

 SIBS

Interim report

January – March 2021



Interim report January-March 2021

January - March 2020

- ▣ Rental income for the quarter (including SIBS' share in joint ventures) increased to SEK 4.8 million
- ▣ The economic occupancy rate exceeded 90%
- ▣ Operating profit/loss amounted to approximately SEK 75.5 million
- ▣ The market value of our completed properties totalled SEK 724.5 million (SIBS' share)
- ▣ Construction starts on 282 apartments
- ▣ Expanding of the development rights portfolio with an additional 681 apartments
- ▣ Solar-generated electricity's average share of the estimated total consumption for properties: 25%
- ▣ Estimated average energy performance (kWh/m², year): 27kWh/m²

Significant events during the fourth quarter

- ▣ The two properties in Enköping, next to Enköping Station, were delivered. These properties were acquired by SIBS' subsidiary Sveaviken Bostad during the fourth quarter of 2020.
- ▣ We acquired development rights covering a gross floor area of 30,000m² in Mariefred, together with Nordsten Sveafastigheter.
- ▣ We acquired development rights in Vega in Haninge covering a gross floor area of 13,000m², alongside Slättö.
- ▣ We successfully completed a SEK 150 million tap issue on our green bonds (ISIN SE0014965729) maturing on 19 April 2024.
- ▣ We started the construction of 282 homes in Nykvarn town centre.

Significant events after the end of the reporting period

- ▣ We acquired development rights in Vallentuna covering a gross floor area of approximately 2,000m², adjacent to one of our other projects for which construction will start in 2021.

KEY RATIOS

TSEK

	Jan-Mar 2021	Jan-Mar 2020	Apr 2020 - Mar 2021	Jan-Dec 2020
Rental income including SIBS' share in joint ventures	4,811	1,342	16,550	13,081
Rental income	3,977	1,342	14,593	11 958
Annual rental value of completed properties*	31,584	8,978	31,584	31,584
Estimated normalised annual operating surplus for completed properties*	27,146	7,589	27,146	27,146
Occupancy rate (economic)	90.2%	100%	90.2%	67%
Change in value of investment properties	14,993	11,200	64,956	61,163
Profit/loss from associated companies and SIBS' share in joint ventures	65,017	62,300	178,206	175,489
Operating profit/loss	75,531	66,275	213,124	203 868
Profit/loss after tax	49,921	59,021	153,458	162 558
Investment properties	408,000	777,130	408,000	393,000
Market value of completed properties*	724,500	181,000	724,500	705,000
Construction starts on apartments during the period	282	192	633	543
Apartments under management	562	117	562	562
Apartments under construction	989	796	989	707
Apartments under project development	4,710	1,625	4,710	4,311
Total apartments	6,261	2,538	6,261	5,580
Changes in the apartment development rights portfolio during the period	681	250	3,473	3,042
Lettable area of completed properties, m ²	22,940	4,793	22,940	22,940
Equity/assets ratio	31.5%	23.9%	31.5%	33.8%
Adjusted equity/assets ratio (adjusted for cash and cash equivalents)	38.1%	24.3%	38.1%	39.6%
Loan-to-value ratio of completed properties	58.7%	62.0%	58.7%	59.0%

A word from the CEO

Continued strong growth and a good level of profitability in our core business

SIBS has had a strong start to the year with a continued good level of profitability in our core business, which covers the entire value chain. We have started the construction of 282 homes in Nykvarn town centre and welcomed several new tenants to the Tranbäret project in Kalmar and the Glidplanet project in Örebro. We are clearly on course to achieve our ambition of completing 1,000 apartments a year.

During the quarter, we acquired around 680 development rights in three projects in attractive locations in Vallentuna, Haninge and Mariefred. Construction should start as soon as 2021/2022 for all the projects. The plan for the year is to start the construction of around 1,100 additional apartments, which will enable us to achieve our operational target of 1,000 apartments completed a year as early as 2022.

Our 157 completed apartments in Glidplanet, Örebro were released for rent in January 2021 and the project was fully let during the quarter. This shows that our sustainable rental apartment offering in the "Affordable Premium" segment is both appreciated and in demand.

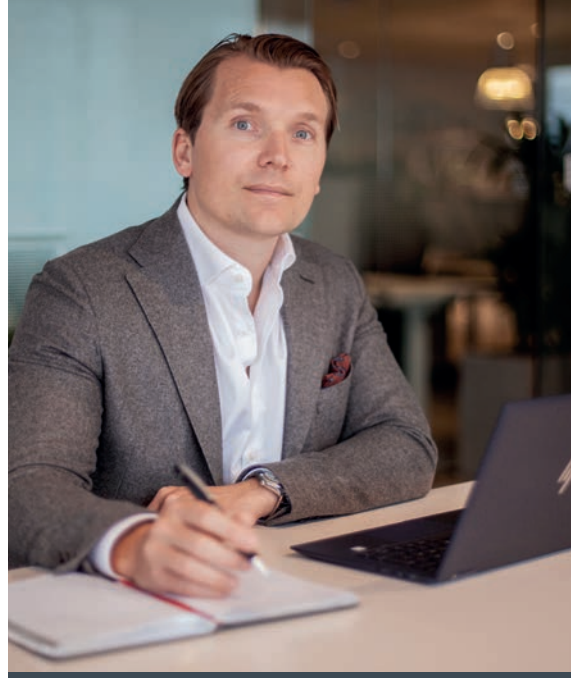
Good development in a strong market

Competition for the acquisition of properties with potential development rights has intensified as a direct consequence of increased investor demand for rental properties and continued yield compression, driving up prices and leading to increased interest in construction in the segment. The development rights market is slowly approaching the levels seen in autumn 2017.

Note that the value of our completed residential properties and our development right portfolio has developed strongly, while our rental apartments available for reasonable rents are in demand. We also use methods that ensure shorter construction times and feasible schedules and costs. This is an advantage at a time when there is a great need for housing and development rights need to be exercised to build homes.

Steel prices are now starting to move towards more normal levels while shipping costs remain at slightly higher levels. The latter should fall as the summer approaches, however, in line with the usual seasonal trends.

The pandemic is still ongoing, but we are now clearly moving towards the lifting of restrictions. We are not seeing any impact on our business, but we are continuing to comply with the restrictions and to protect the health and well-being of our employees and customers.



Strengthened financing through green bonds

During the period, we completed a SEK 150 million tap issue on our green bonds under the same terms as before. There was a lot of interest, which was very gratifying. This allows us to forge ahead with the development of our business while pursuing a clear objective.

Environmental certification of all new buildings

We are maintaining our focus on sustainability and all new buildings are environmentally certified to Miljöbyggnad Silver standard or in line with an equivalent environmental certification. In keeping with our highly ambitious approach to long-term, sustainable management, SIBS' subsidiary Sveaviken Bostad has recruited a senior manager.

Continued expansive growth

In both the short and long term we are seeing good opportunities to continue our expansive growth while maintaining or improving our profitability. With our dedicated team that covers the entire residential value chain, we are continuing our determined efforts to become one of the most sustainable and largest owner-occupied housing developers in the Nordics. We look forward to an eventful 2021.

Stockholm, May 2021

Erik Thomaus
CEO SIBS AB

A strong start to the year 2021

The advantages and efficiency of our fully integrated value chain were demonstrated during the first part of the year

▣ MOKO continued to consolidate its position as Sweden's most efficient and innovative design company, and while carrying out design work on numerous projects it also managed to further develop the configuration tool that will make the design process even more efficient in the future.

▣ SIBS Malaysia is continuing to maintain a production rate of 6 modules a day, with continuous process improvements and a continued high level of quality control.

▣ Frontlog is continuing to deliver on time despite the freight market's turbulence during the period. It has become very clear in current market conditions how important it is to have your own freight management company.

▣ MOBY is continuing to impress, completing an average of three apartments a day with a high delivery performance and quality standards.

▣ Despite strong competition, Sveaviken has continued to make acquisitions with good short- and long-term potential. Sveaviken has also continued to actively pursue acquisitions and has participated in a number of land allocation competitions.



SIBS' Management

*From the left, back row: Jon Mellqvist, Head of Sustainability - Erik Söderholm, CTO SIBS AB & Group
Pär-Henrik Almén, Deputy CEO MOBY AB - Viktor Ryd, CEO MOBY AB*

*From the left, front row: Patrik Jensen, CEO MOKO AB - Pär Thomaesus, CEO Sveaviken Bostad
Erik Thomaesus, CEO SIBS AB & Group - Anna Lysedal, Chief Accountant*

Missing from the picture: Ulf Thomaesus, CFO SIBS AB & Group - David Österström, CEO Frontlog, COO SIBS AB

This is SIBS

VISION

We aim to be the most efficient developer, producer and owner of residential buildings in the Nordic countries. SIBS's objective is to change the industry by optimising all aspects of building design, production, construction and management, while simultaneously maintaining a focus on environmental sustainability and design flexibility.

In other words, it is time to go beyond traditional building methods to an era of more industrial intelligence and to change how we design, construct, deliver and manage residential buildings.

OUR BUSINESS

Unique value across the value chain

There are five companies within the SIBS Group, covering the entire value chain, from acquisitions to property management. Unique value is created for SIBS within this value chain, such as a constantly expanding knowledge of industrial, flexible construction, and continually adds value to the services delivered by the company. High quality and cost control are ensured at all stages, and reliable delivery is guaranteed by our own systems. Our organisation's watchwords are innovation, development and drive.

Thanks to our proprietary "parametric modularisation" construction system and our proprietary configuration tool, we are able to build with a high degree of design flexibility while also minimising project risks. The construction system allows us to adjust projects to the shape of plots to maximise the development potential of detailed development plans. No two plots are alike and no two projects are the same.

Predetermined parameters ensure that our designs are both buildable and comply with regulatory requirements. When we then use architectonic elements in our design work, we ensure that we learn from our designs so that we never end up reinventing the wheel.

The construction system, when used in combination with our configuration tool, allows us to minimise project risks, as it applies a rules-based system that automatically issues warnings and makes it impossible to design something that doesn't comply with our predetermined parameters or regulatory requirements.

OUR STRATEGIC PRIORITIES

Sustainability

Our housing projects will last for generations, which is why sustainability is clearly integrated into every component. The aim is to constantly improve the construction process, in order to minimise environmental impact and contribute towards increased social sustainability.

Market insight

Our geographical locations and development areas are chosen based upon well-founded analyses and an understanding of how the market is developing. Analysis and acquisitions made at an early stage are decisive in terms of how much value is subsequently created.

Project portfolio

Our project portfolio is perfectly balanced for sound growth. We ensure that we take advantage of opportunities on both the macro and the micro level. The geographical focus is the greater Stockholm area and surrounding regions, as well as larger cities such as Malmö and Gothenburg. Larger regional towns with universities are also interesting locations for establishing projects.

The tenant today and tomorrow

Our in-depth knowledge of the trends and driving forces within property development keep us at the forefront of the market. With a focus on the tenant, we act today to meet the needs of tomorrow.

Technology

Using new technology, we create buildings that are as energy efficient as possible and our methods also provide great savings in terms of both time and cost. Additionally, our solutions also make it easier for our tenants to live sustainably.

Architecture

Our buildings contribute to an attractive urban environment which is why both internal and external architecture is prioritised. The modular design and construction system we have developed offers greater flexibility and creates a premium atmosphere in each home.

Functionality

SIBS's homes are designed to meet everyday needs, while providing a pleasant backdrop to tenants' lives. Functionality is central, both as a whole and down to the details that make living in our buildings a little better, a little easier and a little more comfortable.

OBJECTIVES

We continue our journey of growth towards:

- ▣ becoming one of the leading property developers in the Nordic countries in terms of in-house management
- ▣ producing approximately 1,000 homes each year
- ▣ having the most satisfied tenants in Sweden

Commitment throughout the entire value chain



MARKET ANALYSIS AND ACQUISITION

Our well-founded analyses are the basis of the geographical locations we select. With in-depth knowledge of trends and driving-forces, we act today to meet the needs of tomorrow. Specific expertise within areas such as structural engineering and environmental strategy analysis makes us market leaders within our field. With a focus on the tenant, we develop homes that contribute to the good society.

Value creation

Well-balanced market analysis and a stringent acquisition process are the foundation on which we create value. Analysis and acquisitions made at an early stage are decisive in terms of how much value is created subsequently.



DESIGN AND PLANNING

Our buildings are to contribute to an attractive urban environment, which is why architecture is a top priority. Our modular design and construction system offers greater flexibility in construction and significantly shorter planning and production times. There is also a great focus on energy efficiency. Our key employees within architecture, construction and installation are all experts in SIBS's construction system.

Value creation

Our processes are cost-effective and quality assured. The construction system development and multi-disciplinary approach to planning creates a great deal of value.



PRODUCTION

About 90% of the work takes place in our factories in Malaysia. Ambitious quality control and efficient processes result in very good cost control and a safe work environment. The production and process equipment developed by SIBS is produced in Malaysia and we are constantly optimising our flows. We focus on function, design and sustainable energy, and the modules comply with sound transmission class A.

Value creation

Efficient knowledge feedback and process development generates optimised processes with high levels of cost control. As well as a product with high customer value.



LOGISTICS AND TRANSPORT

Frontlog is responsible for transport and logistics of the modules from the factory. The predictability of production means that we can plan, synchronise and optimise shipments. With a skilfully managed transport flexibility, we reduce costs at the same time as ensuring minimal environmental impact. Our shipments by land are approximately one tenth of those of buildings constructed on-site.

Value creation

Profound knowledge and a structured procurement process means that we find the most cost-effective shipments. Optimisation of the logistics flow results in fewer shipments and high delivery precision.



ASSEMBLY AND COMPLETION

MOBY assembles and completes the buildings. Our method results in significantly less time spent at the construction site due to the high level of completion of our modules. The work environment is both safer and better as the work involves fewer elements, there are fewer shipments and lifting takes place at the work site. In terms of construction time, we are industry-leading with a 50% shorter construction time compared with conventional methods.

Value creation

A high level of completion, detailed planning and predictable deliveries reduces the construction time and number of shipments. It reduces disruption in the area, decreases environmental impact and offers fast delivery.



LONG-TERM MANAGEMENT

With a focus on the residents, we take a long-term, sustainable approach to management. Our management is dependable and accessible. The buildings more than exceed the energy requirements set by the Swedish building standards thanks to solar panels, ground source heating and an energy efficient construction system. Valuable experiential feedback is reinforced by the fact that the value chain is within the group.

Value creation

Our sustainable, functional and aesthetically pleasing properties create value for many people. They contribute to a more sustainable society and provides more people with access to new premium homes with a reasonable rent.

Project portfolio

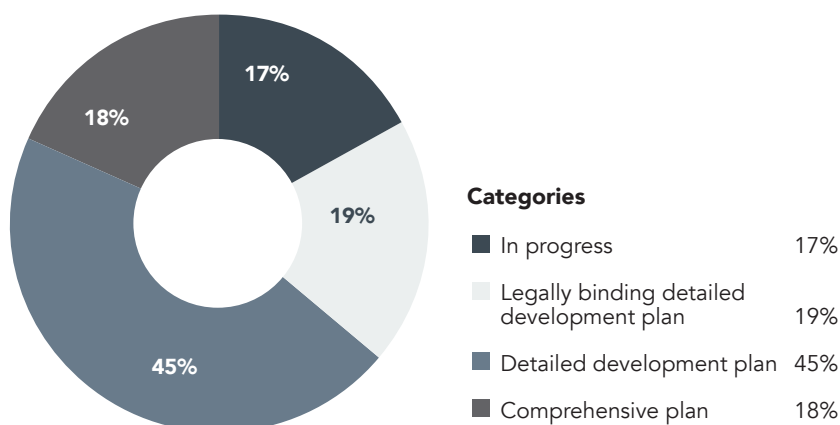
Project name	Municipality	Number of homes	Current status	Estimated construction start
Kompassen*	Luleå	159	In progress	In progress
Autogyron**	Örebro	117	In progress	In progress
Parasollet	Lund	80	In progress	In progress
Barkarbystaden kv 15**	Järfälla	351	In progress	In progress
Nykvarn Centrum**	Nykvarn	282	In progress	In progress
Vegaterassen**	Haninge	241	Legally binding	2021
Mariefred station***	Strängnäs	400	Legally binding	2021
Brädgården	Nyköping	462	Legally binding	2021
Vallentuna Centrum 1	Vallentuna	37	Detailed development plan	2021
Vallentuna Centrum 2	Vallentuna	40	Detailed development plan	2021
Enköping Centrum	Enköping	300	Detailed development plan	2022
Rogaland	Stockholm	250	Detailed development plan	2022
Hässelby Maltesholm	Stockholm	100	Detailed development plan	2022
Tangenten Sorgenfri	Malmö	400	Detailed development plan	2022
Enköping Station***	Enköping	400	Detailed development plan	2023
Söderby 2	Haninge	280	Detailed development plan	2023
Svanholmen	Stockholm	300	Detailed development plan	2023
Stockrosen	Nyköping	300	Detailed development plan	2023
Konservatorn	Stockholm	160	Planning decision	2024
Kornboden	Rimbo	200	Awaiting planning decision	2024
Skiffern	Huddinge	280	Awaiting planning decision	2024
Tumba	Botkyrka	560	Awaiting planning decision	2024
Total		5,699		

* Divested to Slättö

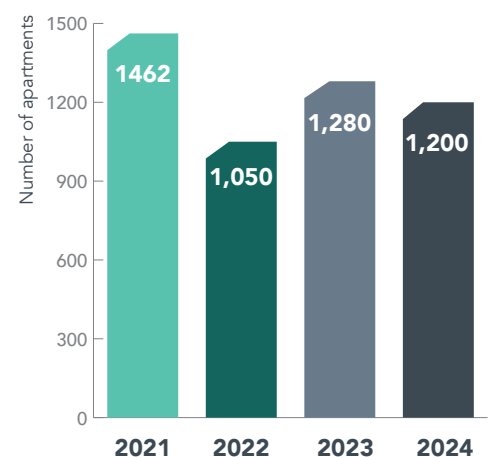
** Joint venture (50/50) with Slättö

*** Joint venture (50/50) with Nordsten Sveafastigheter

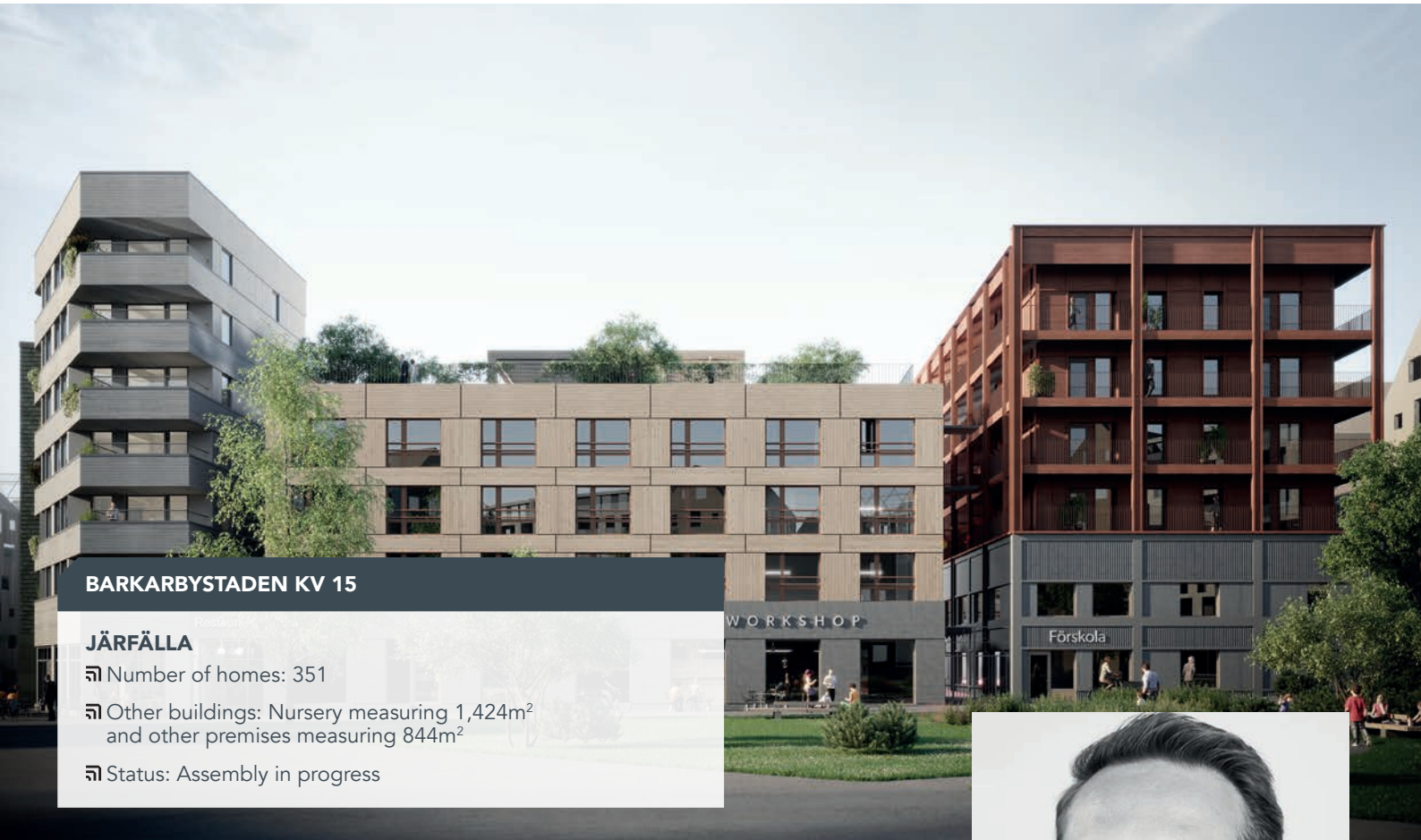
PROJECT STATUS



UPCOMING CONSTRUCTION STARTS



All is going according to plan with 14 units a day in Barkabystaden kv 15



BARKABYSTADEN KV 15

JÄRFÄLLA

- Number of homes: 351
- Other buildings: Nursery measuring 1,424m² and other premises measuring 844m²
- Status: Assembly in progress



PÄR-HENRIK ALMÉN
Deputy CEO MOBY AB

"We are in the middle of assembling our biggest project to date. Work is going according to plan and with this project we are putting up 14 units a day, which I believe makes us the fastest in the industry. At the same time, this is a balanced pace that ensures both safe working conditions and satisfactory quality."

Pizzeria and convenience store in Kalmarporten

In Kalmarporten, the Chairman of Kalmar City Council, Johan Persson, opened the Pizza Palace run by Hassan Saroe, former winner of the Swedish Pizza Championships. Hassan will sell pizzas and also operate a convenience store for the residents of Snurrom. Sveaviken Bostad and MOBY carried out a careful selection process based on the tenant, their principal activity and tenant adaptations. The Pizza Palace will now be a welcome addition to the local facilities available to the residents of Kalmarporten.

KALMARPORTEN

KALMAR

- 📊 Number of homes: 218 rental apartments
- 📊 Letting in progress



Other information

Related-party transactions

SIBS did not carry out any significant transactions with related parties during the period, other than ordinary transactions between group companies and joint ventures. The transactions were completed under market conditions.

Seasonal trends

SIBS' activities are not affected by any clear seasonal trends. Larger projects may have an impact on income and profit/loss during specific quarters, however. Changes in income and profit/loss should therefore be assessed over a longer cycle.

Bonds

On 19 October 2020, SIBS announced a SEK 400 million unsecured bond issue with a framework amount of SEK 600 million.

On 23 March, a SEK 150 million tap issue was completed, meaning that SEK 550 million of the framework amount of SEK 600 million has been issued. The bond issue was listed on 25 November on Nasdaq Stockholm's Sustainable Bond List under the name SIBS 01 GB.

Preparation of the quarterly report

For the quarters included in this report for comparison purposes, some assumptions had to be made for the group consolidation. No changes have been made to the accounting policies or other estimates over time, and the comparative data reproduced are deemed to give a true and fair picture.

Personnel

The number of permanent employees, including probationary employees, in the group at the end of the period, was 468, consisting of 14 women and 454 men.

Segment reporting

During the year, SIBS began analysing and monitoring activity by segment.

Risks and uncertainties

SIBS' activities are affected by a number of external environmental factors, the effect of which on its profit/loss and financial position can be controlled to varying degrees. The goal of SIBS' risk management is to identify, measure, control and limit the risks affecting its activities. The material risks affecting SIBS' business are external risks such as a macroeconomic downturn or reduced demand for housing. SIBS is also exposed to a number of financial risks connected, inter alia, with the company's liquidity and the debt financing of its activities. Further information about the company's risks is provided in the 2020 annual report, mainly in note 38 on page 82.

The impact of Covid-19

The Coronavirus pandemic has affected the global economy since spring 2020 and the situation is still uncertain. The outlook is still difficult to assess due to factors including uncertainty regarding future contagion and different virus mutations.

However, mass vaccinations mean that the recovery is expected to take off again during the second quarter of 2021.

SIBS has not yet noted any significant negative impacts on its activities in 2020/2021 that might be linked to the outbreak of Covid-19. SIBS is closely monitoring market trends and ensuring that we are well prepared to deal with the various foreseeable scenarios.

Ownership structure as at 31 December 2021

Shareholder	Number of shares	Ownership by %
Industrium AB	15,000	30.00%
Landera AB	9,444	18.89%
Neptunia Invest AB	7,500	15.00%
Ramstedt Gruppen AB	7,306	14.61%
Exoro Capital AB	5,111	10.22%
Other shareholders	5,639	11.28%
Total	50,000	100.00%

Events after the end of the reporting period

We acquired development rights in Vallentuna covering a gross floor area of approximately 2,000m², adjacent to one of our other projects for which construction will start in 2021.

Group income statement

TSEK	Jan-Mar 2021	Jan-Mar 2020	Apr 2020 - Mar 2021	Jan-Dec 2020
Rental income	3,977	1,342	14,593	11 958
Project and contracting income	219,869	-	444,245	224,376
Total income	223,846	1,342	458,838	236,334
Project and contracting activity expenses	-217,880	-	-442,256	-224,376
Property expenses	-652	-320	-2,829	-2,497
Gross profit/loss	5,314	1,022	13,753	9,461
Work carried out by the company on its own behalf and capitalised	20,298	-	117,264	96,966
Development expenses	-20,298	-	-117,264	-96 966
Administrative expenses	-7,431	-4,802	-35,487	-32,858
Non-project-related depreciation/amortisation	-3,304	-3,579	-11,193	-11,468
Operating profit/loss before change in value	-5,421	-7,359	-32,927	-34,865
Change in value of investment properties	14,993	11,200	64,956	61,163
Other operating income	956	206	2,872	2,122
Other operating expenses	-14	-72	18	-40
Profit/loss from associated companies	65,017	62,300	178,206	175,489
Operating profit/loss	75,531	66,275	213,124	203 868
Financial income	55	-	468	413
Financial expenses	-17,882	-4,904	-32,419	-19,441
Profit/loss before tax	57,705	61,371	181,174	184,840
Taxes	-7,784	-2,350	-27,716	-22,282
Profit/loss for the period	49,921	59,021	153,458	162 558
Attributable to				
The parent company's shareholders	49,921	59,021	152,373	161,473
Non-controlling interests	-	-	1,086	1,086
Total profit/loss for the period	49,921	59,021	153,458	162 558
PROFIT/LOSS FOR THE PERIOD				
Profit/loss for the year	49,921	59,021	153,458	162 558
Other comprehensive income				
<i>Items that may be reclassified to the income statement</i>				
Translation differences	3,198	274	-31,339	-34 363
Other comprehensive income for the year, net after tax	3,198	274	-31,339	-34 363
Total comprehensive income for the period	53,119	59,295	122,119	128,195

Commentary on the Q1 2021 comprehensive income

Rental income increased during the period to SEK 3,977 thousand and operational expenses to SEK 652 thousand. These increases are due to SIBS managing a larger portfolio of rental housing during the year.

The group recorded project and contracting income of SEK 219,869 thousand and SEK 217,880 thousand of expenses. The income and expenses relate to projects in which the group does not have a controlling interest.

Throughout the year, the group continued its work on the development of the construction system and its processes. The development expenses amounted to

SEK 20,298 thousand and are capitalised in the balance sheet under Capitalised development expenses. Administrative expenses amounted to SEK 7,431 thousand and the SEK 3,304 thousand of depreciation/ amortisation charges recognised in the income statement primarily consist of the amortisation of development expenses.

The change in value of SEK 14,993 thousand relates to the change in the value of existing properties. The profit/loss from associated companies for the period relates mainly to the change in the value of underlying projects carried out through joint ventures.



Kalmarporten, Kalmar

Group statement of financial position

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
ASSETS			
Non-current assets			
Capitalised development expenses	211,051	103,549	193,434
Investment properties	408,000	777,130	393,000
Owner-occupied properties	112,052	121,320	109,700
Right of use assets	2,969	-	-
Expenses incurred through improvements to other people's property	54	270	108
Machinery and equipment	33,953	25,200	28,553
Deferred tax assets	-	1,153	-
Shares in associated companies	346,995	64,259	258,117
Debts due from associated companies	-	7,211	-
Other non-current receivables	7,766	5,966	7,716
Total non-current assets	1,122,839	1,106,058	990,628
Current assets			
Inventories	51,663	32,100	52,106
Income earned but not invoiced	185,639	-	148,385
Accounts receivable	223	62	311
Debts due from associated companies	25,110	52,300	39,600
Other receivables	108,579	267,520	85,772
Prepaid expenses and accrued income	16,495	721	3,627
Cash and cash equivalents	316,192	25,600	228,151
Total current assets	703,901	378,303	557,952
TOTAL ASSETS	1,826,740	1,484,360	1,548,580

Group statement of financial position

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
EQUITY AND LIABILITIES			
Equity			
Parent company's shareholders			
Share capital	500	50	500
Other capital contributions	237,000	137,000	237,000
Reserves	-22,669	8,495	-25,868
Retained earnings including profit/loss for the year	354,277	202,629	304,356
Total equity attributable to the parent company's shareholders	569,108	348,174	515,987
Non-controlling interests	7,107	6,021	7,107
Total equity	576,215	354,195	523,094
Non-current liabilities			
Non-current interest-bearing liabilities	781,100	365,305	599,551
Deferred tax liabilities	25,619	45,044	17,774
Total non-current liabilities	806,719	410,349	617,325
Current liabilities			
Current interest-bearing liabilities	153,849	449,279	127,343
Invoiced unearned income	11,639	6,686	61,358
Accounts payable	82,537	63,221	87,031
Debts owed to associated companies	48,555	2,301	17,538
Current tax liabilities	5,135	151	5,578
Other liabilities	113,095	178,867	90,913
Accrued expenses and deferred income	28,994	19,311	18,400
Total current liabilities	443,806	719,816	408,161
TOTAL EQUITY AND LIABILITIES	1,826,740	1,484,360	1,548,580

Commentary on the group's Q1 2021 balance sheet

Investment properties

The investment properties item increased during the first quarter. This increase is mainly due to the change in the value of completed properties.

Shares in associated companies

Shares in associated companies amounted to SEK 346,995 thousand. The change during the period is mainly down to the change in the value of the underlying projects carried out through joint ventures and contributions.

Accrued expenses not invoiced/ Invoiced expenses not accrued

These items consist of debts due from and owed to companies that are not wholly owned.

Non-current liabilities

The non-current liabilities are mostly made up of bonds and fully financed projects that are wholly owned by the group.



Kalmarporten, Kalmar

Group cash flow statement

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Operating activities			
Profit/loss after financial items	57,706	61,646	184,840
- Depreciation/amortisation and impairments	7,086	6,802	27,839
- Capitalised interest	-	-	5,364
- Actual change in value through the income statement	-14,993	-11,200	-61,163
- Share in profit/loss of associated companies and JVs	-65,017	-62,300	-124,928
- Unrealised exchange rate differences	1,170	-	-18,821
	-14,048	-5,052	13,131
Income tax paid	-638	-	-2,949
Cash flow from operating activities before changes in working capital	-14,686	-5,052	10,182
Cash flow from changes in working capital			
Decrease(+)/increase(-) in inventories	2,328	-6,285	-30,703
Decrease(+)/increase(-) in current receivables	-32,589	1,442	-115,307
Decrease(+)/increase(-) in current liabilities	463	44,242	208,851
Total change in working capital	29,798	39,399	62,841
Cash flow from operating activities	-44,484	34,347	73,023
Investing activities			
Capitalised development expenses	-20,297	-	-96 966
Acquisition of investment properties	-7	-161,480	-373,603
Acquisition of owner-occupied properties	-203	-508	-10,482
Sale of subsidiaries	-	-	67
Sale of shares in associated companies and joint ventures	-9,284	-4,501	-
Loans to associated companies	-	-	2,710
Acquisition of property, plant and equipment	-5,697	-2,929	-14,740
Change in long-term securities	-50	-	-1,750
Cash flow from investing activities	-35,538	-169,418	-494,765
Financing activities			
Shareholders' contributions received	-	-	47,579
Bonds issued	176,970	-	352,383
Other borrowings	-	-	129,718
Bank loans taken out	-	130,506	254,437
Bank loan repayments	-9,383	-	-17,805
Lease liability repayments	-	-	-2,857
Shareholder loan repayments	-	-	-141,922
Cash flow from financing activities	167,587	130,506	621,533
CASH FLOW FOR THE PERIOD	88,040	-4,565	199,791
Cash and cash equivalents at the start of the period	228,151	30,166	30,166
Exchange rate differences in cash and cash equivalents	-	-	-1,806
Cash and cash equivalents at the end of the period	316,191	25,600	228,151

Condensed consolidated statement of changes in equity

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Equity			
Opening equity attributable to the parent company's shareholders	515,987	288,879	288,879
Profit/loss for the period	49,922	59,021	161,472
Other equity	3,199	274	-34,364
Shareholders' contributions	-	-	100 000
Total equity of the parent company's shareholders	569,108	348,174	515,987
Non-controlling interests	7,107	6,021	6,021
Profit/loss for the period	-	-	1,086
Total equity attributable to non-controlling interests	7,107	6,021	7,107
Closing equity	576,215	354,195	523,094

The parent company's income statement

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	1,354	1,021	4,326
Work carried out by the company on its own behalf and capitalised	20,297	-	96,966
Other operating income	-	30	-
	21,651	1,051	101,292
Operating expenses			
Other operating expenses	-	-15	-39
Development expenses	-20,297	-	-96 966
Administrative expenses	-7,918	-6,121	-25,372
Operating profit/loss	-6,564	-5,085	-21,085
Profit/loss from financial investments			
Interest income and similar income statement items	544	149	651
Interest expenses and similar income statement items	-16,218	-1,789	-6,907
Profit/loss after financial items	-22,238	-6,725	-27,342
Group contributions received	-	-	-
Tax	-	-	-
PROFIT/LOSS FOR THE PERIOD	-22,238	-6,725	-27,342

The parent company's balance sheet

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Non-current intangible assets			
Capitalised expenses	211,051	103,548	193,434
	211,051	103,548	193,434
Property, plant and equipment			
Expenses incurred through improvements to other people's property	54	270	108
Equipment	876	616	645
	930	886	753
Non-current financial assets			
Shares in group companies	61,892	61,230	61,590
Debts due from group companies	276,282	185,200	210,558
Shares in associated companies	34	35	35
Debts due from associated companies	-	2,510	-
Other non-current receivables	7,715	7,321	7,716
	345,923	256,296	279,899
Total non-current assets	557,904	360,730	474,085
Current assets			
Current receivables			
Accounts receivable	112	-	219
Debts due from group companies	-	-	-
Debts due from associated companies and JVs	24,618	21,523	34,655
Other receivables	12,032	2,900	5,128
Prepaid expenses and accrued income	6,831	1,450	1 525
	43,593	25,873	41,527
Cash at bank and in hand	281,589	21,691	212,556
Total current assets	325,182	47,564	254,083
TOTAL ASSETS	883,086	408,294	728,168

The parent company's balance sheet

TSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	500	50	500
Reserve for development expenses	211,050	-	193,434
	211,550	50	193,934
Non-restricted equity			
Other capital contributions	237,000	137,000	237,000
Retained earnings	-249,283	-10,441	-204,325
Profit/loss for the period	-22,238	-6,725	-27,342
	-34,521	119,834	5,333
Total equity	177,029	119,884	199,267
Non-current liabilities			
Debts owed to group companies	56,413	79	72,400
Non-current interest-bearing liabilities	529,990	-	353,020
	586,403	79	425,420
Current liabilities			
Current interest-bearing liabilities	-	206,560	-
Accounts payable	7,691	11,321	2,768
Income tax liabilities	130	151	191
Debts owed to group companies	93,318	63,770	90,068
Debts owed to associated companies and joint ventures	-	-	9,038
Other current liabilities	831	4,231	770
Accrued expenses and deferred income	17,684	2,298	645
	119,657	288,331	103,480
TOTAL EQUITY AND LIABILITIES	883,086	408,294	728,168

Notes

NOTE 1 ACCOUNTING POLICIES

SIBS applies the International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been drafted in accordance with IAS 34 Interim reporting as well as the Swedish Annual Accounts Act. The accounting policies and methods applied are the same as those described in SIBS' 2020 Annual Report.

The parent company is compliant with the Swedish Annual Accounts Act and RFR 2 (Accounting for Legal Entities). The application of RFR 2 means that the parent company applies all the IFRS and statements approved by the EU in the interim report on the legal entity.

New standards from 2021

None of the amended IFRS applicable from 2021 have had any impact on SIBS' financial reporting.

NOTE 2 JOINT ARRANGEMENTS

Projects carried out under a syndicate type arrangement, i.e. one based on joint ownership and control, are classified as "joint arrangements". Joint control exists when decisions require the unanimous consent of the parties that collectively share control.

In the case of SIBS' collaborative projects, SIBS and its other collaboration partners have joint control over the projects and the related agreements give the parties a right to the projects' net assets. These projects are identified as joint ventures and are accounted for in accordance with the equity method. This means that holdings in joint ventures are initially recognised at cost in the consolidated statement of financial position. The carrying amount is then increased or decreased to reflect the group's share of the profit/loss and other comprehensive income from its joint ventures after the acquisition date. The group's share of the profit/loss is included in the consolidated profit/loss and the group's share of other comprehensive income is included in the consolidated other comprehensive income.

NOTE 3 INVESTMENT PROPERTIES

Opening value

Additional acquisitions

Change in value

Disposals

Closing value

**Jan-March
2021**

393,000

7

14,993

-

408,000

Investment properties are valued by working with external valuation agencies and applying the company's documented internal valuation process.

Properties are initially valued at the start of construction by external valuation agencies and their market value is then continuously monitored. At the end of the reporting period, all the properties had been valued by external valuation agencies.

Property valuations are determined using the yield method. The yield method is based on calculating the present value of the estimated future cash flows in the form of net operating income. The net operating income is based on market-led assumptions.

NOTE 4 SHARES IN ASSOCIATED COMPANIES

Shares in associated companies

Opening cost

Förvärv

Share in profit/loss of associated companies/JVs

Reclassifications

Closing carrying amount

**Jan-March
2021**

258,117

10,346

65,017

13,515

346,995

Stockholm, 27 May
SIBS AB (publ)

Erik Thomaeus
CEO

This interim report has not been audited by the company's auditors.

Definitions and glossary

Operating surplus

Rental income less property expenses. A key performance indicator that is useful for measuring management profitability before central expenses, financial income and expenses and unrealised changes in value.

Interest coverage ratio

The operating surplus less central administrative expenses as a proportion of net interest income/expenses. The interest coverage ratio is used to show the income statement's sensitivity to changes in interest rates and central expenses.

Equity/assets ratio

Equity as a percentage of the balance sheet total at period-end.

Adjusted equity/assets ratio

Equity at period-end as a proportion of the balance sheet total adjusted for cash and cash equivalents. The equity/assets ratio is used as a key performance indicator to indicate long-term financial stability.

Residential floor area

The residential floor area refers to the surface area of a building that is usable for residential purposes. The residential floor area is the surface area from which rental income may be earned.

Gross floor area

The gross floor area is the sum of the surface area of every floor and is bounded by the outside of the encompassing building components. The gross floor area is used in many contexts, e.g. planning decisions, property valuations and fee calculations.

Planning permission

Planning permission refers to a permit to build a new building, or rebuild, extend or change the use of a building or facility. The purpose of this permit is to ensure that the project adheres to local land use and construction rules. In project summaries, planning permission refers to a permit that has become legally binding.

Development rights

The assessed possibility of building a property. The granting of development rights requires ownership of the land or some form of contract or agreement, such as a purchase agreement, land allocation agreement or cooperation agreement.

Detailed development plan, planning decision and awaiting planning decision

The planning process for detailed development plans is regulated by the Swedish Planning and Building Act. It is the municipality that decides on the start of the planning work.

The planning process may be initiated through a planning decision on when the planning work may begin, or by the municipality itself taking the initiative to starting the planning work. The planning decision sets guidelines for the rest of the planning process. The municipality assesses whether a preparatory plan is necessary when the planning work is initiated. Any preparatory plan undergoes a preparatory consultation before being submitted for approval.

The municipality produces a planning proposal together with the property owner/developer, which is then published for consultation. Consultations usually take around six weeks. When the consultation is complete, the municipality produces a consultation report in which all the opinions submitted during the consultation are compiled and discussed. A revised planning proposal is published a second time when it is issued for review. The review period lasts for at least two weeks.

After the review period, the municipality compiles and discusses the opinions submitted in a review report. After the review, only smaller adjustments may be made to the planning proposal before the decision on its adoption. The detailed development plan may be appealed after adoption.

The appeal period is three weeks from the municipality's announcement of the decision. If the detailed development plan is not overturned or appealed against, or if the appeals are rejected by the higher authorities, the detailed development plan becomes legally binding. This means that the detailed development plan determines the land use and construction rules applicable within the area.

Legally binding

A detailed development plan is a physical planning document that sets out how a limited area of a municipality or the equivalent should be built on and how it may be used. In project summaries, legally binding refers to a detailed development plan that has become legally enforceable.

Parametric modularisation

SIBS' proprietary modular design and construction system automates large parts of the planning process and industrialises construction. It offers greater design flexibility and significantly shorter planning and construction times. The method is almost as flexible as the site-built approach. This allows the construction of all types of apartment buildings without the limitations that other industrial home builders are often subject to.

Economic occupancy rate

Contract value as a proportion of rental value at period-end. This key performance indicator is expressed as a percentage and is useful for measuring vacancies, as a high percentage occupancy rate means a low economic vacancy rate.



Contact information

Erik Thomaeus
CEO, SIBS AB
et@sibsab.com
+46 070-755 78 98

Ulf Thomaeus
CFO, SIBS AB
ut@sibsab.com
+46 072-210 72 30

Upcoming financial report

The 2nd quarter interim report will be published in week 34 of 2021.

This information is the kind of inside information that SIBS AB (publ) is obliged to make public in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the contact people above, at 3pm CET on 27 May 2021.



 SIBS