

A STABLE START TO THE YEAR

JANUARY – MARCH 2022

- Order bookings amounted to SEK 1,837 million (1,179) and the order backlog was SEK 11,966 million (13,126)
- Income amounted to SEK 2,052 million (1,950)
- Operating profit amounted to SEK 36 million (31)
- Cash flow from operating activities amounted to an outflow of SEK 5 million (2)
- Profit for the period amounted to SEK 55 million (46)
- At the end of the period, available cash and cash equivalents totaled SEK 747 million (775)
- The equity/assets ratio was 36.4 percent (35.7)
- An initial part of the Auriga block in the Karlstad district was sold to joint venture Karlstad Group AB, which is owned jointly by Serneke and Fastighets AB Balder.

SEK million	Jan–Mar 2022	Jan–Mar 2021	Apr–Mar 2021/2022	Jan–Dec 2021
Income	2,052	1,950	8,837	8,735
Operating profit	36	31	240	235
Operating margin, %	1.8	1.6	2.7	2.7
Profit/loss for the period	55	46	358	349
Earnings per share, SEK, before dilution	1.95	1.65	12.77	12.48
Earnings per share, SEK, after dilution	1.95	1.65	12.77	12.48
Equity per share, SEK, after dilution	89.27	77.35	89.27	87.85
Equity/assets ratio, %	36.4	36.2	36.4	35.7
Net debt	-1,006	-135	-1,006	-873
Net debt/EBITDA	-3.2	0.9	-3.2	-2.8
Net debt/equity ratio, %	-39.8	-6.2	-39.8	-35.4
Order bookings	1,837	1,179	7,003	6,345
Order backlog	11,966	13,126	11,966	12,101

CEO STATEMENT

As we sum up the first quarter of the year, I can affirm that we have continued to succeed in delivering in accordance with our strategy for stability and profitability. Consolidated income and profit were somewhat improved compared with the first quarter of the preceding year. This was achieved in a global situation pervaded by considerable uncertainty.

First and foremost, the war in Ukraine is an incomprehensible human catastrophe occurring in our immediate vicinity. This affects us all, on a human level through the media reports reaching us, and also impacts our operations in several ways. As we are a company that seeks to contribute positively to society, it goes without saying that we tried, during the quarter, to contribute to the collective relief effort taking place in many parts of society.

Naturally, the international situation will impact both the economy and the markets in which we operate. The world is still dealing with the effects of the pandemic and the consequences of the war in Ukraine have accentuated a situation in which prices for materials are rising, transport is impacted and where inflation and interest rates will affect purchasing power and demand. This requires us to be vigilant, to maintain a close dialogue with customers and suppliers and to keep good order in our agreements to minimize the risks that the external situation could cause.

In accordance with our plans, Serneke Sweden's contracting operations continue to generate additional stable profitability through discipline and by focusing on appropriate projects. Increased income and a positive trend in both operating profit and operating margin for the business area, compared with the first quarter last year, testify to this. I am pleased that we are succeeding in this despite the impact of the winter months and the price increases resulting from the global situation.

Our order bookings for the quarter were an improvement on the same period last year, again signaling stable development. Although developments associated with the global situation entail possible impacts on housing construction among private clients, we perceive continued strong demand for community service properties going forward. Our order book remains strong, affording us security. It is worth noting here that some projects, initially developed in-house, have been divested but have yet to be entered in the order book, including projects in the Karlastaden district.

Our ambition to regularly conduct transactions through Serneke Invest was also incorporated into the strategy during



the first quarter of the year. With the transfer of the Auriga block in the Karlastaden district to

Karlastaden Group AB, our joint venture with Balder, we have taken another decisive step in making the new district a reality. During the quarter, construction of the Karlatornet tower passed the halfway point in becoming the Nordic region's tallest building – not only transforming Gothenburg's skyline, but also generating pride in the company and confidence in what we deliver.

Our newly formed Group Management has now had the opportunity to work together for a number of months and I am very pleased to report that we are fully occupied accelerating our development process. As a company, we have set our sights on remaining relevant in the industry by further developing our offering. I look forward to being able to tell you more about how Serneke will develop over the upcoming quarters.

Michael Berglin, President and CEO

ORDER BOOKINGS AND ORDER BACKLOG

Order bookings SEK million	Jan–Mar 2022	Jan–Mar 2021	Apr–Mar 2021/2022	Jan–Dec 2021	Order backlog SEK million	Mar 31 2022	Mar 31 2021	Dec 31 2021
Contracting	1,837	1,179	7,003	6,345	Contracting	11,966	13,126	12,101

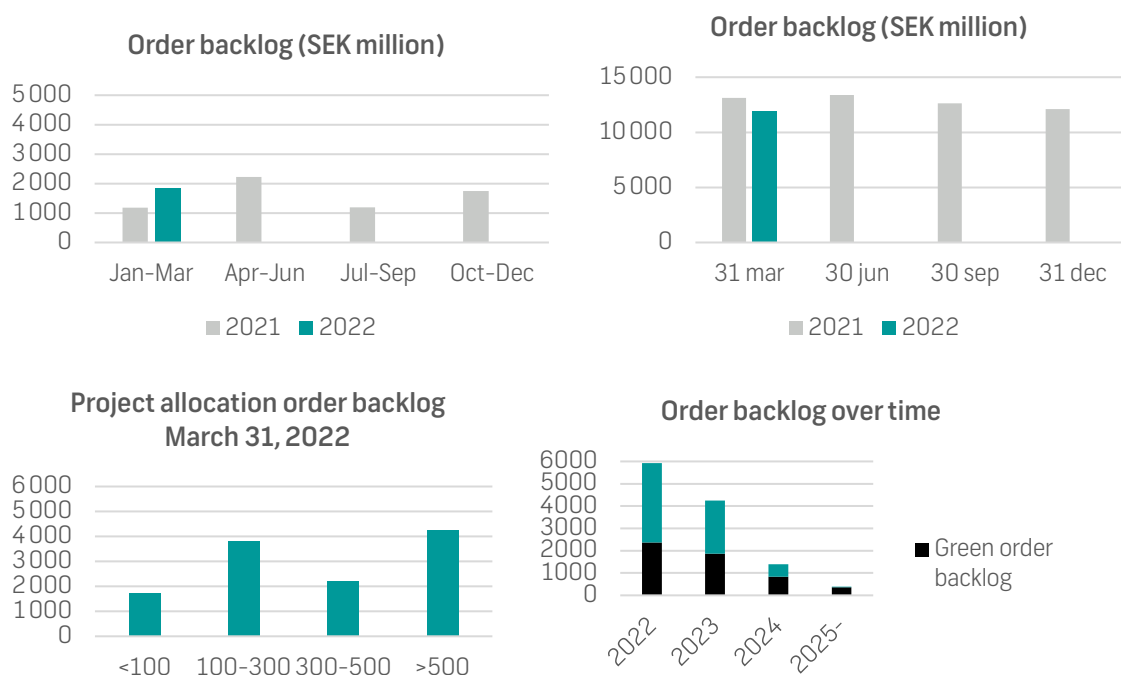
External order bookings amounted to SEK 1,837 million (1,179) for the quarter. The emphasis of the assignments secured during the quarter is on housing production and community service properties. The largest individual order in the quarter amounted to SEK 548 million and pertains to a contracting agreement signed with ICA Fastigheter to build a completely new neighborhood in Brunnsög, Lund. The project encompasses slightly more than 22,000 m² distributed between a commercial property at the entrance level and a residential property above. Production is scheduled to commence early in the second quarter of 2022.

The market situation is affected by the ongoing war in Ukraine and leads to uncertainty about economic developments and industry prospects. Underlying

demand remains, although reflecting a certain continued shift from private clients for residential projects to local government clients, with increased orders for public spaces and public properties. The effects of the war may reinforce this development.

At the end of the first quarter, the external order backlog amounted to SEK 11,966 million (13,126). This entails a decrease of 9 percent compared with the corresponding quarter in the preceding year.

Of the order backlog for the upcoming years, green projects account for SEK 5,442 million. The projects involve constructing properties in accordance with established certification requirements that agree with Serneke's green framework.



NEW ASSIGNMENTS WITH ORDER VALUES OF MORE THAN SEK 100 MILLION IN JANUARY – MARCH 2022

Assignment	Location	Order value (SEK million)	(Anticipated) start of construction
Retail/Housing	Lund	548	Second quarter 2022
Public buildings	Vänersborg	260	First quarter 2022

INCOME AND PROFIT

SEK million	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
Income	2,052	1,950	8,837	8,735
Operating profit	36	31	240	235
Net financial items	2	7	16	21
Earnings after financial items	38	38	256	256
Tax	17	8	102	93
Profit/loss for the period	55	46	358	349

JANUARY – MARCH 2022

Consolidated income amounted to SEK 2,052 million (1,950), an increase of 5 percent. Income for Business Area Sweden increased by 14 percent to SEK 2,026 million (1,770), which is largely explained by the Karlatornet tower being in full production in and by projects included in previously divested portfolios also being produced at a high rate. Business Area Invest's income amounted to SEK 501 million (337) with the increase consisting primarily of the sale of the Auriga Block to the Karlastaden Group AB joint venture, as well as of contracting income SEK 289 million for the Karlatornet AB joint venture. Group-internal eliminations amounted to SEK 521 million and pertained primarily to internal deliveries to Karlastaden.

Operating profit amounted to SEK 36 million (31), with Business Area Invest contributing most through its sale of parts of the Auriga block to the Karlastaden Group AB joint venture. Contracting operations in Business Area

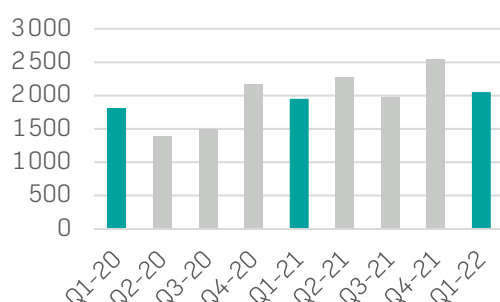
Sweden also had a positive effect on operating profit. Compared with the preceding year, the margin in ongoing projects for the quarter reflects a financial trend in the right direction.

Net financial items amounted to SEK 2 million (7), with the decrease mainly being attributable to increased interest expenses on borrowings. During the quarter, borrowing expenses of SEK 12 million (12) on project properties were capitalized.

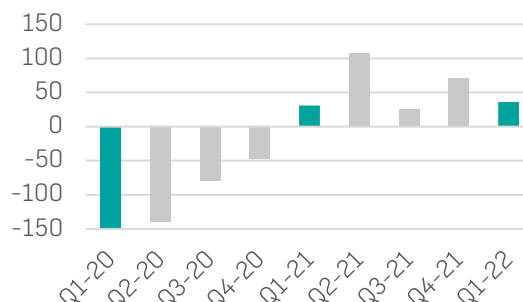
The Group reported an estimated tax expense of SEK 17 million (8). The positive tax effect for the quarter is explained by non-taxable income and a change in deferred tax related to loss carryforwards.

Profit for the period amounted to SEK 55 million (46) and earnings per share after dilution for the quarter were SEK 1.95 (1.65).

Sales per quarter



Operating profit per quarter



FINANCIAL POSITION

SEK million	Mar 31 2022	Mar 31 2021	Dec 31 2021
Total assets	6,946	5,965	6,914
Total equity	2,527	2,161	2,467
Net debt	-1,006	-135	-873
Net debt/EBITDA	-3.2	0.9	-2.8
Cash and cash equivalents	547	288	575
Equity/assets ratio, %	36.4	36.2	35.7

As of March 31, the consolidated balance sheet total amounted to SEK 6,946 million (6,914) and the equity/assets ratio was 36.4 percent (35.7). At the end of the period, cash and cash equivalents amounted to SEK 547 million (575), with the Group also having a credit facility of SEK 300 million. The credit facility can be used as a credit account (SEK 200 million) or as bank guarantees (SEK 100 million, of which SEK 76 million have been utilized). At the end of the period, available cash and cash equivalents totaled SEK 747 million (775). The Group also holds granted but unused building credits of SEK 677 million, meaning that financing for future projects developed in-house is secured. Additionally, the joint venture Karlatornet AB, which is owned 50-percent by Serneke, has a granted but unused building credit of SEK 1,846 million.

On March 31, equity amounted to SEK 2,527 million (2,467). The change consists of profit for the period of SEK 55 million and share-based remunerations of SEK 5 million.

On March 31, net borrowing amounted to SEK 1,006 million (873). The change is primarily attributable to an increase in long-term interest-bearing receivables of SEK 98 million in connection with the sale of the Auriga Block to the Karlastaden Group AB joint venture. The bond matures in December, with the conditions for refinancing this debt being deemed as favorable. The change is also explained by repayments of SEK 130 million on bank loans and an increase in cash and cash equivalents.

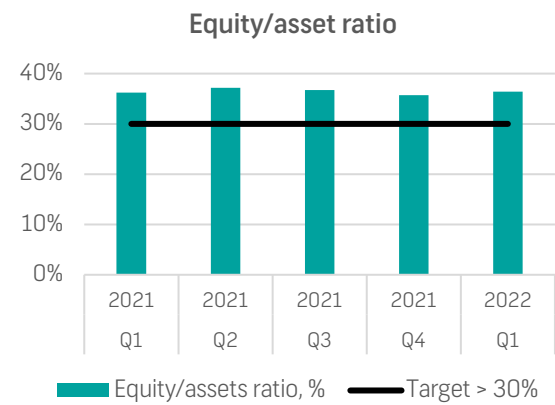
Interest-bearing receivables amounted to SEK 2,009 million, mainly comprising receivables incurred in connection with Serneke and Balder entering into transactions regarding the Karlastaden district.

Net debt SEK million	Mar 31 2022	Mar 31 2021	Dec 31 2021
Bank loans	88	70	210
Utilized bank overdraft facility	-	-	-
Construction credits, housing cooperative projects	348	78	269
Bonds	517	716	516
Financial lease liabilities	85	78	84
Additional lease liabilities, IFRS 16	237	283	248
Loans from the Swedish Tax Agency	275	275	275
Other interest-bearing liabilities	-	4	-
Interest-bearing receivables	-2,009	-1,351	-1,900
Cash and cash equivalents	-547	-288	-575
Net debt	-1,006	-135	-873

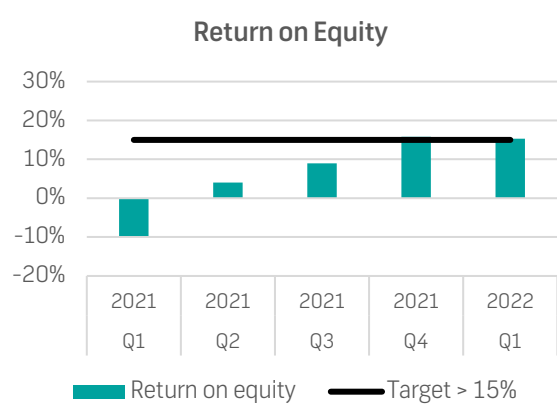
The credit facility of SEK 200 million at Nordea is subject to a covenant requiring the Group to maintain an equity/assets ratio of 30 percent, as well as a covenant in terms of EBITDA. As of the reporting date of March 31, 2022, the covenant had been met.

GROUP FINANCIAL TARGETS

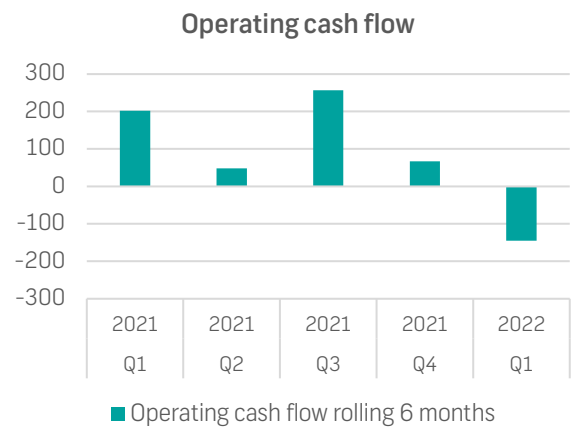
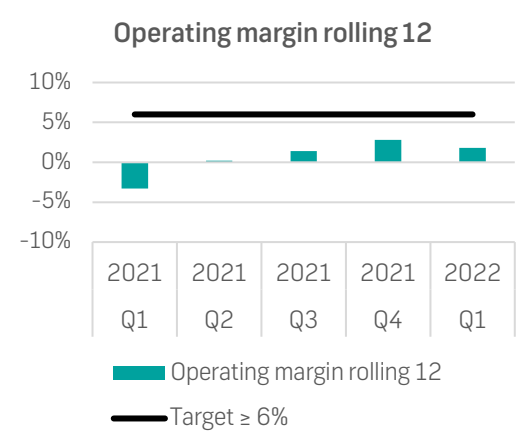
The equity/assets ratio shall exceed 30 percent.



The return on equity shall exceed 15 percent.



The operating margin shall exceed 6 percent. Positive operating cash flow each quarter on a rolling six-month basis.



CASH FLOW

	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
SEK million			
Cash flow from operating activities	-5	-2	115
Cash flow from investment activities	-8	0	20
Cash flow from financing activities	-15	56	206
Cash flow for the period	-28	54	341
Cash and cash equivalents at beginning of period	575	234	234
Cash and cash equivalents at end of period	547	288	575

JANUARY – MARCH 2022

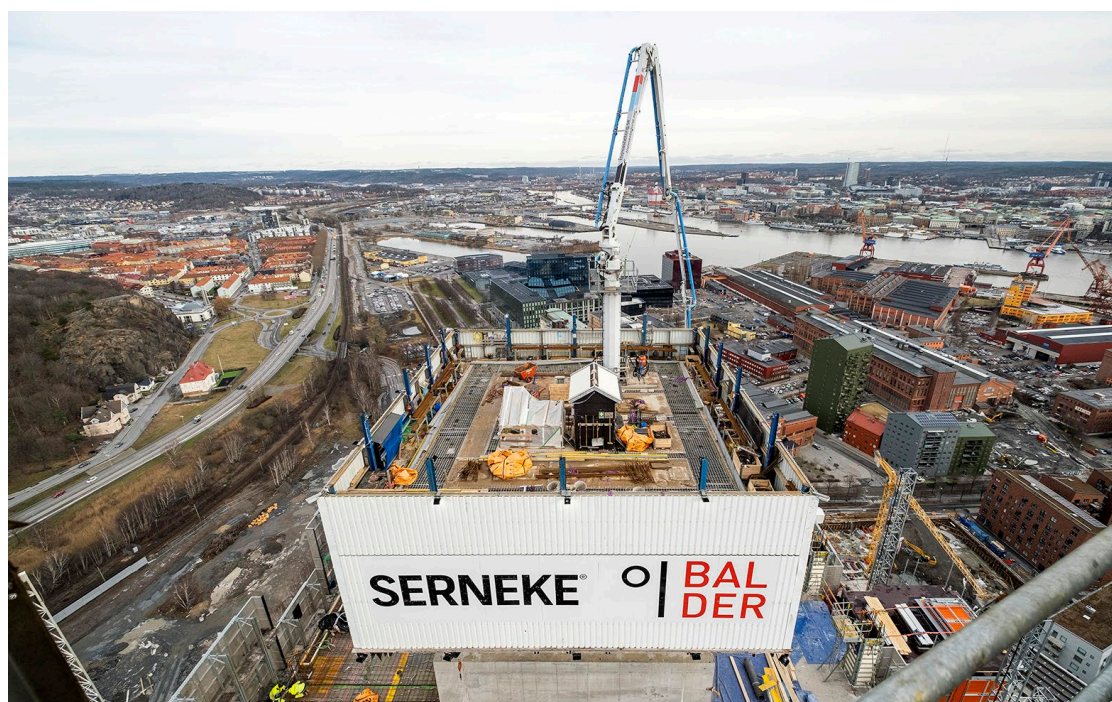
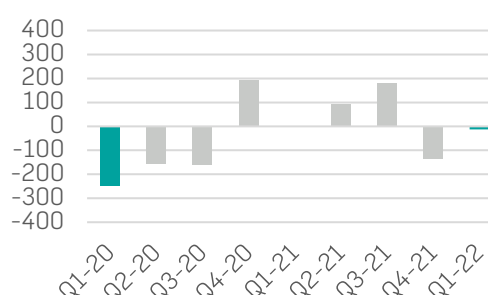
Cash flow from operating activities amounted to an outflow of SEK 5 million (2), with cash flow from changes in working capital amounting to an inflow of SEK 104 million (outflow 5).

Cash flow from investing activities amounted to an outflow of SEK 8 million (0).

Cash flow from financing activities amounted to an outflow of SEK 15 million (inflow 56) and was mainly attributable to loan repayments of SEK 130, newly raised loans of SEK 88 million, and contributions of SEK 44 million paid to tenant-owner housing associations.

Cash flow for the period amounted to an outflow of SEK 28 million (inflow 54).

Cash flow before financing



In March, the Karlatornet tower reached halfway to its full height of about 245 meters. Photo: Kasper Dudzik

OVERVIEW BUSINESS AREAS

The Serneke Group is divided into three segments: Sweden, Invest and International, which are reported as individual operating segments.

Business Area Sweden conducts contracting operations in the areas of construction, civil engineering and infrastructure, as well as project development operations by developing project and development properties. The business area conducts construction contracting for both external customers, as well as Business Area Invest.

Business Area Invest conducts development projects with a higher degree of complexity, a higher transaction risk and a greater need for capital to be tied up.

The business area generates internal assignments for Serneke Sweden's contracting operations.

Business Area International brings the Group's international investments together. The business area is in the start-up phase and currently comprises an interest in an Australian construction company and an ongoing project-export initiative. Due to its current scope, the segment will not be described in this report, other than in the tables below on this page and in the "multi-year overview" on page 15.

Other operations are reported under Group-wide, which primarily comprises Group functions and Group-wide provisions.

SALES

	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
SEK million				
Sweden	2,026	1,770	8,359	8,103
Invest	501	337	1,850	1,686
International	0	0	0	0
Group-wide	46	33	168	155
Eliminations	-521	-190	-1,540	-1,209
Total	2,052	1,950	8,837	8,735

OPERATING PROFIT

	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
SEK million				
Sweden	10	-10	77	57
Invest	60	71	308	319
International	-5	-4	-19	-18
Group-wide	-11	-17	-66	-72
Eliminations	-18	-9	-60	-51
Total	36	31	240	235

SEASONAL VARIATIONS

To a certain extent, Serneke's operations are subject to seasonal effects. The contracting operations normally experience lower activity in the first quarter of the year due to fewer production days and, to a greater extent than normal, the weather during the winter months. Earnings are also affected by where public holidays fall, as this affects the number of production days.

SWEDEN

	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
SEK million				
Income	2,026	1,770	8,359	8,103
Operating profit	10	-10	77	57
Operating margin, %	0.5	-0.6	0.9	0.7

JANUARY – MARCH 2022

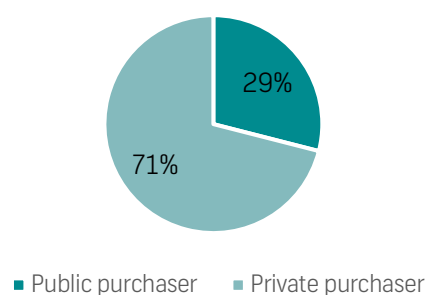
Income amounted to SEK 2,026 million (1,770), an increase of 14 percent, which is largely explained by the Karlatornet tower being in full production.

Operating profit amounted to SEK 10 million (loss 10) and the operating margin was 0.5 percent (negative 0.6). Operating profit and operating margin for the quarter were affected by seasonal variations related to weather conditions, indirect effects of the corona pandemic (delays), as well as price increases in the market due to the invasion of Ukraine. Compared with the preceding year, operating profit for the quarter shows financial development in the right direction, with this having been the fourth consecutive quarter in profit. The operating margin for the quarter shows development in the right direction, reflecting the strongest start of a year since our reorganization in early 2020.

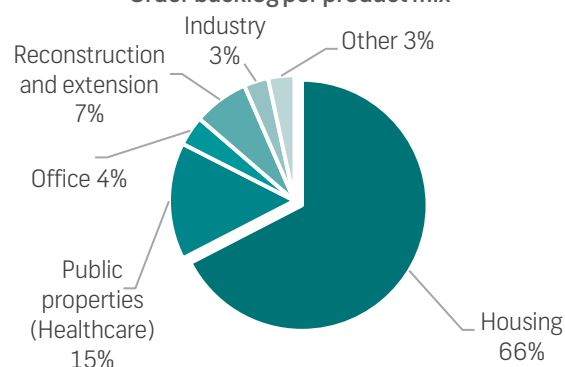
Building rights and housing production

In the first quarter, all building rights and housing production being developed in-house were transferred to the Invest segment. To provide a comprehensive and fair picture of development over time, the table for the Invest segment on page 10 includes comparative figures for previous periods from the Sweden segment.

Order backlog per client



Order backlog per product mix



INVEST

SEK million	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
Income	501	337	1,850	1,686
Share in profit of associates and joint ventures	4	5	13	-6
Operating profit	60	71	298	319
Operating margin, %	12.0	21.1	16.1	18.9

JANUARY – MARCH 2022

Income amounted to SEK 501 million (337) with the increase consisting primarily of the partial sale of the Auriga block to the Karlstad Group AB joint venture, as well as onward invoicing of contracting performed by Business Area Sweden for the Karlatornet AB joint venture.

The participation in the profit of associates and joint ventures amounted to SEK 4 million (5).

Operating profit amounted to SEK 60 million (71). The positive operating profit is mainly explained by the partial sale of the Auriga block to Balder. Hotel operations were also affected positively, with increased activity following the ending of the corona pandemic restrictions.

Project and development properties

As of March 31, 2022, the total book value of Business Area Invest's project development portfolio amounted to SEK 1,645 million.

Development rights Number (GFA)	Mar 31 2022	Mar 31 2021*	Dec 31 2021*
Development rights on own balance sheet	162,896	230,787	196,624
Development rights through joint ventures	82,345	52,300	81,854
Agreed development rights not yet taken into possession	594,784	530,473	582,436
Total	840,024	813,560	860,914

*Comparative figures have been adjusted to include previous balances from the Sweden segment. See page 10

Housing construction projects developed in-house	Mar 31 2022	Mar 31 2021*	Dec 31 2021*
Number of housing units under construction during the period	18	0	144
Number of housing units sold during the period	74	12	65
Total number of housing units under construction at the end of the period	374	404	532
Number of repurchased housing units on the Company's own balance sheet at the end of the period	0	4	0

*Comparative figures have been adjusted to include previous balances from the Sweden segment. See page 10

PARENT COMPANY

Serneke Group AB's (publ) operations mainly comprise Group management and Group-wide services.

Income for January-March amounted to SEK 46 million (33) and consisted primarily of intra-group services. Operating profit for the same period amounted to SEK 6 million (loss 11).

The Parent Company is indirectly affected by the risks described in the section Significant risks and uncertainty factors.

RELATED-PARTY TRANSACTIONS

The nature and extent of transactions by related parties can be found in Note 33 of the 2021 Annual Report. During the year, related party transactions have occurred with Lommen Sjöbefälet AB, Kongahälla Shopping AB, Ola Serneke Holding AB, Kviberg Skidanläggning AB, Limestone Management AB, JV Sersund AB, JV Karlatornet AB, JV Karlastaden Group AB and the associated company Änglagården. Transactions with related parties have been made on market terms.

Presented below are transactions between Serneke and related parties conducted between January 1 and March 31, 2022:

Transactions with Lommen Sjöbefälet AB are considered to be related party transactions as the Company's main owner, Ludwig Mattsson, is a member of the Board of Serneke Group AB. The transactions consist primarily of the rent for Serneke's head office and purchases amounting to SEK 3.2 million. Transactions with Kongahälla Shopping AB are considered to be related party transactions as the Company's main owner, Ludwig Mattsson, is a member of the Board of Serneke Group AB. The transactions primarily involve contracting income amounting to SEK 1.2 million.

Transactions with Ola Serneke Holding AB are considered to be related party transactions as Ola Serneke is the principal shareholder in Serneke Group AB. Purchasing amounted to SEK 0.1 million and mainly comprised expenses for the settlement of assets in 2020 between Serneke and Kviberg Skidanläggning AB, which is owned by Ola Serneke Holding AB, and is thus considered a related party transaction.

Transactions with Michael Berglin are considered related party transactions as Michael Berglin is a member of Group Management. The transactions involve contracting income amounting to SEK 9.6 million as of March 31. Transactions with Limestone Management AB, Per Åkerman's consulting company, are considered to be related party transactions as Per Åkerman is a member of

the Board of the Company. The transactions relate to consultancy fees of SEK 0.3 million for tasks beyond the Board assignment.

Transactions with Sersund AB (joint venture) are considered to be related party transactions as Serneke holds 50 percent of Sersund and the transactions consist mainly of income of SEK 2.4 million from contracting services. Transactions with Karlatornet AB (joint venture) are considered to be related party transactions as Serneke owns 50 percent of Karlatornet AB as of December 17, 2020. The transactions primarily involve contracting income of SEK 289 million.

Transactions with Karlastaden Group (joint venture) are considered related party transactions as Serneke owns 50 percent of Karlastaden Group AB. The transactions primarily involve contracting income of SEK 26.2 million. Transactions with the associated company Änglagården are considered to be related party transactions as Serneke owns 40 percent of Änglagården. The transactions primarily involve outsourcing of staff, rent for premises and rent for the arena, respectively. Income amounted to SEK 1.1 million and purchases to SEK 6.7 million.

SIGNIFICANT RISKS AND UNCERTAINTIES

Serneke's operations entail several types of risks, both operational and financial. Operational risks are related to the daily operations and can apply to tenders or project development, assessment of profits, risks linked to production or the price trend. Operational risks are managed by the internal business management that has been developed within the Group. Identifying and managing Serneke's risks is crucial to the Group's profitability. Each segment manages its risks based on the business management and developed procedures and processes. Serneke's financial risks such as interest rate, liquidity, financing and credit risks are managed centrally in order to minimize and control risk exposure. The liquidity situation is assessed on an ongoing basis by the Board and Group Management. The Board's assessment is that Serneke acts on the basis of good rules of procedure and ensures that sufficient liquidity is obtained to safeguard its continued operation.

For further information on risks, as well as critical estimates and assessments, see the Board of Directors' Report and Notes 3 and 4 in the 2021 Annual Report. The descriptions in the Annual Report remain relevant. The Annual Report is published at www.serneke.group.

OTHER SIGNIFICANT EVENTS DURING THE REPORT PERIOD

The corona virus pandemic

During the quarter, Covid-19 ceased being classified as a generally and socially hazardous disease. However, Serneke continues to monitor closely developments surrounding the corona pandemic and its effects in both the short and long term.

The war in Ukraine

Russia's invasion of Ukraine in February 2022 intensified the effects on the global economy that became apparent during the corona pandemic. The sanctions against Russia and Belarus introduced as a result of the war and the widespread uncertainty in the global economy are affecting the supply and transport of materials, as well as inflation and interest rate trends. Looking ahead, this will affect prices and probably also demand.

SIGNIFICANT EVENTS FOLLOWING THE REPORT PERIOD

Following the reporting period, Serneke also implemented the second part of the sale of the Auriga block in the Karlastaden district to Karlastaden Group AB, a joint venture in which Serneke and Fastighets AB Balder have equal holdings. This part comprises the lower podium portion of the future block and has an underlying property value of SEK 291 million.

THE SERNEKE SHARE (SRNKE)

Serneke Group AB has two share series, Series A and B. Serneke had approximately 7,240 shareholders as of March 31, 2022 and the closing price on March 31, 2022 was SEK 48.95.

Serneke's ten largest shareholders, March 31, 2022

	Series A shares	Series B shares	Total number of shares	Percentage of shares outstanding, %	Percentage of votes, %
Ola Serneke Holding AB	3,710,000	2,426,686	6,136,686	21.68%	52.56%
Lommen Holding AB	540,000	3,646,482	4,186,482	14.79%	12.03%
Christer Larsson i Trollhättan AB	380,000	507,000	887,000	3.13%	5.73%
Ledge Ing AB	330,000	450,000	780,000	2.76%	4.99%
Vision Group i väst AB	250,000	550,662	800,662	2.83%	4.06%
Fastighets AB Balder	0	2,300,000	2,300,000	8.13%	3.06%
Svolder Aktiebolag	0	2,077,608	2,077,608	7.34%	2.76%
Försäkringsaktiebolaget Avanza	0	1,040,944	1,040,944	3.68%	1.38%
Novobis AB	0	640,000	640,000	2.26%	0.85%
Michael Berglin	0	366,708	366,708	1.30%	0.49%
Total, 10 largest	5,210,000	14,006,090	19,216,090	67.89%	87.91%
Other shareholders	0	9,090,615	9,090,615	32.11%	12.09%
Total shares outstanding	5,210,000	23,096,705	28,306,705	100.00%	100.00%
Repurchased shares	0	446,527	446,527		
Total shares registered	5,210,000	23,543,232	28,753,232		

Source: Euroclear and Serneke

Share series, number of shares and votes, March 31, 2022.

Share class	Shares	Votes
Series A shares	5,210,000.00	5,210,000.00
Series B shares	23,096,705.00	2,309,670.50
Total	28,306,705.00	7,519,670.50

FINANCIAL CALENDAR

Interim Report January–June	July 15, 2022
Interim Report January–September	October 27, 2022
Year-end report 2022	February 8, 2023

The Board hereby certifies that this interim report provides a fair overview of the operations, position and earnings of the Parent Company and the Group and describes the significant risks and uncertainties that Serneke faces.

This report has not been reviewed by the Company's auditors.

Gothenburg, May 5, 2022
Serneke Group AB (publ)

Board of Directors

Jan C. Johansson
Chairman

Mari Broman
Member

Ludwig Matsson
Member

Veronica Rörsgård
Member

Lars Kvarnsund
Member

Fredrik Alvarsson
Member

Per Åkerman
Member

For further information:

Michael Berglin, CEO
E-mail: michael.berglin@serneke.se
Phone: +46 (0) 31 712 97 00

Anders Düring, CFO
E-mail: anders.during@serneke.se
Phone: +46 (0) 70 88 87 733

This information is such that Serneke Group AB (publ) is obliged to publish pursuant to the EU Market Abuse Regulation. The information was submitted for publication on May 5, 2022, at 8:00 a.m. CET.

QUARTERLY DATA AND MULTI-YEAR REVIEW

	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
SEK million	2022	2021	2021	2021	2021	2020	2020	2020
Income								
Sweden	2,026	2,389	1,925	2,019	1,770	2,025	1,592	1,461
Invest	501	580	322	447	337	223	28	28
International	0	0	0	0	0	0	0	0
Group-wide	46	42	46	33	33	17	20	14
Eliminations	-521	-468	-325	-225	-190	-99	-142	-110
Total	2,052	2,543	1,968	2,274	1,950	2,166	1,498	1,393
Operating profit								
Sweden	10	32	21	14	-10	-65	-62	-134
Invest	60	74	7	167	71	-4	-10	-4
International	-5	-5	-4	-4	-4	-3	-3	-3
Group-wide	-11	-11	15	-59	-17	-6	0	5
Eliminations	-18	-19	-14	-10	-9	31	-4	-3
Total	36	71	25	108	31	-47	-79	-139
Operating margin, %	1.8	2.8	1.3	4.7	1.6	-2.2	-5.3	-10.0
Profit after net financial items	38	74	33	111	38	-119	-82	-147
Profit/loss for the period	55	87	37	178	46	-72	-66	-114
Balance sheet								
Fixed assets	2,894	2,725	2,655	2,522	2,158	2,156	757	779
Current assets	4,052	4,189	3,810	3,775	3,807	3,836	4,962	4,872
Total assets	6,946	6,914	6,465	6,297	5,965	5,992	5,719	5,651
Shareholders' equity	2,527	2,467	2,372	2,340	2,161	1,946	1,896	1,959
Non-current liabilities	752	740	1,200	1,177	1,182	1,058	1,245	1,262
Current liabilities	3,667	3,707	2,893	2,780	2,622	2,988	2,578	2,430
Total equity and liabilities	6,946	6,914	6,465	6,297	5,965	5,992	5,719	5,651
Orders								
Order bookings	1,837	1,749	1,196	2,221	1,179	4,852	961	1,851
Order backlog	11,966	12,101	12,642	13,372	13,126	13,619	10,623	11,072
Employees								
Average number of employees	1,269	1,208	1,205	1,189	1,174	1,161	1,180	1,202

KEY INDICATORS

IFRS-based key indicators

	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
SEK million				
Income	2,052	1,950	8,837	8,735
Earnings per share, SEK, before dilution	1.95	1.65	12.77	12.48
Earnings per share, SEK, after dilution	1.95	1.65	12.77	12.48
Weighted average number of shares before dilution	28,231,836	27,938,245	26,753,717	27,962,221
Weighted average number of shares after dilution	28,231,836	27,938,245	26,753,717	27,962,221

Other key indicators

	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
SEK million				
Operating profit	36	31	240	235
Growth, %	5.2	7.5	0.6	27.1
Order bookings	1,837	1,179	7,003	6,345
Order backlog	11,966	13,126	11,966	12,101
Organic growth, %	5.2	7.5	26.1	27.1
Operating margin, %	1.8	1.6	2.7	2.7
Cash flow before financing	-13	-2	124	135
Cash flow from operations per share, before dilution	-0.18	-0.07	3.99	4.11
Cash flow from operations per share, after dilution	-0.18	-0.07	3.99	4.11
Equity per share, SEK, before dilution	89.27	77.35	89.27	87.85
Equity per share, SEK, after dilution	89.27	77.35	89.27	87.85
Working capital	385	1,185	385	998
Capital employed	3,952	3,642	3,949	3,961
Return on capital employed, %	7.8	-6.0	7.8	7.8
Return on equity after taxes, %	15.3	-9.7	15.3	15.8
Equity/assets ratio, %	36.4	36.2	36.4	35.7
Net debt	-1,006	-135	-1,006	-873
Net debt/equity ratio, %	-39.8	-6.2	-39.8	-35.4
Net debt/EBITDA	-3.2	0.9	-4.2	-2.8

SUMMARY FINANCIAL STATEMENTS

SUMMARY OF CONSOLIDATED INCOME STATEMENT

SEK million	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
Income	2,052	1,950	8,837	8,735
Production and administration expenses	-1,960	-1,882	-8,422	-8,344
Gross profit	92	68	415	391
Sales and administration expenses	-42	-35	-157	-150
Share in profit of associates and joint ventures	-14	-2	-18	-6
Operating profit	36	31	240	235
Net financial items	2	7	16	21
Profit after financial items	38	38	256	256
Tax	17	8	102	93
Profit/loss for the period	55	46	358	349
Attributable to:				
Parent Company shareholders	55	46	358	349
Non-controlling interests	0	0	0	0
Earnings per share before dilution, SEK	1.95	1.65	12.77	12.48
Earnings per share after dilution, SEK	1.95	1.65	12.77	12.48
Average number of shares before dilution	28,231,836	27,938,245	28,035,618	27,962,221
Average number of shares after dilution	28,231,836	27,938,245	28,035,618	27,962,221

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
Profit/loss for the period	55	46	358	349
Other comprehensive income	0	0	0	0
Total comprehensive income	55	46	358	349

CONDENSED CONSOLIDATED BALANCE SHEET

SEK million	Mar 31 2022	Mar 31 2021	Dec 31 2021
Assets			
<i>Fixed assets</i>			
Intangible fixed assets	25	24	25
Other tangible fixed assets	339	406	351
Investments in associates/joint ventures	163	154	160
Deferred tax assets	125	23	108
Non-current interest-bearing receivables	2,009	1,351	1,900
Other non-current receivables	233	200	181
Total fixed assets	2,894	2,158	2,725
<i>Current assets</i>			
Project and development properties	1,691	1,748	1,704
Inventories	2	1	1
Accounts receivable	911	1,000	966
Accrued but not invoiced income	516	400	555
Other current receivables	385	370	388
Cash and bank balances	547	288	575
Total current assets	4,052	3,807	4,189
Total assets	6,946	5,965	6,914
Equity and liabilities			
Shareholders' equity	2,527	2,161	2,467
<i>Non-current liabilities</i>			
Non-current interest-bearing liabilities	474	1,000	467
Other non-current liabilities	101	32	71
Other provisions	177	150	202
Total non-current liabilities	752	1,182	740
<i>Current liabilities</i>			
Current interest-bearing liabilities	1,076	504	1,135
Current tax liabilities	-	-	0
Accounts payable	1,352	974	1,344
Invoiced but not accrued income	763	739	744
Other current liabilities	476	405	484
Total current liabilities	3,667	2,622	3,707
Total equity and liabilities	6,946	5,965	6,914

SUMMARY OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

SEK million	Mar 31 2022	Mar 31 2021	Dec 31 2021
Equity attributable to Parent Company shareholders			
Balance at beginning of period	2,467	1,946	1,946
New share issue	-	167	166
Share-related compensation	5	2	6
Transactions with non-controlling interests	-	-	0
Comprehensive income for the period	55	46	349
Non-controlling interests			
Acquisition of non-controlling interests	-	-	-
Comprehensive income for the period	-	-	-
Balance at end of period	2,527	2,161	2,467

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

SEK million	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
<i>Operating activities</i>				
Cash flow before change in working capital	-109	3	24	136
Change in working capital	104	-5	87	-22
Cash flow from operating activities	-5	-2	112	115
<i>Investing activities</i>				
Increase/decrease in investing activities	-8	0	12	20
Cash flow from investing activities	-8	0	12	20
Cash flow before financing	-13	-2	124	135
<i>Financing activities</i>				
Newly raised borrowings	88	36	478	426
New share issue	-	167	-	167
Amortization of liabilities	-147	-148	-456	-457
Increase/decrease in financing activities	44	1	113	70
Cash flow from financing activities	-15	56	135	206
Cash flow for the period	-28	54	259	341
Cash and cash equivalents at beginning of period	575	234	288	234
Cash and cash equivalents at end of period	547	288	547	575

PARENT COMPANY CONDENSED INCOME STATEMENT

	Jan-Mar	Jan-Mar	Apr-Mar	Jan-Dec
SEK million	2022	2021	2021/2022	2021
Income	46	33	101	155
Sales and administration expenses	-39	-44	-90	-157
Operating profit	6	-11	11	-2
Net financial items	-16	-18	-106	-69
Profit after financial items	-10	-29	-95	-71
Appropriations	0	0	0	0
Profit/loss before tax	-10	-29	-95	-71
Tax	1	5	-4	1
Profit/loss for the period	-9	-24	-99	-70

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Jan-Mar	Jan-Mar	Apr-Mar	Jan-Dec
SEK million	2022	2021	2021/2022	2021
Profit/loss for the period	-9	-24	-99	-70
Other comprehensive income	0	0	0	0
Total comprehensive income	-9	-24	-99	-70

PARENT COMPANY CONDENSED BALANCE SHEET

SEK million	Mar 31 2022	Mar 31 2021	Dec 31 2021
Assets			
<i>Fixed assets</i>			
Tangible fixed assets	7	8	8
Investments in Group companies	364	307	360
Deferred tax assets	15	18	14
Other non-current receivables	3	3	3
Total fixed assets	389	336	385
<i>Current assets</i>			
Project and development properties	2	2	2
Other current receivables	1,388	1,576	1,498
Cash and bank balances	297	157	313
Total current assets	1,687	1,735	1,813
Total assets	2,076	2,071	2,198
Equity and liabilities			
Shareholders' equity	526	573	530
<i>Non-current liabilities</i>			
Non-current interest-bearing liabilities	7	522	3
Other provisions	1	2	2
Total non-current liabilities	8	524	5
<i>Current liabilities</i>			
Current interest-bearing liabilities	521	203	523
Accounts payable	11	15	8
Other current liabilities	1,011	756	1,132
Total current liabilities	1,543	974	1,663
Total equity and liabilities	2,076	2,071	2,198

NOTES

NOTE 1 – Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The Interim Report has been prepared in accordance with International Financial Reporting Standards (IFRS), as well as interpretations of current International Financial Reporting Interpretations Committee (IFRIC) standards as adopted by the EU. The Parent Company's reports have been prepared in compliance with the Annual Accounts Act and the Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. ESMA's guidelines on alternative key indicators are applied in the report.

The Interim Report has been prepared in accordance with the same accounting principles and calculation methods as in the 2021 Annual Report. For detailed information regarding accounting policies, see Serneke's 2021 Annual Report, see www.serneke.se.

NOTE 2 – Financial assets and liabilities at fair value

Financial assets and financial liabilities measured at fair value in the balance sheet are classified according to one of three levels based on the information used to establish the fair value. The Group only holds financial assets and liabilities valued in level 3, which is why levels 1 and 2 have been omitted in the table below. No transfers have been made between the levels during the periods. A more detailed description of the levels can be found in Note 4 of the 2021 Annual Report.

Level 1 – Valuation is made according to prices in active markets for identical instruments.

Level 2 – Financial instruments for which the fair value is established based on valuation models that are based on observable data for the asset or liability other than quoted prices included in Level 1.

Level 3 – Financial instruments for which fair value is established based on valuation models where significant inputs are based on non-observable data.

	Mar 31 2022	Mar 31 2021	Dec 31 2021
Group SEK million			
Financial assets			
Non-current interest-bearing receivables*	2,001	1 325	1,893
Available-for-sale financial assets**	2	2	2
Total financial assets	2,003	1 327	1,895
Financial liabilities			
Other short- and long-term liabilities	10	23	18
Of which, additional purchase considerations***	10	23	18
Total financial liabilities	10	23	18

*As of 31 March 2022, the shareholder loan for Karlatornet is recognized at SEK 1,278 million. The remainder of the receivable is attributable to the joint ventures established with Fastighets AB Balder in 2021 and in the first quarter of 2022.

** In the fair value calculation of available-for-sale financial assets at level 3, the market price method has been applied and the yield value assumption has been used.

*** In the fair value calculation of the additional purchase considerations at level 3, project estimates, budgets and forecasts have been applied.

The fair value of the bond amounts to SEK 500 million. For the Group's other financial assets and financial liabilities, the reported values are assessed as corresponding to fair value. No significant changes in valuation models, assumptions or inputs were made during the period.

The repayment of the financial receivables regarding Karlatornet presupposes that the underlying calculations, which also pertain to the valuation of the underlying assets, proceed in accordance with the forecast and, if a deviation were to occur entailing there being no funds available to enable the payment of the dividend to Balder, Serneke has undertaken to convert the shareholder loan into a contingent shareholder contribution.

NOTE 3 – Pledged assets and contingent liabilities

The Group pledges collateral for external loans. The Group's contingent liabilities arise primarily in connection with different property disposals, whereby various operational guarantees may occur, as well as performance guarantees for future contracts. Serneke Group AB (publ) has also entered into a guarantee undertaking, which means that the co-owners in Prioritet Serneke Arena are jointly responsible for the correct fulfillment of interest and repayment of the associate's liabilities to credit institutions in the event that the associate is unable to pay.

Pledged assets and contingent liabilities in the consolidated balance sheet:

	Mar 31 2022	Mar 31 2021	Dec 31 2021
Group			
Pledged assets	2,540	1,884	2,367
Contingent liabilities	3,755	927	2,677
Parent Company			
Pledged assets	300	500	300
Contingent liabilities	6,196	2,633	4,987



During the quarter, we completed Åhusen, 194 homes, including 165 student apartments, for Väsbyhem in Upplands Väsby, north of Stockholm.

Note 4 – Breakdown of income

Jan-Mar 2022, SEK million	Sweden	Invest	International	Group-wide	Eliminations	Total
Construction income	2,021	374	-	0	-475	1,920
Sale of properties and development rights	-	114	-	-	-	114
Rental income	-	2	-	2	-2	2
Other income	5	11	-	44	-44	17
Total income	2,026	501	-	46	-521	2,052

Date of income recognition:

At a specific time	5	126	-	44	-44	131
Over time	2,021	375	-	2	-477	1,772
Total income	2,026	501	-	46	-521	2,052

Jan-Mar 2021, SEK million	Sweden	Invest	International	Group-wide	Eliminations	Total
Construction income	1,767	160	-	0	-157	1,770
Sale of properties and development rights	-	169	-	-	-	169
Rental income	-	2	-	3	-3	2
Other income	3	6	-	30	-30	9
Total income	1,770	337	-	33	-190	1,950

Date of income recognition:

At a specific time	3	175	-	30	-30	178
Over time	1,767	162	-	3	-160	1,772
Total income	1,770	337	-	33	-190	1,950

Construction income

Income from contracting agreements are reported in accordance with IFRS 15 Revenue from Contracts with Customers, either by fulfilling the performance undertaking over time (that is, gradually) or at one specific time. Contracting agreements entail the construction contract being performed on the customer's land, where an asset is created over which the customer gains control in pace with the completion of the asset. This entails income being recognized gradually (over time), applying percentage-of-completion. When applying percentage-of-completion, the input method applies whereby income is reported based on the degree of completion, which is calculated as the ratio between the expenses incurred for work performed at the end of reporting period and the estimated total expenses for the assignment. Revaluations of the project's final forecasts entail corrections of previously accumulated earnings. If it is probable that the total contract expenses will exceed

the total contract income, the anticipated loss should be immediately recognized as a cost in its entirety. Additional orders and amendments are included in the income from the assignment to the extent that they are approved by the customer.

Sale of properties and development rights

On disposal of properties or development rights directly or indirectly through a sale of shares, the underlying property or development right's value is recognized in the Group as income. Income from property sales is reported at the time at which the new owner takes possession. When contracts include property sales, development rights and construction contracting to the buyer of the planned building, an assessment is made regarding whether the property and/or development rights transactions and the construction contract are separate performance undertakings. Depending on the design and terms of the agreement, the sale can be seen as one or several

performance undertakings. Sales are reported at the point in time at which control is transferred to the buyer. Control is transferred over time if the seller has no alternative use for the property sold and the seller is entitled to payment from the customer for the work performed. In such cases, income is reported applying percentage of completion. If any of the above criteria are not met, income is reported at a single point in time, on completion and transfer to the customer.

Sales of development rights can be dependent upon decisions regarding future detailed development plans. An assessment is then made as to the likelihood of the respective detailed development plan. Sales income and earnings are recognized when the probability is deemed to be very high. When sales income is recognized, all remaining commitments in the sales earnings are also taken into account. Property projects are also on occasion sold with guarantees for a certain degree of leasing and,

at the time of sale, any lease guarantees are reported as a reserve in the project, which then has a positive effect on the percentage of completion as leases are signed.

Rental income

Income also includes rental income, which is to be considered as operating leasing. Rental income is invoiced in advance and recognized on a straight-line basis in the income statement based on the terms of the lease agreements. Advance rent is reported as prepaid rental income. In cases where the rental contract allows a reduced rent for a certain period of time, which is compensated for by higher rent during another period, this is allocated across the term of the contract.

Other income

Other income refers to income not classified as construction income, property sales and building rights, or rental income such as hotel revenues, government subsidies, or income from central companies.

FINANCIAL DEFINITIONS

Indicator	Definition	Purpose			
Growth	Income for the period less income for the previous period divided by income for the previous period.	In the Company's view, the key indicator allows investors, who so wish, to assess the Company's capacity to increase its earnings.			
Organic growth	Income for the period, adjusted for acquired growth, less income for the previous period, adjusted for acquired growth, divided by income for the previous period, adjusted for acquired growth.	In the Company's view, the key indicator allows investors, who so wish, to assess the Company's capacity to increase its income without acquiring operating companies.			
Calculation of organic growth		Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
Income current period		2,052	1,950	8,837	8,735
Income corresponding to previous period		1,950	1,814	7,007	6,871
Income change		102	136	1,830	1,864
Adjustment for structural effect		0	0	0	0
Total organic growth		102	136	1,830	1,864
Total organic growth (%)		5.2%	7.5%	26.1%	27.1%
Order bookings	The value of new projects and changes in existing projects during the period.	In the Company's view, this key indicator allows investors, who so wish, to assess the Company's sales in Business Area Contracting for the current period.			
Order backlog	The value of the Company's undelivered orders at the end of the period excluding cooperation agreements.	In the Company's view, this key indicator allows investors, who so wish, to assess the Company's income in Business Area Contracting over upcoming periods.			
Operating margin	Operating profit divided by income.	In the Company's view, the key indicator allows investors, who so wish, to assess the Company's profitability.			
Operating capital	Current assets less current liabilities.	In the Company's view, the key indicator allows investors, who so wish, to assess the Company's tied-up capital in relation to its competitors.			
Capital employed	Consolidated total assets less deferred tax assets less non-interest-bearing liabilities including deferred tax liabilities.	In the Company's view, this key indicator allows investors, who so wish, to assess the total capital placed at the Company's disposal by shareholders and creditors.			
Calculation of capital employed		Mar 31 2022	Mar 31 2021	Dec 31 2021	
Total assets		6,946	5,965	6,914	
Deferred tax assets		-125	-23	-108	
Less non-interest-bearing liabilities including deferred tax liabilities		-2,872	-2,300	-2,845	
Capital employed		3,952	3,642	3,961	

Indicator	Definition	Purpose		
Return on capital employed	Profit after net financial items plus financial expenses divided by average capital employed for the period. Accumulated interim periods are based on rolling 12-month earnings.	In the Company's view, the key indicator allows investors, who so wish, to assess the Company's capacity to generate a return on the total capital placed at the Company's disposal by shareholders and creditors.		
		Mar 31	Mar 31	Dec 31
		2022	2021	2021
		Calculation of average capital employed		
		March 31, 2022 (3,952) + March 31, 2021 (3,642) / 2	3,797	
		March 31, 2021 (3,642) + March 31, 2020 (3,434) / 2	3,538	
		Dec 31, 2021 (3,961) + Dec 31, 2020 (3,539) / 2		3,570
		Mar 31	Mar 31	Dec 31
		2022	2021	2021
		Calculation of return on capital employed		
		Profit after net financial items	256	-310
		Plus financial expenses	41	97
		Average capital employed	3,797	3,538
		Return on capital employed	7.8%	-6.0%
				7.8%
Equity per share, before/after dilution	Total equity according to the balance sheet divided by the number of shares outstanding on the closing date. The difference between before and after dilution is accounted for by the convertibles issued by the Group.	The Company believes that key indicators give investors a better understanding of historical return per share at the closing date.		
Cash flow from operations per share, before/after dilution	Cash flow from operating activities divided by the average number of shares during the period. The difference between before and after dilution is accounted for by the convertibles issued by the Group.	It is the Company's view that the key indicator gives investors a better understanding of the operations' cash flow in relation to the number of shares, adjusted for changes in the number of shares during the period.		
Earnings per share, before/after dilution	Profit for the period divided by the average number of shares during the period. The difference between before and after dilution is accounted for by the convertibles issued by the Group.	It is the Company's view that the key indicator gives investors a better understanding of profit per share.		

[illegible]

SERNEKE IN BRIEF

Serneke is a growing corporate group providing comprehensive services in contracting and project development with more than 1,200 employees. Through novel thinking, we drive development and create more effective and more innovative solutions for responsible construction. The business has a good mix of

public and commercial assignments, providing strength over economic cycles.

Serneke's annual reports and other financial information are available under the tab Investors at www.serneke.se

Serneke Group AB (publ)

Headquarters:

Kvarnbergsgatan 2

SE-411 05 Gothenburg

Phone +46 (0)31-712 97 00 | info@serneke.se

Presentation of the Interim Report for January–March 2022

On May 5, 2022 at 11:00 a.m. (CET), Serneke Group will comment on this Interim Report in a conference call with an online presentation for investors, analysts and the media. The presentation will be in Swedish and can be followed live via webcast at <https://tv.streamfabriken.com/serneke-q1-2022>. Presentation materials for the presentation will be available on the website one hour before the webcast begins.

To participate, please dial: + 46 8 56642704