

# QUARTIERS TIERS

P R O P E R T I E S

**INTERIM REPORT  
JANUARY-JUNE 2022**

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## RECORD OPERATING CASH FLOW, REFINANCING AND A 15.6% INCREASE IN THE VALUATION OF BOHO CLUB MARBELLA - THESE ARE THE HIGHLIGHTS OF THE COMPANY'S BEST EVER SECOND QUARTER, LAYING THE FOUNDATION FOR PROFITABILITY IN THE COMING QUARTERS

### APRIL-JUNE 2022

- The second quarter saw net sales of SEK 54,043 (25,505) thousand, more than double the figure for the same period in 2021, in which, despite Covid-19, there was increased travel following low activity at the start of the year. Of net sales, apartment sales accounted for SEK 31,749 (9,510) thousand and income from operating activities for SEK 22,294 (15,995) thousand.
- The company's operating cash flow, including property sales, was a record SEK 21,117 (16,143) thousand, which was a 30.8% increase on the corresponding period in 2021. The positive cash flow is the result of good momentum in residential sales, with eight apartments sold in the quarter at consistently higher prices, as well as good occupancy rates and an average hotel price at Boho Club that, following continued quality improvements, has increased by 61% on the second quarter of 2021. These price increases are considered sustainable for the long term, as they are combined with continued top customer reviews on comparison sites such as booking.com and Tripadvisor. The company is expected to surpass its already positive cash flow with even better cash flow in the third quarter.
- Gross income totalled SEK 426 (-2,748) thousand. The improvement was mainly related to the company's successful pricing strategy, with increased costs due to inflation being translated into higher prices, resulting in positive gross income.
- Operating income before depreciation and amortisation amounted to SEK -1,096 (-2,480) thousand.
- Income after tax was SEK -8,856 (-16,227) thousand.
- Earnings per share were SEK -0.15 (-0.31).
- The company's NAV increased by 5% in the quarter, from SEK 5.38 per ordinary share at 31 March to SEK 5.65 per ordinary share at 30 June. The increase was mainly due to an increase in the valuation of Boho Club.

### JANUARY-JUNE 2022

- Net sales for the first half of the year, which is the weakest seasonally, amounted to SEK 88,970 (36,118) thousand.
- Revenue from operator activities was SEK 35,201 (20,151) thousand, an increase of SEK 74.7% on the same period last year.
- Revenue from the sale of properties during the period amounted to SEK 53,769 (15,967) thousand.
- The company's operating cash flow, including property sales, was SEK 7,175 (14,608) thousand.
- Gross income totalled SEK -5,885 (-9,492) thousand.
- Operating income before depreciation and amortisation amounted to SEK -7,223 (-7,775) thousand.
- Income after tax was SEK -29,660 (-31,795) thousand.
- Earnings per share for the first six months of 2022 were SEK -0.56 (-0.61).
- During the first half of the year, a total of 14 apartments in the company's complex in Benahavis were sold, compared with 5 in the first half of 2021. Profit, less selling costs, totalled SEK 27,037 (5,840) thousand. SEK 23,767 (7,960) thousand of this profit has been recognised in previous periods as an unrealised change in value. Income for the first six months of the year was therefore SEK 54 thousand before tax, compared with SEK -2,118 thousand in 2021. Increased demand allows sales to be made at a higher value.
- An external property valuation was carried out by Savills Aguirre Newman as of 30 June. The valuation indicates a real estate portfolio value of SEK 733 (755) million. The premium on the carrying amount is approximately SEK 243 million, compared with around SEK 179 million at 31 December 2021. The increase is attributable to Boho Club, which, owing to its positive performance, has appreciated by 15.6% in value compared with year-end 2021.
- Shareholders' equity at 30 June 2022 was SEK 241,269 (248,078) thousand.
- The company's net asset value at 30 June 2022 was SEK 325,919 (292,621) thousand, which equates to SEK 5.65 (5.65) per share. The net asset value has been adjusted for preference shareholders' share of equity (SEK 81,238 thousand) and accumulated unpaid dividends, as well as default interest on unpaid dividends (SEK 16,377 thousand).

### SIGNIFICANT EVENTS IN THE SECOND QUARTER

- On 3 June, the refinancing of the loan taken out by the company in 2020 in connection with the Covid-19 outbreak was completed. The new loan amounts to EUR 18,500 thousand and is secured against the Boho Club and CFS Residential properties, as well as pledges in a number of the company's subsidiaries. The interest payable on the new loan consists of a variable part and a base rate of 5%. This base rate may rise in line with the 3-month Euribor rate ('EURIBOR 3M') in the event that EURIBOR 3M exceeds zero. The variable part of the interest rate may gradually fall from the initial 1.50% to 0.75% if the company's loan-to-value ratio on the pledged assets decreases from the current level of around 58% to below 45%.

### SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD

- No significant events have occurred since the end of the period.

# QUARTIERS IN BRIEF

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**Quartiers Properties is a Swedish-owned real estate development company listed on Nasdaq First North in Stockholm. The company's business is geographically focused on Spain. Quartiers mainly invests in properties aimed at an affluent international target group.**

Quartiers is the only publicly listed property company in Sweden whose entire business is geographically focused on Spain. The company is active in two main segments: property development and operator activities.

The company draws on its Nordic background, with expertise in design and customer service that generates value in its property portfolio. Its products are created with a focus on a discerning Scandinavian target group. This helps to ensure the high quality of the company's projects, as well as an attractiveness that also appeals to numerous nationalities, including the local Spanish population.

In property development, the company invests in property projects in the premium segment. The company aims to maintain a well-balanced project portfolio with a continual return and cash flows in the form of realised sales.

Operator activities, which consist of hotel and restaurant management, generate current revenue while contributing to the creation of value in those of the company's projects in which operational management is an important part of property development. For example, the Boho Club concept, which the company created, is already in use at one of the company's properties and is contributing to improved net operating income, resulting in increases in value. The company intends to replicate this model at more properties.

The first half of 2022 showed strong sales growth compared with the first half of 2021 in both segments.

The conditions for continued growth are good. During the second quarter, the refinancing previously announced as imminent was completed. This refinancing means a significant reduction in interest costs of approximately SEK 12 million on an annual basis, but also significantly greater flexibility regarding the use of cash flows from realised property sales and the opportunity to take out new loans. The company is now

looking at new hotel properties with the potential to undergo the same transformation as the property that houses Boho Club has. The Boho Club concept and brand, combined with the know-how of operating a hotel and restaurant business created under challenging conditions, has laid the foundations for scalable growth.



The success of Boho Club in Marbella has enabled strategically important financing to be put in place during the quarter. This, together with the brand's continued growth in value, has laid the foundation for growth in the hotel segment.

# SUMMARY OF GROUP KEY PERFORMANCE INDICATORS

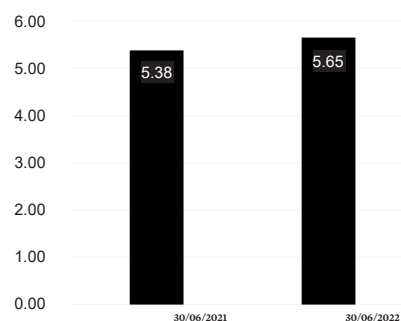
## SUMMARY OF KEY PERFORMANCE INDICATORS

Sales revenue for the first six months of the year increased by 146% on the same period in 2021. Net asset value per ordinary share was SEK 5.65 per share, compared with the current market price per ordinary share of SEK 4.40. This means the company's ordinary shares are trading at a 22.1% discount to net asset value, which does not include the value of the operating business and the Boho Club brand.

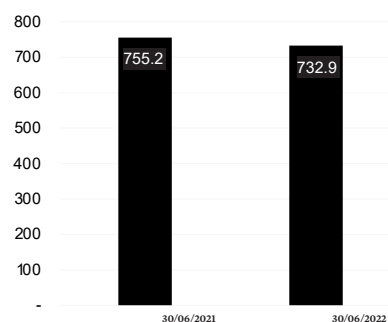
The decrease in property values is entirely related to the sale of apartments. The value of Boho Club does not include any new building rights in a new local development plan or the value of the operations themselves. These values are therefore also not included in the company's net asset value per ordinary share.



## NET ASSET VALUE PER ORDINARY SHARE SEK 5.65



## PROPERTY VALUE SEK 733 MILLION



Key performance indicators (SEK thousand)	30/06/2022 (Half-year)	30/06/2021 (Half-year)	31/12/2021 (Full year)	31/12/2020 (Full year)
Sales revenue	88,970	36,118	156,476	55,800
Operating profit/loss, EBITDA	-7,223	-7,775	-8,686	-31,189
Cash flow from operating and property sales*	7,175	14,608	71,837	-41,053
Property values**	732,902	755,237	709,721	754,008
Interest-bearing liabilities	278,048	316,569	288,441	314,736
Loan-to-value (LTV)	35.50%	39.61%	33.77%	39.64%
Equity/assets ratio, carrying amount	43%	40%	41%	43%
Equity/assets ratio, property market value	86%	68%	74%	67%
Number of employees (Group)	99	93	75	68
Net asset value per ordinary share***	5.65	5.65	5.85	6.09
Equity per share	4.18	4.79	4.44	5.44
Share price per ordinary share	4.40	5.38	4.13	9.50
Market capitalisation, ordinary shares	253,867	278,439	226,261	491,668

\*Cash flow from operating activities plus cash flow from divestment of commercial properties.

\*\*Most recent external valuation conducted in June 2022 by Savills Aguirre Newman in accordance with RICS (Royal Institution of Chartered Surveyors).

\*\*\*Equity adjusted for market valuation of the property portfolio after tax, taking into account preference shareholders' share of equity and unpaid dividends, as well as default interest on unpaid dividends.

# MESSAGE FROM THE CEO

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**Our focus on cash flow has paid off, with cash flow from operating activities, including interest expense and property sales, amounting to SEK 21.1 million, an increase of 32.7% on the second quarter of 2021. This cash flow, combined with the now completed refinancing, will allow us to both optimise our balance sheet and expand.**

During the quarter, we continued to invest in our personnel at Boho Club with the aim of creating a world-class hotel and restaurant experience. We are implementing a number of measures to continue to evolve, and constantly improve and refine the experience we offer our guests. These improvements have not gone unnoticed and we were able to increase our average price in the second quarter by 61% on the same period in 2021. The increase in revenue exceeds the additional costs required to achieve this higher level of experience, which in turn translates into higher operating profit for Boho Club and a higher property valuation. According to an updated valuation by Savills obtained for this report, the value of Boho Club has increased by 15.6% in local currency and by 21.1% in SEK, equivalent to SEK 55.4 million and SEK 0.95 per ordinary share, compared with year-end 2021.

We have spoken several times about an ongoing refinancing process, and in the second quarter we were pleased to announce that negotiations were completed and the contract had been signed. Once again, we are showing that we are able to attract investment from a leading international financial company, this time from a fund run by investment bank Alantra. The financing will not only halve our interest expense linked to the property, but will also increase the flexibility of the

companies in the Group located outside Boho Club and its neighbouring properties.

The focus is now on growth, both through organic growth, by continually improving sales and operating profit at Boho Club, and through acquisitions. We are currently actively seeking and evaluating new hotel projects, in particular, that can undergo a transformation similar to that at both Boho Club and Hacienda Collection. This time we already have an operating company in place with an experienced team. This allows for the rapid and efficient development of future projects.

An important piece of the puzzle to generate further growth is to continue to sell apartments at a high rate at good prices in Hacienda Collection. In the second quarter we sold 8 apartments for a total of SEK 31.7 million and the current estimate is that between 6 and 8 apartments will be sold in the third quarter.

While we are positive about the future, we are well aware of the risks in our operating environment, given the war in Ukraine, rising inflation and higher interest rates. This is something we are evaluating carefully, although we have actually reduced our interest expense currently through a successful property development. One of our priorities is to distribute unpaid dividends due on the company's preference shares as soon as possible. This will be done at a pace that does not put the company at undue risk from a liquidity and cash flow perspective, given the external risks that we are currently aware of.

**Marcus Johansson Prakt**  
CEO, Quartiers Properties



The best of both worlds; a gourmet lunch surrounded by nature, with swimming pool access. Boho Picnic is open once again, as it was in summer 2021. You're welcome to enjoy our picnic with swimming pool access, even if you are not staying at the hotel.

# OPERATOR ACTIVITIES

The company's operations, and in particular Boho Club which opened just before the outbreak of Covid-19, have been developed under complex and challenging conditions. Despite this, Boho Club was named by the Spain Luxury Hotel Awards as the best luxury boutique hotel in Spain in 2021.

The company currently has two operator businesses that are run independently of one another but with a number of functions shared between facilities to increase cost efficiency. These are Quartiers Marbella Apartments and Boho Club Marbella. The latter is the company's flagship and is a unique concept with strong profitability potential. Work is currently underway to identify new facilities in strategic locations.



## **BOHO CLUB**

Award-winning and exclusive hotel and restaurant project on Marbella's Golden Mile. The restaurant has been recommended in the Michelin Guide, and the hotel has received several awards for its distinctive design. It also won the award for Spain's best luxury boutique hotel 2021. The hotel has 30 rooms, with 2–4 beds in each room. This business generated sales of SEK 19.1 (12.7) million in the second quarter. EBITDA for the project was SEK 1.9 (1.2) million in the second quarter.

Work is underway on a new local development plan, which is expected to significantly increase the number of construction rights on the property and enable further development. The company is also working on a parallel track of real estate development, based on a recent law in Andalusia that allows property owners to propose changes within the framework of the existing master plan instead of waiting for a new one. Quartiers' plan to expand the property with more hotel rooms and restaurants is in the interests of both the municipality and Quartiers, and the prospects of obtaining more building permits are therefore deemed good.



## **QUARTIERS MARBELLA APARTMENTS**

Spacious and tastefully furnished apartments for short-term and long-term rentals.

In addition to renting out its own apartments, the company also runs a concierge business for external customers, which allows the business to develop into operating independently of its apartment holdings.

The business generated sales of SEK 3.3 (3.1) million and EBITDA of SEK 0.2 (0.7) million in the second quarter of 2022.

# PROJECT PORTFOLIO

The company's project portfolio currently consists of four different projects at different phases. From Hacienda Collection, which has been in the company's portfolio since its inception, to Centro Forestal Sueco, which has the potential to be the company's most important project to date. This balance of the portfolio allows for continual realisation of the value created.

All new projects are focused on the premium segment, which means projects have to be executed to high standards. Quartiers has gradually built up a high level of in-house expertise in all aspects of implementation through the projects it has carried out. From legal issues relating to acquisition and building permits to the implementation of construction, to the presentation and execution of sales to a specific target group.



## HACIENDA COLLECTION BY QUARTIERS

Apartments for sale in the Hacienda Collection, a gated community situated at the foot of the Sierra de Las Nieves mountain range. Eight apartments were sold in the second quarter, which is better than the target of six sales per quarter set by the company. The total sales value amounted to SEK 31.7 million. The realised increase in value, including selling costs, was approximately 77%. As of 30 June 2022, 61 apartments remained with a booked unrealised increase in value of SEK 109.3 million.



## OCEAN VIEW BY QUARTIERS

Apartment complex project in Benahavís with approximately 10,000 square metres of building rights to develop 60 new apartments. The area where the project is located continues to be consolidated with two new luxury residential projects nearby. During the second quarter, Quartiers submitted a building permit application to the municipality and is awaiting feedback in the coming months before the procurement process for financing and construction is finalised.



## CENTRO FORESTAL SUECO

This 13,730 square-metre property is located next to Boho Club and is less than two minutes' walk from the beach in Marbella. Quartiers is evaluating the possibility of developing a new hotel property on the site and is in the process of a new local development plan, and a separate alternative process similar to that underway for Boho Club with the aim of multiplying the building rights on the property, as well as making it possible to obtain the relevant building permit.



## RESIDENTIAL PLOT IN LOS FLAMINGOS

An exclusive villa project with the potential for over 1,000 sqm of living space is currently being planned. The villa is intended to be built and sold.

# COMMENTS ON THE PERIOD

This report has been prepared in accordance with IAS 34 – Interim Financial Reporting. See the 2021 Annual Report for complete details of the accounting policies.

## RESULTS APRIL-JUNE

Net sales increased from SEK 25,505 thousand to SEK 54,043 thousand.

Sales revenue from the divestment of properties amounted to SEK 31,749 (9,510) thousand and related to eight apartments in Hacienda Collection. Revenue from operator activities amounted to SEK 22,294 (15,995) thousand.

Gross income totalled SEK 426 (-2,748) thousand. Excluding depreciation, gross profit was SEK 2,919 (457) thousand.

Finance costs include the resolution of capitalised financing costs of SEK 4,177 thousand.

## CASH FLOW AND FINANCIAL POSITION

The equity/assets ratio at the end of the period was 43% (40%). The Group's interest-bearing liabilities amounted to SEK 278,048 (316,569) thousand. Interest-bearing liabilities are recognised less capitalised financing costs of SEK 10,528 (6,759) thousand. The loan-to-value ratio was 36% (40%). The Group's cash and cash equivalents amounted to SEK 28,413 (17,388) thousand.

Cash flow from operating activities amounted to SEK -15,742 (83) thousand in the first six months of the year. Cash flow from investing activities amounted to SEK 21,436 (13,369) thousand. Cash flow from financing activities was SEK -27,171 (-13,157) thousand. No dividend has been paid on the preference shares. Accumulated unpaid dividends, outstanding amount, at 30 June 2022, amounted to SEK 16,377 thousand, including accrual of interest at a rate of 12% per annum on the unpaid amount.

## PROPERTIES

Operating properties consist of a hotel property and apartments in an apartment complex that are rented out under the company's own management. Investments in operating properties during the period amounted to SEK 1,481 (1,156) thousand.

Project properties include ongoing property development projects and seven apartments with sale pending.

Investments in project properties in the period amounted to SEK 1,221 (1,037) thousand. The investments relate almost exclusively to monthly payments on a purchase option for a property adjacent to Boho Club.

## SHARES

Quartiers Properties has two classes of shares outstanding, in the form of ordinary shares and a series of preference shares. The ordinary and preference shares

in Quartiers Properties have been traded on Nasdaq First North Stockholm since 21 June 2017. The market value of the company's ordinary shares at 30 June 2022 totalled SEK 253.9 million, based on a closing price of SEK 4.40 per share.

Preference shares take precedence over ordinary shares for an annual dividend corresponding to SEK 0.96 per share, with payment being made quarterly. The most recent dividend was paid in connection with the first quarter of 2020. Until the refinancing of the company's loans that it took out during the Covid pandemic in July 2020, the company has been prevented from paying dividends as part of terms with external lenders.

The Board of Directors intends to present a plan for the payment of dividends on the preference shares and the payment of deferred dividends before the end of September. The company sees this as a priority use of current cash and intends to make full repayment as quickly as possible while maintaining a certain cash reserve deemed necessary to navigate any shift in external conditions.

Unpaid dividends are accumulated and included in the preferential amount that the preference shares have over the ordinary shares.

## PARENT COMPANY

The parent company's net sales for the first six months amounted to SEK 2,626 (764) thousand, of which SEK 254 (381) thousand was in the second quarter. Income after financial items amounted to SEK -8,670 (-2,376) thousand, of which SEK 1,340 (-1,223) thousand was in the second quarter. During the second quarter, the parent company's loans were refinanced by borrowing from the Spanish subsidiary CFS Marbella Hotel Property SL. The parent company's net financial debt was SEK 5,766 (194,649) thousand at 30 June. Equity totalled SEK 279,302 (273,968) thousand.

## SIGNIFICANT EVENTS IN THE SECOND QUARTER

- On 3 June, the refinancing of the loan taken out by the company in 2020 in connection with the Covid-19 outbreak was completed. The new loan amounts to EUR 18,500 thousand and is secured against the Boho Club and CFS Residential properties, as well as pledges in a number of the company's subsidiaries. The interest payable on the new loan consists of a variable part and a base rate of 5%. This base rate may rise in line with the 3-month Euribor rate ('EURIBOR 3M') in the event that EURIBOR 3M exceeds zero. The variable part of the interest rate may gradually fall from the initial 1.50% to 0.75% if the company's loan-to-value ratio on the pledged assets decreases from the current level of around 58% to below 45%.



# COMMENTS ON THE PERIOD

## EVENTS SINCE THE END OF THE PERIOD

- No significant events have occurred since the end of the period.

## RELATED-PARTY TRANSACTIONS

No related-party transactions took place during the period.

## RISKS AND UNCERTAINTIES

Quartiers Properties is exposed to risks and uncertainties through its business operations. For information about the Group's risks and uncertainties, please see the 2021 Annual Report. The description contained in that report remains relevant.

## AUDITOR

PwC is the company's auditor. Henrik Boman is the authorised public accountant. This report has not been subject to examination by the company's auditor.

## NEXT REPORTING DATE AND FINANCIAL CALENDAR

- Interim report for July through September 2022: 3 November 2022.
- Year-end report 2022: 23 February 2023.

## CERTIFICATION BY THE BOARD OF DIRECTORS AND CEO

The Board of Directors and Chief Executive Officer certify that this half-year report provides a true and fair overview of the parent company and Group's operations, position and earnings and describes significant risks and uncertainties faced by the parent company and Group companies.

**Stockholm, 14 July 2022**

Jörgen Cederholm, Chairman of the Board

Jimmie Hall, Board member

Sten Andersen, Board member

Andreas Bonnier, Board member

Marcus Johansson Prakt, Chief Executive Officer



## TEN LARGEST SHAREHOLDERS - 30 JUNE 2022

#	Shareholder	Ordinary shares	Preference shares	Capital	Votes
1	Egonomics AB	10,100,000	-	15.67%	17.30%
2	Fastighets Aktiebolag Bränneröd	7,251,186	100,000	11.40%	12.44%
3	House of K Holding Limited	6,401,253	-	9.93%	10.97%
4	Rocet AB	5,590,922	-	8.67%	9.58%
5	LMK companies & Foundation	3,500,000	1,473,000	7.71%	6.25%
6	SIX SIS AG	4,154,070	-	6.44%	7.12%
7	Bernt Lundberg Fastigheter Lund AB	2,680,228	-	4.16%	4.59%
8	CS Client Omnibus ACC	1,451,705	10,000	2.27%	2.49%
9	Leif Edlund	1,333,334	66,666	2.17%	2.30%
10	Hallandsmusteriet	1,281,561	-	1.99%	2.20%
	<b>Other</b>	<b>13,952,746</b>	<b>5,120,202</b>	<b>29.59%</b>	<b>24.76%</b>
	<b>Total</b>	<b>57,697,005</b>	<b>6,769,868</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Euroclear



# SUMMARY CONSOLIDATED INCOME STATEMENT

Amounts are stated in SEK thousand	Q2 2022	Q2 2021	H1 2022	H1 2021	Full year 2021
Divestment of properties	31,749	9,510	53,769	15,967	91,963
Revenue, operator activities	22,294	15,995	35,201	20,151	64,513
<b>Total net sales</b>	<b>54,043</b>	<b>25,505</b>	<b>88,970</b>	<b>36,118</b>	<b>156,476</b>
Cost of properties sold	-30,803	-10,960	-53,715	-18,085	-93,701
Operating costs	-22,814	-17,293	-41,140	-27,525	-72,062
<b>Total operating expenses</b>	<b>-53,617</b>	<b>-28,253</b>	<b>-94,855</b>	<b>-45,610</b>	<b>-165,763</b>
<b>Gross profit</b>	<b>426</b>	<b>-2,748</b>	<b>-5,885</b>	<b>-9,492</b>	<b>-9,287</b>
Central administration	-4,014	-2,937	-6,901	-4,840	-11,601
<b>Operating profit/loss</b>	<b>-3,588</b>	<b>-5,685</b>	<b>12,786</b>	<b>-14,332</b>	<b>-33,390</b>
- of which EBITDA	-1,096	-2,480	-7,223	-7,775	-21,166
Other operating income and expenses	0	-4,517	0	-4,377	-12,502
Profit/loss from financial items	-8,619	-7,287	-22,816	-15,076	-30,644
Profit/loss before tax	-12,207	-17,489	-35,602	-33,785	-64,034
Income tax	3,351	1,262	5,942	1,990	9,538
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-8,856</b>	<b>-16,227</b>	<b>-29,660</b>	<b>-31,795</b>	<b>-54,496</b>
Basic earnings per ordinary share, SEK	-0.15	-0.31	-0.56	-0.61	-1.03

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts are stated in SEK thousand	Q2 2022	Q2 2021	H1 2022	H1 2021	Full year 2021
<b>Profit/loss for the period</b>	<b>-8,856</b>	<b>-16,227</b>	<b>-29,660</b>	<b>-31,795</b>	<b>-54,496</b>
Other comprehensive income					
Translation differences from foreign operations	9,428	-2,598	13,341	-1,888	8,397
<b>Comprehensive income for the period</b>	<b>572</b>	<b>-18,826</b>	<b>-16,319</b>	<b>-33,683</b>	<b>-46,099</b>

# SUMMARY CONSOLIDATED BALANCE SHEET

Amounts are stated in SEK thousand	30/06/2022	30/06/2021	31/12/2021
<b>ASSETS</b>			
Operating properties	341,035	431,870	373,178
Right-of-use assets, equipment, tools and installations	16,723	14,764	14,687
Project properties	148,685	144,133	141,390
Financial assets measured at fair value	37	37	37
Current assets	25,941	19,115	18,117
Cash and cash equivalents	28,413	17,388	48,736
<b>TOTAL ASSETS</b>	<b>560,834</b>	<b>627,308</b>	<b>596,145</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to parent company shareholders	241,269	248,078	246,783
Deferred tax liabilities	27,333	39,234	31,912
Interest-bearing liabilities	278,048	316,569	288,441
Trade payables	4,455	4,727	4,178
Other liabilities	9,133	13,197	23,867
Accrued expenses and deferred income	596	5,503	964
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>560,834</b>	<b>627,308</b>	<b>596,145</b>

## CONSOLIDATED CHANGES IN EQUITY

Amounts are stated in SEK thousand	Equity attributable to		
	Parent company's owners	Non-controlling interests	Total shareholders' equity
<b>Opening balance at 01/01/2021</b>	<b>281,761</b>	<b>0</b>	<b>281,761</b>
Profit/loss for the period	-54,496	0	-54,496
Translation differences	8,397	0	8,397
New share issue	11,121	0	11,121
<b>Closing balance at 31/12/2021</b>	<b>246,783</b>	<b>0</b>	<b>246,783</b>
<b>Opening balance at 01/01/2022</b>	<b>246,783</b>	<b>0</b>	<b>246,783</b>
Profit/loss for the period	-29,660	0	-29,660
Translation differences	13,341	0	13,341
New share issue	10,805	0	10,805
<b>Closing balance at 30/06/2022</b>	<b>241,269</b>	<b>0</b>	<b>241,269</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts are stated in SEK thousand	Q2 2022	Q2 2021	H1 2022	H1 2021	2021
<b>Cash flow from operating activities</b>					
Operating profit/loss	-3,544	-5,794	-12,742	-14,332	-33,390
Of which profit/loss from divestment of properties	-946	1,450	-54	2,118	1,738
Of which attributable to minority interests		0	0	0	0
Depreciation, amortisation and impairment	2,479	3,205	5,563	6,557	12,223
Share in earnings of associates	0	101	0	0	0
Other non-cash items	0	0	0	0	7,869
Interest income and similar profit/loss items	0	74	-13	144	145
Interest paid (attributable to financing activities)	-8,928	-1,526	-15,514	-2,304	-9,038
<b>Cash flow from operating activities before changes in working capital</b>	<b>-10,939</b>	<b>-2,490</b>	<b>-22,760</b>	<b>-7,817</b>	<b>-20,453</b>
<b>Changes in working capital</b>					
Investments in project properties	-718	0	-1,221	-1,037	-2,053
Sale of project properties	5,863	0	25,917		34,164
Change in other inventories		0			-471
Change in operating receivables and liabilities	3,994	10,308	-17,678	8,937	11,183
<b>Total change in working capital</b>	<b>9,139</b>	<b>10,308</b>	<b>7,018</b>	<b>7,900</b>	<b>42,823</b>
<b>Cash flow from operating activities</b>	<b>-1,800</b>	<b>7,818</b>	<b>-15,742</b>	<b>83</b>	<b>22,370</b>
<b>Cash flow from investing activities</b>					
Divestment of operating properties	22,917	8,325	22,917	14,525	49,467
Reduction in non-current financial assets					
Acquisitions and investments in operating properties	-503	-618	-1,481	-1,156	-4,233
Investments in plant and equipment	0	0		0	-1,040
<b>Cash flow from investing activities</b>	<b>22,414</b>	<b>7,707</b>	<b>21,436</b>	<b>13,369</b>	<b>44,194</b>
<b>Cash flow from financing activities</b>					
New share issue	10,805	0	10,805	0	11,121
Loans raised	189,674	0	189,674	0	0
Loan repayments	-208,119	-5,838	-217,122	-13,157	-46,120
Other capitalised financing costs	-10,528	0	-10,528	0	0
<b>Cash flow from financing activities</b>	<b>-18,168</b>	<b>-5,838</b>	<b>-27,171</b>	<b>-13,157</b>	<b>-34,999</b>
Cash flow for the period	2,446	9,687	-21,477	295	31,565
<b>Cash and cash equivalents at start of period</b>	<b>25,022</b>	<b>7,567</b>	<b>48,736</b>	<b>16,959</b>	<b>16,959</b>
Exchange rate differences in cash and cash equivalents	945	134	1,154	134	212
<b>Cash and cash equivalents at end of period</b>	<b>28,413</b>	<b>17,388</b>	<b>28,413</b>	<b>17,388</b>	<b>48,736</b>

# SUMMARY OF PARENT COMPANY FIGURES

<b>Income statement (amounts are stated in SEK thousand)</b>	<b>Q2 2022</b>	<b>Q2 2021</b>	<b>H1 2022</b>	<b>H1 2021</b>	<b>2021</b>
Operating revenue	254	381	2,626	764	10,944
Operating expenses	-1,043	-1,542	-4,171	-2,074	-17,185
Operating profit/loss	-789	-1,161	-1,545	-1,310	-6,241
Profit/loss from financial items	2,130	2,384	-7,125	-1,067	844
<b>Profit/loss before tax</b>	<b>1,340</b>	<b>-1,223</b>	<b>-8,670</b>	<b>-2,376</b>	<b>-5,397</b>
<b>Profit/loss for the period</b>	<b>1,340</b>	<b>-1,223</b>	<b>-8,670</b>	<b>-2,376</b>	<b>-5,397</b>

## Comments on the income statement

The parent company's statement of comprehensive income is consistent with the profit/loss for the period. The parent company's operations mainly consist of managing the parent company's investments in subsidiaries, as well as financing activities. Operating revenue relates for the most part to the invoicing of services to subsidiaries, and, to a lesser extent, to the invoicing of services to external companies.

<b>Balance sheet (Amounts are stated in SEK thousand)</b>	<b>30/06/2022</b>	<b>30/06/2021</b>	<b>31/12/2021</b>
<b>ASSETS</b>			
Investments in Group companies	289,772	281,600	281,600
Non-current receivables from Group companies	0	187,208	171,226
Other non-current receivables and investments	37	37	900
Current assets	1,786	752	4,269
Cash and cash equivalents	967	797	1,759
<b>Total assets</b>	<b>292,562</b>	<b>470,394</b>	<b>459,803</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity	279,302	273,968	276,345
Non-current liabilities	6,733	194,812	181,996
Current liabilities	6,527	1,614	1,428
<b>Total shareholders' equity and liabilities</b>	<b>292,562</b>	<b>470,394</b>	<b>459,803</b>

# SUPPLEMENTARY DISCLOSURES


## SEGMENT REPORTING

Since 1 January 2021, the company's earnings have been separately measured for operator activities, currently consisting of Boho Club and Quartiers Marbella Apartments, and property development. Central administration and business development costs related to new projects are reported together under 'other'.

	Operator activities	Property divestment	Other	Total	Operator activities	Property sales	Other	Total
	<b>Q2 2022</b>				<b>Q2 2021</b>			
Revenue	22,294	31,749	0	54,043	15,995	9,510	0	25,505
Operating expenses	-20,163	-30,803	-4,173	-55,409	-14,085	-10,960	-2,940	-27,985
EBITDA	2,131	946	-4,173	-1,096	1,910	-1,450	-2,940	-2,480
Depreciation, amortisation and impairment	-2,492	0	0	-2,492	-3,205	0	0	-3,205
<b>Operating profit/loss</b>	<b>-361</b>	<b>946</b>	<b>-4,143</b>	<b>-3,588</b>	<b>-1,295</b>	<b>-1,450</b>	<b>-2,940</b>	<b>-5,685</b>

## INTEREST-BEARING LIABILITIES

	30/06/2022	30/06/2021	31/12/2021
<b>Non-current</b>			
Property loans	71,734	98,736	83,139
Lease liabilities	443	1,983	1,587
Investment loans	198,505	188,977	191,457
Capitalised financing costs	-8,447	-4,054	-2,702
<b>Total non-current interest-bearing liabilities</b>	<b>262,235</b>	<b>285,642</b>	<b>273,481</b>
<b>Current</b>			
Property loans	9,915	11,706	10,666
Lease liabilities	1,246	1,117	662
Investment loans	6,733	20,809	6,337
Capitalised financing costs	-2,081	-2,705	-2,705
<b>Total current interest-bearing liabilities</b>	<b>15,813</b>	<b>30,927</b>	<b>14,960</b>
<b>Total interest-bearing liabilities</b>	<b>278,048</b>	<b>316,569</b>	<b>288,441</b>



# QUARTIERS TIERS

P R O P E R T I E S

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