

## Interim report January – March 2020

**“Positive cash flow and stronger financial position.”**

### Summary of January – March 2020

- Net sales for projects run entirely by SSM increased to 48.9 MSEK (15.4), of which 35.8 MSEK was revenue recognized from the Täby Turf rental project.
- Net operating profit improved and totaled 0.8 MSEK (-12.4). The West Side Solna and Metronomen cooperative apartment projects had a 6.6 MSEK and 6.4 MSEK impact on results respectively.
- Cash flow from operating activities amounted to 13.7 MSEK (-32.0), of which the divestment of Bromma Square in Q4 2019 contributed 42.9 MSEK during Q1 2020.
- Agreement to sell half of the shares in the Älvsjö Quarters rental project and agreement regarding the Järnet cooperative apartment project in Bromma for a combined value of 34.0 MSEK, of which the company received 0.5 MSEK during the quarter.
- Letter of intent signed to sell the Tellus Towers JV-project.
- The company's outstanding bond loan of 369.0 MSEK was extended by two years to May 2022. At least 161.4 MSEK to be repaid in 2020.
- SSM's Finance Manager Ola Persson took over as CFO on March 1, 2020 and Erik Lemaitre, EVP Business Development and member of SSM's Group Management, left the company in April.

### Comments on the Covid-19 pandemic

The Covid-19 pandemic is affecting large parts of society. The progress of SSM's projects in production were not affected to any great extent during the first quarter or thereafter. The company has been able to manage minor personnel and material shortages in the construction and supply chain. Sales during the first quarter have not been impacted by the pandemic, but since the end of the quarter, there have been clear indications that the market is weakening. The impact of Covid-19 on the company's financial position and liquidity is being monitored and assessed on an ongoing basis and SSM is also closely monitoring how the pandemic is developing.

### Significant events after the balance sheet date

- SSM's rights issue for 157.0 MSEK was fully subscribed with 84.5 percent of the shares subscribed for using subscription rights. The number of shares and votes in the company increased by 19,626,271. The dilution effect was 33.3 percent.
- For commercial reasons, the Täby Market cooperative apartment project was returned to the municipality of Täby and SSM will receive 8.7 MSEK as repayment of the down payment.
- As a result of SSM's conversion to focusing on rental projects, the company intends to reduce the number of employees in its sales and marketing. This will contribute annual cost savings of 6.5 MSEK and restructuring costs of 3.3 MSEK will be charged to Q2 2020. As a consequence of the Covid-19 pandemic's effect on market conditioning, SSM also partly intends to introduce short-term work.

#### Key data

(MSEK)	Jan-Mar		Apr-Mar	Jan-Dec
	2020	2019	2019/2020	2019
Net sales	48.9	15.4	245.9	212.3
Net sales JV	213.1	6.5	841.0	634.3
Operating profit	0.8	-12.4	-402.3	-415.5
Earnings for the period	-8.5	-19.9	-436.1	-447.5
Operating margin, percent	1.6	-81.1	-163.6	-195.7
Interest coverage ratio, times	0.3	-1.0	-7.1	-7.4
Equity ratio, %	33.1	55.3	33.1	34.0
Return on equity, percent	-10.9	-10.5	-82.5	-82.4
Earnings per share, before and after dilution, SEK	-0.22	-0.51	-11.11	-11.40
Number of housing units recognised for profit	73	1	251	179
Number of production started cooperative apartments	-	-	-204	-204
Number of cooperative apartments in production	440	644	440	440
Accumulated number of sold cooperative apartments in production	423*	622	423*	435
Share sold cooperative apartments in production, %	96.1	96.6	96.1	98.9
Number of production started rental apartments	-	-	-94	-94
Number of rental apartments in production	178	272	178	178

\*See also page 6 regarding sales in co-op project Metronomen.

# CEO's comments



“Prioritizing rental projects and selected co-op projects in the near future.”

“Focus on cash flow is delivering results.”

“Positive results in Q1, fully subscribed rights issue contributed 157.0 MSEK before issuing costs during April 2020.”

## Focus on cash flow delivering results

SSM has a clear focus on generating cash flow and strengthening its balance sheet. This is why our focus in the near future is on business that generates positive cash flow. In practice, this means prioritizing rental projects via forward funding as well as selected cooperative apartment projects. This is why during Q1 2020 we signed an agreement to sell half of SSM's shares in the Älvsjö Quarters project and a cooperation agreement regarding the Järnet cooperative apartment project in Bromma for a combined value of 34.0 MSEK, of which the company received 0.5 MSEK during the quarter. Further to this we signed a letter of intent to sell our JV-project Tellus Towers. All three projects are a long way off in the future and constitute a significant part of SSM's investment capacity, but the before mentioned agreements have made it possible to re-prioritize resources for projects in the near future. During the first quarter, operating activities generated cash flow of 13.7 MSEK which SSM is using to finance investments we've already made.

## Strong financial position

One of my central tasks has been and continues to be creating the conditions for long-term stable financing for the company's operations. During the quarter, we extended SSM's outstanding bond loan by two years to May 2022 and during April 2020, the company's rights issue was fully subscribed, contributing 157.0 MSEK before issuing costs to the company. The issue was carried out to repay at least 161.4 MSEK of the bond loan in 2020 and to provide capital to enable greater flexibility in the project portfolio and more production starts in the near future.

## Positive results in Q1

Net sales increased significantly during the quarter as a result of ongoing production in the Täby Turf rental project. Since the project is still in an early stage, no profits were recognized during the quarter. Homebuyers began moving into the West Side Solna and Metronomen cooperative apartment projects, contributing 6.6 MSEK and 6.4 MSEK respectively. The slight delay in reporting profits from these projects is due to the fact that these projects are being run as joint ventures. In both projects, however, buyers have given us high marks, which confirms that SSM's Urban Score™ delivers customer value. The net operating profit for the quarter totaled 0.8 MSEK (-12.4).

## Good platform for creating value in a temporarily uncertain market

SSM currently has a project portfolio that provides good opportunities to create future value and strengthen the company's financial position. The importance of stability became even more evident when the Covid-19 pandemic began to affect Sweden in March 2020. The progress of SSM's projects in production were not affected to any great extent during the first quarter or thereafter. The company has been able to manage minor personnel and material shortages in the construction and supply chain. Sales during the Q1 have not been impacted by the pandemic, but since the end of the quarter, there have been clear indications that the market is weakening. Although demand for housing temporarily is subdued as a result of concerns about the consequences of the Covid-19, my assessment is that the housing market in Greater Stockholm will continue to be characterized by a shortage of homes and that SSM's projects will be a good match for the needs and demand that will exist when this uncertainty decreases.

**Mattias Lundgren**  
President & CEO

# Housing market in Greater Stockholm

## The need for housing in Greater Stockholm area is substantial

In terms of population, the Greater Stockholm area is among the fastest growing regions in Europe. Official forecasts indicate that the Stockholm area will grow from its current population of 2.4 million to 2.8 million in the next 10 years. According to the Swedish Housing Agency, the current rate of production of new-build housing is failing to meet the real needs of the region.

## Household confidence affected by Covid-19

After a period of rising prices, SEB's Housing Price Indicator fell drastically in April 2020 to the same level as in 2011/2012 as a direct result of uncertainty due to the Covid-19 pandemic. Despite stabilizing measures introduced by the government, parliament, authorities and banks, SEB is concerned about a potential downturn in the housing market.

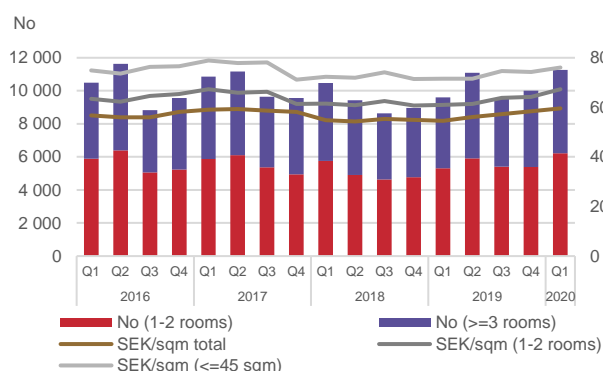
## More new-build rentals

During 2019, the number of people on the waiting list of the Stockholm Housing Agency increased to 674,720 (635,730), of which 13.0 percent were actively searching for homes. New-build rentals constitute an increasing share of the allocated rental properties in the region. The Stockholm Housing Agency, which allocates an estimated 50 percent of all rental units in Stockholm, increased the number of rental units it allocated in 2019 to 15,030 (13,455) of which 22.1 (19.3) percent were new-build rental units.

## Higher transaction volumes and prices for co-ops

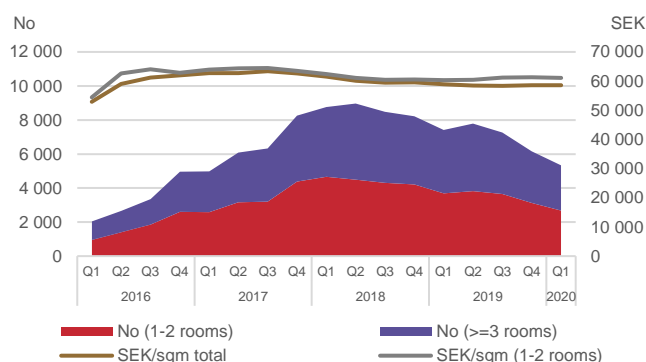
Transaction volumes for cooperative apartments increased 17.4 percent in the Greater Stockholm area during Q1 2020. According to Svensk Mäklarstatistik, a Swedish real estate consultancy, 11,268 (9,594) cooperative apartments were sold during the quarter, of which 6,222 (5,314) were one and two-room units. The average price per square meter for one and two-room apartments sold during the quarter increased by 10.4 percent year-on-year to 67,320 (60,980) SEK/m<sup>2</sup> and for units of up to 45 m<sup>2</sup> prices went up 6.4 percent to 76,048 (71,465) SEK/m<sup>2</sup>. Based on statistics from Booli, one of Sweden's leading real estate search engines, some 1,582 (1,132) new-build cooperative apartments were sold in the Greater Stockholm area during the quarter. At the same time, the number of new-build cooperative apartments for sale continued to decline, dropping to 5,340 (7,329) units at the end of Q1 2020.

Price & number of sold cooperative apartments, Greater Stockholm area



Source: Svensk Mäklarstatistik, April 2020

Price & number of cooperative apartments (new production) for sale, Greater Stockholm area



Source: Booli, April 2020

# Project portfolio

## PROJECTS WHERE PRODUCTION HAS STARTED

Project	Type of tenancy	Number of homes	Floor space (m2)	Location	Start of production	Occupation	Sold		
							During Q1 2020	Total	Sales rate on 31/3 2020, %
West Side Solna (JV)	Co-op	252	11,906	Solna	Q3 2017	Q3 2019 – Q1 2020	-12	240	95.2
Metronomen (JV)	Co-op	188	7,612	Telefonplan	Q1 2018	Q1 2020 – Q4 2020	-	183*	97.3
<b>Total</b>		<b>440</b>	<b>19,518</b>					<b>423</b>	<b>96.1</b>
Täby Turf	Rental	178	8,701	Täby	Q3 2019	Q3 2021 – Q4 2021	n/a	178	100.0
<b>Total</b>		<b>178</b>	<b>8,701</b>					<b>178</b>	<b>100.0</b>

## PROJECTS UNDER DEVELOPMENT

Project	Type of tenancy	Number of homes	Floor space (m2)	Location	Status	Status of land acquisition	Earliest	
							production start	occupation
Platform West	Co-op	109	4,901	Täby	City plan has legal force	Acquisition agreement	2020	2021
Sollentuna Hills	Rental	94	5,890	Sollentuna	Consultation	Acquisition agreement	2020	2023
Sollentuna Quarters	Rental	94	5,070	Sollentuna	Consultation	Acquisition agreement	2020	2023
Elverket Nacka (JV)	Rental	486	19,019	Nacka	Consultation	Land registration	2021	2023-2024
Kandidaten (JV)	Rental	77	2,300	Bromma	Planning	Land allocation	2021	2022
Spånga Studios	Rental	167	6,440	Spånga	Consultation	Land registration	2021	2024
The Loft (JV)	Rental	134	3,264	Täby	Planning	Acquisition agreement	2021	2023
Järla Station (JV)	Co-op	159	6,644	Nacka	Start	Land registration	2025	2027
Kosmopoliten	Co-op	204	10,122	Kista	Consultation	Land allocation	2022	2024
Tellus Towers (JV)	Co-op	911	37,661	Telefonplan	Early consultation	Land reservation	2022	2025
Tellus Towers	Rental	323	14,013	Telefonplan	Early consultation	Land reservation	2022	2025
Urbaniten	Co-op	250	12,700	Hägersten	Consultation	Acquisition agreement	2022	2025
Wiking	Rental	150	7,000	Sollentuna	Planning	Land registration	2023	2025
Älvsjö Quarters (JV)	Rental	516	21,000	Älvsjö	Prestudy	Land registration	2024	2027
Sjöstadshöjden	Co-op	150	12,000	Hammarby Sjöstad	Prestudy	Land allocation	2025	2027
<b>Total</b>		<b>3,824</b>	<b>168,024</b>					
<b>Total</b>		<b>4,442</b>	<b>196,243</b>					

## PROJECTS UNDER EVALUATION

Project	Type of tenancy	Number of homes	Floor space (m2)	Location	Status	Status of land acquisition	Earliest	
							production start	occupation
Akalla City	Rental	190	8,700	Akalla	Planning	Land registration	n/a	n/a
East Side Spånga	Rental	237	7,500	Spånga	Prestudy	Land registration	n/a	n/a
Järnet	Co-op	240	11,550	Ullsunda	Prestudy	Land allocation	n/a	n/a
Tentafabriken	Co-op	72	1,828	Sollentuna	Prestudy	Acquisition agreement	n/a	n/a
Täby Market	Co-op	134	4,205	Täby	City plan has legal force	Acquisition agreement	n/a	n/a
Örjan	Rental	170	5,370	Spånga	Prestudy	Land registration	n/a	n/a
<b>Total</b>		<b>1,043</b>	<b>39,153</b>					

The information about each project in the above table is in all material aspects the company's current assessment of each project in its entirety. These assessments and the final outcome of each project may change due to factors both within and beyond the company's control such as the design of city plans, government decisions and market developments as well as the fact that several of the projects are in the planning phase and the plan for each project may change.

Projects where production has started include those where construction has begun. Sold cooperative apartments are defined as the number of legally-binding pre-purchase agreements signed by buyers. SSM participates in joint ventures (JV) and currently has joint venture agreements with Partners Group (Tellus Towers, Järla Station and Metronomen), Alecta (West Side Solna), Studentbacken (Tentafabriken, The Loft and Kandidaten) and Libu Invest (Elverket Nacka). During 2019, SSM carried out a review of the company's operations and market situation. See also page 6 regarding sales in co-op project Metronomen.

As a result, several existing projects were designated to instead be developed into rental projects and a number of projects are still being evaluated. Projects under evaluation have been removed from the active project portfolio pending results from the evaluation.

# Project portfolio

**“Homebuyers began moving into the Metronomen co-op project during the quarter.”**

At the end of the quarter, there were three projects in production corresponding to 618 homes. Two of the projects, West Side Solna and Metronomen, are cooperative apartment projects with a total of 440 units. The sales rate in SSM's cooperative apartment projects was 96.1 percent at the end of the quarter.

During the quarter, some 73 homebuyers moved into the West Side Solna and Metronomen projects. Of West Side Solna's total of 252 buyers, 220 have now taken possession of their homes. The rest of the buyers will move in during 2020, mainly during the first half of the year. In the Metronomen project, homebuyers began moving in during March 2020 and the remaining buyers will be able to move in as when the project will be completed.

The Täby Turf rental project, which was sold earlier via forward funding to property company Willhem, was taken into possession by Willhem during Q3 2019. Tenants are expected to move in toward the end of 2021.

During Q1, SSM signed an agreement to sell half of its shares in the Älvsjö Quarters rental project as well as a letter of intent to sell its share of the Tellus Towers JV-project.

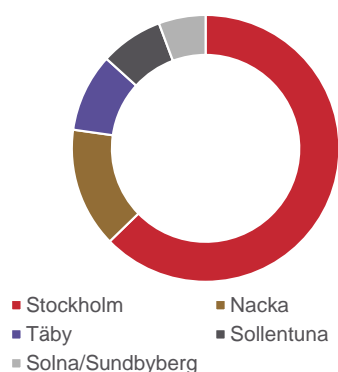
In addition, during Q1, SSM signed a cooperation agreement regarding transfer of the Järnet project in Ulvsunda, Bromma, which is why the project is no longer included in the active development portfolio.

During 2019, adjustments were made to SSM's project portfolio as a result of the review of the building rights portfolio the company carried out. As a result, a larger number of building rights than before have been designated to be developed into rental units. Five projects were still under evaluation on the balance sheet date and have been removed from the active development portfolio.

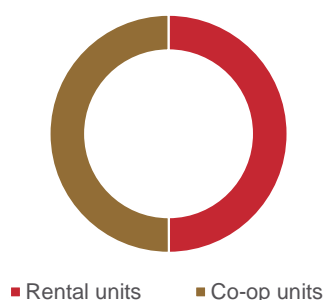
At the end of the year, the project portfolio included 4,442 building rights distributed among micro-markets relative to SSM. Approximately half of the 3,824 building rights under development will be rental units.

At the moment, the Platform West cooperative apartment project and a number of SSM's other rental projects are closest to starting production.

**Building rights by municipality**



**Building rights by rentals and co-op units**





# Project in production

West Side Solna, which has an Urban Score of 100 points, offers 252 centrally-located co-op units conveniently located near the subway, shopping and recreational facilities. The homes are one to four-room units of 23 – 97 m<sup>2</sup>, 91 percent of which are one and two-room units of 23 – 56 m<sup>2</sup>. Most of the homes have a private balcony and shared spaces include a terrace and outdoor pool. As at March 31, 2020, the project had a sales rate of 95.2 percent. Homebuyers began moving in at the end of September 2019 and at the end of the quarter, 220 buyers had moved in. The remaining buyers will move in during the year. During Q1 2020, a dispute was settled out of court between the Brf WSS housing association and a group of homebuyers who wanted to leave the project. A dispute that earlier was ruled in Brf WSS's favor by the Stockholm District Court. In connection with the settlement, twelve co-op units were returned to the housing association to be resold. The units that the housing association has resold earlier have been at par with the original prices. As announced earlier, the dispute has had a marginal impact on SSM's results. The project has been run together with Alecta.



west side solna



metronomen

Metronomen (Telefonplan), which has an Urban Score of 100 points, offers 188 cooperative apartments at Telefonplan in a lively urban area under development that includes the Konstfack University College of Arts, Crafts and Design. Some 91 percent of the homes are one and two-room units of 29 – 63 m<sup>2</sup>, most of which have a private balcony. Shared spaces include a rooftop terrace. The sales rate in the project was 97.3 percent at the end of Q1. After the balance sheet date, Brf Metronomen settled out of court with around 40 homebuyers who had sued the housing association with the intent to leave the project due to the delay in the project time plan. The housing association had already initiated a new sale of any completed units belonging to home buyers who were parties to the dispute. The first homebuyers began moving in during March 2020, with 31 taking possession of their new homes during the quarter. The project is a joint venture with Partners Group.

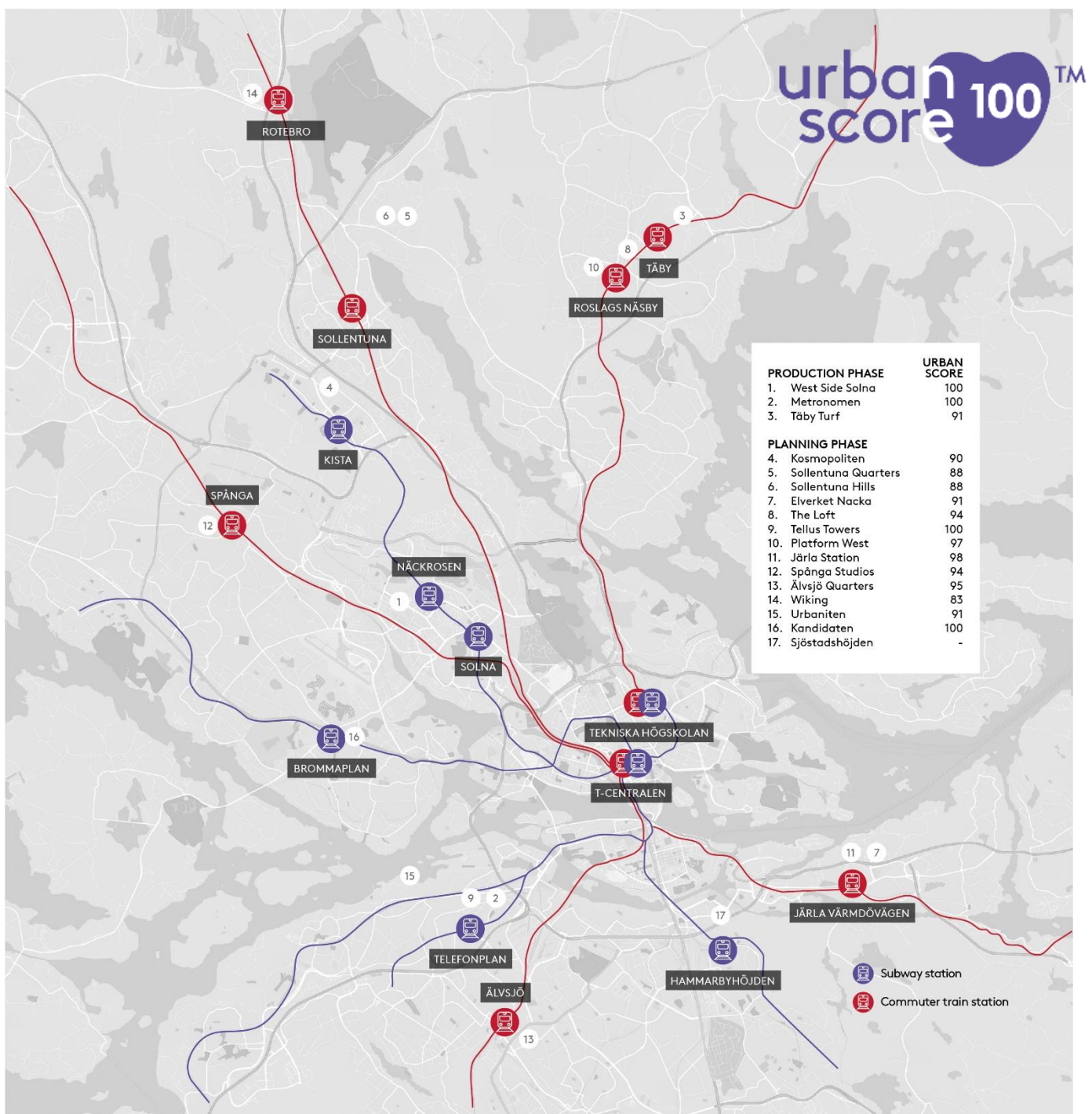
With its 178 rental units, Täby Turf (Täby), which has an Urban Score of 91 points, is SSM's first rental project. The project is part of the new Täby Park district that will include at least 6,000 homes attractively located near the Täby Centrum shopping center and 400 m from the Galoppfältet light rail station. The architecture of the buildings has an exciting design featuring different heights and facades of brick and plaster. The homes are one to three-room units of 35 – 70 m<sup>2</sup>, of which 85 percent are one and two-room units of 35 – 48 m<sup>2</sup>. There are also three retail premises and a daycare center for 40 to 60 children. Tenants are expected to move in during 2021. The project was sold via forward funding to property company Willhem for 473.0 MSEK and Willhem took possession of the project in Q3 2019.



täby turf

# Project portfolio

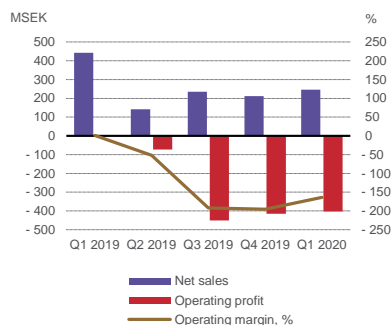
SSM offers smart, affordable homes that target people age 20 to 44 with average incomes. To steer and optimize its housing concept based on the preferences of this target group, SSM uses the Urban Score index, a transparent index that the company has developed to rank four key areas of importance to the target group: *mobility*, *everyday services*, *community* and *well-being*. In addition to making it easier for homebuyers to make informed housing decisions, the Urban Score index shows the company's strategic direction in acquiring building rights and designing products when developing projects. All of SSM's projects aim to have an Urban Score higher than 75.



# Comments on the results

January – March 2020

## Net sales, operating profit, operating margin, LTM



## Net sales and profit/loss

*Net sales in the Group* totaled 48.9 MSEK (15.4) of which 35.8 MSEK is revenue recognized from the Täby Turf rental project. Other revenue mainly comprised time and administration invoiced to joint venture projects, rental income from SSM's own properties and management income.

The *gross profit* was 4.2 MSEK (5.0). Due to the fact that the Täby Turf project is in an early stage of development, the percentage of completion method was not applied during the quarter.

The *cost of sales and administration* was -15.2 MSEK (-12.5). See Note 5, Distribution of sales and administration expenses.

*Other operating income* was 10.4 MSEK (0.0). The income is from the sale of promissory notes (the value of the land) that took place within the framework of the Metronomen project when the Partners Group cooperation was initiated. Revenue is recognized accordingly when homebuyers take possession of the cooperative apartments in the projects.

*Participations in joint ventures* amounted to 1.3 MSEK (-5.0). During the quarter, homebuyers took possession of 42 cooperative apartments in the West Side Solna project, which meant that a participation of 6.6 MSEK was contributed.

In the Metronomen housing cooperative project, 31 homebuyers took possession of their homes during the quarter. Due to a forecasted and already expensed loss-making construction contract in the Metronomen project, the project will not contribute any profit participation from the joint venture. However, the project made a positive net contribution of 6.4 MSEK to the profit/loss for the quarter comprising 10.4 MSEK from other operating income (see above) and a loss participation of -4.0 MSEK due to forecasted cost increases during the quarter.

See also Note 6, Participations in joint ventures, for summaries of the income statement and balance sheet for joint ventures.

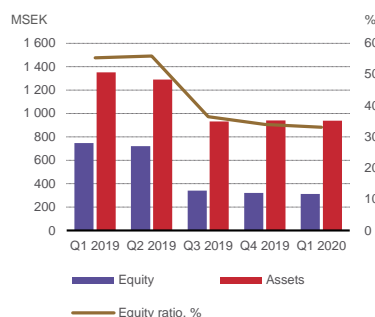
The *Group's operating profit* was 0.8 MSEK (-12.4), mainly because positive participations from joint ventures offset the cost of sales and administration. The operating margin was 1.6 percent (-81.8).

The *loss for the quarter* was -8.5 MSEK (-19.9) and in addition to the above, it was affected by a net financial expense -9.3 MSEK (-8.0) and 0.0 MSEK (0.5) in income tax for the quarter.



# Financial position, investments and cash flow

## Equity, balance sheet total and debt/equity ratio



## Total assets and equity

On the balance sheet date, SSM had 4,442 building rights (6,213) in its project portfolio. The lower number of building rights is mainly the result of the review of SSM's operations that was carried out in 2019 to optimize the company's operations and business model. The optimization resulted in the removal of a number of projects from the company's portfolio due to changes in market conditions. At the end of the period, 618 homes (916) were in production. The sales rate for cooperative apartments in production was 96.1 percent (96.6).

Capital tied up in project properties and completed properties was 323.1 MSEK (496.2) as at March 31, 2020. The change from the end of one accounting period to the end of the next is primarily due to the review of the company's operations that was carried out in 2019. The decision resulted in a revaluation of balance sheet items for most of the Group's project properties that led to non-cash impairment losses totaling -153.7 MSEK. In addition to the above, the divestment of the Bromma Boardwalk project meant that values recognized in the balance sheet for project properties were reduced by an additional -27.1 MSEK in the fourth quarter 2019.

Capital tied up in joint ventures and claims on joint ventures totaled 286.6 MSEK (428.9) on March 31, 2020. These balance sheet items were also affected by the before mentioned review of SSM's operations. The decision resulted in a revaluation of balance sheet items for participations in and receivables from joint ventures, leading to non-cash impairment losses totaling -159.0 MSEK. Between the quarters, an additional capital contribution of 27.0 MSEK was made to the joint venture with Partners Group, mainly to finance production in the Metronomen project. In addition to the above, the divestment of the joint venture part of the Bromma Square project meant that values recognized in the balance sheet for project properties were reduced by an additional -44.8 MSEK in Q4 2019.

For further information about the above-mentioned review, see also the Revaluations of project properties and joint venture assets section on page 15 of SSM's Interim Report for Q3 2019.

## Financing and debt

SSM's operations are capital intensive and access to capital is a basic condition required to develop the Group further. In addition to equity, the Group currently uses two external sources of funding: bonds and loans from credit institutions.

The Group's interest-bearing liabilities totaled 483.0 MSEK (493.5) on the balance sheet date, of which the bond loan accounted for 369.0 MSEK (397.1). In 2019, SSM repurchased its own outstanding bonds with a nominal amount of 31.0 MSEK for 21.8 MSEK, that is, the average volume-weighted repurchase price corresponded to 70.4 percent of the nominal amount.

In the first quarter 2020, SSM extended the company's outstanding bond loan at an unchanged interest rate and with a duration of two years until May 2022. The company has undertaken to repay 161.4 MSEK in 2020 and thereafter at least 69.2 MSEK every six months until 2022 and not pay any dividends until the bond loan has been repaid.

In April 2020, the company's rights issue was fully subscribed, which meant that 157.0 MSEK was contributed to the company prior to issuing costs. The new issue and cash flows in connection with the completion of the West Side Solna and Metronomen projects have contributed sufficient cash and cash equivalents to carry out the company's business plan.

## Cash flow

Cash flow from operating activities was 13.7 MSEK (-32.0) for Q1 2020. The positive cash flow is mainly attributable to the divestment of the Bromma Square project during Q4 2019 that contributed 42.9 MSEK during Q1 2020.

# Other information

## Seasonal variations

SSM's operations are affected by seasonal variations to a minor degree; however, major housing cooperative projects may have a material effect on sales and profit/loss in individual quarters, depending on when the projects are completed. This effect on sales and profit/loss should therefore be considered over a longer life cycle.

## Parent Company

The Parent Company had limited operations in the period January to March 2020 and the comparative period alike. The loss for the period was -3.9 MSEK (-0.5).

Assets chiefly comprise participations in and receivables from Group companies and amounted to 753.9 MSEK (1,052.8) at the end of the period. The asset side on the balance sheet contracted by 298.8 MSEK compared with March 31, 2019 mainly due to the revaluation of the Parent Company's participations in Group companies in Q3 2019 leading to non-cash impairment losses totaling -239.2 MSEK. Equity was 370.4 MSEK (642.6) on the balance sheet date.

The Parent Company had 3 employees (3) at the end of the period.

## Employees

The average number of employees in the Group was 42 people (68), of which 19 (27) were women. The decrease is mainly due to SSM's divestment of its contracting operations during 2019.

## Transactions between related parties

During the quarter, SSM carried out customary transactions between Group companies and joint ventures. These transactions were carried out on market terms.

At an extraordinary general meeting held on March 17, 2020, the Board of Directors was authorized to approve the sale of half of the shares in the Älvsjö Quarters rental project to related parties and to approve a cooperation agreement for the Järnet cooperative apartment project in Ulvsunda to the aforementioned related parties. During the quarter, the contract for the Järnet project was completed and SSM received 0.5 MSEK

## Risks and uncertainties

SSM faces different kinds of risks such as those associated with the external environment and strategic, operational and financial risks that could affect the company's ability to implement strategies and reach goals. When assessing the future development of the Group, it is important to consider risk factors alongside opportunities for profit growth. The review of SSM's operations that was carried out in 2019 led to a decision to optimize the business model to better managed identified risks and challenges.

The main risks to which the Group's operations are exposed include strategic risks, such as macroeconomic developments and reduced demand for housing, as well as operational risks, such as price and project risks. SSM is also exposed to a number of financial risks, including risks relating to the Group's liquidity and debt financing. The objective of the Group's risk management is to identify, measure, control and limit risks in its operations.

More information about the company's risk management is presented in SSM's 2019 Annual Report in Note 15, Risk management on pages 63 – 67.

### Shares and share capital

The company's registered share capital on the balance sheet date was 39.3 MSEK divided into 39,252,542 registered shares. There is one share class in the company and each share has a quota value of 1 SEK (1).

At the beginning of the quarter, shares corresponding to 68.9 percent of the capital and votes in the company were held by Eurodevelopment Holding AG. No other owner held more than 10.0 percent of the capital and votes.

During the quarter, significant changes were made to the shareholding in the company and Eurodevelopment sold 29.6 percent of its holdings to Amasten Fastighets AB through a subsidiary and 29.6 percent to Samhällsbyggnadsbolaget i Norden AB. In addition, SSM's existing shareholder Gösta Welandsson and companies increased its holdings to 12.4 percent (of which 2.7 percent is owned by Weland Holding through capital insurance.)

At the end of the quarter, Eurodevelopment Holding AG held 29,056 shares in the company.

### IFRS 8 – segment reporting

After analyzing its accounting and reporting principles, SSM has determined that there is no need for segment reporting for the company. If and when the company's operations are monitored and governed based on several segments, the company shall include segment reporting in its financial reports.

### Significant events after the reporting period

At the beginning of April 2020, SSM's rights issue for 157.0 MSEK was fully subscribed with 84.5 percent of the shares issued subscribed for through subscription rights. The number of shares and votes in the company increased by 19,626,271. The dilution effect was 33.3 percent.

The Täby Market cooperative apartment project was returned to the municipality of Täby for commercial reasons and SSM will received a repayment of the down payment of 8.7 MSEK during Q2 2020.

As a result of SSM's conversion to focusing on rental projects, the company intends to reduce the number of employees in its sales and marketing. This will contribute annual cost savings of 6.5 MSEK and restructuring costs of 3.3 MSEK will be charged to Q2 2020. As a consequence of the Covid-19 pandemic's effect on market conditioning, SSM also partly intends to introduce short-term work.



# The Group's statement of comprehensive income

	Jan-Mar		Apr-Mar	Jan-Dec
(MSEK)	2020	2019	2019/2020	2019
Net sales	48.9	15.4	245.9	212.3
Expenses for production and management	-44.7	-10.3	-426.2	-391.9
<b>Gross profit</b>	<b>4.2</b>	<b>5.0</b>	<b>-180.3</b>	<b>-179.5</b>
Sales and administration expenses	-15.2	-12.5	-71.6	-68.8
Earnings from joint ventures	1.3	-5.0	-26.7	-33.0
Other income/-cost	10.4	-	-123.7	-134.2
<b>Operating profit</b>	<b>0.8</b>	<b>-12.4</b>	<b>-402.3</b>	<b>-415.5</b>
Financial income	2.2	2.5	19.1	19.4
Financial expenses	-11.5	-10.4	-54.3	-53.2
<b>Net financial items</b>	<b>-9.3</b>	<b>-8.0</b>	<b>-35.1</b>	<b>-33.8</b>
<b>Pre-tax profit</b>	<b>-8.5</b>	<b>-20.4</b>	<b>-437.4</b>	<b>-449.3</b>
Tax	-	0.5	1.3	1.8
<b>EARNINGS FOR THE PERIOD</b>	<b>-8.5</b>	<b>-19.9</b>	<b>-436.1</b>	<b>-447.5</b>
Profit attributable to				
Parent company shareholders	-8.5	-19.9	-436.1	-447.5
Minority interest	-	-	-0.0	-0.0
<b>PROFIT FOR THE PERIOD</b>	<b>-8.5</b>	<b>-19.9</b>	<b>-436.1</b>	<b>-447.5</b>
Earnings per share, before and after dilution (SEK)	-0.22	-0.51	-11.11	-11.40
Number of shares at end of period	39,252,542	39,252,542	39,252,542	39,252,542
Average number of shares during the period	39,252,542	39,252,542	39,252,542	39,252,542

In the Group, there are no items reported under Other comprehensive income which is why total comprehensive income is the same as the profit for the period.

# The Group's statement of financial position

(MSEK)	3/31/2020	3/31/2019	12/31/2019
<b>ASSETS</b>			
<i>Fixed assets</i>			
<i>Intangible assets</i>			
Software	2.2	3.5	2.6
Total intangible assets	2.2	3.5	2.6
<i>Tangible assets</i>			
Machinery and equipment	0.1	0.3	0.2
Right-of-use assets	29.1	43.3	30.2
Total tangible assets	29.2	43.6	30.4
<i>Financial assets</i>			
Participations in joint ventures	131.9	154.3	130.6
Receivables from joint ventures	145.0	254.4	129.3
Other long-term receivables	93.7	90.8	82.4
Total financial assets	370.6	499.6	342.3
<b>Total fixed assets</b>	<b>402.1</b>	<b>546.6</b>	<b>375.3</b>
<i>Current assets</i>			
<i>Inventories</i>			
Warehouse property	317.2	493.4	313.8
Completed homes	5.9	2.8	2.8
Total inventories	323.1	496.2	316.6
<i>Other current assets</i>			
Accounts receivable	41.4	40.6	16.4
Recognized, non-invoiced revenue	-	6.5	0.4
Receivables from joint ventures	9.7	20.1	19.1
Tax receivables	0.9	1.0	0.9
Other receivables	5.4	12.7	47.3
Prepaid costs and accrued income	3.4	5.8	8.5
Liquid funds	152.7	220.7	155.3
<b>Total current assets</b>	<b>536.6</b>	<b>803.6</b>	<b>564.5</b>
<b>TOTAL ASSETS</b>	<b>938.6</b>	<b>1,350.2</b>	<b>939.8</b>

# The Group's statement of financial position, cont.

(MSEK)	3/31/2020	3/31/2019	12/31/2019
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
Share capital	39.3	39.3	39.3
Paid-up capital	506.5	506.5	506.5
Profit brought forward	-235.1	201.0	-226.6
<b>Equity attributable to Parent Company shareholders</b>	<b>310.6</b>	<b>746.7</b>	<b>319.2</b>
Minority interest	0.0	0.0	0.0
<b>Total equity</b>	<b>310.6</b>	<b>746.7</b>	<b>319.2</b>
<i>Long-term liabilities</i>			
Bond issues	207.6	397.1	-
Liabilities to credit institutions	114.0	-	114.0
Other long-term liabilities	24.3	38.5	26.0
Provisions	6.2	7.7	5.5
Deferred tax liabilities	0.5	0.5	0.5
<b>Total long-term liabilities</b>	<b>352.5</b>	<b>443.9</b>	<b>146.0</b>
<i>Current liabilities</i>			
Liabilities to joint ventures	-	1.0	-
Bond issues	161.4	-	368.3
Liabilities to credit institutions	-	96.3	-
Advance payments from customers	4.6	-	10.2
Accounts payable – trade	40.9	15.2	27.8
Provisions	16.3	12.1	19.0
Current tax liabilities	0.5	1.3	1.4
Invoiced unrecognised revenues	15.5	-	-
Other liabilities	13.7	9.0	13.4
Accrued costs and prepaid income	22.5	24.7	34.6
<b>Total current liabilities</b>	<b>275.4</b>	<b>159.6</b>	<b>474.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>938.6</b>	<b>1,350.2</b>	<b>939.8</b>

# The Group's statement of changes in equity

## Attributable to Parent Company shareholders

(MSEK)	Share capital	Other paid-in capital	Profit brought forward	Total	Minority interest	Total equity
Equity, January 1, 2019	39.3	506.5	220.9	766.7	0.0	766.7
Profit						
Profit this period			-19.9	-19.9	-	-19.9
Total profit			-19.9	-19.9	-	-19.9
Total transactions with shareholders	-	-	-	-	-	-
<b>EQUITY, March 31, 2019</b>	<b>39.3</b>	<b>506.5</b>	<b>201.0</b>	<b>746.7</b>	<b>0.0</b>	<b>746.7</b>
Equity, January 1, 2019	39.3	506.5	220.9	766.7	0.0	766.7
Profit						
Profit for the year			-447.5	-447.5	0.0	-447.4
Total profit			-447.5	-447.5	0.0	-447.4
Total transactions with shareholders	-	-	-	-	-	-
<b>EQUITY, DECEMBER 31, 2019</b>	<b>39.3</b>	<b>506.5</b>	<b>-226.6</b>	<b>319.2</b>	<b>0.0</b>	<b>319.2</b>
Equity, January 1, 2020	39.3	506.5	-226.6	319.2	0.0	319.2
Profit						
Profit this period			-8.5	-8.5	-	-8.5
Total profit			-8.5	-8.5	-	-8.5
Total transactions with shareholders	-	-	-	-	-	-
<b>EQUITY, March 31, 2020</b>	<b>39.3</b>	<b>506.5</b>	<b>-235.1</b>	<b>310.6</b>	<b>0.0</b>	<b>310.6</b>



# The Group's cash flow statement

	Jan-Mar		Apr-Mar	Jan-Dec
(MSEK)	2020	2019	2019/2020	2019
<i>Cash flow from current activities</i>				
Operating profit before financial expenses	0.8	-12.4	-402.3	-415.5
Items not affecting liquidity	-8.0	0.1	319.2	327.3
Recognized profits in joint ventures	-1.3	5.0	26.7	33.0
Received interest	-	-	2.4	2.4
Paid interest	-8.4	-9.4	-49.9	-51.0
Paid income taxes	-0.9	-0.7	0.5	0.8
Cash flow before changes in operating capital	-17.9	-17.5	-103.4	-103.0
<i>Cash flow from changes in operating capital</i>				
Decrease/increase in property projects	-6.1	-29.5	15.6	-7.8
Decrease/increase in accounts receivables	-25.0	1.7	-0.7	26.0
Decrease/increase in other current receivables	56.5	30.2	20.0	-6.3
Decrease/increase in supplier liabilities	14.1	-11.1	26.5	1.4
Decrease/increase in current liabilities	-7.8	-5.8	22.2	24.2
Total change in operating capital	31.6	-14.4	83.5	37.5
<b>CASH FLOW FROM CURRENT ACTIVITIES</b>	<b>13.7</b>	<b>-32.0</b>	<b>-19.9</b>	<b>-65.5</b>
<i>Cash flow from investment activities</i>				
Investments in intangible assets	-0.1	-0.6	-0.7	-1.3
Investments in financial assets	-17.0	-19.7	-105.3	-108.0
Decrease of financial assets	2.5	-	68.5	66.0
Cash flow from investment activities	-14.5	-20.3	-37.4	-43.3
<i>Cash flow from financing activities</i>				
Increase in long-term liabilities	-	-	114.0	114.0
Amortization of long-term liabilities	-1.7	-1.8	-6.2	-6.2
Amortization of short-term liabilities	-	-	-118.5	-118.5
Cash flow from financing activities	-1.7	-1.8	-10.6	-10.7
Decrease/increase in liquid funds	-2.5	-54.1	-68.0	-119.5
Liquid funds, opening balance	155.3	274.8	220.7	274.8
<b>LIQUID FUNDS AT THE END OF THE PERIOD</b>	<b>152.7</b>	<b>220.7</b>	<b>152.7</b>	<b>155.3</b>

# Parent Company's statement of comprehensive income

(MSEK)	Jan-Mar		Apr-Mar	Jan-Dec
	2020	2019	2019/2020	2019
Net sales	3.0	4.0	12.9	13.9
Costs for production and management	-	-	-0.1	-0.1
Gross profit	3.0	4.0	12.8	13.8
Sales and administration costs	-4.9	-6.9	-37.9	-39.9
<b>Operating profit</b>	<b>-1.9</b>	<b>-2.9</b>	<b>-25.1</b>	<b>-26.1</b>
Depreciation of assets	-	-	-239.2	-239.2
Interest income and similar profit/loss items	6.8	11.5	37.5	42.2
Interest expenses and similar profit/loss items	-8.9	-9.1	-45.5	-45.7
Profit after financial items	-3.9	-0.5	-272.3	-268.8
Tax	-	-	-	-
<b>PROFIT FOR THE PERIOD</b>	<b>-3.9</b>	<b>-0.5</b>	<b>-272.3</b>	<b>-268.8</b>

In the Parent Company, there are no items reported under Other comprehensive income which is why total comprehensive income is the same as the profit for the period.

# Parent Company's statement of financial position

(MSEK)	3/31/2020	3/31/2019	12/31/2019
<b>ASSETS</b>			
<i>Fixed assets</i>			
Participations in Group companies	233.1	472.3	233.1
Receivables from Group companies	460.3	512.8	471.8
	3.0	3.0	3.0
<b>Total fixed assets</b>	<b>696.4</b>	<b>988.0</b>	<b>707.9</b>
<i>Current assets</i>			
Receivables from Group companies	44.1	50.0	57.0
Receivables from joint ventures	-	0.1	-
Other assets	0.0	0.5	0.3
Prepaid expenses and accrued revenue	2.1	6.1	7.3
Cash and bank balances	11.4	8.0	0.8
<b>Total current assets</b>	<b>57.6</b>	<b>64.7</b>	<b>65.4</b>
<b>TOTAL ASSETS</b>	<b>753.9</b>	<b>1,052.8</b>	<b>773.2</b>
<b>(MSEK)</b>	<b>3/31/2020</b>	<b>3/31/2019</b>	<b>12/31/2019</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Shareholders' equity</i>			
Share capital	39.3	39.3	39.3
Share premium	506.5	506.5	506.5
Unrestricted equity	-171.5	97.4	97.4
Profit/loss for the period	-3.9	-0.5	-268.8
<b>Total equity</b>	<b>370.4</b>	<b>642.6</b>	<b>374.3</b>
<i>Long-term liabilities</i>			
Bond issues	207.6	397.1	-
<b>Total long-term liabilities</b>	<b>207.6</b>	<b>397.1</b>	<b>-</b>
<i>Current liabilities</i>			
Bond issues	161.4	-	368.3
Liabilities to Group companies	0.1	-	0.6
Accounts payable – trade	3.8	2.8	9.8
Other liabilities	2.2	0.8	0.1
Accrued expenses and prepaid liabilities	8.5	9.4	20.2
<b>Total current liabilities</b>	<b>176.0</b>	<b>13.0</b>	<b>398.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>753.9</b>	<b>1,052.8</b>	<b>773.2</b>

# Parent Company's changes in equity

(MSEK)	Restricted equity	Unrestricted equity		
	Share capital	Paid-in capital	Profit brought forward	Total equity
Equity, January 1, 2019	39.3	506.5	97.4	643.1
Profit				
Profit this period			-0.5	-0.5
Total profit			-0.5	-0.5
Total transactions with shareholders	-	-	-	-
<b>EQUITY, March 31, 2019</b>	<b>39.3</b>	<b>506.5</b>	<b>96.9</b>	<b>642.7</b>
Equity, January 1, 2019	39.3	506.5	97.4	643.1
Profit				
Profit for the year			-268.8	-268.8
Total profit			-268.8	-268.8
Total transactions with shareholders	-	-	-	-
<b>EQUITY, DECEMBER 31, 2019</b>	<b>39.3</b>	<b>506.5</b>	<b>-171.5</b>	<b>374.3</b>
Equity, January 1, 2020	39.3	506.5	-171.5	374.3
Profit				
Profit this period			-3.9	-3.9
Total profit			-3.9	-3.9
Total transactions with shareholders	-	-	-	-
<b>EQUITY, MARCH 31, 2020</b>	<b>39.3</b>	<b>506.5</b>	<b>-175.4</b>	<b>370.4</b>



# Parent Company's cash flow statement

(MSEK)	Jan-Mar		Apr-Mar	Jan-Dec
	2020	2019	2019/2020	2019
<i>Cash flow from current activities</i>				
Operating profit before financial expenses	-1.9	-2.9	-25.1	-26.1
Received interest	6.8	11.5	28.3	33.0
Paid interest	-8.2	-8.4	-42.6	-42.8
Paid income taxes	-	0.2	0.0	0.2
Cash flow before changes in operating capital	-3.2	0.4	-39.4	-35.8
<i>Cash flow from changes in operating capital</i>				
Decrease/increase in other current receivables	18.3	-4.1	10.5	-11.9
Decrease/increase in supplier liabilities	-6.0	-0.8	1.0	6.2
Decrease/increase in current liabilities	-10.1	-6.2	0.6	4.5
Total change in operating capital	2.2	-11.1	12.1	-1.2
<b>CASH FLOW FROM CURRENT ACTIVITIES</b>	<b>-1.0</b>	<b>-10.7</b>	<b>-27.3</b>	<b>-37.0</b>
<i>Cash flow from investment activities</i>				
Investments in financial assets	11.5	-9.7	52.5	31.2
Cash flow from investment activities	11.5	-9.7	52.5	31.2
<i>Cash flow from financing activities</i>				
Amortization of short-term liabilities	-	-	-21.8	-21.8
Cash flow from financing activities	-	-	-21.8	-21.8
Decrease/increase in liquid funds	10.5	-20.4	3.4	-27.6
Liquid funds, opening balance	0.8	28.4	8.0	28.4
<b>LIQUID FUNDS AT THE END OF THE PERIOD</b>	<b>11.4</b>	<b>8.0</b>	<b>11.4</b>	<b>0.8</b>

## Note 1 General Information

SSM Holding AB (publ), corporate identity no. 556533-3902, is the Parent Company of the SSM Group. SSM has its registered office in Stockholm at Torsgatan 13, PO box 517, 101 30 Stockholm, Sweden. The company's shares are traded on Nasdaq Stockholm's Small Cap list. The operations of the Parent Company comprise Group-wide functions and the organization of the CEO and administrative staff. The company's project and property management is carried out by the Group's subsidiaries. The Parent Company does not directly own property. SSM acquires, develops, sells and produces residential property in the Greater Stockholm area. All amounts are reported as MSEK unless otherwise stated. Figures in parentheses are for the previous year.

## Note 2 Accounting policies

### *Basis for preparing the reports*

The consolidated accounts for the SSM Group have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union, RFR 1 Supplementary Accounting Rules for Groups and the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the cost method. This interim report was prepared in accordance with IAS 34, Interim Financial Reporting. The Parent Company's financial statements have been prepared in accordance with RFR 2 Reporting for Legal Entities and the Swedish Annual Accounts Act. The same accounting policies and methods of calculation were used in this interim report as in SSM's most recent annual report.

Until Q3 2019, right-of-use assets were classified as other financial assets.

### *Important estimates and assessments*

For information on important estimates and assessments made by the company management when preparing the consolidated financial statements, see Note 2 in SSM's 2019 Annual Report.

## Note 3 Financial instruments – fair value

Information on the fair value of lending and borrowing. The carrying amounts and fair values of non-current borrowings are as follows:

The fair value of current borrowing corresponds to the carrying value as the discount is insignificant. Fair values are based on discounted cash flows using a discount rate corresponding to the estimated effective interest rate for alternative borrowings and classified in Level 2 of the fair value hierarchy, see the note 16 Financial instruments by category in SSM's 2019 Annual Report. The difference between the carrying amount and the fair value consists of transaction costs for each credit, distributed over the period of the credit.

There were no transfers between levels or valuation categories during the period.

Reported value	3/31/2020	3/31/2019	12/31/2019
Bond issue	369.0	397.1	368.3
Liabilities to credit institutions	114.0	96.3	114.0
Other long-term liabilities	24.3	38.5	26.0
<b>TOTAL LIABILITIES</b>	<b>507.3</b>	<b>532.0</b>	<b>508.3</b>

Fair value	3/31/2020	3/31/2019	12/31/2019
Bond issue	369.0	400.0	369.0
Liabilities to credit institutions	114.0	96.3	114.0
Other long-term liabilities	24.3	38.5	26.0
<b>TOTAL LIABILITIES</b>	<b>507.3</b>	<b>534.9</b>	<b>509.0</b>

#### Note 4 Net sales and major customers

Group-wide information. The distribution of revenue from products and services is shown below:

Analysis of revenue by revenue type	Jan-Mar		
	2020	2019	2019
Residential development	44.3	9.8	195.5
Property management	2.0	2.3	6.6
Rental income	2.6	2.6	9.5
Other income	0.1	0.6	0.7
<b>TOTAL</b>	<b>48.9</b>	<b>15.4</b>	<b>212.3</b>
Total revenue from large customers	41.4	8.9	173.3
No. of large customers (>10% of revenue)	3	2	4

#### Note 5 Sales and administration expenses

Group-wide information. The distribution of revenue from products and services is shown below:

	Jan-Mar		
	2020	2019	2019
Overhead costs	-6.3	-8.8	-35.2
Salaries	-14.5	-21.2	-80.0
Administration, balanced	2.1	9.6	20.8
Time, balanced	5.1	9.6	34.3
Depreciations/amortization	-1.6	-1.7	-8.7
<b>Sales and administration costs</b>	<b>-15.2</b>	<b>-12.5</b>	<b>-68.8</b>

During the quarter, overhead costs and salaries totaled -20.8 MSEK (-30.0). Sales and administration expenses increased between quarters as a result of lower capitalization of administrative and salary costs, which amounted to 7.2 MSEK (19.2) during the quarter.

#### Note 6 Participations in joint ventures

JV-projects are reported using the equity method, which means that revenues are not included in Group accounting but only in SSM's share of profits. The information below shows the amounts as presented in the joint venture entities' accounting adjusted for differences in accounting principles between the Group and the joint venture entities.

# ALECTA

Consolidated share amounts to 30%

	Jan-Mar	
<b>Summarized income statement</b>	<b>2020</b>	<b>2019</b>
Net Sales	168.3	-
Costs for production and management	-147.8	-0.1
Other operating expenses	-0.3	-0.0
<b>Operating profit/loss</b>	<b>20.2</b>	<b>-0.1</b>
Financial income	0.0	0.0
Financial expenses	-	-1.0
<b>Profit/loss before tax</b>	<b>20.2</b>	<b>-1.0</b>
Tax on profit/loss for the year	-	-
<b>Profit/loss for the year</b>	<b>20.2</b>	<b>-1.0</b>
<b>Summarized balance sheet</b>	<b>3/31/2020</b>	<b>3/31/2019</b>
<b>Current assets</b>		
Liquid funds	185.5	85.2
Projektfastigheter	177.4	557.9
Other receivables	47.2	2.0
<b>Total current assets</b>	<b>410.0</b>	<b>645.0</b>
Current liabilities	-39.8	-29.4
<b>Total current liabilities</b>	<b>-39.8</b>	<b>-29.4</b>
Long-term financial debt	-221.0	-557.6
Other long-term liabilities	-6.4	-5.7
<b>Total assets and long-term liabilities</b>	<b>-227.3</b>	<b>-563.3</b>
<b>Net assets</b>	<b>142.9</b>	<b>52.3</b>

# STUDENT HILL

Consolidated share amounts to 50%

	Jan-Mar	
<b>Summarized income statement</b>	<b>2020</b>	<b>2019</b>
Net Sales	-	-
Costs for production and management	-0.4	-0.4
Other operating expenses	-0.1	-0.1
<b>Operating profit/loss</b>	<b>-0.5</b>	<b>-0.5</b>
Financial expenses	-0.4	-0.3
<b>Profit/loss before tax</b>	<b>-1.0</b>	<b>-0.7</b>
Tax on profit/loss for the year	-	-
<b>Profit/loss for the year</b>	<b>-1.0</b>	<b>-0.7</b>
<b>Summarized balance sheet</b>	<b>3/31/2020</b>	<b>3/31/2019</b>
<b>Current assets</b>		
Liquid funds	1.0	3.0
Other receivables	29.0	34.1
<b>Total current assets</b>	<b>30.2</b>	<b>37.1</b>
Current liabilities	-33.4	-34.1
<b>Total current liabilities</b>	<b>-33.4</b>	<b>-34.1</b>
Fixed assets	0.9	0.9
Long-term financial debt	-	-3.2
<b>Total assets and long-term liabilities</b>	<b>0.9</b>	<b>-2.3</b>
<b>Net assets</b>	<b>-2.3</b>	<b>0.8</b>

**PROFI Turbinhallen (ended 2019)**

Consolidated share amounts to 50%

	Jan-Mar	
<b>Summarized income statement</b>	<b>2020</b>	<b>2019</b>
Net Sales	-	1.3
Costs for production and management	-	-8.7
Other operating expenses	-	-
<b>Operating profit/loss</b>	<b>-</b>	<b>-7.4</b>
<b>Profit/loss before tax</b>	<b>-</b>	<b>-7.4</b>
Tax on profit/loss for the year	-	-
<b>Profit/loss for the year</b>	<b>-</b>	<b>-7.4</b>
<b>Summarized balance sheet</b>	<b>3/31/2020</b>	<b>3/31/2019</b>
<b>Current assets</b>		
Liquid funds	-	4.3
Other receivables	-	6.7
<b>Total current assets</b>	<b>-</b>	<b>11.0</b>
Current liabilities	-	-7.4
<b>Total current liabilities</b>	<b>-</b>	<b>-7.4</b>
<b>Net assets</b>	<b>-</b>	<b>3.6</b>

**PARTNERS GROUP**

Consolidated share amounts to 50%

	Jan-Mar	
<b>Summarized income statement</b>	<b>2020</b>	<b>2019</b>
Net Sales	44.4	-
Costs for production and management	-52.1	-1.2
Other operating expenses	-0.6	-0.7
<b>Operating profit/loss</b>	<b>-8.3</b>	<b>-1.9</b>
Financial income	0.0	-
Financial expenses	-0.2	-0.1
<b>Profit/loss before tax</b>	<b>-8.5</b>	<b>-2.0</b>
Tax on profit/loss for the year	-0.1	-
<b>Profit/loss for the year</b>	<b>-8.6</b>	<b>-2.0</b>
<b>Summarized balance sheet</b>	<b>3/31/2020</b>	<b>3/31/2019</b>
<b>Current assets</b>		
Liquid funds	104.6	21.9
Projektfastigheter	579.3	578.6
Other receivables	47.2	10.2
<b>Total current assets</b>	<b>731.1</b>	<b>610.7</b>
Current liabilities	-508.2	-43.3
<b>Total current liabilities</b>	<b>-508.2</b>	<b>-43.3</b>
Long-term financial debt	-	-325.5
Other long-term liabilities	-0.2	-0.4
<b>Total assets and long-term liabilities</b>	<b>-0.2</b>	<b>-325.9</b>
<b>Net assets</b>	<b>222.7</b>	<b>241.5</b>

**PROFI Bromma Square (ended 2019)**

Consolidated share amounts to 50%

	Jan-Mar	
	2020	2019
<b>Summarized income statement</b>		
Net Sales	-	5.1
Costs for production and management	-	-1.7
Other operating expenses	-	-0.2
<b>Operating profit/loss</b>	-	<b>3.1</b>
Financial expenses	-	-2.1
<b>Profit/loss before tax</b>	-	<b>1.1</b>
Tax on profit/loss for the year	-	-0.2
<b>Profit/loss for the year</b>	-	<b>0.8</b>
<b>Summarized balance sheet</b>	<b>3/31/2020</b>	<b>3/31/2019</b>
<b>Current assets</b>		
Liquid funds	-	4.8
Other receivables	-	2.1
<b>Total current assets</b>	-	<b>6.9</b>
Current liabilities	-	-12.3
<b>Total current liabilities</b>	-	<b>-12.3</b>
Fixed assets	-	275.9
Long-term financial debt	-	-233.1
Other long-term liabilities	-	-7.2
<b>Total assets and long-term liabilities</b>	-	<b>35.7</b>
<b>Net assets</b>	-	<b>30.3</b>

**LIBU Elverket**

Consolidated share amounts to 50%

	Jan-Mar	
	2020	2019
<b>Summarized income statement</b>		
Net Sales	0.4	0.1
Costs for production and management	-0.5	0.0
Other operating expenses	-	-0.0
<b>Operating profit/loss</b>	<b>-0.0</b>	<b>0.1</b>
Financial income	3.8	-
Financial expenses	-3.9	-0.8
<b>Profit/loss before tax</b>	<b>-0.0</b>	<b>-0.7</b>
Tax on profit/loss for the year	-	-
<b>Profit/loss for the year</b>	<b>-0.0</b>	<b>-0.7</b>
<b>Summarized balance sheet</b>	<b>3/31/2020</b>	<b>3/31/2019</b>
<b>Current assets</b>		
Liquid funds	0.8	0.6
Projektfastigheter	385.7	422.0
Other receivables	4.8	0.3
<b>Total current assets</b>	<b>391.2</b>	<b>422.9</b>
Current liabilities	-1.3	-6.3
<b>Total current liabilities</b>	<b>-1.3</b>	<b>-6.3</b>
Long-term financial debt	-388.5	-413.2
<b>Total assets and long-term liabilities</b>	<b>-388.5</b>	<b>-413.2</b>
<b>Net assets</b>	<b>1.4</b>	<b>3.3</b>



## Note 7 Assets pledged as security and contingent liabilities

The Group	3/31/2020	3/31/2019	12/31/2019
Pledged collateral for own debt			
Share pledge	-59.8	104.1	-55.1
Property pledge	97.2	97.2	97.2
Pledged loan	28.2	-	28.2
Company mortgage	-	23.7	-
Blocked funds	3.0	3.0	3.0
<b>Total</b>	<b>68.6</b>	<b>228.0</b>	<b>73.3</b>
Contingencies	72.8	10.3	72.8
Surety for other's debt	88.3	170.8	124.0
Surety for down payments	7.5	14.2	14.2
<b>Total</b>	<b>168.6</b>	<b>195.3</b>	<b>211.0</b>
<b>Parent company</b>	<b>3/31/2020</b>	<b>3/31/2019</b>	<b>12/31/2019</b>
Pledged collateral for own debt			
Share pledge	233.1	472.3	233.1
Blocked funds	3.0	3.0	3.0
<b>Total</b>	<b>236.1</b>	<b>475.3</b>	<b>236.1</b>

SSM is occasionally party to a dispute. No ongoing dispute is expected to have a material impact on the Group's financial position and profit.

For more information about assets pledged as security and contingent liabilities, see Note 27 in SSM's 2019 Annual Report.

# Signatures of the Board of Directors

The Board of Directors and the CEO confirm that this interim report provides an accurate overview of the operations, financial position and performance of the Group and the Parent Company, and that it describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, May 13, 2020

Anders Janson  
Chairman

Bo Andersson  
Member

Per Berggren  
Member

Sheila Florell  
Member

Ulf Morelius  
Member

Ulf Sjöstrand  
Member

Jonas Wikström  
Member

Peter Wågström  
Member

Mattias Lundgren  
President & CEO

**Auditors report**  
This report has not been  
reviewed by the auditors.

# Definitions of key ratios

## Number of shares

Number of shares registered at the end of the period, adjusted for the share split.

## Balance sheet total

Sum of assets.

## Gross margin

Gross profit in relation to net sales.

## Gross profit

Net sales less the cost of production and management.

## Equity per share

Equity attributable to the Parent Company shareholders in proportion to the number of shares outstanding at the end of the period, adjusted for the share split.

## Liquidity ratio

Current assets excluding inventories, divided by current liabilities at the end of the period.

## Net sales, JV

Total net sales for SSM's joint ventures.

## Net sales including JV

Net sales for the Group and for joint ventures.

## Earnings per share after tax

Profit after tax in relation to the average number of outstanding shares.

## Return on equity

Profit after tax in relation to average equity.

## Interest coverage ratio

Profit after financial revenue in relation to financial expenses.

## Operating margin

Operating profit as a percentage of net sales.

## Operating profit

Profit before financial items.

## Debt/equity ratio

Total debt in relation to equity.

## Equity ratio

Equity in relation to total assets.

## Dividend per share, SEK

Dividend in Swedish kronor in relation to the number of shares outstanding at the end of the period, adjusted for the share split.

## Number of employees

Number of contracted employees at the end of the period.

## Total apartments in production

Number of apartments on which production has started but not yet finished.

## Completed apartments

Number of homes that have been taken in possession by the end customer.

## Sales value of sold apartments

Down payments plus long-term loans attributed to sold homes and sales value of sold rental projects. The value corresponds to gross revenue and deviates from net sales in several items.

## Building right

The forecast for the most recent period regarding the number of apartments in the company's projects that can be developed in the company's projects.

## Production start

The time at which the Group decides to start the production of a project.

## Project

A project is included in the project portfolio when the company has acquired, agreed to acquire, or has the option to directly or indirectly acquire a property in order to develop.

## Accumulated number of sold apartments

Total number of apartments in production that are sold through pre-purchase agreements or grant agreements to a housing association or commercial property owner.

## Sold apartments

Number of apartments sold during the period through binding pre-purchase agreements or grant agreements.

## Sold share in production

Number of apartments sold compared to the number of apartments in production.

SSM applies the guidelines of the European Securities and Markets Authority (ESMA) on Alternative Performance Measures (APMs). The guidelines aim to make APMs in financial reports more comprehensible, reliable and comparable, thereby increasing their usefulness. According to these guidelines, an APM is a financial measurement of historical or financial performance, financial position, financial results or cash flows other than financial measurements defined or specified in the applicable financial reporting framework, IFRS and the Swedish Annual Accounts Act. Reconciliation of APMs is available at [ssmlivinggroup](http://ssmlivinggroup).



## SSM Holding

### In brief

SSM produces functionally-smart and affordable housing with attractive shared spaces, near the city and close to public transport for the company's target group – tomorrow's urbanites.

The company's vision is a housing market with room for as many people as possible.

SSM is the leading residential developer in its niche in the Greater Stockholm area and has about 4,500 building rights in its project portfolio.

SSM was listed on Nasdaq Stockholm on April 6, 2017.

### Financial targets & dividend policy

SSM's financial goals aim to maintain stable, long-term profitability and create value to deliver good returns for shareholders.

- Operating margin >10 percent
- Debt/equity ratio >40 percent
- Return on equity >15 percent

SSM's dividend policy aims to secure both the owners' return on capital employed and the company's need for funds to develop the business.

- Dividend >30 percent of the year's profits after tax

### Financial calendar

Interim Report Q2 2020	August 27, 2020
Interim Report Q3 2020	November 19, 2020
Interim Report Q4 2020	February 23, 2021
Interim Report Q1 2021	May 19, 2021

Download SSM's financial reports at [ssmlivinggroup.com](https://ssmlivinggroup.com)

### Get in touch

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The information in this report is such that SSM Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:15 CEST on May 14, 2020.

**SSM**

[www.ssmlivinggroup.com](https://www.ssmlivinggroup.com)

