

CONTINUED SLOWDOWN IN THE MARKET

OCTOBER – DECEMBER 2022

- Order bookings amounted to SEK 974 million (1,749)
- Income amounted to SEK 2,440 million (2,543)
- The operating loss amounted to SEK 167 million (profit 71)
- Cash flow from operating activities amounted to an outflow of SEK 203 million (140)
- Cash flow for the period amounted to SEK 14 million (outflow 28)
- The loss for the period amounted to SEK 269 million (profit 87)
- The equity/assets ratio was 31.7 percent (35.7)

JANUARY – DECEMBER 2022

- Order bookings amounted to SEK 7,093 million (6,345) and the order backlog was SEK 10,582 million (12,101)
- Income amounted to SEK 9,205 million (8,735)
- The operating loss amounted to SEK 109 million (profit 235)
- Cash flow from operating activities amounted to an outflow of SEK 696 million (115)
- At the end of the period, available cash and cash equivalents totaled SEK 624 million (775)
- The loss for the period amounted to SEK 233 million (profit 349)
- The equity/assets ratio was 31.7 percent (35.7)
- The Board of Directors proposes that no dividend be paid for 2022

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Income	2,440	2,543	9,205	8,735
Operating profit	-167	71	-109	235
Operating margin, %	-6.8	2.8	-1.2	2.7
Profit/loss for the period	-269	87	-233	349
Earnings per share, SEK, before dilution	-9.50	3.10	-8.24	12.48
Earnings per share, SEK, after dilution	-9.50	3.10	-8.24	12.48
Equity per share, SEK, after dilution	79.56	87.85	79.56	87.85
Equity/assets ratio, %	31.7	35.7	31.7	35.7
Net debt/receivable	-625	-873	-625	-873
Net debt/EBITDA*	N.A	-2.8	N.A	-2.8
Net debt/equity ratio, %	-27.8	-35.4	-27.8	-35.4
Order bookings	974	1,749	7,093	6,345
Order backlog	10,582	12,101	10,582	12,101

*Not applicable

CEO STATEMENT

The year 2022 was pervaded by external unrest and the consequences of this on society as a whole, on our industry and on us as a company. The slowdown caught up with us in the second half of the year and we were forced to take measures to respond to the trend. The efficiency program we launched in the third quarter characterized the final months of the year as we reduced the workforce and cut back on costs and investments.

Our earnings have been impacted negatively, mainly by three factors: Increased input costs and slowdown in the market, structural changes we have implemented in the company, as well as our increased provisions for disputes in connection with older projects undertaken in the Company's growth phase. Looking ahead, our change of focus and strengthened processes are building the resilience we lacked in 2022.

The streamlining of the organization increases stability and profitability. In the contracting operations, we continue to streamline and select to do more of what we are good at and in which we are competitive over time. In our project development operations, we are prioritizing divestment so that we can focus our energy on the continued development of the Karlastaden district, which also includes the Karlatornet tower.

Karlatornet is on schedule and on budget. The final stories are in full production, and, by the summer, we will reach the final height of 246 meters and 74 stories. Completing our largest and most significant project is our highest priority so that we can commence moving residents into Gothenburg's new landmark in the third quarter.

Despite concerns in the market, we increased our sales to SEK 9,205 million (8,735) in 2022, thanks largely to a continued high rate of production at Karlatornet and to our Middle and South regions contributing increased production volumes.

The slowdown in the housing market was reinforced towards the end of the year, although continued investments in public properties, and our ambition to steer towards a larger share of public customers, resulted in an increase of SEK 7,093 million (6,345) in order bookings for the year. Of our ten largest contracts in 2022, public properties accounted for about



70 percent. Such projects are often conducted in partnership formats and with long lead times. We currently have about ten such projects at an initial phase, not having yet been ordered but with a combined value of about SEK 2 billion on full conversion. This and future volumes within Karlastaden bring stability and security even though our order backlog shrank slightly over the year from approximately SEK 12 billion to SEK 10 billion as a result, among other things, of large volumes being in production. We are, and will continue to be, selective in choosing appropriate projects to join.

Our reported operating cash flow includes an adjustment for not affecting liquidity sales, as well as a build-up of projects on our own books, the financing for which comprises construction credits. These items total approximately SEK 505 million. Cleared of these and the historical contracting projects and disputes that will soon be behind us, the underlying cash flow in the contracting operations developed in a positive direction in 2022.

In 2022, the Company turned 20 years old. The Company has attained a market position in which we can compete for the largest projects while we have, at the same time, made a unique district possible, where we will soon complete the tallest building in the Nordic countries. The combination of rapid growth and our ambitions for Karlastaden entail considerable challenges but also considerable opportunities. Transforming that potential into a company that generates stable development in value over the long term permeates all of our current activities.

Michael Berglin, President and CEO

INCOME AND PROFIT

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Income	2,440	2,543	9,205	8,735
Operating profit	-167	71	-109	235
Net financial items	-66	3	-108	21
Earnings after financial items	-233	74	-217	256
Tax	-36	13	-16	93
Profit/loss for the period	-269	87	-233	349

OCTOBER – DECEMBER 2022

Consolidated income amounted to SEK 2,440 million (2,543). Business Area Sweden increased its income to SEK 2,545 million (2,389) while Business Area Invest's income decreased to SEK 536 million (580).

The operating loss amounted to SEK 167 million (71), impacted negatively in part by postponed transactions in Business Area Invest because of the market situation, and in part by Business Area Sweden where price increases, structural changes and an increased provision for older disputes affected the quarter's earnings negatively.

Net financial items amounted to a negative SEK 66 million (positive 3) and were affected by the earlier sales of the Karlatornet tower and the Karlastaden Group, the receivables for which were marked to market and discounted at interest corresponding to the difference between the assessed market interest rate and the agreed interest rate. This has had a non-recurring effect of a negative SEK 23 million for the quarter. As the project progresses in accordance with the calculated forecast, the corresponding amounts will gradually have a positive effect on net interest income. During the quarter, borrowing expenses of SEK 21 million (10) on project properties were capitalized.

The Group reported an estimated tax expense of SEK 36 million (income 13). The negative tax effect for the period is primarily explained by non-taxable income and deferred tax effects of transactions, but also to a decline in deferred tax assets as carryforwards from previous years have been utilized.

The loss for the period amounted to SEK 269 million (profit 87) and earnings per share after dilution for the quarter were a negative SEK 9.50 (positive 3.10).

JANUARY – DECEMBER 2022

Consolidated income amounted to SEK 9,205 million (8,735), an increase of 5 percent. Business Area Sweden (contracting) increased its income by 14 percent to SEK 9,212 million (8,103). The increase in Sweden is explained by the Karlatornet tower and other projects in the Karlstaden district having been in full production over the year and by the operations in Middle and South Sweden achieving favorable growth over the year. Business Area Invest's income increased to SEK 2,116 million (1,686), with the increase primarily comprising, for example, the sale of parts 1 and 2 (block 7) of the Auriga block to the Karlastaden Group AB joint venture, but also of construction income of SEK 1,336 million for the Karlatornet AB joint venture. Group-internal eliminations amounted to SEK 2,307 million and pertained primarily to internal deliveries to Karlastaden.

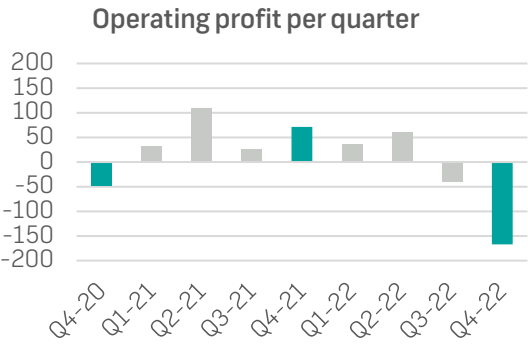
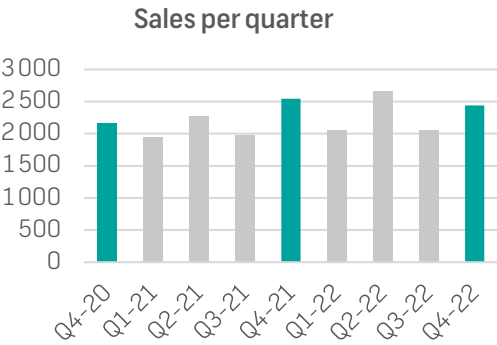
The operating loss amounted to SEK 109 million (profit 235). The change compared with last year primarily involves lower profit on sales in Business Area Invest. Unrest in the external community, resulting in a pent-up appetite for materials in the market, as well as structural changes and increased provisions in the Company implemented in the last quarter have had a negative impact on operating profit.

Net financial items amounted to a negative SEK 108 million (positive 21) and were affected by the earlier sales of the Karlatornet tower and the Karlastaden Group. The receivables were marked to market and discounted at interest corresponding to the difference between the assessed market interest rate and the agreed interest rate, corresponding to a negative SEK 72 million for the period. During the period, borrowing expenses of SEK 57 million (45) on project properties were capitalized.

The Group reported an estimated tax expense of SEK 16 million (income 93). The negative tax effect for the period is explained by non-taxable income and deferred tax effects of transactions, but also to a decline in

deferred tax assets as carryforwards from previous years have been utilized. The loss for the period amounted to

SEK 233 million (profit 349) and the loss per share after dilution was SEK 8.24 (profit 12.48) for the period.



The Karlavagnen tower will soon reach its full height. The top floors of the Nordic region's tallest building will be cast in the spring of 2023, and the building is expected to reach its full height of 246 meters by the summer. In the third quarter, residents will start moving in.

FINANCIAL POSITION

SEK million	Dec 31 2022	Dec 31 2021
Total assets	7,113	6,914
Total equity	2,252	2,467
Net debt	-625	-873
Net debt/EBITDA	22.3	-2.8
Cash and cash equivalents*	252	575
Equity/assets ratio, %	31.7	35.7

*Excluding unused overdraft

As of December 31, the consolidated balance sheet total amounted to SEK 7,113 million (6,914) and the equity/assets ratio was 31.7 percent (35.7). At the end of the period, cash and cash equivalents amounted to SEK 252 million (575), with the Group also having a credit facility of SEK 500 million, with SEK 74 million of this being used of for guarantees issued. At the end of the period, available cash and cash equivalents totaled SEK 624 million (775). The Group also holds granted but unused building credits of SEK 335 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 780 million.

On December 31, equity amounted to SEK 2,252 million (2,467). The change mainly comprises the loss for the period of SEK 233 million.

On December 31, net borrowing amounted to SEK 625 million (873). The main changes relate to the amortization of bonds for SEK 500 million, in connection with which, a long-term bank loan was raised for the corresponding amount, as well as an additional loan of SEK 223 million. In addition, non-current interest-bearing receivables increased in connection with sales to the Karlastaden Group AB joint venture. Financing related to tenant-owned housing has also increased.

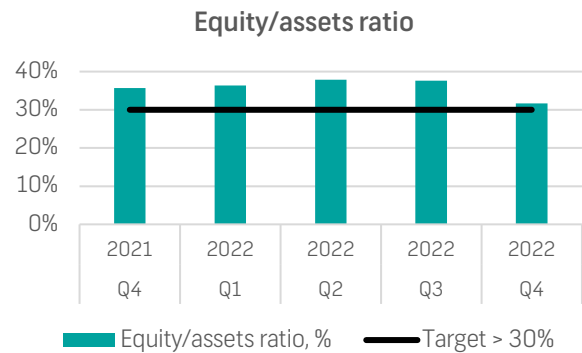
Interest-bearing receivables amounted to SEK 2,356 million, mainly comprising receivables incurred in connection with Serneke and Balder entering into transactions regarding the Karlastaden district.

Net debt SEK million	Dec 31 2022	Dec 31 2021
Bank loans	1,095	210
Utilized bank overdraft facility	28	-
Construction credits, housing cooperative projects	321	269
Bonds	-	516
Financial lease liabilities	81	84
Additional lease liabilities, IFRS 16	202	248
Loans from the Swedish Tax Agency	256	275
Other interest-bearing liabilities	-	-
Interest-bearing receivables	-2,356	-1,900
Cash and cash equivalents*	-252	-575
Net debt	-625	-873

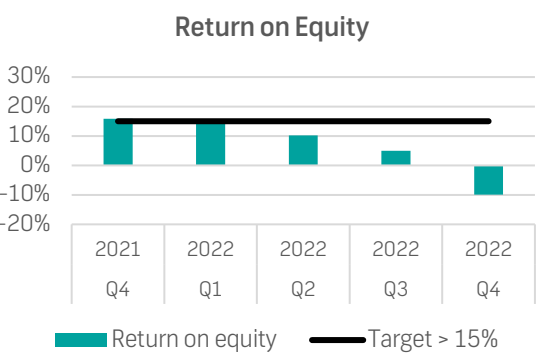
*Excluding unused overdraft

GROUP FINANCIAL TARGETS

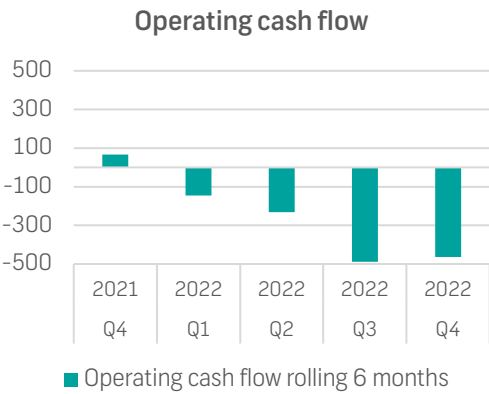
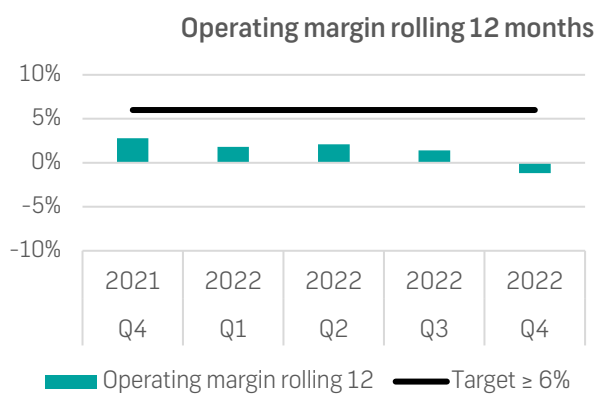
The equity/assets ratio shall exceed 30 percent.



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

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
SEK million	2022	2021	2022	2021
Cash flow from operating activities	-203	-140	-696	115
Cash flow from investment activities	20	4	-44	20
Cash flow from financing activities	197	108	417	206
Cash flow for the period	14	-28	-323	341
Cash and cash equivalents at beginning of period	238	603	575	234
Cash and cash equivalents at end of period*	252	575	252	575

*Excluding unused overdraft

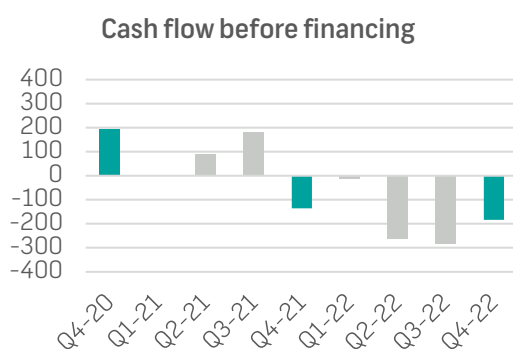
OCTOBER–DECEMBER 2022

Cash flow from operating activities amounted to an outflow of SEK 203 million (inflow 140), of which cash flow from changes in working capital amounted to an outflow of SEK 58 million (178). Apart from the period's losses, operating cash flow was also affected negatively by the build-up of inventory (project properties) in projects developed in-house by Business Area Invest, where financing comprises construction credits. In the fourth quarter, this amounted to SEK 97 million. Other items affecting operating cash flow involve accrual effects that are normal for these operations.

Cash flow from investing activities amounted to an inflow of SEK 20 million (4), consisting mainly of a decrease in receivables arising in connection with the sale of blocks at Karlastaden to the Karlastaden Group AB joint venture, dividends from associated companies and proceeds from divestments of tangible fixed assets.

Cash flow from financing activities amounted to an inflow of SEK 197 million (108) and is mainly explained by loans raised and settlements of payments to tenant-owner associations on transfer of ownership to them, as well as loan repayments.

Cash flow for the period amounted to SEK 14 million (outflow 28).



JANUARY – DECEMBER 2022

Cash flow from operating activities amounted to an outflow of SEK 696 million (inflow 115). In addition to earnings, this was negatively affected by, among other things, sales from Business Area Invest, where purchase considerations have not immediately comprised cash compensation and inventory build-up of projects developed in-house by Business Area Invest, for which the financing comprises construction credits. In isolation, the latter amounts to SEK 290 million over the year. Including the adjustment for non-cash transactions, the total negative effect on operating cash flow for the year amounted to SEK 505 million.

Cash flow from investing activities amounted to an outflow of SEK 44 million (inflow 20), mainly attributable to receivables arising in connection with the sale of blocks at Karlastaden to the Karlastaden Group AB joint venture, dividends from associated companies and proceeds from divestments of tangible fixed assets.

Cash flow from financing activities amounted to an inflow of SEK 417 million (206), which is primarily explained by loan repayments comprising an outflow of SEK 1,042 million, of which SEK 500 million consisted of bond repayments. New loans were secured in the amount of SEK 1,443 million.

Cash flow for the period amounted to an outflow of SEK 323 million (inflow 341).

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. International is currently starting up and considering opportunities for the future project exports. 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 17.

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

SALES

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
SEK million				
Sweden	2,545	2,389	9,212	8,103
Invest	536	580	2,116	1,686
International	0	0	0	0
Group-wide	45	42	184	155
Eliminations	-686	-468	-2,307	-1,209
Total	2,440	2,543	9,205	8,735

OPERATING PROFIT

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
SEK million				
Sweden	-86	32	-79	57
Invest	-23	74	98	319
International	-1	-5	-3	-18
Group-wide	-37	-11	-51	-72
Eliminations	-20	-19	-74	-51
Total	-167	71	-109	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

Sweden

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
SEK million				
Income	2,545	2,389	9,212	8,103
Operating profit	-86	32	-79	57
Operating margin, %	-3.4	1.3	-0.9	0.7

OCTOBER – DECEMBER 2022

Income amounted to SEK 2,545 million (2,389). The increase is mainly attributable to Karlatornet and other projects within Karlstaden being in full production and collaborative projects signed during the year now having entered production.

The operating loss amounted to SEK 86 million (profit 32) and the operating margin was a negative 3.4 percent (positive 1.3). Operating profit and the operating margin for the quarter were negatively impacted by indirect effects associated with price increases, structural changes, termination notices and an increased provision for historical disputes.

JANUARY – DECEMBER 2022

Income amounted to SEK 9,212 million (8,103), an increase of 14 percent. Compared with the preceding year, the increase is primarily attributable to Karlatornet and other projects within Karlstaden having been in full production over the year, to favorable growth in the operations in central and southern Sweden, and by additional collaborative projects with a high production rate being added during the year.

The operating loss amounted to SEK 79 million (profit 57) and the operating margin was a negative 0.9 percent (positive 0.7). The operating profit and operating margin for the period, particularly the last quarter, were negatively impacted by indirect effects associated with price increases, structural changes, termination notices and an increased provision for historical disputes.

ORDER BOOKINGS AND ORDER BACKLOG

Order bookings	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec	Order backlog	Dec 31	Dec 31
SEK million	2022	2021	2022	2021	SEK million	2022	2021
Contracting	974	1,749	7,093	6,345	Contracting	10,582	12,101
Group	974	1,749	7,093	6,345	Group	10,582	12,101

External order intake for the quarter amounted to SEK 974 million (1,749), which is a decrease of 44 percent compared with the corresponding quarter in the preceding year.

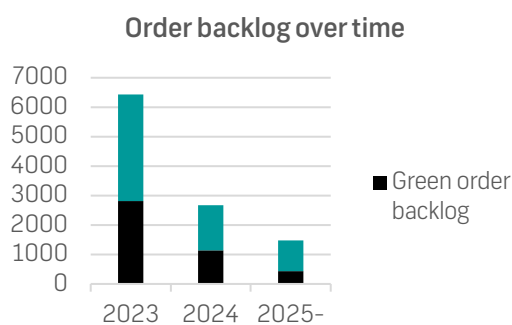
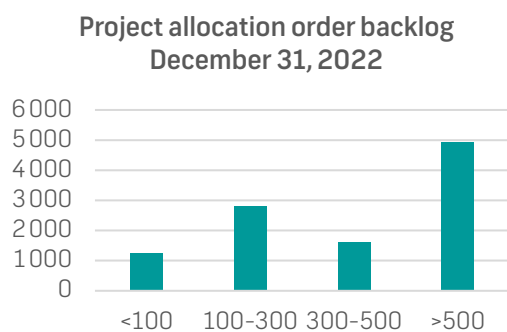
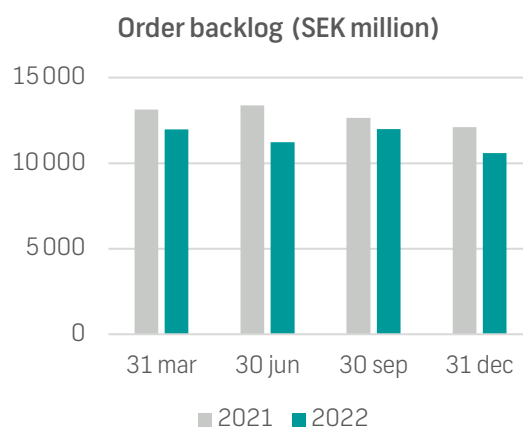
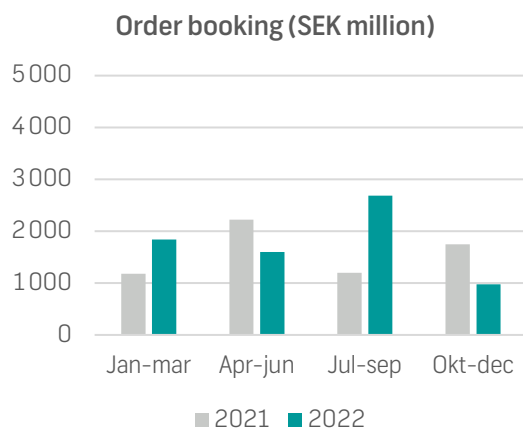
The quarter's largest order amounted to SEK 590 million and pertained to a contract signed with Intea Bygg AB for the upgrading of the Viskan correctional facility in the Municipality of Ånge. The project is scheduled for completion in early 2025.

Development in the market and future prospects have shifted towards a higher degree of uncertainty, requiring continued vigilance.

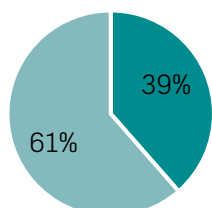
Underlying demand remains, although reflecting a certain shift from private clients for residential projects to local government clients, with increased orders for public spaces and public properties.

At the end of the fourth quarter, the external order backlog amounted to SEK 10,582 million (12,101). This entails a decrease of 13 percent compared with the corresponding quarter in the preceding year.

Of the order backlog for the upcoming years, green projects account for SEK 4,395 million. The projects involve constructing properties in accordance with established certification requirements that agree with Serneke's green framework.

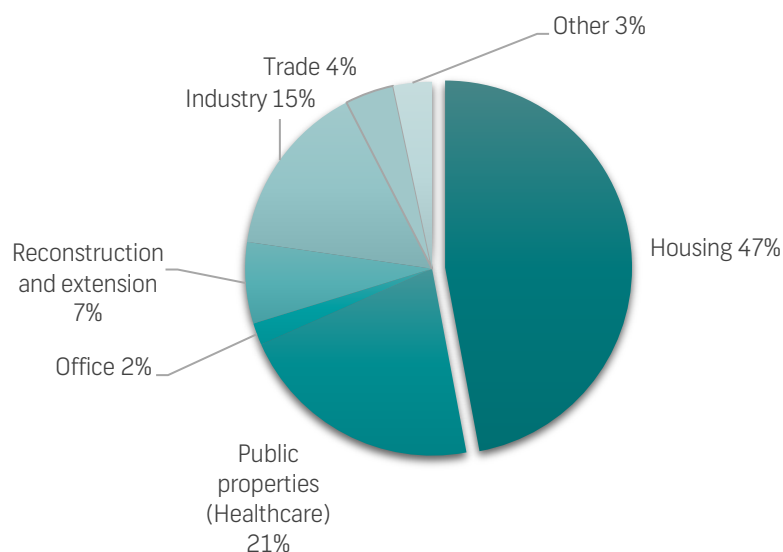


Order backlog per client category



■ Public purchaser
■ Private purchaser

Order backlog per product mix



ASSIGNMENTS WITH ORDER VALUES OF MORE THAN SEK 100 MILLION IN OCTOBER – DECEMBER 2022

Assignment	Location	Order value (SEK million)	(Anticipated) start of construction
Public properties	Viskan (Ånge)	590	First quarter 2023
Public properties	Vänersborg	285	Fourth quarter 2022



In November 2022, Serneke signed a turnkey contract with Hemsö Fastigheter AB to build a new court building for the Vänersborg District Court. Construction is scheduled to commence in autumn 2023 and the new building is scheduled for completion in 2026.

INVEST

Invest

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
SEK million				
Income	536	580	2,116	1,686
Share in profit of associates and joint ventures	3	-4	10	-6
Operating profit	-23	74	98	319
Operating margin, %	-4.3	12.8	4.6	18.9

OCTOBER – DECEMBER 2022

The business area's income amounted to SEK 536 million (580), with the increase primarily comprising construction income from Karlatornet AB (joint venture). The decrease compared with the preceding year is mainly attributable to lower gains from property sales.

The share in the profit of associates and joint ventures amounted to SEK 3 million (loss 4).

The operating loss amounted to SEK 23 million (profit 74). The decline in operating profit is mainly attributable to declining sales of projects and building rights.

Project and development properties

On December 31, 2022, the total book value of the project development portfolio in Invest amounted to SEK 1,870 million.

JANUARY – DECEMBER 2022

Income amounted to SEK 2,116 million (1,686), with the increase primarily being attributable to the sale of parts 1 and 2 of the Auriga block to the Karlastaden Group AB joint venture. Contracting income of SEK 1,336 million in the Karlatornet AB joint venture contributed to the positive increase for the period. Additionally, income also comprises contracting income from the manufacture and assembly of steel pipe structures, property sales, as well as hotel revenues.

The share in the profit of associates and joint ventures amounted to SEK 10 million (loss 6).

Operating profit amounted to SEK 98 million (319). The positive operating profit is mainly explained by the sale of parts 1 and 2 of the Auriga block to the Karlastaden Group AB joint venture.

Development rights Number (GFA)	Dec 31 2022	Dec 31 2021
Development rights on own balance sheet	127,054	196,624
Development rights through joint ventures	134,016	81,854
Agreed development rights not yet taken into possession	502,697	582,436
Total	763,767	860,913

In-house-developed tenant-owner housing production projects	Dec 31 2022	Dec 31 2021
Number of housing units under construction during the year	177	144
Number of housing units sold during the year	161	65
Total number of housing units under construction at the end of the period	561	532
Number of repurchased housing units on the Company's own balance sheet at the end of the period	12	0

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

PARENT COMPANY

The operations of Serneke Group AB (publ) consist mainly of Group Management and Group-wide services.

Income for October–December amounted to SEK 45 million (42) and consisted primarily of intra-group services. The operating loss for the same quarter amounted to SEK 5 million (6).

Income for the period January–December amounted to SEK 185 million (155) and the operating loss was SEK 1 million (2).

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 that Serneke has carried out with related parties since January 1, 2022, and up until December 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 13.4 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 2.5 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. Purchases amounted to SEK 0.9 million and sales to SEK 0.2 million. The transactions mainly comprise income/expenses relating to the settlement of the assets that took place in 2020 between Serneke and Kviberg Skidanläggning AB, which is owned by Ola Serneke Holding AB, and are thus considered to be related party transactions. 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 0.6 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 13.9 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 1,195 million. Transactions with Karlastaden Group (JV) are considered to be related party transactions as Serneke owns 50 percent of Karlastaden Group AB. The transactions primarily involve contracting income of SEK 135.1 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 5.2 million and purchases to SEK 30.1 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. Serneke is now experiencing a slowdown in the market in Sweden as a result of increased material and fuel prices, inflation and rising interest rates. The positive trend during the year, previously reported by the Company, cannot fully absorb the effects of this slowdown. The Company's overall business is dependent on sales from the project development operations. The shortfall in transactions affected earnings and resulted in a negative cash flow for the 12-month period in 2022. Serneke's Board of Directors and Group Management are working on a

series of measures to safeguard access to the requisite liquidity. Since the autumn, the Company has been implementing a cost-savings program in which strong measures have been taken with the aim of reducing costs and limiting investment in projects developed in-house, as well as intensifying efforts on sales of the Group's project portfolio and other assets with the aim of streamlining the Company's operations and freeing up liquidity. As previously, ongoing dialogues are also being conducted with creditors. In the view of the Board of Directors and Group Management, implementing the aforementioned measures will secure sufficient liquidity to safeguard 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

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 purchasing prices.

During the period, inflation and interest rates also shifted, which could have an impact in the future through further increased prices and subdued demand.

In November 2022, at the request of shareholders, all Series A shares were converted to series B. While the total number of shares (28,753,232) remains unchanged, there are no longer any Series A shares in the Company. While Series A shares carried one (1) vote, Series B shares each carry one tenth of a vote (0.1). Accordingly, the total number of votes decreased from 7,267,323 to 2,875,323.

SIGNIFICANT EVENTS FOLLOWING THE REPORT PERIOD

No significant events have occurred after the end of the reporting period.

THE SERNEKE SHARE (SRNKE)

Serneke Group AB has two share series, Series A and B. On December 31, 2022, Serneke had about 7,007 shareholders and the closing price on that date was SEK 22.0.

Serneke's ten largest shareholders, December 31, 2022

	Series B shares	Total number of shares	Percentage of shares outstanding, %	Percentage of votes, %
Ola Serneke Holding AB	6,151,483	6,151,483	21.73%	21.73%
Lommen Holding AB	4,186,482	4,186,482	14.79%	14.79%
Fastighets AB Balder	2,300,000	2,300,000	8.13%	8.13%
Svolder Aktiebolag	1,750,300	1,750,300	6.18%	6.18%
Försäkringsaktiebolaget Avanza	1,198,956	1,198,956	4.24%	4.24%
Christer Larsson i Trollhättan AB	887,000	887,000	3.13%	3.13%
Vision Group i väst AB	800,662	800,662	2.83%	2.83%
Mediuminvest AS	796,221	796,221	2.81%	2.81%
Ledge Ing AB	780,000	780,000	2.76%	2.76%
Bengt Erik Arne Stillström	385,515	385,515	1.36%	1.36%
Total, 10 largest	19,236,619	19,236,619	67.96%	67.96%
Other shareholders	9,070,112	9,070,112	32.04%	32.04%
Total shares outstanding	28,306,731	28,306,731	100.00%	100.00%
Repurchased shares	446,501	446,501		
Total shares registered	28,753,232	28,753,232		

Source: Euroclear and Serneke

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

Share class	Shares	Votes excluding own holding
Series A shares	-	-
Series B shares	28,306,731	2,830,673.10
Total	28,306,731	2,830,673.10
Own holding	446,501	
Total number	28,753,232	

FINANCIAL CALENDAR

Annual General Meeting	May 3, 2023
Interim report January – March 2023	May 3, 2023
Interim report January – June 2023	July 14, 2023
Interim Report January–September 2023	October 24, 2023

The Board of Directors and the CEO certify that this Interim Report provides a fair overview of the Parent Company and Group's operations, position and performance and describes significant risks and uncertainties facing Serneke.

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

Gothenburg, February 22, 2023
Serneke Group AB (publ)

Board of Directors

Jan C. Johansson
Chairman

Mari Broman
Member

Ludwig Matsson
Member

Veronica Rörsgård
Member

Per Åkerman
Member

Fredrik Alvarsson
Member

Lars Kvarnsund
Member

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This information is such that Serneke Group AB (publ) is obliged to publish pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication on February 22, 2023, at 8:00 a.m. CET.

QUARTERLY DATA AND MULTI-YEAR REVIEW

	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
SEK million	2022	2022	2022	2022	2021	2021	2021	2021
Income								
Sweden	2,545	1,932	2,709	2,026	2,389	1,925	2,019	1,770
Invest	536	607	472	501	580	322	447	337
International	0	0	0	0	0	0	0	0
Group-wide	45	47	46	46	42	46	33	33
Eliminations	-686	-531	-569	-521	-468	-325	-225	-190
Total	2,440	2,055	2,658	2,052	2,543	1,968	2,274	1,950
Operating profit								
Sweden	-86	-25	22	10	32	21	14	-10
Invest	-23	-8	69	60	74	7	167	71
International	-1	9	-6	-5	-5	-4	-4	-4
Group-wide	-37	2	-5	-11	-11	15	-59	-17
Eliminations	-20	-17	-19	-18	-19	-14	-10	-9
Total	-167	-39	61	36	71	25	108	31
Operating margin, %	-6.8	-1.9	2.3	1.8	2.8	1.3	4.7	1.6
Profit after net financial items	-233	-87	65	38	74	33	111	38
Profit/loss for the period	-269	-92	73	55	87	37	178	46
Balance sheet								
Fixed assets	3,179	3,242	3,291	2,894	2,725	2,655	2,522	2,158
Current assets	3,934	3,450	3,582	4,052	4,189	3,810	3,775	3,807
Total assets	7,113	6,692	6,873	6,946	6,914	6,465	6,297	5,965
Shareholders' equity	2,252	2,518	2,602	2,527	2,467	2,372	2,340	2,161
Non-current liabilities	1,985	1,603	1,449	752	740	1,200	1,177	1,182
Current liabilities	2,876	2,571	2,822	3,667	3,707	2,893	2,780	2,622
Total equity and liabilities	7,113	6,692	6,873	6,946	6,914	6,465	6,297	5,965
Orders								
Order bookings	974	2,684	1,598	1,837	1,749	1,196	2,221	1,179
Order backlog	10,582	11,994	11,234	11,966	12,101	12,642	13,372	13,126
Employees								
Average number of employees	1,280	1,321	1,304	1,269	1,205	1,205	1,189	1,174

KEY INDICATORS

IFRS-based key indicators

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Income	2,440	2,543	9,205	8,735
Earnings per share, SEK, before dilution	-9.50	3.10	-8.24	12.48
Earnings per share, SEK, after dilution	-9.50	3.10	-8.24	12.48
Weighted average number of shares before dilution	28,306,705	28,034,147	28,287,988	27,962,221
Weighted average number of shares after dilution	28,306,705	28,034,147	28,287,988	27,962,221

Other key indicators

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Operating profit	-167	71	-109	235
Growth, %	-4.1	17.4	5.4	27.1
Order bookings	974	1,749	7,093	6,345
Order backlog	10,582	12,101	10,582	12,101
Organic growth, %	-4.1	17.4	5.4	27.1
Operating margin, %	-6.8	2.8	-1.2	2.7
Cash flow before financing	-183	-136	-740	135
Cash flow from operations per share, before dilution	-7.17	-4.99	-24.60	4.11
Cash flow from operations per share, after dilution	-7.17	-4.99	-24.60	4.11
Equity per share, SEK, before dilution	79.56	87.85	79.56	87.85
Equity per share, SEK, after dilution	79.56	87.85	79.56	87.85
Working capital	1,058	482	1,058	482
Capital employed	4,144	3,961	4,144	3,961
Return on capital employed, %	-1.7	7.8	-1.7	7.8
Return on equity after taxes, %	-9.9	15.8	-9.9	15.8
Equity/assets ratio, %	31.7	35.7	31.7	35.7
Net debt	-625	-873	-625	-873
Net debt/equity ratio, %	-27.8	-35.4	-27.8	-35.4
Net debt/EBITDA*	N.A	-2.8	N.A	-2.8

*Not applicable

SUMMARY FINANCIAL STATEMENTS

SUMMARY OF CONSOLIDATED INCOME STATEMENT

Summary of Consolidated Income Statement

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Income	2,440	2,543	9,205	8,735
Production and administration expenses	-2,572	-2,411	-9,147	-8,344
Gross profit	-132	132	58	391
Sales and administration expenses	-38	-57	-177	-150
The effect on profit of establishing the joint venture	0	0	0	0
Share in profit of associates and joint ventures	3	-4	10	-6
Operating profit	-167	71	-109	235
Net financial items	-66	3	-108	21
Profit after financial items	-233	74	-217	256
Tax	-36	13	-16	93
Profit/loss for the period	-269	87	-206	349
Attributable to:				
Parent Company shareholders	-268	87	-232	349
Non-controlling interests	-1	0	-1	0
Earnings per share before dilution, SEK	-9.50	3.10	-8.24	12.48
Earnings per share after dilution, SEK	-9.50	3.10	-8.24	12.48
Average number of shares before dilution	28,306,705	28,034,147	28,287,988	27,962,221
Average number of shares after dilution	28,306,705	28,034,147	28,287,988	27,962,221

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Profit/loss for the period	-269	87	-233	349
Other comprehensive income	0	0	0	0
Total comprehensive income	-269	87	-233	349
Attributable to:				
Parent Company shareholders	-268	0	-232	0
Non-controlling interests	-1	0	-1	0

CONDENSED CONSOLIDATED BALANCE SHEET

SEK million	Dec 31 2022	Dec 31 2021
Assets		
<i>Fixed assets</i>		
Intangible fixed assets	30	25
Other tangible fixed assets	330	351
Investments in associates/joint ventures	158	160
Deferred tax assets	91	108
Non-current interest-bearing receivables	2,356	1,900
Other non-current receivables	214	181
Total fixed assets	3,179	2,725
<i>Current assets</i>		
Project and development properties	1,870	1,704
Inventories	4	1
Accounts receivable	937	966
Accrued but not invoiced income	679	555
Other current receivables	192	388
Cash and bank balances	252	575
Total current assets	3,934	4,189
Total assets	7,113	6,914
Equity and liabilities		
Shareholders' equity	2,252	2,467
<i>Non-current liabilities</i>		
Non-current interest-bearing liabilities	1,701	467
Other non-current liabilities	82	71
Deferred tax liability	0	0
Other provisions	202	202
Total non-current liabilities	1,985	740
<i>Current liabilities</i>		
Current interest-bearing liabilities	282	1,135
Current tax liabilities	1	0
Accounts payable	1,352	1,344
Invoiced but not accrued income	766	744
Other current liabilities	475	484
Total current liabilities	2,876	3,707
Total equity and liabilities	7,140	6,914

SUMMARY OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

SEK million	Dec 31 2022	Dec 31 2021
Equity attributable to Parent Company shareholders		
Balance at beginning of period	2,467	1,946
New share issue		166
Share-related compensation	9	6
Other		-
Transactions with non-controlling interests	-3	-
Changed accounting policy		-
Comprehensive income for the period	-232	349
Non-controlling interests		
Acquisition of non-controlling interests	13	-
Comprehensive income for the period	-1	-
Balance at end of period	2,252	2,467

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
<i>Operating activities</i>				
Cash flow before change in working capital	-145	38	-313	136
Change in working capital	-58	-178	-383	-22
Cash flow from operating activities	-203	-140	-696	115
<i>Investing activities</i>				
Increase/decrease in investing activities	20	4	-44	20
Cash flow from investing activities	20	4	-44	20
Cash flow before financing	-183	-136	-740	135
<i>Financing activities</i>				
Newly raised borrowings	464	110	1,443	426
New share issue	0	0	0	167
Amortization of liabilities	-142	-68	-1,042	-457
Dividend	0	0	0	0
Increase/decrease in financing activities	-125	66	16	70
Cash flow from financing activities	197	108	417	206
Cash flow for the period	14	-28	-323	341
Cash and cash equivalents at beginning of period	238	603	575	234
Cash and cash equivalents at end of period	252	575	252	575

PARENT COMPANY CONDENSED INCOME STATEMENT

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Income	45	42	185	155
Sales and administration expenses	-51	-48	-186	-157
Operating profit	-5	-6	-1	-2
Net financial items	-12	-17	-46	-69
Profit after financial items	-17	-23	-47	-71
Appropriations	0	0	0	0
Profit/loss before tax	-17	-23	-47	-71
Tax	-4	-6	-1	1
Profit/loss for the period	-22	-29	-48	-70

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Profit/loss for the period	-22	-29	-48	-70
Other comprehensive income	0	0	0	0
Total comprehensive income	-22	-29	-48	-70

PARENT COMPANY CONDENSED BALANCE SHEET

SEK million	Dec 31 2022	Dec 31 2021
Assets		
<i>Fixed assets</i>		
Tangible fixed assets	10	8
Investments in Group companies	583	360
Deferred tax assets	12	14
Other non-current receivables	3	3
Total fixed assets	608	385
<i>Current assets</i>		
Project and development properties	0	2
Other current receivables	1,392	1,498
Cash and bank balances	1	313
Total current assets	1,393	1,813
Total assets	2,001	2,198
Equity and liabilities		
Shareholders' equity	491	530
<i>Non-current liabilities</i>		
Non-current interest-bearing liabilities	8	3
Other provisions	3	2
Total non-current liabilities	11	5
<i>Current liabilities</i>		
Current interest-bearing liabilities	39	523
Accounts payable	11	8
Other current liabilities	1,449	1,132
Total current liabilities	1,499	1,663
Total equity and liabilities	2,001	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.

IAS 20 Accounting for Government Grants and Disclosure of Government Assistance

In connection with the corona pandemic, Serneke has received government support, mainly in the form of opportunities to defer payments of taxes and fees, temporarily reduced employer contributions, support for short-term work, as well as compensation for sick pay expenses.

Serneke has chosen to report support for temporary work, adjustment support and costs for sick leave under Other income (SEK 4 million). These items are included in the accounts when it is reasonably certain that these grants will be received and that any conditions for the grants have been met.

Deferred payments of taxes and fees total SEK 256 million and are reported under current (SEK 102 million) and non-current (SEK 154 million) interest-bearing liabilities.

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.

Group SEK million	Dec 31 2022	Dec 31 2021
Financial assets		
Non-current interest-bearing receivables*	2,346	1,893
Available-for-sale financial assets**	2	2
Total financial assets	2,348	1,895
Financial liabilities		
Other short- and long-term liabilities	10	18
Of which, contingent purchase considerations***	10	18
Total financial liabilities	10	18

* As of 31 December 2022, the shareholder loan for Karlatornet is recognized at SEK 1,206 million. The remainder of the receivable is attributable to the joint ventures established with Fastighets AB Balder in 2020 and in the second quarter of 2021.

** 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.

For the Group's 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:

	Dec 31	Dec 31
Group	2022	2021
Pledged assets	2,883	2,367
Contingent liabilities	5,122	2,677
Parent Company		
Pledged assets	300	300
Contingent liabilities	8,363	4,987

Note 4 – Breakdown of income

Oct–Dec 2022, SEK million	Sweden	Invest	International	Group-wide	Eliminations	Total
Construction income	2,543	496	-	-	-641	2,398
Sale of properties and development rights	0	20	-	-	-	20
Rental income	0	1	-	3	-3	1
Other income	2	19	-	42	-42	21
Total income	2,545	536	0	45	-686	2,440

Date of income recognition:

At a specific time	2	39	-	42	-42	41
Over time	2,543	497	-	3	-644	2,399
Total income	2,545	536	0	45	-686	2,440

Oct–Dec 2021, SEK million	Sweden	Invest	International	Group-wide	Eliminations	Total
Construction income	2,336	437	-	-	-426	2,347
Sale of properties and development rights	47	129	-	-	-	176
Rental income	0	1	-	0	0	1
Other income	6	13	-	42	-42	19
Total income	2,389	580	0	42	-468	2,543

Date of income recognition:

At a specific time	53	142	-	42	-42	195
Over time	2,336	438	-	0	-426	2,348
Total income	2,389	580	0	42	-468	2,543

Jan–Dec 2022, SEK million	Sweden	Invest	International	Group-wide	Eliminations	Total
Construction income	8,863	1,787	-	-	-2,123	8,527
Sale of properties and development rights	340	234	-	-	-	574
Rental income	0	7	-	10	-10	7
Other income	9	88	-	174	-174	97
Total income	9,212	2,116	0	184	-2,307	9,205

Date of income recognition:

At a specific time	349	322	-	174	-174	671
Over time	8,863	1,794	-	10	-2133	8,534
Total income	9,212	2,116	0	184	-2,307	9,205

Jan–Dec 2021, SEK million	Sweden	Invest	International	Group-wide	Eliminations	Total
Construction income	8,024	1,077	-	-	-1055	8,046
Sale of properties and development rights	65	557	-	-		622
Rental income	0	5	-	9	-9	5
Other income	14	47	-	146	-145	62
Total income	8,103	1,686	0	155	-1,209	8,735
Date of income recognition:						
At a specific time	79	604	-	146	-145	684
Over time	8,024	1,082	-	9	-1064	8,051
Total income	8,103	1,686	0	155	-1,209	8,735

Construction income

Income from contracting agreements is 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 projects' final forecasts entail corrections of previously accrued profits. 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. Modification and supplementary orders are included in the commission income to the extent that they have been 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 on gaining access to the property. When agreements include both property sales and building rights, as well as a contracting agreement for the planned building for the buyer, an assessment is made as to whether the property and/or building rights transactions and the contracting agreement, respectively, are separate performance commitments. 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. Occasionally, property projects are sold with guarantees of a certain level of leasing, and, at the time of sale, any rental guarantees are reported as a reserve in the project, which then has a positive effect on successive profit recognition as letting takes place.

Rental income

Income also includes rental income, which is to be considered as operating leasing. Rental income is announced in advance and accrued on a straight-line basis in the income statement based on the terms of the leases. Rent paid in advance 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.			
		Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Calculation of organic growth		2022	2021	2022	2021
Income current period		2,440	2,543	9,205	8,735
Income corresponding to previous period		2,543	2,166	8,735	6,871
Income change		-103	377	470	1,864
Adjustment for structural effect		0	0	0	0
Total organic growth		-103	377	470	1,864
Total organic growth (%)		-4.1%	17.4%	5.4%	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.			
				Dec 31	Dec 31
Calculation of capital employed				2022	2021
Total assets				7,113	6,914
Deferred tax assets				-91	-108
Less non-interest-bearing liabilities including deferred tax liabilities				-2,878	-2,845
Capital employed				4,144	3,961

Indicator	Definition	Purpose																								
Return on capital employed	<p>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.</p> <table border="1"> <tr> <td>Calculation of average capital employed</td><td>Dec 31 2022</td><td>Dec 31 2021</td></tr> <tr> <td>Dec 31, 2022 (4,144) + Dec 31, 2021 (3,961) / 2</td><td>4,053</td><td></td></tr> <tr> <td>Dec 31, 2021 (3,961) + Dec 31, 2020 (3,539) / 2</td><td></td><td>3,750</td></tr> <tr> <td>Calculation of return on capital employed</td><td>Dec 31 2022</td><td>Dec 31 2021</td></tr> <tr> <td>Profit after net financial items</td><td>-217</td><td>256</td></tr> <tr> <td>Plus financial expenses</td><td>150</td><td>38</td></tr> <tr> <td>Average capital employed</td><td>4,053</td><td>3,750</td></tr> <tr> <td>Return on capital employed</td><td>-1.7%</td><td>7.8%</td></tr> </table>	Calculation of average capital employed	Dec 31 2022	Dec 31 2021	Dec 31, 2022 (4,144) + Dec 31, 2021 (3,961) / 2	4,053		Dec 31, 2021 (3,961) + Dec 31, 2020 (3,539) / 2		3,750	Calculation of return on capital employed	Dec 31 2022	Dec 31 2021	Profit after net financial items	-217	256	Plus financial expenses	150	38	Average capital employed	4,053	3,750	Return on capital employed	-1.7%	7.8%	<p>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.</p>
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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.																								

Indicator	Definition	Purpose
Return on equity	Profit for the period as a percentage of average shareholders' equity. 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 capital shareholders have placed at the Company's disposal.
Equity/assets ratio	Shareholders' equity less minority interests as a percentage of total assets.	The equity/assets ratio shows the proportion of total assets represented by shareholders' equity and has been included to allow investors to be able to assess the Company's capital structure.
Net debt	Interest-bearing liabilities less liquid assets less interest-bearing receivables.	Net debt is a measure deemed relevant for creditors and credit rating agencies.
Net debt/equity ratio	Interest-bearing net debt divided by shareholders' equity.	Net debt/equity ratio is a measure deemed relevant for creditors and credit rating agencies.
EBITDA	Operating profit excluding amortization/depreciation.	EBITDA is a measure deemed to provide investors a better understanding of the Company's earnings.
Net debt/EBITDA	Interest-bearing liabilities less liquid assets less interest-bearing receivables divided by EBITDA.	Net debt/EBITDA is a measure deemed relevant for creditors and credit rating agencies.

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

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Presentation of the Interim Report for January–December 2022

On February 22, 2023, at 9:30 a.m. (CET), Serneke Group will comment on this Interim Report in a live online presentation for investors, analysts and the media. The presentation will be in Swedish and can be followed live via webcast at <https://www.youtube.com/live/USCgQDr9GXU?feature=share>. Presentation materials for the presentation will be available on the website one hour before the webcast begins.