

Interim report

Slättö

Value  
Add I

Q4

January-December

2022

Org.number: 556994-4464



SLÄTTÖ



# The period in summary

## About Slättö Value Add I

Slättö Value Add I 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 2022

- Divested the housing project Sandtorp in Norrköping to Nock Massiva Trähus.
- Acquired a warehouse and industrial property, Strömbrytaren 4, in Norrköping as a complement to previous owned properties in the area.
- Divested shares in the listed real estate company Swedish Logistics Property (SLP) for SEK 126 million.
- An extraordinary general meeting on November 24th 2022 approved a dividend totaling SEK 50 million.

### Events after the end of the period

- The fund has sold and relinquished the logistics property Väghyveln 1 in Örebro in a forward funding deal to BlackRock Real Assets. A conditional transfer agreement was entered into in connection with the sale of Stenvreten and Botvidsgymnasiet 8 where the conditions are now fulfilled.

### 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.

### Related party transactions

The group purchases management services from Slättö Förvaltning AB. The transaction of two residential projects in Barkarby and Örebro with Sveaviken Bostad is classified as a related party transaction. All related party transactions were conducted on commercial terms and in accordance with the arm's length principle.

### Period January – December 2022

- Closed the transaction of two residential projects in Barkarby and Örebro with Sveaviken Bostad. Slättö Value Add I transferred its ownership in both projects to Sveaviken Bostad, as of 31 March 2022. The transaction was carried out at an underlying property value of SEK 1,393 million.
- Botvid Holding (publ), where Slättö Value Add I AB owns 22 per cent, has divested a residential project in Slagsta Strand, Botkyrka to NREP.
- At the end of February 2022, the Parent Company issued a repurchase offer of up to SEK 100 million of the company's outstanding listed bonds. The repurchase offer expired on 30 March 2022 and the bonds were repurchased in accordance with the provisions and conditions set out in a repurchasing document dated 25 February 2022.
- An extraordinary general meeting on 18 March 2022 approved a dividend totaling SEK 110 million, corresponding to accrued preference share interest for 2021.
- An extraordinary general meeting on 30 March 2022 approved an additional dividend totaling SEK 250 million, corresponding to accrued preference share interest and repayment of investors' contribution.
- Divested the project Slagsta Strand to Magnolia Bostad.
- Signed a 10-year lease agreement with the last mile operator Budbee for letting approximately 4,400 sqm with an annual rent of SEK 4.9 million within the property Väghyveln 1 in Örebro.
- Signed a 10-year lease agreement for rental of approximately 3,700 sqm with an annual rent of SEK 5.6 million within the property Botvidsgymnasiet 8 in Botkyrka.
- Commenced construction of a logistics facility of 30,000 sqm in Klinga Logistikpark. A new construction loan was approved of totally 250 million.
- Slättö has divested the logistics properties Stenvreten 6:17 in Enköping and part of Botvidsgymnasiet 8 in Botkyrka to BlackRock Real Assets. The sale is carried out in a forward funding structure where Slättö is responsible to carry out the development and the buyer is responsible for financing it.

### Keydata

TSEK	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Result from property management	-61,750	70,513	-54,477	115,963
Profit before tax	-106,821	126,357	98,544	361,540
Shareholders' equity	2,016,369	2,352,307	2,016,369	2,352,307
Total assets	3,310,644	3,666,884	3,310,644	3,666,884
Equity ratio, %	60,9	64,2	60,9	64,2

# Financial reports

## CONSOLIDATED INCOME STATEMENT

TSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Rental income	3,876	15,003	8,896	63,352
Other income	2,249	3,895	4,712	9,952
Operating costs	-10,323	-8,132	-14,587	-35,514
<b>Operating earnings</b>	<b>-4,199</b>	<b>10,766</b>	<b>-980</b>	<b>37,790</b>
Central administration	-13,814	-16,637	-56,206	-58,085
Results from associated companies/joint ventures	-35,611	37,310	46,878	76,321
Results from other financial assets	-442	48,498	-36,226	87,074
Results from sale of properties	-2,181	-509	19,392	2,884
Financial income	8,844	7,452	26,821	29,123
Financial expenses	-14,347	-16,367	-54,156	-59,144
<b>Result from property management</b>	<b>-61,750</b>	<b>70,513</b>	<b>-54,477</b>	<b>115,963</b>
Income, residential development	4,706	13,067	16,151	387,787
Costs, residential development	-6,851	-28,612	-17,492	-387,747
<b>Result before changes in value</b>	<b>-63,894</b>	<b>54,968</b>	<b>-55,817</b>	<b>116,003</b>
Changes in value, properties	-42,927	70,783	154,868	245,030
Changes in value, derivatives	-	606	-507	507
<b>Profit before tax</b>	<b>-106,821</b>	<b>126,357</b>	<b>98,544</b>	<b>361,540</b>
Taxes	51,255	73,137	14,431	25,143
<b>Profit for the period</b>	<b>-55,566</b>	<b>199,494</b>	<b>112,975</b>	<b>386,683</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>-55,566</b>	<b>199,494</b>	<b>112,975</b>	<b>386,683</b>
Attributable to:				
Parent Company shareholders	-50,780	172,941	78,897	322,387
Non-controlling interest	-4,786	26,553	34,078	64,296

## CONSOLIDATED BALANCE SHEET

TSEK	Dec 31, 2022	Dec 31, 2021
<b>Fixed assets</b>		
Investment properties	1,453,342	1,393,689
Land lease agreements	-	-
Participations in associated companies/ joint ventures	364,864	641,107
Participations in other companies	156,703	-
Receivables from associated companies/ joint ventures	-	3,482
Derivatives	-	507
Other long-term receivables	959	57,429
<b>Total fixed assets</b>	<b>1,975,867</b>	<b>2,096,214</b>
<b>Current assets</b>		
Properties classified as current assets	79,994	61,477
Accounts receivable	17,505	22,499
Receivables from group companies	-	-
Receivables from associated companies/ joint ventures	336,664	465,639
Other current receivables	477,546	492,822
Prepaid expenses and accrued income	23,588	4,404
Liquid funds	399,479	523,829
<b>Total current assets</b>	<b>1,334,777</b>	<b>1,570,670</b>
<b>TOTAL ASSETS</b>	<b>3,310,644</b>	<b>3,666,884</b>

# CONSOLIDATED BALANCE SHEET

TSEK	Dec 31, 2022	Dec 31, 2021
<b>Equity</b>		
Share capital	556	556
Other capital contributed	1,049,177	1,049,177
Retained profits including net profit for the year	512,837	843,852
<b>Shareholders' equity attributable to the Parent Company's shareholders</b>	<b>1,562,569</b>	<b>1,893,585</b>
Non-controlling interest	453,800	458,722
<b>Total shareholders' equity</b>	<b>2,016,369</b>	<b>2,352,307</b>
<b>Long-term liabilities</b>		
Deferred tax liability	46,134	61,116
Long-term interest-bearing liabilities	508,773	899,087
Other long-term liabilities	-	75,077
Leasing liabilities	-	-
<b>Total long-term liabilities</b>	<b>554,907</b>	<b>1,035,280</b>
<b>Current liabilities</b>		
Short-term interest-bearing liabilities	603,640	46,443
Accounts payable	7,345	30,886
Current liabilities to associated companies/ joint ventures	59,755	6,755
Tax liability	-	849
Current liabilities to group companies	-	7,568
Other current liabilities	22,848	149,428
Accrued expenses and prepaid income	45,781	37,368
<b>Total current liabilities</b>	<b>739,368</b>	<b>279,297</b>
<b>Total liabilities</b>	<b>1,294,275</b>	<b>1,314,577</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,310,644</b>	<b>3,666,884</b>

## CONSOLIDATED CASH FLOW STATEMENT

TSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
<b>Current operations</b>				
Result before changes in value	-63,894	54,968	-55,817	116,003
Adjustment for items not included in the cash flow	55,804	-88,371	-2,529	-183,244
Difference between paid interest and financial expenses	8,345	2,054	16,106	10,452
Difference between received interest and financial income	-26,871	-2,601	-49,570	-24,272
Income tax paid	8,416	-5,636	405	-14,112
<b>Cash flow from current operations before changes in working capital</b>	<b>-18,200</b>	<b>-39,586</b>	<b>-91,405</b>	<b>-95,173</b>
<b>Changes in working capital</b>				
Change in properties classified as current assets	118,146	-39,692	-18,698	54,900
Change in operating receivables	81,676	11,828	352,222	66,763
Change in operating liabilities	74,791	-126,507	104,705	-123,389
<b>Cash flow from current operations</b>	<b>256,413</b>	<b>-193,957</b>	<b>346,824</b>	<b>-96,899</b>
<b>Investment operations</b>				
Acquisition of properties	-62,000	-	-62,000	-24,000
Investment in properties	-196,860	-202,114	-444,612	-438,713
Divestment of properties	250,483	1,619,864	452,054	1,892,931
Acquisition and divestment of associated companies/joint ventures	-200,799	-546	-20,908	-50,000
Acquisition of subsidiary, net cash effect	-	-	-	-47,453
Repayment of contributions from associated companies/joint ventures	-	546	-	546
Loans to associated companies/joint ventures	-	-111,044	-110,148	-111,044
Repayment of loans from associated companies/joint ventures	-	107,283	53,482	107,283
Dividends from associated companies/joint ventures	-	-	72,100	-
Repayment other loans	-	500	-	500
Divestment of other shares	152,547	75	152,547	75
Change of other long-term receivables	-	50,500	-	-
<b>Cash flow from investment operations</b>	<b>-56,629</b>	<b>1,465,064</b>	<b>92,515</b>	<b>1,330,125</b>
<b>Financing operations</b>				
Paid dividend	-89,718	-	-449,632	-109,913
Realized derivative	-	-	466	-
Proceeds from borrowing	-123,442	14,232	-	705,206
Repayment of borrowing	-14,523	-860,833	-114,523	-1,443,885
<b>Cash flow from financing operations</b>	<b>-227,683</b>	<b>-846,601</b>	<b>-563,689</b>	<b>-848,592</b>
Total cash flow	-27,899	424,506	-124,350	384,634
Liquid funds at the beginning of the period	427,378	99,323	523,829	139,195
<b>Liquid funds at the end of the period</b>	<b>399,479</b>	<b>523,829</b>	<b>399,479</b>	<b>523,829</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, 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 for 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>
<b>Total equity January 1, 2022</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>
<b>Net comprehensive income for the year</b>						
Profit for the period	-	-	78,896	78,896	34,078	112,974
Other comprehensive income	-	-	-	-	-	-
<b>Total net comprehensive income or the year</b>	<b>-</b>	<b>-</b>	<b>78,896</b>	<b>78,896</b>	<b>34,078</b>	<b>112,974</b>
<b>Contributions from and transfers of value to the company's owners</b>						
Dividend	-	-	-409,913	-409,913	-39,000	-448,913
<b>Total contributions from and transfers of value to the company's owners</b>	<b>-</b>	<b>-</b>	<b>-409,913</b>	<b>-409,913</b>	<b>-39,000</b>	<b>-448,913</b>
<b>Transactions with non-controlling interests</b>						
Total transactions with non-controlling interests	-	-	-	-	-	-
<b>Shareholders' equity December 31, 2022</b>	<b>556</b>	<b>1,049,177</b>	<b>512,835</b>	<b>1,562,568</b>	<b>453,800</b>	<b>2,016,368</b>

## PARENT COMPANY INCOME STATEMENT

TSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net sales	-	112	65	721
<b>Sales</b>	<b>-</b>	<b>112</b>	<b>65</b>	<b>721</b>
Central administration	-8,280	-10,002	-41,471	-39,288
<b>Operating earnings</b>	<b>-8,280</b>	<b>-9,890</b>	<b>-41,406</b>	<b>-38,567</b>
Profit/loss from participations in group companies	-602	-13,600	20,971	-14,930
Results from other financial assets	0	-	-	71
Financial income	21,837	8,457	42,960	33,449
Financial expenses	-18,887	-11,805	-60,600	-48,235
<b>Net financial items</b>	<b>2,348</b>	<b>-16,948</b>	<b>3,331</b>	<b>-29,645</b>
<b>Earnings before tax</b>	<b>-5,932</b>	<b>-26,838</b>	<b>-38,075</b>	<b>-68,212</b>
Taxes	-3,493	2,249	-10,066	10,181
<b>Net profit/loss for the period</b>	<b>-9,425</b>	<b>-24,589</b>	<b>-48,141</b>	<b>-58,031</b>



## PARENT COMPANY BALANCE SHEET

TSEK	Dec 31, 2022	Dec 31, 2021
<b>Assets</b>		
<b>Fixed assets</b>		
<i>Financial fixed assets</i>		
Participation in group companies	100,454	100,454
Participation in associated companies	536	3,006
Other long-term receivables	-	56,471
Deferred tax assets	6,035	16,102
<b>Total financial fixed assets</b>	<b>107,025</b>	<b>176,033</b>
<b>Total fixed assets</b>	<b>108,604</b>	<b>176,033</b>
<b>Current receivables</b>		
Receivables from group companies	464,341	1,592,407
Receivables from associated companies	3,340	-
Other current receivables	38,680	1,505
Prepaid expenses and accrued income	43,013	53
<b>Total current receivables</b>	<b>549,374</b>	<b>1,593,965</b>
Liquid funds	218,780	19,320
<b>Total current assets</b>	<b>768,154</b>	<b>1,613,285</b>
<b>TOTAL ASSETS</b>	<b>876,758</b>	<b>1,789,318</b>

## PARENT COMPANY BALANCE SHEET

TSEK	Dec 31, 2022	Dec 31, 2021
<b>Equity and liabilities</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	556	556
Share premium reserve	1,049,257	1,049,257
Profit brought forward	-542,425	-74,481
Profit for the period	-48,141	-58,031
<b>Total equity</b>	<b>459,247</b>	<b>917,301</b>
<b>Long-term liabilities</b>		
Long-term interest-bearing liabilities	393,035	489,758
<b>Total long-term liabilities</b>	<b>393,035</b>	<b>489,758</b>
<b>Current liabilities</b>		
Accounts payable	-	260
Current liabilities to group companies	-	376,113
Other current liabilities	430	15
Accrued expenses and prepaid income	24,046	5,871
<b>Total current liabilities</b>	<b>24,476</b>	<b>382,259</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>876,758</b>	<b>1,789,318</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 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 28 February, 2023

Johan Karlsson  
Chairman

Erik Dansbo  
Board member

Staffan Unge  
Board member

Christian Bratt  
CEO

# SLÄTTÖ

