

Press release 2 February 2023

Bonava's year-end report 2022: Deliveries according to plan in an active quarter

Fourth quarter, September – December 2022*

- Net sales amounted to SEK 6,161 M (6,377)
- Gross profit for the quarter was charged with costs of SEK 118 M in write-down of capitalised project engineering costs and risk provisions in Sweden, as well as SEK 67 M in Germany for provisions, mainly due to warranties related to closed projects.
- The gross margin was 10.6 per cent (13.3)
- Operating profit before items affecting comparability totalled SEK 394 M (595) and the operating margin was 6.4 per cent (9.3)
- The quarter was charged with SEK 56 M as a result of restructuring that was classified as an item affecting comparability
- Operating profit after items affecting comparability totalled SEK 338 M (633) and the operating margin was 5.5 per cent (9.9)
- Earnings per share was SEK 1.96 (4.56)
- The number of housing units sold was 620 (1,447)
- The number of production starts was 534 (1,964)
- The number of building rights amounted to 32,700 (31,000)
- The quarter was charged with the write-down of net assets at a value of SEK 877 M pertaining to business unit in St. Petersburg

Twelve months, January – December 2022*

- Net sales amounted to SEK 15,706 M (14,746)
- The third and fourth quarters were charged with costs of SEK 273 M, in write-down of previously capitalised project engineering costs and risk provisions in Sweden, as well as SEK 67 M in Germany for provisions, mainly due to warranties in closed projects
- The gross margin was 11.8 per cent (13.1)
- Operating profit before items affecting comparability amounted to SEK 950 M (1,081) and the operating margin was 6.0 per cent (7.3).
- The fourth quarter was charged with SEK 56 M as a result of restructuring that was classified as an item affecting comparability
- Operating profit after items affecting comparability amounted to SEK 894 M (1,002) and the operating margin was 5.7 per cent (6.8).
- Earnings per share was SEK 4.71 (6.35)
- The number of housing units sold was 2,727 (4,680)
- The number of production starts was 2,783 (4,729)
- The number of building rights amounted to 32,700 (31,000)
- The fourth quarter was charged with the write-down of net assets at a value of SEK 877 M pertaining to business unit in St. Petersburg
- In December, an extension of Bonava's revolving credit facility was signed for SEK 3 Bn, with a new maturity in January 2025



- A strategic review of business unit Norway has started
- The Board of Directors proposes that no dividend be distributed for the financial year 2022

Significant events after the end of the period

- On February 2 Bonava announced a revision to its financial targets. One new target is that the operating margin is to amount to at least 10 per cent in 2026. Furthermore, a net debt/equity ratio of maximum 1.0x was introduced

* Recognised revenue, profit and key figures pertain to continuing operations, excluding St. Petersburg, which is reported as discontinued operations starting the third quarter 2022.

President and CEO Peter Wallin comments:

"Our fourth quarter was characterised by a high level of activity, since a proportionally large share of housing units are delivered. Our focus on strengthening project governance has resulted in growing margins in delivered projects over the year. The underlying gross margin in the fourth quarter totalled 13.5 per cent (13.6). The weaker market and changes in management have meant that we re-assessed risks in Sweden and Germany. In Germany, this meant that provisions of SEK 67 M, mainly for warranties related to closed projects, were expensed. For Sweden, this meant that the fourth quarter was charged with SEK 118 M, consisting of write-downs of previously capitalised project engineering costs and provisions for risks. A total of SEK 273 M has therefore burdened the gross profit in the Swedish operation for the full year.

To maintain a strong balance sheet is crucial in times of volatility and is a prerequisite to be able to act when opportunities arise. In the fourth quarter, we refinanced our revolving credit facility (RCF), thereby securing SEK 3 Bn in financing through 2025. As of 31 December, we had unutilised credits of SEK 2.5 Bn."

Report presentation today at 09.00 a.m. CET

The year-end report will be presented by President and CEO Peter Wallin and CFO Lars Granlöf at 09.00 a.m. CET today at a webcasted conference. The webcast is accessible via this link:

https://bonava.videosync.fi/2023-02-02-q4_2022

To participate in the telephone conference, please register at:

<https://events.inderes.se/teleconference/?id=100333>

After registration you will be provided with a phone number and a conference ID to access the conference.

To be able to ask questions, please follow the webcast and ask your questions in the chat or call in and dial *5 on your phone.

The presentation material and an on-demand version will be available at bonava.com.

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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.

For more information about us, visit: www.bonava.com