

Interim report

Slättö

Value
Add I

Q1

January-March

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.

Keydata

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Result from property management	-9,974	12,915	162,886
Profit before tax	23,184	26,106	297,079
Shareholders' equity	2,093,535	1,800,635	2,075,512
Total assets	4,533,498	3,532,100	4,350,902
Equity ratio, %	46.2	51.0	47.7

January - March 2021

- The company issued a senior unsecured bond of SEK 500 million. The bond has a coupon of 7,5 percent 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.

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.

Events after the end of the period

- The company paid out dividends of roughly SEK 55 million.



Financial reports

CONSOLIDATED INCOME STATEMENT

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Rental income	12,417	8,909	37,382
Other income	641	155	5,748
Operating costs	-6,286	-5,486	-17,258
Operating earnings	6,772	3,578	25,872
Central administration	-14,301	-9,743	-49,093
Results from associated companies/joint ventures	-3,632	22,902	178,192
Results from other financial assets	9,043	-	36,920
Results from sale of properties	-967	4,512	4,809
Financial income	6,981	1,070	9,534
Financial expenses	-13,870	-9,404	-43,348
Result from property management	-9 974	12,915	162,886
Income, residential development	199,171	564	24,004
Costs, residential development	-187,851	-	-22,561
Result before changes in value	1,346	13,479	164,329
Changes in value, properties	21,838	12,627	132,750
Profit before tax	23 184	26,106	297,079
Taxes	-5,186	-7,234	-34,327
Profit for the period	17,998	18,872	262,752
Consolidated report of comprehensive income			
Other comprehensive income	-	-	-
Net comprehensive income for the year	0	0	0
Net comprehensive income for the year			
Attributable to:			
Parent Company shareholders	8,450	13,599	229,634
Non-controlling interest	9,548	5,273	33,118

CONSOLIDATED BALANCE SHEET

TSEK	Mar 31, 2021	Mar 31, 2020	Dec 31, 2020
Fixed assets			
Investment properties	1,879,661	1,441,330	1,760,514
Land lease agreements	1,877	39,212	1,877
Participations in associated companies/ joint ventures	524,895	638,379	528,827
Receivables from associated companies/ joint ventures	92,957	70,500	93,457
Other long-term receivables	58,866	,59,616	58,683
Total fixed assets	2,558,256	2,249,037	2,443,358
Current assets			
Properties classified as current assets	989,664	933,987	1,097,753
Accounts receivable	6,396	562	13,906
Receivables from group companies	395	5,663	6,214
Receivables from associated companies/ joint ventures	359,285	18,440	363,732
Other current receivables	382,121	150,173	279,555
Prepaid expenses and accrued income	27,149	12,867	7,189
Liquid funds	210,232	161,371	139,195
Total current assets	1,975,242	1,283,063	1,907,544
TOTAL ASSETS	4,533,498	3,532,100	4,350,902

CONSOLIDATED BALANCE SHEET

TSEK	Mar 31, 2021	Mar 31, 2020	Dec 31, 2020
Equity			
Share capital	556	507	556
Other capital contributed	1,049,177	913,186	1,049,177
Retained profits including net profit for the year	639,828	520,454	631,410
Shareholders' equity attributable to the Parent Company's shareholders	1,689,561	1,434,147	1,681,143
Non-controlling interest	403,974	366,488	394,369
Total shareholders' equity	2,093,535	1,800,635	2,075,512
Long-term liabilities			
Deferred tax liability	94,597	64,683	89,411
Long-term interest-bearing liabilities	1,048,468	1,197,809	860,531
Long-term liabilities to group companies	-	9,696	-
Long-term liabilities to associated companies/ joint ventures	25,000	25,000	25,000
Other long-term liabilities	11,327	68,296	16,100
Leasing liabilities	1,877	39,212	1,877
Total long-term liabilities	1,181,269	1,404,696	992,919
Current liabilities			
Short-term interest-bearing liabilities	761,794	222,303	933,231
Accounts payable	41,168	29,334	23,846
Current liabilities to associated companies/ joint ventures	6,085	2,880	5,932
Tax liability	2,878	6,255	6,480
Current liabilities to group companies	6,609	2,757	8,655
Other current liabilities	374,026	39,195	280,117
Accrued expenses and prepaid income	66,134	24,045	24,210
Total current liabilities	1,258,694	326,769	1,282,471
Total liabilities	2,439,963	1,731,465	2,275,390
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4,533,498	3,532,100	4,350,902

CONSOLIDATED CASH FLOW STATEMENT

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Current operations			
Result before changes in value	1,346	13,479	164,329
Adjustment for items not included in the cash flow	-15,200	-27,414	-219,921
Difference between paid interest and financial expenses	6,291	-1,040	1,835
Difference between received interest and financial income	-6,981	908	-8,447
Income tax paid	-3,602	2,202	68
Cash flow from current operations before changes in working capital	-18 146	-11 865	-62 136
Changes in working capital			
Change in properties classified as current assets	-40,464	-68,309	-280 777
Change in operating receivables	11,767	-45,343	-6 341
Change in operating liabilities	110,226	13,786	186 453
Cash flow from current operations	63,383	-111,731	-162 801
Investment operations			
Acquisition of properties	-	-58,436	-103,565
Investment in properties	-83,891	-78,718	-401,599
Divestment of properties	524	-462	178,566
Acquisition and divestment of associated companies/joint ventures	-	-	143,872
Change of other long-term receivables	-	-15,187	-348,256
Cash flow from investment operations	-83,367	-152,803	-530,982
Financing operations			
New share issue	-	25,648	161,677
Paid dividend	-	-	-105,044
Transactions with non-controlling interests	-	-	12
Received payments co-operative	-	-	4,773
Proceeds from borrowing	283,046	137,806	594,566
Repayment of borrowing	-192,025	-1,392	-86,849
Cash flow from financing operations	91,021	162,062	569,135
Total cash flow	71,037	-102,472	-124,648
Liquid funds at the beginning of the period	139,195	263,843	263,843
Liquid funds at the end of the period	210,232	161,371	139,195

CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY

Shareholders' equity attributable to the parent company's shareholders						
TSEK	Share capital	Other capital contributed	Retained profits including net profit for the year	Total	Non-controlling interest	Total shareholders' equity
Total equity January 1, 2020	496	887,539	506,855,	1,394,890	361,224	1,756,114
Net comprehensive income for the year						
Profit for the period			229,634	229,634	33,118	262,752
Other comprehensive income			-	0	-	0
Total net comprehensive income for the year	0	0	229,634	229,634	33,118	262,752
Contributions from and transfers of value to the company's owners						
Share issue	60	161,638		161,698		161,698
Dividend			-105,044	-105,044		-105,044
Total contributions from and transfers of value to the company's owners	60	161,638	-105,044	56,654	0	56,654
Transactions with non-controlling interests						
Changes in non-controlling interests			-35	-35	27	-8
Total transactions with non-controlling interests	0	0	-35	-35	27	-8
Shareholders' equity December 31, 2020	556	1,049,177	631,410	1,681,143	394,369	2,075,512
Total equity January 1, 2021	556	1,049,177	631,410	1,681,143	394,369	2,075,512
Net comprehensive income for the year						
Profit for the period			8,450	8,450	9,548	17,998
Other comprehensive income			-	0	-	0
Total net comprehensive income or the year	0	0	8,450	8,450	9,548	17,998
Contributions from and transfers of value to the company's owners						
Total contributions from and transfers of value to the company's owners	0	0	0	0	0	0
Transactions with non-controlling interests						
Changes in non-controlling interests			-32	-32	57	25
Total transactions with non-controlling interests	0	0	-32	-32	57	25
Shareholders' equity March 31, 2021	556	1,049,177	639,828	1,689,561	403,974	2,093,535

PARENT COMPANY INCOME STATEMENT

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	11	-	11
Sales	11	0	11
Central administration	-10,699	-7,190	-33,975
Operating earnings	-10,688	-7,190	-33,964
Profit/loss from participations in group companies	-289	-462	-764
Financial income	8,167	634	27,385
Financial expenses	-11,522	-5,813	-29,128
Net financial items	-3,644	-5,641	-2,507
Appropriations	-	-	23,261
Earnings before tax	-14,332	-12,831	-13,210
Taxes	1,863	-	5,921
Net profit/loss for the period	-12,469	-12,831	-7,289

PARENT COMPANY BALANCE SHEET

TSEK	Mar 31, 2021	Mar 31, 2020	Dec 31, 2020
Assets			
Fixed assets			
<i>Financial fixed assets</i>			
Participation in group companies	12,137	4,681	12,137
Participation in associated companies	531	28	531
Receivables from associated companies	-	500	500
Other long-term receivables	57,911	58,659	57,725
Deferred tax assets	7,784	-	5,921
Total financial fixed assets	78,363	63,868	76,814
Total fixed assets	78,363	63,868	76,814
Current receivables			
Receivables from group companies	1,661,924	1,340,752	1,627,662
Receivables from associated companies	-	3,047	8,322
Other current receivables	1,675	6,535	1,640
Prepaid expenses and accrued income	552	2,718	1,650
Total current receivables	1,664,151	1,353,052	1,639,274
Liquid funds	96,445	2,003	28,261
Total current assets	1,760,596	1,355,055	1,667,535
TOTAL ASSETS	1,838,959	1,418,923	1,744,349

PARENT COMPANY BALANCE SHEET

TSEK	Mar 31, 2021	Mar 31, 2020	Dec 31, 2020
Equity and liabilities			
Equity			
Restricted equity			
Share capital	556	506	556
Unrestricted equity			
Share premium reserve	1,049,257	913,248	1,049,257
Profit brought forward	35,432	147,765	42,721
Profit for the period	-12,469	-12,831	-7,289
Total equity	1,072,776	1,048,688	1,085,245
Long-term liabilities			
Long-term interest-bearing liabilities	487,542	324,344	324,484
Total long-term liabilities	487,542	324,344	324,484
Current liabilities			
Short-term interest-bearing liabilities	-	-	75,000
Accounts payable	843	1,470	523
Current liabilities to group companies	272,767	43,733	258,793
Other current liabilities	-	290	15
Accrued expenses and prepaid income	5,031	398	289
Total current liabilities	278,641	45,891	334,620
TOTAL EQUITY AND LIABILITIES	1,838,959	1,418,923	1,744,349

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 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 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 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 May 28, 2021

Johan Karlsson
Chairman

Erik Dansbo
Board member

Staffan Unge
Board member

Christian Bratt
CEO

SLÄTTÖ

