



Interim report

Slättö

Value  
Add I

Q4

January–December

2021

Org.number: 556994-4464

SLÄTTÖ

# The period in summary

## About Slättö Value Add 1

Slättö Value Add 1 AB is a Swedish public limited liability company registered with the Swedish Financial Supervisory Authority as a Swedish Alternative Investment Fund. The fund is managed by Slättö Förvaltning AB.

The fund is focused on development of residential properties with a clear emphasis on rental apartments, with the addition of investments in cash flow generating industrial and logistics properties.

## Quarter October – December 2021

- The fund has entered into an agreement to divest eleven properties through its logistics and warehouse platform Evolv. The properties, totaling approx. 41,000 sqm, are located in attractive and highly accessible last mile sites in Stockholm, Mälardalen and Norrköping. The portfolio is acquired by Swedish Logistic Property ("SLP"). Part of the consideration is paid in shares, making the fund a minority owner in SLP after the transaction.
- Finalized construction of a long-stay hotel in Uppsala. The tenant took the property into use in December.
- Entered into an agreement to sell the residential project Reträtten in Örebro to Sveaviken Bostad for SEK 259 million, corresponding to SEK 46,000 /sqm. Closing will take place during 2022.
- A decision was made to return a land allocation in Lund to the municipality.
- Closed the divestment of the residential asset Hyllie Gärde with Patrizia and repaid the construction loan facility of SEK 570 million.

## Period January – December 2021

- Entered into an agreement with K2A Knaust & Andersson Fastigheter AB (publ) regarding the sale of the residential property Rödalen 1 in Norrtälje for SEK 550 million. The project comprises 191 rental apartments and approximately 10,785 sqm. The transaction is carried out as a forward-commitment where Slättö will finalize the project prior to closing of the transaction.
- The company issued a senior unsecured bond of SEK 500 million. The bond has a coupon of 7.5 per annum and matures in 2024.
- Finalized construction of two residential development projects in Lund and Uppsala comprising 100 apartments.
- Finalized construction of an industrial development project in Uppsala for a company that works with work-zone safety.
- The dividend decided at the Annual General Meeting of SEK 110 million was paid out in two installments.

## Events after the end of the period

- After the end of the period Botvid Holding (publ), of which the fund owns 22 per cent, has divested a residential project in Slagsta Strand in Botkyrka to NREP. No other significant events have occurred after the end of the reporting period.

## Notable risks and uncertainties

The group is exposed to different financial risks through its business. Financial risks are fluctuations in the group's profit and loss and cash flow that arise from changes in e.g. changes in the rate of interests. The group is mainly exposed to commercial risks, refinancing risks, project risks, interest rate risks and tax risks.

### Keydata

TSEK	Oct–Dec 2021	Oct–Dec 2020	Jan–Dec 2021	Jan–Dec 2020
Result from property management	70,513	154,521	115,963	162,886
Profit before tax	126,357	172,003	361,540	297,079
Shareholders' equity	2,352,307	2,075,512	2,352,307	2,075,512
Total assets	3,666,884	4,350,902	3,666,884	4,350,902
Equity ratio, %	64.2	47.7	64.2	47.7

### Shareholders

	Number of shares	Share of share capital (%)
Result from property management	500 000	100,0
	<b>500 000</b>	<b>100,0</b>

### Related party transactions

The group purchases management services from related parties. The transactions are carried out at an arm's length.



# Financial reports

## CONSOLIDATED INCOME STATEMENT

TSEK	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Rental income	15,003	10,726	63,352	37,382
Other income	3,895	1,715	9,952	5,748
Operating costs	-8,132	-5,059	-35,514	-17,258
<b>Operating earnings</b>	<b>10,766</b>	<b>7,382</b>	<b>37,790</b>	<b>25,872</b>
Central administration	-16,637	-16,446	-58,085	-49,093
Results from associated companies/joint ventures	37,310	160,492	76,321	178,192
Results from other financial assets	48,498	2,765	87,074	36,920
Results from sale of properties	-509	5,445	2,884	4,809
Financial income	7,452	6,805	29,123	9,534
Financial expenses	-16,367	-11,922	-59,144	-43,348
<b>Result from property management</b>	<b>70,513</b>	<b>154,521</b>	<b>115,963</b>	<b>162,886</b>
Income, residential development	13,067	10,053	387,787	24,004
Costs, residential development	-28,612	-9,638	-387,747	-22,561
<b>Result before changes in value</b>	<b>54,968</b>	<b>154,936</b>	<b>116,003</b>	<b>164,329</b>
Changes in value, properties	70,783	17,067	245,030	132,750
Changes in value, derivatives	606	-	507	-
<b>Profit before tax</b>	<b>126,357</b>	<b>172,003</b>	<b>361,540</b>	<b>297,079</b>
Taxes	73,137	-7,920	25,143	-34,327
<b>Profit for the period</b>	<b>199,494</b>	<b>164,083</b>	<b>386,683</b>	<b>262,752</b>
<b>Consolidated report of comprehensive income</b>				
Other comprehensive income	-	-	-	-
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net comprehensive income for the year</b>	<b>199,494</b>	<b>164,083</b>	<b>386,683</b>	<b>262,752</b>
Attributable to:				
Parent Company shareholders	172,941	158,383	322,387	229,634
Non-controlling interest	26,553	5,700	64,296	33,118

## CONSOLIDATED BALANCE SHEET

TSEK	Dec 31, 2021	Dec 31, 2020
<b>Fixed assets</b>		
Investment properties	1,393,689	1,760,514
Land lease agreements	-	1,877
Participations in associated companies/joint ventures	643,607	528,827
Receivables from associated companies/joint ventures	3,482	93,457
Derivatives	507	-
Other long-term receivables	57,429	58,683
<b>Total fixed assets</b>	<b>2,098,714</b>	<b>2,443,358</b>
<b>Current assets</b>		
Properties classified as current assets	61,477	1,097,753
Accounts receivable	22,499	13,906
Receivables from group companies	-	6,214
Receivables from associated companies/joint ventures	463,139	363,732
Other current receivables	492,822	279,555
Prepaid expenses and accrued income	4,404	7,189
Liquid funds	523,829	139,195
<b>Total current assets</b>	<b>1,568,170</b>	<b>1,907,544</b>
<b>TOTAL ASSETS</b>	<b>3,666,884</b>	<b>4,350,902</b>

# CONSOLIDATED BALANCE SHEET

TSEK	Dec 31, 2021	Dec 31, 2020
<b>Equity</b>		
Share capital	556	556
Other capital contributed	1,049,177	1,049,177
Retained profits including net profit for the year	843,852	631,410
<b>Shareholders' equity attributable to the Parent Company's shareholders</b>	<b>1,893,585</b>	<b>1,681,143</b>
Non-controlling interest	458,722	394,369
<b>Total shareholders' equity</b>	<b>2,352,307</b>	<b>2,075,512</b>
<b>Long-term liabilities</b>		
Deferred tax liability	61,116	89,411
Long-term interest-bearing liabilities	899,087	860,531
Long-term liabilities to associated companies/ joint ventures	-	25,000
Other long-term liabilities	75,077	16,100
Leasing liabilities	-	1,877
<b>Total long-term liabilities</b>	<b>1,035,280</b>	<b>992,919</b>
<b>Current liabilities</b>		
Short-term interest-bearing liabilities	46,443	933,231
Accounts payable	30,886	23,846
Current liabilities to associated companies/ joint ventures	6,755	5,932
Tax liability	849	6,480
Current liabilities to group companies	7,568	8,655
Other current liabilities	149,428	280,117
Accrued expenses and prepaid income	37,368	24,210
<b>Total current liabilities</b>	<b>279,297</b>	<b>1,282,471</b>
<b>Total liabilities</b>	<b>1,314,577</b>	<b>2,275,390</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,666,884</b>	<b>4,350,902</b>

## CONSOLIDATED CASH FLOW STATEMENT

TSEK	Oct–Dec 2021	Oct–Dec 2020	Jan–Dec 2021	Jan–Dec 2020
<b>Current operations</b>				
Result before changes in value	54,968	154,936	116,003	164,329
Adjustment for items not included in the cash flow	-88,371	-168,732	-183,244	-219,921
Difference between paid interest and financial expenses	2,054	1,180	10,452	1,835
Difference between received interest and financial income	-2,601	-5,718	-24,272	-8,447
Income tax paid	-5,636	286	-14,112	68
<b>Cash flow from current operations before changes in working capital</b>	<b>-39,586</b>	<b>-18,048</b>	<b>-95,173</b>	<b>-62,136</b>
<b>Changes in working capital</b>				
Change in properties classified as current assets	-39,692	-26,654	54,900	-280,777
Change in operating receivables	11,828	67,077	66,763	-6,341
Change in operating liabilities	-126,507	180,954	-123,389	186,453
<b>Cash flow from current operations</b>	<b>-193,957</b>	<b>203,329</b>	<b>-96,899</b>	<b>-162,801</b>
<b>Investment operations</b>				
Acquisition of properties	-	-11,182	-24,000	-103,565
Investment in properties	-202,114	-73,749	-438,713	-401,599
Divestment of properties	1,619,864	5,726	1,892,931	178,566
Acquisition and divestment of associated companies/joint ventures	-2,500	-299	-51,954	143,872
Acquisition of subsidiary, net cash effect	-	-	-47,453	-
Change of other long-term receivables	49,814	-243,485	-686	-348,256
<b>Cash flow from investment operations</b>	<b>1,465,064</b>	<b>-322,989</b>	<b>1,330,125</b>	<b>-530,982</b>
<b>Financing operations</b>				
New share issue	-	-	-	161,677
Paid dividend	-	-54,957	-109,913	-105,044
Transactions with non-controlling interests	-	-	-	12
Received payments co-operative	-	4,773	-	4,773
Proceeds from borrowing	14,232	77,094	705,206	594,566
Repayment of borrowing	-860,833	-1,271	-1,443,885	-86,849
<b>Cash flow from financing operations</b>	<b>-846,601</b>	<b>25,639</b>	<b>-848,592</b>	<b>569,135</b>
Total cash flow	424,506	-94,021	384,634	-124,648
Liquid funds at the beginning of the period	99,323	233,216	139,195	263,843
<b>Liquid funds at the end of the period</b>	<b>523,829</b>	<b>139,195</b>	<b>523,829</b>	<b>139,195</b>

## CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY

TSEK	Shareholders' equity attributable to the parent company's shareholders				Non-controlling interest	Total shareholders' equity
	Share capital	Other capital contributed	Retained profits including net profit for the year	Total		
<b>Total equity January 1, 2020</b>	<b>496</b>	<b>887,539</b>	<b>506,855</b>	<b>1,394,890</b>	<b>361,224</b>	<b>1,756,114</b>
<b>Net comprehensive income for the year</b>						
Profit for the period			229,634	229,634	33,118	262,752
Other comprehensive income			-	-	-	-
<b>Total net comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>229,634</b>	<b>229,634</b>	<b>33,118</b>	<b>262,752</b>
<b>Contributions from and transfers of value to the company's owners</b>						
Share issue	60	161,638		161,698		161,698
Dividend			-105,044	-105,044		-105,044
<b>Total contributions from and transfers of value to the company's owners</b>	<b>60</b>	<b>161,638</b>	<b>-105,044</b>	<b>56,654</b>	<b>-</b>	<b>56,654</b>
<b>Transactions with non-controlling interests</b>						
Changes in non-controlling interests			-35	-35	27	-8
<b>Total transactions with non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-35</b>	<b>-35</b>	<b>27</b>	<b>-8</b>
<b>Shareholders' equity December 31, 2020</b>	<b>556</b>	<b>1,049,177</b>	<b>631,410</b>	<b>1,681,143</b>	<b>394,369</b>	<b>2,075,512</b>
<b>Total equity January 1, 2021</b>	<b>556</b>	<b>1,049,177</b>	<b>631,410</b>	<b>1,681,143</b>	<b>394,369</b>	<b>2,075,512</b>
<b>Net comprehensive income for the year</b>						
Profit for the period			322,387	322,387	64,296	386,683
Other comprehensive income			-	-	-	-
<b>Total net comprehensive income or the year</b>	<b>-</b>	<b>-</b>	<b>322,387</b>	<b>322,387</b>	<b>64,296</b>	<b>386,683</b>
<b>Contributions from and transfers of value to the company's owners</b>						
Dividend			-109,913	-109,913		-109,913
<b>Total contributions from and transfers of value to the company's owners</b>	<b>-</b>	<b>-</b>	<b>-109,913</b>	<b>-109,913</b>	<b>-</b>	<b>-109,913</b>
<b>Transactions with non-controlling interests</b>						
Changes in non-controlling interests			-32	-32	57	25
<b>Total transactions with non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-32</b>	<b>-32</b>	<b>57</b>	<b>25</b>
<b>Shareholders' equity December 31, 2021</b>	<b>556</b>	<b>1,049,177</b>	<b>843,852</b>	<b>1,893,585</b>	<b>458,722</b>	<b>2,352,307</b>

## PARENT COMPANY INCOME STATEMENT

TSEK	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	112	-	721	11
<b>Sales</b>	<b>112</b>	<b>-</b>	<b>721</b>	<b>11</b>
Central administration	-10,002	-11,310	-39,288	-33,975
<b>Operating earnings</b>	<b>-9,890</b>	<b>-11,310</b>	<b>-38,567</b>	<b>-33,964</b>
Profit/loss from participations in group companies	-13,600	-147	-14,930	-764
Results from other financial assets	-	-	71	-
Financial income	8,457	24,997	33,449	27,385
Financial expenses	-11,805	-9,427	-48,235	-29,128
<b>Net financial items</b>	<b>-16,948</b>	<b>15,423</b>	<b>-29,645</b>	<b>-2,507</b>
Appropriations	-	23,261	-	23,261
<b>Earnings before tax</b>	<b>-26,838</b>	<b>27,374</b>	<b>-68,212</b>	<b>-13,210</b>
Taxes	2,249	5,921	10,181	5,921
<b>Net profit/loss for the period</b>	<b>-24,589</b>	<b>33,295</b>	<b>-58,031</b>	<b>-7,289</b>



## PARENT COMPANY BALANCE SHEET

TSEK	Dec 31, 2021	Dec 31, 2020
<b>Assets</b>		
<b>Fixed assets</b>		
<i>Financial fixed assets</i>		
Participation in group companies	100,454	12,137
Participation in associated companies	3,006	531
Receivables from associated companies	-	500
Other long-term receivables	56,471	57,725
Deferred tax assets	16,102	5,921
<b>Total financial fixed assets</b>	<b>176,033</b>	<b>76,814</b>
<b>Total fixed assets</b>	<b>176,033</b>	<b>76,814</b>
<b>Current receivables</b>		
Receivables from group companies	1,592,407	1,627,662
Receivables from associated companies	-	8,322
Other current receivables	1,505	1,640
Prepaid expenses and accrued income	53	1,650
<b>Total current receivables</b>	<b>1,593,965</b>	<b>1,639,274</b>
Liquid funds	19,320	28,261
<b>Total current assets</b>	<b>1,613,285</b>	<b>1,667,535</b>
<b>TOTAL ASSETS</b>	<b>1,789,318</b>	<b>1,744,349</b>

## PARENT COMPANY BALANCE SHEET

TSEK	Dec 31, 2021	Dec 31, 2020
<b>Equity and liabilities</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	556	556
<b>Unrestricted equity</b>		
Share premium reserve	1,049,257	1,049,257
Profit brought forward	-74,481	42,721
Profit for the period	-58,031	-7,289
<b>Total equity</b>	<b>917,301</b>	<b>1,085,245</b>
<b>Long-term liabilities</b>		
Long-term interest-bearing liabilities	489,758	324,484
<b>Total long-term liabilities</b>	<b>489,758</b>	<b>324,484</b>
<b>Current liabilities</b>		
Short-term interest-bearing liabilities	-	75,000
Accounts payable	260	523
Current liabilities to group companies	376,113	258,793
Other current liabilities	15	15
Accrued expenses and prepaid income	5,871	289
<b>Total current liabilities</b>	<b>382,259</b>	<b>334,620</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,789,318</b>	<b>1,744,349</b>

# NOTES

## Note 1 Accounting principles

The interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34, Interim Financial Statements and, in the case of the Parent Company, in accordance with the Annual Accounts Act. Information according to IAS 34.16A is available not only in the financial reports and their notes but also in the rest of the interim report.

## Note 2 Significant estimates and assessments

Estimates and assessments are evaluated continuously and are based on experiences and other circumstances, including expectations on future events which are considered reasonable during current conditions.

The group makes assessments and assumptions about the future that affect the reported value of asset and liability and income and expense items. Actual outcomes can then differ from these assessments if other conditions arise. The estimates and assumptions that have a material impact on the reported values of assets and liabilities are described in note 2 in the annual report of the group.

## Note 3 Financial assets and liabilities valued at fair value

For assets and liabilities measured at amortized cost, this is assumed to be a reasonable estimate of the fair value. For some of these items, however, there is a fair value that marginally differs from the carrying amount due to changes in interest rates. For other loans, fair value is deemed to agree with the carrying amount as the credit margins agreed are still market based.

## Note 4 Operating segments

The Group's operations comprise one operating segment, that is to say, the Group's operations comprise a business that generates income and expenses and whose operating profit is regularly assessed by the company's chief operating decision maker as a basis for monitoring earnings and allocating resources.

This interim report has not been subject to a review by the parent company's auditors.

Stockholm February 25, 2022

Johan Karlsson  
Chairman

Staffan Unge  
Board member

Erik Dansbo  
Board member

Christian Bratt  
CEO

# SLÄTTÖ

