

Aros Bostad's interim report for January - June 2022 shows significantly increased operating profit and high sales ratio in ongoing projects

Aros Bostadsutveckling AB publ ("Aros Bostad") delivers an interim report for January to June 2022 showing significantly increased operating profit and additional projects for own development. During the quarter, the divestment of a large portfolio with project properties was completed - corresponding to 878 rental apartments for a sales price of SEK 3.6 billion – which contributes to a ratio of 91 percent sold or booked apartments in ongoing projects. Furthermore, the agreement regarding a structural deal with ALM Equity was announced, which adds 34 new project opportunities.

Magnus Andersson, CEO Aros Bostad comments:

"The last quarter has brought further increased operating profit and through the divestment of the rental portfolio, which is one of the largest transactions so far this year, we have secured healthy project margins as well as improved cash flow. Along with the ongoing structural deal with ALM Equity, it means a large step towards becoming one of the leading residential developers in the Greater Stockholm area, which is completely in line with the new business plan that we presented during the quarter."

The period January – June 2022

- According to the segment reporting, the total operating income amounted to 317,802 TSEK (275,710). The gross result amounted to 89,884 TSEK (69,957) and the gross margin was 28.3 percent (25.4).
- According to the segment reporting, operating profit amounted to till 45,503 TSEK (25,305) and the operating margin was 14.3 percent (9.2). The profit for the period, according to segment reporting amounted to 44,073 TSEK (23,921).
- Operating income for the period, according to IFRS, was 14,700 TSEK (86,802) and operating profit was -18,904 TSEK (43,724). Revenue recognition according to IFRS is created at the time when the main part of the units has been handed over to customers. Handover and profit recognition, according to percentage of completion method, was done for O2 Orminge, Invernesshöjden and Milstena Skarpäng.
- 75 (137) apartments have been handed over to buyers during the period, the number of profit recognized apartments, according to IFRS, were 29 (110).
- The number of sold units during the period amounts to 989 (136).
- A total of 91 percent (60) of the units in production are sold or booked.

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Financial information in English at <https://arostad.se/investerare/in-english/>

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About Aros Bostad

Aros Bostad develops thoroughly planned residential housing, with healthy materials and timeless designs. The geographical market is primarily focused to areas with good public transportations within the greater Stockholm area, Uppsala and the Mälardalen region. With a long-term perspective and responsibility for the entire value chain, Aros Bostad creates a safe deal for home buyers as well as stable returns for the investors. The Company was founded in 2006 and had, as per 30 June 2022, 33 residential development projects in different stages of development corresponding to ca 4,900 units. Aros Bostad is listed on Nasdaq First North Growth Market and the Certified Adviser is Erik Penser Bank. Financial information is to be found at www.arosbostad.se/investerare