

# INTERIM REPORT

Wästbygg Gruppen AB (publ)  
January – June 2022

Logistics facility in Enköping, 80,000 sqm  
to be constructed for Genesta.

**WÄSTBYGG  
GROUP**



# January – June 2022

## GROUP IN SUMMARY

### 1 JANUARY – 30 JUNE 2022

- Revenue SEK 2,351 million (1,951)
- Operating profit SEK 10 million (166)
- Profit after tax SEK 26 million (172)
- Earnings per share SEK 0.81 (5.32)
- Cash flow from operating activities SEK -792 million (66)
- Interest-bearing net cash (+) /net debt (-) SEK -603 million (646)
- Equity ratio 37% (52)

### 1 APRIL – 30 JUNE 2022

- Revenue SEK 1,304 million (1,051)
- Operating profit SEK 20 million (91)
- Profit after tax SEK 26 million (99)
- Earnings per share SEK 0.80 kr (3.05)
- Cash flow from operating activities SEK -546 million (72)

## SUMMARY ACCORDING TO SEGMENT REPORT

### 1 JANUARY – 30 JUNE 2022

- Revenue SEK 2,682 million (1,725)
- Operating profit SEK 95 million (133)
- Profit after tax SEK 114 million (141)
- Earnings per share SEK 3.52 kr (4.37)
- Cash flow from operating activities SEK -467 million (216)
- Interest-bearing net cash (+) /net debt (-) SEK 314 million (996)
- Equity ratio 42% (55)
- New orders SEK 2,936 million (2,240)
- Order backlog 30 June SEK 6,818 million (3,666)

### 1 APRIL – 30 JUNE 2022

- Revenue SEK 1,499 million (911)
- Operating profit SEK 65 million (68)
- Profit after tax SEK 73 million (77)
- Earnings per share SEK 2.27 kr (2.37)
- Cash flow from operating activities SEK -409 million (92)
- New orders SEK 1,591 million (1,473)

## SIGNIFICANT EVENTS IN THE SECOND QUARTER

- On April 1, 2022, the first settlement of two was made for the commitment to Trekcyd AB, which arose in connection with the acquisition of Rekab, through the transfer of 425,313 B shares in Wästbygg Gruppen AB (publ). The value of the shares corresponded to a value of SEK 43,212,992 at the time of settlement. In order to secure shares for the second payment to Trekcyd, which falls due in 2024, 250,000 of the Company's own B shares were bought back on 1 April according to the authorisation granted at an extraordinary general meeting of the Wästbygg Group on 21 October 2021.
- A contract was signed with Genesta Property Nordic AB for the acquisition of the project company Sneden AB. The purchase consideration was SEK 945 million. Sneden AB includes the 133,000 sqm of land outside Enköping that the group company Logistic Contractor acquired in spring 2021. Sneden AB has also signed a contract with Logistic Contractor for the construction of a logistics facility with an area of approximately 80,000 sqm on the site. The value of the construction contract is approximately SEK 605 million and is included in the purchase consideration.
- Wästbygg received a land allocation from the City of Malmö for a 14,500 sqm office building in Hyllie. The building is to be certified according to Breeam, Well and NollCO2. Construction will start in 2024 at the earliest.
- Wästbygg acquired 55 percent of a project company that is planning the development of a large rest and service area in Falkenberg. The planned buildings have a total gross area of 10,000 sqm and the estimated sales value of the fully developed area is SEK 340 million.
- Jonas Jönehall took over as CEO of Wästbygg Gruppen on 6 May.
- Jessica Gårdmo took over as CFO of Wästbygg Gruppen on 6 May. She succeeded Jonas Jönehall.
- John Nyberg was recruited as the Wästbygg Group's new Head of Sustainability. He will assume his new role on 9 September, and will be a member of the group management team.

## SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- A contract was signed with BlackRock Real Assets for the construction of a 36,000 sqm logistics facility in Eskilstuna. The order value is SEK 285 million.
- On 25 August 2021, Lansa Fastigheter acquired Wästbygg's self-developed project Journalen 1 in Malmö comprising 177 rental apartments. All terms and conditions of the contract have now been met and Lansa took possession of the property on 17 August. Construction is scheduled to start in autumn 2022.



## WE ENTER THE AUTUMN WITH CONTINUED GROWTH AND A STRONG ORDER BACKLOG

Significant changes were seen in the market in the first six months of the year. Price rises for building materials and energy were followed by general inflation and increased interest rates, which impacts companies and households alike. The situation is difficult to assess at the moment, but hopefully over the coming months a clearer picture will emerge of how the economy will develop.

In the midst of this uncertainty, it is reassuring to see that the Wästbygg Group is continuing to grow in line with our strategy. During the spring, the group has focused strongly on strengthening our purchasing activities and securing deliveries to our projects, and these efforts have been successful. Project implementation has, overall, continued according to plan and revenues increased by 55 percent to SEK 2,682 million (1,725) for the first six months. Even discounting the effects of the acquisition of Rekab Entreprenad last autumn, it is encouraging to see companies in the group achieving organic growth. One of these companies is Rekab, which further strengthened its position in the northern Swedish market. Moreover, our order backlog, already at a record high, has grown still further thanks to an order intake of nearly SEK 3 billion so far this year.

Based on the segment reporting, we had an operating profit of SEK 95 million (133) for the first six months. If we only look at revenue growth, there is room for improvement. But if we widen our perspective and weigh in the current market situation, I am satisfied with our performance. Our industry is facing big challenges at present. However, I am confident that we have the internal processes and skills to deal with changes in the market. In addition, we have secure financing for present commitments, for example with the green bond that was issued less than a year ago.

### OUR BUSINESS AREAS

The Residential business area is usually the first to be affected, either negatively or positively, by changes in the market, as this business area is more clearly linked to household economies than either Commercial or Logistics and Industry. The contract market remains relatively buoyant, with many residential projects to bid for. Many of these projects are collaborative contracts, and we have long experience in finding optimal pricing solutions through dialogue with the client and a creative approach. As regards our portfolio of self-developed projects, we decided to start construction of another tenant-ownership project in the second quarter, given that the sales target for the apartments has been reached. The overall sales situation is strong. The tenant-ownership projects due for completion and handover during the remainder of 2022 and early 2023 have been sold out for a long time. As a complement to our continuous analysis and optimisation of the projects in our portfolio, during the autumn we will conduct a deeper analysis based on the current market situation.

In Commercial, we completed the conversion and extension of the Asecs shopping mall in Jönköping which we have been working on since 2016. The project has had a turnover of over SEK 1 billion, and we handed over an excellent project to a very satisfied customer. Rekab has a large number of community service properties currently in production, but many of the projects contracted in late 2021 and this year are still in the planning stage. However, more and more projects will start construction during the autumn. Besides strengthening our order backlog, we also added development projects to our portfolio during the second quarter. We received a land allocation for a 14,500 sqm office building in Hyllie, and we acquired shares in a project company with plans to build a large rest and service area near Falkenberg including a hotel, a restaurant and retail premises. The community service properties already in our portfolio of self-developed projects are taking longer than expected to get started, due to factors including COVID-19 and the current market conditions. This means that it will also take longer than expected to build up a portfolio in the group company Inwita in line with the targets previously set.

Logistics and Industry continues to perform well in a market that has so far managed to buck the challenges facing the broader market. The billion SEK deal concluded with Genesta during the spring provides further proof of Logistic Contractor's excellent capacity and strong brand when it comes to handling very large logistics and industrial projects.

### A LOOK FORWARD

With a large backlog of orders, strong finances and a wide range of projects and operations, the Wästbygg Group can be confident of bearing up well despite the challenging economic climate. Our core values are 'wise, creative and heart', and it is with wisdom, creativity and care for our customers and partners that we will continue generating business. Of course we see the challenges. We take them very seriously and are monitoring developments closely. But above all, we're focusing on identifying opportunities. The great flexibility we have in both business model and organisation gives us the room for manoeuvre required to respond quickly in a changing market.

Jonas Jönehall  
CEO Wästbygg Gruppen AB

# Financial overview and key ratios<sup>1</sup>

SEK million unless otherwise specified

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018 <sup>2</sup>
<b>Financial key ratios</b>									
Revenue	1,304	1,051	2,351	1,951	4,348	3,949	3,620	3,889	3,543
Operating profit	20	91	10	166	78	235	223	220	147
Operating margin, %	1.5	8.7	0.4	8.5	1.8	6.0	6.2	5.7	4.1
Profit/loss after tax	26	99	26	172	96	241	234	215	142
Balance sheet	4,457	3,208	4,457	3,208	4,457	4,101	3,170	2,144	1,697
Equity/assets ratio, %	37	52	37	52	37	43	50	27	25
Return on equity, %	6	19	6	19	6	14	22	43	37
Operating capital	2,142	<sup>3</sup> 855	2,142	<sup>3</sup> 855	2,142	1,336	<sup>3</sup> 1,010	270	-17
Interest-bearing net cash (+) / net debt (-)	-603	<sup>3</sup> 646	-603	<sup>3</sup> 646	-603	151	<sup>3</sup> 252	-7	173
Cash flow from operating activities	-546	72	-792	66	-1,177	-319	-237	-63	141
<b>Equity related key ratios<sup>4</sup></b>									
Earnings per share, SEK	0.80	3.05	0.81	5.32	2.93	7.42	9.39	9.40	6.16
Equity per share, SEK	50.66	51.21	50.66	51.21	50.66	53.62	49.17	24.81	18.19
Number of shares at the end of the period (thousands)	32,341	32,340	32,341	32,340	32,341	32,591	32,340	22,950	22,950
Average number of shares (thousands)	32,341	32,340	32,465	32,340	32,536	32,474	24,913	22,950	22,950

## SEGMENT REPORTING<sup>1</sup>

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018 <sup>2</sup>
<b>Financial key ratios</b>									
Revenue	1,499	911	2,682	1,725	4,775	3,818	3,801	3,905	3,652
Operating profit	65	68	95	133	239	277	254	192	171
Operating margin, %	4.3	7.5	3.5	7.7	5.0	7.3	6.7	4.9	4.7
Profit/loss after tax	73	77	114	141	263	290	268	187	163
Balance sheet	4,401	3,087	4,401	3,087	4,401	4,226	2,872	1,893	1,599
Equity/assets ratio, %	42	55	42	55	42	44	57	31	29
Return on equity, %	14	18	14	18	15	17	24	35	38
Operating capital	1,774	<sup>3</sup> 731	1,774	<sup>3</sup> 731	1,774	1,225	<sup>3</sup> 800	177	-110
Interest-bearing net cash (+) / net debt (-)	314	<sup>3</sup> 996	314	<sup>3</sup> 996	314	794	<sup>3</sup> 877	129	308
Cash flow from operating activities	-409	92	-467	216	-820	-137	-95	-73	240
<b>Equity related key ratios<sup>4</sup></b>									
Earnings per share, SEK	2.27	2.37	3.52	4.37	8.10	8.94	10.75	8.15	7.09
Equity per share, SEK	56.66	52.02	56.66	52.02	56.66	56.87	50.92	25.78	20.27
Number of shares at the end of the period (thousands)	32,341	32,340	32,341	32,340	32,341	32,591	32,340	22,950	22,950
Average number of shares (thousands)	32,341	32,340	32,465	32,340	32,536	32,474	24,913	22,950	22,950

## OPERATIONAL KEY RATIOS

New orders	1,591	1,473	2,936	2,240	6,152	5,456	3,232	3,850	3,077
Order backlog	6,818	3,666	6,818	3,666	6,818	6,572	3,201	3,752	3,634
No of employees at end of period	569	328	569	328	569	524	311	305	288

For KPI definitions, see page 26.

<sup>1</sup> KPIs for the Group, in accordance with IFRS and the segment reporting that is applied for internal control and auditing. See note 2 on page 23 for further information.

<sup>2</sup> IFRS 16 Leasing is applied as of 2019. The year 2018 has not been recalculated, as the change has no significant impact on profit.

<sup>3</sup> The KPIs Working capital and Interest-bearing net cash/net debt have been recalculated due to a reclassification of Other liabilities; see accounting principles on page 22.

<sup>4</sup> The company has no options or similar agreements that give rise to a dilution effect, so this is not reported separately. When Rekab Entreprenad AB was acquired, the number of shares changed as a result of the agreement structure. No decisions have been taken regarding a new share issue. When all buybacks and transfers of consideration shares have taken place, the number of shares will again correspond to the number of registered shares. See page 27 for further information on the number of shares.

# General market situation

## SUMMARY

Since Russia's large-scale invasion of Ukraine began in late February, the international economic situation has become increasingly gloomy and uncertain. The post-pandemic economic recovery that began in 2021 has been hampered by delivery disruptions, component shortages and widespread high inflation. Industry production has been impacted by global supply chain issues, while household disposable income is shrinking due to skyrocketing costs and interest rate hikes.

The Swedish economic outlook has also been dampened by continuing shutdowns in China, the war in Ukraine and accumulated excess demand as the world reopened post-pandemic. Inflation is having broad economic impact.

. Nevertheless, the National Institute of Economic Research's Economic Tendency Survey for May indicated that the business sector remains buoyant despite current conditions. Underlying demand is probably strong, and fresh analysis shows that the industry's order intake remains healthy. The service and construction sectors show slightly less positive performance than the manufacturing industry and retail. At the same time, there are sectors that could benefit from the current market trends, such as sectors associated with commodities, energy supply, food and defence.

NAVET estimates that the total volume of started building construction investments could decrease in 2022–2023 by about 3–4 percent per year. This decline is expected to mainly be driven by a decrease in the construction of multi-residential housing and a dampening of the industry's building construction investments. This trend is expected to be balanced by a recovery in building construction investments in the office, trade and hotel sectors following several years of negative growth.

Total initiated building construction investment in the Wästbygg Group's three business areas is expected to drop by a total of just over ten percent during the year and then level off at around zero growth in 2023. While the rate of investment remained strong in Q1, it had not yet been impacted by the war in Ukraine and the rapidly declining growth rate. The outlook is very uncertain, and there is a risk that factors such as interest rate hikes, material cost surges and cement shortages could cause projects to be delayed or postponed.

Information compiled by NAVET Analytics.

# About us

The Wästbygg Group is a construction and project development company with a clear presence in the most rapidly expanding markets in Sweden. The company was founded in Borås in 1981. Following the acquisition of Rekab Entreprenad in October 2021, Wästbygg has offices in thirteen cities in Sweden and via the group company Logistic Contractor in our neighbouring Nordic countries of Norway, Denmark and Finland.

We operate in three business areas: Residential, Commercial – which includes community service properties – and Logistics and Industry, areas in which we have strong expertise and long experience. We also work with project development in each business area, and our expertise ranges from land acquisition/allocation to completed properties. The group also includes the company Inwita Fastigheter, which owns and manages self-developed community service properties.

All our ongoing and completed projects are presented on our website, [wastbygg.se](http://wastbygg.se).

## A SUSTAINABLE BUSINESS

The Wästbygg Group drives the development of sustainable living environments, where people want to work, live and live. We take our mission as community builders very seriously. Within our area of activity, we want to contribute to a more sustainable society – ecologically, socially and economically – and thereby improve people’s living environments.

Environmentally certified buildings are a way to safeguard the future. We have extensive experience of building according to the most common certification systems in the Swedish market: Miljöbyggnad, Svanen, Breeam and Green Building. We are also certified according to the Nordic Ecolabel Svanen, which means that we have the right to label our self-developed properties with the Nordic Ecolabel Svanen.

Since the mid-1990s, we have focused on developing our quality and environmental management procedures. Today, we use a self-developed management system with detailed procedures and schedules in the areas of quality, environmental care and occupational health and safety. The group companies Wästbygg Entreprenad and Rekab Entreprenad are certified according to ISO 9001 and 14001. In addition, Wästbygg Entreprenad is also certified according to ISO 45001.



## OUR BUSINESS STRATEGIES

Wästbygg’s six group strategies are set out in the group’s business plan. They are designed to promote long-term development in areas defined as business-critical. The six strategies are:

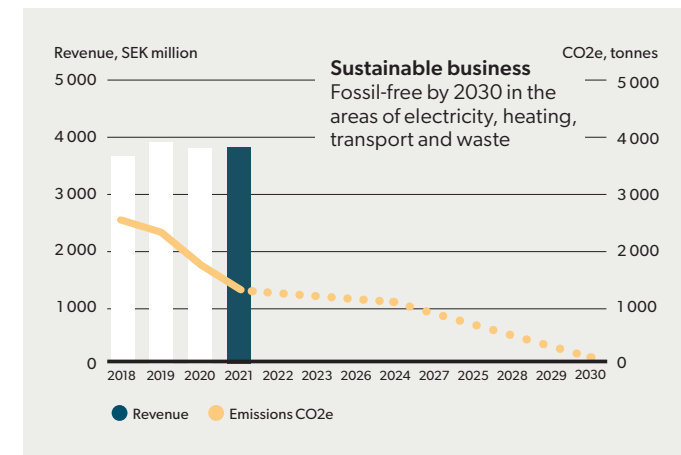
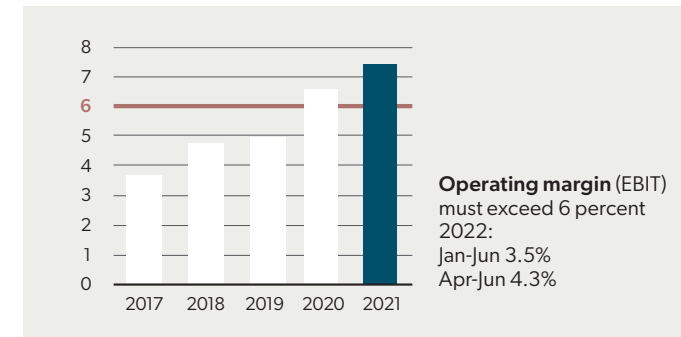
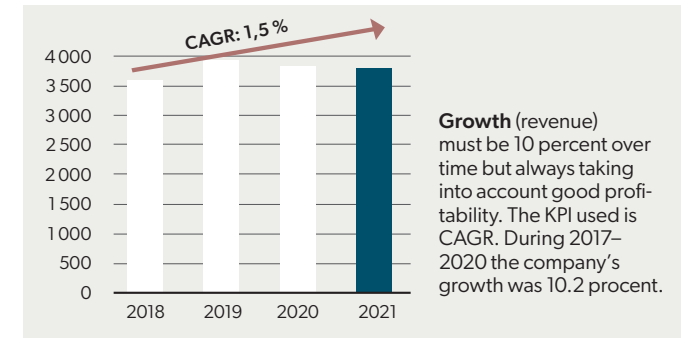
- Continued growth in existing business areas.
- The proportion of self-developed projects will be 50 percent.
- Increased focus on industrial facilities.
- A clearly defined position in the Nordic market in Logistics and Industry.
- Increased focus on community service properties.
- In-house administration of community service properties.

A set of long-term goals is linked to each strategy.

## WÄSTBYGG GROUP’S BUSINESS MODEL

A description of the company’s business model can be found in the annual report for 2021.

## OVERALL GOALS (segment reporting)



For key ratio definitions, see page 26.

# Sustainability data

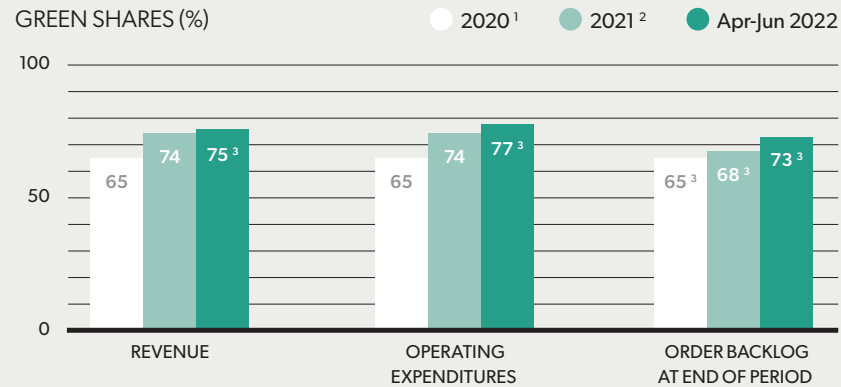
The Wästbygg Group's Annual Report and Sustainability Report was published in March, and can be downloaded from [wastbygg.se](http://wastbygg.se). The Sustainability Report gives further details on the company's performance with regard to achieving its overarching goal of creating sustainable business.

Wästbygg's green framework qualifies the company for green labelling of its share and debt instruments. Reporting on the greenness of our revenues, operating expenditures, investments and order backlog improves transparency regarding the company's climate commitments. The framework also serves as an internal control tool that helps us make more sustainable business decisions.

Our proportion of green revenues, costs and the green proportion of our order backlog are has increased slightly from 31 December 2021. The diagram to the right shows the development since we began quantifying the proportions. Cicero Shades of Green has third party audited the proportion of green revenues and costs for the second consecutive year and assessed the strategy and management of the company's sustainability work. The Wästbygg Group was once again awarded a rating of Excellent, the highest rating, for management and strategy.

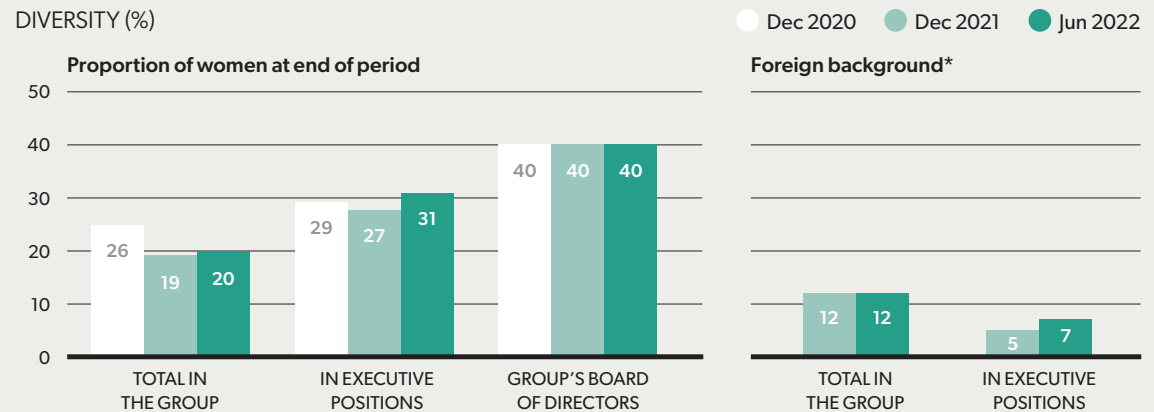


As part of Wästbygg's diversity and equality efforts, we report the total number of female employees in the Group, the number of female senior executives and female board members. This reporting takes place on a quarterly basis. We report the proportion of employees with foreign backgrounds on a semi-annual basis. Sick leave during the last twelve months amounts to 3.77 percent.



<sup>1</sup> Cicero Shades of Green, Company Assessment, June 2021.  
<sup>2</sup> Cicero Shades of Green, Company Assessment, March 2022  
<sup>3</sup> Estimated by definition in Wästbygg Group's Green Finance Framework, May 2021.

Rekab Entreprenad is included in all posts.



**Definition of executive position:** Member of a management team at company level or higher, production manager and higher positions.

Rekab Entreprenad is included in posts from 28 October 2021 and onwards.

**Definition of foreign background:** According to SCB (Central Bureau of Statistics) – Employees born outside Sweden, or born in Sweden to two foreign-born parents. \*Statistics only apply to employees in Sweden.

**SICK LEAVE (%)**

	2019	2020	2021	Jul-Jun 2021-22
Sick leave, total	3.03	2.80	2.71	3.77

Rekab Entreprenad is included in posts from 28 October 2021 and onwards.



# Our business areas

In the first six months, Wästbygg Group saw a very strong order intake totalling SEK 2.9 billion. As a result of this, the order backlog increased further and stood at SEK 6.8 billion on 30 June, an increase of four percent since the start of the year.

The Residential business area saw an order intake of SEK 612 million during the six-month period and reported an order backlog of SEK 2.1 billion at the end of the period. Four new residential projects have arisen since the start of the year.

The largest order intake in the first six months was seen in the Commercial business area, where several new major contracts were signed, resulting in an order intake of SEK 1.2 billion. In addition, significant supplementary orders arose relating to existing projects. The business area's order intake has increased since the start of the year and totalled SEK 2.9 billion at the end of the period.

Logistics and Industry had many new projects in the start-up phase at the beginning of the year and did not report any new orders in Q1. However, two contracts were signed during Q2, bringing the total order intake for the first six months to SEK 1.1 billion. The business area reported an order backlog of SEK 1.9 billion as per 30 June.

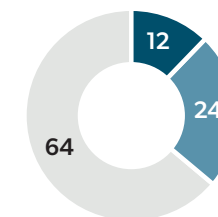
**COLOUR CODING:**

- Residential
- Commercial
- Logistics and industry
- Operating profit group (right axis)

## NEW ORDERS

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
Residential	197	542	612	838	1,802	2,028
Commercial	379	262	1,227	355	2,224	1,352
Logistics and industry	1,015	669	1,097	1,047	2,126	2,076
<b>Total</b>	<b>1,591</b>	<b>1,473</b>	<b>2,936</b>	<b>2,240</b>	<b>6,152</b>	<b>5,456</b>

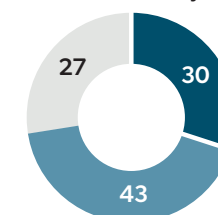
## NEW ORDERS APR-JUN (%)



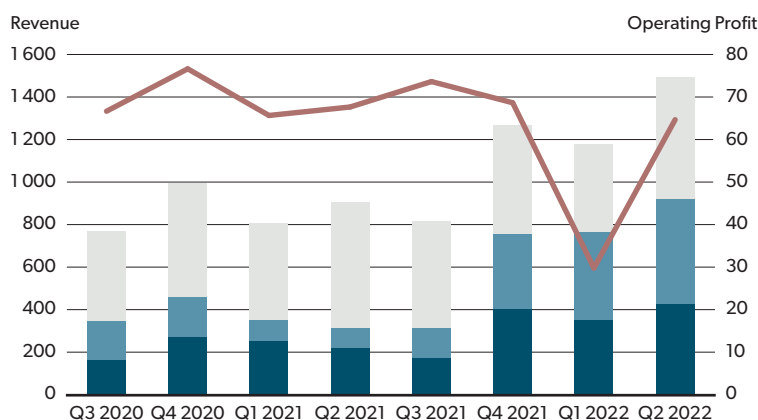
## ORDER BACKLOG

SEK million	30 Jun 2022	30 Jun 2021	31 Dec 2021
Residential	2,061	1,552	2,248
Commercial	2,891	424	2,508
Logistics and industry	1,866	1,690	1,816
<b>Total</b>	<b>6,818</b>	<b>3,666</b>	<b>6,572</b>

## ORDER BACKLOG 30 JUNE (%)



## REVENUE AND OPERATING PROFIT, SEK million, segment reporting



## SEASONAL VARIATIONS

Wästbygg's seasonal variations are mainly linked to new orders and revenue.

The level of new orders is usually higher during Q2 and Q4. This is explained by the fact that many customers want to conclude negotiations on new projects before the holiday period begins or before the end of the year.

The number of production days is lower during the third quarter of the year, when the holiday period occurs, which is reflected in both revenue and new orders.



## Residential



Lansa Fastigheter took possession of Wästbygg's development project Journalen 1 in Malmö after the balance sheet date, 17 August. Although Lansa acquired Journalen 1 in August 2021, the contract contained terms and conditions regarding possession which have not been met until now. Journalen 1 comprises 177 rental apartments and will be constructed by Wästbygg. Construction will start immediately and the apartments are planned to be ready for occupancy at the turn of 2024/25. The project will be included in the order intake for Q3.

### NEW PROJECTS AND AGREEMENTS ENTERED INTO

- A decision was taken for the cooperative Tuve 12:40 to start construction of Tuvebo Glashytta, comprising 45 apartments in Gothenburg. The order value is SEK 78 million. Self-developed project.

Wästbygg builds apartment buildings for private and municipal clients. The company also develops and constructs rental apartments and tenant-owned apartments.

In contract assignments, there is currently a strong preponderance of rental apartments, with municipal housing companies as the main clients. This category accounts for half the number of apartments currently under production. Our goal is for the proportion of self-developed residential projects to be about 50 percent, measured on the basis of revenue. This target was reached in Q2 with a proportion of 55 percent.

The number of self-developed projects in production has increased significantly during the past year. Construction is currently under way on ten self-developed residential projects, since a decision was made to start construction of Tuvebo Glashytta in Gothenburg in April. The sale of apartments is ongoing in a further project, Tjärleken in Norrtälje. The sales situation is reported on the next page.

Due to excellent order intakes in the past 12-month period and an increased number of self-developed projects, volumes have grown significantly in Residential. We had 2,085 apartments in production as per 30 June, compared with 1,223 at the same time last year. Revenues climbed by 94 percent in Q2 and by 65 percent for the period, compared with the same time in 2021. Profit was SEK 12 million for Q2 and SEK 36 million for the six-month period, a significant improvement on the previous year. However, profit was impacted by the bankruptcy of a subcontractor in one of our residential projects.

A land allocation beside Vantörsvägen received from the City of Stockholm in 2021 has been revoked due to a lack of political support for residential development in the area concerned. The land allocation comprised approximately 100 apartments, with construction to start in 2026 at the earliest. This revocation resulted in a one-time effect in Q2, which is charged to the profit.

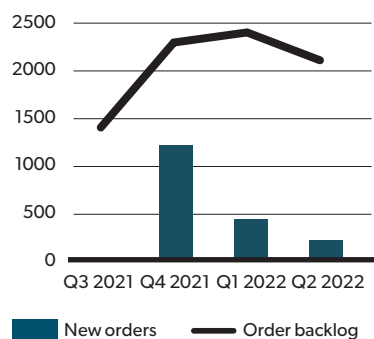
## Residential

REVENUE AND PROFIT, SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
<b>Revenue</b>	<b>434</b>	<b>224</b>	<b>790</b>	<b>480</b>	<b>1 065</b>
- of which construction	195	119	350	265	462
- of which project development	239	105	440	215	602
<b>Profit</b>	<b>12</b>	<b>5</b>	<b>36</b>	<b>12</b>	<b>81</b>

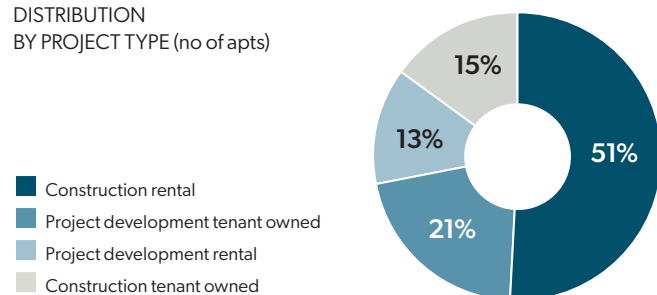
### PRODUCTION, NO OF APARTMENTS

Completed during the second quarter	82
Ongoing 30 June, construction	1 374
Ongoing 30 June project development	711
<b>Total in progress</b>	<b>2,085</b>

### NEW ORDERS/ORDER BACKLOG, SEK mil.



### DISTRIBUTION BY PROJECT TYPE (no of apts)



Lagerkransen in Lund 82 rental apartments completed during the second quarter.



### SELF DEVELOPED TENANT OWNED, 30 JUNE 2022

Project	Status	No of apts	Of which sold/ booked	Of which reserved	Completion
Parklyckan, Stockholm	Production	36	36		2022
Strandängen, Falkenberg	Production	29	29		2022
Soluret, Malmö	Production	45	45		2023
Älgoxen, Umeå	Production	30	27		2023
Hökälla Ångar, phase 2, Gothenburg	Production	36	36		2023
Slottshuset, Täby	Production	89	55	5	2023
Tuvebo Glashytta, Gothenburg	Production	45	23	2	2023
Cityterrassen, Malmö	Production	174	62		2024
Tjärleken, Norrtälje	Sales launched	50	19	2	2024
<b>Total</b>		<b>534</b>	<b>332</b>	<b>9</b>	

### SELF DEVELOPED RENTAL APARTMENTS, 30 JUNE 2022

Project	Status	No of apts	Completion
Värberg youth housing, Stockholm	Production	174	2022
Kv Trädgårn, Svedala	Production	53	2023
<b>Total</b>		<b>227</b>	



## Commercial



Vision image of the Prisma office building in Hyllie, Malmö.  
The land allocation was received during the second quarter.

The Commercial business area primarily builds retail properties, offices and community service properties. The majority of the projects are currently contract assignments, but the company's project portfolio also includes commercial projects, which are primarily community service properties.

Revenues in this business area were significantly higher in the first six-month period than the same period in 2021. This is due to excellent order intakes, both in 2021 and so far this year, combined with the acquisition of Rekab Entreprenad in autumn 2021. The majority of Rekab's operations take place under Commercial, and the volume in this business area, based on number of square metres, doubled as a result of the acquisition.

The operating profit amounted to SEK 2 million for Q2 and SEK -5 million for the period. The Commercial business area was materially impacted by the writing down of profits in Q1 as a result

of price increases in the market. In addition, several of the large projects in progress are collaborative contracts that are still in phase 1, i.e. planning and design. More and more of these projects will go into production in the autumn.

In project development, it is taking longer than originally planned to get the commercial projects in the portfolio started. This is due to factors including COVID-19 and current market conditions. Moreover, on 12 May the Swedish Land and Environment Court withdrew a local development plan previously adopted by Varberg Municipality for a 14-storey hotel. Wästbygg is a partner in the company that has signed a land allocation contract with Varberg Municipality for construction of the hotel, but has no financial obligations until the local development plan becomes legally binding. The company is monitoring the situation and is continuing to collaborate with Varberg Municipality.

Two new commercial development projects arose during Q2, see new projects below. The extension of the rest and service area in Falkenberg will probably start construction next year, while the office building in Hyllie will likely start construction in a few years' time.

### NEW PROJECTS AND AGREEMENTS ENTERED INTO

- A contract was signed with Sundsvall Municipality for construction of an extension of the Solhaga care home comprising 108 places. The order value is SEK 231 million.
- A contract was signed with Cargab Fastighets AB for an extensive renovation of a 5,300 sqm warehouse facility. The order value is SEK 35 million.
- A contract was signed with Ancore 81 AB, a company part-owned by Ica Fastigheter AB, for construction of an Ica Quantum supermarket in Skellefteå with an area of 635 sqm. The order value is SEK 24 million.
- A contract was signed with Herde Förvaltning for construction of a retail premises in Skellefteå with the sports chain XXL as the tenant. The area is 2,400 sqm and the order value SEK 36 million.
- A land allocation contract was signed with the City of Malmö in the city district of Hyllie for construction of an office building with an area of 14,500 sqm.
- A contract was signed for the acquisition of 55 percent of Falkenberg Tröinge Utveckling AB, a project company that holds a reservation agreement with Falkenberg Municipality for a 20,000 sqm land development project beside the E6 motorway, where a rest and service area is under planning including a hotel, a restaurant and retail premises, a serviced office and a large electric vehicle charging station. The cost of Wästbygg acquiring a share in the company was SEK 11 million.

## Commercial

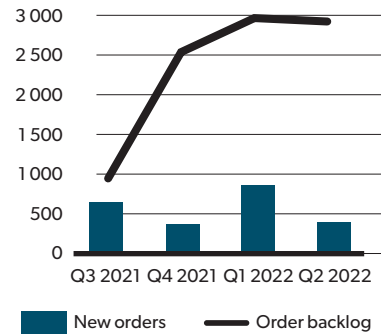
### REVENUE AND PROFIT, SEK million

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
<b>Revenue</b>	492	94	908	194	688
- of which construction	492	83	905	169	663
- of which project development	0	11	3	25	25
<b>Profit</b>	2	-5	-5	-5	-11

### PRODUCTION, NO OF SQM

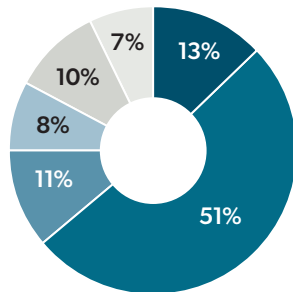
Completed during the second quarter	35,980
Ongoing 30 June, construction	180,180
Ongoing 30 June project development	0
<b>Total in progress</b>	<b>180,180</b>

### NEW ORDERS/ORDER BACKLOG, SEK mil.



### DISTRIBUTION BY PROJECT TYPE (no of sqm)

- Retail properties
- Community service properties
- Office and industry
- Automotive facilities/parking garage
- Sports centres
- Hotels



During the second quarter the last phase of the remodeling and extension (total 56,000 sqm) of the shopping mall Asecis in Jönköping was completed.



## Logistics and industry



Operations in Wästbygg's logistics and industry segment are conducted in the group company Logistic Contractor, with operations in Sweden, Norway, Denmark and Finland. The company specialises in developing and building large logistics and industrial facilities designed for rational handling and large-scale operations in logistics and light manufacturing.

The Swedish logistics market has been strong for several years and remains buoyant despite the increase in costs resulting from a surge in material prices. Strong market activity is also seen in neighbouring Nordic countries. The goal is for 50% of revenue in this business area to come from self-developed projects. The figures vary considerably from one period to another. Most of the projects in Logistics and Industry have a relatively high order value. This means that individual projects have a strong impact on the way the figures are distributed.

During the first six months, 30 percent of revenues were generated from project development. The development project

for Mathem in Stockholm will be completed in Q3. Meanwhile, a large new development project is now starting in Enköping.

Profit for the six-month period was impacted by the write-down of profits in several projects in Q1 due to price increases in the market. Profit was 41 percent lower than for the same period in 2021. For Q2 alone, the difference is significantly less at 14 percent. The six projects that were in the start-up phase in Q1 had by then entered full production. Volumes amounted to 532,500 sqm at the end of Q1, 47 percent higher than the same time last year.

The contract for Northvolt in Skellefteå is still ongoing, but mainly involves smaller operations that cannot be performed until other, complementary contractors have completed their part of the work. All contracted works at the site will be completed by later this autumn. In light of this, the project has relatively little impact on revenue and profit.

The strong efforts to cultivate the Danish, Norwegian and Finnish markets continue. Attractive projects are available in all three of these markets, and partnerships with a potential to generate business in the future have been established.

### NEW PROJECTS AND AGREEMENTS ENTERED INTO

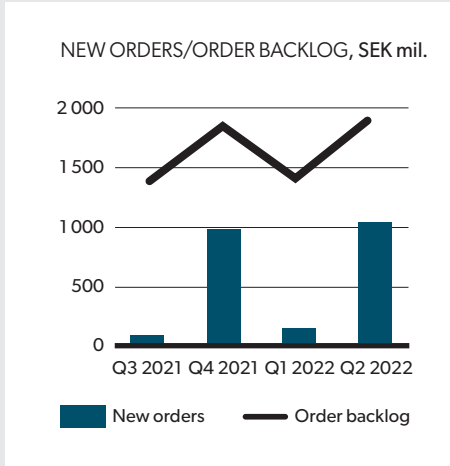
- A contract was signed with Genesta Property Nordic AB for acquisition of the project company Sneden AB. The purchase consideration was SEK 945 million. Sneden AB includes the 133,000 sqm of land outside Enköping that Logistic Contractor acquired in spring 2021. Sneden AB has also signed a contract with Logistic Contractor for the construction of a logistics facility with an area of approximately 80,000 sqm on the site. The value of the construction contract is approximately SEK 605 million and is included in the purchase consideration.
- A contract was signed with VWR International AB for the development and construction of a 9,000 sqm logistics facility in Örebro. A twelve-year lease was signed with VWR with a base year annual rent of SEK 5.9 million. The contract value is SEK 105 million. The customer could not be named in the original press release as the move to new premises was not communicated to the employees when the agreement was signed.

# Logistics and industry

REVENUE AND PROFIT, SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Revenue Sweden	523	527	868	918	1 781
Revenue abroad	50	67	116	133	284
<b>Revenue total</b>	<b>573</b>	<b>594</b>	<b>984</b>	<b>1,051</b>	<b>2,065</b>
- of which construction	390	383	686	659	1 265
- of which project development	184	211	299	392	800
<b>Profit</b>	<b>66</b>	<b>77</b>	<b>83</b>	<b>141</b>	<b>241</b>

PRODUCTION, NO OF SQM

Completed during the second quarter	39,000
Ongoing 30 June, construction	372,500
Ongoing 30 June project development	160,000
<b>Total in progress</b>	<b>532,500</b>



Facility built for Frode Laursen in Eskilstuna (39,000 sqm) was completed during the second quarter.



LANDBANK LOGISTICS AND INDUSTRY, 30 JUNE 2022

Location	Type	Area sqm
Nyköping, Sweden	Joint venture	400,000
Gardermoen Nord Næringspark, Ormlia, Norway	Acquisition	266,000
Holmestrand Næringspark, Holmestrand, Norway	LOI for joint venture	40,000
<b>Total</b>		<b>706,000</b>

# Development portfolio

AS OF 30 JUNE 2022

Project, municipality	Type	No of apts	Total area (sqm)	Phase	Est. start of production	Estimated completion
Alliero, Sundsvall*	Self owned/Commercial	80	6,512	ZP in effect	2025	2027
Almen, Umeå	Self owned	200	13,569	Ongoing work ZP	2022	2028
Bollen pre school, Trelleborg*	CSP	0	900	ZP in effect	2023	2024
Borstahusen town houses, Landskrona*	Self owned	12	1,440	ZP in effect	2023	2024
Borstahusen, Landskrona*	Self owned	50	4,325	ZP in effect	2023	2025
Citadellsfogen, Malmö*	Rental	70	4,850	Ongoing work ZP	2027	2028
Citadellsfogen, Malmö*	Self owned	70	4,850	Ongoing work ZP	2027	2029
Fridhem, Ängelholm*	Self owned	78	6,433	ZP in effect	2023	2024
Guldskrinet, Umeå*	Self owned/Rental	100	7,500	Ongoing work ZP	2023	2026
Hökälla Höjd, Göteborg	Self owned	42	3,276	ZP in effect	2023	2024
Journalen 1, Malmö	Rental	177	10,097	ZP in effect	2022	2024
Lilla Essingen Parkhuset, Stockholm*	Self owned	24	1,849	ZP in effect	2025	2027
Lilla Essingen Strandhusen, Stockholm*	Self owned	74	6,032	ZP in effect	2026	2028
Norra Saltskog, Södertälje*	Self owned	49	3,055	Ongoing work ZP	2025	2027
Nämnden, Malmö*	Rental/Commercial	60	4,645	ZP in effect	2023	2025
Prisma Parkkvarter, Malmö*	Commercial	0	14,500	Ongoing work ZP	2024	2027
Skarpnäck pre school, Stockholm*	CSP	0	860	ZP in effect	2026	2028
Skarpnäck, Stockholm*	Rental	126	5,659	ZP in effect	2024	2026
Solberga, Stockholm*	Self owned	35	4,025	No ZP	2025	2027
Solvalla hotel, Stockholm*	Hotel	0	6,900	No ZP	2026	2028
Solvalla youth housing, Stockholm*	Rental	120	4,115	No ZP	2026	2028
Sparreallén, Borås	Commercial	0	3,200	ZP in effect	2023	2025
Sparreallén, Borås	Self owned	20	1,200	ZP in effect	2023	2025
Strandängen 2, sheltered housing, Falkenberg*	CSP	80	5,280	No ZP	2024	2025
Strandängen 2, care home, Falkenberg*	CSP	60	3,800	No ZP	2024	2025
Svandammsplan, Stockholm*	Self owned	53	3,010	No ZP	2026	2027
Syrenen, Umeå	Self owned/Commercial	80	7,270	Ongoing work ZP	2023	2026
Tjärleken, Norrtälje	Self owned	111	11,284	ZP in effect	2022	2024
Tröinge rest area, Falkenberg*	Commercial	0	10,000	ZP in effect	2023	2025
Tuvebo Glashytta, Gothenburg	Self owned	45	2,663	ZP in effect	2022	2023
Vallastråket, Stockholm*	Self owned	70	4,200	Ongoing work ZP	2024	2026
Värbergsvägen, Stockholm*	Self owned	80	5,000	ZP in effect	2025	2027
Västerport, Varberg*	Hotel	0	18,250	DP stopped	2023	2026
Västra Roslags-Näsby, Täby*	Self owned	40	2,951	ZP in effect	2027	2028
Årsta etapp 2n, Stockholm*	Self owned	237	14,503	Ongoing work ZP	2028	2030
Årsta etapp 4a, Stockholm*	Self owned	68	5,661	Ongoing work ZP	2029	2031
Årsta etapp 4b, Stockholm*	Rental	231	11,786	Ongoing work ZP	2029	2031
Åseberget, Kungälv*	Not decided	150	10,000	No ZP	2026	2030
Östra Station, Kävlinge	Self owned	96	6,418	ZP in effect	2023	2024
<b>Total</b>		<b>2,788</b>	<b>241,868</b>			

\* Options, acquisitions  
have not yet been made.

ZP = Zoning plan

# Consolidated income statement

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
Revenue	1,304	1,051	2,351	1,951	4,348	3,949
Costs in production	-1,204	-886	-2,171	-1,647	-3,954	-3,430
<b>Gross profit/loss</b>	<b>100</b>	<b>165</b>	<b>180</b>	<b>304</b>	<b>394</b>	<b>519</b>
Sales and administration costs	-81	-75	-173	-140	-325	-292
Other operating revenue	2	1	4	2	10	8
Other operating costs	-1	-	-1	0	-1	0
<b>Operating profit</b>	<b>20</b>	<b>91</b>	<b>10</b>	<b>166</b>	<b>78</b>	<b>235</b>
<b>Profit/loss from financial items</b>						
Profit shares from joint ventures and associated companies	0	0	0	0	-4	-4
Financial revenue	4	4	11	4	18	12
Financial costs	-12	-2	-24	-3	-36	-15
<b>Profit after financial items</b>	<b>13</b>	<b>93</b>	<b>-4</b>	<b>167</b>	<b>57</b>	<b>228</b>
Change in value of real estate	0	0	0	1	5	6
<b>Profit before tax</b>	<b>13</b>	<b>93</b>	<b>-4</b>	<b>168</b>	<b>62</b>	<b>234</b>
Taxes	13	6	30	4	33	7
<b>Profit for the period</b>	<b>26</b>	<b>99</b>	<b>26</b>	<b>172</b>	<b>96</b>	<b>241</b>
Profit relating to:						
- the parent company's shareholders	26	99	26	172	96	241
- holdings without controlling influence	0	0	0	0	0	0
Earnings per share, SEK*	0.80	3.05	0.81	5.32	2.93	7.42
Number of shares at the end of the period (thousands)	32,341	32,340	32,341	32,340	32,341	32,591
Average number of shares (thousands)	32,341	32,340	32,465	32,340	32,536	32,474
<b>THE GROUP'S REPORT ON COMPREHENSIVE INCOME</b>						
Profit for the period	26	99	26	172	96	241
<b>Other comprehensive income that can be transferred to the income statement</b>						
Currency difference when translating foreign operations	0	-1	1	1	1	1
<b>Comprehensive income for the period</b>	<b>26</b>	<b>98</b>	<b>27</b>	<b>173</b>	<b>97</b>	<b>242</b>
Total result attributable to:						
- the parent company's shareholders	26	98	27	173	97	242
- holdings without controlling influence	0	0	0	0	0	0

All amounts in financial reports and notes are given in SEK million unless otherwise stated.

As the amounts are rounded to the nearest SEK million, the tables do not always sum up.

\* The company has no options and similar agreements that give rise to a dilution effect, therefore this is not reported separately. The change in the number of shares during the period is attributable to the structure of the acquisition of Rekab Entreprenad AB. No decisions have been taken regarding a new issue or issue of new shares. When all buybacks and transfers of consideration shares have taken place, the number of shares will again correspond to the number of registered shares. See page 27 for further information about the number of shares.



## COMMENTS ON THE INCOME STATEMENT

### APRIL – JUNE 2022

Revenues amounted to SEK 1,304 million (1,051) in Q2, a 24 percent increase on the previous year. The rise in revenues was due to high order intakes over a sustained period as well as strong project implementation. Operating profit stood at SEK 20 million (91). The difference is largely due to the fact that a self-developed tenant-ownership project was handed over and settled in Q2 2021, no such projects were handed over and settled in 2022. Both revenue and profit are also held back by self-developed tenant-ownership projects under production, where the company has more tenant-ownership projects in progress than ever before. Several of the new tenant-ownership projects commenced will have a production period extending into 2023 and 2024, which means they will not have an immediate impact on profit and net sales. Profit was also affected by the fact that several large collaborative contracts in the Commercial business area are currently in phase 1, i.e. planning and design. These projects will start production later in the year. The bankruptcy of a subcontractor has also caused a one-time effect on the profit.

Profit after tax amounted to SEK 26 million (99), equivalent to earnings per share of SEK 0.80 (3.05). The operating margin was 1.5 percent (8.7).

Order intakes continued to be strong in Q2, totalling SEK 1,591 million (1,473), and our order backlog, already at a record high, has grown still further. The order backlog was SEK 6,818 million (3,666) as per 30 June. The order backlog was well distributed between the company's three business areas, which provides strong security for the whole organisation in 2022 and into 2023.

### JANUARY – JUNE 2022

Revenues for the six-month period rose by 21 percent to SEK 2,351 million (1,951). Operating profit stood at SEK 10 million (166). No self-developed tenant-ownership projects were completed, unlike in the first six months of 2021 when two such projects were completed. The profit was also affected by the writing down of approximately SEK 40 million in Q1 following sharp rises in the prices of commodities and building materials.

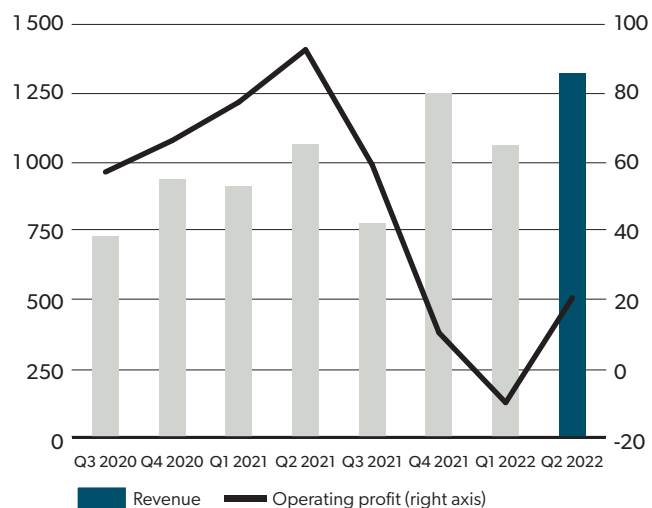
Profit after tax amounted to SEK 26 million (172), corresponding to earnings per share of SEK 0.81 (5.32).

The total order intake was SEK 2,936 million (2,240).

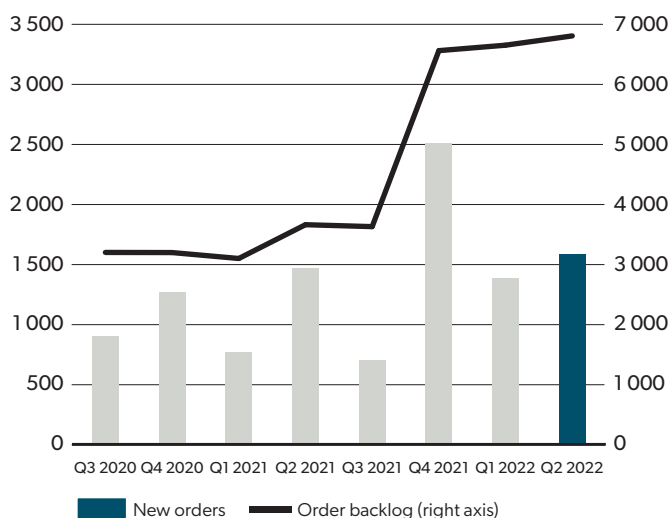
### PERSONNEL

Following the acquisition of Rekab Entreprenad in the autumn of 2021, Wästbygg's number of employees is now significantly higher than in Q2 2021. The number of employees was 569 (328) as per 30 June. The Wästbygg Group had 524 employees at the start of 2022.

REVENUE AND OPERATING PROFIT, SEK million/quarter



NEW ORDERS AND ORDER BACKLOG, SEK million/quarter



# Group balance sheet

ASSETS	30 Jun 2022	30 Jun 2021	31 Dec 2021	TOTAL EQUITY AND LIABILITIES	30 Jun 2022	30 Jun 2021	31 Dec 2021
<b>Fixed assets</b>				<b>Equity</b>			
<i>Intangible fixed assets</i>				Share capital	4	4	4
Goodwill	428	229	428	Other contributed capital	946	946	946
Other intangible fixed assets	35	9	35	Retained earnings	661	533	555
Total	463	238	463	This period's comprehensive income	27	173	242
				Total equity attributable to the company's shareholders	1 638	1 656	1 747
<i>Tangible fixed assets</i>				Holdings without controlling influence	4	4	4
Investment properties	75	75	75	<b>Total equity</b>	<b>1 642</b>	<b>1 660</b>	<b>1 751</b>
User rights assets	32	28	34				
Inventory, tools and installations	5	4	5	<b>Non-current liabilities</b>			
Total	112	107	114	<i>Non-current interest-bearing liabilities</i>			
				Bond loans	493	-	492
<i>Financial fixed assets</i>				Liabilities to credit institutions	173	107	154
Shares in joint ventures and associated companies	2	11	17	Debts user rights	16	15	18
Deferred tax receivables	87	48	54	Total	682	122	664
Non-current financial assets	0	0	0				
Total	89	59	71	<i>Non-current non-interest-bearing liabilities</i>			
<b>Total fixed assets</b>	<b>664</b>	<b>404</b>	<b>648</b>	Deferred tax liabilities	19	4	18
				Other provisions	73	67	72
<b>Current assets</b>				Total	92	71	90
Development properties, etc.	224	265	295	<b>Total non-current liabilities</b>	<b>774</b>	<b>193</b>	<b>754</b>
Tenant-owner association flats of own development under production	1,203	421	880				
Accounts receivable	628	427	444	<b>Current liabilities</b>			
Accrued but not invoiced	614	299	437	<i>Current interest-bearing liabilities</i>			
Tax receivables	32	25	16	Liabilities to credit institutions	463	115	145
Receivables from group companies	13	12	13	Debts user rights	17	15	18
Other receivables	768	417	446	Other liabilities	225	225	225
Prepaid costs and accrued income	26	14	25	Total	705	355	388
Cash and cash equivalents	285	924	897				
<b>Total current assets</b>	<b>3,793</b>	<b>2,804</b>	<b>3,453</b>	<i>Current non-interest-bearing liabilities</i>			
<b>TOTAL ASSETS</b>	<b>4,457</b>	<b>3,208</b>	<b>4,101</b>	Accounts payable	519	280	480
				Advance from customer	484	498	406
				Tax liabilities	1	0	4
				Other liabilities	164	100	118
				Accrued expenses and prepaid income	167	122	200
				Total	1 335	1 000	1 208
				<b>Total current liabilities</b>	<b>2 041</b>	<b>1 355</b>	<b>1 596</b>
				<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4 457</b>	<b>3 208</b>	<b>4 101</b>
				<b>INTEREST-BEARING NET CASH/NET DEB</b>			
				Interest-bearing assets	784	1 123	1 202
				Interest-bearing liabilities	1 387	477	1 051
				<b>Interest-bearing net cash/net debt</b>	<b>-603</b>	<b>646</b>	<b>151</b>

# Changes in the Group's equity

## IN SUMMARY

	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
<b>Equity attributable to the parent company's owners</b>				
Amount at the beginning of the period	1,747	1,590	1,656	1,590
Commitment consideration shares (business acquisition)	-41	-	42	83
Transfer of own shares	43	-	43	-
Buyback of shares	-24	-	-85	-61
Effect of settlement of commitments	-2	-	-2	-
Dividend	-112	-107	-112	-107
Comprehensive income for the period	27	173	96	242
<b>Amount at the end of the period</b>	<b>1,638</b>	<b>1,656</b>	<b>1,638</b>	<b>1,747</b>
<b>Holdings without controlling influence</b>				
Amount at the beginning of the period	4	3	4	3
Comprehensive income for the period	-	-	-	-
<b>Amount at the end of the period</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>TOTAL EQUITY</b>	<b>1,642</b>	<b>1,660</b>	<b>1,642</b>	<b>1,751</b>

## COMMENTS ON THE BALANCE SHEET AND EQUITY

The company has extensive production of self-developed tenant owned residential projects which are only partially financed through construction credit. This affects interest-bearing net cash, which amounted to SEK -603 million (646) for the six-month period. The comparison with the corresponding period in 2021 is also affected by the bond issue carried out in 2021.

Equity per share amounted to SEK 50.66 (51.21) at the end of the period.

The Other receivables item includes receivables and purchase considerations related to unconsolidated project and development companies.

The Development properties item decreased due to the sale of logistics land in Enköping. In Q1 2022, Wästbygg acquired a former joint venture company's share in the project company CentrumShopping Lund AB. In addition, possession was gained of a commercial property in Malmö acquired at the end of 2021.

The equity ratio at the end of the period was 37 percent (52). The decrease is due to a rise in the balance sheet total, which is, in turn, a result of a higher number of construction projects including both self-developed projects and contract assignments. The equity ratio was also affected in Q2 by the payment to shareholders of an agreed dividend of SEK 112 million and the buy-back of shares, amounting to SEK 24 million. In addition, the equity ratio is affected, in line with the company's strategy, by an increased debt ratio associated with the issue of the green bonds as well as investments in new development projects. It is also held back by non-extracted gains in self-developed tenant-ownership projects currently in progress, since in accordance with the accounting principles, these projects will only be recognised in the income statement on completion.

In Q2, the first of two settlements was made to Trekcyd AB for the acquisition of Rekab Entreprenad, which affected working capital. Shares worth SEK 43 million were transferred. At the end of the period, the value of the outstanding settlement due to Trekcyd was SEK 42 million. In Q2, 250,000 shares were also bought back for the future settlement in 2024. Including shares previously bought back, the company now has almost the entire number of shares needed to make the remaining settlement.

# Group cash flow statement

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
<b>Day-to-day operations</b>						
Profit/loss before financial items	20	91	10	166	79	235
Adjustment for items not included in cash flow	14	-13	15	4	20	9
Received interest	4	4	11	4	19	12
Paid interest	-12	-2	-24	-3	-36	-15
Paid tax	-5	-5	-16	-1	-4	11
<b>Cash flow from operating activities before changes in working capital</b>	<b>21</b>	<b>75</b>	<b>-4</b>	<b>170</b>	<b>78</b>	<b>252</b>
<b>Cash flow from changes in working capital</b>						
Increase (-)/decrease (+) of tenant-owner association flats of own development in production	-199	-27	-324	-113	-726	-515
Increase (-)/decrease (+) of accounts receivable	-221	-130	-183	80	-98	165
Increase (-)/decrease (+) of other operating receivables	-207	-128	-384	-351	-565	-532
Increase (+)/decrease (-) of accounts payable	46	6	38	34	137	133
Increase (+)/decrease (-) of operating liabilities	14	276	65	246	-3	178
<b>Cash flow from the day-to-day operations</b>	<b>-546</b>	<b>72</b>	<b>-792</b>	<b>66</b>	<b>-1 177</b>	<b>-319</b>
<b>Investment activities</b>						
Dividend from joint ventures and associated companies	-	0	8	0	8	-
Investments in businesses, including additional purchase sums	0	0	0	0	-129	-129
Acquisitions of intangible fixed assets	-2	0	-3	-1	-6	-4
Investments in investment properties	-	-5	-	-15	5	-10
Acquisitions of other tangible fixed assets	-2	-6	-10	-7	-26	-23
<b>Cash flow from investing activities</b>	<b>-4</b>	<b>-11</b>	<b>-5</b>	<b>-23</b>	<b>-148</b>	<b>-166</b>
<b>Financing activities</b>						
Buyback of shares	-24	-	-24	-	-85	-61
Paid dividend	-112	-107	-112	-107	-112	-107
Amortisation of loan liabilities	-5	1	-10	-2	-8	0
Raised loan liabilities	93	40	326	129	393	196
Bond loans	-	-	-	-	492	492
<b>Cash flow from financing activities</b>	<b>-48</b>	<b>-66</b>	<b>180</b>	<b>20</b>	<b>680</b>	<b>520</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-598</b>	<b>-3</b>	<b>-616</b>	<b>63</b>	<b>-644</b>	<b>35</b>
Cash and cash equivalents at the start of the period	881	931	897	860	924	860
Exchange rate difference in cash and cash equivalents	2	-4	3	1	5	2
<b>Cash and cash equivalents at the end of the period</b>	<b>285</b>	<b>924</b>	<b>285</b>	<b>924</b>	<b>285</b>	<b>897</b>

## COMMENTS ON CASH FLOW

Variations in cash flow from one period to another are a natural consequence of the number of development projects in progress and the number of projects sold. A negative cash flow from current operations during certain periods is completely in line with the company's strategy to increase the proportion of development projects. Raised loans also vary as self-developed tenant-owner-ship projects start construction or are completed.

Total cash flow during the second quarter amounted to SEK -598 million (-3), divided into day-to-day operations SEK -546 million (72), investment operations SEK -4 million (-11) and financing operations SEK -48 million (-66).

The company is in an investment phase. Several self-developed projects currently under construction are either wholly or partially self-funded, and new development projects will also be self-funded going forwards. Financing operations were affected by a buy-back of 250,000 shares in April carried out to settle the acquisition of Rekab Entreprenad, and by the payment to shareholders of the agreed dividend of SEK 112 million in May.

Total cash flow for the six-month period amounted to SEK -616 million (63), divided into day-to-day operations SEK -792 million (66), investment operations SEK -5 million (-23) and financing operations SEK 180 million (20).

The company invested in two development properties in Q1. Together with the numerous self-developed residential projects in progress, this affected cash flow from current operations.



## Parent company income statement

IN SUMMARY

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
Revenue	28	24	56	48	106	99
Other operating revenue	0	0	0	0	0	0
<b>Total operating income</b>	<b>28</b>	<b>24</b>	<b>56</b>	<b>48</b>	<b>106</b>	<b>99</b>
Staff costs	-16	-17	-33	-30	-65	-63
Other external costs	-18	-16	-32	-29	-66	-62
<b>Operating profit/loss</b>	<b>-6</b>	<b>-9</b>	<b>-9</b>	<b>-11</b>	<b>-25</b>	<b>-26</b>
<b>Profit/loss from financial items</b>						
Dividend (anticipated) from subsidiaries	-	-	0	-	200	200
Other interest income and similar income items	11	7	21	13	51	43
Interest expenses and similar income items	-8	-3	-17	-7	-29	-18
<b>Profit after financial items</b>	<b>-3</b>	<b>-5</b>	<b>-5</b>	<b>-5</b>	<b>197</b>	<b>199</b>
<b>Year-end appropriations</b>						
Year-end appropriations	-	-	-	-	16	16
<b>Profit before tax</b>	<b>-3</b>	<b>-5</b>	<b>-5</b>	<b>-5</b>	<b>215</b>	<b>215</b>
Taxes	1	1	1	1	2	2
<b>Profit/loss for the period</b>	<b>-3</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>217</b>	<b>217</b>

## Parent company balance sheet

IN SUMMARY

	30 Jun 2022	30 Jun 2021	31 Dec 2021
<b>ASSETS</b>			
Intangible fixed assets	7	3	5
Tangible fixed assets	2	3	2
Financial fixed assets	461	115	449
<b>Total fixed assets</b>	<b>470</b>	<b>121</b>	<b>456</b>
Current receivables	1,584	1,211	1,467
Cash and bank balances	172	457	443
<b>Total current assets</b>	<b>1,756</b>	<b>1,668</b>	<b>1,910</b>
<b>TOTAL ASSETS</b>	<b>2,226</b>	<b>1,789</b>	<b>2,366</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
Restricted equity	4	4	4
Unrestricted equity	1,411	1,307	1,550
<b>Total equity</b>	<b>1,414</b>	<b>1,311</b>	<b>1,554</b>
Non-current liabilities	493	-	492
Current liabilities	319	478	320
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,226</b>	<b>1,789</b>	<b>2,366</b>

# Notes and other financial information

## NOTE 1. ACCOUNTING POLICIES

The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act.

Consolidated financial statements are prepared in accordance with IFRS from the 2015 financial year. The accounting principles applied in the interim report are described in the annual report for 2021 on pages 70–76. Accounting principles and calculation methods for the Group are unchanged compared with the annual report last year.

### NEW STANDARDS APPLIED FROM 1 JANUARY 2022

New or amended IFRS standards applied from 2022 have no or little impact on Wästbygg Gruppen's financial reporting.

### STANDARDS, AMENDMENTS AND INTERPRETATIONS CONCERNING EXISTING STANDARDS THAT HAVE NOT YET ENTERED INTO FORCE AND ARE NOT APPLIED PREMATURELY BY THE GROUP

As of the date of approval of this financial report, certain new standards, amendments and interpretations of existing standards that have not yet entered into force have been published by IASB. These have not been applied prematurely by the Group and the changes are not expected to have a significant impact on the financial statements during the financial year in which they are to be applied for the first time and therefore no information has been provided.

### RECLASSIFICATION OF INTEREST-BEARING LIABILITY

A short-term interest-bearing liability of SEK 225 million was recognised as a short-term non-interest bearing liability as per 31 December 2020. As of the interim report dated 30 September 2021, this has been corrected and the item is recognised under short-term interest-bearing liabilities. The key ratios Operating capital and Net cash have been recalculated for 31 December 2020, 31 March 2021 and 30 June 2021; see table below. These key ratios were also affected by interest-bearing receivables recognised under the Other receivables item in the balance sheet. As this change has no material impact on profit, no other reports and key ratios have been recalculated.

### RECALCULATED KEY RATIOS

SEK million	31 Dec 2020	31 Mar 2021	30 Jun 2021
<b>Operating capital</b>			
Before recalculation	785	748	630
After recalculation	1,010	973	855
<b>Net cash</b>			
Before recalculation	477	664	684
After recalculation	252	523	646

## NOTE 2. SEGMENT REPORTING

Wästbygg Gruppen's segment reporting follows the Group's internal reporting to company management and the board, as this is how the board and group management controls and monitors operations. The segment reporting reports revenue recognition for project development of owner-occupied flats over time.

SEGMENT REPORT I IN SUMMARY, SEK MILLION	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
<b>REVENUE</b>						
Residential	434	224	790	480	1 375	1 065
<i>Of which internal sales</i>	0	-	0	-	7	7
Commercial	492	94	908	194	1 402	688
<i>Of which internal sales</i>	-	-	-	-	7	7
Logistics and industry <sup>1</sup>	573	594	984	1 051	1 998	2 065
<i>Of which internal sales</i>	-	-	-	-	-	-
Other <sup>2</sup>	28	24	56	48	107	99
<i>Of which internal sales</i>	28	24	56	48	107	99
Group adjustments	-28	-25	-56	-48	-107	-99
<b>Total</b>	<b>1 499</b>	<b>911</b>	<b>2 682</b>	<b>1 725</b>	<b>4 775</b>	<b>3 818</b>
IFRS adjustment (attributable to the Residential segment)	-195	140	-331	226	-427	131
<b>Total IFRS</b>	<b>1 304</b>	<b>1 051</b>	<b>2 351</b>	<b>1 951</b>	<b>4 348</b>	<b>3 949</b>
<b>OPERATING PROFIT</b>						
Residential	12	5	36	12	105	81
<i>Operating margin</i>	2,8 %	2,2 %	4,6 %	2,5 %	7,6 %	7,6 %
Commercial	2	-5	-5	-5	-11	-11
<i>Operating margin</i>	0,4 %	-5,3 %	-0,6 %	-2,6 %	-0,8 %	-1,6 %
Logistics and industry <sup>1</sup>	66	77	83	141	183	241
<i>Operating margin</i>	11,5 %	13,0 %	8,4 %	13,4 %	9,2 %	11,7 %
Övrigt <sup>2</sup>	-6	-9	-9	-11	-25	-26
Group adjustments	-9	0	-10	-4	-13	-8
<b>Total</b>	<b>65</b>	<b>68</b>	<b>95</b>	<b>133</b>	<b>239</b>	<b>277</b>
<i>Operating margin</i>	4,3 %	7,5 %	3,5 %	7,7 %	5,0 %	7,3 %
Financial items	-5	2	-8	2	-13	-3
Change in value of real estate	0	0	0	1	5	6
<b>Profit before tax, segment</b>	<b>60</b>	<b>70</b>	<b>87</b>	<b>136</b>	<b>231</b>	<b>280</b>
IFRS adjustment (attributable to the Residential segment)	-48	23	-91	32	-169	-47
<b>Profit before tax IFRS</b>	<b>13</b>	<b>93</b>	<b>-4</b>	<b>168</b>	<b>62</b>	<b>234</b>

<sup>1</sup> Distribution by geographic market is reported under section Logistics and industry on page 14. Only Logistic and industry have operations abroad.

<sup>2</sup> Segment Other consists of the parent company's operations and contains only internally invoiced revenue. As a result, the operating margin for Other is not reported. The parent company's operations consist of support functions for the segments in the form of departments for finance, HR, QEW, sustainability, IT and communications as well as group management.

The transfer pricing between the operating segments takes place on market terms. Financial items and taxes are not distributed by segment, nor are they followed up by the highest executive decision-makers, which is why they have been excluded from the table above. The equivalent also applies to assets and liabilities. There is also no items affecting cash flow or separate reporting of depreciation per segment as those amounts are small.



### NOTE 3. DISPUTES

The group has discussions or disputes with customers or partners from time to time about commercial terms. In exceptional cases, this takes place in an arbitration or other legal instance. In some cases, they are evaluated by external legal representatives in consultation with internal resources. The report reflects at all times the best overall assessment that has been made, but actual outcomes may deviate as in some cases these are complex assessments.

### NOTE 4. RISKS AND UNCERTAINTY FACTORS

The group is continuously working on managing risks and uncertainty factors, and places strong focus on various vulnerability reduction measures. The group's risks may primarily be related to three areas: external environment risks, operational project and contract risks including sustainability risks, and financial risks. A more comprehensive risk analysis can be found in the company's annual report for 2021 on pages 54–57. No significant changes took place that have changed these reported risks.

There are several uncertainty factors in the external environment that affect our business. Russia's invasion of Ukraine has, besides causing enormous suffering for the population, affected the general economy. Energy and material costs have skyrocketed and inflation is now spreading in society at large.

Uncertainty regarding the availability of domestically produced concrete is set to persist in the longer term. A shortage may arise depending on the decisions ultimately made about limestone quarrying in Gotland. Wästbygg already collaborates with several suppliers, and is reviewing future possibilities for purchasing concrete based on various scenarios.

Although COVID-19 is no longer considered a serious threat to society, the pandemic continues to have impacts. For example, may shutdowns in China in response to outbreaks have effects on production and delivery of, among other things, components.

### NOTE 5. PARENT COMPANY AND OTHER GROUP ITEMS

The parent company's intra-group revenues for the second quarter amounted to SEK 28 million (24) and the profit/loss after net financial items was SEK -3 million (-5). Intra-group revenues for the half year amounted to SEK 56 million (48) and the profit/loss after net financial items was SEK -5 million (-5).

### NOTE 6. TRANSACTIONS WITH RELATED COMPANIES

Wästbygg's largest shareholder is M2 Holding AB. M2 is owned and controlled by Rutger Arnhult, who is also a Board member of M2. The M2 Group has significant direct and indirect ownership interests in Corem Property Group AB and Castellum AB, which are part of the group of related companies but are not group companies connected with Wästbygg. Rutger Arnhult is CEO of Castellum and also a member of the Board.

Wästbygg carries out construction assignments in competition for Corem Property Group and M2. Wästbygg has previously also carried out assignments for Castellum, but all these assignments were completed before Castellum could be regarded as a related company. During the fourth quarter Wästbygg acquired a property in Malmö from Kungsleden, a subsidiary of Castellum. Wästbygg has taken possession of the property on 31 January 2022.

Revenue accrued in current projects is shown in the table below. Accounts receivable to related companies stood at SEK 20 million (17).

#### ACCRUED REVENUE

SEK mil.	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
Corem*	8	16	21	39	35	53
M2	41	64	51	64	71	85
Castellum	0	-	0	-	-	-
<b>Total</b>	<b>49</b>	<b>80</b>	<b>72</b>	<b>103</b>	<b>107</b>	<b>138</b>

\* Following Corem's acquisition of Klöver during 2021, combined figures for Klöver and Corem are reported. The figures also include accrued revenue for Tobin Properties, which is a wholly owned subsidiary of Klöver.

### NOTE 7. FINANCIAL INSTRUMENTS

The Group's financial instruments essentially consist of financial assets and financial liabilities that are valued at accrued acquisition value. Financial instruments that are valued at fair value consist of currency futures and contingent purchase consideration, which amount to insignificant amounts. Further information can be found in the group's annual report for 2021 in Note 1 Accounting Principles and Note 29 Financial Risk Management and Financial Instruments.

# Quarterly overview<sup>1</sup>

## FINANCIAL OVERVIEW AND KEY RATIOS

<i>SEK million unless otherwise specified</i>	Apr-Jun 2020	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020
<b>Financial key ratios</b>								
Revenue	1 304	1 046	1 231	767	1 051	900	924	720
Operating profit	20	-10	10	58	91	76	65	56
Operating margin, %	1,5	-1,0	0,8	7,6	8,7	8,4	7,0	7,8
Profit/loss after tax	26	0	13	56	99	73	82	58
Balance sheet	4 457	4 405	4 101	3 297	3 208	3 134	3 170	2 033
Equity/assets ratio, %	37	40	43	52	52	53	50	32
Return on equity, %	6	10	14	18	19	17	21	31
Operating capital	2 142	1 579	1 336	1 102	<sup>2</sup> 855	<sup>2</sup> 973	<sup>2</sup> 1 010	514
Interest-bearing net cash (+) / net debt (-)	-603	-14	151	428	<sup>2</sup> 646	<sup>2</sup> 523	<sup>2</sup> 252	-209
Cash flow from operating activities	-546	-245	-192	-191	72	-7	-161	9
<b>Equity related key ratios<sup>3</sup></b>								
Earnings per share, SEK	0,80	0,01	0,39	1,74	3,05	2,27	2,66	2,50
Equity per share, SEK	50,66	53,66	53,62	52,96	51,21	51,49	49,17	28,04
Number of shares at the end of the period (thousands)	32 341	32 591	32 591	32 340	32 340	32 340	32 340	22 950
Average number of shares (thousands)	32 341	32 591	32 869	32 340	32 340	32 340	30 782	22 950
<b>SEGMENT REPORTING<sup>1</sup></b>								
<b>Financial key ratios</b>								
Revenue	1 499	1 183	1 271	822	911	814	1 002	773
Operating profit	65	30	69	74	68	66	77	67
Operating margin, %	4,3	2,5	5,4	9,0	7,5	8,1	7,7	8,7
Profit/loss after tax	73	41	74	75	77	65	97	68
Balance sheet	4 401	4 373	4 226	3 136	3 087	2 857	2 872	1 727
Equity/assets ratio, %	42	43	44	56	55	60	57	40
Return on equity, %	14	14	16	18	18	18	23	35
Operating capital	1 774	1 324	1 225	947	<sup>2</sup> 731	<sup>2</sup> 760	<sup>2</sup> 800	361
Interest-bearing net cash (+) / net debt (-)	314	741	794	856	<sup>2</sup> 996	<sup>2</sup> 1 031	<sup>2</sup> 877	6
Cash flow from operating activities	-409	-57	-212	-141	92	124	-97	47
<b>Equity related key ratios<sup>3</sup></b>								
Earnings per share, SEK	2,27	1,26	2,26	2,31	2,37	2,01	3,16	2,95
Equity per share, SEK	56,66	58,15	56,87	54,33	52,02	52,98	50,92	29,87
Number of shares at the end of the period (thousands)	32 341	32 591	32 591	32 340	32 340	32 340	32 340	22 950
Average number of shares (thousands)	32 341	32 591	32 869	32 340	32 340	32 340	30 782	22 950
<b>OPERATIONAL KEY RATIOS</b>								
New orders	1 591	1 345	2 514	703	1 473	767	1 266	900
Order backlog	6 818	6 657	6 572	3 634	3 666	3 102	3 201	3 203
No of employees at end of period	569	535	524	333	328	315	311	315

For KPI definitions, see page 26.

<sup>1</sup> KPIs for the Group, in accordance with IFRS and the segment reporting that is applied for internal control and auditing. See note 2 on page 23 for further information.

<sup>2</sup> The KPIs Working capital and Interest-bearing net cash/net debt have been recalculated due to a reclassification of Other liabilities; see accounting principles on page 22.

<sup>3</sup> The company has no options or similar agreements that give rise to a dilution effect, so this is not reported separately. When Rekab Entreprenad AB was acquired, the number of shares changed as a result of the agreement structure. No decisions have been taken regarding a new share issue. When all buybacks and transfers of consideration shares have taken place, the number of shares will again correspond to the number of registered shares. See page 27 for further information on the number of shares.

# Key ratios and definitions

**THE GROUP:** Wästbygg presents certain financial measures in the interim report that are not defined by IFRS. The key ratios on page 4 and 25 are chosen on the basis that they are considered to give a fair view of the Company's operations and development. They are also commonly used among other companies, which facilitates comparisons. The key figures listed to the right are not defined in accordance with IFRS unless otherwise stated. Growth (CAGR) is defined in accordance with segment reporting.

**SEGMENT:** As for the key ratios provided in Note 2 and in Appendix 1 on page 30–35, they are regarded as alternative key ratios. They have the same definition as key ratios to the right, but are based on segment figures.

## OPERATIONAL KEY RATIOS

### New orders

**Definition:** The value of projects received and changes to existing projects during the current period. Tenant-owner association projects of own development are included in new orders as soon as a construction agreement has been signed for construction.

**Purpose:** Shows the company's sales during the current period.

### Order backlog

**Definition:** The value at the end of the period of the remaining unprocessed project revenue in pending assignments.

Tenant-owner association projects of own development are included in the order backlog as soon as a construction agreement has been signed for construction.

**Purpose:** Shows the company's revenues in future periods.

## FINANCIAL KEY RATIOS

	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021	
<b>Balance sheet total</b>					
A Total assets	4,457	3,208	4,457	4,101	
A = Balance sheet total	4,457	3,208	4,457	4,101	
<b>Revenue growth (CAGR) <sup>1</sup></b>					
A Revenue (rolling 12 months)	4,775	3,501	4,348	3,818	<b>Definition:</b> Revenue for rolling 12 months divided by revenue for the previous period, raised to one divided by the number of years between the two periods, minus one. Wästbygg Gruppen measures CAGR over three years based on the end of the year immediately before the current three-year period.
B Comparison period revenue	3,905	3,652	3,905	3,652	
C Number of years between periods	2.5	2.5	2.5	3	
$(A/B)^{(1/C)-1}$ = Revenue growth, %	8.4%	-1.7%	3.1%	1.5%	
<b>Operating margin</b>					
A Operating profit/loss	10	166	78	235	<b>Definition:</b> Operating profit/loss in relation to revenue.
B Revenue	2,351	1,951	4,348	3,949	<b>Purpose:</b> Shows the company's earning capacity.
A/B = Operating margin, %	0.4%	8.5%	1.8%	6.0%	
<b>Equity ratio</b>					
A Total equity	1,642	1,660	1,642	1,751	<b>Definition:</b> Equity in relation to the balance sheet total.
B Balance sheet total	4,457	3,208	4,457	4,101	<b>Purpose:</b> Describes the capital structure of the company.
A/B = Equity ratio, %	37%	52%	37%	43%	
<b>Return on equity</b>					
A Profit/loss for the period (rolling 12 months)	96	312	96	241	<b>Definition:</b> Profit for the period (rolling 12 months) divided by average equity for the period.
B Equity at the beginning of the period	1,751	1,593	1,660	1,593	<b>Purpose:</b> Shows the company's ability to generate return on equity.
C Equity at the end of the period	1,642	1,660	1,642	1,751	
$A/((B+C)/2)$ = Return on equity, %	6%	19%	6%	14%	
<b>Operating capital</b>					
A Current assets	3,761	2,779	3,761	3,437	<b>Definition:</b> Current assets (excluding cash and cash equivalents and tax receivables) less current non-interest-bearing liabilities (excluding tax liabilities).
B Cash and cash equivalents	285	924	285	897	
C Current non-interest-bearing liabilities	1,334	1,000	1,334	1,204	<b>Purpose:</b> Shows the company's tied up capital.
A-B-C = Operating capital	2,142	855	2,142	1,336	
<b>Interest-bearing net debt/ net cash</b>					
Receivables from group companies	13	12	13	13	<b>Definition:</b> Interest-bearing receivables including cash and cash equivalents less interest-bearing liabilities.
Cash and cash equivalents	285	924	285	897	
Other interest-bearing receivables	486	187	486	292	
A Interest-bearing assets at end of period	784	1,123	784	1,202	<b>Purpose:</b> Shows the company's real indebtedness.
Non-current interest-bearing liabilities	682	122	682	664	
Current interest-bearing liabilities	705	355	705	388	
B Interest-bearing liabilities	1,387	477	1,387	1,052	
A-B = Interest bearing net cash (+)/net debt (-)	-603	646	-603	151	
<b>Earnings per share, IFRS</b>					
A Profit for the period	26	172	96	241	<b>Definition:</b> Profit/loss attributable to the company's shareholders in relation to the number of outstanding shares.
B Average number of outstanding shares at the end of the period (thousands) <sup>2</sup>	32,465	32,340	32,536	32,474	
A/B = Earnings per share, SEK	0.81	5.32	2.93	7.42	<b>Purpose:</b> Illustrates each share's share of the period's earnings.
<b>Equity per share, IFRS</b>					
A Equity at the end of the period	1,638	1,656	1,638	1,747	<b>Definition:</b> Equity attributable to the company's shareholders in relation to the number of outstanding shares at the end of the period.
B Number of outstanding shares at the end of the period ('thousands) <sup>2</sup>	32,341	32,340	32,341	32,591	
A/B = Equity per share, SEK	50.66	51.21	50.66	53.62	<b>Purpose:</b> Illustrates each share's share of the equity.

<sup>1</sup> From segment reporting

<sup>2</sup> See information about Wästbygg Gruppen's share on page 27 for further information about the number of shares.



## Wästbygg Gruppen's share

Wästbygg Gruppen AB's (publ) class B-shares are listed on Nasdaq Stockholm under the ticker code WBGR. On 30 June 2022, the share price closed at SEK 60.00. This was equivalent to a stock market value of SEK 1,940 million, calculated on the basis of the number of outstanding shares. As per 30 June, the share capital amounted to SEK 3,593,352, divided into 620,000 Class A shares and 31,720,165 Class B shares.

Wästbygg had 4,743 shareholders at the end of the quarter. The proportion of foreign ownership was just under 7 percent of the share capital. The ten largest shareholders controlled 85 percent of the capital and 87 percent of the votes. The table at the side of the page shows the ten confirmed largest shareholders as per 30 June 2022.

### Buyback and transfer of the company's own shares

Buy-back of the Company's own shares was authorised at an extraordinary general meeting on 21 October 2021. On 1 April 2022, the first of two promissory notes was paid to Trekyd AB for the acquisition of Rekab, through the disposal of 425,313 shares. On the same date, 250,000 shares were bought back, in addition to the 600,000 shares previously bought back, to ensure sufficient availability of shares for payment of the second promissory note, which falls due in 2024.

### DIVIDEND

One of the Wästbygg Group's long-term goals is for the dividend to amount to 40 percent of net profit over time, based on the segment reporting. The Annual General Meeting of 5 May adopted a dividend of SEK 3.50 per dividend-entitled share, which was paid out on 12 May. The number of dividend-entitled shares totalled 31,915,478 on the record date, resulting in a total dividend of SEK 111,704,173. The dividend corresponded to a direct return of 4.65 percent, based on the share price on the day of payment.

### GREEN LABELLING

The Wästbygg Group has become one of the first companies in Sweden to apply for and be awarded the Nasdaq Green Equity Designation.



### THE WÄSTBYGG GROUP'S TEN LARGEST SHAREHOLDERS, 30 JUNE 2022

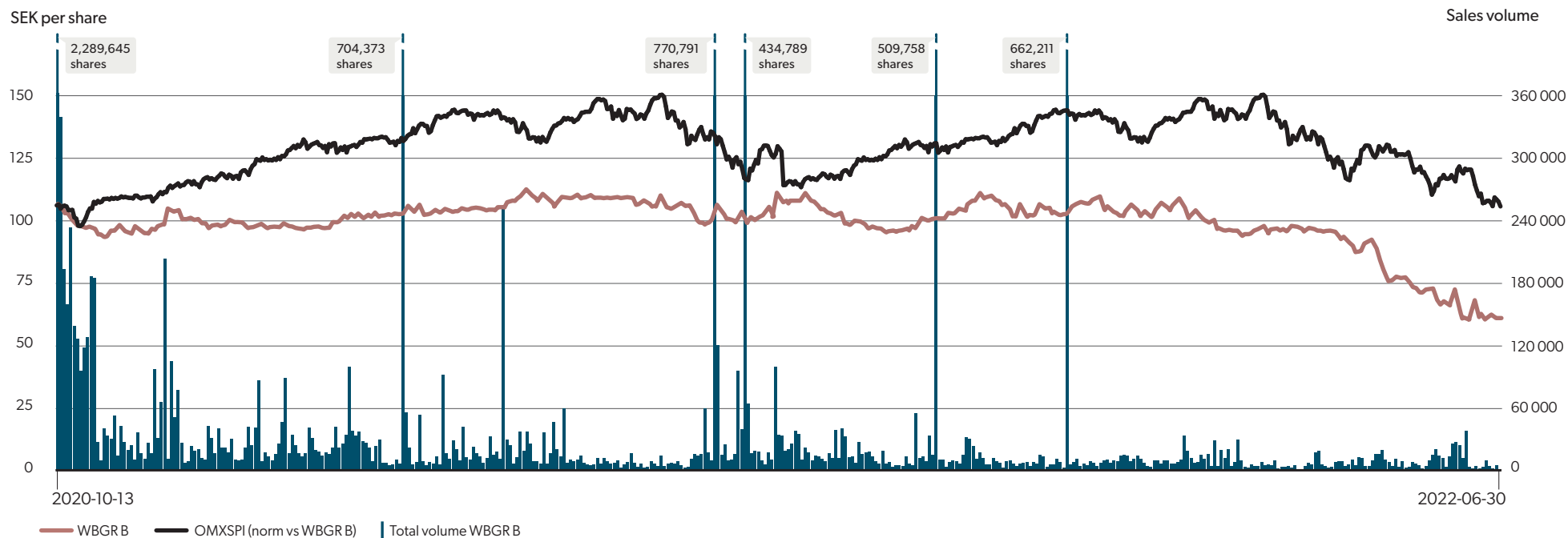
Name	No of class A-shares	No of class B-shares	Total no of shares	Proportion of capital	Proportion of votes
M2 Holding AB	337,500	19,143,224	19,480,724	60.2 %	59.4 %
Fino Förvaltning AB	282,500	1,718,000	2,000,500	6.2 %	12.0 %
Svolder	-	2,833,916	2,833,916	8.8 %	7.5 %
Länsförsäkringar Fonder	-	1,341,459	1,341,459	4.1 %	3.5 %
Öhman Fonder	-	410,771	410,771	1.3 %	1.1 %
Carnegie Fonder	-	383,387	383,387	1.2 %	1.0 %
Gårdarike Invest AB	-	300,000	300,000	0.9 %	0.8 %
SEB Fonder	-	201,809	201,809	0.6 %	0.5 %
Erik Selin	-	174,999	174,999	0.5 %	0.5 %
Other shareholders	-	4,787,913	4,787,913	14.9 %	13.7 %
Wästbygg Gruppen AB (publ)	-	424,687	424,687	1.3 %	-
<b>Number of registered shares</b>	<b>620,000</b>	<b>31,720,165</b>	<b>32,340,165</b>	<b>100.0 %</b>	<b>100.0 %</b>
Commitment consideration shares <sup>2</sup>	-	425,313	425,313		
Bought back shares <sup>1</sup>	-	-424,687	-424,687		
<b>Total number of shares outstanding<sup>3</sup></b>	<b>620,000</b>	<b>31,720,791</b>	<b>32,340,791</b>		

<sup>1</sup> Bought back shares do not carry voting rights and therefore do not entitle holders to dividends. See note 3 in the annual report for 2021.

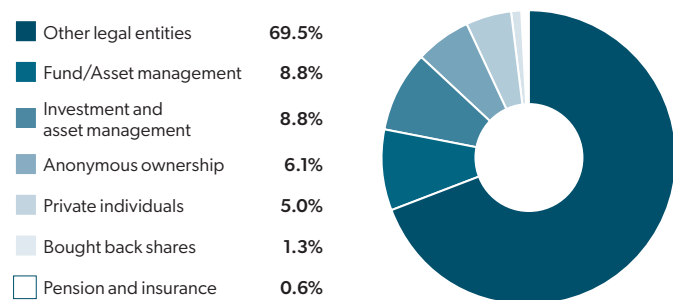
<sup>2</sup> In conjunction with the acquisition of Rekab, elements of the transferred payment consist of own shares (consideration shares).

<sup>3</sup> The number of outstanding shares is used to calculate equity per share and includes commitments for consideration shares and bought back shares. The same applies to the calculation of earnings per share, which is based on the average number of shares outstanding.

SHARE PRICE



SHAREHOLDER DISTRIBUTION (%)



Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

**DECLARATION**

The CEO declares that the interim report provides a fair overview of the parent company's and the Group's operations, position and results and describes significant risks and uncertainties that the parent company and the companies included in the Group face. The report has not been reviewed by the company's auditors.

Gothenburg 23 August 2022

WÄSTBYGG GRUPPEN AB (PUBL)

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JONAS JÖNEHALL  
CEO

The information is such that the Wästbygg Group (publ) must publish in accordance with the EU Market Abuse Regulation. The information was submitted for publication on 23 August at 08:00.

This interim report has been published in Swedish and English. In the event of a discrepancy between the language versions, the Swedish version shall prevail.



# Appendix 1

## Segment reporting

The Wästbygg Group's segment report contains alternative key ratios to describe how the business develops over time and provide an opportunity for a clearer comparison between different periods. These also follows the Group's internal reporting as this is how the board and group management controls and monitors operations. The alternative key figures are a complement to reporting in accordance with IFRS. The difference between the two ways of reporting is described in Note 2 and concerns how tenant-owner association projects of own development are reported. Below and on the following five pages are the income statement, balance sheet, changes in equity and cash flow analysis according to segment reporting.

# Consolidated income statement

SEGMENT REPORT

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
Revenue	1,499	911	2,682	1,725	4,775	3,818
Costs in production	-1,353	-769	-2,417	-1,454	-4,220	-3,257
<b>Gross profit/loss</b>	<b>146</b>	<b>142</b>	<b>265</b>	<b>271</b>	<b>555</b>	<b>561</b>
Sales and administration costs	-82	-75	-173	-140	-325	-292
Other operating revenue	2	1	4	2	10	8
Other operating costs	-1	-	-1	-	-1	0
<b>Operating profit</b>	<b>65</b>	<b>68</b>	<b>95</b>	<b>133</b>	<b>239</b>	<b>277</b>
<b>Profit/loss from financial items</b>						
Profit shares from joint ventures and associated companies	0	0	0	0	-4	-4
Financial revenue	7	4	16	5	28	17
Financial costs	-12	-2	-24	-3	-37	-16
<b>Profit after financial items</b>	<b>60</b>	<b>70</b>	<b>87</b>	<b>135</b>	<b>226</b>	<b>274</b>
Change in value of real estate	0	0	0	1	5	6
<b>Profit before tax</b>	<b>60</b>	<b>70</b>	<b>87</b>	<b>136</b>	<b>231</b>	<b>280</b>
Taxes	13	7	27	5	32	10
<b>Profit for the period</b>	<b>73</b>	<b>77</b>	<b>114</b>	<b>141</b>	<b>263</b>	<b>290</b>
Profit relating to:						
- the parent company's shareholders	73	77	114	141	263	290
- holdings without controlling influence	0	0	0	0	0	0
Earnings per share, SEK*	2.27	2.37	3.52	4.37	8.10	8.94
Number of shares at the end of the period (thousands)	32,341	32,340	32,341	32,340	32,341	32,591
Average number of shares (thousands)	32,341	32,340	32,465	32,340	32,536	32,474
<b>THE GROUP'S REPORT ON COMPREHENSIVE INCOME</b>						
<b>Profit for the period</b>	<b>73</b>	<b>77</b>	<b>114</b>	<b>141</b>	<b>263</b>	<b>290</b>
<b>Other comprehensive income that can be transferred to the income statement</b>						
Currency difference when translating foreign operations	-	-1	1	1	2	2
<b>Comprehensive income for the period</b>	<b>73</b>	<b>76</b>	<b>115</b>	<b>142</b>	<b>265</b>	<b>292</b>
Total result attributable to:						
- the parent company's shareholders	73	76	115	142	265	292
- holdings without controlling influence	0	0	0	0	0	0

All amounts in financial reports and notes are given in SEK million unless otherwise stated.

As the amounts are rounded to the nearest SEK million, the tables do not always sum up.

\* The company has no options and similar agreements that give rise to a dilution effect, therefore this is not reported separately. The change in the number of shares during the period is attributable to the structure of the acquisition of Rekab Entreprenad AB. No decisions have been taken regarding a new issue or issue of new shares. When all buybacks and transfers of consideration shares have taken place, the number of shares will again correspond to the number of registered shares. See page 27 for further information about the number of shares.

## COMMENTS ON THE INCOME STATEMENT

### APRIL – JUNE 2022

Revenues amounted to SEK 1,499 million (911) in Q2, a 65 percent increase on the previous year. The rise in revenues was due to high order intakes over a sustained period as well as strong project implementation. Operating profit stood at SEK 65 million (68). Profit was affected by, among other things, the fact that several large collaborative contracts in the Commercial business area are currently in phase 1, i.e. planning and design. These projects will start production later in the year. The bankruptcy of a subcontractor has also caused a one-time effect on the profit.

Profit after tax amounted to SEK 73 million (77), equivalent to earnings per share of SEK 2.27 (2.37). The operating margin was 4.3 percent (7.5).

Order intakes continued to be strong in Q2, totalling SEK 1,591 million (1,473), and the order backlog, already at a record high, has grown still further. The order backlog was SEK 6,818 million (3,666) as per 30 June. The order backlog was well distributed between the company's three business areas, which provides strong security for the whole organisation in 2022 and into 2023.

### JANUARY – JUNE 2022

Revenues for the six-month period rose by 56 percent to SEK 2,682 million (1,725). In addition to what is reported under Q2, see above, the profit was also affected by the writing down of approximately SEK 40 million in Q1 following sharp rises in the prices of commodities and building materials.

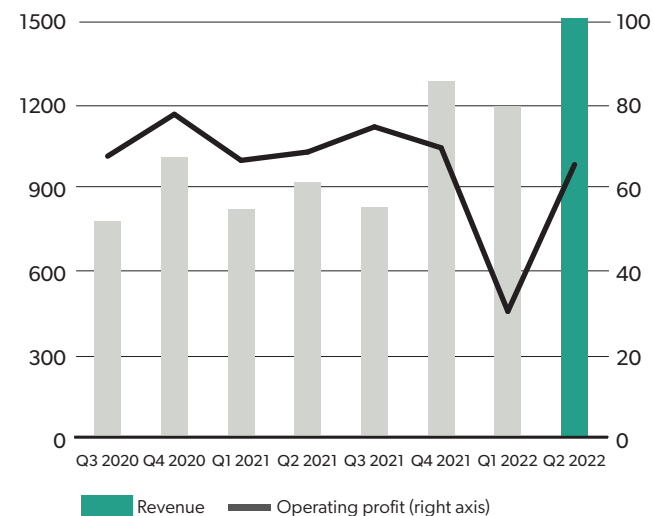
Profit after tax amounted to SEK 114 million (141), corresponding to earnings per share of SEK 3.52 (4.37).

The total order intake was SEK 2,936 million (2,240).

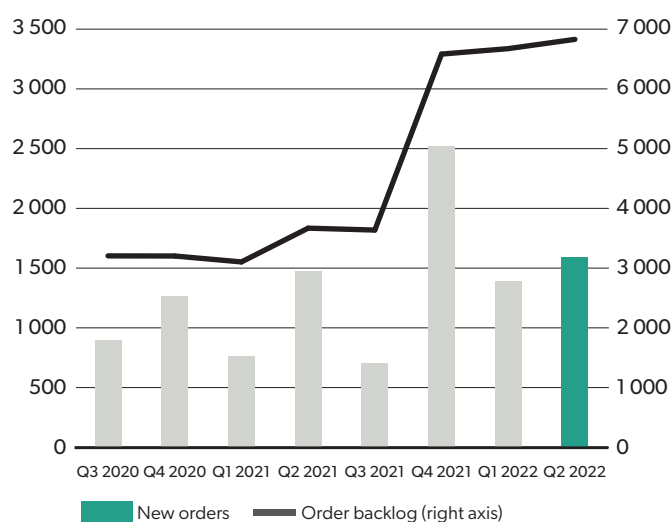
### PERSONNEL

Following the acquisition of Rekab Entreprenad in the autumn of 2021, Wästbygg's number of employees is now significantly higher than in Q2 2021. The number of employees was 569 (328) as per 30 June. The Wästbygg Group had 524 employees at the start of 2022.

REVENUE AND OPERATING PROFIT, SEK million/quarter



NEW ORDERS AND ORDER BACKLOG, SEK million/quarter



# Group balance sheet

SEGMENT REPORT

ASSETS	30 Jun 2022	30 Jun 2021	31 Dec 2021
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Goodwill	428	229	428
Other intangible fixed assets	35	9	36
Total	463	238	464
<i>Tangible fixed assets</i>			
Investment properties	75	75	75
User rights assets	32	28	34
Inventory, tools and installations	5	4	5
Total	112	107	114
<i>Financial fixed assets</i>			
Shares in joint ventures and associated companies	2	11	17
Deferred tax receivables	82	46	52
Non-current financial assets	39	0	14
Total	123	57	83
<b>Total fixed assets</b>	<b>698</b>	<b>402</b>	<b>661</b>
<b>Current assets</b>			
Development properties, etc.	255	265	326
Accounts receivable	628	427	443
Accrued but not invoiced	708	298	454
Tax receivables	30	25	16
Receivables from group companies	13	12	13
Other receivables	1 798	734	1 437
Prepaid costs and accrued income	26	14	25
Cash and cash equivalents	245	910	851
<b>Total current assets</b>	<b>3 703</b>	<b>2 685</b>	<b>3 565</b>
<b>TOTAL ASSETS</b>	<b>4 401</b>	<b>3 087</b>	<b>4 226</b>

TOTAL EQUITY AND LIABILITIES	30 Jun 2022	30 Jun 2021	31 Dec 2021
<b>Equity</b>			
Share capital	4	4	4
Other contributed capital	946	946	946
Retained earnings	767	590	612
This period's comprehensive income	115	142	292
Total equity attributable to the company's shareholders	1 832	1 683	1 854
Holdings without controlling influence	4	4	4
<b>Total equity</b>	<b>1 836</b>	<b>1 686</b>	<b>1 858</b>
<b>Non-current liabilities</b>			
<i>Non-current interest-bearing liabilities</i>			
Bond loans	493	-	492
Liabilities to credit institutions	69	49	50
Debts user rights	16	15	18
Total	578	64	560
<i>Non-current non-interest-bearing liabilities</i>			
Deferred tax liabilities	10	4	11
Other provisions	73	74	72
Total	83	78	83
<b>Total non-current liabilities</b>	<b>661</b>	<b>142</b>	<b>643</b>
<b>Current liabilities</b>			
<i>Current interest-bearing liabilities</i>			
Liabilities to credit institutions	1	0	1
Debts user rights	17	15	18
Other liabilities	231	225	230
Total	249	240	249
<i>Current non-interest-bearing liabilities</i>			
Accounts payable	518	280	470
Advance from customer	542	531	433
Tax liabilities	1	0	3
Other liabilities	130	86	96
Accrued expenses and prepaid income	464	122	474
Total	1 655	1 019	1 476
<b>Total current liabilities</b>	<b>1 904</b>	<b>1 259</b>	<b>1 725</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4 401</b>	<b>3 087</b>	<b>4 226</b>
<b>INTEREST-BEARING NET CASH/NET DEB</b>			
Interest-bearing assets	1 141	1 300	1 603
Interest-bearing liabilities	827	304	809
<b>Interest-bearing net cash/net debt</b>	<b>314</b>	<b>996</b>	<b>794</b>



# Changes in the Group's equity

IN SUMMARY, SEGMENT REPORT

	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
<b>Equity attributable to the parent company's owners</b>				
Amount at the beginning of the period	1,854	1,647	1,683	1,647
Commitment consideration shares (business acquisition)	-41	-	42	83
Transfer of own shares	43	-	43	-
Buyback of shares	-24	-	-85	-61
Effect of settlement of commitments	-2	-	-2	-
Dividend	-112	-107	-112	-107
Comprehensive income for the period	115	142	265	292
<b>Amount at the end of the period</b>	<b>1,832</b>	<b>1,683</b>	<b>1,832</b>	<b>1,854</b>
<b>Holdings without controlling influence</b>				
Amount at the beginning of the period	4	3	4	3
Comprehensive income for the period	0	0	0	0
<b>Amount at the end of the period</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>TOTAL EQUITY</b>	<b>1,836</b>	<b>1,686</b>	<b>1,836</b>	<b>1,858</b>

## COMMENTS ON THE BALANCE SHEET AND EQUITY

The Wästbygg Group's cash is, and will continue to be, used strategically in pursuing our ambition to increase our proportion of self-developed projects. Equity per share amounted to SEK 56.66 (52.02) at the end of the period.

The Group reported interest-bearing net cash of SEK 314 million (996) at the end of the period. The discrepancy with last year's figure is due to the green bond issue carried out in autumn 2021.

The Other receivables item includes receivables and purchase considerations related to unconsolidated project and development companies. Self-developed tenant-ownership projects currently in progress are also included here.

The Development properties item decreased due to the sale of logistics land in Enköping. In Q1 2022, Wästbygg acquired a former joint venture company's share in the project company CentrumShopping Lund AB. In addition, possession was gained of a commercial property in Malmö acquired at the end of 2021.

The equity ratio at the end of the period was 42 percent (55) In Q2 the equity ratio was affected in Q2 by the payment to shareholders of an agreed dividend of SEK 112 million and the buy-back of shares, amounting to SEK 24 million. In addition, the equity ratio is affected, in line with the company's strategy, by an increased debt ratio associated with the issue of the green bonds. The equity ratio is largely unchanged compared with 31 December 2021.

In Q2, the first of two settlements was made to Trekcyd AB for the acquisition of Rekab Entreprenad, which affected working capital. Shares worth SEK 43 million were transferred. At the end of the period, the value of the outstanding settlement due to Trekcyd was SEK 42 million. In Q2, 250,000 shares were also bought back for the future settlement in 2024. Including shares previously bought back, the company now has almost the entire number of shares needed to make the remaining settlement.

# Group cash flow statement

## SEGMENT REPORT

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021-22	Jan-Dec 2021
<b>Day-to-day operations</b>						
Profit/loss before financial items	65	68	95	133	239	277
Adjustment for items not included in cash flow	13	-4	16	13	23	20
Received interest	7	4	16	5	28	17
Paid interest	-12	-2	-24	-3	-37	-16
Paid tax	-5	-5	-15	-1	-4	10
<b>Cash flow from operating activities before changes in working capital</b>	<b>68</b>	<b>61</b>	<b>88</b>	<b>147</b>	<b>249</b>	<b>308</b>
<b>Cash flow from changes in working capital</b>						
Increase (-)/decrease (+) of accounts receivable	-221	-130	-183	80	-98	165
Increase (-)/decrease (+) of other operating receivables	-340	-59	-526	-136	-1 378	-988
Increase (+)/decrease (-) of accounts payable	47	6	48	35	136	123
Increase (+)/decrease (-) of operating liabilities	37	214	106	90	271	255
<b>Cash flow from the day-to-day operations</b>	<b>-409</b>	<b>92</b>	<b>-467</b>	<b>216</b>	<b>-820</b>	<b>-137</b>
<b>Investment activities</b>						
Dividend from joint ventures and associated companies	-	0	8	0	8	-
Investments in businesses, including additional purchase sums	0	0	0	0	-129	-129
Acquisitions of intangible fixed assets	-2	0	-3	-1	-6	-4
Investments in investment properties	-	-5	-	-15	5	-10
Acquisitions of other tangible fixed assets	-2	-5	-10	-7	-26	-23
<b>Cash flow from investing activities</b>	<b>-4</b>	<b>-10</b>	<b>-5</b>	<b>-23</b>	<b>-148</b>	<b>-166</b>
<b>Financing activities</b>						
Buyback of shares	-24	-	-24	-	-85	-61
Paid dividend	-112	-107	-112	-107	-112	-107
Amortisation of loan liabilities	-5	1	-10	-2	-8	0
Raised loan liabilities	0	49	9	49	12	52
Bond loans	-	-	-	-	492	492
<b>Cash flow from financing activities</b>	<b>-141</b>	<b>-57</b>	<b>-137</b>	<b>-60</b>	<b>299</b>	<b>376</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-554</b>	<b>25</b>	<b>-609</b>	<b>133</b>	<b>-669</b>	<b>73</b>
Cash and cash equivalents at the start of the period	797	889	851	776	910	776
Exchange rate difference in cash and cash equivalents	2	-4	3	1	4	2
<b>Cash and cash equivalents at the end of the period</b>	<b>245</b>	<b>910</b>	<b>245</b>	<b>910</b>	<b>245</b>	<b>851</b>

## COMMENTS ON CASH FLOW

Variations in cash flow from one period to another are a natural consequence of the number of development projects in progress and the number of projects sold. A negative cash flow from current operations during certain periods is completely in line with the company's strategy to increase the proportion of development projects.

Total cash flow during the second quarter amounted to SEK -554 million (25), divided into day-to-day operations SEK -409 million (92), investment operations SEK -4 million (-10) and financing operations SEK -141 million (-57).

The company is in an investment phase. Several self-developed projects currently under construction are either wholly or partially self-funded, and new development projects will also be self-funded going forwards. Financing operations were affected by a buy-back of 250,000 shares in April carried out to settle the acquisition of Rekab Entreprenad, and by the payment to shareholders of the agreed dividend of SEK 112 million in May.

Total cash flow for the six-month period amounted to SEK -609 million (133), divided into day-to-day operations SEK -467 million (216), investment operations SEK -5 million (-23) and financing operations SEK -137 million (-60).

The company invested in two development properties in Q1, which affected working capital.

## CALENDAR

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Interim report January – September	8 November 2022
Year-end report 2022	9 February 2023
Annual report	March 2023

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## CONTACTS

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