



Interim report January-March 2022



Homes & Neighbourhoods

Growth in attractive land bank and increased operating margin

1 JANUARY–31 MARCH 2022

- Net sales amounted to SEK 2,863 M (1,845)
- The gross margin was 13.0 per cent (12.9)
- Operating profit totalled SEK 141 M (25) and the operating margin was 4.9 per cent (1.4)
- Earnings per share²⁾ was SEK 0.72 (-0.06)
- The number of housing units sold was 874 (1,119)
- The number of production starts was 410 (518)
- The number of building rights amounted to 36,900 (32,900)
- On March 3 Bonava announced that we are winding down our operations in St. Petersburg. This operation is fully consolidated in Group numbers, as in prior periods, during the wind-down process. We refer to note 6 for further information
- For full-year 2022, we have revised our estimate for number of production starts from 6,000 to 4,200 mainly due to the winding down of St. Petersburg operations and being cautious given the market situation
- Mid-term targets for profit before tax have been revised from SEK 1.6 Bn to SEK 1.3 Bn and sold units from 7,000 to 5,800. Long-term financial targets have been revised from 8,000 sold units to 7,000 and profit before tax from SEK 2.2 Bn to SEK 2.0 Bn, mainly due to the winding down of the St. Petersburg operations



	2022 Jan-Mar	2021 Jan-Mar		Apr 2021 Δ% - Mar 2022	2021 Jan-Dec
Net sales	2,863	1,845	55	16,509	15,491
Gross profit	373	238	57	2,252	2,117
Gross margin, %	13.0	12.9		13.6	13.7
Operating profit before items affecting comparability ¹⁾	141	25	459	1,352	1,236
Operating margin before items affecting comparability, % ¹⁾	4.9	1.4		8.2	8.0
Operating profit after items affecting comparability	141	25	459	1,272	1,156
Operating margin after items affecting comparability, %	4.9	1.4		7.7	7.5
Profit before tax	106	-8		1,135	1,020
Earnings per share, SEK ²⁾	0.72	-0.06		8.31	7.54
Net debt	5,154	4,179	23	5,154	3,313
Return on capital employed before items affecting comparability, % ¹⁾	10.4	8.2		10.4	9.6
Equity/assets ratio, %	34.1	31.7		34.1	35.1
Number of building rights	36,900	32,900	12	36,900	35,300
Number of housing units sold	874	1,119	-22	5,050	5,295
Sales value of housing units sold	2,975	3,266	-5	15,637	15,928
Number of housing units started	410	518	-21	4,847	4,955
Number of housing units in production	9,276	9,712	-4	9,276	9,767
Sales rate for ongoing production, %	74	75		74	71
Number of housing units recognised in profit	991	665	49	5,604	5,278

¹⁾ The key ratios in Jan-Dec 2021 have been affected by items affecting comparability. No such items have been reported in Jan-Mar 2022 or 2021.

²⁾ Before and after dilution. For more information about the Group's key figures and definitions, refer to page 25 and <https://www.bonava.com/en/investor-relations/financial-information>.

1,135
EBT SEK M, R12

5,050
NUMBER OF HOUSING UNITS SOLD, R12

36,900
NUMBER OF BUILDING RIGHTS

Comments from the CEO

First quarter shows that we are progressing in improving profitability. We are managing a controlled wind-down of our operations in St. Petersburg. Even if the Ukraine conflict clouds the near-term market outlook we are increasing our land bank in attractive positions and we are set-up to deliver on our slightly revised financial targets.

Market stable in first quarter but cloudy outlook

All markets noted a good demand and prices were rising slightly. As a result of the situation in Ukraine, we decided that it was no longer possible to pursue the business of residential development in St. Petersburg long-term, which is why we in March announced that we are winding down the Russian operations. In St. Petersburg, we are completing the ongoing, mostly pre-paid, housing units. We are looking into various strategic options on how to wind-down the operations in a responsible way. Until we conclude these options, the St. Petersburg business is fully consolidated in Group numbers, as in prior periods, during the wind-down process.

The effects on our markets stemming from the Ukraine conflict are harder to assess. We are experiencing price increases on material and services in most of our markets, why we are even more careful of securing the right cost estimates before starting projects. The demand for our homes is robust but increasing interest rates and uncertainty could of course impact demand and prices short- to medium-term. Our estimate of starting 6,000 housing units in 2022 has been revised, and the new estimate is 4,200 housing units. This is mainly due to the winding down of the St. Petersburg operations, but we are also a bit cautious given the situation with signs of a strained supply of material. Shortage of certain material and products could also impact handovers. Our organisation has done a tremendous job in overcoming these types of challenges seen in conjunction with the pandemic.

Increasing profitability

Net sales grew by 55 per cent and profit before tax increased to SEK 106 M (-8). We are especially focusing on the development of the gross margin which increased to 13.0 (12.9) per cent. Our business volume varies over the quarters since we are reporting according to the completed contracts method. Based on estimated completions, we expect that the business volume in the third quarter will be lower compared to last year. We are backloaded with large part of our volume and profit reported in the fourth quarter.

In order to increase our competitiveness, we are conducting a review of our selling and administrative and indirect costs in the Group. This review will be concluded in the second quarter.

New land acquisitions for continued growth

We are continuing to increase investments in our building rights portfolio, which now totals 36,900 building rights. There has been a five per cent increase since the beginning of the year. We are continuing to expand our portfolio of attractive building rights in our growth markets Germany and Baltics.

Our high ambition to create long-term profitability stands firm

While substantial in scope, our operations in St. Petersburg are not of material significance for the Group. We have conducted a financial analysis of the implications of winding down the St. Petersburg operations. We are revising the business plan mid-point for profit before tax in 2024 from SEK 1.6 Bn to SEK 1.3 Bn and reducing the number of homes sold to 5,800 units. Our longer-term ambition is to achieve profit before tax of at least SEK 2.0 Bn (previously 2.2) and 7,000 (previously 8,000) sold homes in 2026. These are marginal revisions from the financial targets announced last year which included the St. Petersburg operations. We have substantial opportunities in the business portfolio to offset the St. Petersburg contribution. We are determined to attain our long-term objectives, and our ability to implement our strategy in other markets has not changed.

A turn-around of a long-term business as our will take time, but the first quarter shows that we are making progress towards our target of achieving market-leading profitability.

Peter Wallin

President and CEO

Outlook: Production starts 2022

For full-year 2022, our estimate of starting 6,000 housing units has been revised, and the new estimate is 4,200 housing units. The start volume depends on the necessary permits being obtained.



"We are continuing to expand our portfolio of attractive building rights in our growth markets Germany and Baltics"

Market development

The conditions for residential developers in our markets are robust. There is a housing shortage, purchasing power is strong and the COVID-19 pandemic has put a premium on housing. At the same time, each project is local, there are many players, competition is fierce and market developments are rapid. The players who make the right choices therefore have tremendous opportunities to benefit from these robust markets.

Population growth and urbanisation in combination with low levels of housing construction over several years have led to a shortage of housing units in destination regions.

Because of the situation in Ukraine, we see signs of a strained situation regarding materials supply and increasing costs on inputs, and we estimate this situation to remain throughout the year. The situation has not yet affected completion of any of our projects. We are working continuously to secure deliveries of materials and services for coming completions and future housing starts.

The demand for our homes is robust and the unemployment rate has gone down but increasing interest rates and uncertainty could of course impact demand and prices short- to medium-term.

Germany

There has been a shortage of housing units in Germany for many years and the topic is high on the political agenda. Bonava has a strong position in the attractive Berlin market. The market demonstrated a continued positive trend. The offering of new housing units is low, while the demand has remained high. The price trend remained favourable.

Sweden

Increasing population and relocation to the major cities, together with low interest rates and greater disposable income, have driven the housing market in Sweden. Demand for apartments and single-family homes in proximity to major cities is high. In Sweden, demand for housing has continued to be good, with slightly rising prices.

Finland

The housing market in Finland is concentrated primarily to the metropolitan regions with the largest population growth and expanded infrastructure: Helsinki, Tampere and Espoo. The housing markets in Finland continued with good demand at increased prices.

Norway

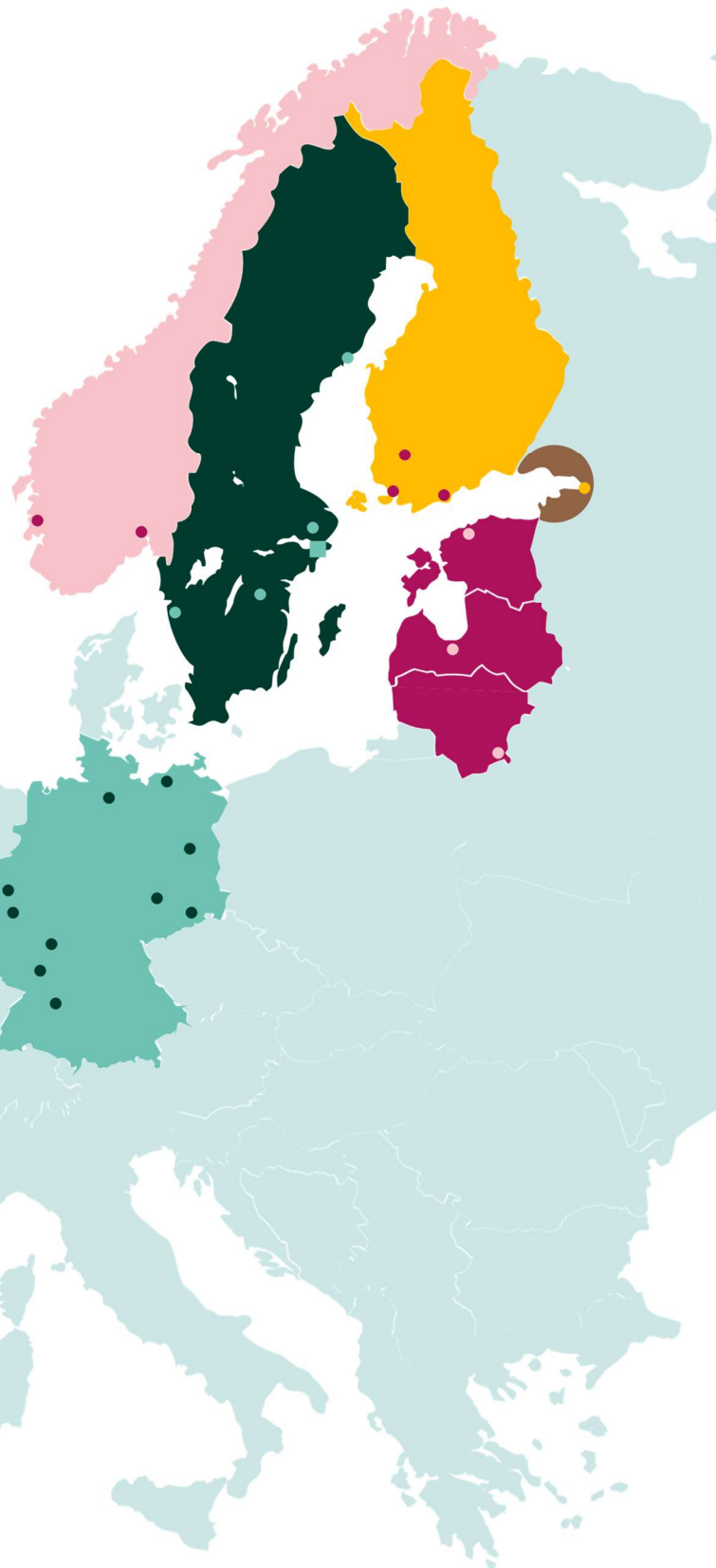
The Norwegian market is characterised by stability and a high proportion of housing units with ownership rights. Owing to high prices in Oslo, more families are looking for housing on the outskirts of the city while more residents are trying to move from rural areas to population centres in Bergen. Prices have continued to increase slightly as demand has been higher than supply.

Baltics

The markets in all three Baltic capitals are growing economies with increased purchasing power among the younger, highly educated population. The low quality of the existing housing stock combined with growing demand for rental housing presents opportunities to both build and manage rental apartments. Favourable market conditions remain across all Baltic markets with active banks competing for mortgage, low unemployment, and lack of supply. Trend for housing prices continues to be favourable in all markets.

St. Petersburg

The interest rates have increased during the quarter and the mortgage rate is around 20 per cent. The government have announced that they subsidized mortgage rates and project financing interest. Unemployment has not increased but is expected to. Still strong underlying demand for housing while at the same time development going forward is uncertain. Bonava will not do any new housing starts or investments in St. Petersburg, but we will complete the 762 housing units currently in production.



Group performance

JANUARY–MARCH 2022

Net sales

Net sales amounted to SEK 2,863 M (1,845); more housing units for consumers and investors were recognised in profit compared with the year-earlier period.

During the quarter, 689 (665) housing units for consumers were recognised in profit, with net sales of SEK 2,136 M (1,757). The average price per housing unit recognised in profit amounted to SEK 3.1 M (2.6).

Net sales to investors totalled SEK 715 M (0), and the number of housing units recognised in profit was 302 (0).

The sale of land during the quarter amounted to SEK 8 M (83). Exchange rate fluctuations had a positive effect of SEK 70 M on consolidated net sales compared with the year-earlier period.

Operating profit

Operating profit was SEK 141 M (25) and the operating margin was 4.9 per cent (1.4).

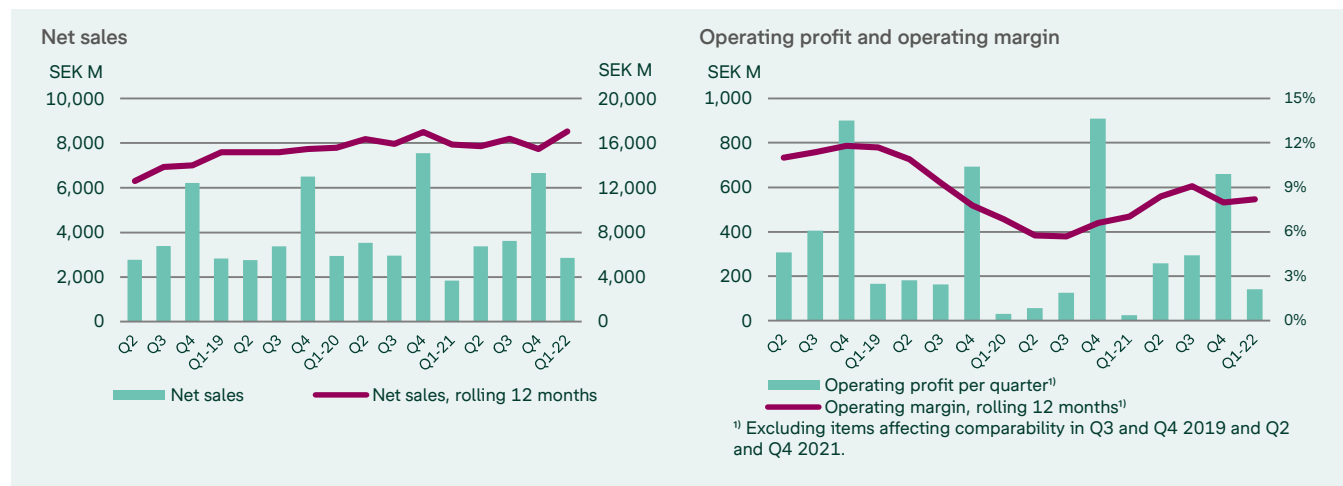
Excluding land sales, operating profit amounted to SEK 140 M (10) and the operating margin was 4.9 per cent (0.6).

Germany had a strong quarter with improved operating profit and margin. The gross margin for consumers was lower due to a loss-making project in Norway that is affecting the quarter and to high overhead costs in relation to their volume. The higher overhead costs due to the separation from Bonava Denmark have been handled during the quarter and will decrease gradually coming quarters. All other business units were in line with or above last year. Previous year we did not recognise any units to investors so product-mix affects margin in the quarter.

Exchange rate fluctuations had a positive impact of SEK 1 M on operating profit compared with the year-earlier quarter.

Net financial items, profit before tax, tax and profit for the quarter

Net financial items were SEK -35 M (-34). Profit before tax for the quarter was SEK 106 M (-8). Tax on profit for the quarter was SEK -29 M (2), corresponding to a tax rate of 27 per cent (27). Profit for the period amounted to SEK 77 M (-6).



	2022 Jan-Mar	2021 Jan-Mar	Apr 2021 - Mar 2022	2021 Jan-Dec
Net sales				
Germany	1,239	543	7,971	7,276
Sweden	653	484	3,496	3,327
Norway	261	79	969	787
Finland	314	330	1,826	1,842
Baltics	82	80	760	757
St. Petersburg	216	277	684	745
Other operations ¹⁾	100	54	803	757
Total	2,863	1,845	16,509	15,491

	2022 Jan-Mar	2021 Jan-Mar	Apr 2021 - Mar 2022	2021 Jan-Dec
Operating profit before items affecting comparability²⁾				
Germany	105	-8	1,027	914
Sweden	23	27	288	292
Norway	-26	-16	-77	-67
Finland	14	24	46	56
Baltics	3	3	82	82
St. Petersburg	60	62	152	155
Other operations ¹⁾	-37	-67	-166	-196
Total	141	25	1,352	1,236

¹⁾ Other operations consist of the Parent company, group adjustments, eliminations and the Danish operations.

²⁾ Items affecting comparability in full year 2021 pertain to costs in the second quarter related to the wind-down of operations in Denmark of SEK 117 M, the capital gain on the sale of Bonava's building rights portfolio in Copenhagen in the fourth quarter for SEK 226 M, and costs in Sweden, Norway, Finland and the Parent Company and adjustments due to the strategic review of SEK 188 M in the fourth quarter.

Financial position and cash flow

TOTAL ASSETS

Total assets were SEK 24,611 M (23,522). The increase was attributable to a higher value in properties held for future development as a result of more investments in land and increased volume of ongoing housing projects. On 31 December 2021, assets totalled SEK 23,711 M.

NET DEBT

Net debt amounted to SEK 5,154 M (4,179) at the end of the quarter. More investments in land were done in the quarter primarily in Germany, Baltics and Norway. Net debt on 31 December 2021 amounted to SEK 3,313 M.

EQUITY/ASSETS AND DEBT/EQUITY RATIO

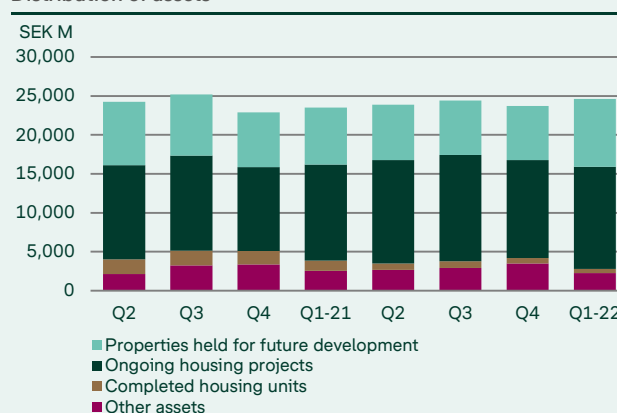
On 31 March, the equity/assets ratio was 34.1 per cent (31.7). The debt/equity ratio was 0.6 (0.6).

CASH FLOW JANUARY-MARCH 2022

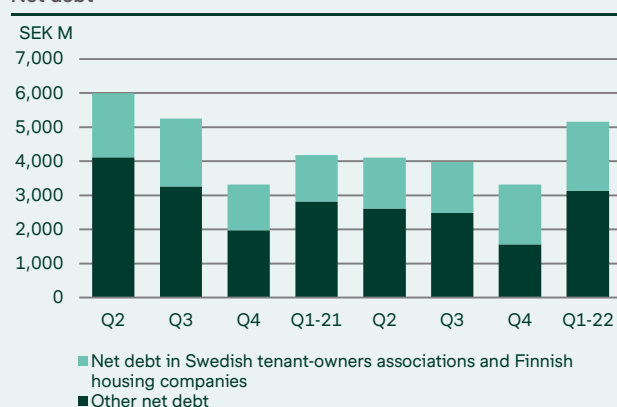
Cash flow before financing was SEK -1,785 M (-806). Higher earnings and lower translation differences resulted in a cash flow before changes in working capital of SEK -18 M (-194).

Cash flow from changes in working capital totalled SEK -1,760 M (-602). Sales of housing projects amounted to SEK 2,327 M (1,486), with increased sales primarily in Germany and Norway. Investments in housing projects amounted to SEK -4,345 M (-2,542), with increases mainly in Germany, Finland and Sweden. Increased investments in building rights, with several acquisitions in Baltics and Germany. Cash flow from other changes in working capital was SEK 257 M (454), which was primarily due to lower cash flow from interest-free receivables in Germany.

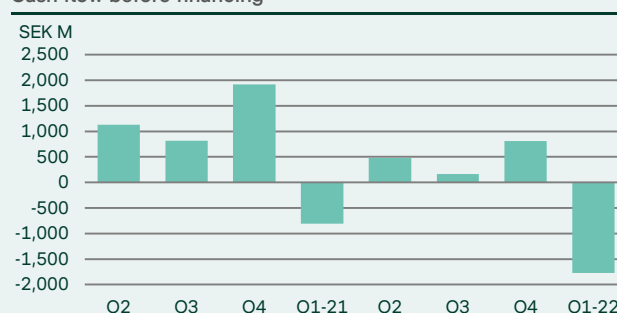
Distribution of assets



Net debt



Cash flow before financing



Completion and delivery of housing units

RECOGNITION OF HOUSING PROJECTS

Bonava's business model and the contract structure of the housing projects mean that when production is completed and customers have taken possession of the housing units, the sales value of these units is recognised under "Net sales" in the income statement. This applies to both housing units for consumers and investors.

The carrying amount of completed but not yet handed over housing units is transferred from "Ongoing housing projects" to "Completed housing units" in the balance sheet.

Completed housing units from earlier periods are added to net sales in the quarter when delivery to the customers occurs.

For more information on Bonava's value chain, refer to <https://www.bonava.com/en/offering-and-operations/bonavas-value-chain>.

SOLD COMPLETED HOUSING UNITS NOT RECOGNISED IN PROFIT AT END OF QUARTER

The number of sold completed housing units not recognised in profit at the end of the quarter was 49 (203). Last year a large number of housing units pertain to a project in St. Petersburg that was already sold and completed on 31 March 2021. Those were delivered in second quarter 2021. On 31 December 2021, the figure was 125. As communicated earlier, the remaining housing units in St. Petersburg that was completed on 30 September 2021 has continued to be delivered in the first quarter of 2022 and are now at a low level.

UNSOLD COMPLETED HOUSING UNITS AT END OF QUARTER

The number of unsold completed housing units at the end of the quarter was 108 (273). On 31 December 2021, the figure was 122.

COMPLETED HOUSING UNITS DURING THE QUARTER

At the end of the preceding quarter, Bonava estimated that approximately 720 consumer housing units would be completed in the first quarter. A total of 599 housing units were completed. Completions were delayed to quarter two in Lithuania 65 units and in Finland 50 units. In Sweden, Germany, Norway and Denmark, the number of housing units completed were largely according to plan.

In the quarter, 230 housing units for investors were estimated to be completed. 302 units were completed where Germany completed one project of 68 units ahead of schedule.

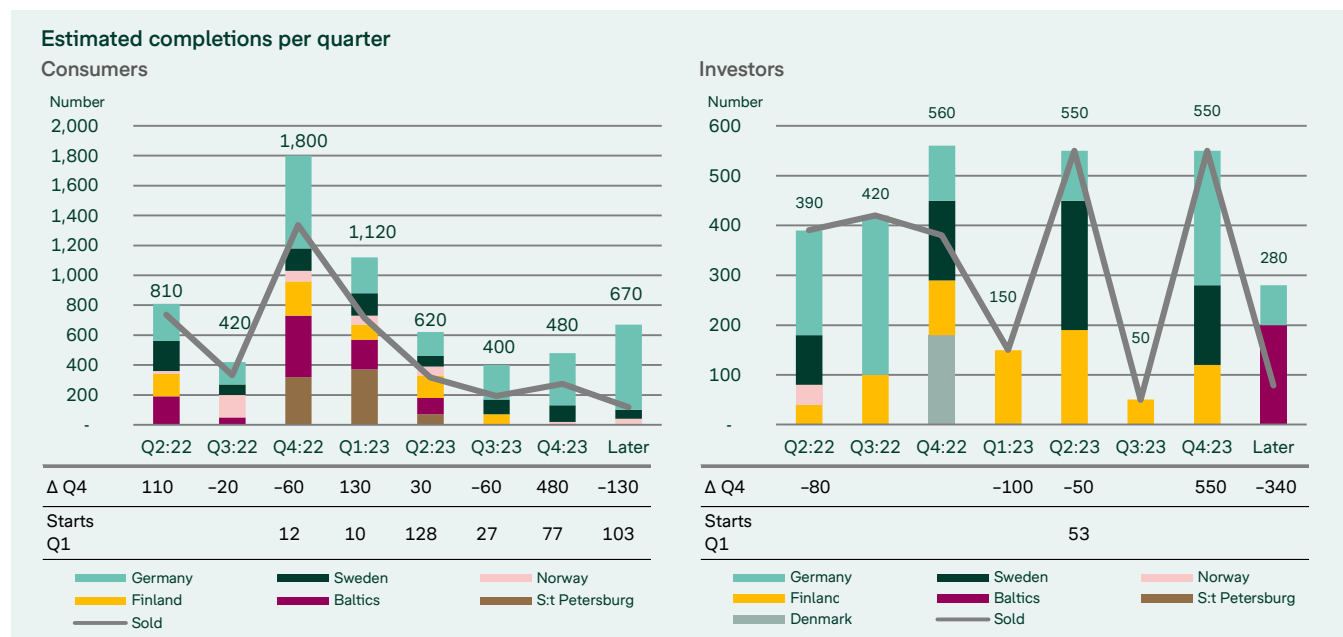
HOUSING UNITS RECOGNISED IN PROFIT DURING THE QUARTER

The number of housing units for consumers recognised in profit during the quarter was 689 (665). The majority of these were completed and delivered to customers during the quarter, but an additional 35 previously completed housing units were sold and recognised in profit.

During the quarter, 302 housing units (0) for investors that had been completed during the quarter were recognised in profit.

VALUE OF HOUSING UNITS SOLD NOT YET RECOGNISED IN PROFIT

The value of sold housing units in production and completed housing units sold but not yet recognised in profit at the end of the quarter was SEK 14,209 M (14,314) for consumers and SEK 6,859 M (8,088) for investors.



The diagrams illustrate the estimated completion dates for housing units for consumers and investors, respectively. The number of housing units have been rounded off since they are estimates of the point in time of completion. The curves illustrate the percentage of units sold at 31 March 2022. The diagrams thus provide an indication of future net sales, provided that the housing units are also delivered to the end customers.

The lines under the diagram clarify the changes that have occurred since the assessment presented in the interim report for the most recent quarter.

The top line shows an amended estimate of when the units are expected to be completed, compared with the latest published interim report. Changes such as the date for receiving building permits, disruptions in the logistics and production chain or other factors could positively or negatively impact the estimated time of completion.

The bottom line shows the expected time of completion for the units for which production has started during the quarter. These units thus entail an increase in the total number of units included in the graph.

Building rights

Bonava's building rights serves as a solid basis for future projects. However, it must be expanded going forward. A relatively high number of land sales took place between 2016 and 2018 to structure a building rights portfolio suited to Bonava's business. Over time, the building rights portfolio has become somewhat under-sized in relation to our growth ambitions and the updated strategy. Stable volumes over time that enable scale in the business is a critical success factor in our industry, and therefore we need to further strengthen the building rights portfolio to succeed with our business. Bonava reports our building rights at book value. No surplus value from market valuation is included in reported figures.

The total number of building rights at the end of the quarter amounted to 36,900 (32,900). From year end we have increased our portfolio with 5 per cent. In Baltics several new acquisitions were completed for approximately 1,600 new housing units in Riga and Vilnius. In Germany we increased our portfolio with 600 building rights including a large investment in Berlin both intended for consumer and investors. Also, investments were made in Frankfurt, Lübeck and Leipzig. Sweden returned 700 building rights during the quarter due to a cancelled zoning process. We invested in a large plot in Västerås containing of

approximately 270 building rights. Norway invested in building rights in Bergen of approximately 300 units.

Bonava recognises some of its building rights off the balance sheet, such as land that Bonava controls through a contract with options or some other form of agreement, but where the land has not yet been taken into possession. The number of off-balance-sheet building rights at the end of the quarter amounted to 14,900 (12,300).

Bonava is to continue expanding its building rights portfolio to achieve its growth target of 7,000 sold housing units by 2026. The diagram below illustrates the development of the building rights portfolio during 2022 and its composition at the end of March 2022. Properties held for future development amounted to SEK 8,711 M (7,333) at the end of the quarter, due to increased investments.

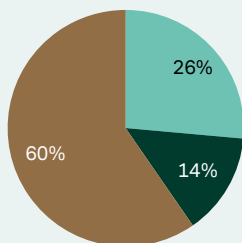
Building rights

On-/Off-balance

	2022 31 Mar	2021 31 Mar	2021 31 Dec
<i>Number of building rights</i>			
Germany	10,100	8,300	9,700
Sweden	8,000	8,000	8,200
Norway	3,300	3,200	3,000
Finland	3,900	5,200	4,100
Baltics	7,600	4,400	6,000
St. Petersburg	4,000	3,200	4,300
Denmark		600	
<i>Of which, off-balance sheet</i>			
Germany	3,500	2,200	4,500
Sweden	3,000	3,000	3,800
Norway	1,400	1,200	1,500
Finland	2,500	3,200	2,400
Baltics	3,300	1,600	2,800
St. Petersburg	1,200	1,000	1,900
Denmark		100	

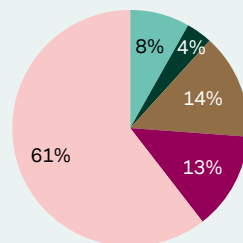
Number of building rights at 31 March 2022

On-/Off-balance



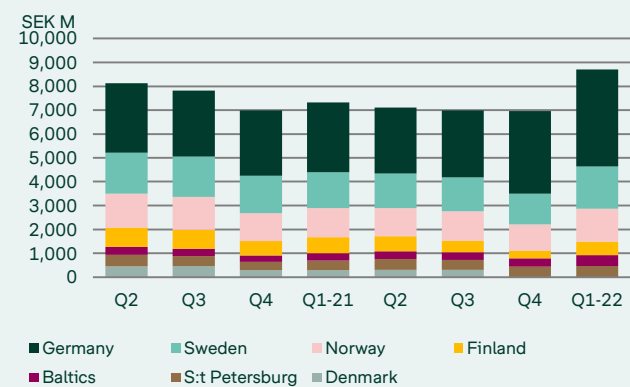
Conditional agreement, 26%
Option, 14%
On-balance, 60%

Signed agreement



Before 2010, 8%
'11-'15, 4%
'16-'17, 14%
'18-'19, 13%
'20-'22, 61%

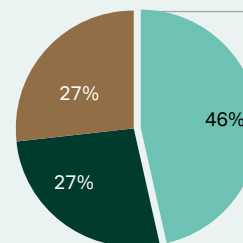
Book value, building rights portfolio



Distribution of building rights

Building rights

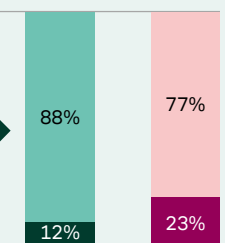
Planned start



Start '22-'24, 46%
Start '25-'26, 27%
Later or exit, 27%

Planned start 2022-2024

Product type



Multi family, 88%
Single family, 12%
B2C, 77%
B2B, 23%

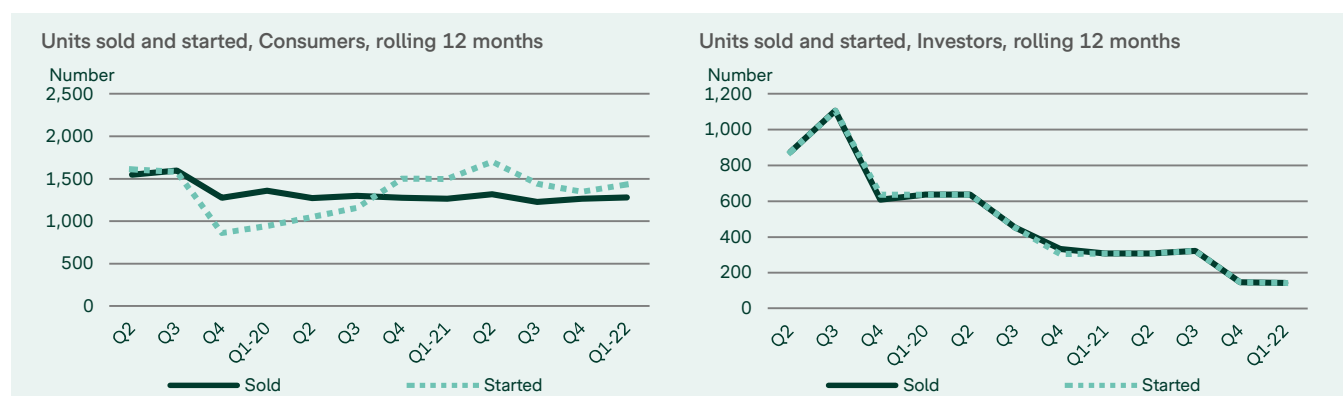
Germany

Germany is Bonava's largest market, with operations in the major city regions of Berlin and Hamburg as well as the Baltic Sea, Sachsen, Rhein-Ruhr, Cologne/Bonn, Rhein-Main and Rhein-Neckar/Stuttgart. We offer apartments and single-family homes to consumers, and multi-family apartment buildings with rental apartments to investors.

HOUSING UNITS SOLD AND STARTED

The number of housing units sold to consumers increased to 248 (232). The sales rate for ongoing production totalled 70 per cent (78). The number of housing units starts for consumers increased to 233 (144).

The quarter was stronger in terms of housing starts compared to last year but delays in the approval process for building permits are still noticeable. No housing units for investors (4) were sold or started during the quarter.



NET SALES AND PROFIT

January-March 2022

In the first quarter 206 (130) housing units were handed over to consumers and 138 (0) units to investors. One more investor project of 68 units was handed over than we estimated in quarter four 2021. The higher number of recognised housing units increased net sales to SEK 1,239 M (543). There were no land sales during the quarter.

The operating profit has increased to SEK 105 M (-8). The gross margin totalled 14.9 per cent (11.1) due to improved margins in projects recognised in the quarter with improved margins also in our investor projects. Focus on our strategic objectives: drive cost and efficiency through repetition, strengthen land bank, and commercial excellence enabled Germany to deliver strong project margins.

Selling and administrative expenses increased to SEK -79 M (-68). The first quarter last year was impacted by a COVID-19 lockdown.

	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Net sales	1,239	543	7,276
Gross profit	184	60	1,210
Gross margin, %	14.9	11.1	16.6
Selling and administrative expenses	-79	-68	-296
Operating profit/loss	105	-8	914
Operating margin, %	8.5	-1.5	12.6
Capital employed	5,224	4,599	4,393
of which, carrying amount of properties held for future development	4,076	2,943	3,463
Return on capital employed, %	22.5	16.7	21.0
Number of housing units sold	248	236	1,409
Sales value of housing units sold	1,232	1,047	6,244
Number of housing units started	233	148	1,490
Number of housing units in ongoing production	3,641	4,075	3,749
Sales rate for ongoing production, %	70	78	71
Number of housing units completed, not recognised in profit	19	37	22
Number of housing units for sale (ongoing production and completed)	1,093	939	1,108
Number of housing units recognised in profit	344	130	1,813

The key ratios have not been affected by items affecting comparability, since no such items have been reported.

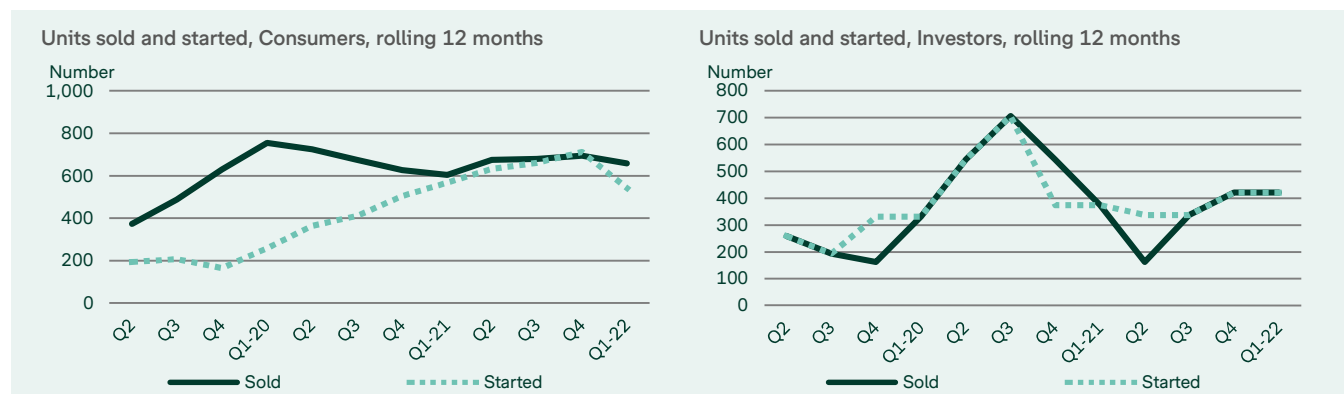
Sweden

In Sweden, Bonava offers apartments and single-family homes to consumers in Stockholm, Gothenburg, Linköping, Uppsala and Umeå. To investors, we offer multi-family buildings with rental apartments in about 15 cities.

HOUSING UNITS SOLD AND STARTED

The sale of housing units to consumers totalled 161 (196). No housing units to investors were sold or started during the quarter, neither during the first quarter preceding year. The sales rate for ongoing production totalled 86 per cent (84).

Low level of completed housing units not recognised in profit 22 (118). No production starts to consumers (170) during the quarter, which was according to plan.



NET SALES AND PROFIT

January–March 2022

Net sales amounted to SEK 653 M (484). Housing units to consumers recognised in profit amounted to 126 (88), and housing units to investors amounted to 108 (0).

Operating profit totalled SEK 23 M (27) and the operating margin was 3.5 per cent (5.5). Excluding land sales, operating profit amounted to SEK 22 M (18) and the operating margin was 3.4 per cent (4.2).

Gross margin in housing units to consumers recognised in profit was at the same level as in first quarter preceding year. No housing units to investors were recognised last year and therefore the product mix this quarter affect the gross margin negatively since the project handed over to investor had a lower margin.

Because of a different product mix in recognised housing units, average sales price was higher the same period preceding year.

	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Net sales	653	484	3,327
Gross profit	59	62	420
Gross margin, %	9.0	12.9	12.6
Selling and administrative expenses	-36	-36	-129
Operating profit/loss before items affecting comparability	23	27	292
Operating margin before items affecting comparability, %	3.5	5.5	8.8
Items affecting comparability ¹⁾			-44
Operating profit/loss after items affecting comparability	23	27	247
Operating margin after items affecting comparability, %	3.5	5.5	7.4
Capital employed	3,073	3,125	3,135
of which, carrying amount of properties held for future development	1,770	1,503	1,293
Return on capital employed, % ¹⁾	9.1	5.6	9.1
Number of housing units sold	161	196	1,113
Sales value of housing units sold	652	794	3,640
Number of housing units started		170	1,131
Number of housing units in ongoing production	1,617	1,761	1,849
Sales rate for ongoing production, %	86	84	79
Number of housing units completed, not recognised in profit	22	118	24
Number of housing units for sale (ongoing production and completed)	237	354	398
Number of housing units recognised in profit	234	88	1,055

¹⁾The key ratios in Jan-Dec 2021 have been affected by items affecting comparability. No such items have been reported in Jan-Mar 2022 or 2021.

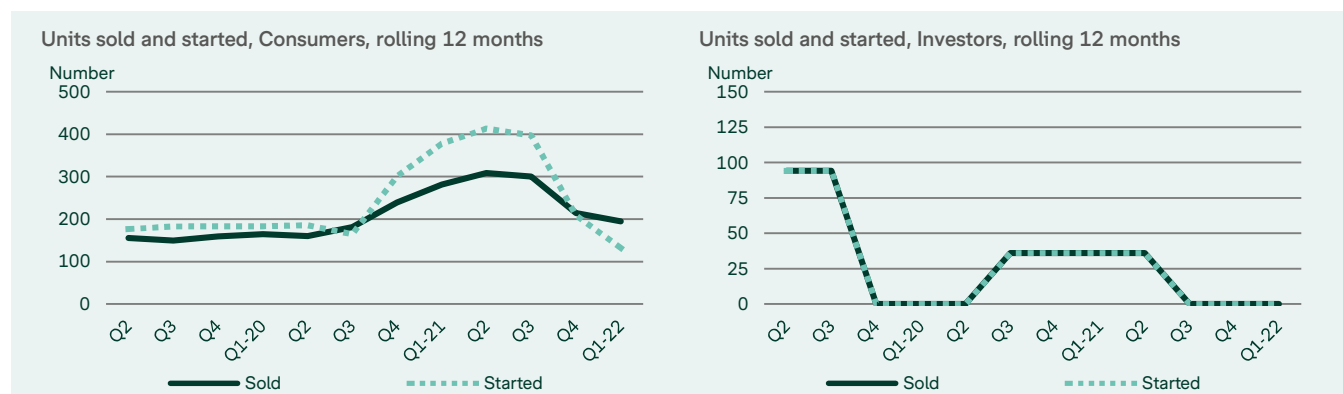
Norway

In Norway, Bonava has operations in Bergen and Oslo. We offer apartments to consumers and multi-family apartment buildings to investors, including apartments for rent.

HOUSING UNITS SOLD AND STARTED

The number of housing units sold to consumers decreased to 49 (69). Number of housing units has decreased mainly due to less units available for sale and projects reaching a mature stage. The sales rate for ongoing production totalled 71 per cent (60).

Norway has not started any projects to consumer (77) or investor (0) in the quarter.



NET SALES AND PROFIT

January–March 2022

Net sales increased to SEK 261 M (79) attributable to more housing units for consumers recognised in profit in Bergen.

Operating loss was SEK -26 M (-16), operating margin was -10.1 per cent (-19.7). The operating loss is mainly due to the completion of one known challenging project where costs have increased further in connection to the completion of the project. Selling and admin increased to SEK -29 M (-18) driven by higher marketing costs, change of office premises, increased rent and increased costs mainly due to the separation from Bonava Denmark which have been handled during the quarter and will decrease gradually coming quarters.

Norway is building up the project portfolios in both regions, focusing on improved project control and profitability, bringing more products to the market in line with the strategic review and plan set out in the end of 2021.

	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Net sales	261	79	787
Gross profit	3	2	19
Gross margin, %	1.0	3.0	2.4
Selling and administrative expenses	-29	-18	-86
Operating profit/loss before items affecting comparability	-26	-16	-67
Operating margin before items affecting comparability, %	-10.1	-19.7	-8.5
Items affecting comparability ¹⁾			-50
Operating profit/loss after items affecting comparability	-26	-16	-116
Operating margin after items affecting comparability, %	-10.1	-19.7	-14.8
Capital employed	2,670	2,010	2,235
of which, carrying amount of properties held for future development	1,442	1,218	1,156
Return on capital employed, % ¹⁾	-3.2	2.3	-3.1
Number of housing units sold	49	69	214
Sales value of housing units sold	300	376	990
Number of housing units started		77	209
Number of housing units in ongoing production	457	603	518
Sales rate for ongoing production, %	73	68	67
Number of housing units completed, not recognised in profit	29	14	22
Number of housing units for sale (ongoing production and completed)	139	201	188
Number of housing units recognised in profit	54	15	224

¹⁾The key ratios in Jan-Dec 2021 have been affected by items affecting comparability. No such items have been reported in Jan-Mar 2022 or 2021.

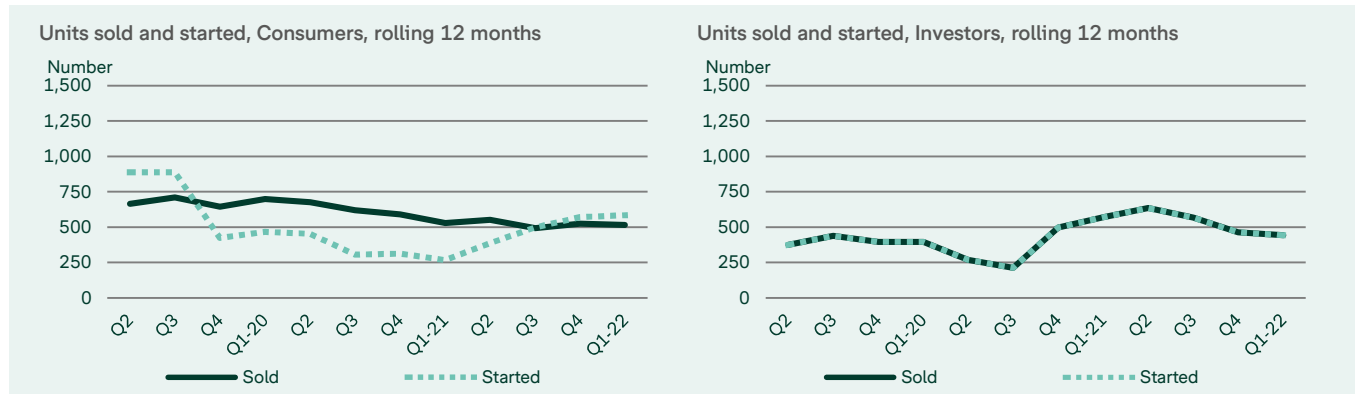
Finland

In Finland, Bonava is active in the regions Helsinki, Espoo, Vantaa, Kirkkonummi, Turku and Tampere. We offer multi-family housing with apartments for consumers and rental housing projects for investors.

HOUSING UNITS SOLD AND STARTED

The number of housing units sold to consumers decreased to 113 (123). Completed housing units unsold continued to decrease in the quarter. 53 units (72) to investors were sold and started.

The sales rate for the ongoing consumer production totalled 68 per cent (69). The number of housing units started amounted to 119 (123).



NET SALES AND PROFIT

January–March 2022

Net sales decreased to SEK 314 M (330) attributable to less housing units recognised in profit to consumers and more to investors at a lower average sales price.

Operating profit was SEK 14 M (24) and the operating margin was 4.5 per cent (7.4). The lower profitability was due to a different product mix affecting the gross margin. There were no housing units recognised to investors in first quarter 2021.

	2022 Jan–Mar	2021 Jan–Mar	2021 Jan–Dec
Net sales	314	330	1,842
Gross profit	36	43	133
Gross margin, %	11.5	12.9	7.2
Selling and administrative expenses	-22	-18	-77
Operating profit/loss before items affecting comparability	14	24	56
Operating margin before items affecting comparability, %	4.5	7.4	3.1
Items affecting comparability ¹⁾			-36
Operating profit/loss after items affecting comparability	14	24	20
Operating margin after items affecting comparability, %	4.5	7.4	1.1
Capital employed	891	1,087	837
of which, carrying amount of properties held for future development	560	664	315
Return on capital employed, % ¹⁾	4.7	10.7	5.4
Number of housing units sold	166	195	988
Sales value of housing units sold	445	375	2,275
Number of housing units started	119	123	1,032
Number of housing units in ongoing production	1,450	1,026	1,447
Sales rate for ongoing production, %	85	89	82
Number of housing units completed, not recognised in profit	18	60	24
Number of housing units for sale (ongoing production and completed)	237	168	284
Number of housing units recognised in profit	122	112	636

¹⁾ The key ratios in Jan-Dec 2021 have been affected by items affecting comparability. No such items have been reported in Jan-Mar 2022 or 2021.

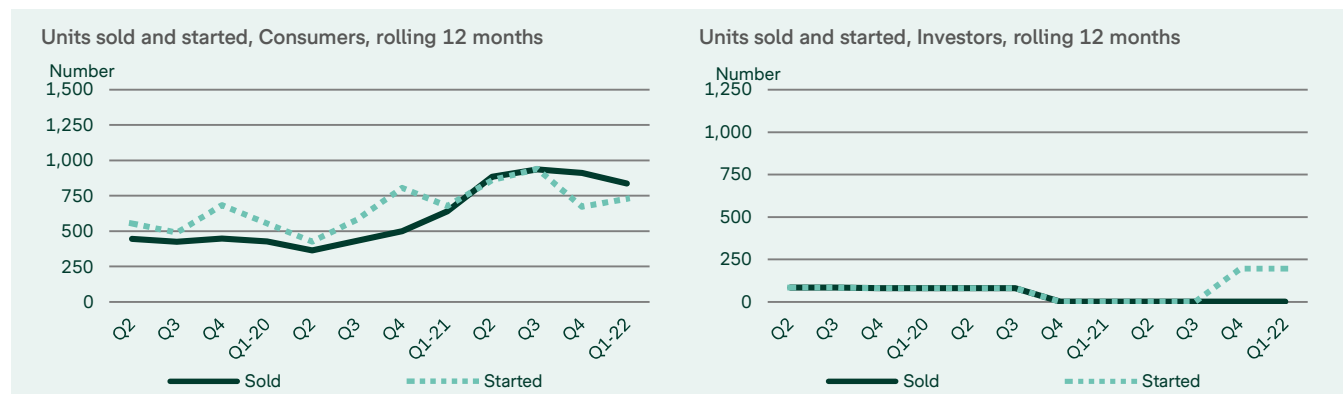
Baltics

The Baltics segment comprises of the capital cities of Tallinn, Estonia; Riga, Latvia; and Vilnius in Lithuania. The offering is primarily targeted at multi-family housing for consumers, but we also have rental housing projects for investors.

HOUSING UNITS SOLD AND STARTED

Housing units sold to consumers totalled 171 (246). The sales rate for ongoing production to consumers was 62 per cent (47) showing positive trend during the quarter.

The number of housing units starts to consumers was 58 (0). No housing units to investors (0) were sold or started during the quarter.



NET SALES AND PROFIT

January–March 2022

Net sales amounted to SEK 82 M (80). During the quarter 78 (96) housing units were recognised to consumers.

Gross profit was SEK 14 M (9) and the margin was 17.1 per cent (11.8). The increase was due to different product mix and improved results in some of the completed projects recognised in the quarter.

Selling and administrative expenses were higher compared with the preceding year due to more head counts.

The first project in Lithuania will be completed in the second quarter.

	2022 Jan–Mar	2021 Jan–Mar	2021 Jan–Dec
Net sales	82	80	757
Gross profit	14	9	114
Gross margin, %	17.1	11.8	15.0
Selling and administrative expenses	-11	-7	-32
Operating profit/loss	3	3	82
Operating margin, %	3.6	3.3	10.8
Capital employed	917	625	738
of which, carrying amount of properties held for future development	456	313	356
Return on capital employed, %	11.3	9.6	12.3
Number of housing units sold	171	246	912
Sales value of housing units sold	220	218	893
Number of housing units started	58		867
Number of housing units in ongoing production	1,164	982	1,188
Sales rate for ongoing production, %	51	56	43
Number of housing units completed, not recognised in profit	26	74	22
Number of housing units for sale (ongoing production and completed)	392	497	505
Number of housing units recognised in profit	78	96	811

The key ratios have not been affected by items affecting comparability, since no such items have been reported.

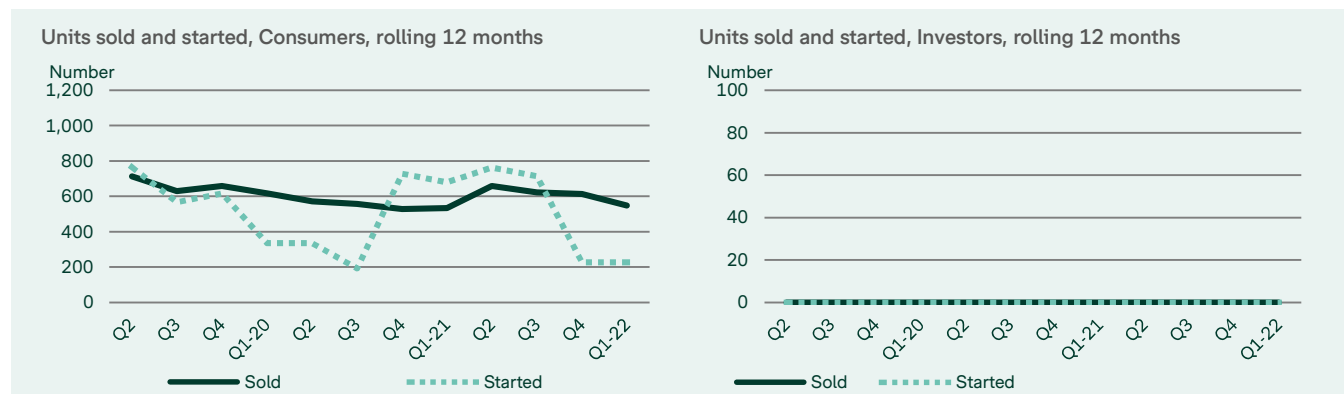
St. Petersburg

The offering is targeted at multi-family housing with apartments for private consumers (housing units with ownership rights).

HOUSING UNITS SOLD AND STARTED

Housing units sold to consumers amounted to 79 (145). The sales rate for ongoing production totalled 72 per cent (43). The number of housing units starts for consumers totalled 0 (0). Since we are winding down the operations in St. Petersburg, Bonava will not start any new projects.

We have currently 762 units in production, most of them pre-paid, that we aim to conclude with handovers during 2022 and beginning of 2023. Since the end of March, we have the legal ability to continue to sell housing units in our ongoing projects.



NET SALES AND PROFIT

January–March 2022

Net sales amounted to SEK 216 M (277). The gross margin improved as a result of a favourable project mix.

Operating profit was SEK 60 M (62) and the operating margin was 27.7 per cent (22.5).

The winding down of operations resulted in lower development of selling and administrative expenses. We refer to note 6 for more information.

	2022 Jan–Mar	2021 Jan–Mar	2021 Jan–Dec
Net sales	216	277	745
Gross profit	67	72	192
Gross margin, %	31.2	26.0	25.8
Selling and administrative expenses	-7	-10	-37
Operating profit/loss	60	62	155
Operating margin, %	27.7	22.5	20.8
Capital employed	895	590	824
of which, carrying amount of properties held for future development	464	394	433
Return on capital employed, %	22.0	36.6	24.7
Number of housing units sold	79	145	615
Sales value of housing units sold	128	191	836
Number of housing units started			226
Number of housing units in ongoing production	762	919	810
Sales rate for ongoing production, %	72	43	64
Number of housing units completed, not recognised in profit	43	161	133
Number of housing units for sale (ongoing production and completed)	242	565	321
Number of housing units recognised in profit	138	213	576

The key ratios have not been affected by items affecting comparability, since no such items have been reported.

Current projects in the quarter

During the first quarter, Bonava started production of 410 housing units (518).
All production starts are reported at <https://www.bonava.com/en/investor-relations/housing-starts>

Germany

Seepark Pätz

Location: Region Berlin

Housing category: Condominiums

Number of units: 51 apartments for consumers

Where previously old holiday barracks were hiding between the trees, a green residential area has emerged for both couples and families. A combined heat- and power- plant supplies the entire quarter with sustainably generated heat. The residents can easily get to Berlin or the airport with regional express train and it is only a few steps to the shore of the local lake.



Finland

Turun Solina 14

Location: Kirstinpuisto, Turku

Housing category: Multi-family housing

Number of units: 66 apartments for consumers

Kirstinpuisto is a new growing residential district in Turku city centre. In total, Bonava plans to construct 1,400 housing units in the area. Kirstinpuisto has an excellent location with green surroundings, central location with good public transportation and closeness of services. The neighbourhood will have high-quality public spaces and green areas.



Baltics – Latvia

Mazā Robežu 5

Location: Dreilini, Riga

Housing category: Multi-family housing

Number of units: 58 apartments for consumers

All the buildings in this neighbourhood are surrounded by a large and landscaped green area with several children's playgrounds and walking paths that wind along the adjacent river. There are lounges in several buildings where you can organize events and celebrate with friends or fireplaces.



Other information

OTHER OPERATIONS

In May 2021 it was announced that we are winding down the Danish operations. In November 2021 we sold the remaining part of the building right portfolio.

As part of the adjusted segment reporting Bonava Denmark is reported under other operations. In the first quarter Denmark recognised 21 (11) units to consumer with net sales of SEK 98 M (53). Gross profit amounted to SEK 10 M (-5) and profit before tax improved to SEK 5 M (-19). There are two remaining projects in Denmark, and they are progressing according to plan and will be handed over in quarter four. Both are investor deals totalling 185 units. Refer to note 2 for more information.

ST. PETERSBURG UPDATE

On 3 March Bonava announced that we are winding down our operations in St. Petersburg. The decision was made since Bonava cannot continue to pursue a sound residential development in St. Petersburg long-term. Bonava is looking into various strategic options to wind-down the operations in a responsible way. Until we conclude these options, the St. Petersburg business is fully consolidated in Group numbers, as in prior periods, during the wind-down process. As of now, there is no legislation saying that we cannot pay dividend from the St. Petersburg operations.

Bonava has currently 762 units in production, most of them pre-paid, that we aim to conclude with handovers during 2022 and beginning of 2023. Refer to note 6 for more information.

SIGNIFICANT RISKS AND UNCERTAINTIES

Bonava's operations are exposed to several types of risks, both operational and financial. The strategic review did not result in any material impact on Bonava's significant risks and uncertainties. During the first quarter we have identified a larger risk of shortages in materials and supply in our markets. Nothing that effects our projects as of now, but we see an increased risk of postponement in starts and delays in handovers.

Bonava has a Risk Committee that is responsible for organising, coordinating, and carrying out risk management. The Risk Committee regularly reports to the Audit Committee and Executive Management Group. For further information on material risks and risk management, see pages 63–66 of Bonava's Annual and Sustainability Report for 2021, which is available at bonava.com.

ORGANISATION AND EMPLOYEES

The average number of employees in the Group for the period was 2,219 (2,070).

THE BONAVA SHARE AND LARGEST SHAREHOLDERS

Bonava has two share classes, Class A and Class B. Each Class A share carries ten votes and each Class B share one vote. Bonava's share capital was SEK 434 M on the balance sheet date, divided between 108,435,822 shares and 210,180,660 votes. As of 31 March 2022, Bonava had 11,304,982 Class A shares and 97,130,840 Class B shares. The number of B shares held by the company was 1,245,355, corresponding to 1.1 per cent of the capital and 0.6 per cent of the votes.

At the end of the quarter, the number of shareholders was 30,533 (31,060). Bonava's largest shareholder was Nordstjernan AB, with 24.5 per cent of the capital and 49.0 per cent of the votes, followed by the Fourth Swedish National Pension Fund with 8.2 per cent of the capital and 4.8 per cent of the votes and Swedbank Robur Fonder with 5.9 per cent of the capital and 3.0 per cent of the votes. The ten largest shareholders controlled a total of 54.1 per cent of the capital and 65.3 per cent of the votes. More information on the Bonava share and owners is available at bonava.com/en/investor-relations.

SEASONAL EFFECTS

Bonava recognises revenues and earnings from housing sales when sold and completed housing units are delivered to customers. Bonava's operations are affected by seasonal variations, which means that a majority of housing units are delivered to customers in the fourth quarter. Accordingly, earnings and cash flow before financing are usually stronger in the fourth quarter than in other quarters. This is shown in the charts depicting the estimated completions by quarter on page 7.

SIGNIFICANT EVENTS DURING THE PERIOD

Bonava announced on 3 March that we are winding down our St. Petersburg operations.

Bonava announced on 28 March that we are adjusting our segment reporting from 1 January 2022. The segment Nordic is divided, and new segments are Finland and Norway. The segment St. Petersburg-Baltics is divided, and new segments are St. Petersburg and Baltics. Parent company and adjustments changes name to Other operations and include Bonava's Head Office as well as group adjustments and eliminations and here we also include the remaining part of the Danish operation. The segments Germany and Sweden are unchanged.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

The Annual General Meeting (AGM) in Bonava AB (publ) was held on 1 April. Mats Jönsson, Viveca Ax:son Johnson, Åsa Hedenberg, Angela Langemar Olsson and Per-Ingemar Persson were re-elected as Board members. Andreas Segal and Nils Styf were elected as new Board members. The AGM re-elected Mats Jönsson as Chairman of the Board.

The AGM authorised proposed dividend to shareholders of SEK 3.50 per share, to be paid on two occasions, in April and October. The record date for the right to receive the first dividend of SEK 1.75 per share was 5 April 2022, with payment on 8 April 2022. The record date for the right to receive the second dividend of SEK 1.75 per share is 3 October 2022, with payment on 6 October 2022.

On 29 April Bonava announced that our long-term financial targets have been slightly revised from 8,000 sold units to 7,000 and profit before tax from SEK 2.2 Bn to SEK 2.0 Bn in 2026. Mid-term have been revised from SEK 1.6 Bn to SEK 1.3 Bn in profit before tax and sold housing units from 7,000 to 5,800 in 2024.

AMOUNTS AND DATES

Unless otherwise stated, amounts are indicated in millions of Swedish kronor (SEK M). All comparative figures in this report refer to the corresponding period of the previous year. Rounding differences may occur.

Stockholm 29 April 2022
Bonava AB (publ)

Peter Wallin
President and CEO

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

Consolidated income statement

	Note 1	2022 Jan-Mar	2021 Jan-Mar	Apr 2021 - Mar 2022	2021 Jan-Dec
Net sales	2	2,863	1,845	16,509	15,491
Production cost		-2,490	-1,607	-14,256	-13,373
Gross profit		373	238	2,252	2,117
Selling and administrative expenses		-232	-213	-900	-882
Operating profit before items affecting comparability	2	141	25	1,352	1,236
Items affecting comparability				-80	-80
Operating profit after items affecting comparability		141	25	1,272	1,156
Financial income		4	4	17	17
Financial expenses		-39	-38	-154	-153
Net financial items		-35	-34	-137	-136
Profit before tax	2	106	-8	1,135	1,020
Tax on profit for the period		-29	2	-244	-212
Profit for the period¹⁾		77	-6	891	808
Per share data before and after dilution					
Profit for the period after items affecting comparability, SEK		0.72	-0.06	8.31	7.54
Cash flow from operating activities, SEK		-16.59	-7.43	-2.46	6.71
Shareholders' equity, SEK		78.25	69.56	78.25	77.60
No. of shares at the end of period, million ²⁾		107.2	107.2	107.2	107.2

¹⁾ Profit for the entire period is attributable to Bonava AB's shareholders.

²⁾ The total number of shares repurchased as of 31 March was 1,245,355 (1,245,355).

Consolidated statement of comprehensive income

	Note 1	2022 Jan-Mar	2021 Jan-Mar	Apr 2021 - Mar 2022	2021 Jan-Dec
Profit for the period		77	-6	891	808
<i>Items that have or may be reclassified to profit for the period</i>					
Translation differences during the period in translation of foreign operations		-4	106	40	150
Other comprehensive income for the period		-4	106	40	150
Comprehensive income/loss for the period¹⁾		73	100	931	958

¹⁾ Profit for the entire period is attributable to Bonava AB's shareholders.

Condensed consolidated balance sheet

	Note 1, 4, 5	2022 31 Mar	2021 31 Mar	2021 31 Dec
ASSETS				
Fixed assets		759	889	877
Current assets				
Properties held for future development		8,711	7,333	6,959
Ongoing housing projects		13,106	12,336	12,546
Completed housing units		552	1,310	706
Current receivables		1,058	995	1,556
Cash and cash equivalents	3	425	659	1,066
Total current assets		23,852	22,632	22,834
TOTAL ASSETS		24,611	23,522	23,711
SHAREHOLDERS' EQUITY				
Shareholders' equity attributable to Parent Company shareholders		8,388	7,456	8,318
Non-controlling interest		5	4	5
Total shareholders' equity		8,393	7,461	8,322
LIABILITIES				
Non-current liabilities				
Non-current interest-bearing liabilities	3	3,004	3,341	2,396
Other non-current liabilities		443	191	462
Non-current provisions		813	786	898
Total non-current liabilities		4,261	4,318	3,755
Current liabilities				
Current interest-bearing liabilities	3	2,595	1,514	2,076
Other current liabilities		9,363	10,229	9,557
Total current liabilities		11,958	11,744	11,633
Total liabilities		16,219	16,061	15,389
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		24,611	23,522	23,711

Condensed consolidated changes in shareholders' equity

	Shareholders' equity attributable to Parent Company shareholders	Non-controlling interest	Total shareholders' equity
Opening shareholders' equity, 1 January 2021	7,918	5	7,923
Comprehensive income for the period	958		958
Dividend	-563		-563
Performance-based incentive programme	4		4
Closing shareholders' equity, 31 December 2021	8,318	5	8,322
Comprehensive income for the period	73		73
Performance-based incentive programme	-3		-3
Closing shareholders' equity, 31 March 2022	8,388	5	8,393

Condensed consolidated cash flow statement

	2022 Jan-Mar	2021 Jan-Mar	Apr 2021 - Mar 2022	2021 Jan-Dec
OPERATING ACTIVITIES				
Profit before tax	106	-8	1,135	1,020
Adjustments for items not included in cash flow	-71	-138	303	236
Tax paid	-54	-48	-271	-265
Cash flow from operating activities before change in working capital	-18	-194	1,167	991
Cash flow from change in working capital				
Sales of housing projects	2,327	1,486	13,751	12,910
Investments in housing projects	-4,345	-2,542	-15,073	-13,270
Other changes in working capital	257	454	-109	88
Cash flow from changes in working capital	-1,760	-602	-1,430	-272
Cash flow from operating activities	-1,778	-796	-263	719
INVESTMENT ACTIVITIES				
Cash flow from investment activities	-7	-10	-85	-88
CASH FLOW BEFORE FINANCING	-1,785	-806	-348	631
FINANCING ACTIVITIES				
Dividend			-563	-563
Increase in interest-bearing liabilities	1,352	409	3,028	2,085
Decrease in interest-bearing liabilities	-262	-355	-2,346	-2,439
Change in interest-bearing receivables	64	2	-8	-70
Cash flow from financing activities	1,154	56	111	-987
CASH FLOW DURING THE PERIOD	-631	-750	-237	-356
Cash and cash equivalents at start of period	1,066	1,387	659	1,387
Exchange rate differences in cash and cash equivalents	-11	21	3	35
CASH AND CASH EQUIVALENTS AT END OF PERIOD	425	659	425	1,066

Notes for the Group

NOTE 1 Accounting policies

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and recommendation RFR 1 Supplementary Accounting Rules for Groups from the Swedish Financial Reporting Board. This Interim Report covers pages 1–30, and pages 1–16 are thereby an integrated part of this financial report. The accounting policies applied in the preparation of this Interim Report apply to all periods and comply with the accounting policies presented in Note 1 Significant accounting policies in Bonava's 2021 Annual Report, pages 71–75. The Annual Report is available at bonava.com.

As previously, operating segments in Bonava are based on geographical areas, the nature of the products and services as well as similar revenue streams. Bonava's segment disclosures are based on management information reported to the chief operating decision maker. The prior segments Germany and Sweden are unchanged while a decision has been made as from 1 January 2022 to divide the segment Nordic to: Finland and Norway and to divide the segment St. Petersburg-Baltics to: St. Petersburg and Baltics. The remaining part of Bonava Denmark is included in Other operations were also Bonava's Head office as well as group adjustments and eliminations are reported. Comparative figures have been restated. Comparative figures are available at www.bonava.com. No changes to IFRS or IFRIC interpretations are expected to have any material impact on Bonava.

NOTE 2 Reporting of operating segments

Jan-Mar 2022	Germany	Sweden	Norway	Finland	Baltics	St. Petersburg	Other operations ¹⁾	Total
Net sales, consumers	820	438	260	223	82	214	99	2,136
Net sales, investors	418	206		91				715
Net sales, land		8						8
Other revenue			1			2		4
Operating profit/loss	105	23	-26	14	3	60	-37	141
Net financial items								-35
Profit before tax								106
Capital employed	5,224	3,073	2,670	891	917	895	322	13,992

Jan-Mar 2021	Germany	Sweden	Norway	Finland	Baltics	St. Petersburg	Other operations ¹⁾	Total
Net sales, consumers	536	415	78	321	79	274	53	1,757
Net sales, investors								
Net sales, land	7	69		8				83
Other revenue			1			2	1	5
Operating profit/loss	-8	27	-16	24	3	62	-67	25
Net financial items								-34
Profit before tax								-8
Capital employed	4,599	3,125	2,010	1,087	625	590	278	12,315

Jan-Dec 2021	Germany	Sweden	Norway	Finland	Baltics	St. Petersburg	Other operations ¹⁾	Total
Net sales, consumers	6,331	2,149	535	1,173	610	730	197	11,725
Net sales, investors	876	965	212	544	147		550	3,293
Net sales, land	68	212	36	124		5	1	446
Other revenue		1	4	1		10	8	26
Operating profit/loss before items affecting comparability	914	292	-67	56	82	155	-196	1,236
Items affecting comparability		-44	-50	-36			51	-80
Operating profit/loss after items affecting comparability	914	247	-116	20	82	155	-145	1,156
Net financial items								-136
Profit before tax								1,020
Capital employed	4,393	3,135	2,235	837	738	824	632	12,794

¹⁾ Other operations consist of the Parent company, group adjustments, eliminations and the Danish operations.

NOTE 3 Specification of net debt

	2022 31 Mar	2021 31 Mar	2021 31 Dec
Non-current interest-bearing receivables	2	2	2
Current interest-bearing receivables	19	15	90
Cash and cash equivalents	425	659	1,066
Interest-bearing receivables	446	676	1,159
Non-current interest-bearing liabilities	3,004	3,341	2,396
Current interest-bearing liabilities	2,595	1,514	2,076
Interest bearing liabilities¹⁾	5,600	4,855	4,472
Net debt	5,154	4,179	3,313

¹⁾ Of which SEK 1,821 M (1,307) in green loans. The green asset base pledged consisted of assets in Sweden, Norway and Denmark that are or will be Nordic Swan ecolabelled.

Tenant-owner associations and housing companies

Since Bonava appoints a majority of the Board members in tenant-owner associations in Sweden and housing companies in Finland, issues guarantees and provides credit to or borrowing on behalf of tenant-owner associations and housing companies, Bonava exercises a controlling influence and therefore consolidates tenant-owner associations and housing companies in full. As a consequence of the consolidation of tenant-owner associations and housing companies, Bonava's net debt increases.

Share of net debt pertaining to tenant-owner associations and housing companies

	2022 31 Mar	2021 31 Mar	2021 31 Dec
Cash and cash equivalents	34	34	37
Gross debt	1,835	1,393	1,789
Net debt in tenant-owner associations and housing companies	1,801	1,359	1,752

The Group's financing framework

The table below specifies the Group's financing facilities. In addition, there are unutilised contractual credit frames for projects in Swedish tenant-owner associations and Finnish housing companies totalling to SEK 1.2 Bn. In St. Petersburg there is unutilised credit frames of SEK 187 M (RUB 1,659 M) in project financing from a foreign bank with license to operate in Russia.

Financing	Maturity, year	Amount	Utilised	Unutilised
Overdraft facilities	<364 days	628	144	484
Loan	2022	843	843	
RCF/commercial paper	2023	3,000	425	2,575
Bond	2024	1,200	1,200	
Loan	2025	207	207	
Loan	2026-27	516	516	
Total		6,395	3,336	3,059

NOTE 4 Fair value of financial instruments

In the table below, disclosures are made concerning how fair value is determined for the financial instruments that are continuously measured at fair value in Bonava's balance sheet. When determining fair value, assets have been divided into the following three levels. No transfers have been made between the levels during the period.

At level 1, Bonava has one outstanding bond loan valued at SEK 1,200 M (997).

Level 2 derivative instruments comprise currency swaps where the measurement at fair value of currency-forward contracts is based on published forward rates in an active market.

Bonava has no financial instruments in level 3.

	2022 31 Mar	2021 31 Mar	2021 31 Dec
Derivatives	71		5
Total assets	71		5
Derivatives	43	37	46
Total liabilities	43	37	46

The fair value of non-current and current interest-bearing liabilities differs only marginally from the carrying amount and is therefore not recognised separately in this interim report. For financial instruments recognised at amortised cost, accounts receivables, other receivables, cash and cash equivalents, accounts payable and other interest-free liabilities, the fair value is considered equal to the carrying amount.

NOTE 5 Pledged assets and contingent liabilities

	2022 31 Mar	2021 31 Mar	2021 31 Dec
Pledged assets			
<i>For own liabilities</i>			
Property mortgages	1,485	872	1,491
Restricted bank funds	1	25	15
Other pledged assets	10	6	10
Total pledged assets	1,495	903	1,516
Surety and guarantee obligations			
<i>Own contingent liabilities</i>			
Counter guarantee to external guarantors ¹⁾	2,425	3,570	3,416
Total surety and guarantee obligations	2,425	3,570	3,416

¹⁾ Counter guarantees pertain to guarantees that constitute collateral for amounts paid to tenant-owner associations formed by Bonava Sverige AB. Deposit guarantees are valid until one year after the final acquisition cost of the tenant-owner association's building has been established. These guarantees are no longer issued directly by Bonava AB and external guarantors issuing them on behalf of tenant-owner associations has a limited guarantee from Bonava AB and the amount of the liability decreases.

Bonava announced on 3 March 2022 that we are winding down the St. Petersburg operations. Bonava is looking into various strategic options to wind-down the operations in a responsible way. Until we conclude these options, the St. Petersburg business is fully consolidated in Group numbers, as in prior periods, during the wind-down process and we have not done any impairment. As of now, there is no legislation saying that we cannot pay dividend from the St. Petersburg operations.

Bonava has currently 762 units in production, most of them pre-paid, that we aim to conclude with handovers during 2022 and beginning of 2023.

In the first quarter net sales in St. Petersburg were SEK 216 M, corresponding to approximately 4 per cent of the Group's net sales R12. St. Petersburg accounted for SEK 61 M of total profit before tax corresponding to 14 per cent of the Group R12. Reported equity were SEK 671 M on the 31 of March 2022. Translation differences in quarter amounted to SEK -44 M. St. Petersburg's share of total equity in the Group were 8 per cent. In local currency the consolidated equity of the operations was RUB 5,933 M.

Number of building rights in St. Petersburg amounts to 4,000 whereof 1,200 are off-balance.

There are no intercompany loans from Sweden. Bonava's projects are financed with foreign banks with license to operate in Russia.

Bonava St. Petersburg has SEK 349 M as commitments for ongoing land acquisition off-balance plus SEK 119 M on-balance reported under Non-current liabilities.

Total exposure for Bonava AB as of 31 March 2022 amounts to SEK 1.1 Bn of which equity SEK 671 M and guarantee commitments SEK 463 M (included in Parent Company Note 2). SEK 277 M is guarantee commitments for project financing and amounts are included under Current liabilities. SEK 186 M is guarantee commitments for ongoing land acquisitions outlined above.

See page 29 for exchange rates used for consolidation in St. Petersburg as of 31 March 2022.

	2022 Jan-Mar
INCOME STATEMENT	
Net sales	216
Production cost	-148
Gross profit	67
Selling and administrative expenses	-7
Operating profit	60
Financial income	4
Financial expenses	-3
Net financial items	1
Profit before tax	61
Tax on profit for the period	-12
Profit for the period	48

	2022 31 Mar
BALANCE SHEET	
Fixed assets	24
Properties held for future development	464
Ongoing housing projects	428
Completed housing units	95
Current receivables	53
Cash and cash equivalents	270
Total assets	1,334
Equity	671
Non-current liabilities	355
Current liabilities	307
Total equity and liabilities	1,334

Contingent Liabilities and Pledged Assets	
Commitments ongoing land acquisitions	349*
Pledged assets	12
*Total SEK 468 M, of which SEK 119 M is included in Non-current liabilities	

	2022 31 mar
COMMITMENTS BONAVA AB ON BEHALF OF BONAVA ST. PETERSBURG	
Guarantee commitments project financing ¹⁾	277
Guarantee commitments ongoing land acquisitions	186
Total commitments Bonava AB	463

¹⁾ Amount included in current liabilities above

The Parent Company in brief

JANUARY–MARCH 2022

The Parent Company comprises the operations of Bonava AB (publ). Net sales for the company totalled SEK 72 M (69). Profit after financial items was SEK 135 M (35).

	Note 1	2022 Jan–Mar	2021 Jan–Mar	2021 Jan–Dec
INCOME STATEMENT				
Net sales		72	69	280
Selling and administrative expenses		-109	-113	-530
Operating loss		-37	-43	-249
Profit from participations in Group companies		147	61	551
Financial income		51	41	181
Financial expenses		-25	-24	-91
Profit after financial items		135	35	393
Appropriations				-144
Profit before tax		135	35	249
Tax on profit for the period		2	5	68
Profit for the period		137	40	316

As there are no transactions to be reported in other comprehensive income, the result for the period corresponds to the total comprehensive income.

	Note 1, 2	2022 31 Mar	2021 31 Mar	2021 31 Dec
BALANCE SHEET				
Assets				
Fixed assets		2,688	2,738	2,694
Current assets		8,668	8,601	8,214
Total assets		11,356	11,339	10,908
Shareholders' equity and liabilities				
Shareholders' equity		7,602	7,188	7,467
Provisions		10	6	10
Non-current liabilities		1,924	2,224	1,918
Current liabilities		1,820	1,922	1,513
Total shareholders' equity and liabilities		11,356	11,339	10,908

Parent Company Notes

NOTE 1 Accounting policies

The company has prepared its Interim Report pursuant to the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

The accounting policies applied in the preparation of this Interim Report apply to all periods and comply with the accounting policies presented in Note 1 Significant accounting policies in Bonava's 2021 Annual Report, pages 71–75 and 99. The Annual Report is available at bonava.com.

NOTE 2 Pledged assets and contingent liabilities

	2022 31 Mar	2021 31 Mar	2021 31 Dec
Counter guarantee to external guarantors	12,165	13,127	13,290
Guarantees for project-specific financing	1,653	1,118	1,201
Guarantees for Group companies	4,489	5,073	4,654
Other pledged assets	10	6	10
Total	18,316	19,325	19,155

Share of pledged assets and contingent liabilities on behalf of tenant-owner associations and housing companies

	2022 31 Mar	2021 31 Mar	2021 31 Dec
Counter guarantee to external guarantors ¹⁾	3,028	4,571	4,196
Guarantees for project-specific financing	1,376	1,100	940
Total	4,404	5,670	5,136

¹⁾ Counter guarantees pertain to guarantees that constitute collateral for amounts paid to tenant-owner associations formed by Bonava Sverige AB. Deposit guarantees are valid until one year after the final acquisition cost of the tenant-owner association's building has been established. The comparison figures have been adjusted and also include guarantees issued directly by Bonava AB for the purpose of constituting collateral for amounts paid to the tenant-owner associations formed by Bonava Sverige AB. Bonava AB has guarantee commitments for project specific financing for the operations in St. Petersburg amounting to SEK 277 M (261 as of 31 December, 2021) and guarantee commitments to external guarantor to SEK 40 M (66 as of 31 December, 2021). Bonava AB has guarantee commitments for Russian Group companies amounting to SEK 146 M for payment of land investments. Bonava's projects are financed with foreign banks with license to operate in Russia.

Sector-related key figures for the Group

No. unless otherwise stated	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Housing development for consumers			
Housing units sold	821	1,043	4,267
Sales value of housing units sold, SEK M	2,826	3,146	13,058
Housing starts	357	442	3,732
Housing units in ongoing production	6,321	6,089	6,563
Sales rate for ongoing production, %	65	60	59
Reservation rate for ongoing production, %	2	4	3
Completion rate for ongoing production, %	47	47	44
Completed housing units not recognised in profit	157	476	247
Housing units for sale (ongoing and completed)	2,340	2,736	2,804
Housing units recognised in profit	689	665	3,712
Value of sold housing units, not yet recognised in profit, SEK M	14,209	14,314	14,548
Housing development for investors			
Housing units sold	53	76	1,028
Sales value of housing units sold, SEK M	150	120	2,870
Housing starts	53	76	1,223
Housing units in ongoing production	2,955	3,623	3,204
Sales rate for ongoing production, %	93	100	94
Completion rate for ongoing production, %	47	45	41
Housing units recognised in profit	302		1,566
Value of sold housing units, not yet recognised in profit, SEK M	6,859	8,088	7,157
	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Number of housing units in production for consumers			
Housing units in ongoing production at start of period	6,563	6,218	6,218
Change in opening value		-3	-1
Housing starts	357	442	3,732
Housing units recognised in profit	-689	-665	-3,712
Decrease (+)/increase (-) in completed housing units not recognised in profit	90	97	326
Housing units in ongoing production for consumers at end of period	6,321	6,089	6,563
Number of housing units in production for investors			
Housing units in ongoing production at start of period	3,204	3,551	3,551
Change in opening value ¹⁾		-4	-4
Housing starts	53	76	1,223
Housing units recognised in profit	-302		-1,566
Housing units in ongoing production for investors at end of period	2,955	3,623	3,204

¹⁾ Change initiated by investors.

Sector-related key figures for the segments

Germany	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
<i>no. unless otherwise stated</i>			
Housing development for consumers			
Net sales, SEK M	820	536	6,331
Housing units sold	248	232	1,263
Sales value of housing units sold, SEK M	1,229	1,047	5,770
Housing starts	233	144	1,344
Housing units in ongoing production	2,551	2,625	2,521
Sales rate for ongoing production, %	58	65	57
Completed housing units not recognised in profit	19	37	22
Housing units for sale (ongoing and completed)	1,093	939	1,108
Housing units recognised in profit	206	130	1,449
Housing development for investors			
Net sales, SEK M	418		876
Housing units sold		4	146
Sales value of housing units sold, SEK M	3		474
Housing starts		4	146
Housing units in ongoing production	1,090	1,450	1,228
Sales rate for ongoing production, %	100	100	100
Housing units recognised in profit	138		364
Average no. of employees during the financial year	928	901	911

Sweden	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
<i>no. unless otherwise stated</i>			
Housing development for consumers			
Net sales, SEK M	438	415	2,149
Housing units sold	161	196	693
Sales value of housing units sold, SEK M	652	801	2,846
Housing starts		170	711
Housing units in ongoing production	931	847	1,055
Sales rate for ongoing production, %	76	67	64
Completed housing units not recognised in profit	22	118	24
Housing units for sale (ongoing and completed)	237	354	398
Housing units recognised in profit	126	88	515
Housing development for investors			
Net sales, SEK M	206		965
Housing units sold			420
Sales value of housing units sold, SEK M		-7	795
Housing starts			420
Housing units in ongoing production	686	914	794
Sales rate for ongoing production, %	100	100	100
Housing units recognised in profit	108		540
Average no. of employees during the financial year	237	202	223

Norway	2022	2021	2021
	Jan-Mar	Jan-Mar	Jan-Dec
<i>no. unless otherwise stated</i>			
Housing development for consumers			
Net sales, SEK M	260	78	535
Housing units sold	49	69	214
Sales value of housing units sold, SEK M	301	371	983
Housing starts		77	209
Housing units in ongoing production	421	477	482
Sales rate for ongoing production, %	71	60	64
Completed housing units not recognised in profit	29	14	22
Housing units for sale (ongoing and completed)	139	201	188
Housing units recognised in profit	54	15	134
Housing development for investors			
Net sales, SEK M			212
Housing units sold			
Sales value of housing units sold, SEK M	-1	5	7
Housing starts			
Housing units in ongoing production	36	126	36
Sales rate for ongoing production, %	100	100	100
Housing units recognised in profit			90
Average no. of employees during the financial year	82	74	82

Finland	2022	2021	2021
	Jan-Mar	Jan-Mar	Jan-Dec
<i>no. unless otherwise stated</i>			
Housing development for consumers			
Net sales, SEK M	223	321	1,173
Housing units sold	113	123	526
Sales value of housing units sold, SEK M	296	375	1,526
Housing starts	66	51	570
Housing units in ongoing production	687	363	681
Sales rate for ongoing production, %	68	69	62
Completed housing units not recognised in profit	18	60	24
Housing units for sale (ongoing and completed)	237	168	284
Housing units recognised in profit	66	112	349
Housing development for investors			
Net sales, SEK M	91		544
Housing units sold	53	72	462
Sales value of housing units sold, SEK M	149	1	749
Housing starts	53	72	462
Housing units in ongoing production	763	663	766
Sales rate for ongoing production, %	100	100	100
Housing units recognised in profit	56		287
Average no. of employees during the financial year	235	226	231

Baltics (Estonia, Latvia and Lithuania)	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
<i>no. unless otherwise stated</i>			
Housing development for consumers			
Net sales, SEK M	82	79	610
Housing units sold	171	246	912
Sales value of housing units sold, SEK M	220	214	893
Housing starts	58		672
Housing units in ongoing production	969	818	993
Sales rate for ongoing production, %	62	47	51
Completed housing units not recognised in profit	26	74	22
Housing units for sale (ongoing and completed)	392	497	505
Housing units recognised in profit	78	96	647
Housing development for investors			
Net sales, SEK M			147
Housing units sold			
Sales value of housing units sold, SEK M		4	
Housing starts			195
Housing units in ongoing production	195	164	195
Sales rate for ongoing production, %		100	
Housing units recognised in profit			164
Average no. of employees during the financial year	272	205	231

St. Petersburg	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
<i>no. unless otherwise stated</i>			
Housing development for consumers			
Net sales, SEK M	214	274	730
Housing units sold	79	145	615
Sales value of housing units sold, SEK M	128	191	836
Housing starts			226
Housing units in ongoing production	762	919	810
Sales rate for ongoing production, %	72	43	64
Completed housing units not recognised in profit	43	161	133
Housing units for sale (ongoing and completed)	242	565	321
Housing units recognised in profit	138	213	576
Housing development for investors			
Net sales, SEK M			
Housing units sold			
Sales value of housing units sold, SEK M			
Housing starts			
Housing units in ongoing production			
Sales rate for ongoing production, %			
Housing units recognised in profit			
Average no. of employees during the financial year	346	299	314

Key performance indicators at end of period

	2022 31 Mar	2021 31 Mar	2021 31 Dec
Return on capital employed, % ^{1,2)}	10.4	8.2	9.6
Interest coverage ratio, multiple ¹⁾	8.3	7.8	7.7
Equity/assets ratio, %	34.1	31.7	35.1
Return on equity, %	11.3	9.6	10.4
Interest-bearing liabilities/total assets, %	22.8	20.6	18.9
Net debt	5,154	4,179	3,313
Debt/equity ratio, multiple	0.6	0.6	0.4
Capital employed	13,992	12,315	12,794
Capital turnover rate, multiple ¹⁾	1.3	1.2	1.2
Share of risk-bearing capital, %	34.4	32.3	35.6
Ordinary dividend, SEK per share			3.50
Average interest rate at period-end, % ³⁾	2.13	2.26	2.38
Average fixed-rate term, years ³⁾	0.2	0.2	0.2
Average interest rate at period-end, % ⁴⁾	1.53	1.57	1.65
Average fixed-rate term, years ⁴⁾	0.2	0.2	0.2

¹⁾ Calculated on rolling 12-month basis.

²⁾ Before items affecting comparability.

³⁾ Excluding loans in Swedish tenant-owner associations, Finnish housing companies and leases.

⁴⁾ Pertains to loans in Swedish tenant-owner associations and Finnish housing companies.

EXCHANGE RATES

Text	Average rate			Rate on balance sheet date		
	31 Mar 2022	31 Mar 2021	31 Dec 2021	31 Mar 2022	31 Mar 2021	31 Dec 2021
DKK	1.41	1.36	1.36	1.39	1.37	1.38
EUR	10.48	10.12	10.15	10.34	10.23	10.26
NOK	1.06	0.99	1.00	1.07	1.02	1.03
RUB	0.11	0.11	0.12	0.11	0.12	0.12

FURTHER INFORMATION ON KEY RATIOS

Key performance indicators per quarter and full-year are available at bonava.com/en/investor-relations.
There are also definitions of key performance indicators and reporting of Bonava's alternative key performance indicators.

Bonava in brief

OUR PURPOSE

"We create happy neighbourhoods for the many"

OPERATIONS

Bonava is a leading residential developer in Europe with the purpose to create happy neighbourhoods for the many. The company is the first residential developer in Europe to receive approval from the Science Based Targets initiative for its climate targets.

With its 2,100 co-workers, Bonava develops residential housing in Germany, Sweden, Finland, Norway, St. Petersburg, Estonia, Latvia and Lithuania, with net sales of approximately SEK 15.5 Bn in 2021. Bonava's shares and green bond are listed on Nasdaq Stockholm.



8

COUNTRIES

22

REGIONS

2,100

EMPLOYEES

15.5

SEK BN
NET SALES 2021

FINANCIAL CALENDAR

- Q2 Interim report, Jan-Jun, 21 July 2022
- Q3 Interim report, Jan-Sep, 27 October 2022
- Q4 Year-end Report, Jan-Dec 2022, 2 February 2023

CONTACT

Lars Granlöv, CFO
lars.granlof@bonava.com, +46 790 631 609

Anna Falck Fyhrlund, Head of Investor Relations
anna.falck@bonava.com, +46 707 604 914

PUBLICATION

This information is such that Bonava AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was issued for publication through the agency of the contact persons set out above on 29 April 2022, at 7:30 a.m.

WEBCAST PRESENTATION 29 APRIL

Peter Wallin, President and CEO, and Lars Granlöv, CFO, will present the report on 29 April 2022 at 10:00 a.m. CEST.

Follow the webcast live at:

<https://bonava.videosync.fi/2022-04-29-q1>

To participate in the telephone conference, please call one of the following telephone numbers a few minutes prior to the start of the presentation:

SE: +46 856642651, DE: +49 6913803430,
UK: +44 3333000804 or US: +1 6319131422
Enter code: 73694087#

The presentation material will be available for download from bonava.com