

# YEAR-END REPORT

Wästbygg Gruppen AB (publ)  
January – December 2022



A construction agreement was signed with Borås Municipality for a new ice rink during the fourth quarter.

**WÄSTBYGG  
GROUP**



# January – December 2022

## GROUP IN SUMMARY

### 1 JANUARY – 31 DECEMBER 2022

- Revenue SEK 5,181 million (3,949)
- Operating profit SEK -50 million (235)
- Profit after tax SEK -17 million (241)
- Earnings per share SEK -0.53 (7.42)
- Cash flow from operating activities SEK -891 million (-319)
- Interest-bearing net cash (+) /net debt (-) SEK -556 million (151)
- Equity ratio 36% (43)
- The Board of Directors proposes that the Annual General Meeting adopt a dividend of SEK 1.65 per share (3.50)

### 1 OCTOBER – 31 DECEMBER 2022

- Revenue SEK 1,728 million (1,231)
- Operating profit SEK 14 million (10)
- Profit after tax SEK 13 million (13)
- Earnings per share SEK 0.39 (0.39)
- Cash flow from operating activities SEK 209 million (-192)

## SUMMARY ACCORDING TO SEGMENT REPORT

### 1 JANUARY – 31 DECEMBER 2022

- Revenue SEK 5,794 million (3,818)
- Operating profit SEK 88 million (277)
- Profit after tax SEK 131 million (290)
- Earnings per share SEK 4.05 (8.94)
- Cash flow from operating activities SEK -307 million (-137)
- Interest-bearing net cash (+) /net debt (-) SEK 849 million (794)
- Equity ratio 45% (44)
- New orders SEK 5,006 million (5,456)
- Order backlog 31 December SEK 5,754 million (6,572)

### 1 OCTOBER – 31 DECEMBER 2022

- Revenue SEK 1,814 million (1,271)
- Operating profit SEK 20 million (69)
- Profit after tax SEK 26 million (74)
- Earnings per share SEK 0.80 (2.26)
- Cash flow from operating activities SEK 329 million (-212)
- New orders SEK 869 million (2,514)

## SIGNIFICANT EVENTS IN THE FOURTH QUARTER

- The company signed its first construction contract 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.

## SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- A property, located in the central part of Malmö, with a lettable area of 3,000 sqm has been acquired and a lease has been signed with Praktiska Sverige AB, a company within AcadeMedia. After rebuilding, the premises will be used as a school. Investment cost for acquisition and rebuilding amounts to approximately SEK 100 million. After completion, the plan is to hand over the property to Inwita Fastigheter.



## CONTINUED STABLE ORDER BACKLOG AND STRENGTHENED CASH POSITION CREATE A SOLID FOUNDATION IN AN UNCERTAIN MARKET

After handing over a number of self-developed projects, we ended the final quarter of 2022 with a strengthened cash position and a strong equity ratio. This gives us a stable foundation to stand on in 2023, in a market that remains uncertain and largely unpredictable. Although the order intake in Q4 2022 was lower than the same period in the record year of 2021, our order backlog remains stable. Due to unforeseen price rises and problems faced by some of our subcontractors, our profit was significantly lower than expected. To deal with the unusual conditions seen during the year, we focused on reviewing our purchasing activities and securing deliveries for our projects. The fact that we have maintained even closer proximity to our customers and partners has further strengthened us while waiting for the market situation to stabilise.

## STABLE ORDER BACKLOG AND STRONG GROWTH BUT BELEAGUERED PROFIT

Revenues for 2022 amounted to SEK 5,794 million (3,818) based on segment reporting. The growth is partly ascribable to the fact that this was our first full year with Rekab Entreprenad as part of the Wästbygg Group. Other parts of the Group have also performed strongly. The year's order intake was SEK 5 billion, and we began 2023 with a total order backlog of SEK 5.8 billion, distributed evenly over our three business areas. The order intake for Q4 2022 was lower year-on-year, primarily due to a lull in the residential property market and slower decision-making processes on the part of our clients.

Based on the segment reporting, operating profit was SEK 20 million (69) for Q4 and SEK 88 million for the full financial year (277). During the quarter, operating profit was impacted by further write-downs in our Danish project after one of our subcontractors went into compulsory liquidation in the project's final phase, which resulted in delays. Operating profit was also impacted by price increases in our ongoing residential projects, primarily related to interest rate hikes.

## STRONG CASH POSITION AFTER HANDING OVER SEVERAL PROJECTS

Our cash position was strengthened by the handing over of four self-developed projects according to schedule during Q4. Satisfied home buyers were able to move into new town houses in Falkenberg and Stockholm. The facility that we developed for Mathem, with Stockholm's currently largest roof-based solar panel installation, was handed over at year end to the property owner Niam, and we also handed over a new warehouse and office facility to Harju Elekter in Västerås. A strengthened cash position gives us a stable foundation to stand on in the current volatile and challenging market.

## UNPREDICTABLE MARKET

2022 was a challenging year, and the market uncertainty looks set to continue for some time yet. In late 2022 there was an increase in new projects on the market from public sector clients, and this trend has continued since the start of the current year. There are mixed signals from the logistics and industry market. We are noting a slowing in this segment, which was booming for several years, although some demand remains. A cautious approach to investment and a shortage of available land around logistics hubs are two reasons for this. We signed

three new construction contracts for logistics facilities late in the year, and are greatly looking forward to our first project in Finland. Regarding the large industrial projects planned in northern Sweden, we maintain ongoing dialogue with several major players.

Regarding our self-developed residential projects, we are maintaining proximity to the market and continuously evaluating the feasibility of launching sales and construction, and are consequently taking a cautious approach at present. Both during the quarter and at the beginning of the new year, we have continued to conduct sales and are seeing demand for tenant-owned apartments in our ongoing projects. We have a large amount of ongoing production in our contract assignments, and we recently signed a construction contract with Stockholms Stadsmission for rental apartments with a focus on social sustainability. In a tough market for rental projects, we are particularly proud to have found a solution to this challenge in collaboration with the customer.

## A LOOK FORWARD

Over the coming year we will focus on restoring strong profitability to our operations and capitalising on our large order backlog, strong cash position and solid equity ratio, as well as maintaining and growing our good reputation in the market.

As planned, at the turn of 2022/2023 we consolidated all the Nordic operations and expertise in Logistic Contractor into one organisation. We have progressed beyond the start-up phase in our neighbouring Nordic countries and now look forward to benefiting from a joint organisation headed by Benn Karlberg. In connection with the organizational change, Sandu Nylmon stepped down as CEO of the foreign LC companies and also left the management team.

Although we expect our margins to remain lacklustre in 2023, we are still strong financially thanks to our cash position and equity ratio. This gives us some leeway for navigating an uncertain and volatile market while undertaking projects that we deem as having the right criteria.

Jonas Jönehall  
CEO, Wästbygg Gruppen AB

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

SEK million unless  
otherwise specified

|   | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 | Jan-Dec<br>2020    | Jan-Dec<br>2019 | Jan-Dec<br>2018 <sup>2</sup> |
|---|-----------------|-----------------|-----------------|-----------------|--------------------|-----------------|------------------------------|
| <b>Financial key ratios</b>                           |                 |                 |                 |                 |                    |                 |                              |
| Revenue   | 1,728           | 1,231           | 5,181           | 3,949           | 3,620              | 3,889           | 3,543                        |
| Operating profit                                      | 14              | 10              | -50             | 235             | 223                | 220             | 147                          |
| Operating margin, %                                   | 0.8             | 0.8             | -1.0            | 6.0             | 6.2                | 5.7             | 4.1                          |
| Profit/loss after tax                                 | 13              | 13              | -17             | 241             | 234                | 215             | 142                          |
| Balance sheet   | 4,467           | 4,101           | 4,467           | 4,101           | 3,170              | 2,144           | 1,697                        |
| Equity/assets ratio, %                                | 36              | 43              | 36              | 43              | 50                 | 27              | 25                           |
| Return on equity, %                                   | -1              | 14              | -1              | 14              | 22                 | 43              | 37                           |
| Operating capital                                     | 1,956           | 1,336           | 1,956           | 1,336           | <sup>3</sup> 1,010 | 270             | -17                          |
| Interest-bearing net cash (+) / net debt (-)          | -556            | 151             | -556            | 151             | <sup>3</sup> 252   | -7              | 173                          |
| Cash flow from operating activities                   | 209             | -192            | -891            | -319            | -237               | -63             | 141                          |
| <b>Equity related key ratios<sup>4</sup></b>          |                 |                 |                 |                 |                    |                 |                              |
| Earnings per share, SEK                               | 0.39            | 0.39            | -0.53           | 7.42            | 9.39               | 9.40            | 6.16                         |
| Equity per share, SEK                                 | 49.25           | 53.62           | 49.25           | 53.62           | 49.17              | 24.81           | 18.19                        |
| Number of shares at the end of the period (thousands) | 32,341          | 32,591          | 32,341          | 32,591          | 32,340             | 22,950          | 22,950                       |
| Average number of shares (thousands)                  | 32,341          | 32,869          | 32,402          | 32,474          | 24,913             | 22,950          | 22,950                       |

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

|   | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 | Jan-Dec<br>2020  | Jan-Dec<br>2019 | Jan-Dec<br>2018 <sup>2</sup> |
|---|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|------------------------------|
| <b>Financial key ratios</b>                           |                 |                 |                 |                 |                  |                 |                              |
| Revenue   | 1,814           | 1,271           | 5,794           | 3,818           | 3,801            | 3,905           | 3,652                        |
| Operating profit                                      | 20              | 69              | 88              | 277             | 254              | 192             | 171                          |
| Operating margin, %                                   | 1.1             | 5.4             | 1.5             | 7.3             | 6.7              | 4.9             | 4.7                          |
| Profit/loss after tax                                 | 26              | 74              | 131             | 290             | 268              | 187             | 163                          |
| Balance sheet   | 4 149           | 4 226           | 4 149           | 4 226           | 2 872            | 1 893           | 1 599                        |
| Equity/assets ratio, %                                | 45              | 44              | 45              | 44              | 57               | 31              | 29                           |
| Return on equity, %                                   | 7               | 16              | 7               | 17              | 24               | 35              | 38                           |
| Operating capital                                     | 1,400           | 1,225           | 1,400           | 1,225           | <sup>3</sup> 800 | 177             | -110                         |
| Interest-bearing net cash (+) / net debt (-)          | 849             | 794             | 849             | 794             | <sup>3</sup> 877 | 129             | 308                          |
| Cash flow from operating activities                   | 329             | -212            | -307            | -137            | -95              | -73             | 240                          |
| <b>Equity related key ratios<sup>4</sup></b>          |                 |                 |                 |                 |                  |                 |                              |
| Earnings per share, SEK                               | 0.80            | 2.26            | 4.05            | 8.94            | 10.75            | 8.15            | 7.09                         |
| Equity per share, SEK                                 | 57.11           | 56.87           | 57.11           | 56.87           | 50.92            | 25.78           | 20.27                        |
| Number of shares at the end of the period (thousands) | 32,341          | 32,591          | 32,341          | 32,591          | 32,340           | 22,950          | 22,950                       |
| Average number of shares (thousands)                  | 32,341          | 32,869          | 32,402          | 32,474          | 24,913           | 22,950          | 22,950                       |

## OPERATIONAL KEY RATIOS

|                                  |       |       |       |       |       |       |       |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|
| New orders                       | 869   | 2,514 | 5,006 | 5,456 | 3,232 | 3,850 | 3,077 |
| Order backlog                    | 5,754 | 6,572 | 5,754 | 6,572 | 3,201 | 3,752 | 3,634 |
| No of employees at end of period | 597   | 524   | 597   | 524   | 311   | 305   | 288   |

For KPI definitions, see page 25.

<sup>1</sup> KPIs for the Group, in accordance with IFRS and the segment reporting that is applied for internal control and auditing. See note 2 on page 22 for further information.

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

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

<sup>4</sup> The company has no options or similar agreements that give rise to a dilution effect, so this is not reported separately. When Rekab Entreprenad AB was acquired, the number of shares changed as a result of the agreement structure. No decisions have been taken regarding a new share issue. When all buybacks and transfers of consideration shares have taken place, the number of shares will again correspond to the number of registered shares. See page 26 for further information on the number of shares.

# General market situation

## SUMMARY

The growth trend in Sweden up to and including Q3 was unexpectedly positive. Household consumption was surprisingly buoyant despite rising prices and historically high inflation, with CPIF inflation standing at 9.3 percent in October.

The outlook for 2023 is significantly more negative. Forecasts suggest that GNP will drop during the year, and that household consumption will decline sharply due to climbing energy prices and interest rates. Unemployment is also expected to rise. According to the National Institute of Economic Research's latest Economic Tendency Survey, the general economy is very weak. The exception is the construction sector and industry. Housing prices have declined; the biggest downturn was noted for tenant-owned apartments, for which prices are estimated to have declined by 14 percent since their peak in early 2022.

Households and several other market observers expect to see prices to decrease further in the coming year. However, there are glimmers of hope. Both supply chain disruptions and component shortages have eased, which could lead to slightly lower prices. Moreover, inflation is expected to soon peak and then start dropping. This means that the Swedish central bank (Riksbanken) could lower interest rates in late 2023 or early 2024 to stimulate the economy. Underlying demand is strong in many ways in the Swedish economy, raising hopes of a deep but short-lived negative growth trend.

The total volume of initiated building construction investment in residential and commercial premises in the first three quarters of the year was down 8 percent on the same period in 2021, measured in fixed prices. This means that the rate of construction has slowed slightly since the previous report, which related to investments in the first half of the year. NAVET estimates that the investment volume will drop by 9 percent in 2022 compared with 2021. The negative trend is expected to continue unchanged in 2023 as a result of a broad decline in the construction market, primarily in residential construction and office and retail investment. The investment climate is tough due to high inflation, interest rate hikes, flagging demand and high energy prices.

Total initiated building construction investment in the Wästbygg Group's three business areas is expected to drop by a total of 10 percent this year, which means that the forecast remains unchanged since the previous report. The volume is expected to shrink by a further 6 percent in 2023. The forecast for 2022 is more negative than the rate of investment currently shows. According to NAVET, however, the risks are on the downside and more planned projects could be deferred due to the uncertain economy and rising costs.

*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. However, the office in Helsingborg will be consolidated with the office in Malmö in 2023 and therefore closed, see page 17

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, that is from land acquisition/allocation to completed properties. The group also includes the company Inwita Fastigheter, which owns and manages self-developed community service properties.

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

## A SUSTAINABLE BUSINESS

The Wästbygg Group drives the development of sustainable living environments, where people want to work 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. Wästbygg Entreprenad, Rekab Entreprenad and Logistic Contractor are certified according to ISO 9001 and 14001. Wästbygg Entreprenad is also certified according to ISO 45001.



## OUR BUSINESS STRATEGIES

Wästbygg’s five 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 five strategies are:

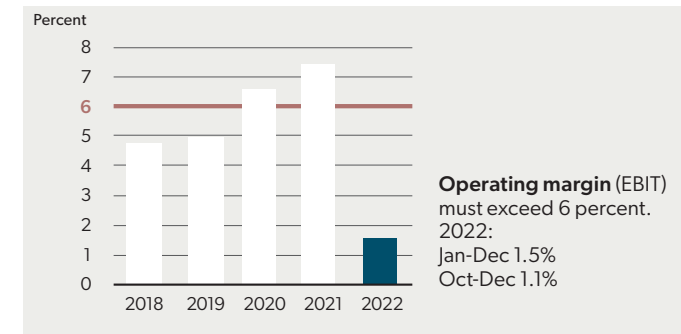
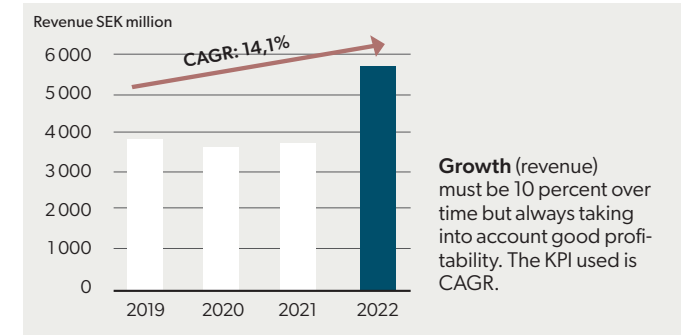
- Continued growth in existing business areas.
- The proportion of self-developed projects will be 50 percent.
- A clearly defined position in the Nordic market in Logistics and Industry.
- Increased focus on community service properties.
- In-house administration of community service properties.

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

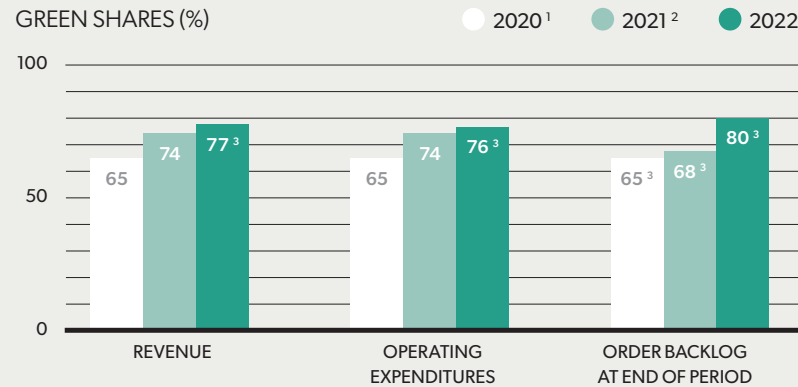
The Wästbygg Group's Annual and sustainability report was published in March, and can be downloaded from [wastbygg.se](http://wastbygg.se). The Sustainability report gives further details on the company's performance with regard to achieving its overarching goal of creating sustainable business.

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

Our proportion of green revenues, costs and the green proportion of our order backlog are has increased 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.



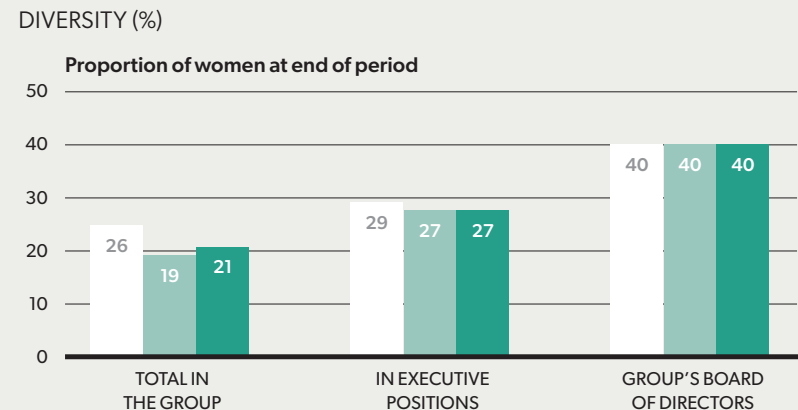
As part of Wästbygg's diversity and equality efforts, we report the total number of female employees in the Group, the number of female senior executives and female board members. This reporting takes place on a quarterly basis. We report the proportion of employees with foreign backgrounds on a semi-annual basis. Sick leave during the last twelve months amounts to 4.09 percent.



<sup>1</sup> Cicero Shades of Green, Company Assessment, June 2021.

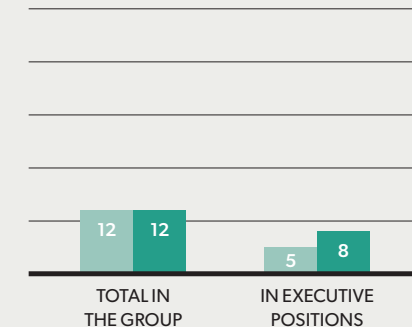
<sup>2</sup> Cicero Shades of Green, Company Assessment, March 2022

<sup>3</sup> Estimated by definition in Wästbygg Group's Green Finance Framework, May 2021.



Dec 2020 Dec 2021 Dec 2022

Foreign background\*



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

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

SICK LEAVE (%)

|                  | 2019 | 2020 | 2021 | 2022 |
|------------------|------|------|------|------|
| Sick leave total | 3.03 | 2.80 | 2.71 | 4.09 |

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



## Our business areas

The Wästbygg Group reported an order intake for the full 2022 financial year that was almost on a par with the record-high figure for 2021.

To some extent, the market uncertainty that persisted throughout the year became more pronounced in Q4, primarily in the Residential business area. This was also reflected in the order intake. The exception is the Commercial business area that reported a higher order intake than in 2021.

The order backlog stood at SEK 5.8 billion at year end, 12 percent lower than at the start of the year. This was due to a slightly lower order intake and slower decision-making processes, as well as strong project implementation despite the challenges seen during the year. This is also reflected in significantly higher revenues than the previous year. The distribution of the order backlog 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 are in the public sector or are large, well-established players in the market. They are all deemed to have good solvency, and the necessary collateral is in place for our signed contracts.

The order intake in the Residential business area was SEK 88 million for the quarter and primarily comprised a construction contract with Stockholms Stadsmission. The Residential business area reported an order backlog of SEK 1.9 billion at the end of the year.

New contracts in Commercial in Q4 totalled SEK 228 million and are primarily related to public sector clients. Several large retail projects were completed during the quarter. Due to this, the order intake for the Commercial business area decreased slightly and amounted to SEK 2.4 billion at year end.

Logistics and Industry signed contracts for three logistics facilities in Q4. The order intake was SEK 553 million, and an order backlog of SEK 1.5 billion was reported at year end.

### COLOUR CODING:

- Residential
- Commercial
- Logistics and industry

— Operating profit group (right axis)

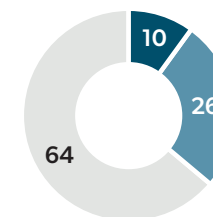
### NEW ORDERS

| SEK million            | Oct-Dec 2022 | Oct-Dec 2021 | Jan-Dec 2022 | Jan-Dec 2021 |
|------------------------|--------------|--------------|--------------|--------------|
| Residential            | 88           | 1,190        | 1,362        | 2,028        |
| Commercial             | 228          | 363          | 1,670        | 1,352        |
| Logistics and industry | 553          | 961          | 1,974        | 2,076        |
| <b>Total</b>           | <b>869</b>   | <b>2,514</b> | <b>5,006</b> | <b>5,456</b> |

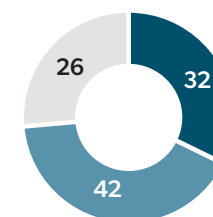
### ORDER BACKLOG

| SEK million            | 31 Dec 2022  | 31 Dec 2021  |
|------------------------|--------------|--------------|
| Residential            | 1,863        | 2,248        |
| Commercial             | 2,383        | 2,508        |
| Logistics and industry | 1,508        | 1,816        |
| <b>Total</b>           | <b>5,754</b> | <b>6,572</b> |

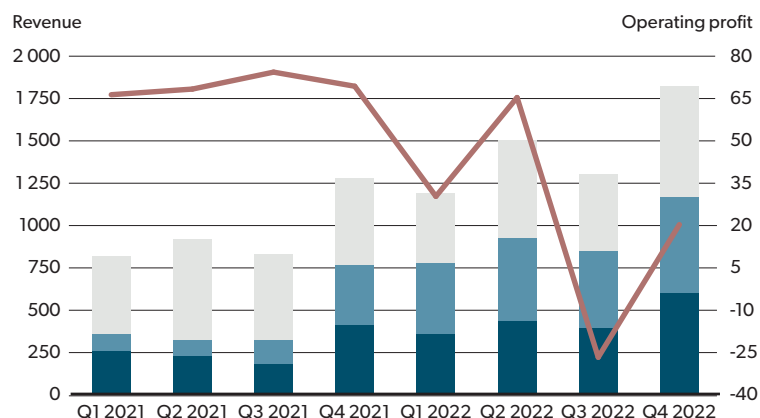
### NEW ORDERS OCT-DEC (%)



### ORDER BACKLOG 31 DEC (%)



### 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



Vision of the homes that will be built for Stockholms Stadsmission.

projects exceeded order intake and sales of apartments slowed down. The accumulated profit for the year was also 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.

### NEW PROJECTS AND AGREEMENTS ENTERED INTO

- After joint completion of Phase 1, a contract was signed with Stockholms Stadsmission for construction of a tower block comprising 37 rental apartments and a commercial premises, as well as construction of four terraced houses. The order value is SEK 73 million.

### CONTRACTS SIGNED AFTER 31 DECEMBER

- A contract was signed with Riksbyggen for the construction of 19 apartments in Stockholm according to their Bonum concept for senior housing. The order value is SEK 64 million.

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

In construction 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.

The 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 57 percent in Q4 and 60 percent for the full year.

Two terraced housing projects Strandängen in Falkenberg and Parklyckan in Stockholm were completed and handed over in Q4, with good results in terms of both profits and implementation. Nine

self-developed residential projects are currently in production, seven of which include tenant-owned apartments. Sales are ongoing in a further project. A decision was taken to pause the sales for stage 2 of Tjärleken that began in Q3. The focus is on selling the remaining apartments in stage 1, which is currently under construction, and stage 2 will be relaunched when market conditions become more favourable.

As per 31 December 2,087 apartments were in production, compared with 1,857 at the same time last year. Revenues climbed by 47 percent to SEK 597 million in Q4, and by 67 percent to SEK 1,778 million for the full year. While the business area reported good results up to and including Q3, this trend was broken in Q4. Profit remained at SEK 5 million for Q4 and SEK 50 million for the full year, as compared to SEK 64 million and SEK 81 million, respectively, in 2021. Interest rate hikes during the autumn impacted financing costs for self-developed projects in production. Moreover, during the autumn, the production rate in ongoing

## Residential

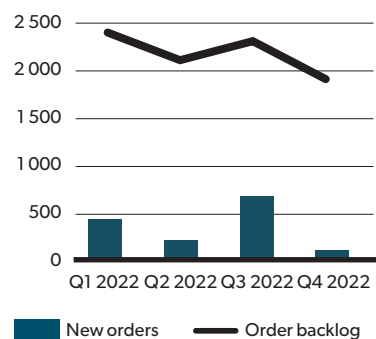
### REVENUE AND PROFIT, SEK million

|                                | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Revenue</b>                 | 597             | 407             | 1,778           | 1,065           |
| - of which construction        | 260             | 141             | 718             | 462             |
| - of which project development | 338             | 266             | 1,061           | 602             |
| <b>Profit</b>                  | 5               | 64              | 50              | 81              |

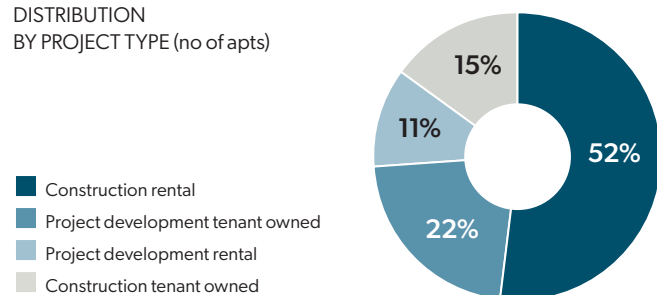
### PRODUCTION, NO OF APARTMENTS

|                                     |              |
|-------------------------------------|--------------|
| Completed during the fourth quarter | 90           |
| Ongoing 31 Dec, construction        | 1,388        |
| Ongoing 31 Dec, project development | 699          |
| <b>Total in progress</b>            | <b>2,087</b> |

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



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



Town houses Strandängen, completed during the fourth quarter.



### SELF DEVELOPED TENANT OWNED, 31 DECEMBER 2022

| Project                                     | Status         | No of apts | Of which sold/ booked | Of which reserved | Completion |
|---|----------------|------------|-----------------------|-------------------|------------|
| Parklyckan, Stockholm                       | Completed      | 36         | 36                    |                   | 2022       |
| Strandängen, Falkenberg                     | Completed      | 29         | 29                    |                   | 2022       |
| Soluret, Malmö                              | Production     | 45         | 45                    |                   | 2023       |
| Älgoxen, Umeå                               | Production     | 30         | 27                    |                   | 2023       |
| Hökälla Ångar, phase 2, Göteborg            | Production     | 36         | 36                    |                   | 2023       |
| Slottshuset, Täby                           | Production     | 89         | 65                    | 4                 | 2023       |
| Tuvebo Glashytta, Göteborg                  | Production     | 45         | 25                    |                   | 2023       |
| Cityterrassen, Malmö                        | Production     | 174        | 81                    | 1                 | 2024       |
| Tjärleken phase 1 (Tjärn), Norrtälje        | Production     | 50         | 24                    | 2                 | 2024       |
| Borstahuset town houses kv Salt, Landskrona | Sales launched | 12         | 2                     |                   |            |
| <b>Total</b>                                |                | <b>546</b> | <b>370</b>            | <b>7</b>          |            |

### SELF DEVELOPED RENTAL APARTMENTS, 31 DECEMBER 2022

| Project              | Status     | No of apts | Completion |
|----------------------|------------|------------|------------|
| Kv Trädgårn, Svedala | Production | 53         | 2023       |
| Journalen 1, Malmö   | Production | 177        | 2024       |
| <b>Total</b>         |            | <b>230</b> |            |



## Commercial



Team gymnastics hall in Stockholm.

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 development projects.

The Commercial business area covers a broad spectrum of project types, for which demand varies. Demand for community service properties remains high, and this demand intensified at the end of 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 the quarter and the full year than in 2021, amounting to SEK 565 million and SEK 1,928 million, respectively. This is due to excellent order intakes, both in 2021 and 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 amounted to SEK 11 million for Q4 and SEK 6 million for the full year. While this is an improvement compared to the negative profit in 2021, the business area was impacted significantly by the write-down of profits in Q1 due to price increases in the market. Phase 1 implementation was jointly carried out on several extensive projects during much of the year, which only generates cost coverage for the time expended.

Construction contracts were signed for three of these projects in Q3 but phase 1 implementation will continue for several other projects for some time. A collaborative project with Örnköldsvik Municipality for a mobility hub has been interrupted because of failure to agree on a satisfactory cost picture. The estimated order value of SEK 115 million has been removed from the order backlog.

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. Three commercial development projects arose during, one of them during Q4. In addition, a change was made ahead of a future stage of Strandängen in Falkenberg. Falkenberg Municipality currently sees no need for the care and sheltered housing complex previously planned for construction there, preferring more terraced houses to be built there instead. This project has therefore been changed from community service properties to residential premises in the project portfolio.

The other commercial projects in the portfolio will continue to be delayed due to a general cautious tendency in the market. Due to the longer lead times, this business area continues to be impacted by costs for time expended from the project development organisation, which are currently not being compensated for by revenues.

### NEW PROJECTS AND AGREEMENTS ENTERED INTO

- 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.
- A contract was signed with the City of Borås for construction of a 6,300 sqm ice skating complex with two rinks. The order value is SEK 107 million.
- A Phase 1 contract has been signed with Surahammar Municipality for the planning and design of a new commercial kitchen facility. The estimated order value is SEK 27 million and is included in the order intake and order backlog for Q4.

### CONTRACTS SIGNED AFTER 31 DECEMBER

- Ledamoten 2, a centrally located property in Malmö, has been acquired from Salana Malmö AB. The property has a lettable area of 3,000 sqm and a lease agreement has been signed with Praktiska Sverige AB, a company within the AcadeMedia group. After rebuilding, the premises will be used as a school. Cost for acquisition and rebuilding amounts to approximately SEK 100 million.
- A contract has been signed with BioGaia Production AB for the construction of an 800 sqm office building. The order value is SEK 23 million.

## Commercial

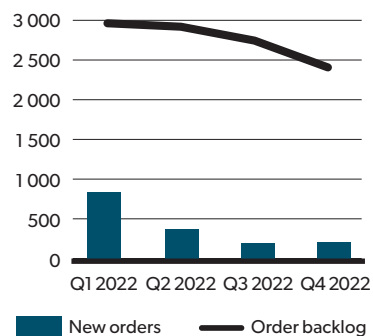
### REVENUE AND PROFIT, SEK million

|                                | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Revenue</b>                 | 565             | 354             | 1,928           | 688             |
| - of which construction        | 566             | 354             | 1,926           | 663             |
| - of which project development | -1              | 0               | 2               | 25              |
| <b>Profit</b>                  | 11              | -14             | 6               | -11             |

### PRODUCTION, NO OF SQM

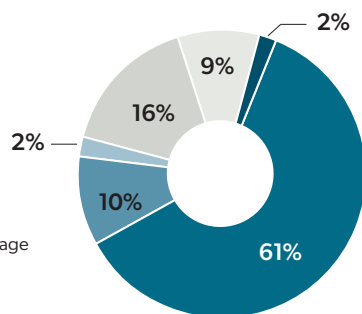
|                                     |                |
|-------------------------------------|----------------|
| Completed during the fourth quarter | 28,600         |
| Ongoing 31 Dec, construction        | 146,982        |
| Ongoing 31 Dec, project development | 2,800          |
| <b>Total in progress</b>            | <b>149,782</b> |

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



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

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



In the Överby shopping area in Trollhättan, an Eco shop and a restaurant were completed for the chain Jureskogs during the fourth quarter.





## Logistics and industry



Vision of Verdion's facility in Vaggeryd.

Operations in the Wästbygg Group'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, but at the end of the year a certain decline from a high level was noted due to reduced investment appetite in the market and cost rises brought about by soaring material prices. A similar situation prevails in the neighbouring Nordic countries. The business opportunities are there, but contracts are taking longer to conclude.

The goal is for 50 percent of revenue in this business area to come from self-developed projects over time. During 2022, 34 percent of revenues were generated from project development but 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 and how well the goal is met from one year to the next.

Profit for the business area amounted to SEK 17 million for the quarter, as compared with SEK 38 million for the same period in the previous year. Profit of SEK 56 million was reported for the full year, compared to SEK 241 million for 2021. During the year, relatively extensive write-downs were carried out in a small number of projects in the business area as a result of the financial challenges in the market during the year.

Revenues rose year-on-year, amounting to SEK 652 million for Q4 and SEK 2,088 million for the full year. Large projects, such as Mathem and Northvolt, were completed, while several new projects arose, including our first contract in Finland.

During Q4, the collaboration with Orio regarding a 400,000 sqm logistics facility outside Nyköping was terminated due to weak interest in new construction there. Costs expended amounted to SEK 1.5 million and were charged to Q4.

### NEW PROJECTS AND AGREEMENTS ENTERED INTO

- 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.
- A contract was signed with Verdion for the construction of a 17,000 sqm logistics facility in Vaggeryd. The order value is approximately SEK 170 million.
- A contract was signed with Barings for the construction of a 31,000 sqm logistics facility in Örebro. The order value is approximately SEK 200 million.
- Wästbygg gained access to stage 1 of a land development project in Gardermoen Nord Næringspark in Norway.

## Logistics and industry

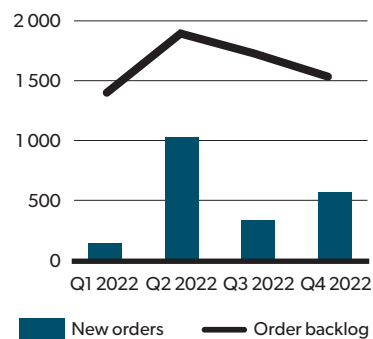
### REVENUE AND PROFIT, SEK million

|                                | Oct-Dec 2022 | Oct-Dec 2021 | Jan-Dec 2022 | Jan-Dec 2021 |
|--------------------------------|--------------|--------------|--------------|--------------|
| Revenue Sweden                 | 606          | 421          | 1 905        | 1 781        |
| Revenue abroad                 | 46           | 89           | 183          | 284          |
| <b>Revenue total</b>           | <b>652</b>   | <b>510</b>   | <b>2 088</b> | <b>2 065</b> |
| - of which construction        | 418          | 299          | 1 379        | 1 265        |
| - of which project development | 234          | 211          | 709          | 800          |
| <b>Profit</b>                  | <b>17</b>    | <b>38</b>    | <b>56</b>    | <b>241</b>   |

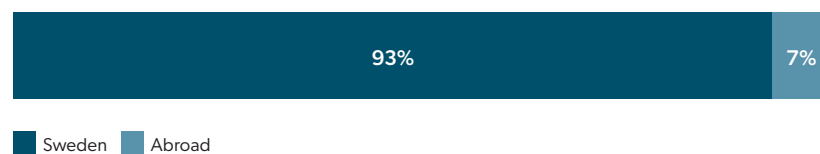
### PRODUCTION, NO OF SQM

|                                     |                |
|-------------------------------------|----------------|
| Completed during the fourth quarter | 65,000         |
| Ongoing 31 Dec, construction        | 312,500        |
| Ongoing 31 Dec, project development | 109,000        |
| <b>Total in progress</b>            | <b>421,500</b> |

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



### DISTRIBUTION OF REVENUE DURING THE THIRD QUARTER



### LANDBANK LOGISTICS AND INDUSTRY, 31 DECEMBER 2022

| Location                                     | Type                  | Area sqm       |
|--|-----------------------|----------------|
| Gardermoen Nord Næringspark, Ormlia, Norway  | Acquisition           | 266,000        |
| Holmestrand Næringspark, Holmestrand, Norway | LOI for joint venture | 40,000         |
| Bastukärr industriområde, Sipoo, Finland     | Acquisition           | 19,500         |
| <b>Total</b>                                 |                       | <b>325,500</b> |

# Development portfolio

AS OF 31 DECEMBER 2022

| Project, municipality                        | Type                  | No of<br>apts | Total area<br>(sqm) | Phase           | Est. start of<br>production | Estimated<br>completion |
|--|-----------------------|---------------|---------------------|-----------------|-----------------------------|-------------------------|
| Alliero, Sundsvall*                          | Self owned/Commercial | 80            | 6,512               | ZP in effect    | 2025                        | 2027                    |
| Almen, 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               | ZP in effect    | 2027                        | 2028                    |
| Citadellsfogen, Malmö*                       | Self owned            | 70            | 4,850               | ZP in effect    | 2027                        | 2029                    |
| 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                    |
| Kv Kust (formerly Fridhem), Ängelholm        | Self owned            | 78            | 6,433               | ZP in effect    | 2024                        | 2026                    |
| 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 | 2026                        | 2028                    |
| Nämnden (Sorgenfri multihus), Malmö          | Rental/Commercial     | 60            | 4,645               | ZP in effect    | 2024                        | 2025                    |
| Play (formerly Prisma Parkkvarter) Malmö*    | Commercial            | 0             | 13,505              | ZP in effect    | 2025                        | 2027                    |
| Skarpnäck preschool, Stockholm               | CSP                   | 0             | 860                 | ZP in effect    | 2026                        | 2027                    |
| Skarpnäck, Stockholm                         | Rental                | 124           | 5,642               | 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, town houses*                  | Self owned            | 40            | 3,500               | No ZP           | 2024                        | 2026                    |
| Svandammsplan, Stockholm*                    | Self owned            | 53            | 3,010               | No ZP           | 2027                        | 2028                    |
| Syrenen, Umeå                                | Self owned/Commercial | 80            | 7,270               | Ongoing work ZP | 2025                        | 2028                    |
| Tjärleken phase 2, Brf Leken, Norrtälje      | Self owned            | 61            | 5,580               | ZP in effect    | 2024                        | 2026                    |
| Tröinge rest area, Falkenberg*               | Commercial            | 0             | 10,400              | ZP in effect    | 2024                        | 2025                    |
| Vallastråket, Stockholm*                     | Self owned            | 77            | 5,450               | ZP in effect    | 2026                        | 2028                    |
| Värbergsvägen, Stockholm*                    | Self owned            | 85            | 5,373               | ZP in effect    | 2026                        | 2028                    |
| Västerport, Varberg*                         | Hotel                 | 0             | 18,250              | DP stopped      | 2026                        | 2029                    |
| Västra Roslags-Näsby, Täby*                  | Self owned            | 40            | 2,951               | ZP in effect    | 2027                        | 2028                    |
| Årsta phase 2n, Stockholm*                   | Self owned            | 237           | 14,503              | Ongoing work ZP | 2032                        | 2034                    |
| Årsta phase 4a, Stockholm*                   | Self owned            | 68            | 5,661               | Ongoing work ZP | 2029                        | 2031                    |
| Årsta phase 4b, Stockholm*                   | Rental                | 231           | 11,786              | Ongoing work ZP | 2029                        | 2031                    |
| Åseberget, Kungälv*                          | Self owned            | 150           | 10,000              | No ZP           | 2028                        | 2030                    |
| Östra Station, Kävlinge                      | Self owned            | 96            | 6,418               | ZP in effect    | 2026                        | 2027                    |
| Överby Hälsa*                                | Commercial            | 0             | 2,630               | ZP in effect    | 2023                        | 2024                    |
| <b>Total</b>                                 |                       | <b>2,402</b>  | <b>220,445</b>      |                 |                             |                         |

\* Options, acquisitions have not yet been made.

ZP = Zoning plan

# Consolidated income statement

|   | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 |
|---|-----------------|-----------------|-----------------|-----------------|
| Revenue   | 1,728           | 1,231           | 5,181           | 3,949           |
| Costs in production   | -1,612          | -1,128          | -4,878          | -3,430          |
| <b>Gross profit/loss</b>  | <b>116</b>      | <b>103</b>      | <b>303</b>      | <b>519</b>      |
| Sales and administration costs  | -104            | -96             | -360            | -292            |
| Other operating revenue   | 3               | 3               | 9               | 8               |
| Other operating costs   | 0               | 0               | -2              | 0               |
| <b>Operating profit</b>   | <b>14</b>       | <b>10</b>       | <b>-50</b>      | <b>235</b>      |
| <b>Profit/loss from financial items</b>   |                 |                 |                 |                 |
| Profit shares from joint ventures and associated companies                        | -1              | -3              | -1              | -4              |
| Financial revenue   | 8               | 3               | 26              | 12              |
| Financial costs   | -12             | -2              | -50             | -15             |
| <b>Profit after financial items</b>   | <b>9</b>        | <b>8</b>        | <b>-75</b>      | <b>228</b>      |
| Change in value of real estate  | 0               | 0               | 0               | 6               |
| <b>Profit before tax</b>  | <b>9</b>        | <b>8</b>        | <b>-75</b>      | <b>234</b>      |
| Taxes   | 3               | 5               | 58              | 7               |
| <b>Profit for the period</b>  | <b>13</b>       | <b>13</b>       | <b>-17</b>      | <b>241</b>      |
| Profit relating to:   |                 |                 |                 |                 |
| - the parent company's shareholders   | 13              | 13              | -17             | 241             |
| - holdings without controlling influence  | 0               | 0               | 0               | 0               |
| Earnings per share, SEK*  | 0.39            | 0.39            | -0.53           | 7.42            |
| Number of shares at the end of the period (thousands)                             | 32,341          | 32,591          | 32,341          | 32,591          |
| Average number of shares (thousands)  | 32,341          | 32,869          | 32,402          | 32,474          |
| <b>THE GROUP'S REPORT ON COMPREHENSIVE INCOME</b>                                 |                 |                 |                 |                 |
| Profit for the period   | 13              | 13              | -17             | 241             |
| <b>Other comprehensive income that can be transferred to the income statement</b> |                 |                 |                 |                 |
| Currency difference when translating foreign operations                           | -2              | 0               | -2              | 1               |
| <b>Comprehensive income for the period</b>  | <b>11</b>       | <b>13</b>       | <b>-19</b>      | <b>242</b>      |
| Total result attributable to:   |                 |                 |                 |                 |
| - the parent company's shareholders   | 11              | 13              | -19             | 242             |
| - holdings without controlling influence  | 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

### OCTOBER – DECEMBER 2022

The Company reported higher revenues and profit for Q4 than for the same period in 2021. Revenues amounted to SEK 1,728 million (1,231), representing an increase of 40 percent. This was a result of the acquisition of Rekab, a sustained period of high order intakes and strong project implementation. Operating profit stood at SEK 14 million (10). Two fairly small self-developed tenant-ownership projects were completed and recognised as income, which positively affected profit. However, increased costs of materials and energy resulted in generally lower margins in several projects, which prevented this income recognition from having full impact on the profit. Profit was also impacted by further write-downs in a project in Denmark after a subcontractor went into compulsory liquidation. In addition, both revenue and profit were held back by self-developed tenant-ownership projects under production.

Profit after tax amounted to SEK 13 million (13), equivalent to earnings per share of SEK 0.39 (0.39). The operating margin was 0.8 percent (0.8).

The order intake in Q4 amounted to SEK 869 million (2,514). Although the market slowed during the autumn, on a positive note new contracts were signed in all three business areas. The comparison with 2021 is slightly skewed due to a decision taken in December last year to start construction of three self-developed residential projects, as well as a strong intake of orders for construction assignments. This also affects the difference in the order backlog, which amounted to SEK 5,754 million (6,572) as per 31 December. Despite the decrease, the order backlog remains stable and is evenly distributed between the Company's three business areas, which creates security for 2023.

### JANUARY– DECEMBER 2022

Revenues for the full year period rose by 31 percent to SEK 5,181 million (3,949). On the other hand, operating profit declined and finished at SEK -50 million (235). Three large tenant-ownership projects were completed and offset against profit in 2021, as compared to two smaller projects during the current year. However, the profit was mainly affected by the writing down of SEK 40 million in Q1 and SEK 65 million in Q3 due to cost increases in production for a

small number of projects and several other challenges related to the market situation. Extra resources were added during Q3 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. This project was further impacted during Q4; see October–December.

Also from a full-year perspective, both revenue and profit were held back by self-developed tenant-ownership projects under production. Several major tenant-ownership projects are in progress that will not impact profit and net sales until 2023 and, in some cases, 2024.

Profit after tax amounted to SEK -17 million (241), corresponding to earnings per share of SEK -0.53 (7.42).

The total order intake for the full year was SEK 5,006 million (5,456).

### TAX

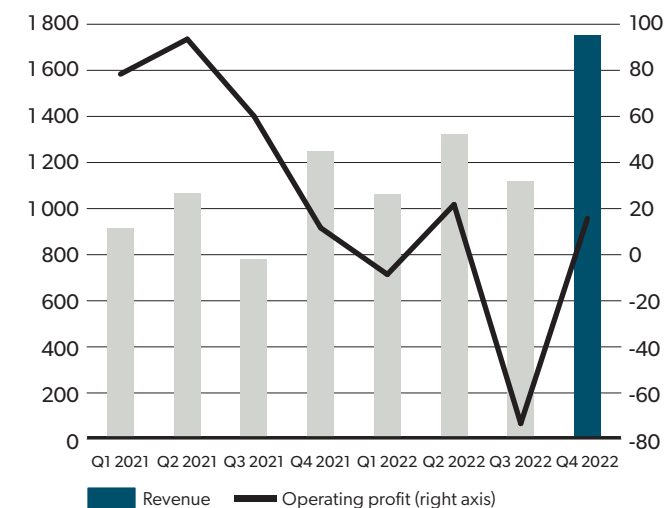
Positive tax was reported both for Q4 and for the full year due to non-taxable revenues. The item also includes deferred tax.

### PERSONNEL

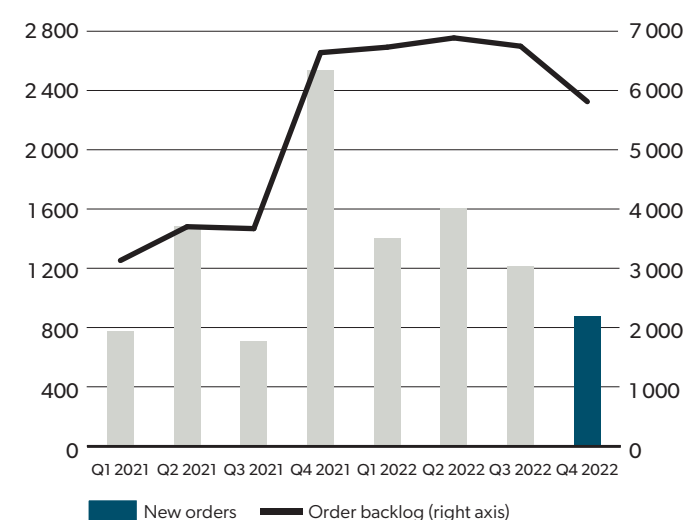
The Wästbygg Group had 597 employees as per 31 December, compared to 524 at the start of the year.

A minor organisational change took place in Wästbygg AB at the start of 2023. In region South, the operations will be consolidated to the Malmö office, and due to this the Helsingborg office will close. Six people received notice of termination in connection with this.

REVENUE AND OPERATING PROFIT, SEK million/quarter



NEW ORDERS AND ORDER BACKLOG, SEK million/quarter



# Group balance sheet

| ASSETS   | 31 Dec<br>2022 | 31 Dec<br>2021 | TOTAL EQUITY AND LIABILITIES                            | 31 Dec<br>2022 | 31 Dec<br>2021 |
|--|----------------|----------------|---|----------------|----------------|
| <b>Fixed assets</b>  |                |                | <b>Equity</b>   |                |                |
| <i>Intangible fixed assets</i>                                     |                |                | Share capital   | 4              | 4              |
| Goodwill   | 428            | 428            | Other contributed capital                               | 946            | 946            |
| Other intangible fixed assets                                      | 34             | 35             | Retained earnings                                       | 662            | 555            |
| Total  | 462            | 463            | This period's comprehensive income                      | -19            | 242            |
|  |                |                | Total equity attributable to the company's shareholders | 1,593          | 1,747          |
| <i>Tangible fixed assets</i>                                       |                |                | Holdings without controlling influence                  | 4              | 4              |
| Investment properties  | 75             | 75             | <b>Total equity</b>                                     | <b>1,597</b>   | <b>1,751</b>   |
| User rights assets   | 35             | 34             |   |                |                |
| Inventory, tools and installations                                 | 4              | 5              | <b>Non-current liabilities</b>                          |                |                |
| Total  | 114            | 114            | <i>Non-current interest-bearing liabilities</i>         |                |                |
|  |                |                | Bond loans  | 494            | 492            |
| <i>Financial fixed assets</i>                                      |                |                | Liabilities to credit institutions                      | 173            | 154            |
| Shares in joint ventures and associated companies                  | 1              | 17             | Debts user rights                                       | 16             | 18             |
| Deferred tax receivables   | 117            | 54             | Other liabilities                                       | 39             | -              |
| Non-current financial assets                                       | 0              | 0              | Total   | 722            | 664            |
| Total  | 117            | 71             | <i>Non-current non-interest-bearing liabilities</i>     |                |                |
| <b>Total fixed assets</b>  | <b>693</b>     | <b>648</b>     | Deferred tax liabilities                                | 20             | 18             |
|  |                |                | Other provisions  | 71             | 72             |
| <b>Current assets</b>  |                |                | Total   | 91             | 90             |
| Development properties, etc.                                       | 263            | 295            | <b>Total non-current liabilities</b>                    | <b>813</b>     | <b>754</b>     |
| Tenant-owner association flats of own development under production | 1,565          | 880            |   |                |                |
| Accounts receivable  | 464            | 444            | <b>Current liabilities</b>                              |                |                |
| Accrued but not invoiced   | 248            | 437            | <i>Current interest-bearing liabilities</i>             |                |                |
| Tax receivables  | 4              | 16             | Liabilities to credit institutions                      | 752            | 145            |
| Receivables from group companies                                   | -              | 13             | Debts user rights                                       | 20             | 18             |
| Other receivables  | 674            | 446            | Other liabilities                                       | -              | 225            |
| Prepaid costs and accrued income                                   | 22             | 25             | Total   | 772            | 388            |
| Cash and cash equivalents  | 534            | 897            | <i>Current non-interest-bearing liabilities</i>         |                |                |
| <b>Total current assets</b>  | <b>3,774</b>   | <b>3,453</b>   | Accounts payable  | 690            | 480            |
| <b>TOTAL ASSETS</b>  | <b>4,467</b>   | <b>4,101</b>   | Advance from customer                                   | 266            | 406            |
|  |                |                | Tax liabilities   | 5              | 4              |
|  |                |                | Other liabilities                                       | 157            | 118            |
|  |                |                | Accrued expenses and prepaid income                     | 167            | 200            |
|  |                |                | Total   | 1,285          | 1,208          |
|  |                |                | <b>Total current liabilities</b>                        | <b>2,057</b>   | <b>1,596</b>   |
|  |                |                | <b>TOTAL EQUITY AND LIABILITIES</b>                     | <b>4,467</b>   | <b>4,101</b>   |
|  |                |                |   |                |                |
|  |                |                | INTEREST-BEARING NET CASH/NET DEB                       |                |                |
|  |                |                | Interest-bearing assets                                 | 938            | 1,202          |
|  |                |                | Interest-bearing liabilities                            | 1,494          | 1,051          |
|  |                |                | <b>Interest-bearing net cash/net debt</b>               | <b>-556</b>    | <b>151</b>     |

# Changes in the Group's equity

## IN SUMMARY

|   | 31 Dec<br>2022 | 31 Dec<br>2021 |
|---|----------------|----------------|
| <b>Equity attributable to the parent company's owners</b> |                |                |
| Amount at the beginning of the period                     | 1,747          | 1,590          |
| Commitment consideration shares (business acquisition)    | -41            | 83             |
| Transfer of own shares                                    | 43             | -              |
| Buyback of shares   | -24            | -61            |
| Effect of settlement of commitments                       | -2             | -              |
| Dividend  | -112           | -107           |
| Comprehensive income for the period                       | -19            | 242            |
| <b>Amount at the end of the period</b>                    | <b>1,593</b>   | <b>1,747</b>   |
| <b>Holdings without controlling influence</b>             |                |                |
| Amount at the beginning of the period                     | 4              | 3              |
| Comprehensive income for the period                       | 0              | 0              |
| <b>Amount at the end of the period</b>                    | <b>4</b>       | <b>4</b>       |
| <b>TOTAL EQUITY</b>                                       | <b>1,597</b>   | <b>1,751</b>   |

## COMMENTS ON THE BALANCE SHEET AND EQUITY

The volume in the Company's production of self-developed tenant-ownership projects increased significantly during the year (see the item 'Tenant-owner association flats of own development under production' in the balance sheet) and is financed through construction credit and the Company's own funds. This item was also affected by a land acquisition in Norrtälje in Q3. Other receivables increased, and are primarily related to unconsolidated project and development companies, mainly in the Logistics and Industry business area.

The increased financing of self-developed tenant-ownership projects also affected interest-bearing net cash, which amounted to SEK -556 million (151) at year end.

Equity per share amounted to SEK 49.25 (53.62) at year end.

The equity ratio at the end of the period was 36 percent (43). The decrease is due to both a drop in profits and a rise in the balance sheet total, which is, in turn, a result of a higher number of self-developed construction projects. The equity ratio was also affected by the payment to shareholders of the agreed dividend of SEK 112 million and a buy-back of the company's shares for SEK 24 million in Q4, as well as by an increased debt ratio associated with investments in new development projects in line with the company's strategy. 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 year, the value of the outstanding settlement due to Trekcyd was SEK 41 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

|  | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 |
|--|-----------------|-----------------|-----------------|-----------------|
| <b>Day-to-day operations</b>   |                 |                 |                 |                 |
| Profit/loss before financial items   | 14              | 10              | -50             | 235             |
| Adjustment for items not included in cash flow   | -11             | 0               | 8               | 9               |
| Received interest  | 8               | 3               | 26              | 12              |
| Paid interest  | -12             | -2              | -49             | -15             |
| Paid tax   | 32              | 15              | 15              | 11              |
| <b>Cash flow from operating activities before changes in working capital</b>                 | <b>31</b>       | <b>26</b>       | <b>-50</b>      | <b>252</b>      |
| <b>Cash flow from changes in working capital</b>   |                 |                 |                 |                 |
| Increase (-)/decrease (+) of tenant-owner association flats of own development in production | -186            | -39             | -806            | -515            |
| Increase (-)/decrease (+) of accounts receivable   | 91              | -8              | -16             | 165             |
| Increase (-)/decrease (+) of other operating receivables                                     | 523             | -240            | 50              | -532            |
| Increase (+)/decrease (-) of accounts payable  | 103             | 87              | 207             | 133             |
| Increase (+)/decrease (-) of operating liabilities   | -353            | -18             | -276            | 178             |
| <b>Cash flow from the day-to-day operations</b>  | <b>209</b>      | <b>-192</b>     | <b>-891</b>     | <b>-319</b>     |
| <b>Investment activities</b>   |                 |                 |                 |                 |
| Dividend from joint ventures and associated companies  | -               | -               | 8               | -               |
| Investments in businesses, including additional purchase sums                                | 0               | -129            | 0               | -129            |
| Acquisitions of intangible fixed assets  | -2              | -2              | -6              | -4              |
| Investments in investment properties   | -               | -1              | -               | -10             |
| Acquisitions of other tangible fixed assets  | 10              | -13             | -2              | -23             |
| <b>Cash flow from investing activities</b>   | <b>8</b>        | <b>-145</b>     | <b>0</b>        | <b>-166</b>     |
| <b>Financing activities</b>  |                 |                 |                 |                 |
| Buyback of shares  | -               | -61             | -24             | -61             |
| Paid dividend  | -               | -               | -112            | -107            |
| Amortisation of loan liabilities   | 13              | 4               | -2              | 0               |
| Raised loan liabilities  | 143             | 12              | 662             | 196             |
| Bond loans   | -               | 492             | -               | 492             |
| <b>Cash flow from financing activities</b>   | <b>156</b>      | <b>447</b>      | <b>524</b>      | <b>520</b>      |
| <b>CASH FLOW FOR THE PERIOD</b>  | <b>373</b>      | <b>110</b>      | <b>-367</b>     | <b>35</b>       |
| Cash and cash equivalents at the start of the period   | 160             | 787             | 897             | 860             |
| Exchange rate difference in cash and cash equivalents  | 1               | 0               | 4               | 2               |
| <b>Cash and cash equivalents at the end of the period</b>                                    | <b>534</b>      | <b>897</b>      | <b>534</b>      | <b>897</b>      |

## COMMENTS ON CASH FLOW

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

### OCTOBER – DECEMBER

Total cash flow for Q4 amounted to SEK 373 million (110), divided into current operations SEK 209 million (-192), investment operations SEK 8 million (-145) and financing operations SEK 156 million (447).

Two self-developed logistics projects were handed over in Q4, one of which was a large project. In addition, two tenant-ownership projects became ready for occupancy. This had a positive effect on cash flow and liquidity.

### JANUARY – DECEMBER

Total cash flow for the full year amounted to SEK -367 million (35), divided into current operations SEK -891 million (-319), investment operations SEK 0 million (-166) and financing operations SEK 524 million (520).

Cash flow from current operations was primarily affected by the self-funding of ongoing self-developed residential and logistics projects.

Financing operations were positively affected by external financing in development projects but were burdened 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 31 December, the Group's available liquidity amounted to SEK 784 million (1,147) divided into cash of SEK 534 million and unutilised bank overdraft facilities of SEK 250 million.



## Parent company income statement

IN SUMMARY

|  | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 |
|--|-----------------|-----------------|-----------------|-----------------|
| Revenue  | 26              | 26              | 111             | 99              |
| Other operating revenue                        | 0               | 0               | 0               | 0               |
| <b>Total operating income</b>                  | <b>26</b>       | <b>26</b>       | <b>111</b>      | <b>99</b>       |
| Staff costs                                    | -18             | -20             | -63             | -63             |
| Other external costs                           | -20             | -20             | -67             | -62             |
| <b>Operating profit/loss</b>                   | <b>-12</b>      | <b>-14</b>      | <b>-19</b>      | <b>-26</b>      |
| <b>Profit/loss from financial items</b>        |                 |                 |                 |                 |
| Dividend (anticipated) from subsidiaries       | 290             | 200             | 290             | 200             |
| Other interest income and similar income items | 12              | 22              | 47              | 43              |
| Interest expenses and similar income items     | -11             | -7              | -39             | -18             |
| <b>Profit after financial items</b>            | <b>279</b>      | <b>201</b>      | <b>279</b>      | <b>199</b>      |
| <b>Year-end appropriations</b>                 |                 |                 |                 |                 |
| Year-end appropriations                        | -15             | 16              | -15             | 16              |
| <b>Profit before tax</b>                       | <b>264</b>      | <b>217</b>      | <b>264</b>      | <b>215</b>      |
| Taxes  | 7               | 2               | 7               | 2               |
| <b>Profit/loss for the period</b>              | <b>271</b>      | <b>219</b>      | <b>270</b>      | <b>217</b>      |

## Parent company balance sheet

IN SUMMARY

|                                     | 31 Dec<br>2022 | 31 Dec<br>2021 |
|-------------------------------------|----------------|----------------|
| <b>ASSETS</b>                       |                |                |
| Intangible fixed assets             | 9              | 5              |
| Tangible fixed assets               | 2              | 2              |
| Financial fixed assets              | 468            | 449            |
| <b>Total fixed assets</b>           | <b>479</b>     | <b>456</b>     |
| Current receivables                 | 1,955          | 1,467          |
| Cash and bank balances              | 264            | 443            |
| <b>Total current assets</b>         | <b>2,219</b>   | <b>1,910</b>   |
| <b>TOTAL ASSETS</b>                 | <b>2,698</b>   | <b>2,366</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b> |                |                |
| Restricted equity                   | 4              | 4              |
| Unrestricted equity                 | 1,685          | 1,550          |
| <b>Total equity</b>                 | <b>1,689</b>   | <b>1,554</b>   |
| Non-current liabilities             | 494            | 492            |
| Current liabilities                 | 515            | 320            |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>2,698</b>   | <b>2,366</b>   |

# Notes and other financial information

## NOTE 1. ACCOUNTING POLICIES

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

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

### NEW STANDARDS APPLIED FROM 1 JANUARY 2022

New or amended IFRS standards applied from 2022 have no or little impact on Wästbygg 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 IN SUMMARY, SEK MILLION

|   | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 |
|---|-----------------|-----------------|-----------------|-----------------|
| <b>REVENUE</b>  |                 |                 |                 |                 |
| Residential   | 597             | 407             | 1,778           | 1,065           |
| <i>Of which internal sales</i>                            | 3               | 0               | 3               | 7               |
| Commercial  | 565             | 354             | 1,928           | 688             |
| <i>Of which internal sales</i>                            | -               | 0               | -               | 7               |
| Logistics and industry <sup>1</sup>                       | 652             | 510             | 2,088           | 2,065           |
| <i>Of which internal sales</i>                            | -               | -               | -               | -               |
| Other <sup>2</sup>  | 26              | 26              | 111             | 99              |
| <i>Of which internal sales</i>                            | 26              | 26              | 111             | 99              |
| Group adjustments   | -26             | -26             | -111            | -99             |
| <b>Total</b>  | <b>1,814</b>    | <b>1,271</b>    | <b>5,794</b>    | <b>3,818</b>    |
| IFRS adjustment (attributable to the Residential segment) | -86             | -40             | -614            | 131             |
| <b>Total IFRS</b>   | <b>1,728</b>    | <b>1,231</b>    | <b>5,181</b>    | <b>3,949</b>    |
| <b>OPERATING PROFIT</b>                                   |                 |                 |                 |                 |
| Residential   | 5               | 64              | 50              | 81              |
| <i>Operating margin</i>                                   | 0,8%            | 15,7%           | 2,8%            | 7,6%            |
| Commercial  | 11              | -14             | 6               | -11             |
| <i>Operating margin</i>                                   | 2, %            | -4,0%           | 0,3%            | -1,6%           |
| Logistics and industry <sup>1</sup>                       | 17              | 38              | 56              | 241             |
| <i>Operating margin</i>                                   | 2,6%            | 7,5%            | 2,7%            | 11,7%           |
| Other <sup>2</sup>  | -12             | -15             | -19             | -26             |
| Group adjustments   | -1              | -4              | -5              | -8              |
| <b>Total</b>  | <b>20</b>       | <b>69</b>       | <b>88</b>       | <b>277</b>      |
| <i>Operating margin</i>                                   | 1,1%            | 5,4%            | 1,5%            | 7,3%            |
| Financial items   | 1               | -3              | -10             | -3              |
| Change in value of real estate                            | 0               | 0               | 0               | 6               |
| <b>Profit before tax, segment</b>                         | <b>21</b>       | <b>66</b>       | <b>78</b>       | <b>280</b>      |
| IFRS adjustment (attributable to the Residential segment) | -11             | -58             | -152            | -47             |
| <b>Profit before tax IFRS</b>                             | <b>9</b>        | <b>8</b>        | <b>-75</b>      | <b>234</b>      |

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

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

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

### NOTE 3. DISPUTES

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

### NOTE 4. RISKS AND UNCERTAINTY FACTORS

The group is continuously working on assessing and 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 costs, material costs and interest rates have risen and inflation has now spread through 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, as well as causing our clients to take a more cautious approach. However, in Q4 2022 the rises in prices of, for example, building materials showed signs of slowing, and the worst of the energy shortage is predicted to end in early 2023. The macroeconomic situation is closely monitored to minimise negative impact to the Wästbygg Group.

Although COVID-19 is no longer considered a serious threat to society, the pandemic continues to have lingering impacts.

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

The parent company's intra-group revenues for the fourth quarter amounted to SEK 26 million (26) and the profit/loss after net financial items was SEK 279 million (201). Intra-group revenues for the year amounted to SEK 111 million (99) and the profit/loss after net financial items was SEK 279 million (199).

### NOTE 6. TRANSACTIONS WITH RELATED COMPANIES

The Wästbygg Group'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 the Wästbygg Group.

Rutger Arnhult announced his resignation as CEO of Castellum in December 2022. At the beginning of February 2023 he also resigned from Castellum's Board of Directors. Joacim Sjöberg, who is also a member of the Wästbygg Group's Board of Directors, was appointed acting CEO of Castellum as of 18 January 2023.

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 of 2021 Wästbygg acquired a property in Malmö from Kungsleden, a subsidiary of Castellum. Wästbygg has taken possession of the property on 31 January 2022.

Revenue accrued in current projects is shown in the table below. Accounts receivable to related companies stood at SEK 20 million (0) as per 31 December 2022.

#### ACCRUED REVENUE

| SEK mil.     | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 |
|--------------|-----------------|-----------------|-----------------|-----------------|
| Corem*       | 30              | 10              | 68              | 53              |
| M2           | 13              | 6               | 95              | 85              |
| <b>Total</b> | <b>43</b>       | <b>16</b>       | <b>163</b>      | <b>138</b>      |

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

### NOTE 7. FINANCIAL INSTRUMENTS

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

# Quarterly overview<sup>1</sup>

## FINANCIAL OVERVIEW AND KEY RATIOS

| <i>SEK million unless otherwise specified</i>         | Oct-Dec 2022 | Jul-Sep 2022 | Apr-Jun 2020 | Jan-Mar 2022 | Oct-Dec 2021 | Jul-Sep 2021 | Apr-Jun 2021     | Jan-Mar 2021     |
|---|--------------|--------------|--------------|--------------|--------------|--------------|------------------|------------------|
| <b>Financial key ratios</b>                           |              |              |              |              |              |              |                  |                  |
| Revenue   | 1,728        | 1,101        | 1,304        | 1,046        | 1,231        | 767          | 1,051            | 900              |
| Operating profit                                      | 14           | -74          | 20           | -10          | 10           | 58           | 91               | 76               |
| Operating margin, %                                   | 0.8          | -6.7         | 1.5          | -1.0         | 0.8          | 7.6          | 8.7              | 8.4              |
| Profit/loss after tax                                 | 13           | -56          | 26           | 0            | 13           | 56           | 99               | 73               |
| Balance sheet   | 4,467        | 4,657        | 4,457        | 4,405        | 4,101        | 3,297        | 3,208            | 3,134            |
| Equity/assets ratio, %                                | 36           | 34           | 37           | 40           | 43           | 52           | 52               | 53               |
| Return on equity, %                                   | -1           | -1           | 6            | 10           | 14           | 18           | 19               | 17               |
| Operating capital                                     | 1,956        | 2,373        | 2,142        | 1,579        | 1,336        | 1,102        | <sup>2</sup> 855 | <sup>2</sup> 973 |
| Interest-bearing net cash (+) / net debt (-)          | -556         | -836         | -603         | -14          | 151          | 428          | <sup>2</sup> 646 | <sup>2</sup> 523 |
| Cash flow from operating activities                   | 209          | -309         | -546         | -245         | -192         | -191         | 72               | -7               |
| <b>Equity related key ratios<sup>3</sup></b>          |              |              |              |              |              |              |                  |                  |
| Earnings per share, SEK                               | 0.39         | -1.73        | 0.80         | 0.01         | 0.39         | 1.74         | 3.05             | 2.27             |
| Equity per share, SEK                                 | 49,25        | 48,91        | 50,66        | 53,66        | 53,62        | 52,96        | 51,21            | 51,49            |
| Number of shares at the end of the period (thousands) | 32,341       | 32,341       | 32,341       | 32,591       | 32,591       | 32,340       | 32,340           | 32,340           |
| Average number of shares (thousands)                  | 32,341       | 32,341       | 32,341       | 32,591       | 32,869       | 32,340       | 32,340           | 32,340           |

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

|   |        |        |        |        |        |        |                  |                    |
|---|--------|--------|--------|--------|--------|--------|------------------|--------------------|
| <b>Financial key ratios</b>                           |        |        |        |        |        |        |                  |                    |
| Revenue   | 1,814  | 1,299  | 1,499  | 1,183  | 1,271  | 822    | 911              | 814                |
| Operating profit                                      | 20     | -27    | 65     | 30     | 69     | 74     | 68               | 66                 |
| Operating margin, %                                   | 1.1    | -2.1   | 4.3    | 2.5    | 5.4    | 9.0    | 7.5              | 8.1                |
| Profit/loss after tax                                 | 26     | -9     | 73     | 41     | 74     | 75     | 77               | 65                 |
| Balance sheet   | 4,149  | 4,416  | 4,401  | 4,373  | 4,226  | 3,136  | 3,087            | 2,857              |
| Equity/assets ratio, %                                | 45     | 41     | 42     | 43     | 44     | 56     | 55               | 60                 |
| Return on equity, %                                   | 7      | 10     | 14     | 14     | 16     | 18     | 18               | 18                 |
| Operating capital                                     | 1,400  | 1,916  | 1,774  | 1,324  | 1,225  | 947    | <sup>2</sup> 731 | <sup>2</sup> 760   |
| Interest-bearing net cash (+) / net debt (-)          | 849    | 402    | 314    | 741    | 794    | 856    | <sup>2</sup> 996 | <sup>2</sup> 1 031 |
| Cash flow from operating activities                   | 329    | -171   | -409   | -57    | -212   | -141   | 92               | 124                |
| <b>Equity related key ratios<sup>3</sup></b>          |        |        |        |        |        |        |                  |                    |
| Earnings per share, SEK                               | 0.80   | -0.28  | 2.27   | 1.26   | 2.26   | 2.31   | 2.37             | 2.01               |
| Equity per share, SEK                                 | 57,11  | 56,36  | 56,66  | 58,15  | 56,87  | 54,33  | 52,02            | 52,98              |
| Number of shares at the end of the period (thousands) | 32,341 | 32,341 | 32,341 | 32,591 | 32,591 | 32,340 | 32,340           | 32,340             |
| Average number of shares (thousands)                  | 32,341 | 32,341 | 32,341 | 32,591 | 32,869 | 32,340 | 32,340           | 32,340             |

## OPERATIONAL KEY RATIOS

|                                  |       |       |       |       |       |       |       |       |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| New orders                       | 869   | 1,201 | 1,591 | 1,345 | 2,514 | 703   | 1,473 | 767   |
| Order backlog                    | 5,754 | 6,679 | 6,818 | 6,657 | 6,572 | 3,634 | 3,666 | 3,102 |
| No of employees at end of period | 597   | 578   | 569   | 535   | 524   | 333   | 328   | 315   |

For KPI definitions, see page 25.

<sup>1</sup> KPIs for the Group, in accordance with IFRS and the segment reporting that is applied for internal control and auditing. See note 2 on page 22 for further information.

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

<sup>3</sup> The company has no options or similar agreements that give rise to a dilution effect, so this is not reported separately. When Rekab Entreprenad AB was acquired, the number of shares changed as a result of the agreement structure. No decisions have been taken regarding a new share issue. When all buybacks and transfers of consideration shares have taken place, the number of shares will again correspond to the number of registered shares. See page 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 24 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 29–34, 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.

<sup>1</sup> From segment reporting

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

## FINANCIAL KEY RATIOS

|   | Jan-Dec<br>2022 | Jan-Dec<br>2021 |  |
|---|-----------------|-----------------|--|
| <b>Balance sheet total</b>  |                 |                 |  |
| A Total assets  | 4,467           | 4,101           |  |
| A = Balance sheet total   | 4,467           | 4,101           |  |
| <b>Revenue growth (CAGR) <sup>1</sup></b>   |                 |                 |  |
| A Revenue (rolling 12 months)   | 5,794           | 3,818           | <b>Definition:</b> Revenue for rolling 12 months divided by revenue for the previous period, raised to one divided by the number of years between the two periods, minus one. Wästbygg Gruppen measures CAGR over three years based on the end of the year immediately before the current three-year period. |
| B Comparison period revenue   | 3,905           | 3,652           |  |
| C Number of years between periods   | 3               | 3               |  |
| (A/B)^(1/C)-1 = Revenue growth, %   | 14.1%           | 1.5%            | <b>Purpose:</b> Shows the company's ability to increase revenue over time..  |
| <b>Operating margin</b>   |                 |                 |  |
| A Operating profit/loss   | -50             | 235             | <b>Definition:</b> Operating profit/loss in relation to revenue.   |
| B Revenue   | 5,181           | 3,949           |  |
| A/B = Operating margin, %   | -1.0%           | 6.0%            | <b>Purpose:</b> Shows the company's earning capacity.  |
| <b>Equity ratio</b>   |                 |                 |  |
| A Total equity  | 1,597           | 1,751           | <b>Definition:</b> Equity in relation to the balance sheet total.  |
| B Balance sheet total   | 4,467           | 4,101           |  |
| A/B = Equity ratio, %   | 36%             | 43%             | <b>Purpose:</b> Describes the capital structure of the company.  |
| <b>Return on equity</b>   |                 |                 |  |
| A Profit/loss for the period (rolling 12 months)                                  | -17             | 241             | <b>Definition:</b> Profit for the period (rolling 12 months) divided by average equity for the period.   |
| B Equity at the beginning of the period   | 1,751           | 1,593           |  |
| C Equity at the end of the period   | 1,597           | 1,751           |  |
| A/((B+C)/2) = Return on equity, %   | -1%             | 14%             | <b>Purpose:</b> Shows the company's ability to generate return on equity.  |
| <b>Operating capital</b>  |                 |                 |  |
| A Current assets  | 3,770           | 3,437           | <b>Definition:</b> Current assets (excluding cash and cash equivalents and tax receivables) less current non-interest-bearing liabilities (excluding tax liabilities).   |
| B Cash and cash equivalents   | 534             | 897             |  |
| C Current non-interest-bearing liabilities  | 1,280           | 1,204           |  |
| A-B-C = Operating capital   | 1,956           | 1,336           | <b>Purpose:</b> Shows the company's tied up capital.   |
| <b>Interest-bearing net debt/net cash</b>   |                 |                 |  |
| Receivables from group companies  | 0               | 13              | <b>Definition:</b> Interest-bearing receivables including cash and cash equivalents less interest-bearing liabilities.   |
| Cash and cash equivalents   | 534             | 897             |  |
| Other interest-bearing receivables  | 404             | 292             |  |
| A Interest-bearing assets at end of period  | 938             | 1 202           | <b>Purpose:</b> Shows the company's real indebtedness.   |
| Non-current interest-bearing liabilities  | 722             | 664             |  |
| Current interest-bearing liabilities  | 772             | 388             |  |
| B Interest-bearing liabilities  | 1,494           | 1,052           |  |
| A-B = Interest bearing net cash (+)/net debt (-)                                  | -556            | 151             |  |
| <b>Earnings per share, IFRS</b>   |                 |                 |  |
| A Profit for the period   | -17             | 241             | <b>Definition:</b> Profit/loss attributable to the company's shareholders in relation to the number of outstanding shares.   |
| B Average number of outstanding shares (thousands) <sup>2</sup>                   | 32,402          | 32,474          |  |
| A/B = Earnings per share, SEK   | -0.53           | 7.42            | <b>Purpose:</b> Illustrates each share's share of the period's earnings.   |
| <b>Equity per share, IFRS</b>   |                 |                 |  |
| A Equity at the end of the period   | 1,593           | 1,747           | <b>Definition:</b> Equity attributable to the company's shareholders in relation to the number of outstanding shares at the end of the period.   |
| B Number of outstanding shares at the end of the period ('thousands) <sup>2</sup> | 32,341          | 32,591          |  |
| A/B = Equity per share, SEK   | 49.25           | 53.62           | <b>Purpose:</b> 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 December 2022, the share price closed at SEK 44.95. This was equivalent to a stock market value of SEK 1,454 million, calculated on the basis of the number of outstanding shares. As per 31 December, 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 4,454 shareholders at the end of Q4. The proportion of foreign ownership was approximately 8 percent of the share capital. The ten largest shareholders controlled approximately 84 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 31 December 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 Trekcyd AB for the acquisition of Rekab Entreprenad AB.

### DIVIDEND

Wästbygg has a long-term goal for the dividend over time to amount to 40 percent of net profit based on the segment reporting. The Board of Directors proposes that the Annual General Meeting approve a dividend of SEK 52,567,600 equivalent to SEK 1.65 per dividend-entitled share (31,915,478 shares in total, as 424,687 shares are held by the Company). The number of dividend-entitled shares may be affected by further repurchases and/or disposals carried out before the record date for dividends. The dividend corresponds to a direct return of 3.66 percent, based on the share price at year end.

### 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, 31 DECEMBER 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  | 117,500              | 16,843,086           | 16,960,586         | 52.4%                 | 47.5%               |
| Fino Förvaltning AB                                    | 282,500              | 1,718,000            | 2,000,500          | 6.2%                  | 12.0%               |
| Svolder AB (publ)                                      | 110,000              | 3,163,586            | 3,273,586          | 10.1%                 | 11.2%               |
| Gårdarike Invest AB                                    | 110,000              | 2,800,000            | 2,910,000          | 9.0%                  | 10.3%               |
| Länsförsäkringar Fonder                                | -                    | 442,804              | 442,804            | 1.4%                  | 1.2%                |
| Öhman Fonder   | -                    | 397,714              | 397,714            | 1.2%                  | 1.0%                |
| Carnegie Fonder  | -                    | 383,387              | 383,387            | 1.2%                  | 1.0%                |
| Skandrenting AB  | -                    | 175,000              | 175,000            | 0.5%                  | 0.5%                |
| SEB Fonder   | -                    | 159,838              | 159,838            | 0.5%                  | 0.4%                |
| Övriga aktieägare                                      | -                    | 5,212,063            | 5,212,063          | 16.2%                 | 14.9%               |
| Wästbygg Gruppen AB (publ) <sup>1</sup>                | -                    | 424,687              | 424,687            | 1.3%                  | -                   |
| <b>Number of registered shares</b>                     | <b>620,000</b>       | <b>31,720,165</b>    | <b>32,340,165</b>  | <b>100.0%</b>         | <b>100.0%</b>       |
| Commitment consideration shares <sup>2</sup>           | -                    | 425,313              | 425,313            |                       |                     |
| Bought back shares <sup>1</sup>                        | -                    | -424,687             | -424,687           |                       |                     |
| <b>Total number of shares outstanding <sup>3</sup></b> | <b>620,000</b>       | <b>31,720,791</b>    | <b>32,340,791</b>  |                       |                     |

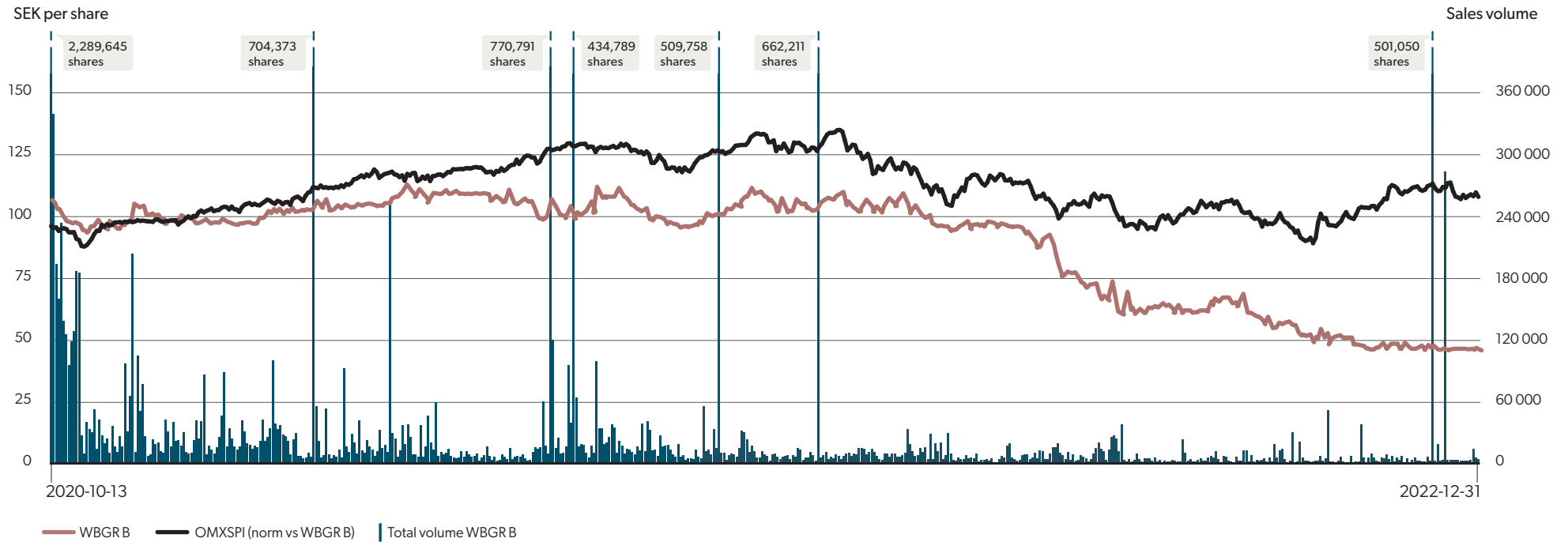
<sup>1</sup> Bought back shares do not carry voting rights and therefore do not entitle holders to dividends. See note 3 in the annual report for 2021.

<sup>2</sup> 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.

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

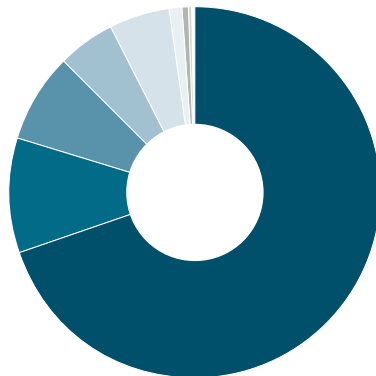
SHARE PRICE

SEK per share



SHAREHOLDER DISTRIBUTION (%)

|                                   |        |
|-----------------------------------|--------|
| Other legal entities              | 70,1%  |
| Investment and asset management   | 10,1%  |
| Anonymous ownership               | 7,6%   |
| Fund/Asset management             | 5,2%   |
| Private individuals               | 5,1%   |
| Bought back shares                | 1,3%   |
| Pension and insurance             | 0,5%   |
| State, municipalities and regions | < 0,1% |
| Foundation                        | < 0,1% |



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

**DECLARATION**

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

Gothenburg 9 February 2023

WÄSTBYGG GRUPPEN AB (PUBL)

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 9 February 2023 at 08:00.

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



## Appendix 1

# Segment reporting

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

# Consolidated income statement

SEGMENT REPORT

|   | Oct-Dec<br>2022         | Oct-Dec<br>2021         | Jan-Dec<br>2022         | Jan-Dec<br>2021         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Revenue   | 1,814                   | 1,271                   | 5,794                   | 3,818                   |
| Costs in production   | -1,693                  | -1,109                  | -5,355                  | -3,257                  |
| <b>Gross profit/loss</b>  | <b>121</b>              | <b>162</b>              | <b>439</b>              | <b>561</b>              |
| Sales and administration costs  | -103                    | -96                     | -359                    | -292                    |
| Other operating revenue   | 3                       | 3                       | 9                       | 8                       |
| Other operating costs   | 0                       | 0                       | -2                      | 0                       |
| <b>Operating profit</b>   | <b>20</b>               | <b>69</b>               | <b>88</b>               | <b>277</b>              |
| <b>Profit/loss from financial items</b>   |                         |                         |                         |                         |
| Profit shares from joint ventures and associated companies                        | -1                      | -3                      | -1                      | -4                      |
| Financial revenue   | 14                      | 3                       | 40                      | 17                      |
| Financial costs   | -12                     | -3                      | -49                     | -16                     |
| <b>Profit after financial items</b>   | <b>21</b>               | <b>66</b>               | <b>78</b>               | <b>274</b>              |
| Change in value of real estate  | 0                       | 0                       | 0                       | 6                       |
| <b>Profit before tax</b>  | <b>21</b>               | <b>66</b>               | <b>78</b>               | <b>280</b>              |
| Taxes   | 5                       | 8                       | 54                      | 10                      |
| <b>Profit for the period</b>  | <b>26</b>               | <b>74</b>               | <b>131</b>              | <b>290</b>              |
| Profit relating to:   |                         |                         |                         |                         |
| - the parent company's shareholders   | 26                      | 74                      | 131                     | 290                     |
| - holdings without controlling influence  | 0                       | 0                       | 0                       | 0                       |
| Earnings per share, SEK*  | 0.80                    | 2.26                    | 4.05                    | 8.94                    |
| Number of shares at the end of the period (thousands)                             | 32,341                  | 32,591                  | 32,341                  | 32,591                  |
| Average number of shares (thousands)  | 32,341                  | 32,869                  | 32,402                  | 32,474                  |
| <b>THE GROUP'S REPORT ON COMPREHENSIVE INCOME</b>                                 | <b>Oct-Dec<br/>2022</b> | <b>Oct-Dec<br/>2021</b> | <b>Jan-Dec<br/>2022</b> | <b>Jan-Dec<br/>2021</b> |
| Profit for the period   | 26                      | 74                      | 131                     | 290                     |
| <b>Other comprehensive income that can be transferred to the income statement</b> |                         |                         |                         |                         |
| Currency difference when translating foreign operations                           | -2                      | 0                       | -2                      | 2                       |
| <b>Comprehensive income for the period</b>  | <b>24</b>               | <b>74</b>               | <b>129</b>              | <b>292</b>              |
| Total result attributable to:   |                         |                         |                         |                         |
| - the parent company's shareholders   | 24                      | 74                      | 129                     | 292                     |
| - holdings without controlling influence  | 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

### OCTOBER – DECEMBER 2022

Revenues in Q4 amounted to SEK 1,814 million (1,271). This represents a 43 percent increase year-on-year, and is due to the acquisition of Rekab, a sustained period of high order intakes and strong project implementation. On the other hand, operating profit fell to SEK 20 million (69). This decline in profit is attributable to interest rate hikes and a general decline in margins in several projects due to increased costs of materials and energy. Profit was also impacted by further write-downs in a project in Denmark after a subcontractor went into compulsory liquidation.

Profit after tax amounted to SEK 26 million (74), equivalent to earnings per share of SEK 0.80 (2.26). The operating margin was 1.1 percent (5.4).

The order intake in Q4 amounted to SEK 869 million (2,514). Although the market slowed during the autumn, on a positive note new contracts were signed in all three business areas. The comparison with 2021 is slightly skewed due to a decision taken in December last year to start construction of three self-developed residential projects, as well as a strong intake of orders for contract assignments. The start of production of these three projects is also one of the reasons for the difference in order backlog, which was SEK 5,754 million (6,572) as of 31 December. Despite the decrease, our order backlog remains stable and is evenly distributed between the Company's three business areas, which creates security for 2023.

### JANUARY – DECEMBER 2022

Revenues for the full year period rose by 52 percent to SEK 5,794 million (3,818). Operating profit amounted to SEK 88 million (277) and was affected by the writing down of SEK 40 million in Q1 and SEK 65 million in Q3 due to cost increases in production for a small number of projects and several other challenges related to the market situation. Extra resources were added during Q3 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. This project was further impacted during Q4; see October–December.

Profit after tax amounted to SEK 131 million (290), corresponding to earnings per share of SEK 4.05 (8.94).

The total order intake for the full year was SEK 5,006 million (5,456).

### TAX

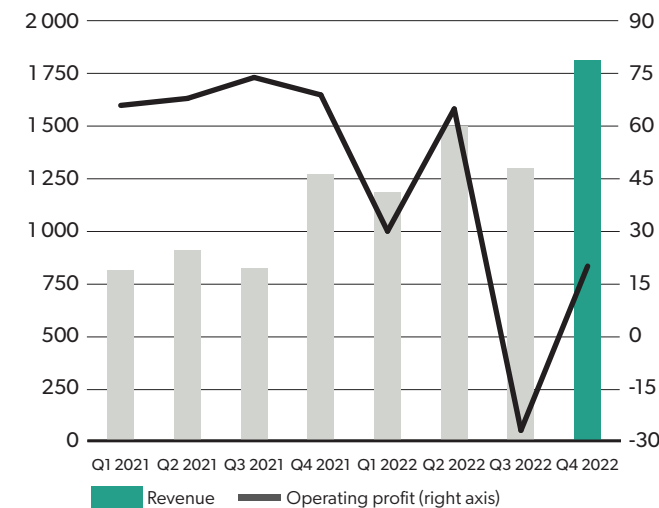
Positive tax was reported both for Q4 and for the full year due to non-taxable revenues. The item also includes deferred tax.

### PERSONNEL

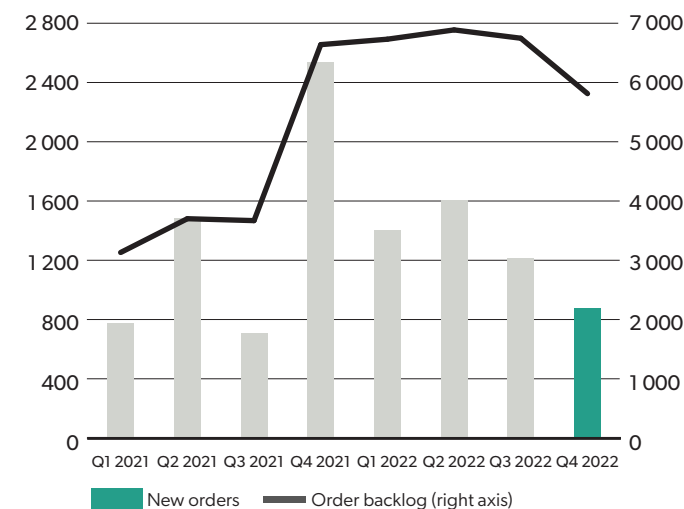
The Wästbygg Group had 597 employees as per 31 December, compared to 524 at the start of the year.

A minor organisational change took place in Wästbygg AB at the start of 2023. In region South, the operations will be consolidated to the Malmö office, and due to this the Helsingborg office will close. Six people received notice of termination in connection with this.

REVENUE AND OPERATING PROFIT, SEK million/quarter



NEW ORDERS AND ORDER BACKLOG, SEK million/quarter



# Group balance sheet

SEGMENT REPORT

| ASSETS  | 31 Dec<br>2022 | 31 Dec<br>2021 | TOTAL EQUITY AND LIABILITIES                            | 31 Dec<br>2022 | 31 Dec<br>2021 |
|---|----------------|----------------|---|----------------|----------------|
| <b>Fixed assets</b>                               |                |                | <b>Equity</b>   |                |                |
| <i>Intangible fixed assets</i>                    |                |                | Share capital   | 4              | 4              |
| Goodwill  | 428            | 428            | Other contributed capital                               | 946            | 946            |
| Other intangible fixed assets                     | 34             | 36             | Retained earnings                                       | 768            | 612            |
| Total   | 462            | 464            | This period's comprehensive income                      | 129            | 292            |
|   |                |                | Total equity attributable to the company's shareholders | 1,847          | 1,854          |
| <i>Tangible fixed assets</i>                      |                |                | Holdings without controlling influence                  | 4              | 4              |
| Investment properties                             | 75             | 75             | <b>Total equity</b>                                     | <b>1,851</b>   | <b>1,858</b>   |
| User rights assets                                | 35             | 34             | <b>Non-current liabilities</b>                          |                |                |
| Inventory, tools and installations                | 4              | 5              | <i>Non-current interest-bearing liabilities</i>         |                |                |
| Total   | 114            | 114            | Bond loans  | 494            | 492            |
|   |                |                | Liabilities to credit institutions                      | 69             | 50             |
| <i>Financial fixed assets</i>                     |                |                | Debts user rights                                       | 15             | 18             |
| Shares in joint ventures and associated companies | 1              | 17             | Other liabilities                                       | 39             | -              |
| Deferred tax receivables                          | 108            | 52             | Total   | 617            | 560            |
| Non-current financial assets                      | 41             | 14             | <i>Non-current non-interest-bearing liabilities</i>     |                |                |
| Total   | 150            | 83             | Deferred tax liabilities                                | 10             | 11             |
| <b>Total fixed assets</b>                         | <b>726</b>     | <b>661</b>     | Other provisions  | 72             | 72             |
| <b>Current assets</b>                             |                |                | Total   | 82             | 83             |
| Development properties, etc.                      | 293            | 326            | <b>Total non-current liabilities</b>                    | <b>699</b>     | <b>643</b>     |
| Accounts receivable                               | 464            | 443            | <b>Current liabilities</b>                              |                |                |
| Accrued but not invoiced                          | 327            | 454            | <i>Current interest-bearing liabilities</i>             |                |                |
| Tax receivables                                   | 4              | 16             | Liabilities to credit institutions                      | 1              | 1              |
| Receivables from group companies                  | -              | 13             | Debts user rights                                       | 20             | 18             |
| Other receivables                                 | 1,863          | 1,437          | Other liabilities                                       | 6              | 230            |
| Prepaid costs and accrued income                  | 22             | 25             | Total   | 27             | 249            |
| Cash and cash equivalents                         | 450            | 851            | <i>Current non-interest-bearing liabilities</i>         |                |                |
| <b>Total current assets</b>                       | <b>3,423</b>   | <b>3,565</b>   | Accounts payable  | 690            | 470            |
| <b>TOTAL ASSETS</b>                               | <b>4,149</b>   | <b>4,226</b>   | Advance from customer                                   | 304            | 433            |
|   |                |                | Tax liabilities   | 3              | 3              |
|   |                |                | Other liabilities                                       | 128            | 96             |
|   |                |                | Accrued expenses and prepaid income                     | 447            | 474            |
|   |                |                | Total   | 1,572          | 1,476          |
|   |                |                | <b>Total current liabilities</b>                        | <b>1,599</b>   | <b>1,725</b>   |
|   |                |                | <b>TOTAL EQUITY AND LIABILITIES</b>                     | <b>4,149</b>   | <b>4,226</b>   |
|   |                |                | <b>INTEREST-BEARING NET CASH/NET DEB</b>                |                |                |
|   |                |                | Interest-bearing assets                                 | 1,494          | 1,603          |
|   |                |                | Interest-bearing liabilities                            | 645            | 809            |
|   |                |                | <b>Interest-bearing net cash/net debt</b>               | <b>849</b>     | <b>794</b>     |



# Changes in the Group's equity

IN SUMMARY, SEGMENT REPORT

|   | 31 Dec<br>2022 | 31 Dec<br>2021 |
|---|----------------|----------------|
| <b>Equity attributable to the parent company's owners</b> |                |                |
| Amount at the beginning of the period                     | 1,854          | 1,647          |
| Commitment consideration shares (business acquisition)    | -41            | 83             |
| Transfer of own shares                                    | 43             | -              |
| Buyback of shares   | -24            | -61            |
| Effect of settlement of commitments                       | -2             | -              |
| Dividend  | -112           | -107           |
| Comprehensive income for the period                       | 129            | 292            |
| <b>Amount at the end of the period</b>                    | <b>1,847</b>   | <b>1,854</b>   |
| <b>Holdings without controlling influence</b>             |                |                |
| Amount at the beginning of the period                     | 4              | 3              |
| Comprehensive income for the period                       | -              | -              |
| <b>Amount at the end of the period</b>                    | <b>4</b>       | <b>4</b>       |
| <b>TOTAL EQUITY</b>                                       | <b>1,851</b>   | <b>1,858</b>   |

## COMMENTS ON THE BALANCE SHEET AND EQUITY

The volume of the Company's production of self-developed tenant-ownership projects increased significantly during the year. They are recognised under 'Other receivables' along with other receivables and shares related to unconsolidated development companies. The Wästbygg Group is working strategically to increase the proportion of self-developed projects, which are to be partially self-funded. In Q4, the Company completed and handed over four self-developed projects, two in Logistics and Industry and two in Residential. This resulted in a reduction of 'Other receivables' and an improvement of the Company's cash position. At year end, interest-bearing net cash was on a par with the previous year at SEK 849 million (794).

Equity per share amounted to SEK 57.11 (56.87) at the end of the period.

The equity ratio at the end of the period was 45 percent (44). During the year, the equity ratio was affected by the payment to shareholders of the agreed dividend of SEK 112 million and a buy-back of the company's shares for SEK 24 million in Q2. However, the equity ratio remained 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 41 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

|  | Oct-Dec<br>2022 | Oct-Dec<br>2021 | Jan-Dec<br>2022 | Jan-Dec<br>2021 |
|--|-----------------|-----------------|-----------------|-----------------|
| <b>Day-to-day operations</b>   |                 |                 |                 |                 |
| Profit/loss before financial items   | 20              | 69              | 88              | 277             |
| Adjustment for items not included in cash flow                               | -9              | 2               | 11              | 20              |
| Received interest  | 14              | 3               | 40              | 17              |
| Paid interest  | -12             | -3              | -49             | -16             |
| Paid tax   | 31              | 14              | 15              | 10              |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>44</b>       | <b>86</b>       | <b>105</b>      | <b>308</b>      |
| <b>Cash flow from changes in working capital</b>                             |                 |                 |                 |                 |
| Increase (-)/decrease (+) of accounts receivable                             | 91              | -8              | -16             | 165             |
| Increase (-)/decrease (+) of other operating receivables                     | 544             | -570            | -239            | -988            |
| Increase (+)/decrease (-) of accounts payable                                | 103             | 79              | 218             | 123             |
| Increase (+)/decrease (-) of operating liabilities                           | -453            | 201             | -375            | 255             |
| <b>Cash flow from the day-to-day operations</b>                              | <b>329</b>      | <b>-212</b>     | <b>-307</b>     | <b>-137</b>     |
| <b>Investment activities</b>   |                 |                 |                 |                 |
| Dividend from joint ventures and associated companies                        | -               | -               | 8               | -               |
| Investments in businesses, including additional purchase sums                | -               | -129            | -               | -129            |
| Acquisitions of intangible fixed assets                                      | -2              | -2              | -6              | -4              |
| Investments in investment properties   | -               | -1              | -               | -10             |
| Acquisitions of other tangible fixed assets                                  | 10              | -13             | -2              | -23             |
| Investment in other financial fixed assets                                   | -               | 0               | -               | 0               |
| <b>Cash flow from investing activities</b>                                   | <b>8</b>        | <b>-145</b>     | <b>0</b>        | <b>-166</b>     |
| <b>Financing activities</b>  |                 |                 |                 |                 |
| Buyback of shares  | -               | -61             | -24             | -61             |
| Paid dividend  | -               | -               | -112            | -107            |
| Amortisation of loan liabilities   | 14              | 4               | -2              | 0               |
| Raised loan liabilities  | 30              | 3               | 40              | 52              |
| Bond loans   | -               | 492             | -               | 492             |
| <b>Cash flow from financing activities</b>                                   | <b>44</b>       | <b>438</b>      | <b>-98</b>      | <b>376</b>      |
| <b>CASH FLOW FOR THE PERIOD</b>  | <b>381</b>      | <b>81</b>       | <b>-405</b>     | <b>73</b>       |
| Cash and cash equivalents at the start of the period                         | 67              | 770             | 851             | 776             |
| Exchange rate difference in cash and cash equivalents                        | 2               | 0               | 4               | 2               |
| <b>Cash and cash equivalents at the end of the period</b>                    | <b>450</b>      | <b>851</b>      | <b>450</b>      | <b>851</b>      |

## COMMENTS ON CASH FLOW

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

### OCTOBER – DECEMBER

Total cash flow for Q4 amounted to SEK 381 million (81), divided into current operations of SEK 329 million (-212), investment operations of SEK 8 million (-145) and financing operations of SEK 44 million (438).

Two self-developed logistics projects were handed over in Q4, one of which was a large project. In addition, two tenant-ownership projects became ready for occupancy. This had a positive effect on cash flow and liquidity.

### JANUARY – DECEMBER

Total cash flow for the full year amounted to SEK -405 million (73), divided into current operations SEK -307 million (-137), investment operations SEK 0 million (-166) and financing operations SEK -98 million (376).

Cash flow from current operations was primarily affected by the self-funding of ongoing self-developed residential and logistics projects.

In Q2, a buy-back of 250,000 shares in April was carried out to settle the acquisition of Rekab Entreprenad, as well as the payment to shareholders of the agreed dividend of SEK 112 million in May. These actions has affected the cash flow from financing operations.

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 31 December, the Group's available liquidity amounted to SEK 700 million (1,101) divided into cash of SEK 450 million and unutilised bank overdraft facilities of SEK 250 million.

## CALENDAR

|                                       |                 |
|---------------------------------------|-----------------|
| Annual and sustainability report 2022 | March 2023      |
| Interim report January – March        | 4 May 2023      |
| Annual General Meeting                | 4 May 2023      |
| Interim report January – June         | 22 August 2023  |
| Interim report January – September    | 9 November 2023 |
| Year-end report 2023                  | 8 February 2024 |

## CONTACTS

Jonas Jönehall, CEO  
phone +46 739-20 19 01, email [jonas.jonehall@wastbygg.se](mailto:jonas.jonehall@wastbygg.se)

Jessica Gårdmo, CFO  
phone +46 734-67 26 15, email [jessica.gardmo@wastbygg.se](mailto:jessica.gardmo@wastbygg.se)

Robin Sundin, Group Legal Counsel and Head of IR  
phone +46 725-29 30 04, email [robin.sundin@wastbygg.se](mailto:robin.sundin@wastbygg.se)

# WÄSTBYGG GROUP

Wästbygg Gruppen AB (publ) • Sofierogatan 3B • 412 51 Göteborg • Sweden  
+46 31-733 23 00 • [info@wastbygg.se](mailto:info@wastbygg.se) • [www.wastbygg.se](http://www.wastbygg.se)  
Company registration number: 556878-5538 • Registered office: Gothenburg