

INTERIM REPORT

Wästbygg Gruppen AB (publ)
January – September 2022

Värbergstoppen, youth housing with 174 flats,
was completed during September.

**WÄSTBYGG
GROUP**

January – September 2022

GROUP IN SUMMARY

1 JANUARY – 30 SEPTEMBER 2022

- Revenue SEK 3,452 million (2,718)
- Operating profit SEK -64 million (224)
- Profit after tax SEK -30 million (228)
- Earnings per share SEK -0.92 (7.06)
- Cash flow from operating activities SEK -1,100 million (-126)
- Interest-bearing net cash (+) /net debt (-) SEK -836 million (428)
- Equity ratio 34% (52)

1 JULY – 30 SEPTEMBER 2022

- Revenue SEK 1,101 million (767)
- Operating profit SEK -74 million (58)
- Profit after tax SEK -56 million (56)
- Earnings per share SEK -1.73 (1.74)
- Cash flow from operating activities SEK -309 million (-191)

SUMMARY ACCORDING TO SEGMENT REPORT

1 JANUARY – 30 SEPTEMBER 2022

- Revenue SEK 3,981 million (2,547)
- Operating profit SEK 68 million (207)
- Profit after tax SEK 105 million (216)
- Earnings per share SEK 3.25 (6.68)
- Cash flow from operating activities SEK -637 million (77)
- Interest-bearing net cash (+) /net debt (-) SEK 402 million (856)
- Equity ratio 41% (56)
- New orders SEK 4,137 million (2,943)
- Order backlog 30 September SEK 6,679 million (3,634)

1 JULY – 30 SEPTEMBER 2022

- Revenue SEK 1,299 million (822)
- Operating profit SEK -27 million (74)
- Profit after tax SEK -9 million (75)
- Earnings per share SEK -0.28 (2.31)
- Cash flow from operating activities SEK -171 million (-141)
- New orders SEK 1,201 million (703)

SIGNIFICANT EVENTS IN THE THIRD QUARTER

- A contract was signed with BlackRock Real Assets for the construction of a 36,000 sqm logistics facility in Eskilstuna. The order value was 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 were met in August this year and Lansa took possession of the property on 17 August 2022. The project has started construction.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- The first construction contract has been signed in the Finnish market. The client is Kiinteistö Oy Koskelonteollisuus and the project comprises a 9,000 sqm logistics facility in Ilvesvuori, Nurmijärvi. The order value is equivalent to approximately SEK 102 million.
- A 45,000 sqm logistics facility in Stockholm, developed for the tenant Mathem, was completed in October. The property owner, Niam, took possession of the facility after completion, in accordance with the forward commitment contract signed in December 2020.
- On October 19, Wästbygg Gruppen announced in a press release that due to write-downs of SEK 65 million, the profit for the third quarter would be lower than expected.



BUSINESS REMAINS STABLE DESPITE A CHALLENGING MARKET

While the current market situation is placing high demands on our entire business, inflation and other uncertainty factors in the market have been managed well in our daily operations.

Meanwhile, we faced financial challenges in Q3 related to a small number of projects in the Logistics and Industry business area. Measures have been taken to avoid further added costs, but as reported on 19 October, the profit was impacted by write-downs of SEK 65 million in Q3, and we had an operating profit of SEK -27 million (74) based on the segment reporting. Operating profit so far this year stands at SEK 68 million (207).

INCREASED REVENUES AND STRONG PROJECT IMPLEMENTATION

With regard to other business conditions, we continue to see positive development. Despite the challenges facing the industry as a whole, the implementation of our construction projects has been strong.

Based on the segment reporting, revenues amounted to SEK 1,299 million (822) for Q3 and SEK 3,981 million (2,547) since the start of the year.

Both cash flow for the quarter and accumulated cash flow were negative. This is directly attributable to the large number of self-developed projects we have in production, which is entirely in line with our strategy. In Q4 we will hand over a large logistics project, and two sold-out tenant-ownership projects will be ready for occupancy, which will have a positive effect on cash flow.

STRONG ORDER INTAKE AND DIVERSIFIED ORDER BACKLOG

So far this year we have had an order intake of SEK 4.1 billion, marking an increase of 40 percent on the same period in 2021. SEK 1.2 billion of this amount arose during Q3, a period during which fewer contracts are usually signed.

As a result of the strong order intake, our order backlog continued to be slightly under SEK 7 billion at the end of Q3. The order backlog primarily consists of contracts signed under the current market conditions, contracts that have been adjusted in consultation with clients on the basis of identified cost rises, and collaborative contracts. This creates favourable conditions for completing the contracts with the expected financial outcome and healthy margins. The order backlog is also well distributed between our three business areas, which reduces our exposure to individual market segments and secures our business going forward. However, it is also likely that margins will continue to shrink in our industry.

CONTINUED DEMAND FOR CONSTRUCTION CONTRACTS

Many clients are still active on the market and there are projects to submit tenders for, although contracts are often taking longer to conclude. We are pleased to see an increasing number of clients interested in conducting collaborative contracts in order to increase their participation in calculations and purchasing, and where we can contribute with our experience and knowledge at an early stage. This is a way of working in which we are highly experienced and we have well-established procedures to meet the requested demands for transparency between the parties.

Differences can be seen geographically. The current economic trend has had more limited effects on the market in northern Sweden than further south, although we see business opportunities in all the regions where we operate. One of the Wästbygg Group's great strengths is our long experience, which is in even greater demand in the current climate, where clients are seeking secure, well-established business partners.

CAUTIOUS MARKET FOR TENANT-OWNERSHIP PROJECTS

Inflation and interest rate hikes are causing many private individuals to be cautious about purchasing new homes. We are not planning to start sale or construction of any additional tenant-ownership projects in the near future. Sales are strong for projects in progress, although we noted a drop in sales after the summer. However, the projects that are closest to being ready for occupancy have been sold out for a long time. The other projects still have a long production time remaining, and we are constructing in highly attractive, desirable areas in each project location.

A LOOK FORWARD

Raising profitability is a priority. The entire group is working on a broad front to manage the large order backlog efficiently, drawing on the combined efforts of our highly skilled and competent workforce. We are correctly dimensioned at present, but are closely monitoring market developments to ensure that we can take any necessary measures in good time.

In Q3 I had the privilege to welcome two new members to the group management team. Robin Sundin stepped in as Group Legal Counsel during the summer, and has now also taken over as Head of Investor Relations after Marie Lindebäck decided to pursue new challenges outside the company. Whilst with his previous employer, Robin worked closely with the Wästbygg Group after we started preparing for the IPO in 2020. This means he has good knowledge of our business. The highly experienced John Nyberg has joined us as Head of Sustainability, a position that had been vacant for some time. With all key positions filled, the group management will continue working actively to provide the organisation with strategic support and the necessary conditions to reach our established targets.

We recently took a further step towards achieving our overarching target of making our operations fossil-free by 2030 in the areas of electricity, heating, transport and waste, as well as towards the vital transition to green energy in society at large. We have signed a letter of intent with Varberg Energimarknad AB for a joint venture regarding two wind power plants and a new solar park planned to go into operation at the end of next year.

Jonas Jönehall
CEO Wästbygg Gruppen AB

Financial overview and key ratios¹

<i>SEK million unless otherwise specified</i>	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018 ²
Financial key ratios									
Revenue	1,101	767	3,452	2,718	4,683	3,949	3,620	3,889	3,543
Operating profit	-74	58	-64	224	-53	235	223	220	147
Operating margin, %	-6.7	7.6	-1.9	8.2	-1.1	6.0	6.2	5.7	4.1
Profit/loss after tax	-56	56	-30	228	-17	241	234	215	142
Balance sheet	4,657	3,297	4,657	3,297	4,657	4,101	3,170	2,144	1,697
Equity/assets ratio, %	34	52	34	52	34	43	50	27	25
Return on equity, %	-1	18	-1	19	-1	14	22	43	37
Operating capital	2,373	1,102	2,373	1,102	2,373	1,336	³ 1,010	270	-17
Interest-bearing net cash (+) / net debt (-)	-836	428	-836	428	-836	151	³ 252	-7	173
Cash flow from operating activities	-309	-191	-1,100	-126	-1,293	-319	-237	-63	141
Equity related key ratios⁴									
Earnings per share, SEK	-1.73	1.74	-0.92	7.06	-0.52	7.42	9.39	9.40	6.16
Equity per share, SEK	48.91	52.96	48.91	52.96	48.91	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	32,423	32,340	32,536	32,474	24,913	22,950	22,950
SEGMENT REPORTING¹									
Financial key ratios									
Revenue	1,299	822	3,981	2,547	5,252	3,818	3,801	3,905	3,652
Operating profit	-27	74	68	207	138	277	254	192	171
Operating margin, %	-2.1	9.0	1.7	8.1	2.6	7.3	6.7	4.9	4.7
Profit/loss after tax	-9	75	105	216	179	290	268	187	163
Balance sheet	4,416	3,136	4,416	3,136	4,416	4,226	2,872	1,893	1,599
Equity/assets ratio, %	41	56	41	56	41	44	57	31	29
Return on equity, %	10	18	10	18	10	17	24	35	38
Operating capital	1,916	-947	1,916	947	1,916	1,225	³ 800	177	-110
Interest-bearing net cash (+) / net debt (-)	402	856	402	856	402	794	³ 877	129	308
Cash flow from operating activities	-171	-141	-637	77	-851	-137	-95	-73	240
Equity related key ratios⁴									
Earnings per share, SEK	-0.28	2.31	3.25	6.68	5.52	8.94	10.75	8.15	7.09
Equity per share, SEK	56.36	54.33	56.36	54.33	56.36	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	32,423	32,340	32,536	32,474	24,913	22,950	22,950
OPERATIONAL KEY RATIOS									
New orders	1,201	703	4,137	2,943	6,650	5,456	3,232	3,850	3,077
Order backlog	6,679	3,634	6,679	3,634	6,679	6,572	3,201	3,752	3,634
No of employees at end of period	578	333	578	333	578	524	311	305	288

For KPI definitions, see page 25.

¹ 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 22 for further information.

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

³ The KPIs Working capital and Interest-bearing net cash/net debt have been recalculated due to a reclassification of Other liabilities.

⁴ 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 26 for further information on the number of shares.

General market situation

SUMMARY

The Swedish economy is fundamentally in a strong position, and performed better in the first six months of 2022 than many had previously expected. The industry's order intake was strong and the labour market was tight. However, now everything suggests that the economic upswing in the wake of the pandemic is over. Rising interest rates, high inflation, electricity price shocks and a continued shortage of components are reducing household consumption and business investment. There is also a continuing risk of stock market turbulence and falling property prices, which puts a further damper on consumption and Swedish growth. The reduction in unemployment is expected to level out, and Swedish growth may approach zero in 2023.

A key issue during the autumn will be how the new government will tackle the high prices of electricity, which risk causing significant disruption in society. The current trend is also speeding up demand for reform in the electricity market, a green transition, greater energy efficiency and expansion in energy distribution and production.

The rising prices of inputs and energy have led companies to raise their prices, thus reducing households' purchasing power. This, in turn, leads to lower consumption. The savings that some households built up during the pandemic have, in many cases, run out. This is because households have increased their consumption again, are being hit with rising prices and have lost part of the value of their financial assets. Even small interest rate hikes have a fairly significant impact on households, since many households have a relatively high level of debt and some of their loans may have variable interest rates. Going forward, there is a risk of falling property prices and a weaker stock market, which reduces households' appetite for investment and

consumption. There is also a significant risk of rocketing electricity prices this winter, which could force households to reduce their consumption or deprioritise certain goods and services. The impact of the turbulent economic situation varies between companies. Companies that depend on large amounts of electricity, raw materials and inputs that are in short supply face big challenges. Despite all this, much of the industry continues to take a positive view of the future due to a continued strong level of international demand, among other factors. However, both the service and retail sectors face a bleaker situation.

The total volume of initiated building construction investment in the first six months of the year was down 6 percent on the same period in 2021, measured in fixed prices. NAVET estimates that the investment volume will drop by 4 percent in 2022 compared with 2021. The negative trend is expected to worsen in 2023 as a result of a broad decline in the construction market, primarily in residential construction. There are several negative impulses in the market. These include surging interest rates, high material and energy prices, a weaker economy, risk of cement shortages, greater caution among clients and shortage of components. In such a situation, all types of energy-saving measures can create advantages in the market.

Total initiated building construction investment in the Wästbygg Group's three business areas is expected to drop by a total of 8–10 percent this year, which means that the forecast is largely unchanged since the previous report. The volume is expected to shrink by a further 4–5 percent in 2023. The outlook is uncertain, as underlined by the above report.

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.

A SUSTAINABLE BUSINESS

The Wästbygg Group drives the development of sustainable living environments, where people want to work 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. Our certifications are:

- ISO 9001 Wästbygg Entreprenad and Rekab Entreprenad
- ISO 14001 Wästbygg Entreprenad, Rekab Entreprenad and Logistic Contractor
- ISO 45001 Wästbygg Entreprenad.



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:

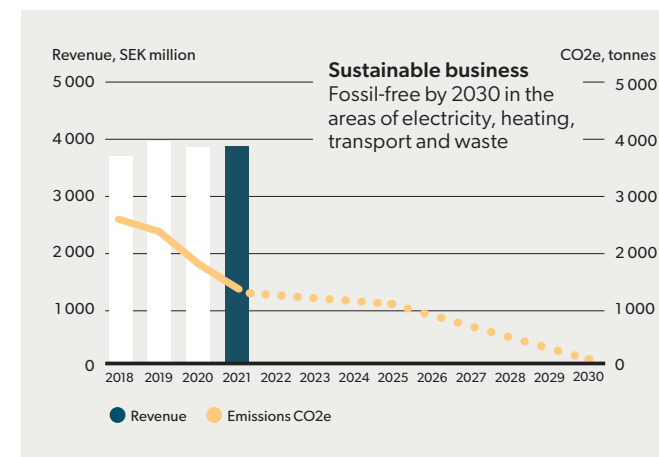
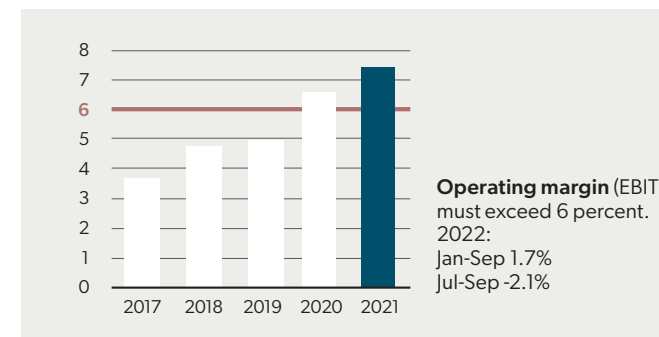
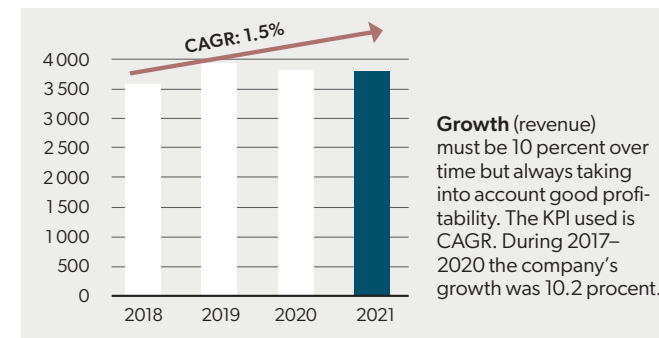
- Continued growth in existing business areas.
- The proportion of self-developed projects will be 50 percent.
- Increased focus on industrial facilities.
- A clearly defined position in the Nordic market in Logistics and Industry.
- Increased focus on community service properties.
- In-house administration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



For key ratio definitions, see page 25.

Sustainability data

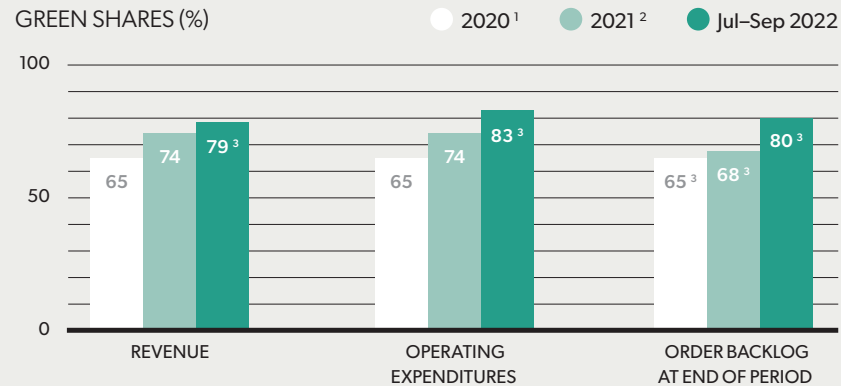
The Wästbygg Group's Annual Report and Sustainability Report was published in March, and can be downloaded from wastbygg.se. The Sustainability Report gives further details on the company's performance with regard to achieving its overarching goal of creating sustainable business.

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 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 3.88 percent.

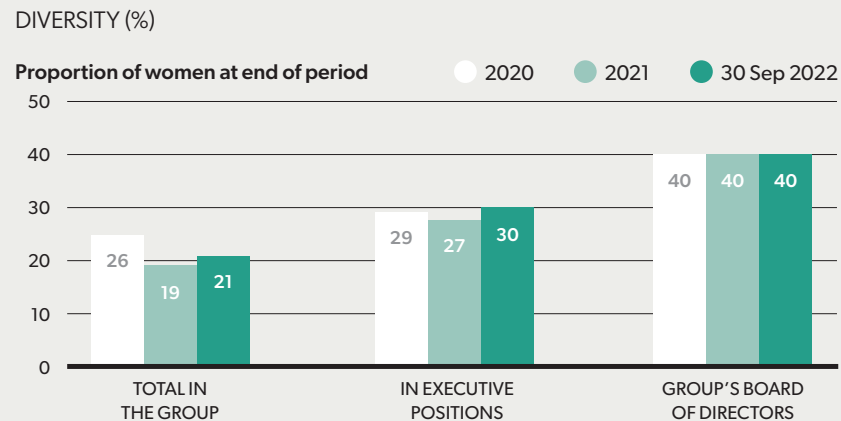


¹ Cicero Shades of Green, Company Assessment, June 2021.

² Cicero Shades of Green, Company Assessment, March 2022

³ 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.

SICK LEAVE (%)

	2019	2020	2021	Oct-Sep 2021-22
Sick leave, total	3.03	2.80	2.71	3.88

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

Our business areas

The Wästbygg Group has reported a very strong order intake, both for Q3 and so far this year. The order intake for January–September was almost SEK 1.2 billion higher than the corresponding period of the previous year, and was very evenly distributed between the three business areas. The order backlog at the end of Q3 was SEK 6.7 billion, which is well on a par with the previous quarters of the year. The distribution over the group's three business areas means that there is no significantly higher exposure to any specific market segment. A large proportion of the group's customers can be found in the public sector or alternatively are large and well-established players in the market. All customers are deemed to have good solvency, and the necessary collateral is in place for the signed contracts.

The order intake in the Residential business area was SEK 662 million for the quarter and primarily comprised two self-developed residential projects for which a decision was made to start construction. One of them is a tenant-ownership project for which sales have been carried out through a forward funding arrangement. The other is a residential project in which half of the apartments were sold by the end of the quarter. The Residential business area reported an order backlog of SEK 2.3 billion as per 30 September.

In Commercial, construction contracts were signed under three large collaborative contracts after the calculations carried out in phase 1 has resulted in the client's budget for each project being met. The order intake in the Commercial business area has increased slightly since the start of the year, totalling SEK 2.7 billion at the end of the quarter.

Logistics and Industry signed a contract for a logistics facility during the quarter and also received supplementary orders in a few ongoing projects. The order intake was SEK 324 billion during the quarter, and the order backlog was SEK 1.7 billion as per 30 September.

COLOUR CODING:

- Residential
- Commercial
- Logistics and industry

— Operating profit group (right axis)

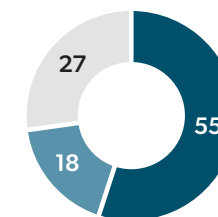
NEW ORDERS

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Residential	662	1	1,274	839	2,463	2,028
Commercial	215	634	1,442	989	1,805	1,352
Logistics and industry	324	68	1,421	1,115	2,382	2,076
Total	1,201	703	4,137	2,943	6,650	5,456

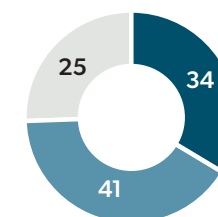
ORDER BACKLOG

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Residential	2,261	1,358	2,248
Commercial	2,718	920	2,508
Logistics and industry	1,700	1,356	1,816
Total	6,679	3,634	6,572

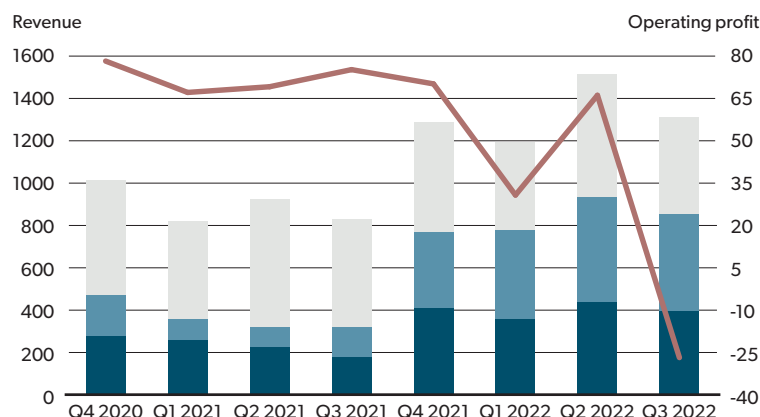
NEW ORDERS JUL-SEP (%)



ORDER BACKLOG 30 SEP (%)



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



Site manager Veronica Wallmo and her team at Tjärleken construction site in Norrtälje.

NEW PROJECTS AND AGREEMENTS ENTERED INTO

- A decision was taken for Ekonomiska föreningen Norrtälje Kv 8 to start construction of stage one of Tjärleken (Brf Tjärän), which comprises 50 apartments in Norrtälje. The order value is SEK 212 million and includes ground work for stage two. Self-developed project.
- Lansa Fastigheter has gained possession of Wästbygg's self-developed project Journalen 1 in Malmö comprising 177 rental apartments. The agreed property value is SEK 400 million and includes a construction contract with Wästbygg AB. Construction started in Q3.

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 of the number of apartments in production, and includes two major projects with small apartments for students and young people.

Our goal is for the proportion of self-developed residential projects to reach about 50 percent over time, measured on the basis of revenue. Due to the fact that several major self-developed residential projects are in full production, combined with a tendency towards caution in the contract market, the proportion was 72 percent in Q3 and 61 percent in the first three quarters of the year.

Eleven self-developed residential projects are currently under construction since Journalen 1 in Malmö and stage one of Tjärleken in Norrtälje has started production and Vårbergstoppen, a project

in Stockholm with 174 apartments for young people, has been completed. A decision was taken to commence sales of a further two self-developed projects. The sales situation is reported on the next page.

We had 2,140 apartments in production as per 30 September, compared with 1,199 at the same time last year. Revenues climbed 120 percent in Q3 and amounted to SEK 391 million and 80 percent, amounting to SEK 1,181 million, for the period January–September compared with the same time in 2021. Profit for the business area remains stable and is significantly higher than the previous year. Despite reduced margins in self-developed projects as a result of interest rate increases during the third quarter, the result amounted to SEK 9 million for Q3 and SEK 45 million so far this year. The accumulated profit for the year was impacted in Q2 by the bankruptcy of a subcontractor and by a one-off cost resulting from the revoking of a land allocation by the City of Stockholm.

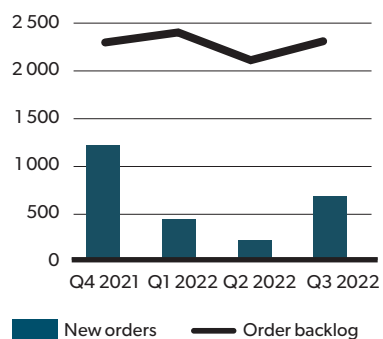
Residential

REVENUE AND PROFIT, SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Revenue	391	178	1,181	658	1,065
- of which construction	108	56	458	321	462
- of which project development	283	121	723	336	602
Profit	9	5	45	17	81

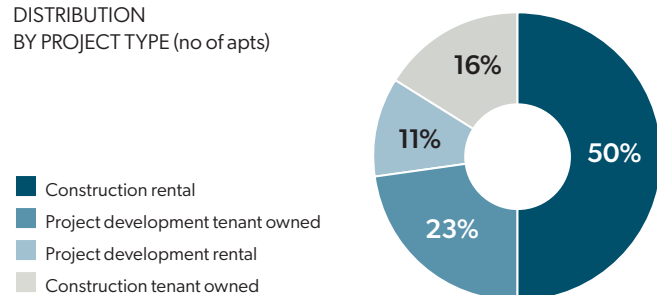
PRODUCTION, NO OF APARTMENTS

Completed during the third quarter	174
Ongoing 30 Sep, construction	1,421
Ongoing 30 Sep project development	719
Total in progress	2,140

NEW ORDERS/ORDER BACKLOG, SEK mil.



DISTRIBUTION BY PROJECT TYPE (no of apts)



During the third quarter sales was launched for Kv Salt in Landskrona comprising 12 town houses.



SELF DEVELOPED TENANT OWNED, 30 SEPTEMBER 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
Älgöxen, Umeå	Production	30	27		2023
Hökälla Ängar, etapp 2, Gothenburg	Production	36	36		2023
Slottshusen, Täby	Production	89	63	5	2023
Tuvebo Glashytta, Gothenburg	Production	45	24		2023
Cityterrassen, Malmö	Production	174	70	1	2024
Tjärleken stage 1 (Tjärän), Norrtälje	Production	50	23	2	2024
Tjärleken stage 2 (Leken), Norrtälje	Sales launched	61	0		
Borstahusen town houses kv Salt, Landskrona	Sales launched	12	2		
Total		607	355	8	

SELF DEVELOPED RENTAL APARTMENTS, 30 SEPTEMBER 2022

Project	Status	No of apts	Completion
Kv Trädgårn, Svedala	Production	53	2023
Journalen 1, Malmö	Production	177	2024
Total		230	

Commercial



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

The Commercial business area covers a broad spectrum of project types, for which demand varies. Demand for community service properties remains high, not least in northern Sweden where numerous new contracts were signed during the year. On the other hand, demand for new retail and office buildings remains low.

Revenues in this business area were significantly higher in both Q3 and so far this year than in the same period in 2021. This is due to excellent order intakes, both in 2021 and so 2022, 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 this acquisition.

Operating profit was SEK -1 million for Q3 and SEK -5 million for the period January–September. 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. Recently, construction contracts have been signed for three of these, after only generating cost coverage for during the phase 1 period, i.e. planning and design. For a few more projects, phase 1 continues for some time.

Extensive work is under way in the area of project development to identify new business opportunities, and a greater balance is gradually being reached between residential and commercial projects in the project portfolio. In addition to the two development projects that arose during Q2, a land acquisition contract was signed in October with Trollhättan Municipality.

Meanwhile, it is taking longer than originally planned to start the commercial projects in the portfolio, due to a general cautious tendency in the market. The longer lead times, in turn, mean that the business area is impacted by costs for time expended from the project development organisation, which are currently not being compensated for by any revenues.

NEW PROJECTS AND AGREEMENTS ENTERED INTO

- A Phase 1 cooperation agreement (calculation and planning) was signed with Skellefteå Municipality for the construction of a preschool with six departments in Boliden. The estimated order value is approximately SEK 45 million. This amount will be verified after completion of phase 1.
- After phase 1 was jointly implemented, construction contracts were signed with Region Västernorrland for the following projects:
 - Conversion and extension of the surgical centre at Örnsköldsvik hospital.
 - New production of health centre in Själeavad.
 - Conversion and extension of the regional forensic psychiatric clinic in Sundsvall.

The projects were communicated when the phase 1 contracts were signed. The order value of the three projects increased by a total of SEK 149 million after phase 1 and totals SEK 649 million, of which SEK 500 million was already previously included in the order backlog.

- A contract was signed with Riksbbyggen Brf Svärdsklungan in Borås for the construction of a 2,400 sqm multistorey car park and related ground work. The order value is SEK 30 million.

CONTRACTS SIGNED AFTER 30 SEPTEMBER

- A land sale contract was signed with Trollhättan Municipality for a 2,800 sqm development project which is planned to include a primary health care centre for Region Västra Götaland.
- A contract was signed with Gymnastikgruppen Vikingarna for construction of a 4,000 sqm team gymnastics hall in Lidingö. The order value is SEK 74 million.
- A contract was signed with Kalix Municipality for the conversion of a school premises. The order value is SEK 62 million.

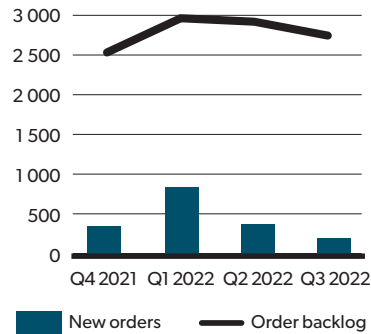
Commercial

REVENUE AND PROFIT, SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Revenue	455	140	1,363	334	688
- of which construction	455	139	1,360	308	663
- of which project development	0	1	3	26	25
Profit	-1	8	-5	4	-11

PRODUCTION, NO OF SQM

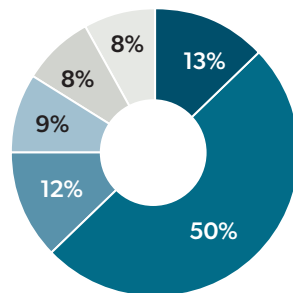
Completed during the third quarter	15,645
Ongoing 30 Sep, construction	172,882
Ongoing 30 Sep project development	0
Total in progress	172,882

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



In Skellefteå, a store of 2,400 sqm is being built for the XXL sports chain with a wooden frame.

Logistics and industry



Official start of construction of a 80,000 sqm facility in Enköping for Genesta.

NEW PROJECTS AND AGREEMENTS ENTERED INTO

- 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.
- A contract was signed with Sipoo Municipality in Finland for the acquisition of 19,500 sqm of land in the Bastukärr Logistics Park. The purchase consideration was EUR 900,000.

CONTRACTS SIGNED AFTER 30 SEPTEMBER

- A contract was signed with Kiinteistö Oy Koskelonteollisuus for the construction of a 9,000 sqm logistics facility in Ilvesvuori, Nurmijärvi in Finland. The order value is equivalent to approximately SEK 102 million.

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 there is still demand in this market, despite cost rises resulting from a surge in material prices. Strong market activity is also seen in neighbouring Nordic countries. However, as in the industry as a whole, contracts are taking longer to conclude.

The goal is for 50% of revenue in this business area to come from self-developed projects over time. 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. Approximately a third of revenues were generated from project development during the period January–September.

Profits were written down in several projects during Q1 as a result of rising material prices. A small number of projects were affected by additional financial challenges during Q3 which led to further write-downs of SEK 65 million. This affected profit both for the quarter, which was SEK -44 million, and for the period January–September, which was SEK 39 million.

Revenues for Q3 fell by 10 percent to SEK 452 million, compared to the previous year and by 8 percent to SEK 1,436 million for the period from the start of the year. Large projects such as Mathem and DHL are in their final phase, and the contract for Northvolt in Skellefteå is now completed. Meanwhile, construction started in Enköping on the 80,000 sqm development project to be constructed there, while further projects are in the start-up phase.

The strong efforts to cultivate the Danish, Norwegian and Finnish markets continues. Logistics land was acquired in Sipoo north-west of Helsinki in late September, and in late October a contract was signed for the first construction assignment in Finland.

Logistics and industry

REVENUE AND PROFIT, SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Revenue Sweden	432	442	1,300	1,360	1,781
Revenue abroad	20	62	136	195	284
Revenue total	452	504	1,436	1,555	2,065
- of which construction	275	307	961	966	1 265
- of which project development	176	197	475	589	800
Profit	-44	61	39	203	241

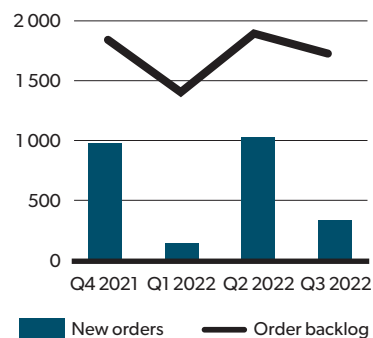
During the third quarter, the construction of Northvolt's battery factory in Skellefteå was completed.
(Photo Northvolt)



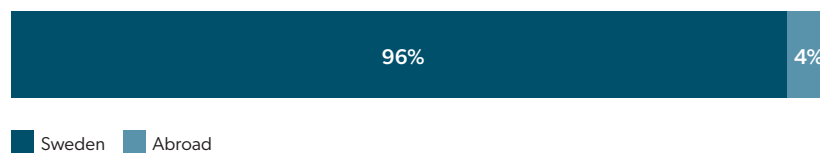
PRODUKTION, ANTAL KVM

Completed during the third quarter	110,000
Ongoing 30 Sep, construction	269,500
Ongoing 30 Sep, project development	160,000
Total in progress	429,500

NEW ORDERS/ORDER BACKLOG, SEK mil.



DISTRIBUTION OF REVENUE DURING THE THIRD QUARTER



LANDBANK LOGISTICS AND INDUSTRY, 30 SEPTEMBER 2022

Location	Type	Area sqm
Nyköping, Sweden	Joint venture	400,000
Gardermoen Nord Næringspark, Ormlia, Norge	Acquisition	266,000
Holmestrand Næringspark, Holmestrand, Norge	LOI for joint venture	40,000
Bastukärr industrial area, Sipoo, Finland	Acquisition	19,500
Totalt		725 500

Development portfolio

AS OF 30 SEPTEMBER 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
Älmen, Umeå	Self owned	200	13,569	Ongoing work ZP	2024	2030
Bollen preschool, Trelleborg*	CSP	0	900	ZP in effect	2023	2024
Borstahusen town houses kv Salt, Landskrona*	Self owned	12	1,440	ZP in effect	2023	2024
Borstahusen, Landskrona*	Self owned	46	3,885	ZP in effect	2024	2026
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	2025
Guldskrinet, Umeå*	Self owned/Rental	100	7,500	Ongoing work ZP	2023	2026
Hökälla Höjd, Gothenburg	Self owned	42	3,276	ZP in effect	2024	2025
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 (Sorgenfri multihus), Malmö	Rental/Commercial	60	4,645	ZP in effect	2024	2025
Prisma Parkkvarter, Malmö*	Commercial	0	14,000	Ongoing work ZP	2025	2027
Skarpnäck preschool, Stockholm*	CSP	0	860	ZP in effect	2026	2027
Skarpnäck, Stockholm*	Rental	126	5,659	ZP in effect	2025	2027
Solberga, Stockholm*	Self owned	35	4,025	No ZP	2026	2028
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	3,820	ZP in effect	2023	2024
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	2025	2028
Tjärleken stage 2, kv Leken, Norrtälje	Self owned	61	5,436	ZP in effect	2022	2024
Tröinge rest area, Falkenberg*	Commercial	0	10,000	ZP in effect	2024	2025
Vallastråket, Stockholm*	Self owned	80	5,600	Ongoing work ZP	2025	2027
Värbergsvägen, Stockholm*	Self owned	85	5,373	ZP in effect	2026	2028
Västerport, Varberg*	Hotel	0	18,250	DP interrupted	2025	2028
Västra Roslags-Näsby, Täby*	Self owned	40	2,951	ZP in effect	2027	2028
Årsta stage 2n, Stockholm*	Self owned	237	14,503	Ongoing work ZP	2028	2030
Årsta stage 4a, Stockholm*	Self owned	68	5,661	Ongoing work ZP	2029	2031
Årsta stage 4b, Stockholm*	Rental	231	11,786	Ongoing work ZP	2029	2031
Åseberget, Kungälv*	To be decided	150	10,000	No ZP	2026	2030
Östra Station, Kävlinge	Self owned	96	6,418	ZP in effect	2026	2027
Total		2,507	223,513			

* Options, acquisitions
have not yet been made.

ZP = Zoning plan

Consolidated income statement

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Revenue	1,101	767	3,452	2,718	4,683	3,949
Costs in production	-1,094	-655	-3,265	-2,302	-4,393	-3,430
Gross profit/loss	7	112	187	416	290	519
Sales and administration costs	-83	-57	-256	-197	-351	-292
Other operating revenue	2	3	6	5	9	8
Other operating costs	0	0	-1	0	-1	0
Operating profit	-74	58	-64	224	-53	235
Profit/loss from financial items						
Profit shares from joint ventures and associated companies	0	0	0	0	-4	-4
Financial revenue	7	4	17	9	20	12
Financial costs	-13	-10	-37	-13	-39	-15
Profit after financial items	-80	52	-84	220	-76	228
Change in value of real estate	0	6	0	6	0	6
Profit before tax	-80	58	-84	226	-76	234
Taxes	24	-2	54	2	59	7
Profit for the period	-56	56	-30	228	-17	241
Profit relating to:						
- the parent company's shareholders	-56	56	-30	228	-17	241
- holdings without controlling influence	0	0	0	0	0	0
Earnings per share, SEK*	-1.73	1.74	-0.92	7.06	-0.52	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	32,423	32,340	32,536	32,474
THE GROUP'S REPORT ON COMPREHENSIVE INCOME						
Profit for the period	-56	56	-30	228	-17	241
Other comprehensive income that can be transferred to the income statement						
Currency difference when translating foreign operations	-1	0	0	1	0	1
Comprehensive income for the period	-57	56	-30	229	-17	242
Total result attributable to:						
- the parent company's shareholders	-57	56	-30	229	-17	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 26 for further information about the number of shares.

COMMENTS ON THE INCOME STATEMENT

JULY – SEPTEMBER 2022

Revenues in Q3 amounted to SEK 1,101 million (767), a 44 percent increase on the previous year. The rise in revenues was due the acquisition of Rekab, to high order intakes over a sustained period, and to strong project implementation. Profit of SEK -74 million (58) was reported for Q3. Challenges were encountered in a small number of logistics projects. Extra resources were added to a project in Denmark where shortcomings were identified at the project control level. Due to the weak SEK, these measures also resulted in a negative leverage effect. Some write-downs were also carried out in the Swedish logistics operations due to cost increases in production. Although purchase prices have not risen at the same rate as previously, they have been affected by the extensive purchasing volumes generated by these large construction projects. Due to this, the profit was impacted by write-downs of SEK 65 million. Moreover, a rise in costs of material and energy led to a general decline in margins in several projects.

Meanwhile, both revenue and profit were held back by self-developed tenant-ownership projects under production, where the company has more tenant-ownership projects in progress than ever before. Six of the ongoing projects will have a production period extending into 2023 and in some cases 2024, which means they will not have an immediate impact on profit and net sales.

Profit after tax amounted to SEK -56 million (56), equivalent to earnings per share of SEK -1.73 (1.74). The operating margin was -6.7 percent (7.6).

Order intakes continued to be strong in Q3, amounting to SEK 1,201 million (703). This meant that the order backlog remained at roughly the same level as previously. The order backlog was SEK 6,679 million (3,634) as of 30 September. It was well distributed between the company's three business areas, which provides security for the whole organisation in the remainder of 2022 and into 2023.

JANUARY – SEPTEMBER 2022

Revenues for the first three quarters rose by 27 percent to SEK 3,452 million (2,718). Operating profit stood at SEK -64 million (224). No self-developed tenant-ownership projects have been completed this year, whereas two such projects were completed in the same period in 2021. The profit was also affected by the writing down of SEK 40 million in Q1 and SEK 65 million in Q3.

Profit after tax amounted to SEK -30 million (228), corresponding to earnings per share of SEK -0.92 (7.06).

The total order intake was SEK 4,137 million (2,943).

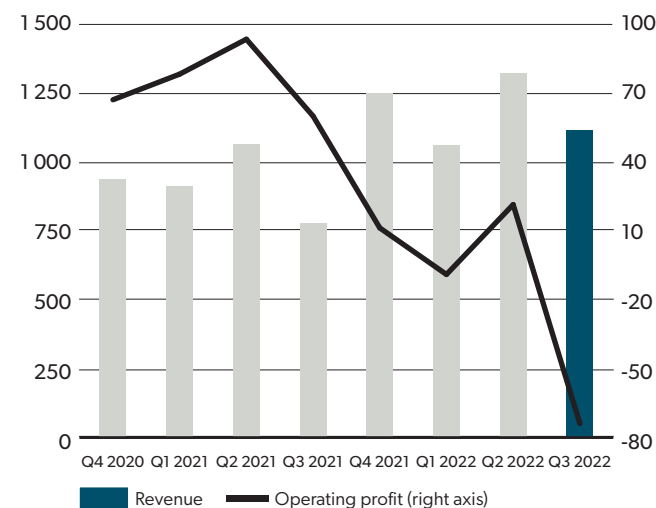
TAX

Positive tax was reported both for Q3 and for the period January – September due to non-taxable revenues. The item also includes deferred tax.

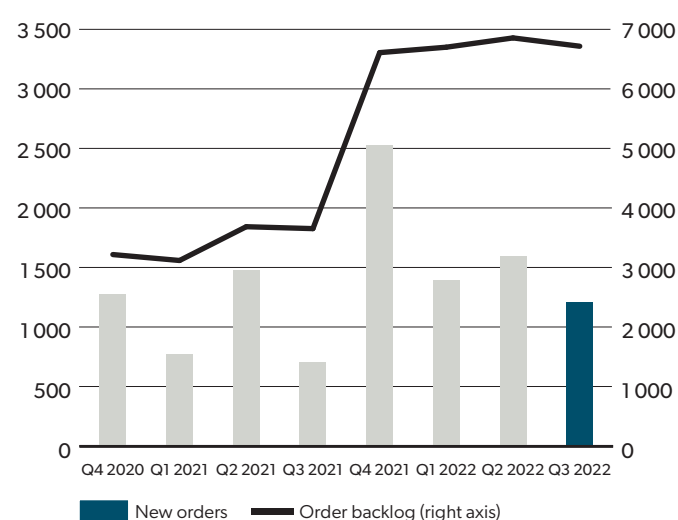
PERSONNEL

Following the acquisition of Rekab Entreprenad in the autumn of 2021, Wästbygg's number of employees is now significantly higher than in Q3 2021. The number of employees was 578 (333) as per 30 September. 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 Sep 2022	30 Sep 2021	31 Dec 2021	TOTAL EQUITY AND LIABILITIES	30 Sep 2022	30 Sep 2021	31 Dec 2021
Fixed assets				Equity			
<i>Intangible fixed assets</i>				Share capital	4	4	4
Goodwill	428	229	428	Other contributed capital	946	946	946
Other intangible fixed assets	34	9	35	Retained earnings	662	533	555
Total	462	238	463	This period's comprehensive income	-30	229	242
<i>Tangible fixed assets</i>				Total equity attributable to the company's shareholders	1,582	1,712	1,747
Investment properties	75	75	75	Holdings without controlling influence	4	4	4
User rights assets	28	26	34	Total equity	1,586	1,716	1,751
Inventory, tools and installations	5	4	5	Non-current liabilities			
Total	108	105	114	<i>Non-current interest-bearing liabilities</i>			
<i>Financial fixed assets</i>				Bond loans	493	-	492
Shares in joint ventures and associated companies	2	11	17	Liabilities to credit institutions	174	106	154
Deferred tax receivables	111	48	54	Debts user rights	13	12	18
Non-current financial assets	0	0	0	Total	680	118	664
Total	113	59	71	<i>Non-current non-interest-bearing liabilities</i>			
Total fixed assets	683	402	648	Deferred tax liabilities	18	6	18
Current assets				Other provisions	68	68	72
Development properties, etc.	236	279	295	Total	86	74	90
Tenant-owner association flats of own development under production	1,500	796	880	Total non-current liabilities	766	192	754
Accounts receivable	554	335	444	Current liabilities			
Accrued but not invoiced	565	338	437	<i>Current interest-bearing liabilities</i>			
Tax receivables	33	28	16	Liabilities to credit institutions	654	170	145
Receivables from group companies	13	12	13	Debts user rights	16	15	18
Other receivables	883	305	446	Other liabilities	225	225	225
Prepaid costs and accrued income	30	15	25	Total	895	410	388
Cash and cash equivalents	160	787	897	<i>Current non-interest-bearing liabilities</i>			
Total current assets	3,974	2,895	3,453	Accounts payable	586	292	480
TOTAL ASSETS	4,657	3,297	4,101	Advance from customer	479	495	406
				Tax liabilities	2	1	4
				Other liabilities	166	79	118
				Accrued expenses and prepaid income	177	112	200
				Total	1,410	979	1,208
				Total current liabilities	2,305	1,389	1,596
				TOTAL EQUITY AND LIABILITIES	4,657	3,297	4,101
				INTEREST-BEARING NET CASH/NET DEB			
				Interest-bearing assets	739	956	1,202
				Interest-bearing liabilities	1,575	528	1,051
				Interest-bearing net cash/net debt	-836	428	151

Changes in the Group's equity

IN SUMMARY

	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Equity attributable to the parent company's owners				
Amount at the beginning of the period	1,747	1,590	1,712	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	-30	229	-17	242
Amount at the end of the period	1,582	1,712	1,582	1,747
Holdings without controlling influence				
Amount at the beginning of the period	4	3	4	3
Comprehensive income for the period	-	-	-	-
Amount at the end of the period	4	4	4	4
TOTAL EQUITY	1,586	1,716	1,586	1,751

COMMENTS ON THE BALANCE SHEET AND EQUITY

The company's production of self-developed tenant-ownership projects continues to increase and is only partially financed through construction credit. A land acquisition was also carried out in Norrtälje in Q3 ahead of start of production on a self-developed project. This affects interest-bearing net cash, which amounted to SEK -836 million (428) for the first nine months of the year. The comparison with the corresponding period in 2021 is also affected by the bond issue carried out during the autumn of 2021.

Equity per share amounted to SEK 48.91 (52.96) at the end of the period.

Other receivables increased, and primarily includes receivables related to unconsolidated project and development companies, mainly in Logistics and Industry.

The equity ratio at the end of the period was 34 percent (52). The decrease is due to the drop in profit as well as 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. In Q2, the equity ratio was also affected by the payment to shareholders of the agreed dividend of SEK 112 million and by a buy-back of the company's shares for 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 most of the shares needed to make the remaining settlement.

Group cash flow statement

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Day-to-day operations						
Profit/loss before financial items	-74	58	-64	224	-53	235
Adjustment for items not included in cash flow	3	6	19	9	20	9
Received interest	7	4	17	9	20	12
Paid interest	-13	-10	-37	-13	-39	-15
Paid tax	-1	-3	-17	-4	-2	11
Cash flow from operating activities before changes in working capital	-77	55	-81	225	-54	252
Cash flow from changes in working capital						
Increase (-)/decrease (+) of tenant-owner association flats of own development in production	-297	-360	-620	-474	-661	-515
Increase (-)/decrease (+) of accounts receivable	76	93	-107	173	-115	165
Increase (-)/decrease (+) of other operating receivables	-89	59	-473	-292	-713	-532
Increase (+)/decrease (-) of accounts payable	66	12	104	46	191	133
Increase (+)/decrease (-) of operating liabilities	12	-50	77	196	59	178
Cash flow from the day-to-day operations	-309	-191	-1 100	-126	-1 293	-319
Investment activities						
Dividend from joint ventures and associated companies	-	-	8	-	8	-
Investments in businesses, including additional purchase sums	0	0	0	0	-129	-129
Acquisitions of intangible fixed assets	-1	0	-4	-2	-6	-4
Investments in investment properties	-	5	-	-10	0	-10
Acquisitions of other tangible fixed assets	-2	-3	-11	-10	-24	-23
Cash flow from investing activities	-3	2	-7	-22	-151	-166
Financing activities						
Buyback of shares	-	-	-24	-	-85	-61
Paid dividend	-	-	-112	-107	-112	-107
Amortisation of loan liabilities	-5	-2	-16	-4	-12	0
Raised loan liabilities	192	54	519	183	531	196
Bond loans	-	-	-	-	492	492
Cash flow from financing activities	187	52	367	72	814	520
CASH FLOW FOR THE PERIOD	-125	-138	-740	-75	-630	35
Cash and cash equivalents at the start of the period	285	924	897	860	787	860
Exchange rate difference in cash and cash equivalents	0	1	3	2	3	2
Cash and cash equivalents at the end of the period	160	787	160	787	160	897

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-ownership projects start construction or are completed, which affects cash flow from financing operations.

Total cash flow for Q3 amounted to SEK -125 million (-138), divided into current operations of SEK -309 million (-191), investment operations of SEK -3 million (2) and financing operations of SEK 187 million (52).

JANUARY– SEPTEMBER

Total cash flow for the first nine months of the year amounted to SEK -740 million (-75), divided into current operations of SEK -1,100 million (-126), investment operations of SEK -7 million (-22) and financing operations of SEK 367 million (72).

The cash flow from current operations was affected by the, partly self-funded, numerous self-developed residential and logistics projects in progress.

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.

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.

LIQUIDITY

As per 30 September, the group's available liquidity amounted to SEK 410 million (1,037) divided into cash of SEK 160 million and unutilised bank overdraft facilities of SEK 250 million. In Q4, a large self-developed logistics project and two sold-out tenant-ownership projects will be ready for occupancy, which will have a positive effect on cash flow and liquidity.

Parent company income statement

IN SUMMARY

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Revenue	29	25	85	73	111	99
Other operating revenue	0	0	0	0	0	0
Total operating income	29	25	85	73	111	99
Staff costs	-12	-12	-46	-42	-67	-63
Other external costs	-15	-13	-47	-42	-67	-62
Operating profit/loss	2	0	-8	-11	-23	-26
Profit/loss from financial items						
Dividend (anticipated) from subsidiaries	0	0	0	0	200	200
Other interest income and similar income items	13	8	34	21	56	43
Interest expenses and similar income items	-10	-5	-27	-12	-33	-18
Profit after financial items	5	3	-1	-2	200	199
Year-end appropriations						
Year-end appropriations	-	-	-	-	16	16
Profit before tax	5	3	-1	-2	216	215
Taxes	-1	-1	0	0	2	2
Profit/loss for the period	4	2	-1	-2	218	217

Parent company balance sheet

IN SUMMARY

	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Intangible fixed assets	8	4	5
Tangible fixed assets	2	3	2
Financial fixed assets	461	115	449
Total fixed assets	471	122	456
Current receivables	1,738	1,391	1,467
Cash and bank balances	28	266	443
Total current assets	1,766	1,657	1,910
TOTAL ASSETS	2,237	1,779	2,366
TOTAL EQUITY AND LIABILITIES			
Restricted equity	4	4	4
Unrestricted equity	1,414	1,310	1,550
Total equity	1,418	1,314	1,554
Non-current liabilities	493	-	492
Current liabilities	326	465	320
TOTAL EQUITY AND LIABILITIES	2,237	1,779	2,366

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 Group'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.

NOTE 2. SEGMENT REPORTING

Wästbygg Group'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	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
REVENUE						
Residential	391	178	1,181	658	1,588	1,065
<i>Of which internal sales</i>	0	-	7	-	2	7
Commercial	455	140	1,363	334	1,717	688
<i>Of which internal sales</i>	-	-	-	-	-	-
Logistics and industry ¹	452	504	1,436	1,555	1,947	2,065
<i>Of which internal sales</i>	-	-	-	-	-	-
Other ²	29	25	85	73	111	99
<i>Of which internal sales</i>	29	25	85	73	111	99
Group adjustments	-29	-25	-85	-73	-111	-99
Total	1,299	822	3,981	2,547	5,252	3,818
IFRS adjustment (attributable to the Residential segment)	-197	-55	-528	170	-567	131
Total IFRS	1,101	767	3,452	2,718	4,683	3,949
OPERATING PROFIT						
Residential	9	5	45	17	109	81
<i>Operating margin</i>	2.3%	2.8%	3.8%	2.6%	6.9%	7.6%
Commercial	-1	8	-5	4	-20	-11
<i>Operating margin</i>	-0.2%	5.7%	-0.4%	1.2%	-1.2%	-1.6%
Logistics and industry ¹	-44	61	39	203	77	241
<i>Operating margin</i>	-9.7%	12.1%	2.7%	13.1%	4.0%	11.7%
Övrigt ²	2	0	-8	-11	-23	-26
Group adjustments	7	0	-3	-6	-5	-8
Total	-27	74	68	207	138	277
<i>Operating margin</i>	-2.1%	9.0%	1.7%	8.1%	2.6%	7.3%
Financial items	-3	-1	-11	1	-15	-3
Change in value of real estate	0	6	0	6	0	6
Profit before tax, segment	-30	79	57	214	123	280
IFRS adjustment (attributable to the Residential segment)	-50	-20	-141	11	-199	-47
Profit before tax IFRS	-80	58	-84	226	-76	234

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

² 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 wide spread in society at large.

The current uncertainty in the financial market and inflation reduction measures are generally resulting in reduced access to capital in the market and increased credit costs. Developments are being closely monitored to minimise negative impact to the Wästbygg Group.

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 third quarter amounted to SEK 29 million (25) and the profit/loss after net financial items was SEK 5 million (3). Intra-group revenues for January–September amounted to SEK 85 million (76) and the profit/loss after net financial items was SEK -1 million (-2).

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 13 million (4) as per September 30 2022.

ACCRUED REVENUE

SEK mil.	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Corem*	17	4	38	43	48	53
M2	31	15	82	79	87	85
Castellum	0	-	0	-	-	-
Total	48	20	120	123	135	138

* 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 overview¹

FINANCIAL OVERVIEW AND KEY RATIOS

<i>SEK million unless otherwise specified</i>	Jul-Sep 2022	Apr-Jun 2020	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020
Financial key ratios								
Revenue	1,101	1,304	1,046	1,231	767	1,051	900	924
Operating profit	-74	20	-10	10	58	91	76	65
Operating margin, %	-6.7	1.5	-1.0	0.8	7.6	8.7	8.4	7.0
Profit/loss after tax	-56	26	0	13	56	99	73	82
Balance sheet	4,657	4,457	4,405	4,101	3,297	3,208	3,134	3,170
Equity/assets ratio, %	34	37	40	43	52	52	53	50
Return on equity, %	-1	6	10	14	18	19	17	21
Operating capital	2,373	2,142	1,579	1,336	1,102	² 855	² 973	² 1,010
Interest-bearing net cash (+) / net debt (-)	-836	-603	-14	151	428	² 646	² 523	² 252
Cash flow from operating activities	-309	-546	-245	-192	-191	72	-7	-161
Equity related key ratios³								
Earnings per share, SEK	-1.73	0.80	0.01	0.39	1.74	3.05	2.27	2.66
Equity per share, SEK	48.91	50.66	53.66	53.62	52.96	51.21	51.49	49.17
Number of shares at the end of the period (thousands)	32,341	32,341	32,591	32,591	32,340	32,340	32,340	32,340
Average number of shares (thousands)	32,341	32,341	32,591	32,869	32,340	32,340	32,340	30,782

SEGMENT REPORTING¹

Financial key ratios								
Revenue	1,299	1,499	1,183	1,271	822	911	814	1,002
Operating profit	-27	65	30	69	74	68	66	77
Operating margin, %	-2.1	4.3	2.5	5.4	9.0	7.5	8.1	7.7
Profit/loss after tax	-9	73	41	74	75	77	65	97
Balance sheet	4,416	4,401	4,373	4,226	3,136	3,087	2,857	2,872
Equity/assets ratio, %	41	42	43	44	56	55	60	57
Return on equity, %	10	14	14	16	18	18	18	23
Operating capital	1,916	1,774	1,324	1,225	947	² 731	² 760	² 800
Interest-bearing net cash (+) / net debt (-)	402	314	741	794	856	² 996	² 1,031	² 877
Cash flow from operating activities	-171	-409	-57	-212	-141	92	124	-97
Equity related key ratios³								
Earnings per share, SEK	-0.28	2.27	1.26	2.26	2.31	2.37	2.01	3.16
Equity per share, SEK	56.36	56.66	58.15	56.87	54.33	52.02	52.98	50.92
Number of shares at the end of the period (thousands)	32,341	32,341	32,591	32,591	32,340	32,340	32,340	32,340
Average number of shares (thousands)	32,341	32,341	32,591	32,869	32,340	32,340	32,340	30,782

OPERATIONAL KEY RATIOS

New orders	1,201	1,591	1,345	2,514	703	1,473	767	1,266
Order backlog	6,679	6,818	6,657	6,572	3,634	3,666	3,102	3,201
No of employees at end of period	578	569	535	524	333	328	315	311

For KPI definitions, see page 25.

¹ 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.

² The KPIs Working capital and Interest-bearing net cash/net debt have been recalculated due to a reclassification of Other liabilities..

³ 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 26 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.

¹ From segment reporting

² See information about Wästbygg Gruppen's share on page 26 for further information about the number of shares.

FINANCIAL KEY RATIOS

	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021	
Balance sheet total					
A Total assets	4,657	3,297	4,657	4,101	
A = Balance sheet total	4,657	3,297	4,657	4,101	
Revenue growth (CAGR) ¹					
A Revenue (rolling 12 months)	5,252	3,550	5,252	3,818	Definition: 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	2.75	2.75	2.75	3	
(A/B)^(1/C)-1 = Revenue growth, %	11.4%	-1.0%	11.4%	1.5%	Purpose: Shows the company's ability to increase revenue over time.
Operating margin					
A Operating profit/loss	-64	224	-53	235	Definition: Operating profit/loss in relation to revenue.
B Revenue	3,452	2,718	4,683	3,949	
A/B = Operating margin, %	-1.9%	8.2%	-1.1%	6.0%	Purpose: Shows the company's earning capacity.
Equity ratio					
A Total equity	1,586	1,716	1,586	1,751	Definition: Equity in relation to the balance sheet total.
B Balance sheet total	4,657	3,297	4,657	4,101	
A/B = Equity ratio, %	34%	52%	34%	43%	Purpose: Describes the capital structure of the company.
Return on equity					
A Profit/loss for the period (rolling 12 months)	-17	311	-17	241	Definition: 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	1,716	1,593	
C Equity at the end of the period	1,586	1,716	1,586	1,751	Purpose: Shows the company's ability to generate return on equity.
A/((B+C)/2) = Return on equity, %	-1%	19%	-1%	14%	
Operating capital					
A Current assets	3,941	2,867	3,941	3,437	Definition: Current assets (excluding cash and cash equivalents and tax receivables) less current non-interest-bearing liabilities (excluding tax liabilities).
B Cash and cash equivalents	160	787	160	897	
C Current non-interest-bearing liabilities	1,408	978	1,408	1,204	Purpose: Shows the company's tied up capital.
A-B-C = Operating capital	2,373	1,102	2,373	1,336	
Interest-bearing net debt/ net cash					
Receivables from group companies	13	12	13	13	Definition: Interest-bearing receivables including cash and cash equivalents less interest-bearing liabilities.
Cash and cash equivalents	160	787	160	897	
Other interest-bearing receivables	566	157	566	292	Purpose: Shows the company's real indebtedness.
A Interest-bearing assets at end of period	739	956	739	1,202	
Non-current interest-bearing liabilities	680	118	680	664	
Current interest-bearing liabilities	895	410	895	388	
B Interest-bearing liabilities	1,575	528	1,575	1,052	
A-B = Interest bearing net cash (+)/net debt (-)	-836	428	-836	151	
Earnings per share, IFRS					
A Profit for the period	-30	228	-17	241	Definition: Profit/loss attributable to the company's shareholders in relation to the number of outstanding shares.
B Average number of outstanding shares (thousands) ²	32,423	32,340	32,536	32,474	
A/B = Earnings per share, SEK	-0.92	7.06	-0.52	7.42	Purpose: Illustrates each share's share of the period's earnings.
Equity per share, IFRS					
A Equity at the end of the period	1,582	1,712	1,582	1,747	Definition: 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) ²	32,341	32,340	32,341	32,591	
A/B = Equity per share, SEK	48.91	52.96	48.91	53.62	Purpose: Illustrates each share's share of the equity.

Wästbygg Group's share

The Class B shares of Wästbygg Gruppen AB (publ) are listed on Nasdaq Stockholm under the ticker code WBGR. On the last trading day of September 2022, the share price closed at SEK 49.00. This was equivalent to a stock market value of SEK 1,585 million, calculated on the basis of the number of outstanding shares. As per 30 September, 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 4,611 shareholders at the end of Q3. The proportion of foreign ownership was approximately 7 percent of the share capital. The ten largest shareholders controlled approximately 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 September 2022.

Buy-back and transfer of the company's shares

The Board of Directors was authorised at an extraordinary general meeting on 21 October 2021 and at the Annual General Meeting on 5 May 2022 to make decisions regarding buy-back and transfer of the company's shares. Based on this authorisation, Wästbygg bought back shares to make the outstanding payment to Trekyd AB for the acquisition of Rekab Entreprenad AB.

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 SEPTEMBER 2022

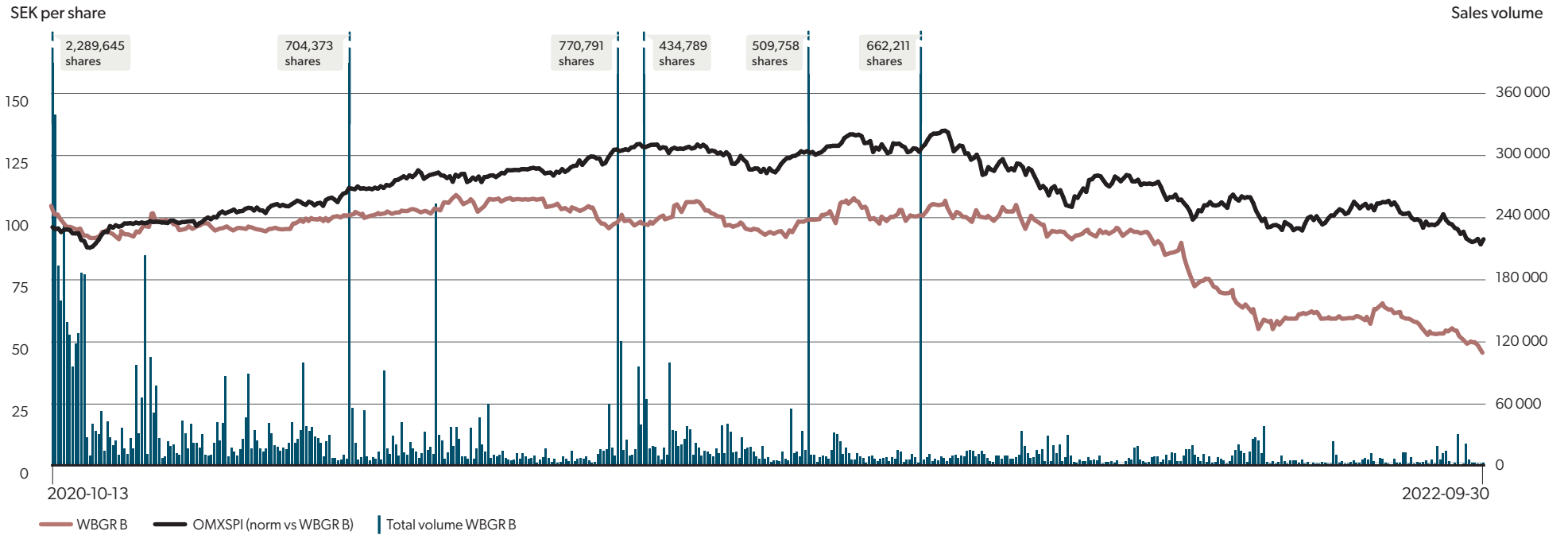
Name	No of class A-shares	No of class B-shares	Total no of shares	Proportion of capital	Proportion of votes
M2 Holding AB	337,500	19,152,133	19,489,633	60.2%	59.4%
Fino Förvaltning AB	282,500	1,718,000	2,000,500	6.2%	12.0%
Svolder	-	2,833,916	2,833,916	8.8%	7.5%
Länsförsäkringar Fonder	-	1,273,709	1,273,709	3.9%	3.4%
Öhman Fonder	-	401,066	401,066	1.2%	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	-	175,160	175,160	0.5%	0.5%
Skandrenting AB	-	175,000	175,000	0.5%	0.5%
Other shareholders	-	4,883,107	4,883,107	15.3%	13.8%
Wästbygg Gruppen AB (publ)	-	424,687	424,687	1.3%	-
Number of registered shares	620,000	31,720,165	32,340,165	100.0 %	100.0%
Commitment consideration shares ²	-	425,313	425,313		
Bought back shares ¹	-	-424,687	-424,687		
Total number of shares outstanding ³	620,000	31,720,791	32,340,791		

¹ 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.

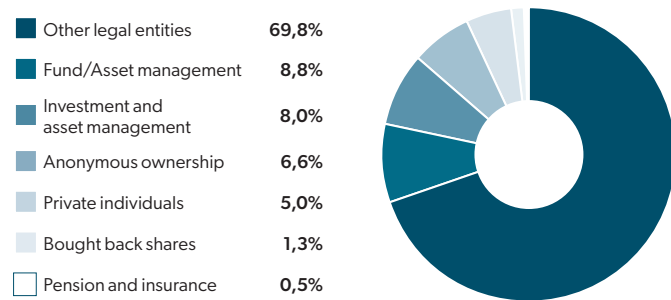
² The Wästbygg Group agreed to pay 425,313 WBGR Class B shares (consideration shares) as part of the purchase consideration for Rekab Entreprenad AB. The final settlement will take place in 2024.

³ 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 Board of directors and the President 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 been reviewed by the company's auditors.

Gothenburg 8 November 2022

WÄSTBYGG GRUPPEN AB (PUBL)

CECILIA MARLOW
Chairman

JÖRGEN ANDERSSON
Board member

LENNART EKELUND
Board member

CHRISTINA KÄLLENFORS
Board member

JOACIM SJÖBERG
Board member

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 8 November 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.

Auditor's report on review of interim financial information in summary (interim report) prepared in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act (1995:1554).

To the board of Wästbygg Gruppen AB (publ)
Corporation number 556878-5538

INTRODUCTION

We have reviewed the interim financial information in summary (interim report) of Wästbygg Gruppen AB (publ) as of September 30, 2022 and the nine-month period then ended. The board of Directors and the CEO are responsible for the preparation and fair presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity.*" A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards. The procedures performed in a review do not enable us to obtain assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the group in accordance with IAS 34 and for the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm 8 November 2022

Grant Thornton Sweden AB

Lars Kjellgren
Authorized Public Accountant
Auditor in charge

Camilla Nilsson
Authorized Public Accountant

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

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Revenue	1,299	822	3,981	2,547	5,252	3,818
Costs in production	-1,245	-694	-3,662	-2,149	-4,770	-3,257
Gross profit/loss	54	128	319	398	482	561
Sales and administration costs	-83	-57	-256	-196	-352	-292
Other operating revenue	2	3	6	5	9	8
Other operating costs	0	0	-1	0	-1	0
Operating profit	-27	74	68	207	138	277
Profit/loss from financial items						
Profit shares from joint ventures and associated companies	0	0	0	0	-4	-4
Financial revenue	10	9	26	14	29	17
Financial costs	-13	-10	-37	-13	-40	-16
Profit after financial items	-30	73	57	208	123	274
Change in value of real estate	0	6	0	6	0	6
Profit before tax	-30	79	57	214	123	280
Taxes	21	-4	48	2	56	10
Profit for the period	-9	75	105	216	179	290
Profit relating to:						
- the parent company's shareholders	-9	75	105	216	179	290
- holdings without controlling influence	0	0	0	0	0	0
Earnings per share, SEK*	-0.28	2.31	3.25	6.68	5.52	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	32,423	32,340	32,536	32,474

THE GROUP'S REPORT ON COMPREHENSIVE INCOME	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Profit for the period	-9	75	105	216	179	290
Other comprehensive income that can be transferred to the income statement						
Currency difference when translating foreign operations	-1	0	0	1	1	2
Comprehensive income for the period	-10	75	105	217	180	292
Total result attributable to:						
- the parent company's shareholders	-10	75	105	217	180	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 26 for further information about the number of shares.

COMMENTS ON THE INCOME STATEMENT

JULY – SEPTEMBER 2022

Revenues in Q3 amounted to SEK 1,299 million (822), a 58 percent increase on the previous year. The rise in revenues was due to the acquisition of Rekab, increased production of self-developed tenant-ownership projects and high order intakes with associated strong project implementation. Profit of SEK -27 million (74) was reported for Q3. Challenges were encountered in a small number of logistics projects. Extra resources were added to a project in Denmark where shortcomings were identified at the project control level. Due to the weak SEK, these measures also resulted in a negative leverage effect. Some write-downs were also carried out in the Swedish logistics operations due to cost increases in production. Although purchase prices have not risen at the same rate as previously, they have been affected by the extensive purchasing volumes generated by these large construction projects. Due to this, the profit was impacted by write-downs of SEK 65 million. Moreover, a rise in costs of material and energy led to a general decline in margins in several projects.

Profit after tax amounted to SEK -9 million (75), equivalent to earnings per share of SEK -0.28 (2.31). The operating margin was -2.1 percent (9.0).

Order intakes continued to be strong in Q3, amounting to SEK 1,201 million (703). This meant that the order backlog remained at roughly the same level as previously. The order backlog was SEK 6,679 million (3,634) as of 30 September. It was well distributed between the company's three business areas, which provides security for the whole organisation in the remainder of 2022 and into 2023.

JANUARY – SEPTEMBER 2022

Revenues for the first three quarters rose by 56 percent to SEK 3,981 million (2,547). Operating profit stood at SEK 68 million (207). The profit was also affected by the writing down of SEK 40 million in Q1 and SEK 65 million in Q3.

Profit after tax amounted to SEK 105 million (216), corresponding to earnings per share of SEK 3.25 (6.68).

The total order intake was SEK 4,137 million (2,943).

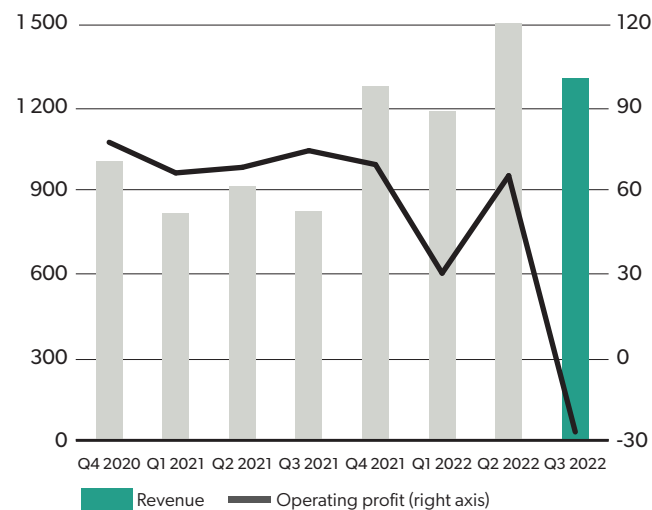
TAX

Positive tax was reported both for Q3 and for the period January – September due to non-taxable revenues. The item also includes deferred tax.

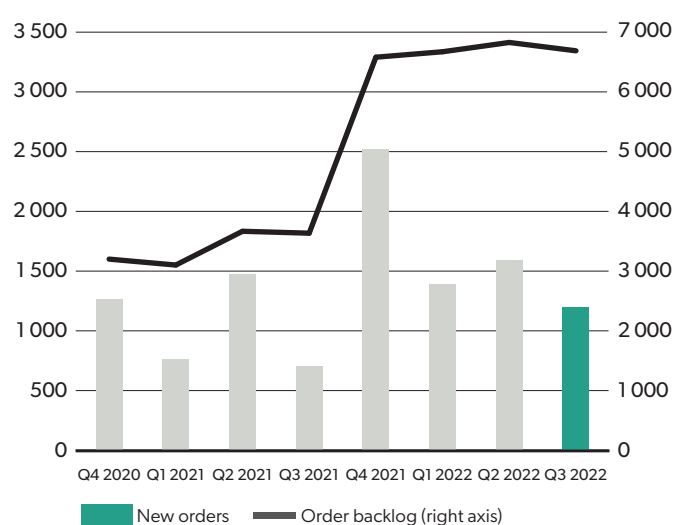
PERSONNEL

Following the acquisition of Rekab Entreprenad in the autumn of 2021, Wästbygg's number of employees is now significantly higher than in Q3 2021. The number of employees was 578 (333) as per 30 September. 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 Sep 2022	30 Sep 2021	31 Dec 2021
Fixed assets			
<i>Intangible fixed assets</i>			
Goodwill	428	229	428
Other intangible fixed assets	34	9	36
Total	462	238	464
<i>Tangible fixed assets</i>			
Investment properties	75	75	75
User rights assets	28	26	34
Inventory, tools and installations	5	4	5
Total	108	105	114
<i>Financial fixed assets</i>			
Shares in joint ventures and associated companies	2	11	17
Deferred tax receivables	104	45	52
Non-current financial assets	40	0	14
Total	146	56	83
Total fixed assets	716	399	661
Current assets			
Development properties, etc.	266	279	326
Accounts receivable	553	335	443
Accrued but not invoiced	640	347	454
Tax receivables	31	27	16
Receivables from group companies	13	12	13
Other receivables	2,100	952	1,437
Prepaid costs and accrued income	30	15	25
Cash and cash equivalents	67	770	851
Total current assets	3,700	2,737	3,565
TOTAL ASSETS	4,416	3,136	4,226

TOTAL EQUITY AND LIABILITIES	30 Sep 2022	30 Sep 2021	31 Dec 2021
Equity			
Share capital	4	4	4
Other contributed capital	946	946	946
Retained earnings	768	590	612
This period's comprehensive income	105	217	292
Total equity attributable to the company's shareholders	1,823	1,757	1,854
Holdings without controlling influence	4	4	4
Total equity	1,827	1,761	1,858
Non-current liabilities			
<i>Non-current interest-bearing liabilities</i>			
Bond loans	493	-	492
Liabilities to credit institutions	70	48	50
Debts user rights	13	12	18
Total	576	60	560
<i>Non-current non-interest-bearing liabilities</i>			
Deferred tax liabilities	10	6	11
Other provisions	68	74	72
Total	78	80	83
Total non-current liabilities	654	140	643
Current liabilities			
<i>Current interest-bearing liabilities</i>			
Liabilities to credit institutions	1	1	1
Debts user rights	16	15	18
Other liabilities	231	225	230
Total	248	241	249
<i>Current non-interest-bearing liabilities</i>			
Accounts payable	585	288	470
Advance from customer	525	532	433
Tax liabilities	1	1	3
Other liabilities	119	62	96
Accrued expenses and prepaid income	457	111	474
Total	1,687	994	1,476
Total current liabilities	1,935	1,235	1,725
TOTAL EQUITY AND LIABILITIES	4,416	3,136	4,226
INTEREST-BEARING NET CASH/NET DEB			
Interest-bearing assets	1,226	1,157	1,603
Interest-bearing liabilities	824	301	809
Interest-bearing net cash/net debt	402	856	794

Changes in the Group's equity

IN SUMMARY, SEGMENT REPORT

	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Equity attributable to the parent company's owners				
Amount at the beginning of the period	1,854	1,647	1,757	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	105	217	180	292
Amount at the end of the period	1,823	1,757	1,823	1,854
Holdings without controlling influence				
Amount at the beginning of the period	4	3	4	3
Comprehensive income for the period	-	-	-	-
Amount at the end of the period	4	4	4	4
TOTAL EQUITY	1,827	1,761	1,827	1,858

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 56.36 (54.33) at the end of the period.

The group reported interest-bearing net cash of SEK 402 million (856) at the end of the period. The discrepancy with last year's figure is primarily due to the green bond issue carried out in autumn 2021.

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

The equity ratio at the end of the period was 41 percent (56). In Q2, the equity ratio was affected by the payment to shareholders of the agreed dividend of SEK 112 million and by a buy-back of the company's shares for SEK 24 million. The equity ratio was also affected by an increased debt ratio associated with the green bond issue. 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 most of the shares needed to make the remaining settlement.

Group cash flow statement

SEGMENT REPORT

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021-22	Jan-Dec 2021
Day-to-day operations						
Profit/loss before financial items	-27	74	68	207	138	277
Adjustment for items not included in cash flow	4	6	20	18	22	20
Received interest	10	9	26	14	29	17
Paid interest	-13	-10	-37	-13	-40	-16
Paid tax	-1	-3	-16	-4	-2	10
Cash flow from operating activities before changes in working capital	-27	76	61	222	147	308
Cash flow from changes in working capital						
Increase (-)/decrease (+) of accounts receivable	76	93	-107	174	-116	165
Increase (-)/decrease (+) of other operating receivables	-257	-282	-782	-417	-1 353	-988
Increase (+)/decrease (-) of accounts payable	66	8	115	44	194	123
Increase (+)/decrease (-) of operating liabilities	-29	-36	76	54	277	255
Cash flow from the day-to-day operations	-171	-141	-637	77	-851	-137
Investment activities						
Dividend from joint ventures and associated companies	-	-	8	-	8	-
Investments in businesses, including additional purchase sums	-	0	-	0	-129	-129
Acquisitions of intangible fixed assets	-1	0	-4	-2	-6	-4
Investments in investment properties	-	5	-	-10	0	-10
Acquisitions of other tangible fixed assets	-2	-3	-11	-10	-24	-23
Cash flow from investing activities	-3	2	-7	-22	-151	-166
Financing activities						
Buyback of shares	-	-	-24	-	-85	-61
Paid dividend	-	-	-112	-107	-112	-107
Amortisation of loan liabilities	-4	-2	-16	-4	-12	0
Raised loan liabilities	-	-	9	48	13	52
Bond loans	-	-	-	-	492	492
Cash flow from financing activities	-4	-2	-143	-63	296	376
CASH FLOW FOR THE PERIOD	-178	-141	-787	-8	-706	73
Cash and cash equivalents at the start of the period	245	910	851	776	770	776
Exchange rate difference in cash and cash equivalents	0	1	3	2	3	2
Cash and cash equivalents at the end of the period	67	770	67	770	67	851

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 -178 million (-141), divided into current operations SEK -171 million (-141), investment operations SEK -3 million (2) and financing operations SEK -4 million (-2).

JANUARY – SEPTEMBER

Total cash flow for the first nine months of the year amounted to SEK -787 million (-8), divided into current operations of SEK -637 million (77), investment operations of SEK -7 million (-22) and financing operations of SEK -143 million (-63).

The company invested in two development properties in Q1. In Q2, 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.

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.

LIQUIDITY

As per 30 September, the group's available liquidity amounted to SEK 317 million (1,020), divided into cash of SEK 67 million and unutilised bank overdraft facilities of SEK 250 million. In Q4, a large self-developed logistics project and two sold-out tenant-ownership projects will be ready for occupancy, which will have a positive effect on cash flow and liquidity.

CALENDAR

Year-end report 2022	9 February 2023
Annual report	March 2023
Interim report January–March	4 May 2023
Annual General Meeting	4 May 2023

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WÄSTBYGG GROUP

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