

# Year-end report 31 December 2021

# Q4

## October–December

- Revenue for the quarter was SEK 115.1 million (55.5), up 107 per cent year-on-year.
- The Group's net operating income was SEK 62.9 million (28.9), up 118 per cent over the year-earlier period.
- Profit from property management for the quarter was SEK 22.7 million (12.0), up 89 per cent over the year-earlier period.
- Changes in the value of investment properties amounted to SEK 303.7 million (148.3) and changes in the value of derivatives to SEK 4.4 million (-1.7).
- Profit for the quarter totalled SEK 251.7 million (124.4), corresponding to SEK 2.19 per share (1.84) before dilution.
- The loan-to-value ratio on 31 December was 41.6 per cent.

## January–December

- Revenue for the period was SEK 344.2 million (178.8), up 93 per cent over the year-earlier period.
- The Group's net operating income for the period was SEK 189.9 million (96.8), up 96 per cent over the year-earlier period.
- Profit from property management was SEK 76.4 million (35.7), up 114 per cent over the year-earlier period.
- Changes in the value of investment properties amounted to SEK 737.3 million (413.0) and changes in the value of derivatives to SEK 10.9 million (-7.5).
- Profit for the period totalled SEK 640.5 million (345.2), corresponding to SEK 7.75 per share (5.32) before dilution.
- EPRA Net Reinstatement Value (NRV) per share totalled SEK 33.92 (23.70), up 45 per cent year-on-year.
- The Board has proposed to the Annual General Meeting (AGM) that no dividend be paid for the 2021 financial year.

## Significant events after the end of the period

- Acquisition of 126 rental apartments in Umeå with an underlying property value of SEK 175 million and total area of approximately 8,700 square metres. The acquisition was financed by bank loans and the Group's own funds.
- Land allocation in the Anderstorg district awarded by Skellefteå Municipality. The land allocation includes a completed detailed development plan with approximately 10,000 square metres of GFA where the company will construct about 130 rental apartments.



Motala

# The period in brief

## Significant events during the fourth quarter of 2021

- Announcement of offering to subscribe for newly issued Class B shares corresponding to SEK 750 million excluding any over-allotment option and publication of prospectus ahead of listing on Nasdaq Stockholm.
- Heavily oversubscribed offering, resulting in 21,482,572 newly issued Class B shares, excluding the over-allotment option, corresponding to SEK 750 million before deduction of costs and approximately 5,000 new shareholders.
- Trading in the company's Class B shares on Nasdaq Stockholm commences on 2 December.
- Over-allotment option exercised, resulting in the issue of a further 3,214,285 Class B shares, corresponding to SEK 112.5 million.
- Repayment of just over SEK 360 million in vendor notes, which was subsequently fully repaid.
- Acquisition of vacated project property in central Malmö at a price of SEK 28 million. The property will be converted to 30 rental apartments.
- Decision to build 16 new attic apartments in Tågaborg, Helsingborg, increasing the portfolio in Helsingborg by just over 20 per cent to a total of 90 apartments.
- Occupancy of 46 newly constructed rental apartments in Motala. The new construction project is the Group's first project certified in accordance with Miljöbyggnad Silver.

## Significant events during the rest of the period

- Buy-out of non-controlling interest from Samhällsbyggnadsbolaget i Norden.
- Lease signed for approximately 1,000 square metres in the Skrattnäsen property in Malmö
- New operational and financial goals and a dividend policy were established at the Board meeting on 17 February (refer to page 5).
- Sophia Mattsson-Linnala was elected as a new Board member at the AGM on 4 March.
- Completion of new construction in Höganäs in the first quarter.
- The AGM on 28 April resolved to issue 500,000 warrants to the company's CEO, Andreas Morfiadakis.
- Land allocation in the Sättra district awarded by Västerås Municipality. The land allocation encompasses 4,500 square metres GFA on which the company will construct rental apartments.
- Signed and took possession of the property portfolios of Kuststaden Projektutveckling AB and KPU Bostadsutveckling AB. The merger created a dedicated housing company with over 5,000 rental apartments and 1,100 apartments in its project portfolio. Payment made through the issue of 40,706,864 Class B shares resolved on by the Extraordinary General Meeting (EGM) of 18 June, and through a cash portion totalling SEK 109.3 million. Total purchase price of SEK 1,281.3 million. The acquisitions were managed as asset acquisitions in accordance with IFRS 3.
- The EGM on 24 June also resolved on the election of Per Håkan Börjesson, CEO of Investment AB Spiltan, as a new Board member.
- Furthermore, the EGM on 24 June resolved to issue a new warrant programme of 1,429,440 warrants to employees in KlaraBo.
- Board members Sophia Mattsson-Linnala, Lulu Gylleneiden and Joacim Sjöberg also subscribed for 17,500 Class B shares each via a resolution at the EGM on 18 June.
- 6,000,000 Class B shares issued to Länsförsäkringar Fonder by virtue of the authorisation granted to the Board by the AGM on 28 April.
- Decision to commence construction of 23 rental apartments in Trelleborg, with planned date of completion in the autumn of 2022.
- Acquisition of over 270 rental apartments in central Gävle and Skokloster, with possession taken on 30 June. At the same time, by virtue of the authorisation by the Board, a private placement of 6,233,333 Class B shares was implemented to Rutger Arnhult via companies.
- Decision on construction start pertaining to 58 rental apartments in Borlänge. The project is a densification of an existing portfolio and part of a collaboration project with Samhällsbyggnadsbolaget i Norden AB.
- In Lund Municipality, KlaraBo pushed through a new detailed development plan that has entered force, which will facilitate the construction of 20 space-efficient, environmentally certified rental apartments.
- In partnership with OBOS Kärnhem, KlaraBo entered into a share transfer agreement pertaining to the acquisition of 15,000 square metres GFA in central Kristianstad. The parties will jointly produce a new detailed development plan that will facilitate approximately 100 rental apartments for KlaraBo.

Profit for the period

SEK

640.5 m

SEK 345.2 m 2020

EPRA NRV/share

SEK

33.9

SEK 23.7 2020

Real occupancy rate,  
housing units

98.6%

99.3% 2020

Number of apartments in  
project development

1,494

1,159 2020

**KPIs: For complete key performance indicators, refer to page 26.**

	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec	2020 Jan–Dec
Rental revenue, SEK m	115.1	55.5	344.2	178.8	178.8
Profit from prop mgmt, SEK m	22.7	12.0	76.4	35.7	35.7
Profit for the period, SEK m	251.7	124.4	640.5	345.2	345.2
Surplus ratio, %	54.6	52.0	55.2	54.1	54.1
Real occupancy rate, %	98.6	99.3	98.6	99.3	99.3
Investment properties, SEK m	7,850.0	3,452.1	7,850.0	3,452.1	3,452.1
No. of apartments under mgmt	5,412	2,682	5,412	2,682	2,682
No. of apartments in project devt	1,494	1,159	1,494	1,159	1,159
Equity/assets ratio, %	49.3	39.9	49.3	39.9	39.9
Loan-to-value ratio, %	41.6	52.8	41.6	52.8	52.8
Interest-coverage ratio, multiple	2.1	2.0	2.1	2.0	2.0
Profit from property management per share, SEK	0.20	0.16	0.93	0.47	0.47
Earnings per share before dilution, SEK	2.19	1.84	7.75	6.34	6.34
Earnings per share after dilution, SEK	2.17	1.84	7.67	6.34	6.34
EPRA NRV per share, SEK	33.92	23.70	33.92	23.70	23.70
No. of shares at end of period before/after dilution, million	131.8	48.8	131.8	48.8	48.8
Weighted average number of shares during period before dilution, million	114.8	48.8	82.3	41.0	41.0
Weighted average number of shares during period after dilution, million	115.7	48.8	83.2	41.0	41.0

# Comments from CEO Andreas Morfiadakis

Major earnings improvement, stronger financial position and increased scope for acquisitions

KlaraBo's Class B share was listed on Nasdaq Stockholm's Main Market in early December 2021. This marked an important milestone in the company's development. The listing strengthened our growth prospects, broadened our ownership base and provided us with better access to capital markets. The listing also created greater awareness of the company, thereby strengthening our profile in the eyes of our employees, tenants, municipalities, creditors and investors.

The offering to acquire shares in conjunction with the listing attracted considerable interest among Swedish and international institutions and the general public. The offering was heavily oversubscribed, and a total of 38,000 private individuals and institutions applied to subscribe for shares. As of 31 December, we had just under 6,500 shareholders. We are thrilled and proud of the reception and interest we received and welcome all of our new shareholders.

## KlaraBo in brief

A brief introduction for all of our new and future shareholders: KlaraBo acquires, builds, owns and manages attractive housing units. The company was formed in 2017 and is based in Malmö, but we operate across all of Sweden. Our strategy is to acquire existing residential properties and land for new construction in growth regions. Our newly constructed housing units are developed in-house and are designed for a smart use of floor space, which promotes reasonable rents. We mainly build in wood and use a number of basic apartment models, known as base apartments. This enables sustainable and optimal use of resources. Our older portfolio is renovated in conjunction with voluntary vacancies, which contributes to long-term value creation. Given the combination of high demand for housing and the limited supply, we believe we have good prospects to continue creating shareholder value for all new and old shareholders.

## Earnings

We are pleased to report another strong quarter, not including listing- and issue costs totalling approximately SEK 42 million. Revenue increased 107 per cent to SEK 115.1 million (55.5) compared with the corresponding quarter in the preceding year. This increase was mainly attributable to acquisitions, with the number of investment apartments more than doubling. Net operating income rose 118 per cent to SEK 62.9 million (28.9), primarily driven by value-creating measures in the existing portfolio. Combined, this meant that profit from property management increased 89 per cent to SEK 22.7 million (12.0). The increase in value in the portfolio amounted to SEK 303.7 million, partly driven by investments. During the quarter, we used part of the issue proceeds to repay just over SEK 360 million on all outstanding vendor notes, which will reduce the Group's interest expense by nearly SEK 13 million on an annual basis. This strengthened our cash flow, improved our profit from property management and reduced our average loan margin. At year-end, we had a loan-to-value ratio of 41.6 per cent and an interest-coverage ratio in accordance with our earnings capacity of a multiple of 3.28. With a strong balance sheet and improved earnings capacity, we have increased our scope for acquisitions and investments.

The quarter also marked a period of intense activity. In addition to the listing process, we welcomed 46 households to our newly constructed, sustainable housing units in Motala in December. KlaraBo environmentally certifies all new construction projects, and this property was our first under our own management to receive Miljöbyggnad Silver environmental certification. We acquired a small project property in central Malmö that, following customary renovations, will be converted into 30 small apartments. We decided to create 16 new attic apartments in Tågaborg, Helsingborg and acquired 126 rental apartments in Umeå at the start of this year.

So far, the start of this year has been marked by growing uncertainty regarding the geopolitical situation as well as inflation, exchange rates and interest rates. This could have an impact on material and timber prices and result in logistics challenges, but it is too early to say whether these uncertainties will have a material impact on our operations.

## Outlook

Although the world is facing growing uncertainty, we continue to have a solid base, with stable cash flows from the approximately 5,500 fully rented apartments we manage and a loan-to-value ratio of 42 per cent. This will create scope for more value-creating transactions going forward.

**Andreas Morfiadakis**, CEO of KlaraBo



**Andreas Morfiadakis, CEO**

Fotograf: Eva Dalin

# This is KlaraBo

KlaraBo is a property company that acquires, builds, owns and manages attractive housing units. The company was formed in 2017 and operates around the country. Our strategy is to acquire existing residential properties and land for new construction in growth regions. Our newly constructed housing units are developed in-house and are designed for a smart use of floor space, which promotes reasonable rents. The apartments and buildings are designed in accordance with local needs, in partnership with the municipality. Our new construction maintains a high standard of sustainability since the construction primarily uses timber. KlaraBo is a property owner with a long-term perspective.

The company concentrates on residential properties, which comprised 85 per cent of contracted rents on 31 December. As of 31 December, KlaraBo's property portfolio had a lettable area of approximately 416,600 square metres distributed across 5,412 apartments with contracted annual rent of about SEK 465 million. The portfolio also includes 1,494 apartments under construction and project development.

## Overall goal

KlaraBo's overall goal is to create value for the company's shareholders on a long-term basis by owning, developing and actively managing sought-after residential properties in growth regions with robust demand. Value creation is measured as growth in net reassessment value and profit from property management per share.

### Operational goals

- KlaraBo has the goal of owning and managing at least 500,000 square metres of residential floor space by the end of 2025.
- KlaraBo's objective is to commence construction of at least 200 housing units in the period from 2021 to 2023, with a long-term goal of commencing construction of at least 500 housing units per year. The housing units are to mainly be self-developed and environmentally certified.
- The rental trend for our existing housing units that can be renovated is to significantly exceed the general annual rental increase through active management and investments.

### Financial goals

- KlaraBo is to achieve average annual growth in EPRA NRV per share of at least 15 per cent including any value transfers over the course of a business cycle.
- KlaraBo is to achieve average annual growth in profit from property management per share of at least 12 per cent over the course of a business cycle.

### Dividend policy

- KlaraBo has a long-term goal of distributing 50 per cent of the taxed profit from property management. However, KlaraBo will prioritise growth via new construction, investments in the existing portfolio, and acquisitions in the next few years, which is why a dividend may not be distributed.

### Environmental goals

- Reduce energy consumption.
- Use renewable energy sources. KlaraBo works to reduce dependence on fossil fuels by taking such measures as:

- always selecting electricity from renewable energy sources when procuring new electricity agreements;
- always selecting biogas instead of natural gas when procuring gas; and
- discussing with the supplier how to achieve the best possible fossil-free solution when procuring district heating.

### Financial risk limitations

KlaraBo strives to limit its financial risk with the following overall risk limitations:

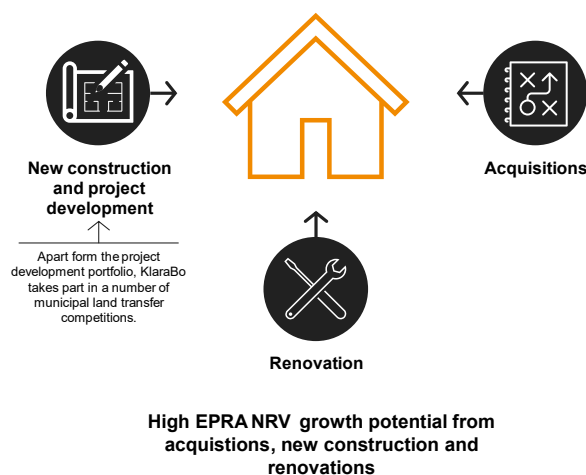
- The loan-to-value ratio is not to exceed 65 per cent of the market value of the properties over the long term.
- The equity/assets ratio is to exceed 25 per cent over the long term.
- The interest-coverage ratio is to exceed a multiple of 1.5 over the long term.

### Strategy

KlaraBo will focus on:

- New construction, management of residential properties and acquisitions in municipalities in growth regions;
- Acquisitions of residential properties, preferably with the potential for renovation, and acquisitions of land and development rights for the new construction of housing units for long-term ownership;
- New construction of sustainable and environmentally certified, high-quality, functional, cost- and space-efficient housing units through self-developed and industrially produced KlaraBo buildings; and
- Value-creating measures in existing investment properties, increasing revenue and reducing costs.

## KlaraBo's business model



OVERALL GOALS		Goal	Outcome 2021
<b>Number of apartments</b>	KlaraBo has the goal of owning and managing at least 500,000 square metres of residential floor space by the end of 2025.	<b>&gt;500,000 sq. m.</b>	<b>358,672</b>
<b>Development rights</b>	KlaraBo's objective is to commence construction of at least 200 housing units in the period from 2021 to 2023, with a long-term goal of commencing construction of at least 500 housing units per year. The housing units are to mainly be self-developed and environmentally certified.	<b>&gt;200 housing units</b>	<b>219</b>
<b>Rental value</b>	The rental trend for our existing housing units that can be renovated is to significantly exceed the general annual rental increase through active management and investments.	<b>&gt;General rent increase</b>	<b>8.4 percentage points</b>
<b>EPRA NRV</b>	KlaraBo is to achieve average annual growth in EPRA NRV per share of at least 15% including any value transfers over the course of a business cycle.	<b>&gt;15%</b>	<b>43.1%</b>
<b>Profit from property management</b>	KlaraBo is to achieve average annual growth in profit from property management per share of at least 12% over the course of a business cycle.	<b>&gt;12%</b>	<b>98.0%</b>
<b>Dividend</b>	KlaraBo has a long-term goal of distributing 50% of the taxed profit from property management. However, KlaraBo will prioritise growth via new construction, investments in the existing portfolio, and acquisitions in the next few years, which is why a dividend may not be distributed.	<b>&gt;50% of taxed profit from property management</b>	<b>—</b>

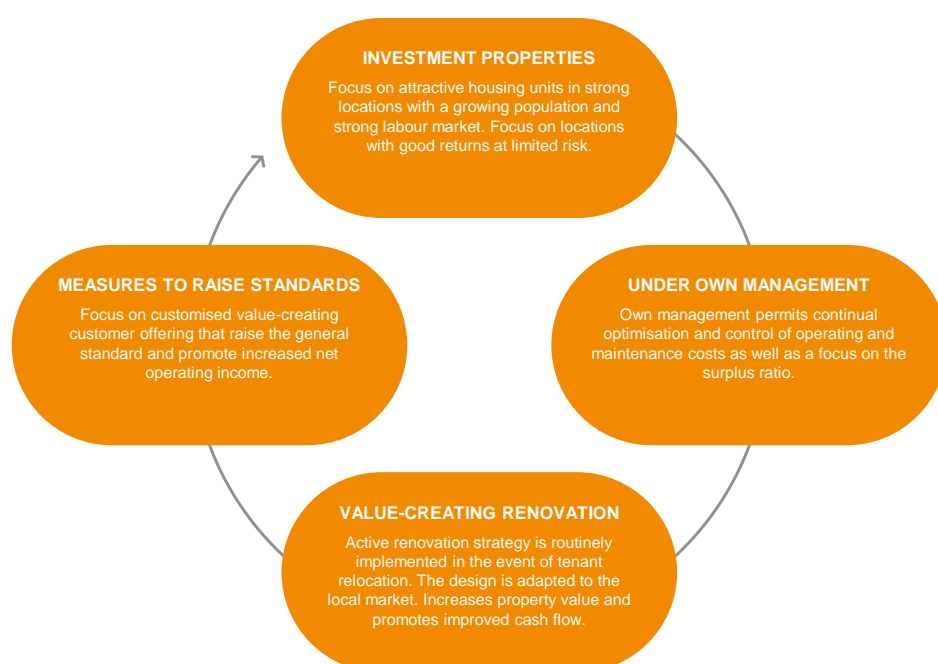
# Property portfolio

## Investment properties

KlaraBo's portfolio of investment properties reaches across Sweden, from Trelleborg in the south to Sundsvall in the north and Visby in the east. 85 per cent of the portfolio consists of residential properties. The properties are divided into four geographic regions: South, East, Central and North. The focus of the company is on investment properties in cities with growing populations and strong labour markets.

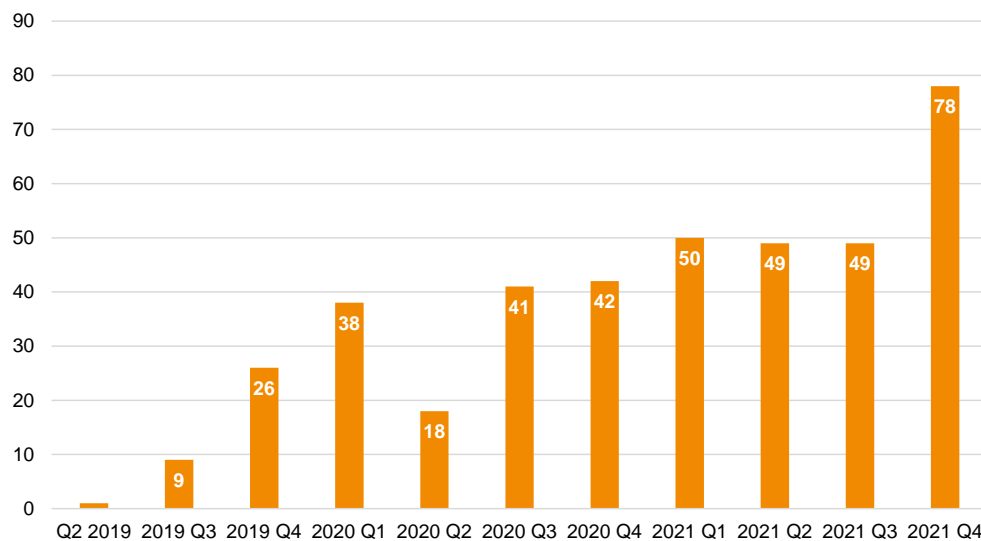
The property holdings consist of 201 properties with a total lettable area of approximately 416,600 square metres, excluding parking spaces and garages.

KlaraBo works on the basis of a customer-oriented property management model under its own management, which enables continual optimisation of operating costs and cost control.



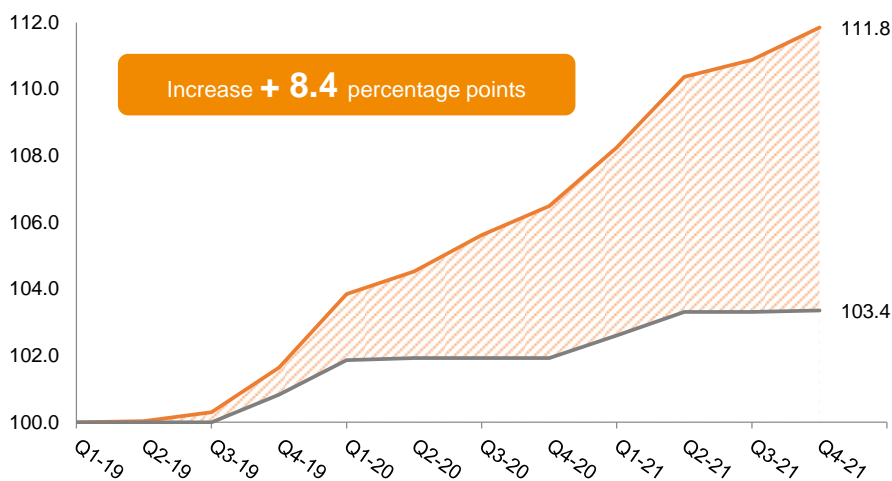
During the quarter, the company invested SEK 51.5 million (19) in existing investment properties through value-creating measures, with the primary investment measure being total renovation in order to create value. Total renovation means that the apartments are renovated in conjunction with natural turnover in the portfolio. Renovation measures are carried out when an existing tenant vacates the apartment and is concluded before a new tenant moves in. The renovation takes four to six weeks, and the apartment is advertised as vacant during that time, which has a temporary negative impact on the economic occupancy rate.

### Number of completed renovation projects

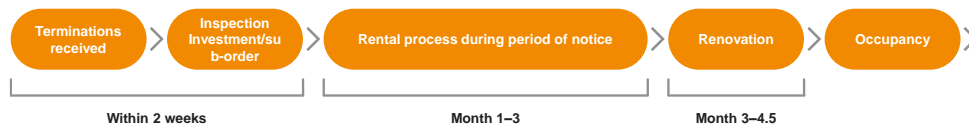


This graph shows the number of total renovations carried out each quarter. Total renovation entails that the standard rent for the apartment has reached the full potential target rent for the respective property and city.

### Percentage points



One of the company's operational goals is for the rental trend for housing units to exceed the general annual rental increase through active management and investments. The graph above shows the company's fulfilment of this goal, with the rental trend exceeding the general increase by 8.4 percentage points for portfolios on a like-for-like basis.



In addition to total renovation of apartments, KlaraBo focuses on adapting customer offerings through general measures to raise the standard of the apartments. This is achieved by offering existing tenants various choices that lead to increased customer satisfaction and simultaneously raise the actual rental value above the general annual rent negotiations.



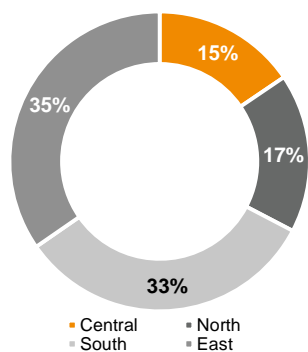
## Investment properties excluding project development

Region	No. of properties	No. of apartments	Area, 000 sq. m.			Market value	
			RFA	Other	Total	SEK m	SEK/sq. m.
Central *	75	827	53.6	11.8	65.4	1,124	17,177
North	16	1,039	72.9	2.7	75.5	1,261	16,701
South	59	1,624	104.5	26.3	130.8	2,822	21,571
East	51	1,922	127.7	17.2	144.8	2,511	17,340
	<b>201</b>	<b>5,412</b>	<b>358.7</b>	<b>58.0</b>	<b>416.6</b>	<b>7,719</b>	<b>18,527</b>

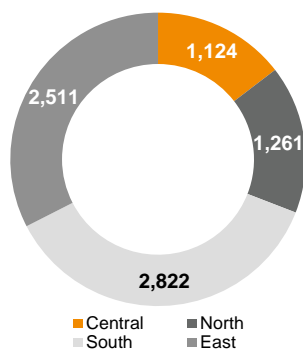
\* Including completed new construction in Motala

Region	Rental value		Economic occ. rate, %	Real occ. rate rate, % nual	Contracted rent, SEK m	Property expenses		Net oper income	
	SEK m	SEK/sq. m.				SEK m	SEK/sq. m.	SEK m	SEK/sq. m.
Central	77.5	1,185	92.9	97.6	72.0	27.2	416	44.8	685
North	85.1	1,127	93.7	97.0	79.7	31.4	415	48.4	641
South	161.3	1,232	94.2	98.7	151.9	50.9	389	101.0	772
East	167.1	1,153	96.3	99.9	161.0	53.2	367	107.8	744
	<b>490.9</b>	<b>1,178</b>	<b>94.6</b>	<b>98.6</b>	<b>464.6</b>	<b>162.7</b>	<b>390</b>	<b>302.0</b>	<b>725</b>

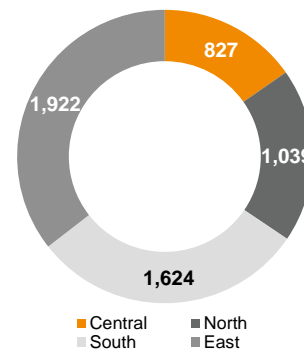
Rental revenue, residential properties



Market value, SEK m



No. of apartments



Borlänge

# Project development and new construction

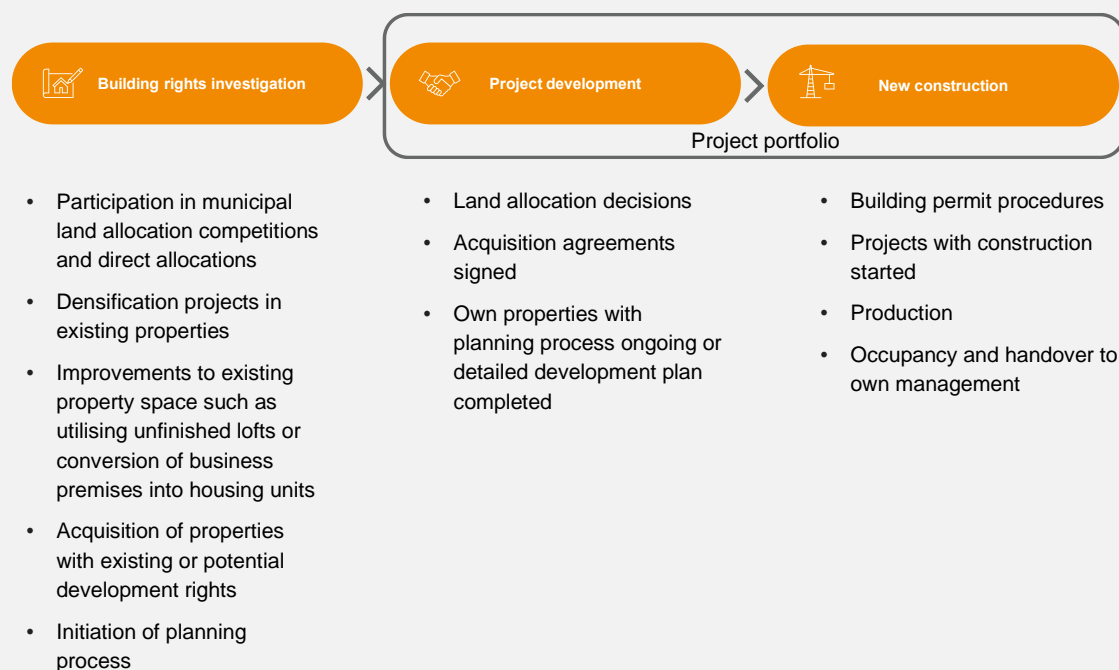
KlaraBo works with the entire value chain for rental apartments, from project development through construction to own management. For us, business development is about pursuing projects from idea to completed construction. We thus create value regardless of whether we focus on improving our existing properties or on entirely new project ideas.

## Project development

To achieve the operational targets regarding new construction of rental units, development rights are continually being created.

This work is carried out by actively seeking prospects in the private sector and through participation in municipal land allocation competitions, canvassing of municipalities for direct allocations of land, densification of our own properties and acquisitions of properties with existing or potential development rights. The process is based on an analysis in which the population trend, the functional labour market and the payment capacity of the market are investigated.

The number of apartments in the project development portfolio is 1,494.



## New construction

KlaraBo applies a tried and tested standardised model for the housing unit product. In a controlled industrial process, with timber as the main construction material, housing units are manufactured that are based on a number of basic apartment models, or “base apartments”. These well-planned and space-efficient base apartments form the foundation for all of the housing units that KlaraBo constructs, thereby achieving optimal use of resources. KlaraBo has developed a number of base apartments – everything from studios to three-bedroom apartments. These apartment layouts can be inverted and used in a variety of combinations to create an attractive offering for different market segments. This construction approach leads to energy savings and quicker assembly with shorter construction time than traditional site-built construction, resulting in lower costs.

The completed apartment buildings exhibit a diversity of configurations. Even though the individual apartments have a common basis and are constructed using wooden frames, the exteriors and rooftops may have many different designs using a variety of materials.

The construction volumes are prefabricated by partners in indoor environments before being transported to the construction site. The buildings are produced using timber to the greatest extent possible, with a base slab serving as the foundation. The roofs are also constructed in volumes to the greatest possible extent and are delivered together with the apartment modules and can be designed as gable roofs, pent roofs or low-slope roofs depending on what is requested. The buildings are suited to having two to five floors, with balcony access solutions, but high-rise apartment buildings can also be produced.

On 31 December, KlaraBo had five ongoing projects with 143 apartments in production and a further 1,351 apartments under project development.

### Project portfolio

Since the last quarter, the project in Motala (Munken 4) has been completed. The 46 newly constructed apartments were ready for occupancy in December 2021. The previous Navaren 8 & 10 project in Helsingborg has been removed from the project list since the municipality issued a negative decision on the plan changes in its proposed form. However, Visby (Bogen 1) has been expanded by an additional 128 apartments since the company has signed a renewed land allocation agreement with the municipality, giving the company the exclusive right to acquire adjacent land in conjunction with the detailed development plan entering force.

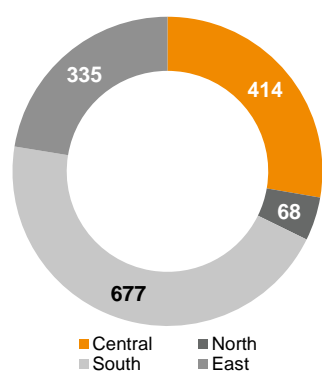
For a number of projects, new calculations have been made, with forecast investments and rental value recalculated due to the termination of investment aid for newly constructed housing units. Despite the termination of this investment aid, the calculations for the projects remain satisfactory, with favourable profitability.

After the end of the period, Hälleflundran 8 (converted cellar) was also completed, with occupancy of five new apartments taking place in January 2022.

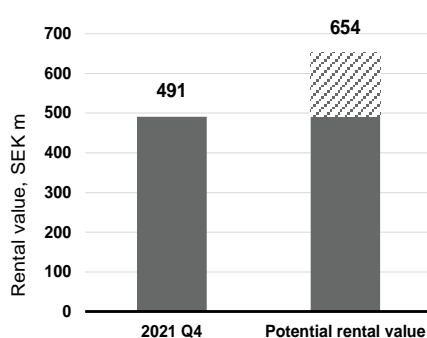
For a full overview of ongoing construction and project development as of 31 December, refer to page 13.

	No. of projects	No. of apts	Area, 000 sq. m.		Investment, SEK m		Rental value			
			GFA	RFA	Est.	Accumulated	SEK m	SEK/sq. m.	Net oper inc, SEK m	Est. value on completion, SEK m
Construction in progress	5	143	10.5	8.6	266.5	73.5	15.1	1,759	12.7	312.8
Project devt in progress	16	1,351	100.6	82.2	2,595.4	6.2	147.6	1,797	125.0	3,102.1
<b>Total</b>	<b>21</b>	<b>1,494</b>	<b>111.1</b>	<b>90.7</b>	<b>2,861.9</b>	<b>79.8</b>	<b>162.7</b>	<b>1,793</b>	<b>137.8</b>	<b>3,414.9</b>

Planned development rights by region



Rental value (SEK m)



The upper-left diagram shows the number of planned development rights per geographical region, and the upper-right diagram illustrates the rental value for the existing management portfolio as of 31 December, with an additional bar for the expected rental value of the ongoing construction of new buildings upon completion. Information on the ongoing construction of new buildings includes appraisals and assumptions. Appraisals and assumptions involve uncertainty, and the information above should not be interpreted as a prognosis.

## Construction in progress and project development

Project	Municipality	No. of apartments	Area, 000 sq. m.		Est. start	Est. occupancy	Rental value		Status	Owner share, %
			GFA	RFA			SEK m	SEK/sq. m.		
<b>Construction in progress</b>										
Kvamsveden 3:197	Motala	58	4.5	3.7	2021	2023	6.8	1,855	1	60
Räven 1	Höör	41	3.3	2.8	2021	2022	4.2	1,520	1	100
Bildsnidaren 1	Borlänge	23	1.7	1.4	2021	2022	2.6	1,896	1	100
Hällefundran 8, cellar	Malmö	5	0.2	0.2	2021	2022	0.3	1,950	1	100
Navaren 8 & 10, loft	Trelleborg	16	0.8	0.6	2021	2022	1.2	1,908	1	100
<b>Project devt in progress</b>										
Härsta 9:3	Helsingborg	68	5.0	4.4	2022	2023	7.9	1,816	1	60
Aspeholm 13	Sundsvall	20	1.4	1.2	2022	2023	2.3	1,884	1	100
Hällefundran 8 vind	Lund	17	0.6	0.4	2022	2023	0.8	1,950	2	100
Gullbernahult 101 & 31	Malmö	48	3.8	3.2	2022	2023	5.6	1,750	2	60
Rödjan 7	Karlskrona	238	20.0	15.5	2022	2024	28.7	1,850	3	60
Falun 9:22	Kävlinge	135	10.0	8.7	2022	2023	16.1	1,850	3	60
Hässleholm 87:22	Falun	73	5.3	4.6	2022	2023	7.6	1,650	3	100
Letten 1	Hässleholm	118	10.0	7.7	2022	2024	13.9	1,800	2	60
Lasarettet 8	Karlstad	59	4.6	3.8	2022	2023	6.3	1,650	3	60
Tellus 1	Karlshamn	48	3.9	3.1	2022	2023	5.5	1,799	2	60
Sätra	Motala	55	4.5	3.6	2023	2024	6.8	1,900	3	100
Fängelset 2	Västerås	107	7.5	6.0	2024	2025	11.4	1,890	3	100
Ekorren 1	Helsingborg	74	6.0	4.8	2023	2024	8.2	1,700	2	100
Elefanten 30	Kristianstad	39	2.5	2.0	2022	2023	3.2	1,601	2	100
Bogen 1	Huskvarna	222	14.2	12.2	2024	2025	21.4	1,750	3	100
Bardisanen 14	Oskarshamn	30	1.2	0.9	2022	2022	2.0	2,146	2	100
<b>Total</b>		<b>1,494</b>	<b>111.1</b>	<b>90.7</b>			<b>162.7</b>	<b>1,793</b>		

### Status:

- 1) Projects where construction started or permit obtained
- 2) Detailed devt plan in force, and/or where construction permit planning in progress
- 3) Projects where permit not granted but municipal decision on land transfer taken or acquisition agreement signed



Visby

# Current earnings capacity

Earnings capacity on a 12-month basis for KlaraBo's property management operations as of 31 December is presented in the table below. It is important to note that earnings capacity is not a prognosis and should only be considered as a theoretical snapshot for the purposes of illustration. The current earnings capacity does not include an assessment of the future trends for rents, vacancy rate, property expenses, interest, value changes, purchases or sales of properties or other factors.

Earnings capacity is based on the contracted rental revenue of the property portfolio, assessed property expenses during a normal year based on historical outcomes as well as expenses for property administration and central administration assessed on an annual basis based on the current scale of administration. Properties acquired during the period have been adjusted to encompass the full year. Expenses for interest-bearing liabilities are based on the current interest-bearing liability and the Group's average interest rate level including the effects of derivatives.

Current earnings capacity is based on the properties owned on 31 December and their financing, whereupon current earnings capacity illustrates the annual earnings that property management operations have at that time. Transactions and the completion of ongoing new construction with possession and completion after 31 December are therefore not included in the calculation. Furthermore, value growth in the property portfolio and value changes concerning derivatives as well as forthcoming property acquisitions and/or property sales are not taken account of in the current earnings capacity.

Revenue pertaining to new acquisitions is based on actual contracted rent, and the costs are assumed based on the information provided in conjunction with the transactions.

## Current earnings capacity 12 months

SEK m	Jan 1 2022	Oct 1 2021	Jul 1 2021	Apr 1 2021	Jan 1 2021
<b>Rental revenue</b>	<b>464.6</b>	<b>454.2</b>	<b>449.5</b>	<b>231.8</b>	<b>220.5</b>
<b>Property expenses</b>	-192.3	-190.9	-190.9	-101.0	-99.0
<b>Net oper income</b>	<b>272.4</b>	<b>263.3</b>	<b>258.6</b>	<b>130.8</b>	<b>121.5</b>
<b>Surplus ratio, %</b>	<b>58.6</b>	<b>58.0</b>	<b>57.5</b>	<b>56.4</b>	<b>55.1</b>
Central administrative costs	-35.0	-34.7	-34.7	-20.4	-18.4
Financial income and expenses	-72.3	-81.9	-82.4	-49.5	-41.3
<b>Profit from property management</b>	<b>165.1</b>	<b>146.7</b>	<b>141.5</b>	<b>60.9</b>	<b>61.8</b>
<b>Profit from property mgmt attributable to:</b>					
Parent Company shareholders	165.1	146.7	141.5	60.9	42.6
Non-controlling interests	0.0	0.0	0.0	0.0	19.2
Profit from prop mgmt per share, SEK	1.25	1.37	1.32	1.12	0.87
Number of shares, million	131.8	107.2	107.2	54.2	48.8
Interest-coverage ratio	3.28	2.79	2.72	2.23	2.50

Rental revenue increased 2.3 per cent from the preceding quarter as a result of occupancy taking place for the completed project in Motala, continuous value-enhancing measures and an improved economic occupancy rate. Letting of previously vacated premises is continuing at a healthy pace and is also making a positive contribution to the increase.

Net operating income increased 3.5 per cent from the preceding quarter as a result of the completion of new construction projects with a higher surplus ratio than older investment properties and a gradual increase in cash flow due to the implementation of value-enhancing measures.

Financial expenses have decreased nearly SEK 13 million on an annual basis as a result of the repayment of vendor notes in the fourth quarter, while the interest rate hedge of SEK 500 million entered into in the fourth quarter increased financial expenses by approximately SEK 3.5 million on an annual basis. All vendor notes were as of 31 December repaid in full.

In conjunction with improved cash flow and the repayment of vendor notes, the company's interest-coverage ratio increased significantly and, in accordance with the company's earnings capacity, amounts to a multiple of 3.28, up nearly 18 per cent from the preceding reporting period. The average interest rate including derivatives on 31 December was 1.9 per cent.

Profit from property management per share in accordance with earnings capacity declined from SEK 1.37 in the preceding quarter to SEK 1.28 as a direct result of the increased number of shares.



Svalöv

# Condensed consolidated statement of comprehensive income

SEK m	Notes	2021 3 months Oct–Dec	2020 3 months Oct–Dec	2021 12 months Jan–Dec	2020 12 months Jan–Dec
Revenue	1	115.1	55.5	344.2	178.8
Costs	2	-52.2	-26.6	-154.3	-82.0
<b>Net operating income</b>	<b>3</b>	<b>62.9</b>	<b>28.9</b>	<b>189.9</b>	<b>96.8</b>
Central administrative costs	4	-19.5	-6.3	-44.9	-24.2
<b>Operating profit/loss</b>		<b>43.4</b>	<b>22.6</b>	<b>145.1</b>	<b>72.6</b>
Financial income/costs	5	-20.7	-10.6	-68.7	-36.8
<b>Profit from property management</b>		<b>22.7</b>	<b>12.0</b>	<b>76.4</b>	<b>35.7</b>
Changes in value of properties	6	303.7	148.3	737.3	413.0
Changes in value of derivatives		4.4	-1.7	10.9	-7.5
<b>Profit/loss before tax</b>		<b>330.8</b>	<b>158.6</b>	<b>824.6</b>	<b>441.3</b>
Tax expense	7	-79.1	-34.2	-184.1	-96.2
<b>Profit for the period</b>		<b>251.7</b>	<b>124.4</b>	<b>640.5</b>	<b>345.2</b>
Other comprehensive income		-	-	-	-
<b>Comprehensive income for the period</b>		<b>251.7</b>	<b>124.4</b>	<b>640.5</b>	<b>345.2</b>
<b>Comprehensive income for the period attributable to:</b>					
Parent Company shareholders		251.7	89.6	637.9	260.0
Non-controlling interests		0.0	34.8	2.6	85.2
Earnings per share before dilution, SEK		2.19	1.84	7.75	6.34
Earnings per share after dilution, SEK		2.17	-	7.67	-
Surplus ratio		54.6%	52.0%	55.2%	54.1%

Comprehensive income for the period is the same as profit for the period, since there is no other comprehensive income.

## Earnings analysis, January–December 2021

The earnings items below pertain to the quarter from 1 October to 31 December 2021, and the period from 1 January to 31 December 2021. Comparison items pertain to the year-earlier period. All amounts are in SEK million.

### Note 1 Revenue

Revenue for the quarter was SEK 115.1 million (55.5), up approximately 60 per cent. Revenue for properties on a like-for-like basis increased by SEK 3.3 million, or 6 per cent. The increased revenue for properties on a like-for-like basis is attributable primarily to the Group's measures to increase rent. The completion of new construction in Höganäs and Motala brought in SEK 1.7 million, and the acquisition of Kuststaden and the portfolios in Gävle and Skokloster brought in revenue of SEK 54.5 million.

Revenue for the period totalled SEK 344.2 million (178.8), up SEK 165.4 million or 93 per cent. Revenue for properties on a like-for-like basis increased SEK 10.3 million, or 7 per cent. As in the quarter, this was attributable primarily to the Group's ongoing efforts to raise standards. The completion of new construction in Höganäs and Motala brought in increased revenue of SEK 5.1 million. The portfolio from Trelleborgshem, which was acquired in the third quarter of 2020, brought in increased revenue of SEK 39.3 million for the period. The acquisition of Kuststaden and the portfolios in Gävle and Skokloster brought in revenue of SEK 110.8 million.

### Note 2 Costs

The Group's costs encompass operating and maintenance costs, property tax, property administration, insurance and other property management costs. Operating costs primarily encompass heating, electricity and water consumption, and waste management.

Costs for the quarter totalled SEK -52.2 million (-26.6), corresponding to an increase of SEK 25.6 million or 96 per cent. Costs for properties on a like-for-like basis increased SEK 0.9 million, or 3 per cent. Of the increased costs, SEK 0.7 million is attributable to higher operating costs, with increased heating costs accounting for the largest share of the increase. The acquisition of Kuststaden and the portfolios in Gävle and Skokloster increased costs by SEK 24.4 million.

Costs for the period totalled SEK -154.3 million (-82.0), corresponding to an increase of 88 per cent compared with the year-earlier period. The costs for properties on a like-for-like basis increased 11 per cent, corresponding to SEK 7.7 million for the same period last year. The increased costs are attributable to higher operating costs as well as routine and planned maintenance. The acquisition from Trelleborgshem in the third quarter of 2020 and of Kuststaden and the portfolios in Gävle and Skokloster in the second quarter of 2021 added costs of SEK 63.7 million.

KlaraBo currently has a forecast electricity volume of 12,000 MWh/year. To achieve long-term sustainability, the company has signed a framework agreement with Vattenfall for delivery of green electricity certified under the Environmental Product Declarations (EPD) system. The agreement, which is flexible in terms of volumes, was signed for 2021 but has now been extended until 2023. The company grew during the period and is continuing to grow through acquisitions and new construction. This means that additional volumes were added to the framework agreement during the year and are continuously being added. At the end of 2021, approximately 75 per cent of the total volumes are included in the agreement with Vattenfall. As volumes are added from the acquisitions of Kuststaden, Gävle and Skokloster, these will gradually be phased into the framework agreement.

In total, the prices for approximately 70 per cent of the total volume were locked/fixed in 2021, including the entire volume for the properties in Trelleborg, which meant that the increase in electricity prices in the fourth quarter had a limited impact on earnings.

The above means that KlaraBo was not impacted to any major extent by the electricity price spikes at the end of 2021. So far, 2022 has generally been characterised by lower spot prices, and average spot prices were nearly half as high in January compared with December. Prices in the first quarter will likely remain volatile and be higher than normal for the properties. In the first quarter of 2022, the company continued to lock approximately 20 per cent of its total volumes at a fixed price. The company expects forward prices to normalise in the second quarter of 2022.

### Note 3 Net operating income and surplus ratio

Net operating income for the quarter was SEK 62.9 million (28.9), up just over 118 per cent compared with the year-earlier period. The surplus ratio totalled 54.6 per cent (52.0). Net operating income for properties on a like-for-like basis increased SEK 2.5 million, corresponding to an increase of nearly 9 per cent. For properties on a like-for-like basis, the increased net operating income is attributable primarily to the Group's routine work on improvements to standards. Moreover, the completion of new



construction in Höganäs and Motala brought in increased net operating income of SEK 1.3 million. The remainder is attributable to completed acquisitions.

Net operating income for the period totalled SEK 189.9 million (96.8), while the surplus ratio was 55.2 per cent (54.1).

#### **Note 4 Central administrative costs**

Central administrative costs include costs for corporate management and central support functions.

Central administration costs for the quarter totalled SEK -19.5 million (-6.3). The year-on-year cost increase was attributable primarily to costs connected to the listing, with SEK 7.4 million expensed in profit or loss, as well as costs associated with taking possession of Kuststaden and the related staff increase, and the integration of KlaraBo and Kuststaden that is currently in progress. Listing costs of SEK 7.4 million were attributable to legal costs and costs for the company's auditors, Nasdaq and communication agency.

Central administration costs during the period totalled SEK -44.9 million (-24.2). The cost increase compared with the year-earlier period was attributable to the factors described above as well as an increase in remuneration to senior executives.

#### **Note 5 Financial income and expenses**

Financial income and expenses for the period totalled SEK -20.7 million (-10.6) and consisted primarily of interest expenses on property credits and derivatives. The increase compared with the year-earlier quarter was attributable primarily to new credits linked to new acquisitions, which accounted for approximately SEK 7.9 million of the increase. The rest of the increase was attributable to the raising of vendor notes and the expansion of credits in conjunction with refinancing.

Financial income and expenses for the period totalled SEK -68.7 million (-36.8). The increase is attributable primarily to loans taken over as a result of acquisitions during the period – primarily Kuststaden – but also to financing of Gävle and Skokloster as well as the full-period effect of Trelleborg, which was taken possession of in July of the preceding year. The Group's credit agreements are based primarily on an interest rate consisting of STIBOR 3-month and a fixed component in the form of a margin. STIBOR 3m is a variable reference rate and thus could impact the financial costs between periods.

In the third and fourth quarters, vendor notes with fixed interest was redeemed, resulting in lower interest expense. As of 31 December, all vendor notes are repaid in full.

#### **Note 6 Changes in value**

The Group's investment properties are valued on a quarterly basis by external authorised rating agencies: Savills, Newsec, Forum and Svefa. The rating agencies deemed the market situation in the quarter to have remained favourable, with several comparable transactions in the housing segment continuing to press yields down.

The market value at the end of the quarter generated a positive change in value of SEK 303.7 million (148.3) for the quarter. The completion of the project in Motala contributed a positive change in value of SEK 17.4 million, and a predetermined portion of the unrealised change in value between fair value upon completion and total estimated production costs for new construction projects in progress contributed SEK 4.1 million. A predetermined portion of the unrealised change in value between fair value upon completion and total estimated production costs is recognised in pace with the degree of completion. The remaining increase in value was attributable to higher rental values as a result of value-enhancing measures, completed negotiations pertaining to television packages for parts of the portfolio and a certain yield adjustment.

The change in value for the period totalled SEK 737.3 million (413.0) and was attributable to yield requirements being lowered and to increased rental value as a result of routine value-enhancing measures and installation of fibre networks. Completed new construction in Höganäs and Motala and a valuation of a still incomplete project portfolio also contributed to the increase in value.

The Group's derivatives are also subject to quarterly market valuations. Change in value for the quarter totalled SEK 4.4 million (-1.7) and was mainly attributable to the Group's interest-rate derivatives as well as currency derivatives in which EUR were hedged against SEK. Since interest rates continued to rise during the quarter, the interest-rate derivatives were appraised at a higher value than at the start of the quarter, which had a positive impact on the change in value.

The change in the value of derivatives for the period totalled SEK 10.9 million (-7.5) and was attributable to expired currency derivatives that had been negatively valued at the beginning of the year and raised market interest rates during the year.

#### **Note 7 Tax expense**

The tax expense for the quarter totalled SEK -79.1 million (-34.2), of which SEK -72.1 million (-34.6) pertained to deferred tax attributable to the change in the value of properties, which had no direct impact on liquidity.

The tax expense for the period of SEK -184.1 million (-96.2) also consisted largely of deferred tax attributable to changes in the value of properties totalling SEK -163.1 million (-89.5). The remainder comprises deferred tax attributable to derivatives and current tax. Current tax is reduced by paying Group contributions, equalising interest and utilising existing loss carryforwards. Changes to interest deduction regulations mean that it cannot be minimised completely. Current tax costs for the period totalled SEK -18.5 million (-8.6).

#### **Parent Company**

The Parent Company does not own any properties. The company maintains Group-wide functions for administration, management, financing and project development.

Sales in the Parent Company mainly pertain to invoicing of services to Group companies.

# Condensed consolidated statement of financial position

SEK m	Notes	2021-12-31	2021-12-31
Intangible assets		1.4	-
Investment properties	8	7,850.0	3,452.1
Property, plant and equipment		5.3	0.6
Financial non-current assets	9	24.9	17.1
Derivatives		7.2	-
Receivables		22.4	13.7
Cash and cash equivalents		616.5	182.7
<b>Total assets</b>		<b>8,527.7</b>	<b>3,666.2</b>
Equity attributable to Parent Company shareholders	10	4,206.9	1,071.4
Equity attributable to non-controlling interests		0.0	391.6
Derivatives		-	3.8
Deferred tax liability	11	281.0	115.9
Non-current interest-bearing liabilities	12	3,124.8	1,772.1
Current interest-bearing liabilities	12	759.1	232.5
Other liabilities		155.9	78.9
<b>Total equity and liabilities</b>		<b>8,527.7</b>	<b>3,666.2</b>

## Consolidated statement of changes in equity

SEK m	2021-12-31	2020-12-31
<b>Opening equity, attributable to Parent Company shareholders</b>	<b>1,071.4</b>	<b>482.4</b>
Profit for the period	637.9	260.0
New share issue	2,497.3	328.1
Costs attributable to new share issues		-0.5
Transactions with non-controlling interests	-11.5	-
Tax effect on share issue costs	8.0	
Warrants	3.9	1.4
<b>Closing equity, attributable to Parent Company shareholders</b>	<b>4,206.9</b>	<b>1,071.4</b>
Closing equity, attributable to non-controlling interests		391.6
<b>Total equity at the end of the period</b>	<b>4,206.9</b>	<b>1,463.0</b>

\* Net issue expenses for 30 June 2021

## Comments on the Group's financial position

The amounts and comparative figures of balance-sheet items refer to the position at the end of the period this year, and the end of the year-earlier period. All amounts are in SEK million.

### Note 8 Investment properties

The Group's investment properties are recognised at fair value in accordance with IFRS 13, Level 3. At the end of the period, project development properties, meaning including new construction in progress, are also recognised at fair value, which has no equivalent at the end of the year-earlier period. A predetermined portion of the unrealised change in value between fair value upon completion and total

estimated production costs is recognised in pace with the degree of completion. This is done in accordance with an escalation model adopted by the Group.

The Group's investment properties were appraised at SEK 7,850.0 million (3,452.1) at the end of the period, of which project development, accounted for SEK 241.3 million (including the final valuation of the project in Motala), site leaseholds valued in accordance with IFRS 16 accounted for SEK 7.3 million and the remainder, SEK 7,601.4 million, pertained to existing investment properties.

During the quarter, a property in Motala with a value of SEK 118 million was completed. A property value of SEK 28.5 million was added during the quarter in connection with the acquisition of Bardisanen in Malmö. An additional approximate amount of SEK 286 million in value was added during the quarter as a result of changes in value for the quarter linked to the company's routine improvements to standards, investments made and lowered yield requirements.

The increase year-on-year is primarily attributable to taking possession of Kuststaden on 24 June but is also attributable to the acquisitions in Gävle and Skokloster.

#### Carrying amount, investment properties, SEK m

	2021-12-31	2020-12-31
Opening carrying amount, investment properties	3 452,1	1 899,7
Acquisitions	3 351,5	983,4
Investments in investment properties	160,6	65,3
Investments in new construction properties	166,6	115,8
IFRS 16	7,3	-
Public subsidies	-25,5	-25,2
Changes in value	737,4	413,0
<b>Closing carrying amount, investment properties</b>	<b>7 850,0</b>	<b>3 452,1</b>

#### Note 9 Financial non-current assets

Financial non-current assets totalled SEK 24.9 million (17.1), of which SEK 16.0 million (16.1) comprised participations in jointly controlled companies. The remainder pertained to deferred tax assets on tax loss carryforwards, with SEK 8.0 million added during the quarter as a result of losses arising in KlaraBo Sverige AB as a result of listing costs recognised in equity.

#### Note 10 Equity

Equity attributable to Parent Company shareholders totalled SEK 4,206.9 million (1,071.4). The increase was largely due to the company having conducted seven new share issues since the end of the year-earlier period. In conjunction with these, the company generated proceeds of SEK 2,497.3 million in the form of equity after issue expenses. In December, two new share issues were carried out in conjunction with the listing of the company on Nasdaq Stockholm, totalling SEK 828.1 million after issue costs. Just over 21.4 million shares were issued in conjunction with the first issue, and since the offering to subscribe for shares was heavily oversubscribed, an over-allotment option was exercised by ABG Sundal Collier AB nearly two weeks later, when just over 3.2 million additional shares were issued. Listing costs of SEK 34.5 million attributable to the fees paid to the company's financial advisers and a portion of the other listing costs were recognised in equity together with the associated tax effect in accordance with IAS 32.

Buy-outs of non-controlling interests took place during the period. The purchase consideration exceeded the equity acquired, and the excess portion is recognised directly in equity, which resulted in a reduction of SEK -11.5 million in equity. Furthermore, the warrant programme in Kuststaden during that period has been replaced by warrants in the company while a new warrant programme has been implemented for the CEO of the Group. Total capital added was SEK 3.9 million.

#### Note 11 Deferred tax liability

The deferred tax liability of SEK 281.0 million (115.9) was primarily attributable to the re-valuation of investment properties, but also to derivatives.

#### Parent Company

The Parent Company's assets and liabilities mainly consist of shares in, claims on and liabilities to Group companies as well as cash and cash equivalents.

# Financing

## Note 12 Financing

### Interest-bearing liabilities

Interest-bearing liabilities totalled SEK 3,883.9 million (2,004.6) and pertained to financing of the Group's investment properties and new construction in progress. Of the total interest-bearing liabilities, SEK 60.0 million (51.5) is attributable to financing of incomplete new construction and is excluded from the table of fixed credit and fixed interest below.

Owing to acquisitions, IFRS 16 has been applied for a site leasehold in Västervik and an office property in Oskarshamn, which contributed to a liability of SEK 8.3 million that is also excluded from the table of fixed credit and fixed interest.

During the quarter, the Group's loans decreased by approximately SEK 343 million, mainly due to the repayment of outstanding vendor notes of about SEK 361 million. The decrease in the Group's loans was also attributable to planned repayments of approximately SEK 7 million. In addition, the construction credits in Höör and Motala further increased by approximately SEK 26 million.

Compared with the preceding year, the increase in interest-bearing liabilities was primarily attributable to – in addition to the above – assumed credits linked to the acquisitions of Kuststaden, new loans regarding Gävle and Skokloster and also new vendor notes in conjunction with the buy-out of non-controlling interests during the first quarter of the year. Upon completion of Höganäs vendor notes has been repaid in conjunction with the buy-out of non-controlling interests, while the final investment of bank loans has taken place for the portfolio. All vendor notes were repaid in the third and fourth quarters of 2021.

The process of refinancing existing credit on an ongoing basis is important since the loan-to-value ratio declines in line with increased property value as a result of improvement initiatives. This in turn provides the possibility to continually free up new liquidity for future investments, which then leads to further increases in property value.

The repayments that will be made in the next 12 months amount to SEK 41.3 million (21.9) at the end of the period.

Accrued borrowing expenses of SEK 3.8 million (2.5) reduced interest-bearing liabilities in the balance sheet. The fair value of the liabilities does not differ significantly from the carrying amount.

The loan-to-value ratio for the Group on 31 December was 41.6 per cent (52.8).

## Loan-to-maturity and fixed-interest period

KlaraBo is to have a limited financial risk. On 31 December, KlaraBo's financing comprised borrowings in five Nordic banks.

The Group's loan portfolio consists overwhelmingly of credits with a floating interest rate, but also consists of fixed rate credits. To insure against fluctuations in the interest-rate market and reduce interest-rate risk, interest-rate derivatives are utilised to impact the fixed-interest period, mainly with interest-rate swaps. The total swap portfolio amounted to SEK 1,400 million (900) at the end of the period. An interest-rate swap of SEK 500 million was entered into in the fourth quarter, with variable interest replaced by fixed interest with a maturity period of four years. The fair value of the interest-rate derivative portfolio amounted to SEK 7.2 million (-1.5).

The average loan-to-maturity period is 3.2 years (1.7) and the average fixed-interest period is 1.9 years (1.9). Including fixed interest-rate credits, the Group's hedging level is 49.7 per cent. The average interest rate including derivatives is 1.9 per cent (2.1).

Maturity	Fixed credit		Fixed interest		Interest-rate swaps	
	SEK m	Share, %	SEK m	Share, %	SEK m	Interest rate, %
2022	758	20	1,920	50	200	-0.04
2023	936	25				
2024	372	10	500	13	500	0.09
2025	1,194	31	1,396	37	700	0.49
>5 years	555	15				
<b>Total</b>	<b>3,816</b>	<b>100</b>	<b>3,816</b>	<b>100</b>	<b>1,400</b>	<b>0.27</b>

# Condensed consolidated cash-flow statement

SEK m	1 Jan 2021– 31 Dec 2021	1 Jan 2020 31 Dec 2020
<b>Continuing operations</b>		
Operating profit	145.1	72.6
Adjustments for non-cash items	1.3	0.1
Interest paid	-74.2	-30.9
Tax paid	-18.5	-4.8
<b>Cash flow from continuing operations before changes in working capital</b>	<b>53.7</b>	<b>37.0</b>
<b>Cash flow from changes in working capital</b>		
Change in operating receivables/payables	10.0	14.0
<b>Cash flow from continuing operations</b>	<b>63.8</b>	<b>51.1</b>
<b>Investing activities</b>		
Acquisition of investment properties	21.4	-312.1
Buy-out of non-controlling interests	-406.2	-
Investments in investment properties	-154.9	-65.3
New construction investments	-135.2	-115.8
Investment aid received	25.5	25.2
Investments in intangible assets	-1.1	-
Acquisition of property, plant and equipment	-0.5	-0.4
<b>Cash flow from investing activities</b>	<b>-651.0</b>	<b>-468.5</b>
<b>Financing activities</b>		
New share issue, net	1,137.8	327.4
Proceeds from share options	3.9	1.4
New financial liabilities	893.1	109.9
Borrowing costs	-2.2	-2.2
Repayment of financial liabilities	-1,019.9	-17.2
Changes in construction credits	8.5	10.5
<b>Cash flow from investing activities</b>	<b>1,021.2</b>	<b>429.8</b>
<b>Cash flow for the period</b>	<b>433.9</b>	<b>12.4</b>
Cash and cash equivalents at beginning of year	182.7	170.3
<b>Cash and cash equivalents at end of the period</b>	<b>616.5</b>	<b>182.7</b>

# Condensed Parent Company income statement and balance sheet

## Parent Company income statement

SEK m	2021 3 months Oct–Dec	2020 3 months Oct–Dec	2021 12 months Jan–Dec	2020 12 months Jan–Dec
Net sales	4,2	1,9	10,0	7,4
Personnel costs	-3,3	-3,1	-13,2	-13,2
Other external expenses	-12,9	-1,9	-21,7	-6,0
<b>Operating loss</b>	<b>-12,0</b>	<b>-3,1</b>	<b>-24,9</b>	<b>-11,8</b>
Financial income and expenses*	-12,9	1,1	43,4	-4,2
<b>Profit/loss after financial items</b>	<b>-24,9</b>	<b>-1,9</b>	<b>18,4</b>	<b>-16,0</b>
Group contributions paid/received	25,0	19,7	25,0	19,7
<b>Profit before tax</b>	<b>0,1</b>	<b>17,8</b>	<b>43,4</b>	<b>3,7</b>
Tax expense	0,0	1,8	0,0	-1,1
<b>Profit for the period</b>	<b>0,1</b>	<b>19,6</b>	<b>43,4</b>	<b>2,6</b>

\* Capital gain of SEK 57.1 m on internal sale of subsidiary in Q2 2021.

## Parent Company balance sheet

SEK m	2021-12-31	2020-12-31
Property, plant and equipment	1,5	1,2
Participations in associated companies and joint ventures	2 191,7	293,9
Receivables from associated companies and joint ventures	1 209,5	461,1
Derivatives	0,0	0,0
Deferred tax assets	8,8	0,9
Other receivables	6,3	3,9
Cash and bank balances	607,2	82,0
<b>Total assets</b>	<b>4 025,0</b>	<b>843,0</b>
Restricted equity	6,6	2,4
Non-restricted equity	3 277,2	729,1
Derivatives	0,0	0,0
Non-current interest-bearing liabilities	0,0	100,0
Liabilities to Group companies	722,3	0,9
Other liabilities	18,9	10,6
<b>Total equity and liabilities</b>	<b>4 025,0</b>	<b>843,0</b>



# Segment reporting

Group Management currently identifies the two following business areas as its operating segments: Property management and Project development. In addition, all Group-wide items are reported as Other. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing the performance of the operating segments. In KlaraBo, this function has been identified as the Group's CEO.

Income statement, SEK m	Property management		Project development		Other		Group	
	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec
Revenue	343,8	178,8	0,3	-0,1	0,1	0,1	344,2	178,8
Costs	-154,3	-82,0	0,0	0,0	0,0	0,0	-154,3	-82,0
<b>Net operating income</b>	<b>189,5</b>	<b>96,8</b>	<b>0,3</b>	<b>-0,1</b>	<b>0,1</b>	<b>0,1</b>	<b>189,9</b>	<b>96,8</b>
Central administrative costs	-8,3	-4,9	0,0	-0,1	-36,5	-19,2	-44,8	-24,2
<b>Operating profit/loss</b>	<b>181,3</b>	<b>91,9</b>	<b>0,3</b>	<b>-0,2</b>	<b>-36,4</b>	<b>-19,1</b>	<b>145,1</b>	<b>72,6</b>
Financial income and expenses	-58,7	-32,0	0,0	-0,7	-9,9	-4,1	-68,7	-36,8
<b>Profit from property management</b>	<b>122,6</b>	<b>59,9</b>	<b>0,2</b>	<b>-1,0</b>	<b>-46,4</b>	<b>-23,2</b>	<b>76,4</b>	<b>35,7</b>
Changes in value of properties	704,5	363,1	32,9	50,0	-0,2	0,0	737,2	413,0
Changes in value of derivatives	6,3	-5,4	2,3	-2,1	2,3	0,0	10,9	-7,5
<b>Profit/loss before tax</b>	<b>833,4</b>	<b>417,7</b>	<b>35,4</b>	<b>46,9</b>	<b>-44,3</b>	<b>-23,3</b>	<b>824,6</b>	<b>441,3</b>
Tax expense	-175,9	-84,7	-7,7	-10,0	-0,5	-1,5	-184,1	-96,2
<b>Profit/loss for the period</b>	<b>657,5</b>	<b>332,9</b>	<b>27,7</b>	<b>36,9</b>	<b>-44,8</b>	<b>-24,7</b>	<b>640,5</b>	<b>345,2</b>

Balance sheet, SEK m	Property management		Project development		Other		Group	
	2021-12-31	2020-12-31	2021-12-31	2020-12-31	2021-12-31	2020-12-31	2021-12-31	2020-12-31
Investment properties	7 608,6	3 324,4	241,3	127,7	0,0	0,0	7 850,0	3 452,1
Non-current interest-bearing liabilities	3 124,8	1 672,1	0,0	0,0		100,0	3 124,8	1 772,1
Current interest-bearing liabilities	699,2	169,8	60,0	62,6	0,0	0,0	759,1	232,5
Deferred tax liability attributable to property reappraisal	273,6	109,7	5,7	3,9	0,0	0,0	279,2	113,6

Newly constructed properties are part of the Project development segment until the quarter that they are completed. Therefore, the initial market valuation and associated deferred tax following completion of the properties are included in this segment. The newly constructed properties are thereafter included in the Property management segment.

# Key figures

Some of the financial metrics that KlaraBo presents in the interim report are not defined in accordance with IFRS. KlaraBo is of the opinion that these metrics provide valuable complementary information to investors and the company's management since they enable evaluation of the company's performance.

Metrics that are not defined in accordance with IFRS are presented in the table below.

	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec
<b>Property-related</b>				
Rental revenue, SEK m	115.1	55.5	344.2	178.8
Profit from prop mgmt, SEK m	22.7	12.0	76.4	35.7
Profit for the period, SEK m	251.7	124.4	640.5	345.2
Surplus ratio, %	54.6	52.0	55.2	54.1
Real occupancy rate, %	98.6	99.3	98.6	99.3
Investment properties, SEK m	7,850.0	3,452.1	7,850.0	3,452.1
Market value per sq. m.	18,244	15,918	18,244	15,918
Total lettable area, '000 sq. m.	416.6	208.8	416.6	208.8
No. of apartments under mgmt	5,412	2,682	5,412	2,682
No. of apartments in project devt	1,494	1,159	1,494	1,159
<b>Financial</b>				
Equity/assets ratio, %	49.3	39.9	49.3	39.9
Loan-to-value ratio, %	41.6	52.8	41.6	52.8
Interest-coverage ratio, multiple	2.1	2.0	2.1	2.0
EPRA NRV, SEK m	4,471.9	1,157.3	4,471.9	1,157.3
<b>Share-based</b>				
Profit from property management per share, SEK	0.20	0.16	0.93	0.47
Equity per share, SEK	31.91	21.94	31.91	21.94
EPRA NRV per share, SEK	33.92	23.70	33.92	23.70
Annual growth, profit from property management per share, %	-	-	98.0	40.7
Annual growth, EPRA NRV per share, %	43.1	55.1	43.1	55.1
No. of shares at end of period before/after dilution, million	131.8	48.8	131.8	48.8
Weighted average number of shares during period before dilution, million	114.8	48.8	82.3	41.0

	Definition	Objective
<b>Market value per sq. m.</b>	Investment properties excluding new construction, divided by the total lettable area of the property portfolio.	This KPI shows developments in the value of the Group's investment properties in relation to area over time.
<b>Surplus ratio, %</b>	Net operating income in relation to rental revenue.	Used to show the share of revenue that remains after property expenses. This KPI is a measure of efficiency that can be compared between property companies as well as over time.
<b>Real occupancy rate, %</b>	Number of apartments rented, including apartments set aside for renovation and apartments with signed leases, divided by total number of apartments.	Used to illustrate the actual occupancy rate in the Group adjusted for voluntary vacancy in the form of renovations and temporary relocation vacancies.
<b>Equity/assets ratio, %</b>	Total equity in relation to total assets at the end of the period.	This KPI is used to illustrate the Group's sensitivity to interest rates and its financial stability.
<b>Loan-to-value ratio, %</b>	Total interest-bearing liabilities less cash and cash equivalents at the end of the period in relation to investment properties	Used to illustrate financial risk, and how much of the operation is pledged under interest-bearing liabilities less available cash on hand. This KPI provides comparability with property companies.
<b>Loan-to-value ratio, investment properties, %</b>	Interest-bearing liabilities related to investment properties, in relation to investment properties excluding new construction in progress.	Used to illustrate financial risk, and how much of the management operations are pledged under interest-bearing liabilities.
<b>Interest-coverage ratio, multiple</b>	Operating profit/loss on a twelve-month basis, divided by net interest income/expense.	This KPI shows how many times the Group will be able to pay its interest with earnings from operating activities, and illustrates how sensitive the Group is to changes in interest rates.
<b>EPRA NRV, SEK m</b>	Equity attributable to Parent Company shareholders, with add-back of deferred tax and derivatives attributable to wholly owned participations.	This KPI is an established measure of the Group's long-term net reassessment value, and facilitates analysis and comparison between property companies.
<b>Profit from property management per share, SEK</b>	Profit from property management attributable to Parent Company shareholders in relation to weighted average number of shares during the period.	Used to illustrate profit from property management per share in a uniform manner for listed companies.
<b>Equity per share, SEK</b>	Equity attributable to Parent Company shareholders in relation to the number of shares outstanding at end of the period.	This KPI shows how much of the Group's recognised equity each share represents.
<b>EPRA NRV per share, SEK</b>	EPRA NRV in relation to no. of shares outstanding at end of the period.	Used to illustrate the Group's long-term net reassessment value per share in a uniform manner for listed companies.
<b>Annual growth, profit from property management per share, %</b>	Percentage change in profit from property management per share during the period	Used to illustrate the development of profit from property management over time, expressed as a percentage.
<b>Annual growth, EPRA NRV per share, %</b>	Percentage change in EPRA NRV per share during the period.	Used to illustrate the development of net reassessment value over time, expressed as a percentage.

## Reconciliation table, key performance indicators

	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec
<b>Market value per sq. m.</b>				
A Investment properties, SEK m	7,850.0	3,452.1	7,850.0	3,452.1
B New construction in progress, SEK m	241.3	127.8	241.3	127.8
C Site leaseholds	7.3	0.0	7.3	0.0
D Total lettable area, 000 sq. m.	416.6	208.8	416.6	208.8
<b>(A-B-C)/D Market value per sq. m.</b>	<b>18,244</b>	<b>15,918</b>	<b>18,244</b>	<b>15,918</b>
<b>Surplus ratio, %</b>				
A Net operating income, SEK m	62.9	28.9	189.9	96.8
B Revenue, SEK m	115.1	55.5	344.2	178.8
<b>A/B Surplus ratio, %</b>	<b>54.6</b>	<b>52.0</b>	<b>55.2</b>	<b>54.1</b>
<b>Real occupancy rate, %</b>				
A No. of apartments	5,412	2,682	5,412	2,682
B No. of apartments not rented	194	72	194	72
C Apts set aside for renovation or with signed leases	120	53	120	53
<b>1-(B-C)/A Real occupancy rate, %</b>	<b>98.6</b>	<b>99.3</b>	<b>98.6</b>	<b>99.3</b>
<b>Equity/assets ratio, %</b>				
A Total equity at the end of the period, SEK m	4,206.9	1,071.4	4,206.9	1,071.4
B Minority share equity, SEK m	0.0	391.6	0.0	391.6
C Total equity and liabilities at the end of the period, SEK m	8,527.7	3,666.2	8,527.7	3,666.2
<b>(A+B)/C Equity/assets ratio, %</b>	<b>49.3</b>	<b>39.9</b>	<b>49.3</b>	<b>39.9</b>
<b>Loan-to-value ratio, %</b>				
A Non-current interest-bearing liabilities, SEK m	3,124.8	1,772.1	3,124.8	1,772.1
B Current interest-bearing liabilities, SEK m	759.1	232.5	759.1	232.5
C Cash and cash equivalents at end of the period, SEK m	616.5	182.7	616.5	182.7
D Investment properties, SEK m	7,850.0	3,452.1	7,850.0	3,452.1
<b>(A+B.C)/D Loan-to-value ratio, %</b>	<b>41.6</b>	<b>52.8</b>	<b>41.6</b>	<b>52.8</b>
E Construction credit attr to new construction, SEK m	60.0	51.5	60.0	51.5
F Seller financing, SEK m	0.0	100.0	0.0	100.0
G New construction in progress, SEK m	241.3	127.8	241.3	127.8
<b>(A+B-E-F)/(D-G) Loan-to-value ratio, investment properties, %</b>	<b>50.3</b>	<b>55.7</b>	<b>50.3</b>	<b>55.7</b>
<b>Interest-coverage ratio, multiple</b>				
A Operating profit/loss, rolling 12 months, SEK m	145.1	72.6	145.1	72.6
B Interest income/expense, rolling 12 months, SEK m	-68.7	-36.8	-68.7	-36.8
<b>A/-B Interest-coverage ratio, multiple</b>	<b>2.1</b>	<b>2.0</b>	<b>2.1</b>	<b>2.0</b>
<b>EPRA NRV, SEK m</b>				
A Equity, SEK m	4,206.9	1,071.4	4,206.9	1,071.4
B Add-back of derivatives, SEK m	-7.2	3.8	-7.2	3.8
C Adjustment of derivatives attributable to minority share, SEK m	0.0	-0.7	0.0	-0.7
D Add-back of deferred tax liabilities, SEK m	281.0	115.9	281.0	115.9
E Adjustment, deferred tax liability attr to minority share, SEK m	0.0	-32.2	0.0	-32.2
F Add-back of deferred tax assets, SEK m	-8.8	-1.1	-8.8	-1.1
G Adjustment, add-back of deferred tax assets attr to minority share, SEK m	0.0	0.1	0.0	0.1
<b>A+B+C+D+E+F+G EPRA NRV, SEK m</b>	<b>4,471.9</b>	<b>1,157.3</b>	<b>4,471.9</b>	<b>1,157.3</b>
<b>Profit from property management per share, SEK</b>				
A Profit from prop mgmt, SEK m	22.7	12.0	76.4	35.7
B Adjustment, profit from prop mgmt attr to minority share, SEK m	0.0	4.2	0.0	16.5
C Weighted avg no. of shares during period before/after dilution, million	114.8	48.8	82.3	41.0
<b>(A-B)/C Profit from prop mgmt per share, SEK</b>	<b>0.20</b>	<b>0.16</b>	<b>0.93</b>	<b>0.47</b>

<b>Equity per share, SEK</b>				
A Equity, SEK m	4,206.9	1,071.4	4,206.9	1,071.4
B Number of shares at end of the period before/after dilution, million	131.8	48.8	131.8	48.8
<b>A/B Equity per share, SEK</b>	<b>31.91</b>	<b>21.94</b>	<b>31.91</b>	<b>21.94</b>
<b>EPRA NRV per share, SEK</b>				
A Net reassessment value (EPRA NRV), SEK m	4,471.9	1,157.3	4,471.9	1,157.3
B Number of shares at end of the period before/after dilution, million	131.8	48.8	131.8	48.8
<b>A/B EPRA NRV per share, SEK</b>	<b>33.92</b>	<b>23.70</b>	<b>33.92</b>	<b>23.70</b>
<b>Annual growth, profit from property management per share, %</b>				
A Profit from prop mgmt during the period per share, SEK	-	-	0.93	0.47
B Profit from prop mgmt during the preceding period per share, SEK	-	-	0.47	0.33
<b>A/B-1 Annual growth, profit from prop mgmt per share, %</b>	<b>-</b>	<b>-</b>	<b>98.0%</b>	<b>40.7%</b>
<b>Annual growth, EPRA NRV per share, %</b>				
A EPRA NRV during the period per share, SEK	33.92	23.70	33.92	23.70
B EPRA NRV during the preceding period per share, SEK	23.70	15.28	23.70	15.28
<b>A/B-1 Annual growth, EPRA NRV per share, %</b>	<b>43.1%</b>	<b>55.1%</b>	<b>43.1%</b>	<b>55.1%</b>

# Opportunities and risks for the Group and Parent Company

The preparation of financial statements in accordance with generally accepted accounting principles and in accordance with IFRS requires that management makes assessments and assumptions that affect the amounts recognised for assets, liabilities, income and expenses in the accounts as well as other information disclosed. The actual results may deviate from these assessments. Estimates and assumptions are based on historical experience and other factors, that are deemed reasonable given the prevailing conditions. The Group's operations and the financial position and earnings can be affected, both directly and indirectly, by a number of risks, uncertainties and external factors.

The Group's operations are dependent on general financial and political trends, particularly in Sweden, which can impact demand for housing and premises. All identified risks are continuously monitored, and risk-reducing measures are implemented if required to limit their impact.

A summary of the most substantial risks and opportunities for the Group is presented below. For other information, refer to the Annual Report.

## Financial risk

KlaraBo's most significant financial risks comprise interest-rate risk, financial risk and liquidity risk. Interest-rate risk is defined as non-controllable increase in interest expense. Interest-rate risk is expressed as a change of expenses for the interest-bearing liabilities if the interest rate changes by one percentage point. Financing risk pertains to the risk that expenses for raising new loans or other financing becomes higher and/or that refinancing loans outstanding becomes more difficult or occurs on disadvantageous terms. Liquidity risk pertains to the risk that KlaraBo does not have sufficient access to funds for predicted and/or non-predicted expenses. KlaraBo requires access to liquidity to finance ongoing projects, manage operations and settle due payments of interest and repayment instalments. KlaraBo's growth targets are dependent on healthy access to cash and cash equivalents to enable several projects to be started and pursued in parallel.

All of the risks above are regulated in the financial policy adopted by the Board of Directors. KlaraBo works operationally with these risks by, for example, interest and capital hedging the debt portfolio, maintaining a favourable and proactive dialogue with the Group's partners and continuously monitoring the Group's liquidity situation. KlaraBo's work is governed in part by internal targets for each risk category and, in part, by the Group's overall financial targets and risk limits. This is intended to limit the financial risks and to achieve a favourable long-term trend in net financial items. Furthermore, under existing loan agreements, KlaraBo is required to monitor and report on a number of key figures on a quarterly basis. As of the end of the accounting period, all financial commitments had been met.

## Opportunities and risks in the values of the properties

KlaraBo recognises investment properties at fair value, and the property portfolio is appraised at least once each year by independent external valuation institutes. Changes in the value of properties are included in profit or loss. Changes in the value of properties have historically had a significant impact on profit for the period and contribute to more volatile earnings. The value of the properties is determined by supply and demand, in which the price is mainly dependent on the property's expected operating surplus and the buyer's yield requirements. An increased demand leads to a lower yield requirement, and an upward price adjustment as a result, whereas declining demand has the opposite effect. In the same way, a positive operating surplus trend leads to an upward price adjustment, while a negative trend has the opposite effect. The rental concept is comprised partly of the actual rental level and partly of the vacancy risk of the property portfolio. Property valuation should take in to account an interval of uncertainty to reflect the inherent uncertainty of assumptions and estimates.

## Sensitivity analysis – changes in value (SEK m)

		Effect on fair value, SEK m		Effect on fair value, SEK m
	Change		Change	
Yield requirement	-0.25 basis points	372.1	+0.25 basis points	-325.1
Rental value*	- 2.50%	-32.3	+ 2.50%	255.6
Operating and maintenance costs	-2.50%	96.0	+ 2.50%	-96.0
Long-term vacancy rate	-0.25 basis points	20.5	+0.25 basis points	-20.6

\*-2.5% refers only to premises while +2.5% refers to both premises and housing

## Ongoing projects

Information on ongoing projects in the interim report is based on assessments concerning the size, direction and scope of ongoing projects as well as when the projects are expected to commence and be completed. Information is also based on assessments of future project costs and rental value.

Assessments and assumptions should not be interpreted as a prognosis. Assessments and assumptions involve uncertainties concerning the projects' completion, design and size, schedule as well as project expenses and future rental value. Information concerning ongoing projects in the interim report is regularly re-evaluated, and assessments and assumptions are adjusted in line with the completion or addition of ongoing projects and when conditions change. Financing has not been procured for projects where construction has not begun, which means that financing of ongoing projects is an uncertainty.

## Financing

KlaraBo has not noted any significant negative effects in the credit market in terms of bank financing, which is KlaraBo's primary source of financing. KlaraBo has a stable financial position, with cash and cash equivalents of SEK 616.5 million as of 31 December.

## Operational risk

KlaraBo is in the midst of a phase of expansion and has identified a number of growth-oriented targets. Risks and opportunities connected to reaching the growth targets involve continued access to new projects, key personnel and the risk management of projects (concerning time, costs and quality).

Prices, including those of construction materials, have recently been trending upward, which has had a negative impact on KlaraBo's total production cost. This increased cost has had a limited impact on ongoing projects, but on the other hand could negatively influence future projects over both the short and long term.

# Other disclosures

## Sustainability

KlaraBo has set the bar high for its sustainability goals, and is working systematically to unite environmental, economic and social sustainability. This work has generated benefits for both society and customers and will continue to be applied in our residential properties and new construction.

KlaraBo acquires, builds and manages sustainable rental housing, and the Group safeguards healthy indoor environments and safe materials that minimise environmental impact throughout the service life of the entire property. In both the development phase of a project and in administrative operations, KlaraBo selects concepts and solutions that make positive contributions to its sustainability goals. As a long-term property owner, KlaraBo's ambition is to manage and improve its properties with minimal environmental impact for maximum customer benefit. Integrating environmental, economic and social sustainability is a natural part of the Group's operations.

### Environmental goals

- Reduce energy consumption.
- Use renewable energy sources. KlaraBo works to reduce dependence on fossil fuels by taking such measures as:
  - always selecting electricity from renewable energy sources when procuring new electricity agreements;
  - always selecting biogas instead of natural gas when procuring gas; and
  - discussing with the supplier how to achieve the best possible fossil-free solution when procuring district heating.

KlaraBo offers climate-smart housing units designed to be constructed from wood to the greatest possible extent, in order to offer climate-smart housing and, moreover, to achieve rational production. Wood is a renewable construction material that captures carbon throughout its life cycle. Moreover, manufacturing wooden buildings requires less energy than manufacturing from concrete or steel, and the choice of wood thereby promotes less carbon emissions. KlaraBo uses FSC-labelled wood in new construction, which means that the material is derived from responsible forestry that takes account of people and the environment.

The Group's business concept is based on a limited number of construction alternatives – KlaraBo buildings – that are adapted to their respective locations. The foundation is a systematic approach that yields an optimal use of resources, thereby ensuring both high quality and a good work environment. The construction volumes are prefabricated in indoor environments by partners before being transported to construction sites in Sweden for assembly. The materials selection for façades and roofs is adapted to the respective projects. This type of construction leads to energy savings, since the construction process with industrial construction technology is energy-efficient with fewer transports, shorter construction times than construction using concrete and quicker assembly, resulting in lower costs.

Moreover, the buildings are energy efficient. KlaraBo's new construction follows the norms of the Swedish National Board of Housing, Building and Planning for energy consumption and features well-insulated walls, windows with high insulation capacity, low-flow taps and low-energy appliances. The energy consumption for KlaraBo's buildings comprises approximately half of the requirement indicated in the Board's construction regulations (BRR in Swedish). This is achieved not only by using energy-smart materials choices and local energy supply in the form of solar cells, but also using production methods that allow properly insulated constructions with modules that provide us with double inner walls and insulated double floor slabs. This results in a solidly insulated construction with a low overall primary energy figure. High-quality and energy-efficient construction increases the service life of the property and provides KlaraBo with the possibility of planning proper long-term maintenance that in turn leads to sustainable living environments.

KlaraBo buildings are constructed with the ambition of meeting the corresponding requirements set in the Nordic Swan ecolabel certification system.



## Social and economic goals

- Increase involvement in our districts by, for example, offering summer work to the long-term unemployed and to young people as an entrance into the job market.
- Construction of more new sustainable and environmentally certified, qualitative, functional, cost- and space-efficient housing units.
- Renovate for long-term sustainable management, in which the scope of renovation measures is adapted to satisfy the technical conditions of the construction as well as tenant demand.

By providing the districts where KlaraBo operates with well-planned green spaces, market squares and contact spaces, the Group creates increased security and promotes its tenants' quality of life. As a long-term property owner, KlaraBo's position is that over the long term, the shared functions of the residential districts should be planned and developed in accordance with its tenants' wishes.

## Market outlook

KlaraBo's offering meets the market's demand for good housing at the right price. The Group's own concept, KlaraBo-hus, creates the conditions for cost control and financial efficiency across the entire chain, from development rights to management, during the lifespan of the property.

The Group assesses that demand remains healthy in the areas in which KlaraBo is active, and that a structural lack of housing is present in many areas in Sweden.

## Organisation and employees

The Parent Company in the Group is KlaraBo Sverige AB. At the end of the period, the Group consisted of 60 subsidiaries and five jointly controlled companies. The number of employees totalled 59 (24), consisting of 13 women (7) and 46 men (17).

## Accounting policies

KlaraBo's consolidated accounts are prepared in accordance with the EU adopted International Financial Reporting Standards (IFRS) and interpretations therein (IFRS IC). This interim report is prepared in accordance with IAS 34 Interim Financial Reporting. In addition, suitable provisions of the Swedish Annual Accounts Act have been applied. The accounting and valuation principles applied are unchanged compared with the Annual Report. The Parent Company has prepared its financial reports in conformity with the Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 requires that the Parent Company applies the same accounting principles as the Group, which is to say IFRS to the scope that RFR 2 permits.

For complete accounting policies, refer to KlaraBo's 2020 Annual Report. Accounting policies are unchanged compared with the 2020 Annual Report.

## Transactions with related parties

The Group's related-party circle consists of all Board members, the CEO and members of senior management as well as their related parties and companies.

No transactions with related parties have taken place without being in line with market conditions. Aside from remuneration to senior executives, no transactions with related parties took place during the period.

## 2022 Annual General Meeting

KlaraBo's 2022 AGM will be held on 3 May 2022. Shareholders who wish to have business dealt with at the AGM should submit a written request to [info@klarabo.se](mailto:info@klarabo.se) or to KlaraBo Sverige AB (publ), attn: CFO, Hyllie Stationstorg 2, 215 32, Malmö, Sweden. To guarantee inclusion of the business in the notice of the AGM, the request must have been received no later than 5 April 2022. Further information on how and when to provide notification of attendance will be published well in advance of the Meeting.

The 2021 annual report for KlaraBo Sverige AB (publ) will be published on KlaraBo's website no later than 29 March 2022 and copies will be sent out on request.

# The share and shareholders

The Parent Company of the Group, KlaraBo Sverige AB, Corp. Reg. No. 559029-2727 has two classes of shares: Class A and Class B ordinary shares. Each Class A share carries ten votes and each Class B share carries one vote. The total number of shares is 131,827,883, of which 16,815,000 are Class A and 115,012,883 are Class B. The quotient value for all shares is SEK 0.05 per share. During the quarter, two new share issues were carried out in conjunction with the listing of the company's Class B shares on Nasdaq Stockholm, totalling SEK 24,642,857 Class B shares.

## Largest shareholders, 31 December 2021

	Class A shares	Class B shares	Total	Capital	Voting rights
Investment AB Spiltan	1,800,000	11,006,647	12,806,647	9.7%	10.2%
Länsförsäkringar Fonder	0	9,857,143	9,857,143	7.5%	3.5%
Pensionskassan SHB Försäkringsförening	0	9,360,610	9,360,610	7.1%	3.3%
Rutger Arnhult via company	0	8,739,167	8,739,167	6.6%	3.1%
Anders Pettersson via company	3,966,316	3,545,538	7,511,854	5.7%	15.3%
SBB via company	0	5,646,065	5,646,065	4.3%	2.0%
Lennart Sten, privately and via company	1,995,000	2,980,609	4,975,609	3.8%	8.1%
Ralph Muhlråd, privately and via company	1,500,000	7,021,886	8,521,886	6.5%	7.8%
ODIN Fonder	0	4,257,143	4,257,143	3.2%	1.5%
Clearance Capital	0	3,741,133	3,741,133	2.8%	1.3%
Futur Pension	134,484	3,161,554	3,296,038	2.5%	1.6%
Klosterinvest AB	0	2,900,000	2,900,000	2.2%	1.0%
Mats Johansson via company	2,699,400	0	2,699,400	2.0%	9.5%
Doxa AB	0	2,548,691	2,548,691	1.9%	0.9%
Andreas Morfiadakis privately and via company	2,331,287	30,000	2,361,287	1.8%	8.2%
Other	2,388,513	40,216,697	42,605,210	32.3%	22.6%
	<b>16,815,000</b>	<b>115,012,883</b>	<b>131,827,883</b>	<b>100%</b>	<b>100%</b>

## Warrants

KlaraBo has three current warrant programmes issued to the company's employees. The first programme encompassed 1,666,335 warrants in total, each of which carried the right to subscribe for one Class B share. The warrants can be exercised in the period from 1 March to 31 March 2024, at a subscription price of SEK 30 per share. At the end of the period, 1,367,585 warrants had been subscribed and the remainder had expired and can no longer be subscribed. The second programme encompasses 500,000 warrants in total, each of which carries the right to subscribe for one Class B share. The warrants can be exercised in the period from 1 June to 31 August 2024, at a subscription price of SEK 39 per share. At the end of the period, 500,000 warrants had been subscribed. The third programme encompasses 1,429,440 warrants in total, each of which carries the right to subscribe for one Class B share. The warrants can be exercised in the period from 1 August to 31 October 2024, at a subscription price of SEK 39 per share. At the end of the period, 1,429,440 warrants had been subscribed.

In total on 31 December, the incentive programmes encompassed a maximum of 3,297,025 warrants that can be utilised to subscribe for a maximum of 3,297,025 Class B shares, corresponding to a dilution effect of at most 2.44 per cent based on the number of shares in the company.

## Dividend

The Board has proposed that growth be prioritised and thus that no dividend be paid for the 2021 financial year.

# Signatures to the report

The Board of Directors and CEO give their assurance that this report gives a true and fair overview of the operations, financial position and earnings of the Parent Company and the Group, and describes the material risks and uncertainties faced by the Parent Company and the companies included in the Group.

Malmö, 16 February 2022

Lennart Sten,  
Chairman of the Board

Per Håkan Börjesson,  
Board member

Lulu Gylleneiden,  
Board member

Mats Johansson,  
Board member

Sophia Mattsson-Linnala,  
Board member

Anders Pettersson,  
Board member

Håkan Sandberg,  
Board member

Joacim Sjöberg,  
Board member

Andreas Morfiadakis,  
CEO

This year-end report has not been reviewed by the company's auditor.

This information is information that KlaraBo Sverige AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 08.00 CET on 16 February 2022.

## Teleconference

KlaraBo's CEO Andreas Morfiadakis and CFO Jenny Appenrodt will present the Year-end Report through a webcast presentation and teleconference at 11:00 a.m. (CET) on Wednesday, 16 February. The presentation will be held in English.

To participate in the teleconference, call: +46 8 505 583 69  
For a webcast of the conference go to: <https://tv.streamfabriken.com/klarabo-q4-2021>

## For more information:

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+46 76 133 16 61



## Calendar

2021 Annual Report	29 March 2022
Annual General Meeting	3 May 2022
Interim Report Q1, January–March 2022	3 May 2022
Interim Report Q2, January–June 2022	13 July 2022
Interim Report Q3, January–September 2022	26 October 2022
Year-end report 2022	15 February 2023



## Contact information

For further information, please contact:

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