted. No dividend was decided. The Board of Directors shall consist of eight ordinary members. For the period until the next Annual General Meeting, Krister Karlsson

was elected as a new Board member, while Peter Wågström, Leif West, Per Taube, Sunniva Fallan Röd, Maria Rankka, Tomas Rudin and Peter Markborn were re-elected. Peter Wågström was also appointed Chairman. Lars Thagesson was not re-elected as a Board member at his own request.

The Annual General Meeting reached a decision on a long-term incentive programme ("LTIP 2024"), as well as the issue of warrants and the subsequent transfer of shares and/or warrants. For more information, see: arlandastadgroup.se/sv/bolagsstyrning/bolagsstamma

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 decide on the issue of shares, convertibles and/or warrants entailing a dilution of the share capital as of the Annual General Meeting by no more than 10 per cent.

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, Leif West was elected as Deputy Chairman of the Board.

Events after the accounting date

The subsidiary Stockholm Skavsta Flygplats AB signed an agreement to acquire 50 per cent of a property comprising 57,000 sq.m. of land in Skavsta and to enter into a JV with Fjellskärs Gård AB for the development of the property. Arlandastad Group's share of the purchase price will amount to SEK 11.5 million. The deal is expected to be completed in Q3, 2024.

The subsidiary Stockholm Skavsta Flygplats AB signed an agreement to sell approximately 7,300 sq.m. of land in Skavsta to Connect Skavsta Property AB for SEK 17 million. The selling price corresponds to a land value of SEK 2,329 per sq.m. The impact on earnings of the sale, with a capital gain of approximately SEK 16.8 million, is expected in Q3, 2024.

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

Arlandastad, 16 May 2024

Dieter Sand, CEO

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 person on 16 May 2024 at 8.00 AM CET.

Calendar

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

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, attributable to shareholders of the Parent Company.

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 income 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 reversal 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.

Average required rate of return Average required rate of return is comprised of the weighted average of the estimated required rate of return for the residual value calculation for each property.

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

Rental value Contracted annual rents, including turnover-based 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.

Derivation of key performance indicators

Arlandastad Group presents certain financial performance indicators that are not defined in accordance with IFRS, but which are common practice in the real estate industry. The company feels that these key performance indicators provide valuable supplementary information to external stakeholders as they are used to describe the development of the business and increase comparability between periods. Because companies calculate key performance indicators in different ways, these key performance indicators are not always comparable to those used by other companies. These key performance indicators should therefore not be viewed as a substitute for key performance indicators defined in accordance with IFRS. The table below presents key performance indicators that are not defined according to IFRS, unless otherwise stated, as well as reconciliation of the key performance indicators.

Surplus ratio

SEK thousands	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Rental income	50,099	41,288	205,134
Property expenses	-15,873	-13,819	-50,751
Net operating income	34,226	27,469	154,383
Surplus ratio	68%	67%	75%

Definition

Net operating income, excluding depreciation on operating properties, in the Property Management segment, as a percentage of reported rental income.

Explanation

Used to highlight ongoing earnings in property management.

Interest coverage ratio, Property Management

SEK thousands	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Net operating income	34,226	27,469	154,383
Financial expenses	-23,728	-24,345	-94,208
Interest coverage ratio	1.4	1.1	1.6

Definition

Net operating income from the Property Management segment, excluding depreciation on operating properties, through financial expenses.

Explanation

Used to highlight the company's sensitivity to interest rate changes.

Profit per share (SEK)

	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023
Profit for the period	-39,985	-71,334	-127,391
Average number of outstanding shares	63,255,586	63,255,586	63,255,586
Profit per share	-0.6	-1.1	-2.0

Definition

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

Explanation

Used to highlight the return on the shares.

Derivation of key performance indicators

Loan-to-value ratio, properties

SEK thousands	31 Mar 2024	31 Mar 2023	31 Dec 2023
Interest-bearing liabilities	1,597,731	1,653,213	1,597,731
Fair value of properties	6,478,924	6,515,863	6,506,125
Loan-to-value ratio	25%	25%	25%

Definition

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

Explanation

Used to highlight the company's financial risk.

Return on equity

SEK thousands	31 Mar 2024	31 Mar 2023	31 Dec 2023
Profit for the period (R12)	-96,042	427,589	-127,391
Opening equity	4,582,393	4,149,730	4,651,396
Closing equity	4,473,748	4,582,393	4,520,258
Average equity	4,528,071	4,366,062	4,585,827
Return on equity	-2%	10%	-3%

Definition

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

Explanation

Shows the company's ability to generate a return on equity invested by the company's owners.

Debt/equity ratio

SEK thousands	31 Mar 2024	31 Mar 2023	31 Dec 2023
Equity	4,481,723	4,577,740	4,521,707
Balance sheet total	7,484,800	7,364,073	7,413,930
Debt/equity ratio	60%	62%	61%

Definition

Reported total equity at the end of the period in relation to the balance sheet total.

Explanation

Used to highlight the company's financial position.

Net asset value (NAV), per share

SEK thousands	31 Mar 2024	31 Mar 2023	31 Dec 2023
Equity	4,481,723	4,577,740	4,521,707
Deferred tax liability	914,873	924,960	916,507
Outstanding shares	63,255,586	63,255,586	63,255,586
Net asset value	5,396,596	5,502,700	5,438,214
Net asset value (NAV), per share	85.3	87.0	86.0

Definition

Reported equity with reversal of deferred tax, divided by the number of outstanding shares at the end of the period.

Explanation

Used to provide stakeholders with information on the company's long-term net asset value per share calculated in a uniform manner for listed property companies.

For further information, please contact:

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