



Interim report January-September 2022



Homes & Neighbourhoods

Good gross margin in delivered projects in a quarter with low number of recognised units

1 JULY–30 SEPTEMBER 2022*

- Net sales amounted to SEK 3,208 M (3,577)
- The gross margin amounted to 11.1 per cent (13.5) and was charged with expenses of SEK 155 M incurred in Sweden for impairment losses on earlier capitalised project engineering costs and fixed assets
- Operating profit both before and after items affecting comparability was SEK 150 M (297) and the operating margin was 4.7 per cent (8.3)
- Earnings per share²⁾ was SEK 0.63 (1.83)
- The number of housing units sold was 548 (1,238)
- The number of production starts was 860 (988)
- The number of building rights amounted to 32,300 (31,000)

1 JANUARY–30 SEPTEMBER 2022*

- Net sales amounted to SEK 9,545 M (8,369)
- The gross margin was 12.6 per cent (12.9)
- Operating profit before items affecting comparability was SEK 556 M (486) and the operating margin was 5.8 per cent (5.8)
- Operating profit after items affecting comparability amounted to SEK 556 M (368) and the operating margin was 5.8 per cent (4.4)
- Earnings per share²⁾ was SEK 2.75 (1.79)
- The number of housing units sold was 2,107 (3,233)
- The number of production starts was 2,249 (2,765)
- The number of building rights amounted to 32,300 (31,000)
- For full-year 2022, we revised our estimate for the number of production starts from 4,200 to 3,000. The adjustment is a result of a weaker market and a continued delay in granted building permits

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- On 7 October, Bonava announced that we had signed an agreement for the sale of our subsidiary in Russia for a purchase price of approximately EUR 98 M (SEK 1.1 Bn)

*Recognised revenue, profit and key figures pertain to continuing operations, excluding St. Petersburg.

SEK M and excluding St. Petersburg unless otherwise stated	2022 Jul-Sep	2021 Jul-Sep	Δ%	2022 Jan-Sep	2021 Jan-Sep	Δ% - Sep 2022	Oct 2021 Jan-Dec	2021 Jan-Dec
Net sales	3,208	3,577	-10	9,545	8,369	14	15,922	14,746
Gross profit	356	485	-27	1,207	1,079	12	2,053	1,925
Gross margin, %	11.1	13.5		12.6	12.9		12.9	13.1
Operating profit before items affecting comparability ¹⁾	150	297	-49	556	486	14	1,151	1,081
Operating margin before items affecting comparability, % ¹⁾	4.7	8.3		5.8	5.8		7.2	7.3
Operating profit after items affecting comparability	150	297	-49	556	368	51	1,189	1,002
Operating margin after items affecting comparability, %	4.7	8.3		5.8	4.4		7.5	6.8
Profit before tax	107	264	-60	434	264	65	1,030	860
Earnings per share, SEK ²⁾	0.63	1.83	-65	2.75	1.79	53	7.31	6.35
Net debt	6,799	4,237	60	6,799	4,237	60	6,799	3,461
Return on capital employed before items affecting comparability, % ¹⁾	8.6	9.5		8.6	9.5		8.6	8.8
Equity/assets ratio, % ³⁾	31.4	31.7		31.4	31.7		31.4	35.1
Number of building rights	32,300	31,000	4	32,300	31,000	4	32,300	31,000
Number of housing units sold	548	1,238	-56	2,107	3,233	-35	3,554	4,680
Sales value of housing units sold	1,895	3,705	-49	7,192	9,777	-26	12,507	15,092
Number of housing units started	860	988	-13	2,249	2,765	-19	4,213	4,729
whereof investment properties	231			231			426	195
Number of housing units in production	8,244	9,116	-10	8,244	9,116	-10	8,244	8,957
whereof investment properties	426			426			426	195
Sales rate for ongoing production, % ⁴⁾	71	77		71	77		67	71
Number of housing units recognised in profit	883	1,194	-26	2,946	2,561	15	5,087	4,702

¹⁾ The key figures in Jan-Dec 2021 were impacted by items affecting comparability. No such items have been reported in 2022.

²⁾ Before and after dilution. For more information about the Group's key figures and definitions, refer to page 32 and <https://www.bonava.com/en/investor-relations/financial-information>.

³⁾ Including St. Petersburg.

⁴⁾ Excluding Build-to-Manage. Including Build-to-Manage the sales rate was 67 per cent.

1,030
EBT SEK M, R12

3,554
NUMBER OF HOUSING UNITS SOLD, R12

32,300
NUMBER OF BUILDING RIGHTS

Comments from the CEO

Our stricter control of project management means that we increased profitability as well as forecast accuracy for housing units delivered. During the quarter, costs were charged to the Swedish operations to take into account lower volumes. The market outlook in our markets has fluctuated significantly and we are being restrictive with investments and production starts in order to balance the risks that are present in an increasingly weak market. This also creates scope to be able to act on the opportunities that will arise going forward.

Minor quarter in terms of volume

Already at the beginning of the year, we were clear that the volume of recognised housing units in the third quarter would be low compared with other quarters of the current year and compared with the preceding year. Our improved project management has enabled us to address challenges including cost increases and material shortages. The underlying improvement in the project margin in ongoing projects is significant where gross margin in the quarter amounts to 15.9 per cent (13.5). We have charged the gross profit in the Swedish operation with SEK 155 M in costs based on the prevailing market situation where a number of projects will not be started why we have costs related to impairment losses on previously capitalised project engineering costs and fixed assets. Gross margin including these costs amounts to 11.1 per cent. The changes undertaken to reduce expenses will have a gradual impact, with the reduction amounting to approximately SEK 220 M on a full-year basis for 2023.

Housing market under pressure

The long-term need for sustainable and well-planned homes remains large. Increased key interest rates, higher energy costs, a high rate of inflation and concern given the geopolitical situation in Europe are combining to put the housing market under pressure. The market situation primarily impacts demand. The increase in production costs has levelled off and we anticipate a decrease going forward. The prices of key input materials are decreasing despite the rising energy prices, and the rapid cooling of the contract market is expected to have an impact on construction costs. Among our markets, the one hardest hit is Sweden, where sales slowed substantially. In other markets, we are continuing to sell, but at a reduced pace. We have a healthy sales rate of 71 per cent in the ongoing portfolio and a sales value for housing units to be delivered in the next 18 months with binding agreements that amounts to SEK 18.4 Bn. This gives us security as we go forward, particularly on the basis of our improved project management.

We are creating scope to be able to act on opportunities

Our financial position remains strong, with an equity to assets ratio of 31 per cent (32) and with unutilised credits of SEK 2.8 Bn on 30 September. We expanded our building rights portfolio by 4 per cent to 32,300 building rights during the year. We have become more selective regarding production starts and investments in building rights in order to balance the risks that an increasingly weak market entail. This also creates scope to be able to act on the opportunities that arise going forward.

Review of financial targets to be conducted

We have adjusted our forecast for the number of production starts for full-year 2022 to 3,000 compared with the 4,200 that we communicated earlier. The adjustment is a result of a weaker market and a continued delay in granted building permits. Since we set our financial targets for 2024 and 2026 a year ago, the external conditions have changed significantly. Our strategy aims to strengthen profitability considerably. We will conduct a thorough analysis with the intention of potentially presenting any changed financial targets with regard to performance measures and target levels in conjunction with the publication of the Year-end Report on 2 February 2023.

Sale of Russian operations

After the end of the reporting period, we announced that we had signed an agreement to sell our Russian operations. The purchase price amounted to EUR 98 M (SEK 1.1 Bn). The net financial impact of the transaction is expected to amount to approximately SEK -0.1 to -0.3 Bn. The net financial impact will be recognised when the transaction is finalised which is expected to be within six months. The transaction is dependent on approval from Russian authorities. The Group's shareholders' equity remains largely intact, and our financial position is further strengthened. The divestment is an important step in reducing the risk in the Group but will above all mean that we can invest even more energy in the Group's other operations. Although it is satisfying that we have made progress in this process, it is difficult not to think of the human consequences of the geopolitical developments.

Right team in place

Under these difficult external circumstances, I am proud of and impressed by the hard work carried out by our employees. We have a challenging time ahead of us, but I am convinced that we have the right competence and team in place to meet the challenges ahead.

Peter Wallin

President and CEO

Outlook: Production starts 2022

For full-year 2022, the estimate for the number of production starts is revised from 4,200 to 3,000. The start volume depends on us having the right prerequisites in place and the necessary permits being obtained.



"We have become more selective regarding production starts and investments in building rights in order to balance the risks that an increasingly weak market entails."

Market trend

Population growth and urbanisation in combination with low levels of housing construction over many years has led to a shortage of housing units in destination regions. In the long term, we foresee a large need for sustainable and well-planned homes, but in the short term, the market has changed significantly.

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 potential to benefit from the opportunities that may arise from the prevailing market situation.

Due to the situation in Ukraine, we have seen signs of a situation under pressure regarding materials supply and increased costs, but where cost increases have begun to abate and the availability of materials has stabilised. As of now, the situation has not had a significant impact on the completion of any of our projects. We work continuously to secure deliveries of materials and services for upcoming completions and future housing starts.

Demand for our housing units has become more cautious. Raised interest rates, higher energy prices, high inflation and increased uncertainty continued to affect demand, primarily, but also the price trend. During the third quarter, most of our markets experienced a more cautious situation in which sales take longer.

Germany

There has been a shortage of housing units in Germany for many years and this topic is high on the political agenda. The offering of new housing units is low, while demand has remained high but more cautious. The price trend in the regions in which we operate is largely stable but differs between the regions.

Sweden

Sweden is Bonava's second-largest market. We have an attractive breadth in our offering of housing units to rent or own, in or near large cities. During 2022, interest rates have begun to increase and inflation is high, which has resulted in a cautious market with a continued expectation of decreasing prices. Sweden is the market that has taken the largest hit in sales, where sales slowed substantially.

Finland

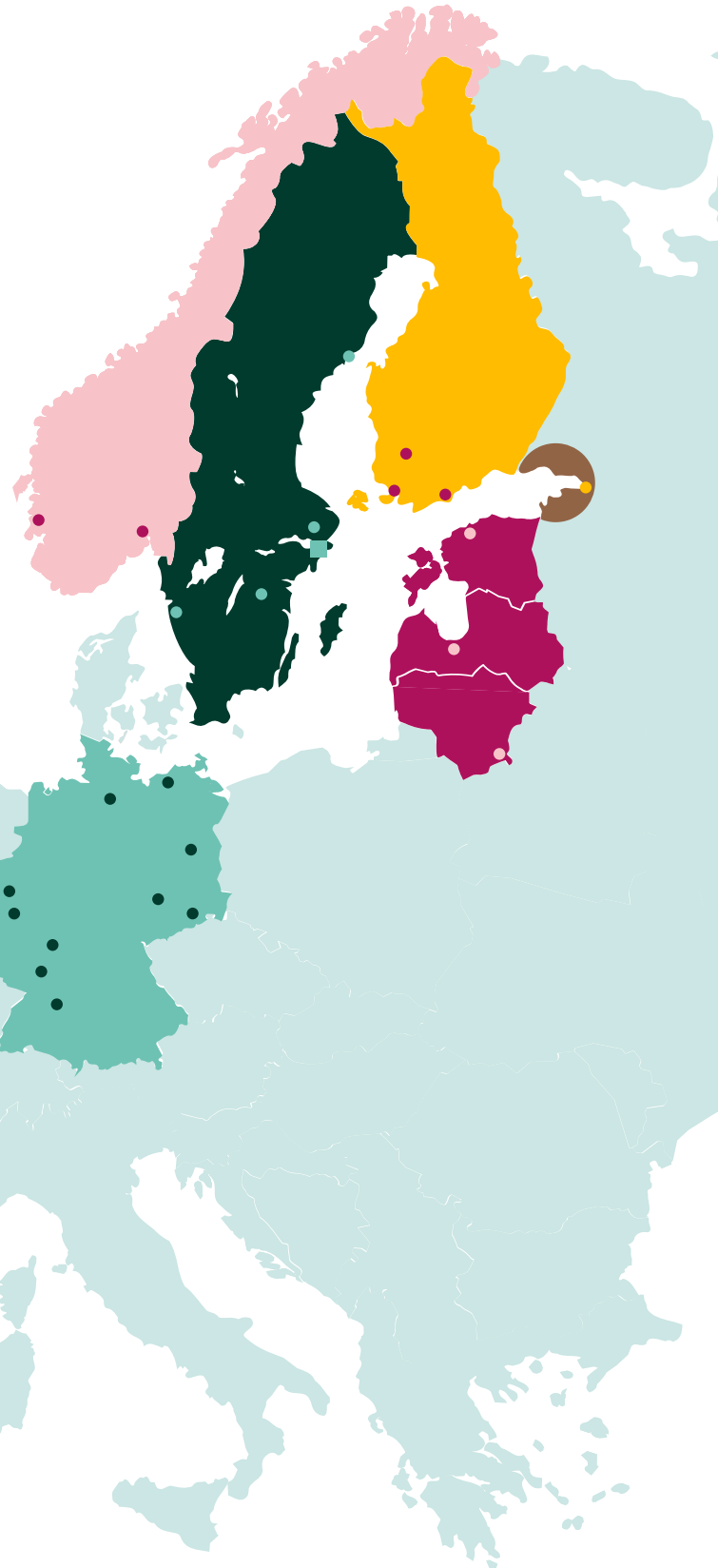
The housing market in Finland is concentrated primarily to the metropolitan regions with the largest population growth and expanded infrastructure: Helsinki, Tampere and Turku. The housing market in Finland has been cautious and sales are taking longer. The prices levelled off during the quarter.

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. The offering of new production remains low and price increases levelled off during the quarter.

Baltics

The markets in all three Baltic capitals are growing economies. The low quality of the existing housing stock combined with growing demand for rental housing presents opportunities to both build and manage rental apartments. The favourable market conditions remain in the Baltic markets, with active banks competing using inexpensive mortgages, a low level of unemployment and lack of supply. Customers are cautious and the price trend has stabilised in all markets.



Group performance

Due to the agreement that Bonava signed to divest the operations in St. Petersburg, the Group's income statement is presented in accordance with IFRS 5 Non-current assets held for sale and discontinued operations. This entails that the result from the operations in St. Petersburg is recognised on a line in the income statement as operations to be discontinued and historical comparative figures have been restated. Assets and liabilities attributable to the operations in St. Petersburg are recognised on a line for assets and a line for liabilities in the balance sheet as of 30 September 2022. In the cash flow statement, cash flow attributable to operations to be discontinued is stated separately.

JULY-SEPTEMBER 2022

Net sales

Net sales amounted to SEK 3,208 M (3,577) since fewer housing units for consumers and investors were recognised in profit year on year. During the quarter, 480 housing units for consumers (663) were recognised in profit, and net sales totalled SEK 1,979 M (2,350). The average price per housing unit recognised in profit amounted to SEK 4.0 M (3.5).

Net sales to investors totalled SEK 1,212 M (1,088), and the number of housing units recognised in profit was 403 (531).

Exchange rate fluctuations had a positive effect of SEK 133 M on consolidated net sales year on year.

Operating profit

Operating profit before items affecting comparability was SEK 150 M (297) and the operating margin was 4.7 per cent (8.3).

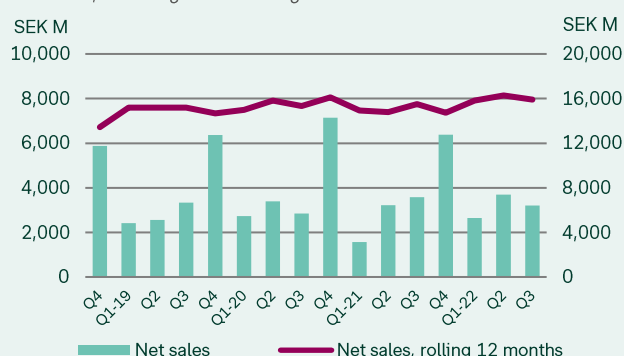
The profitability of delivered projects has generally improved. The low business volume during the third quarter meant that overheads had a larger impact, which had a negative effect on the operating margin compared with the preceding year. We have charged the gross profit in the Swedish operation with SEK 155 M in costs based on the prevailing market situation where a number of projects will not be started why we have costs related to impairment losses on previously capitalised project engineering costs and fixed assets.

Exchange rate fluctuations had a negative impact of SEK 10 M on operating profit year on year.

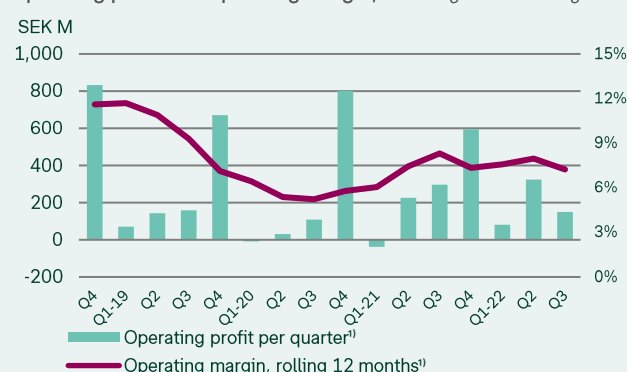
Net financial items, profit before tax, tax and profit for the quarter

Net financial items were SEK -43 M (-32). Profit before tax for the quarter was SEK 107 M (264). Tax on profit for the quarter was SEK 39 M (67), corresponding to a tax rate of 36 per cent (25). The tax rate for the quarter was higher, mainly due to the fiscal adjustments in Norway. Profit for the period for continuing operations amounted to SEK 68 M (197). Profit for the period for operations to be discontinued was SEK 22 M (1).

Net sales, excluding St. Petersburg



Operating profit and operating margin, excluding St. Petersburg



¹⁾ Excluding items affecting comparability in Q3 and Q4 2019 and Q2 and Q4 2021.

Group performance

JANUARY–SEPTEMBER 2022

Net sales

Net sales amounted to SEK 9,545 M (8,369). During the period, 1,854 (1,890) housing units for consumers were recognised in profit, with net sales of SEK 6,650 M (6,636). The average price per housing unit recognised in profit amounted to SEK 3.6 M (3.5).

Net sales to investors totalled SEK 2,745 M (1,382), and the number of housing units delivered was 1,092 (671).

Exchange rate fluctuations had a positive effect of SEK 289 M on consolidated net sales year on year.

Operating profit

Operating profit before items affecting comparability was SEK 556 M (486) and the operating margin was 5.8 per cent (5.8). We charged gross profit with SEK 155 M in the Swedish operations on the basis of lower anticipated volumes in the prevailing market situation. The costs related to impairment losses on previously capitalised project engineering costs and fixed assets. In the preceding year, we recognised items affecting comparability during the second quarter pertaining to costs of SEK 117 M related to the wind down of operations in Denmark. Operating profit including items affecting comparability totalled SEK 556 M (368) and the operating margin was 5.8 per cent (4.4). The operating margin was strengthened year on year due to improved profitability in projects for consumers.

Exchange rate fluctuations had a positive impact of SEK 16 M on operating profit year on year.

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

Net financial items were SEK -122 M (-105), attributable to increased interest expenses, mainly due to a higher financing volume. Profit before tax for the period was SEK 434 M (264). Tax on profit for the period was SEK 139 M (71), corresponding to a tax rate of 32 per cent (27). Profit for the period for continuing operations amounted to SEK 295 M (192). Profit for the period for operations to be discontinued was SEK 87 M (75).

	2022 Jul–Sep	2021 Jul–Sep	2022 Jan–Sep	2021 Jan–Sep	Oct 2021 – Sep 2022	2021 Jan–Dec
Net sales continuing operations						
Germany	1,648	1,959	4,480	4,166	7,589	7,276
Sweden	318	845	1,995	2,327	2,995	3,327
Norway	604	10	1,222	110	1,900	787
Finland	216	567	990	1,257	1,575	1,842
Baltics	117	107	450	311	896	757
Other operations ¹⁾	306	89	407	198	967	757
Total	3,208	3,577	9,545	8,369	15,922	14,746
	2022 Jul–Sep	2021 Jul–Sep	2022 Jan–Sep	2021 Jan–Sep	Oct 2021 – Sep 2022	2021 Jan–Dec
Operating profit before items affecting comparability²⁾						
Germany	186	229	521	432	1,003	914
Sweden	-110	106	26	224	93	292
Norway	66	-34	25	-78	37	-67
Finland	-1	25	39	60	36	56
Baltics	10	12	48	22	108	82
Other operations ¹⁾	-2	-42	-103	-174	-125	-196
Total	150	297	556	486	1,151	1,081

¹⁾ Other operations consist of the Parent Company, Group adjustments, eliminations and the Danish operations.

²⁾ Items affecting comparability for 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 28,313 M (24,404). The increase was attributable to investments in land and a higher volume of ongoing housing projects. Investments in building rights and project starts with the right conditions are a requirement for increasing our profitability. Exchange-rate fluctuations increased total assets by SEK 1,117 M compared with 31 December 2021 and SEK 1,331 M compared with 30 September 2021. At 30 June 2022, assets totalled SEK 26,632 M.

NET DEBT

Net debt amounted to SEK 6,799 M (4,237). The increase was attributable to increased investments in land, as well as ongoing projects compared with the preceding year. Net debt is at its highest in the third quarter. Exchange rate fluctuations had a positive effect of SEK 165 M year on year. At 30 June 2022, net debt amounted to SEK 5,692 M.

CAPITAL EMPLOYED

Capital employed amounted to SEK 14,715 M (12,006) at the end of the quarter. Increased volume in ongoing housing projects and higher investments in property held for future development in Germany are the reasons for the increase. Exchange-rate fluctuations increased capital employed by SEK 710 M compared with 31 December 2021 and SEK 576 M compared with 30 September 2021. At 30 June 2022, capital employed amounted to SEK 13,453 M.

EQUITY/ASSETS AND DEBT/EQUITY RATIO

At 30 September, the equity/assets ratio was 31.4 per cent (31.7). The equity/assets ratio was 33.0 per cent at 30 June and 35.1 per cent at 31 December 2021. Seasonal variations mean that the equity/assets ratio is at its lowest in the third quarter. The debt/equity ratio was 0.8 (0.5).

CASH FLOW, JULY–SEPTEMBER 2022

Cash flow before financing was SEK -1,219 M (159). Lower earnings during the period that were also affected by negative translation differences year on year led to a cash flow from operating activities before changes in working capital of SEK 120 M (221).

Cash flow from changes in working capital amounted to SEK -1,275 M (-57). Sales of housing projects amounted to SEK 2,590 M (2,948), with an increase in Norway, but a decrease in Sweden, Finland and Germany. Investments in housing projects amounted to SEK -3,950 M (-3,094), with increases mainly in Sweden, but also in Germany, Norway and Finland.

Cash flow from other changes in working capital was SEK 85 M (89).

For operations to be discontinued, cash flow for the quarter was impacted by higher earnings for the period. Both investments and sales increased during the period, while cash flow from other investments was impacted by reduced interest-free financing, which, overall, led to cash flow before financing of SEK -113 M (-77).

CASH FLOW, JANUARY–SEPTEMBER 2022

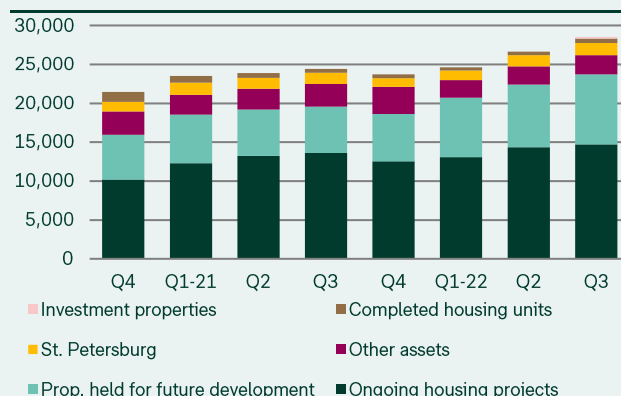
Cash flow before financing was SEK -3,554 M (-177). Higher earnings that were also affected by higher translation differences led to cash flow from operating activities before changes in working capital of SEK 184 M (210).

Cash flow from changes in working capital amounted to SEK -3,666 M (-359). Sales of housing projects amounted to SEK 7,963 M (7,159), with increased sales mainly in Germany and Norway. Investments in housing projects amounted to SEK -12,042 M (-8,793), with increases in all segments except Denmark. Investments in building rights increased, with several acquisitions in the Baltic region and Germany.

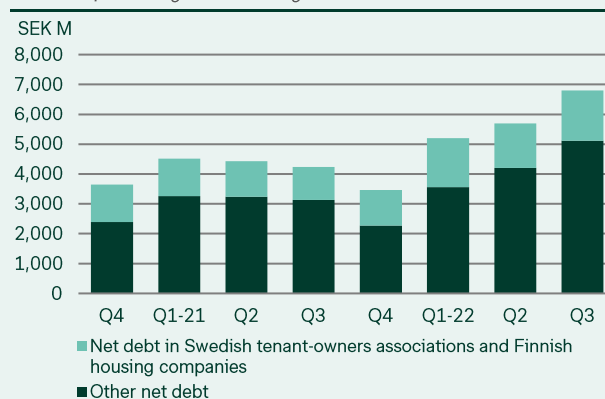
Cash flow from other changes in working capital was SEK 413 M (1,275), which was primarily due to lower cash flows from interest-free financing (advance payments) in Germany.

For operations to be discontinued, cash flow was impacted by higher earnings for the period, but also increased investments and reduced sales, which led to cash flow before financing amounting to SEK -431 M (-32).

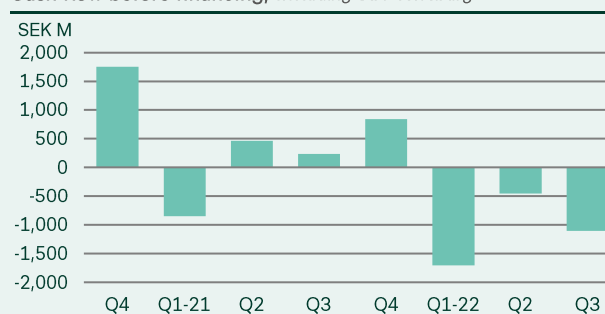
Distribution of assets



Net debt, excluding St. Petersburg



Cash flow before financing, excluding St. Petersburg



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.

Investments were made in Sweden during the third quarter of 2022 and in the Baltic region at the end of 2021 in rental housing projects intended for own management, in accordance with our Build-to-Manage (B2M) model, formerly called Build-to-Hold. This entails that we construct, retain and manage for a period instead of divesting immediately.

For more information on Bonava's value chain, refer to our Annual Report <https://www.bonava.com/en/investor-relations/annual-report-2021>.

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 23 (38). As of 30 June 2022, this figure was 41.

UNSOLD COMPLETED HOUSING UNITS AT END OF QUARTER

The number of unsold completed housing units at the end of the quarter was 107 (94). As of 30 June 2022, this figure was 90.

COMPLETED HOUSING UNITS DURING THE QUARTER

At the end of the preceding quarter, Bonava estimated that approximately 540 consumer housing units would be completed in the third quarter. A total of 479 housing units were completed. The deviation was mainly attributable to a delay in Germany.

During the quarter, it was estimated that 500 housing units for investors would be completed, while 403 were actually completed due to the delay of one project in Germany.

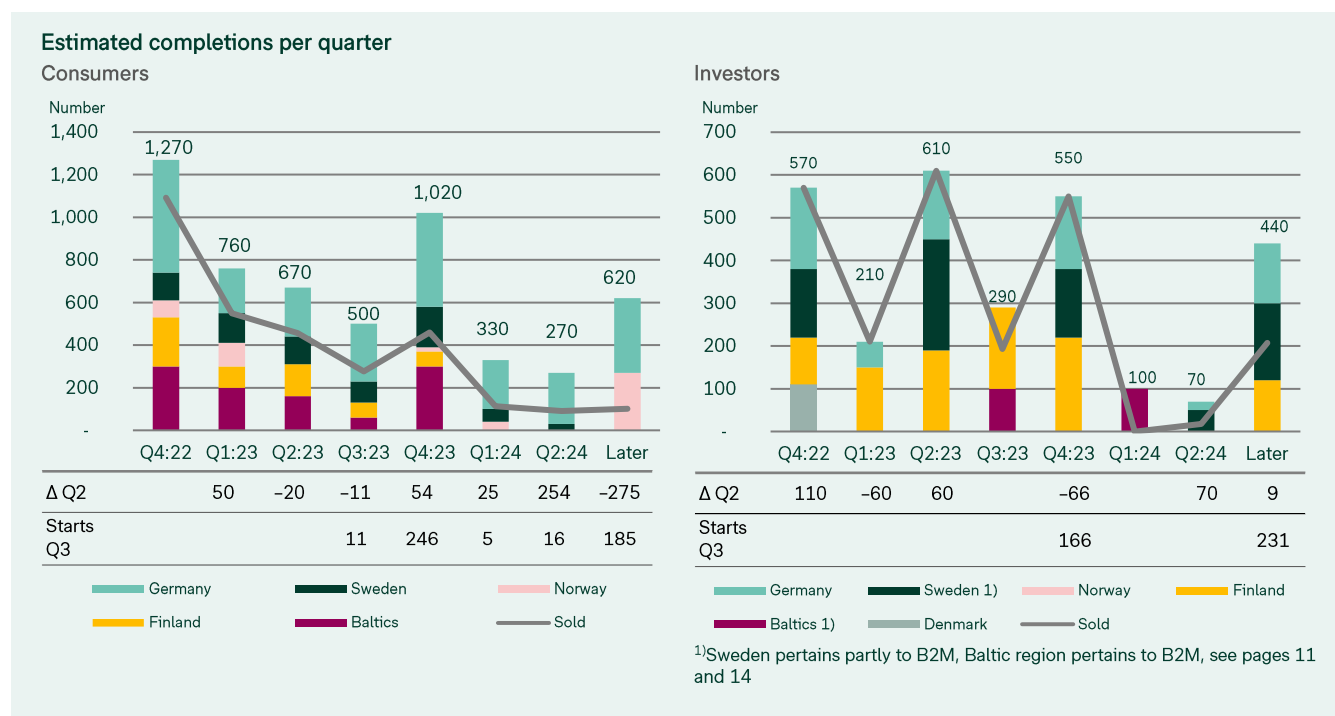
HOUSING UNITS RECOGNISED IN PROFIT DURING THE QUARTER

The number of housing units for consumers recognised in profit during the quarter was 480 (663). The majority of these were completed and delivered to customers during the quarter.

During the quarter, 403 housing units (531) for investors were completed and 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 12,576 M (13,890) for consumers and SEK 5,865 M (7,824) 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 30 September 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

Given the prevailing market situation, we have become more selective regarding investments in building rights in order to balance the risks that an increasingly weak market entails. This also creates scope to be able to act on the opportunities that arise going forward. Bonava's building rights portfolio 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 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 recognises building rights at their carrying amount. No surplus value from market valuation was included in the reported figures.

The total number of building rights at the end of the quarter amounted to 32,300 (31,000). Since the start of the year, we have increased our portfolio by 4 per cent. During the third quarter we have increased our portfolio by 250 building rights in Germany. In Norway, we invested in a large site in Oslo, comprising 200 building rights. During the quarter, we acquired approximately 230 building rights in the Baltic region, distributed among three investments.

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 13,650 (13,900).

The diagram below illustrates the development of the building rights portfolio during 2022 and its composition at the end of 2022. Properties held for future development amounted to SEK 9,513 M (6,987) at the end of the quarter, an increase on the preceding year due to increased investments and more building rights on the balance sheet.

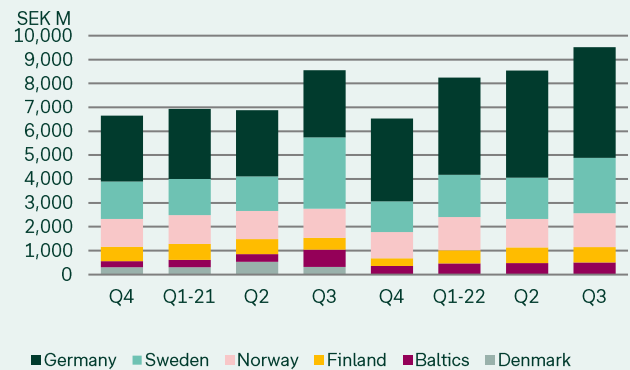
Building rights

On/Off-balance sheet

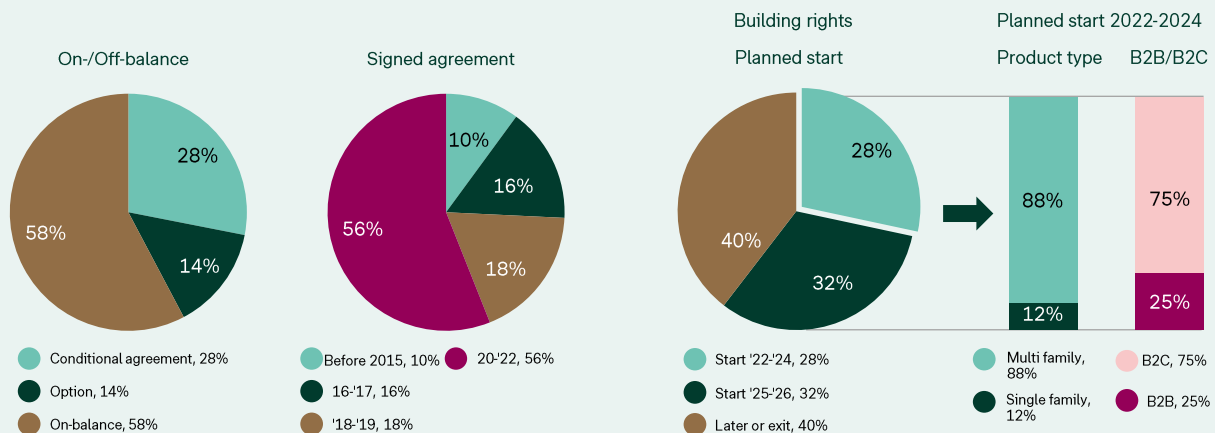
	2022 30 Sep	2021 30 Sep	2021 31 Dec
Number of building rights			
Germany	10,100	8,400	9,700
Sweden	8,100	8,500	8,200
Norway	3,200	3,100	3,000
Finland	3,300	4,500	4,100
Baltics	7,600	6,000	6,000
Denmark		500	
Whereof off-balance sheet			
Germany	3,600	2,600	4,500
Sweden	3,300	3,800	3,800
Norway	1,400	1,500	1,500
Finland	2,100	2,900	2,400
Baltics	3,250	3,000	2,800
Denmark		100	

Number of building rights at 30 September 2022, excluding St. Petersburg

Carrying amount, building rights portfolio



Distribution of building rights, excluding St. Petersburg



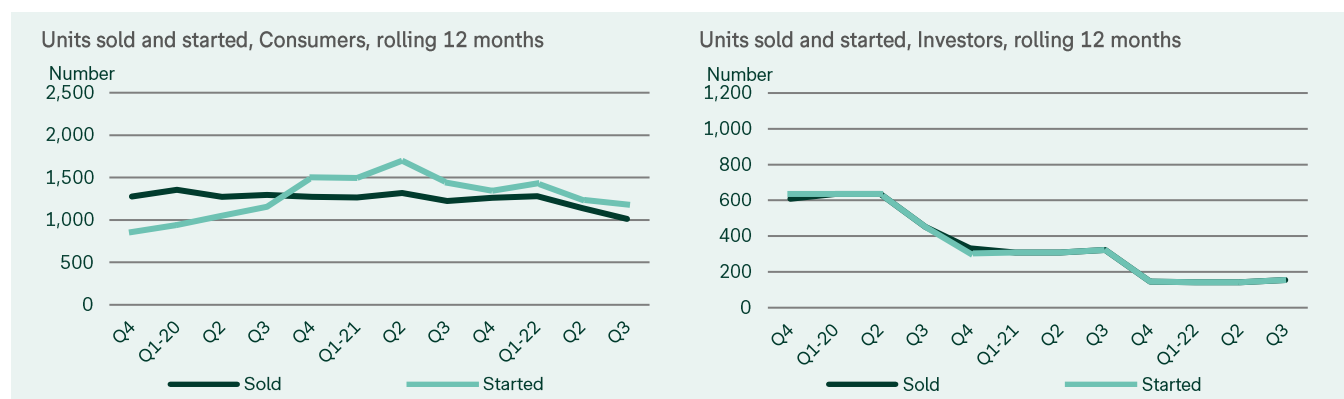
Germany

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 during the quarter decreased to 181 (310). The number of housing units sold and started for investors increased to 74 (62).

The number of housing starts for consumers during the quarter decreased to 163 (219). The sales rate for ongoing production decreased to 67 per cent (76).



NET SALES AND PROFIT

July–September 2022

During the quarter 175 (300) housing units for consumers and 221 (268) housing units for investors were recognised in profit. Net sales declined to SEK 1,648 M (1,959) due to a lower number of housing units recognised in profit. The gross margin increased to 15.8 per cent (15.5) due to improved profitability in projects. The lower number of housing units recognised in profit resulted in a decline in operating profit to SEK 186 M (229).

January–September 2022

Net sales increased to SEK 4,480 M (4,166) and the gross margin was strengthened to 16.7 per cent (15.5) due to improved project margins in both the consumer and investor businesses. Operating profit increased to SEK 521 M (432). The increase was mainly attributable to 108 additional housing units being recognised in profit. Selling and administrative expenses increased somewhat year on year.

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net sales	1,648	1,959	4,480	4,166	7,276
Gross profit	261	303	747	644	1,210
Gross margin, %	15.8	15.5	16.7	15.5	16.6
Selling and administrative expenses	-74	-74	-226	-213	-296
Operating profit/loss	186	229	521	432	914
Operating margin, %	11.3	11.7	11.6	10.4	12.6
Capital employed	6,614	4,102	6,614	4,102	4,393
whereof carrying amount properties held for future development	4,634	2,811	4,634	2,811	3,463
Return on capital employed, %	18.9	23.0	18.9	22.9	21.0
Number of housing units sold	255	372	679	922	1,409
Sales value of housing units sold	1,189	1,668	3,354	4,134	6,244
Number of housing units started	237	281	666	821	1,490
Number of housing units in ongoing production	3,223	3,808	3,223	3,808	3,749
Sales rate for ongoing production, %	67	76	67	76	71
Number of housing units completed, not recognised in profit	26	27	26	27	22
Number of housing units for sale (ongoing production and completed)	1,095	926	1,095	926	1,108
Number of housing units recognised in profit	396	568	1,188	1,080	1,813

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

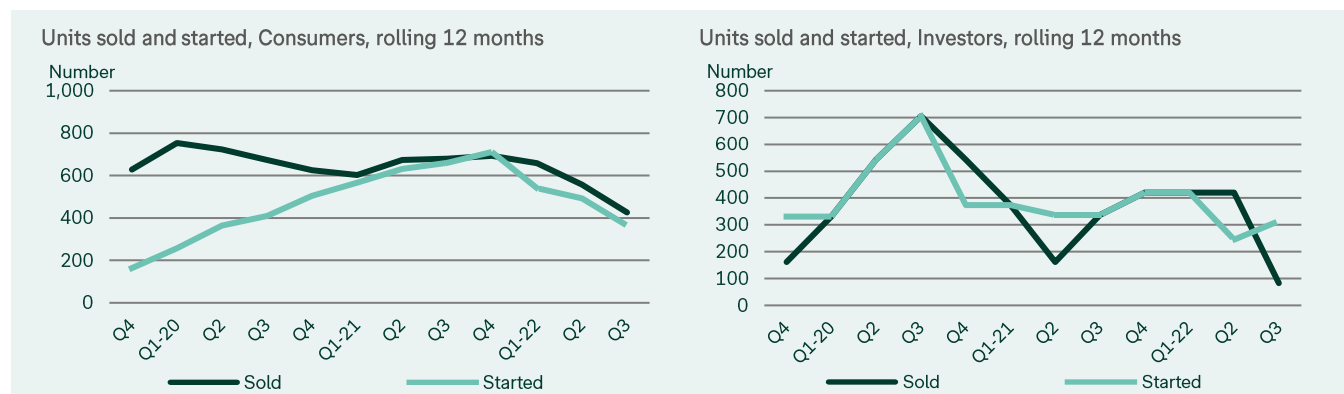
Sweden

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

During the quarter, Sweden made its first investment in rental housing projects intended for own management, in accordance with our Build-to-Manage (B2M) model, formerly called Build-to-Hold. This entails that we construct, retain and manage for a period instead of divesting immediately. The project comprises 231 housing units and is expected to be completed during 2024. These housing units have been classified as investment properties. See Note 7.

The number of housing units sold to consumers during the quarter was 18 (149). No housing units were started (162) or sold (337) to investors. No production starts of housing units for consumers were made during the quarter (127). The sales rate for ongoing production totalled 81 per cent (84) excluding B2M.



NET SALES AND PROFIT

July–September 2022

Net sales amounted to SEK 318 M (845). Housing units for consumers recognised in profit totalled 78 (146). No housing units for investors were delivered (169).

In August, Alexandra Laurén assumed the position of Business Unit President. Together with her team, she conducted a risk review of Sweden. This resulted in that we charged the gross profit with SEK 155 M in costs based on the prevailing market situation where a number of projects will not be started why we have costs related to impairment losses on previously capitalised project engineering costs and fixed assets. The gross margin amounted to -27.4 per cent (15.7). Operating loss totalled SEK -110 M (106) and the operating margin was -34.7 per cent (12.6).

January–September 2022

Net sales amounted to SEK 1,995 M (2,327). In total, fewer housing units were recognised in profit year on year. As with the quarter, the full-year gross profit was charged with costs of SEK 155 M incurred in the third quarter. Operating profit totalled SEK 26 M (224) and the operating margin was 1.3 per cent (9.6).

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net sales	318	845	1,995	2,327	3,327
Gross profit	-87	133	121	317	420
Gross margin, %	-27.4	15.7	6.1	13.6	12.6
Selling and administrative expenses	-23	-26	-96	-92	-129
Operating profit/loss before items affecting comparability	-110	106	26	224	292
Operating margin before items affecting comparability, %	-34.7	12.6	1.3	9.6	8.8
Items affecting comparability ¹⁾					-44
Operating profit/loss after items affecting comparability	-110	106	26	224	247
Operating margin after items affecting comparability, %	-34.7	12.6	1.3	9.6	7.4
Capital employed	3,758	2,990	3,758	2,990	3,135
whereof carrying amount properties held for future development	2,326	1,423	2,326	1,423	1,293
Return on capital employed, % ¹⁾	2.6	9.0	2.6	9.0	9.1
Number of housing units sold	18	486	245	849	1,113
Sales value of housing units sold	92	1,261	1,014	2,712	3,640
Number of housing units started	231	289	352	804	1,131
whereof investment properties	231		231		
Number of housing units in ongoing production	1,594	1,880	1,594	1,880	1,849
whereof investment properties	231		231		
Sales rate for ongoing production, % ²⁾	81	84	81	84	79
Number of housing units completed, not recognised in profit	28	50	28	50	24
Number of housing units for sale (ongoing production and completed)	505	335	505	335	398
Number of housing units recognised in profit	78	315	603	671	1,055

¹⁾ The key figures in Jan–Dec 2021 were impacted by items affecting comparability. No such items were recognised in Jan–Sep 2022.

²⁾ Excluding Build-to-Manage. Including Build-to-Manage the sales rate was 70 per cent.

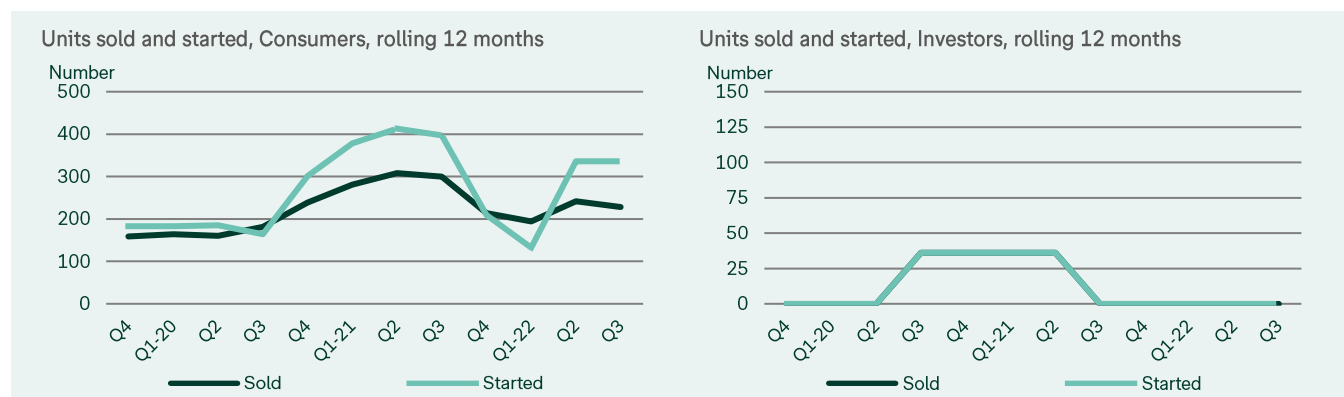
Norway

In Norway, Bonava has operations in Bergen and Oslo. We offer consumers multi-family housing with apartments and single-family homes (housing units with ownership rights) and rental housing projects to investors.

HOUSING UNITS SOLD AND STARTED

The number of housing units sold to consumers during the quarter decreased to 29 (43). The sales rate for ongoing production totalled 51 per cent (74). The lower sales rate was partly due to a more sluggish market and partly to a larger number of housing units being started year on year.

No projects for consumers or investors were started during the quarter (0).



NET SALES AND PROFIT

July–September 2022

Net sales for the quarter increased to SEK 604 M (10), since we recognised more housing units for consumers in profit, 126 (1). The gross margin improved to 14.8 per cent (negative). Operating profit was SEK 66 M (-34). The operating margin improved to 11 per cent (negative). The margin in the comparative period was burdened by a low number of completions, resulting in low net sales. The increase in the operating margin in the quarter was attributable to the completion of two projects in Oslo and one in Bergen, with more market-level profitability.

January–September 2022

Net sales rose to SEK 1,222 M (110), attributable to more housing units for consumers being recognised in profit, both from recently completed projects and from housing units held in stock. A total of 209 housing units for consumers (21) were recognised in profit. 36 housing units for investors (0) were recognised in profit.

Operating profit totalled SEK 25 M (-78) and the operating margin was 2.1 per cent (negative). Earnings were burdened by a challenging project in which the costs increased in conjunction with completion, which was already known earlier.

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net sales	604	10	1,222	110	787
Gross profit	89	-12	98	-17	19
Gross margin, %	14.8	-116.1	8.0	-15.6	2.4
Selling and administrative expenses	-23	-23	-73	-61	-86
Operating profit/loss before items affecting comparability	66	-34	25	-78	-67
Operating margin before items affecting comparability, %	11.0	-344.9	2.1	-70.9	-8.5
Items affecting comparability ¹⁾					-50
Operating profit/loss after items affecting comparability	66	-34	25	-78	-116
Operating margin after items affecting comparability, %	11.0	-344.9	2.1	-70.9	-14.8
Capital employed	2,490	2,966	2,490	2,966	2,235
whereof carrying amount properties held for future development	1,478	1,222	1,478	1,222	1,156
Return on capital employed, % ¹⁾	1.3	-0.9	1.3	-0.9	-3.1
Number of housing units sold	29	43	176	162	214
Sales value of housing units sold	175	171	886	768	990
Number of housing units started			270	143	209
Number of housing units in ongoing production	529	669	529	669	518
Sales rate for ongoing production, %	51	74	51	74	67
Number of housing units completed, not recognised in profit	36	8	36	8	22
Number of housing units for sale (ongoing production and completed)	282	174	282	174	188
Number of housing units recognised in profit	126	1	245	21	224

¹⁾ The key figures in Jan-Dec 2021 were impacted by items affecting comparability. No such items were recognised in Jan-Sep 2022.

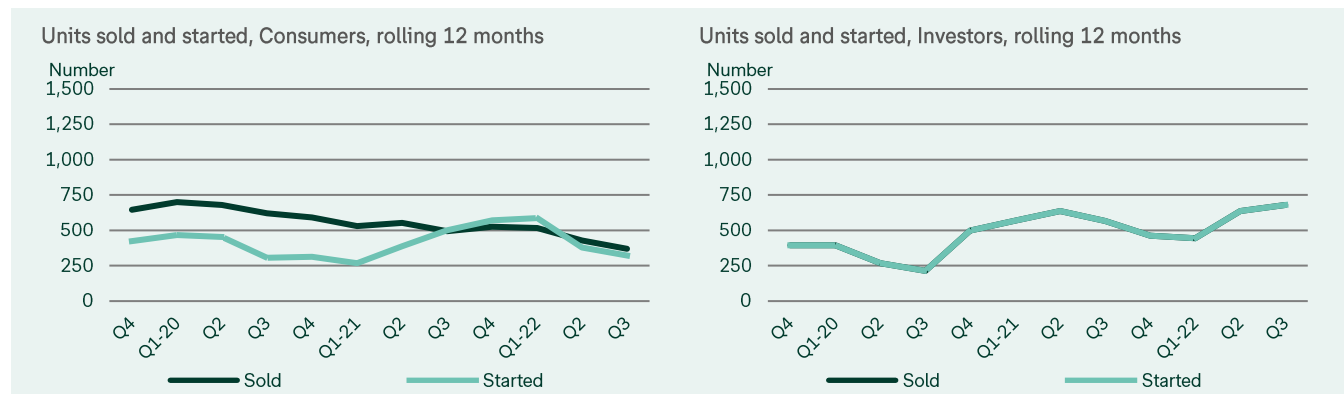
Finland

In Finland, Bonava is active in the regions of Helsinki, Tampere and Turku. 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 during the quarter decreased to 36 (94). The number of completed unsold housing units continued to decline during the quarter. The number of housing units sold and started for investors increased to 93 (50).

The sales rate for ongoing production totalled 87 per cent (80). The number of housing starts totalled 166 (181) during the quarter.



NET SALES AND PROFIT

July–September 2022

Net sales declined to SEK 216 M (567) during the quarter. This was mainly attributable to 57 fewer housing units recognised in profit, which was partly offset by a somewhat higher average sales price. The profitability of delivered projects improved. The proportionally low business volume compared with the preceding year entailed that overheads were not covered and consequently, the operating margin declined to -0.4 per cent (4.5).

January–September 2022

Net sales declined to SEK 990 M (1,257), mainly due to a lower number of housing units recognised in profit during the period. Operating profit totalled SEK 39 M (60), and the operating margin was 3.9 per cent (4.7). The decrease was mainly attributable to proportionally lower net sales compared with the preceding year, despite an improved operating margin for consumers and investors.

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net sales	216	567	990	1,257	1,842
Gross profit	28	42	112	114	133
Gross margin, %	12.8	7.4	11.3	9.0	7.2
Selling and administrative expenses	-29	-16	-73	-54	-77
Operating profit/loss before items affecting comparability	-1	25	39	60	56
Operating margin before items affecting comparability, %	-0.4	4.5	3.9	4.7	3.1
Items affecting comparability ¹⁾					-36
Operating profit/loss after items affecting comparability	-1	25	39	60	20
Operating margin after items affecting comparability, %	-0.4	4.5	3.9	4.7	1.1
Capital employed	1,071	858	1,071	858	837
whereof carrying amount properties held for future development	639	493	639	493	315
Return on capital employed, % ¹⁾	3.6	19.0	3.6	19.0	5.4
Number of housing units sold	129	144	599	538	988
Sales value of housing units sold	267	397	1,377	1,274	2,275
Number of housing units started	166	181	545	576	1,032
Number of housing units in ongoing production	1,586	1,227	1,586	1,227	1,447
Sales rate for ongoing production, %	87	80	87	80	82
Number of housing units completed, not recognised in profit	18	33	18	33	24
Number of housing units for sale (ongoing production and completed)	230	278	230	278	284
Number of housing units recognised in profit	116	173	412	391	636

¹⁾ The key figures in Jan-Dec 2021 were impacted by items affecting comparability. No such items were recognised in Jan-Sep 2022.

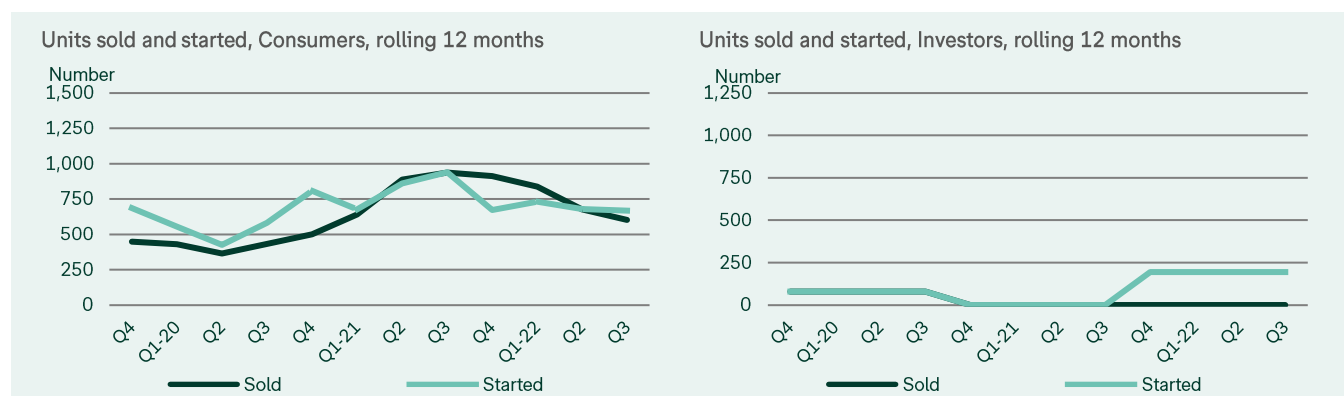
Baltics

The Baltics segment comprises 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 408 (719). The sales rate for ongoing production totalled 51 per cent (64) excluding B2M. The number of housing starts for consumers totalled 226 (237). No housing units for investors were sold or started during the quarter (0).

At the end of 2021, we made the first two investments in rental housing projects intended for own management in accordance with our Build-to-Manage (B2M) model, formerly called Build-to-Hold. This entails that we construct, retain and manage for a period instead of divesting immediately. Ongoing production is proceeding to plan and the first project is expected to be completed during the third quarter of 2023. These housing units have been classified as investment properties. See Note 7.



NET SALES AND PROFIT

July–September 2022

Net sales increased to SEK 117 M (107). During the quarter, 87 (117) housing units for consumers were recognised in profit. Operating profit totalled SEK 10 M (12), and the margin was 8.7 per cent (11.6). There was a healthy gross margin for the quarter of 17.9 per cent (18.8), but it declined somewhat year on year due to reduced margins in projects delivered.

January–September 2022

Net sales totalled SEK 450 M (311), since more housing units for consumers were recognised in profit at a higher margin compared with the preceding year.

Operating profit totalled SEK 48 M (22) and the operating margin improved to 10.7 per cent (7.1). The operating profit and margin improved due to a higher number of housing units recognised in profit and to strong cost control that ensures profitability in an environment of high inflation and cost increases in the construction market.

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net sales	117	107	450	311	757
Gross profit	21	20	80	43	114
Gross margin, %	17,9	18,8	17,8	13,9	15,0
Selling and administrative expenses	-11	-8	-32	-21	-32
Operating profit/loss	10	12	48	22	82
Operating margin, %	8,7	11,6	10,7	7,1	10,8
Capital employed	1 113	728	1 113	728	738
whereof carrying amount of properties held for future development	501	322	501	322	356
Return on capital employed, %	12,2	10,2	12,2	10,2	12,3
Number of housing units sold	117	192	408	719	912
Sales value of housing units sold	171	199	562	688	893
Number of housing units started	226	237	416	421	867
whereof investment properties					195
Number of housing units in ongoing production	1 207	1 205	1 207	1 205	1 188
whereof investment properties	195		195		195
Sales rate for ongoing production, % ¹⁾	51	64	51	64	43
Number of housing units completed, not recognised in profit	22	14	22	14	22
Number of housing units for sale (ongoing production and completed)	513	445	513	445	505
Number of housing units recognised in profit	87	117	397	356	811

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

¹⁾ Excluding Build-to-Manage. Including Build-to-Manage the sales rate was 43 per cent.

Current projects in the quarter

During the third quarter, Bonava started production on 860 housing units (988).
All production starts are reported at <https://www.bonava.com/en/investor-relations/housing-starts>

Germany

Paulshöfe

Location: Region Rhine-Ruhr

Housing category: Multi-family housing

Number of units: 75 apartments for investors

In the new Paulshöfe residential district of Düsseldorf, many communal areas are offered with space for play, sport and interaction with neighbours. With preschools, schools and stores in the neighbourhood, little traffic and playgrounds, the new residential district is an attractive area. Solar panels and greenery on rooftops also contribute to an environmentally friendly lifestyle.



Finland

Tinantine 3

Location: Kirkkonummi, Helsinki

Housing category: Multi-family housing

Number of units: 93 apartments for investors

Bonava's Tinantine housing project has an excellent location as it is centrally located, with excellent transport possibilities, close to services and schools. The district will have a broad offering of various opportunities for sports activities. The neighbourhood will have high sustainability profile and will be equipped with solar panels.



Baltics – Lithuania

Lake Town

Location: Vilnius

Housing category: Multi-family housing

Number of units: 102 apartments for consumers

This is the first phase of the Lake Town investment, where Bonava is planning a total of 740 housing units. The area where the neighbourhood is being built is characterised by culture, schools, preschools, sports centres and cafés. There are plans for many communal areas where neighbours can meet, such as playgrounds, a pond and small beach with a pergola. Bike storage and an underground parking garage will be constructed, and customers will be offered various functional and well-planned apartments.



Sweden

Årsta Park

Location: Uppsala

Housing category: Multi-family housing

Number of units: 231 rental apartments for own management

Årsta Park is the first rental project in Sweden designed for own management. The project is located in an attractive and popular area in the north-eastern region of Uppsala. The neighbourhood will comprise 231 Nordic Swan ecolabelled homes organised in eight buildings that will also be fitted with solar panels. In addition, one of Uppsala's largest parks, Årstaparken, is in close proximity, which is perfect for beautiful walks, jogging or playing with the children in the large playground.



Other information

OTHER OPERATIONS

In May 2021, it was announced that we would wind down our Danish operations. In November 2021, we sold the remaining part of the building rights portfolio.

As part of the adjusted segment reporting, Bonava Denmark is recognised under other operations. During the third quarter, Denmark recognised 0 housing units for consumers (20) in profit, with net sales of SEK 0 M (89) and 80 housing units (0) for investors with net sales of SEK 303 M (0). Gross profit amounted to SEK 40 M (4) and profit before tax increased to SEK 33 M (-7). There is one remaining project in Denmark. It is proceeding to plan and will be delivered during the fourth quarter. The project is for investors and amounts to a total of 105 housing units. Refer to Note 2 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 next 12-month period, there are a number of uncertainties, such as rising key interest rates, high inflation, energy prices and concern about the geopolitical situation in Europe, that could affect our operations and sales. We also experienced cost increases for input goods and material shortages that could potentially delay projects. However, during the third quarter, we saw signs that material costs are levelling off and anticipate a reduction going forward. The completion of the transaction involving the divestment of St. Petersburg is also deemed to be a risk before cash settlement has taken place.

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. 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, excluding St. Petersburg, was 1,885 (1,813).

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 209,190,660 votes. At 30 September 2022, Bonava had 11,194,982 Class A shares and 97,240,840 Class B shares. The number of Class B shares in treasury totalled 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 32,361 (30,873). 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 8.5 per cent of the capital and 5.0 per cent of the votes and Swedbank Robur Fonder with 4.8 per cent of the capital and 2.5 per cent of the votes. The ten largest shareholders controlled a total of 52.4 per cent of the capital and 64.8 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 8.

SIGNIFICANT EVENTS DURING THE PERIOD

No significant events took place during the quarter.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

On 7 October, Bonava announced that we had signed an agreement for the sale of our subsidiary in Russia for a purchase price of approximately EUR 98 M (SEK 1.1 Bn). The net financial impact of approximately SEK -0.1 to -0.3 Bn will be recognised when the transaction is finalised, which is expected to be within six months. The closing of the transaction is dependent on approval from authorities. These approval processes are complex given the circumstances and geopolitical factors. As of the third quarter of 2022, the St. Petersburg operations will be reported as operations to be discontinued.

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, 27 October 2022
Bonava AB (publ)

Peter Wallin
President and CEO

Consolidated income statement

	Note 1	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	Oct 2021 - Sep 2022	2021 Jan-Dec
Continuing operations							
Net sales	2	3,208	3,577	9,545	8,369	15,922	14,746
Production cost		-2,852	-3,092	-8,338	-7,290	-13,868	-12,820
Gross profit		356	485	1,207	1,079	2,053	1,925
Selling and administrative expenses		-206	-188	-651	-593	-902	-844
Operating profit before items affecting comparability	2	150	297	556	486	1,151	1,081
Items affecting comparability ³⁾					-117	38	-80
Operating profit after items affecting comparability		150	297	556	368	1,189	1,002
Financial income		4	2	4	4	3	2
Financial expenses		-47	-34	-126	-108	-162	-144
Net financial items		-43	-32	-122	-105	-159	-142
Profit before tax	2	107	264	434	264	1,030	860
Tax on profit for the period		-39	-67	-139	-71	-247	-179
Profit for the period ¹⁾		68	197	295	192	783	681
Operations to be discontinued	6						
Net profit for the period from operations to be discontinued		22	1	87	75	140	127
Net profit for the period from continuing and operations to be discontinued		90	198	382	267	923	808
Per share data before and after dilution							
Profit for the period, SEK		0.63	1.83	2.75	1.79	7.31	6.35
Cash flow from operating activities, SEK		-10.78	1.53	-32.49	-1.39	-24.39	6.71
Shareholders' equity, SEK		83.01	72.15	83.01	72.15	83.01	77.60
No. of shares at the end of period, million ²⁾		107.2	107.2	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 30 September was 1,245,355 (1,245,355).

³⁾ Items affecting comparability during the period Jan-Sep 2021 pertain to costs in the second quarter related to the wind down of operations in Denmark of SEK 117 M.

Consolidated statement of comprehensive income

	Note 1	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	Oct 2021 - Sep 2022	2021 Jan-Dec
Profit for the period		90	198	382	267	923	808
Items that have or may be reclassified to profit for the period							
Translation differences during the period in translation of foreign operations		44	14	141	57	179	95
Translation differences during the period in translation of operations to be discontinued	6	-8	21	436	51	440	55
Other comprehensive income for the period		36	35	577	108	619	150
Comprehensive income/loss for the period ¹⁾		126	233	959	375	1,541	958

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

Condensed consolidated balance sheet

	Note 1, 4, 5	2022 30 Sep	2021 30 Sep	2021 31 Dec
ASSETS				
Fixed assets				
Investment properties	7	210		
Other fixed assets		658	828	877
Total fixed assets		868	828	877
Current assets				
Properties held for future development		9,513	6,987	6,959
Ongoing housing projects		13,834	13,643	12,546
Completed housing units		503	878	706
Current receivables		967	1,096	1,556
Cash and cash equivalents	3	185	972	1,066
Assets held for distribution	6	2,443		
Total current assets		27,445	23,576	22,834
TOTAL ASSETS		28,313	24,404	23,711
SHAREHOLDERS' EQUITY				
Shareholders' equity attributable to Parent Company shareholders		8,897	7,734	8,318
Non-controlling interest		5	4	5
Total shareholders' equity		8,902	7,738	8,322
LIABILITIES				
Non-current liabilities				
Non-current interest-bearing liabilities	3	3,938	2,307	2,396
Other non-current liabilities		318	289	462
Non-current provisions		903	848	898
Total non-current liabilities		5,159	3,443	3,755
Current liabilities				
Current interest-bearing liabilities	3	3,065	2,659	2,076
Other current liabilities		9,934	10,564	9,557
Liabilities attributable to assets held for distribution	6	1,253		
Total current liabilities		14,252	13,223	11,633
Total liabilities		19,411	16,666	15,389
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		28,313	24,404	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	959		959
Dividend ¹⁾	-375		-375
Performance-based incentive programme	-4		-4
Closing shareholders' equity, 30 September 2022	8,897	5	8,902

¹⁾ On 1 April 2022, the Annual General Meeting of Bonava AB resolved on a total dividend to shareholders of SEK 375 M, to be paid in two instalments: SEK 188 M, which was paid in April, and SEK 188 M which was paid in October. At 30 September the unpaid instalment has been recognised as a short-term interest-free liability.

Condensed consolidated cash flow statement

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	Oct 2021 - Sep 2022	2021 Jan-Dec
OPERATING ACTIVITIES						
Profit before tax	133	265	542	358	1,204	1,020
Adjustments for items not included in cash flow	1	11	-234	117	-115	236
Tax paid	-14	-55	-125	-265	-125	-265
Cash flow from operating activities before change in working capital	120	221	184	210	965	991
Cash flow from change in working capital						
Sales of housing projects	2,590	2,948	7,963	7,159	13,714	12,910
Investments in housing projects	-3,950	-3,094	-12,042	-8,793	-16,519	-13,270
Other changes in working capital	85	89	413	1,275	-774	88
Cash flow from changes in working capital	-1,275	-57	-3,666	-359	-3,579	-272
Cash flow from operating activities	-1,155	163	-3,482	-149	-2,614	719
INVESTMENT ACTIVITIES						
Other cash flow from investment activities	-64	-4	-72	-29	-131	-88
CASH FLOW BEFORE FINANCING	-1,219	159	-3,554	-177	-2,745	631
FINANCING ACTIVITIES						
Dividend			-188	-391	-360	-563
Increase in interest-bearing liabilities	3,724	771	5,702	1,580	6,207	2,085
Decrease in interest-bearing liabilities	-2,516	-858	-2,778	-1,463	-3,754	-2,439
Change in interest-bearing receivables	12	8	89	1	18	-70
Cash flow from financing activities	1,219	-79	2,824	-274	2,110	-987
CASH FLOW DURING THE PERIOD	0	80	-730	-451	-635	-356
Cash and cash equivalents at start of period	489	879	1,066	1,387	972	1,387
Exchange rate differences in cash and cash equivalents	3	13	156	35	156	35
CASH AND CASH EQUIVALENTS AT END OF PERIOD	492	972	492	972	492	1,066

Cash flow from operations to be discontinued

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	Oct 2021 - Sep 2022	2021 Jan-Dec
Net cash flow from operating activities	-113	-76	-440	-41	-117	-150
Net cash flow from investment activities		-1	8	9	8	7
Net cash flow from financing activities	82	35	383	15	50	11
Net increase in cash and cash equivalents from the subsidiary	-31	-42	-49	-17	-59	-132

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 1–33, and pages 1–17 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 the services, and similar revenue flows. Bonava's segment disclosures are based on management information reported to the chief operating decision-maker. The former Germany and Sweden segments remain unchanged, while a decision was made to divide the Nordic segment into Finland and Norway and to divide the St. Petersburg-Baltics segment into St. Petersburg and Baltics as of 1 January 2022. The remaining part of Bonava Denmark is included in Other operations, where Bonava's head office and Group adjustments and eliminations are also recognised. 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.

Operations to be discontinued

On 7 October, Bonava signed an agreement to sell its operations in St. Petersburg. Due to this, St. Petersburg is recognised separately under the headings "Operations to be discontinued" in the income statement and "Assets held for distribution" and "Liabilities attributable to assets held for distribution" in the balance sheet in accordance with IFRS 5. All key figures exclude St. Petersburg. Refer also to Note 6. Comparative figures have been restated. For the income statement in accordance with IFRS 5. Comparative figures are available at www.bonava.com.

New/Amended policy

Bonava started a number of projects under its Build-to-Manage model during the period. These projects are classified as investment properties. In future, the projects will be recognised in accordance with IAS 40 Investment Property and measured at fair value and not as ongoing housing projects, since the aim is to, at least for a time, rent out and manage these properties. For further information, refer to Note 7.

NOTE 2 Reporting of operating segments

Jul-Sep 2022	Germany	Sweden	Norway	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	917	320	595	30	117		1,978
Net sales, investors	731	-3		185		299	1,212
Net sales, land			7				8
Other revenue		1	1			6	9
Operating profit/loss	186	-110	66	-1	10	-2	150
Net financial items							-43
Profit before tax							107
Capital employed	6,614	3,758	2,490	1,071	1,113	-331	14,715

Jul-Sep 2021	Germany	Sweden	Norway	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	1,258	573	9	317	107	86	2,350
Net sales, investors	640	248		199			1,088
Net sales, land	61	23		51			134
Other revenue			1			3	5
Operating profit/loss before items affecting comparability	229	106	-34	25	12	-42	297
Items affecting comparability							
Operating profit/loss after items affecting comparability	229	106	-34	25	12	-42	297
Net financial items							-32
Profit before tax							264
Capital employed	4,102	2,990	2,966	858	728	362	12,006

¹⁾ Other operations consist of the Parent Company, Group adjustments, eliminations and the Danish operations.

Jan-Sep 2022	Germany	Sweden	Norway	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	2,924	1,556	985	634	449	101	6,650
Net sales, investors	1,555	402	153	336		299	2,745
Net sales, land		36	80	19			135
Other revenue		2	3	1		8	15
Operating profit/loss	521	26	25	39	48	-103	556
Net financial items							-122
Profit before tax							434
Capital employed	6,614	3,758	2,490	1,071	1,113	-331	14,715

Jan-Sep 2021	Germany	Sweden	Norway	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	3,346	1,743	107	935	311	194	6,636
Net sales, investors	752	431		200			1,382
Net sales, land	68	152		121			342
Other revenue		1	3	1		4	9
Operating profit/loss before items affecting comparability	432	224	-78	60	22	-174	486
Items affecting comparability						-117	-117
Operating profit/loss after items affecting comparability	432	224	-78	60	22	-292	368
Net financial items							-105
Profit before tax							264
Capital employed	4,102	2,990	2,966	858	728	362	12,006

Jan-Dec 2021	Germany	Sweden	Norway	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	6,331	2,149	535	1,173	610	197	10,995
Net sales, investors	876	965	212	544	147	550	3,293
Net sales, land	68	212	36	124		1	442
Other revenue		1	4	1		8	14
Operating profit/loss before items affecting comparability	914	292	-67	56	82	-196	1,081
Items affecting comparability		-44	-50	-36		51	-80
Operating profit/loss after items affecting comparability	914	247	-116	20	82	-145	1,002
Net financial items							-142
Profit before tax							860
Capital employed	4,393	3,135	2,235	837	738	632	11,970

¹⁾ Other operations consist of the Parent Company, Group adjustments, eliminations and the Danish operations.

NOTE 3 Specification of net debt

	2022 30 Sep	2021 30 Sep	2021 31 Dec
Non-current interest-bearing receivables	2	2	2
Current interest-bearing receivables	17	16	16
Cash and cash equivalents	185	623	835
Interest-bearing receivables	204	641	853
Non-current interest-bearing liabilities	3,938	2,222	2,242
Current interest-bearing liabilities	3,065	2,656	2,072
Interest bearing liabilities¹⁾	7,003	4,878	4,314
Net debt²⁾	6,799	4,237	3,461

¹⁾ Of which green loans SEK 3,255 M (1,811). The green asset base pledged consisted of assets in Sweden, Norway and Denmark that are or will be Nordic Swan ecolabelled.

²⁾ All figures excluding St. Petersburg.

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 30 Sep	2021 30 Sep	2021 31 Dec
Cash and cash equivalents	36	112	37
Gross debt	1,715	1,606	1,789
Net debt in tenant-owner associations and housing companies	1,679	1,494	1,752

The Group's financing framework

The table below specifies the Group's financing facilities. In addition to these, there are unutilised contractual credit frames for projects in Swedish tenant-owner associations and Finnish housing companies totalling SEK 641 M.

Financing	Maturity, year	Amount	Utilised	Unutilised
Overdraft facilities	<364 days	643	84	559
RCF/commercial paper	2023	3,000	1,400	1,600
Bond	2024	1,200	1,200	
Loan	2024	518	518	
Loan	2025	1,200	1,200	
Loan	2026-27	545	545	
Total		7,105	4,947	2,159

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 (1,203).

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 30 Sep	2021 30 Sep	2021 31 Dec
Derivatives	36	4	5
Total assets	36	4	5
Derivatives	96	4	46
Total liabilities	96	4	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 30 Sep	2021 30 Sep	2021 31 Dec
Pledged assets			
<i>For own liabilities</i>			
Property mortgages	1,316	1,280	1,490
Restricted bank funds			15
Other pledged assets	10	6	10
Total pledged assets	1,453	1,286	1,514
Surety and guarantee obligations			
<i>Own contingent liabilities</i>			
Counter guarantee to external guarantors ¹⁾	1,488	2,644	3,482
liabilities	947	248	466
Total surety and guarantee obligations	2,435	2,892	3,948

¹⁾ Of the amount, SEK 1,418 M (SEK 3,416 M at 31 December 2021) comprises counter guarantees pertaining 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 directly issued by Bonava AB and external guarantors who issue them on behalf of tenant-owner associations have a limited guarantee from Bonava AB and the amount of the commitment is reduced. The counter guarantee for the guarantee for the operations to be discontinued in St. Petersburg amounts to SEK 69 M (SEK 66 M at 31 December 2021). Other guarantee obligations comprise Bonava AB's guarantee commitments for project financing in St. Petersburg of SEK 737 M (SEK 261 M at 31 December 2021) and guarantee commitments for the payment of land investments in operations to be discontinued in St. Petersburg of SEK 210 M (SEK 204 M at 31 December 2021). Bonava's projects in St. Petersburg are financed through foreign banks with licences to operate in St. Petersburg.

Bonava announced on 3 March 2022 that we are winding down the St. Petersburg operations. Since then, Bonava has reviewed various strategic alternatives to wind-down operations, with one alternative being a potential, responsible divestment of the operations. On 7 October, Bonava announced that we have signed an agreement to divest the Russian operations. Due to this, we will recognise the operations in St. Petersburg as profit/loss from operations to be discontinued as of the third quarter of 2022. Adjusted historical comparative figures were published on Bonava's website. As of the third quarter, the St. Petersburg operations have been recognised as a profit/loss from operations to be discontinued during the period. Bonava restated comparative figures for earlier periods and recognises the Group excluding the St. Petersburg operations. Adjusted historical comparative figures were published on Bonava's website and can be accessed using this link:

<https://www.bonava.com/investor-relations/finansiell-information>. For the full years 2017–2021, the income statement, cash flow and key figures were restated so that the Group is shown excluding the St. Petersburg operations. In addition, the comparative figures were restated on a quarterly basis for the year 2021 and the first half of 2022 for the income statement and key figures.

Financial information for operations to be discontinued for the period until the date of divestment are presented below.

ANALYSIS OF RESULTS AND CASH FLOWS

The results and cash flow information recognised below pertain to the nine months ended 30 September 2022 compared with 30 September 2021 and the year ended on 31 December 2021.

	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net sales	381	473	745
Production cost	-249	-356	-553
Gross profit	132	117	192
Selling and administrative expenses	-29	-27	-37
Operating profit	103	90	155
Financial income	19	10	15
Financial expenses	-13	-6	-9
Net financial items	6	4	6
Profit before tax	109	94	161
Tax on profit for the period	-21	-19	-33
Profit from operations to be discontinued	87	75	127
Translation differences for operations to be discontinued	436	51	55
Items included in comprehensive income	436	51	55
Net cash flow from operating activities	-440	-41	-150
Net cash flow from investment activities	8	9	7
Net cash flow from financing activities	383	15	11
Net increase in cash and cash equivalents from the subsidiary	-49	-17	-132

	2022 30 Sep
Fixed assets	48
Properties held for future development	1,980
Other current assets	107
Cash and cash equivalents	308
Total assets	2,443
Provisions	23
Non-current liabilities	857
Advances from customers	150
Other current liabilities	224
Total liabilities	1,253
Net assets	1,190

Pledged assets and contingent liabilities

Pledged assets ¹⁾	128
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¹⁾ Pertains to property mortgages on properties owned by Bonava St. Petersburg.

NOTE 7 Investment properties

Investment properties are measured at fair value in accordance with IAS 40. Valuation of properties is conducted at the end of each quarter with the support of independent property assessors. Investment properties are initially recognised at cost, which includes fees directly attributable to the acquisition. At 30 September 2022, fair value was deemed to correspond to the carrying amount, which is why no unrealised change in value was recognised. Classification is at level 3 according to IFRS 13.

	2022 30 Sep	2021 30 Sep	2021 31 Dec
Investments	48		
Reclassification	162		
Fair value at end of period	210		

The Parent Company in brief

JANUARY–SEPTEMBER 2022

The Parent Company comprises the operations of Bonava AB (publ). Net sales for the period totalled SEK 204 M (217). Profit after financial items was SEK 404 M (26).

	Note 1	2022 Jan–Sep	2021 Jan–Sep	2021 Jan–Dec
INCOME STATEMENT				
Net sales		204	217	280
Selling and administrative expenses		–332	–336	–530
Operating loss		–128	–119	–249
Profit from participations in Group companies		417	78	551
Financial income		199	136	181
Financial expenses		–84	–68	–91
Profit after financial items		404	26	393
Appropriations				–144
Profit before tax		404	26	249
Tax on profit for the period		3	8	68
Profit for the period		407	34	316

Since there are no transactions to recognise in Other comprehensive income, the profit for the period corresponds to comprehensive income.

	Note 1, 2	2022 30 Sep	2021 30 Sep	2021 31 Dec
BALANCE SHEET				
Assets				
Fixed assets		2,668	2,681	2,694
Current assets		10,878	8,233	8,214
Total assets		13,546	10,914	10,908
Shareholders' equity and liabilities				
Shareholders' equity		7,494	7,185	7,467
Provisions		10	6	10
Non-current liabilities		3,135	1,913	1,918
Current liabilities		2,908	1,811	1,513
Total shareholders' equity and liabilities		13,546	10,914	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 30 Sep	2021 30 Sep	2021 31 Dec
Counter guarantee to external guarantors	11,224	12,963	13,290
Guarantees for project-specific financing	2,062	1,140	1,201
Guarantees for Group companies	4,685	4,672	4,654
Other pledged assets	10	6	10
Total	17,981	18,781	19,155

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

	2022 30 sep	2021 30 sep	2021 31 dec
Counter guarantee to external guarantors ¹⁾	947	3,818	4,196
Guarantees for project-specific financing	2,062	1,052	940
Total	3,009	4,870	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 counter guarantee for the operations to be discontinued in St. Petersburg amounts to SEK 69 M (SEK 66 M at 31 December 2021). Bonava AB's guarantee commitments for project financing in St. Petersburg comprise SEK 737 M (SEK 261 M at 31 December 2021). Bonava's projects in St. Petersburg are financed through foreign banks with licences to operate in St. Petersburg. Of the guarantees for Group companies, SEK 210 M (SEK 204 M at 31 December 2021) comprises guarantees for the payment of land investments in the operations in St. Petersburg which are to be discontinued.

Sector-related key figures for the Group

No. unless otherwise stated	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Housing development for consumers					
Housing units sold	381	789	1,627	2,642	3,652
Sales value of housing units sold, SEK M	1,464	2,732	6,072	8,689	12,222
Housing starts	462	714	1,538	2,174	3,506
Housing units in ongoing production	5,421	5,649	5,421	5,649	5,753
Sales rate for ongoing production, %	58	63	58	63	58
Reservation rate for ongoing production, %	2	5	2	5	3
Completion rate for ongoing production, %	52	49	52	49	45
Completed housing units not recognised in profit	130	132	130	132	114
Housing units for sale (ongoing and completed)	2,394	2,159	2,394	2,159	2,483
Housing units recognised in profit	480	663	1,854	1,890	3,136
Value of sold housing units, not yet recognised in profit, SEK M	12,576	13,890	13,270	13,890	14,548
Housing development for investors					
Housing units sold	167	449	480	591	1,028
Sales value of housing units sold, SEK M	431	973	1,120	1,088	2,870
Housing starts	398	274	711	591	1,223
whereof investment properties	231		231		195
Housing units in ongoing production	2,823	3,467	2,823	3,467	3,204
whereof investment properties	426		426		195
Sales rate for ongoing production, % ¹⁾	100	100	100	100	94
Completion rate for ongoing production, %	46	49	46	49	41
Housing units recognised in profit	403	531	1,092	671	1,566
Value of sold housing units, not yet recognised in profit, SEK M	5,865	7,824	5,865	7,824	6,721

¹⁾ Excluding Build-to-Manage. Including Build-to-Manage the sales rate was 85 per cent.

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Number of housing units in production for consumers					
Housing units in ongoing production at start of period	5,438	5,522	5,753	6,179	6,179
Change in opening value		-1		-1	-1
Housing starts	462	714	1,538	2,174	3,506
Housing units recognised in profit	-480	-663	-1,854	-1,890	-3,136
Decrease (+)/increase (-) in completed housing units not recognised in profit	1	77	-16	348	366
Housing units in ongoing production for consumers at end of period	5,421	5,649	5,421	5,649	5,753
Number of housing units in production for investors					
Housing units in ongoing production at start of period	2,828	3,724	3,204	3,551	3,551
Change in opening value ¹⁾				-4	-4
Housing starts	398	274	711	591	1,223
Housing units recognised in profit	-403	-531	-1,092	-671	-1,566
Housing units in ongoing production for investors at end of period	2,823	3,467	2,823	3,467	3,204

¹⁾ Change initiated by investors.

Sector-related key figures for the segments

Germany	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
<i>no. unless otherwise stated</i>					
Housing development for consumers					
Net sales, SEK M	917	1,258	2,924	3,346	6,331
Housing units sold	181	310	605	856	1,263
Sales value of housing units sold, SEK M	935	1,483	3,083	3,948	5,770
Housing starts	163	219	592	755	1,344
Housing units in ongoing production	2,491	2,612	2,491	2,612	2,521
Sales rate for ongoing production, %	57	65	57	65	57
Completed housing units not recognised in profit	26	27	26	27	22
Housing units for sale (ongoing and completed)	1,095	926	1,095	926	1,108
Housing units recognised in profit	175	300	618	764	1,449
Housing development for investors					
Net sales, SEK M	731	640	1,555	752	876
Housing units sold	74	62	74	66	146
Sales value of housing units sold, SEK M	255	186	270	186	474
Housing starts	74	62	74	66	146
Housing units in ongoing production	732	1,196	732	1,196	1,228
Sales rate for ongoing production, %	100	100	100	100	100
Housing units recognised in profit	221	268	570	316	364
Average no. of employees during the financial year			935	910	911

Sweden	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
<i>no. unless otherwise stated</i>					
Housing development for consumers					
Net sales, SEK M	320	573	1,556	1,743	2,149
Housing units sold	18	149	245	512	693
Sales value of housing units sold, SEK M	85	598	1,003	2,055	2,846
Housing starts		127	121	467	711
Housing units in ongoing production	781	890	781	890	1,055
Sales rate for ongoing production, %	67	65	67	65	64
Completed housing units not recognised in profit	28	50	28	50	24
Housing units for sale (ongoing and completed)	274	335	274	335	398
Housing units recognised in profit	78	146	391	410	515
Housing development for investors					
Net sales, SEK M	-3	248	402	431	965
Housing units sold		337		337	420
Sales value of housing units sold, SEK M	8	664	11	658	795
Housing starts	231	162	231	337	420
whereof investment properties	231		231		
Housing units in ongoing production	813	990	813	990	794
whereof investment properties	231		231		
Sales rate for ongoing production, % ¹⁾	100	100	100	100	100
Housing units recognised in profit		169	212	261	540
Average no. of employees during the financial year			235	220	223

¹⁾ Excluding Build-to-Manage. Including Build-to-Manage the sales rate was 72 per cent.

Norway	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
<i>no. unless otherwise stated</i>					
Housing development for consumers					
Net sales, SEK M	595	9	985	107	535
Housing units sold	29	43	176	162	214
Sales value of housing units sold, SEK M	176	171	887	763	983
Housing starts			270	143	209
Housing units in ongoing production	529	543	529	543	482
Sales rate for ongoing production, %	51	69	51	69	64
Completed housing units not recognised in profit	36	8	36	8	22
Housing units for sale (ongoing and completed)	282	174	282	174	188
Housing units recognised in profit	126	1	209	21	134
Housing development for investors					
Net sales, SEK M	0		153		212
Housing units sold					
Sales value of housing units sold, SEK M	-1		-1	5	7
Housing starts					
Housing units in ongoing production		126		126	36
Sales rate for ongoing production, %		100		100	100
Housing units recognised in profit			36		90
Average no. of employees during the financial year			79	80	82

Finland	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
<i>no. unless otherwise stated</i>					
Housing development for consumers					
Net sales, SEK M	30	317	634	935	1,173
Housing units sold	36	94	193	350	526
Sales value of housing units sold, SEK M	98	273	537	1,038	1,526
Housing starts	73	131	139	388	570
Housing units in ongoing production	608	542	608	542	681
Sales rate for ongoing production, %	65	55	65	55	62
Completed housing units not recognised in profit	18	33	18	33	24
Housing units for sale (ongoing and completed)	230	278	230	278	284
Housing units recognised in profit	14	79	218	297	349
Housing development for investors					
Net sales, SEK M	185	199	336	200	544
Housing units sold	93	50	406	188	462
Sales value of housing units sold, SEK M	169	124	840	236	749
Housing starts	93	50	406	188	462
Housing units in ongoing production	978	685	978	685	766
Sales rate for ongoing production, %	100	100	100	100	100
Housing units recognised in profit	102	94	194	94	287
Average no. of employees during the financial year			237	231	231

Baltics (Estonia, Latvia and Lithuania)	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
<i>no. unless otherwise stated</i>					
Housing development for consumers					
Net sales, SEK M	117	107	449	311	610
Housing units sold	117	192	408	719	912
Sales value of housing units sold, SEK M	171	199	562	686	893
Housing starts	226	237	416	421	672
Housing units in ongoing production	1,012	1,041	1,012	1,041	993
Sales rate for ongoing production, %	51	58	51	58	51
Completed housing units not recognised in profit	22	14	22	14	22
Housing units for sale (ongoing and completed)	513	445	513	445	505
Housing units recognised in profit	87	117	397	356	647
Housing development for investors					
Net sales, SEK M					147
Housing units sold					
Sales value of housing units sold, SEK M				3	
Housing starts					195
whereof investment properties					195
Housing units in ongoing production	195	164	195	164	195
whereof investment properties	195		195		195
Sales rate for ongoing production, %		100		100	
Housing units recognised in profit					164
Average no. of employees during the financial year			289	224	231

Key performance indicators at end of period

	2022 30 Sep	2021 30 Sep	2021 31 Dec
Return on capital employed, % ²⁾	8.6	9.5	8.8
Interest coverage ratio, multiple	7.3	8.0	7.0
Equity/assets ratio, % ¹⁾	31.4	31.7	35.1
Return on equity, %	9.3	10.3	8.7
Interest-bearing liabilities/total assets, %	27.1	21.3	19.4
Net debt	6,799	4,237	3,461
Debt/equity ratio, multiple	0.8	0.5	0.4
Capital employed	14,715	12,006	11,970
Capital turnover rate, multiple	1.2	1.3	1.2
Share of risk-bearing capital, %	31.8	32.2	35.6
Ordinary dividend, SEK per share			3.50
Average interest rate at period-end, % ³⁾	3.23	2.25	2.49
Average fixed-rate term, years ³⁾	0.1	0.2	0.2
Average interest rate at period-end, % ⁴⁾	2.76	1.62	1.65
Average fixed-rate term, years ⁴⁾	0.3	0.2	0.3

¹⁾ Including St. Petersburg

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		
	30 Sep 2022	30 Sep 2021	31 Dec 2021	30 Sep 2022	30 Sep 2021	31 Dec 2021
DKK	1.41	1.37	1.36	1.47	1.37	1.38
EUR	10.52	10.15	10.15	10.91	10.19	10.26
NOK	1.05	0.99	1.00	1.04	1.00	1.03
RUB	0.15	0.11	0.12	0.20	0.12	0.12

FURTHER INFORMATION ON KEY FIGURES

Key figures per quarter and full-year are available at bonava.com/en/investor-relations.
Definitions of key figures and reporting of Bonava's alternative performance measures can also be found here.

Auditors' review report

To the board of directors of Bonava AB (publ), Corp. Reg. No. 556928-0380

INTRODUCTION

We have reviewed the condensed interim financial information (interim report) for Bonava AB (publ) as per 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible the preparation and presentation of the interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF THE REVIEW

We have conducted our review in accordance with the Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying

analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion based on an audit.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the Interim Report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 27 October 2022
Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson

Authorised Public Accountant
Auditor in Charge

Linda Andersson

Authorised Public Accountant

Bonava in brief

OUR MISSION

We create happy neighbourhoods for the many.

OPERATIONS

Bonava is a leading residential developer in Europe with the purpose of creating 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.



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COUNTRIES

22

REGIONS

2,100

EMPLOYEES

15.5

SEK BN
NET SALES 2021

FINANCIAL CALENDAR

- Q4 Year-end Report, Jan-Dec 2022, 2 February 2023
- Q1 Interim report, Jan-Mar, 27 April
- Q2 Interim report, Jan-Jun, 20 July
- Q3 Interim report, Jan-Sep, 26 October
- Q4 Year-end Report, Jan-Dec, 1 February 2024

CONTACT

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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 person set out above on 27 October 2022 at 7:00 a.m. CEST.

WEBCAST PRESENTATION 27 OCTOBER

Peter Wallin, President and CEO, and Lars Granlöv, CFO, will present the report on 27 October 2022 at 9:00 a.m. CEST.

Follow the webcast live at:

https://bonava.videosync.fi/2022-10-27-q3_2022

To participate in the teleconference, register using this link:

<https://call.vsy.io/access-255>

After registration, you will receive a telephone number and conference ID to be able to participate in the presentation.

The presentation material will be available at bonava.com