

Interim report January – March 2024

Homes & Neighbourhoods




BONAVA

Improved sales to consumers and net debt halved

1 JANUARY–31 MARCH 2024*

- Net sales amounted to SEK 1,280 M (1,929).
- The gross margin was 10.4 per cent (8.8).
- Operating loss before items affecting comparability amounted to SEK -22 M (-28) and the operating margin was -1.7 per cent (-1.4). No items affecting comparability were recognised during the quarter.
- Cash flow before financing activities was SEK -483 M (-963).
- Earnings per share before and after dilution was SEK -0.87 (-0.85).
- A fully subscribed rights issue was carried out during the quarter, which raised approximately SEK 1,050 M for Bonava.
- All the conditions in the financing package were fulfilled in March.



Key ratios, SEK M *	2024	2023	Δ%	Apr 2023	2023
	Jan-Mar	Jan-Mar		- Mar 2024	Jan-Dec
Net sales	1 280	1 929	-34	12 620	13 269
Gross profit	133	170	-21	1 384	1 421
Gross margin, %	10.4	8.8		11.0	10.7
Operating profit/loss before items affecting comparability	-22	-28	20	666	660
Operating margin before items affecting comparability, %	-1.7	-1.4		5.3	5.0
Operating profit/loss after items affecting comparability	-22	-28	20	-614	-619
Operating margin after items affecting comparability, %	-1.7	-1.4		-4.9	-4.7
Earnings per share, before and after dilution, SEK	-0.87	-0.85	-2	-9.96	-10.66
Return on equity, R12, %	-20.0	-5.0		-20.0	-18.5
Equity/assets ratio, %	38.7	30.1		38.7	34.6
Net debt	4 282	8 094	-47	4 282	4 951
Net project asset value	5 611	8 165	-31	5 611	5 637
Net project asset value / Net debt excl. leasing	1.4	1.0	32	1.4	1.2
Cash flow before financing activities	-483	-963	50	1 196	716
Number of housing units sold	302	278	9	1 517	1 493
Number of production starts	281	334	-16	1 280	1 333
Number of housing units in production	2 964	6 126	-52	2 964	3 055
whereof investment properties		426	-100		
Sales rate for ongoing production, excl. Build-to-Manage %	54	68	-20	54	55
Number of housing units recognised in profit	357	603	-41	3 723	3 969

*Recognised revenue and profit pertain to continuing operations at the end of the period.

5.3%

Operating margin before
items affecting comparability, R12

1,517

Number of housing units sold, R12

1,280

Number of housing starts, R12

Comments from the CEO

Market conditions continued to improve, but it is clear that recovery will take time. The cost-savings measures that were implemented reduced overheads by approximately 21 per cent in the first quarter according to plan. The lower operating cost base and a substantially strengthened balance sheet provide a solid platform for gradually increasing production starts during the year.

Gradual improvement in market conditions, but recovery will take time

We noted a continued increase in activity in the consumer segment during the first quarter. Performance in the investor segment is lagging behind, with yield requirements and production costs still representing obstacles to sales and production starts. The number of housing units sold to consumers increased by approximately 50 per cent compared with last year (302 against 203 homes). Germany and the Baltics continue to be the markets with the largest volumes. Sweden is the market in which we are seeing a clearly positive change, while sales remain sluggish in Finland. We have a sharp focus on sales, and this is yielding results. We are reducing the volume of completed unsold housing units, selling 127 units – 25 per cent of the opening balance – during the period.

We expect a gradual improvement in market conditions, and see possibilities for increasing production starts during the year. Recovery to normal levels will take time, however. The total value of housing units sold that are to be delivered to customers in the next 18 months was SEK 6.6 Bn at the end of March.

Continued low business volume in the first quarter

During the quarter, 357 (603) housing units were recognised in profit, with net sales totalling approximately SEK 1.3 Bn (1.9), which was in line with plans. Our underlying gross margin was 10.2 per cent (8.6). Despite selective price reductions, we improved our gross margin in relation to the preceding year. Overheads decreased approximately 21 per cent year-on-year, with the effects of the cost savings in Germany having yielded a limited effect for the period. As previously communicated, the restructuring in Germany is being gradually implemented over the year, and we are proceeding as planned with achieving the cost savings of approximately SEK 600 M, net, on an annual basis for the Group as a whole, starting from 1 January 2025. In Germany, we are increasing profitability, and earnings in the Baltics for the first quarter were stable year-on-year. Business volumes in Sweden and Finland were too low to cover the overheads, which is attributable to the fact that we cut back rapidly on project starts in 2022 owing to the quick change in the market after the Russian invasion of Ukraine.

Significant interest in rights issue, with reduced interest-bearing debt

In the first quarter, all the conditions in the financing package were fulfilled that was announced in December 2023. It was gratifying to see that the confidence and interest in Bonava was so great, with a subscription rate of 170 per cent for the issue. Net debt and financial risk have therefore been significantly reduced, and we reported a net debt of SEK 4.3 Bn, as compared with SEK 8.1 Bn year-on-year. We are fulfilling our own financial framework conditions with an equity/assets ratio totalling 39 per cent (minimum 30 per cent) and net project assets in relation to net debt of 1.3x (minimum 1.0x). Our conditions and preparedness for starting projects are good. This is of the highest priority for increasing business volume and profitability going forward.

Significant shortfall of sustainable homes

In the countries where Bonava operates, the shortfall of sustainable homes is significant – and it is growing. We have an attractive building rights portfolio with exposure to growth regions and very experienced employees with significant know-how, which means we have major potential to start projects now that we are beginning to see signs of improvement in the market. Bonava is well placed to take advantage of the opportunities that will emerge going forward, and we have a sound basis on which to create significant shareholder value.

Peter Wallin
President and CEO



Group overview – first quarter

	2024 Jan-Mar	2023 Jan-Mar	Apr 2023 - Mar 2024	2023 Jan-Dec
Net sales				
Germany	941	711	7 512	7 283
Sweden	160	590	2 254	2 685
Finland	43	490	2 084	2 531
Baltics	136	137	768	770
Other operations ¹⁾	1	1	1	1
Total	1 280	1 929	12 620	13 269
	2024 Jan-Mar	2023 Jan-Mar	Apr 2023 - Mar 2024	2023 Jan-Dec
Operating profit/loss before items affecting comparability				
Germany	48	10	666	628
Sweden	-19	45	13	77
Finland	-27	-32	112	107
Baltics	8	10	66	68
Other operations ¹⁾	-32	-59	-191	-219
Total	-22	-28	666	660

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

JANUARY-MARCH 2024

Net sales

Net sales amounted to SEK 1,280 M (1,929). Both Sweden and Finland noted lower sales, while sales in Germany increased. A total of 372 (495) housing units for consumers were completed during the quarter, and none (211) for investors. 357 (392) housing units for consumers and no (211) housing units for investors were recognised in profit. A translation effect of SEK 8 M in foreign currency had a positive impact on sales. The average price of SEK 3.3 M (3.1) per housing unit recognised in profit was marginally higher year-on-year.

Gross profit

The gross margin for the quarter was 10.4 per cent (8.8). The margin was strengthened because Germany, which has a higher gross margin than the average for the Group, now accounts for a larger share of total sales than in the preceding year.

Operating profit/loss

Operating loss was SEK -22 M (-28) and the operating margin was -1.7 per cent (-1.4). As a result of the cost-saving measures implemented, selling and administrative expenses – as previously announced – were reduced from SEK 197 M in the preceding year to SEK 156 M, corresponding to a decrease of 21 per cent.

Exchange rate fluctuations did not have an impact on operating profit/loss compared with the year-earlier period. No items affecting comparability have been recognised, either during the current year or in the comparative period.

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

Net financial items amounted to SEK -111 M (-93), attributable to increased interest expenses as a result of higher underlying market interest rates. Loss before tax for the period was SEK -133 M (-121). Tax on loss for the period was SEK -2 M (30), corresponding to a tax rate of -2 per cent (25). The low tax is attributable primarily to deferred tax not being reported for deficits generated in 2024. Net loss for the period for continuing operations amounted to SEK -135 M (-91).

Group overview – completed housing units and ongoing production

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 80 (30). As of 31 December 2023, the number was 45.

UNSOLD COMPLETED HOUSING UNITS AT END OF QUARTER

The number of unsold completed housing units at the end of the quarter was 485 (249). The value of these housing units was SEK 1,381 M (981). As of 31 December 2023, this total was 505, of which 127 were sold during the quarter and 107 new housing units were added.

VALUE OF HOUSING UNITS SOLD NOT YET RECOGNISED IN PROFIT

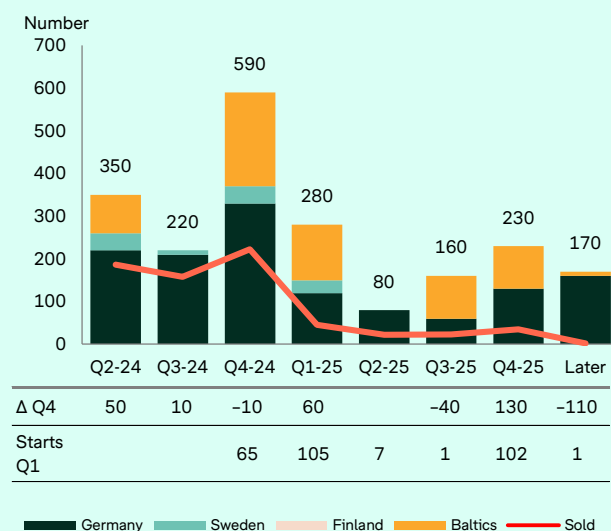
The number of housing units in ongoing production amounted to 2,964 (6,126) with a sales rate of 54 per cent (68).

The sales 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 3,715 M (7,501) for consumers and SEK 2,876 M (5,480) for investors.

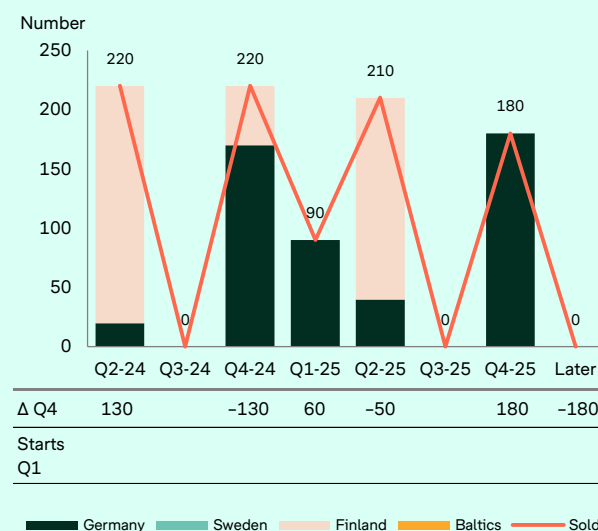
NET PROJECT ASSET VALUE

To ensure control of the financial risk, Bonava's target is that net debt excluding leasing will not exceed net project asset value. Net project asset value is defined as the carrying amount of ongoing housing projects, completed housing and investment properties, reduced by advances from customers. As of 31 March the ratio between net project asset value and net debt excluding leasing was 1.4x and the target has therefore been met.

Estimated completions of ongoing projects, per quarter
Consumers



Investors



The upper line of text shows an amended estimate of when the units are expected to be completed, compared with the preceding quarter. The bottom line of text shows the expected time of completion for the units for which production has started during the quarter.

Balance sheet and cash flow

BALANCE SHEET

Building rights portfolio

The total number of building rights at the end of the quarter amounted to 28,500 (29,200). The number of building rights was somewhat lower year-on-year, with decreases in the Baltics, Germany and Finland that are attributable to building starts and divestments of non-strategic building rights. The number is increasing in Sweden, attributable primarily to a review in the fourth quarter of 2023 of a previous assessment of potential building rights, which resulted in an increase of building rights without additional investments. Bonava recognises some of its building rights off the balance sheet, such as land that Bonava controls through a contract with options or other agreements where the land has not yet been taken into possession. The number of building rights off the balance sheet at the end of the quarter amounted to 7,800 (10,200).

During the third quarter 2023 we conducted a market valuation of the building right portfolio that showed a surplus value of SEK 1.2 Bn.

At 31 March, the total value of Bonava's investment commitments was SEK 1.4 Bn, with settlement of SEK 0.6 Bn expected in 2024; refer further to Note 7.

Financing and net debt

Bonava and its creditors have completed the negotiations regarding a three-year extension of credits, and credit agreements were signed on 1 February. The agreement included syndicated loan and RCF, in total EUR 398 M, with planned amortisation from December 2024. In February, Bonava also conducted the fully underwritten preferential rights issue, which raised SEK 1,050 M less issue expenses for the company. The amended conditions for the bond loan have thus also entered force and the loan has been extended to March 2027. During the quarter SEK 120 M of the bond was repaid and now the

outstanding amount is SEK 1,080 M. In addition SEK 120 M will be repaid 30 June 2024.

Net debt amounted to SEK 4,282 M (8,094). As of 31 December 2023, net debt was SEK 4,951 M. The decrease during the quarter was due to the completed share issue, which was partially offset by negative cash flow from operations. Unutilised credits were SEK 894 M and cash amounted to SEK 341 M, refer further to note 4. Exchange rate fluctuations increased net debt by SEK 69 M compared with 31 March 2023, and by SEK 117 M compared with 31 December 2023.

Equity/assets ratio

The equity/assets ratio was 38.7 per cent (30.1). As of 31 December 2023, the equity/assets ratio was 34.6 per cent. Bonava's target is for the equity/assets ratio not to fall below 30 per cent.

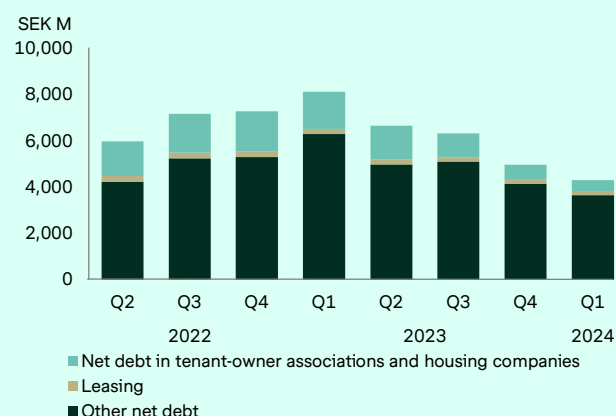
Cash flow

Cash flow before financing activities was SEK -483 M (-963). Cash flow from operating activities amounted to SEK -485 M (-902).

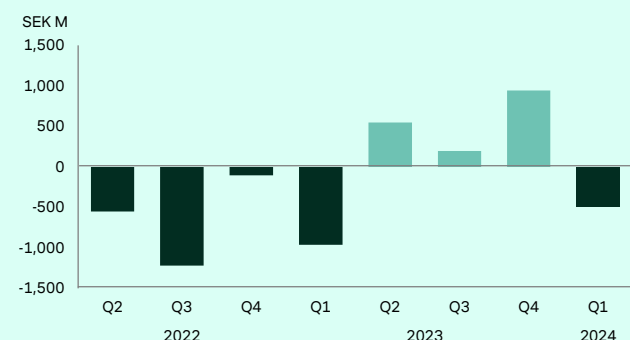
Negative earnings, adjusted for the dissolution of restructuring provisions, translation difference and higher tax payments than prior year generated a cash flow from operating activities before change in working capital amounting to SEK -574 M (-115). Change in working capital was positively impacted by sales of housing projects exceeding investments for the quarter. The completed sales have also strengthened Bonava's balance sheet. Changes to customer advances received contributed SEK 242 M (557) to cash flow. Cash flow from other changes in working capital was SEK -328 M (-686) where amortization of liabilities for tenant-owner associations in conjunction with handovers was SEK -163 M.

The completed new share issue raised SEK 1,014 M after issue costs, which increased cash flow from financing activities. Amortisations during the quarter reduced the cash flow, and cash flow from financing activities during the quarter totalled SEK 651 M (905).

Net debt



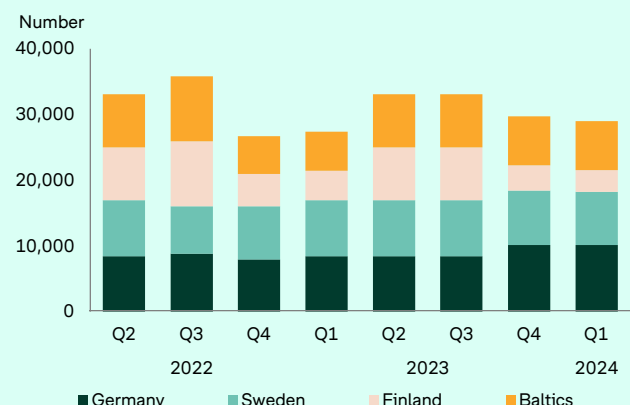
Cash flow before financing activities



Distribution of planned construction starts

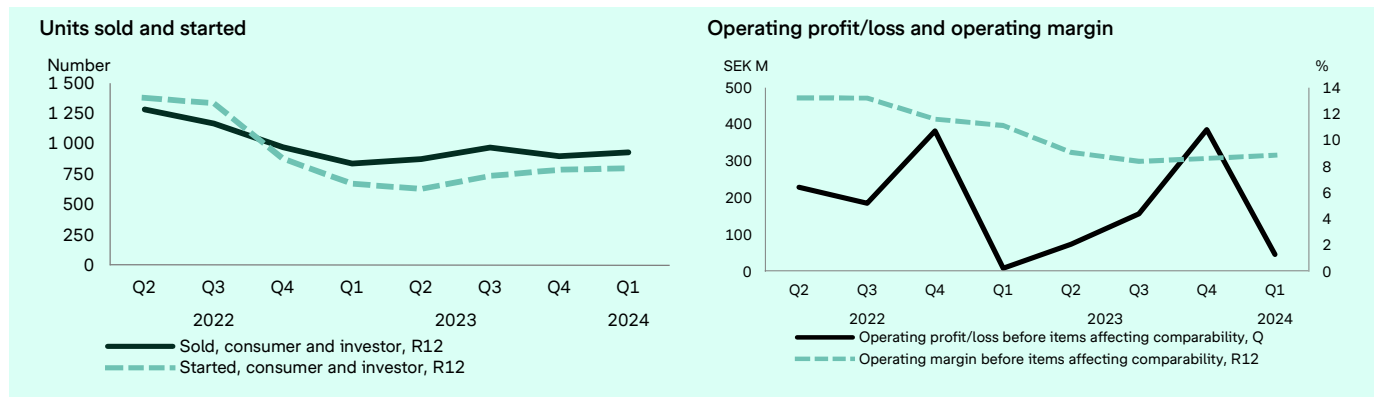


Distribution of building rights



Germany

Germany is Bonava's largest market. Operations is conducted in the major city regions of Berlin and Hamburg as well as the Baltic Sea, Saxony, Rhein-Ruhr, Cologne/Bonn, Rhein-Main and Rhein-Neckar/Stuttgart. We offer apartments and single-family homes to consumers, and rental housing projects to investors.



MARKET TREND

There has been and still is 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 customers are cautious. Housing prices in large cities were impacted to a greater extent than prices outside these areas. Sales are continuing to gradually increase, but at a slow pace.

PROFIT, JANUARY-MARCH 2024

Net sales increased year-on-year to SEK 941 M (711), which is attributable to a higher number of housing units delivered. During the quarter, 187 (104) housing units for consumers and no (63) housing units for investors were recognised in profit.

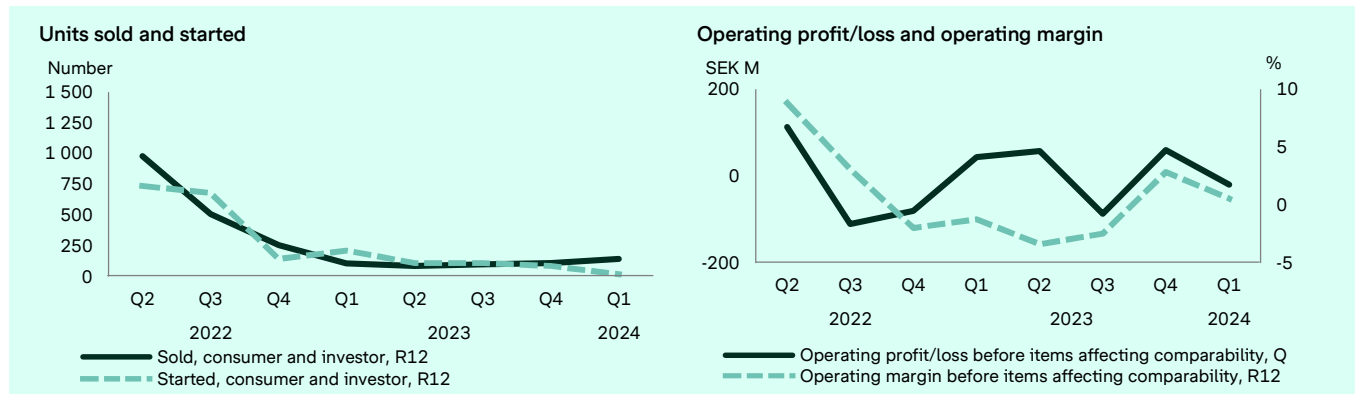
The gross margin improved to 11.4 per cent (11.1), which is attributable to the mix in delivered projects, where margins have been higher in handed over units.

Operating profit totalled SEK 48 M (10) with an operating margin of 5.1 per cent (1.4), with the implemented restructuring beginning to have an effect in the form of lower selling and administrative expenses. The restructuring is proceeding as planned, and we will gradually see a reduction in these costs in 2024 with full effect beginning in 2025.

KEY RATIOS	2024 Jan-Mar	2023 Jan-Mar	Apr 2023 - Mar 2024	2023 Jan-Dec
Net sales	941	711	7,512	7,283
Gross profit	108	79	946	917
Gross margin, %	11.4	11.1	12.6	12.6
Operating profit/loss before items affecting comparability	48	10	666	628
Operating margin before items affecting comparability, %	5.1	1.4	8.9	8.6
Operating profit/loss after items affecting comparability	48	10	-213	-251
Operating margin after items affecting comparability, %	5.1	1.4	-2.8	-3.5
Capital employed	7,261	7,907	7,261	6,936
Return on capital employed, %	8.8	12.2	8.8	8.2
Number of housing units in ongoing production	1,785	2,586	1,785	1,930
Number of housing units completed, not recognised in profit	98	34	98	100
Housing units sold, consumers	146	115	755	724
Housing units sold, investors			176	176
Production starts, consumers	40	26	624	610
Production starts, investors			176	176
Sales rate for ongoing production, %	60	65	60	58
Number of housing units recognised in profit	187	167	1,530	1,510

Sweden

In Sweden, Bonava offers apartments and single-family homes to consumers in Stockholm, Gothenburg, Linköping, Uppsala and Umeå. We offer rental housing projects to investors in some 15 cities.



MARKET TREND

The housing market in recent years has been under pressure from the high interest-rate scenario that has made customers cautious, with lower sales levels and fewer production starts as a result. The first quarter showed a clear change, with more stable price levels and a significantly more positive mood among customers, which could also be seen in increased sales volumes year-on-year during the quarter.

PROFIT, JANUARY-MARCH 2024

Net sales decreased year-on-year to SEK 160 M (590), which is attributable to a lower number of housing units delivered to consumers. During the quarter, 53 (132) housing units for consumers and no (none) housing units for investors were recognised in profit.

The gross margin was 6.0 per cent (14.0) as a result of lower margins in housing units recognised in profit.

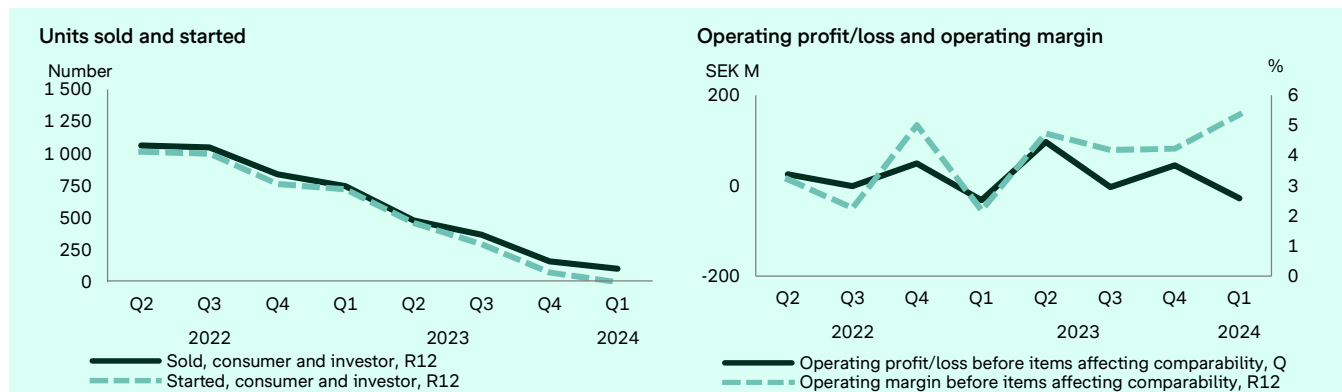
Compared with the first quarter of 2023, selling and administrative expenses decreased by SEK 9 M, as planned. Since Sweden recognised such a low number of units in profit in the first quarter, it resulted in a negative operating result being reported. Operating loss amounted to SEK -19 M (45) with an operating margin was -12.0 per cent (7.6).

KEY RATIOS	2024	2023	Apr 2023	2023
	Jan-Mar	Jan-Mar	- Mar 2024	Jan-Dec
Net sales	160	590	2,254	2,685
Gross profit	10	82	152	225
Gross margin, %	6.0	14.0	6.8	8.4
Operating profit/loss before items affecting comparability	-19	45	13	77
Operating margin before items affecting comparability, %	-12.0	7.6	0.6	2.9
Operating profit/loss after items affecting comparability	-19	45	-290	-226
Operating margin after items affecting comparability, %	-12.0	7.6	-12.9	-8.4
Capital employed	2,923	3,650	2,923	3,189
Return on capital employed, %	0.3	-1.1	0.3	1.9
Number of housing units in ongoing production	118	1,259	118	180
whereof investment properties		231		
Number of housing units completed, not recognised in profit	165	44	165	156
Housing units sold, consumers	47	14	143	110
Housing units sold, investors				
Production starts, consumers		69	19	88
Production starts, investors				
Sales rate for ongoing production, % ¹⁾	17	69	17	24
Number of housing units recognised in profit	53	132	808	887

¹⁾ Excluding investment properties.

Finland

In Finland, Bonava is active in regions of Helsinki, Tampere and Turku. We offer apartments for consumers and rental housing projects for investors.



MARKET TREND

The housing market 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 impacted by higher interest rates, inflation, and low levels of customer activity but Finnish inflation is now falling faster than the average in the EU. The Finnish market remains the market with the lowest activity levels.

PROFIT, JANUARY-MARCH 2024

Net sales decreased significantly year-on-year to SEK 43 M (490), which is attributable to a lower number of housing units delivered. During the quarter, 18 (64) housing units for consumers and no (148) housing units for investors were recognised in profit.

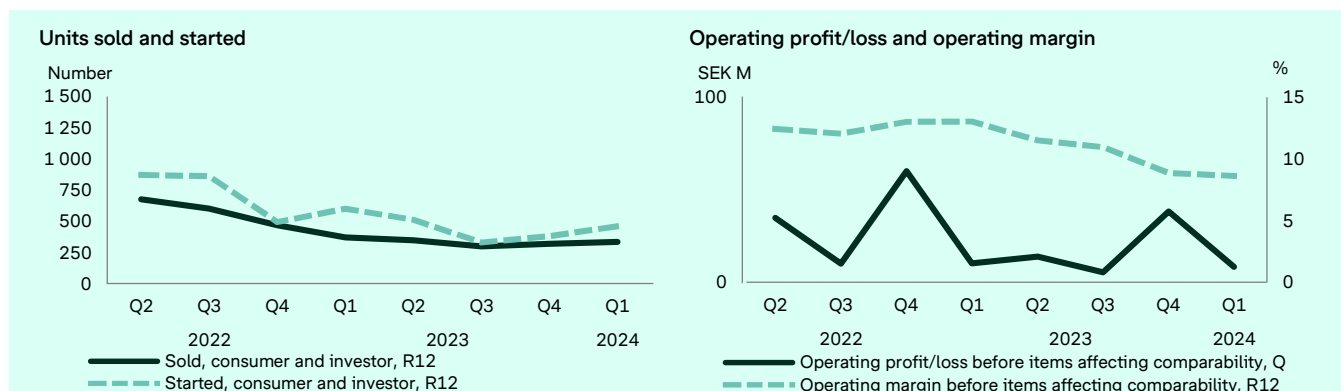
The gross margin in delivered projects totalled approximately 19 per cent, but other gross expenses that were charged to the gross result meant that the gross loss amounted to SEK -4 M (-6) with a gross margin of -8.5 per cent (-1.2).

A negative gross result in combination with a low number of housing units recognised in profit yielded a negative operating result totalling SEK -27 M (-32), with an operating margin of -63.7 per cent (-6.5).

KEY RATIOS	2024 Jan-Mar	2023 Jan-Mar	Apr 2023 - Mar 2024	2023 Jan-Dec
Net sales	43	490	2,084	2,531
Gross profit	-4	-6	194	192
Gross margin, %	-8.5	-1.2	9.3	7.6
Operating profit/loss before items affecting comparability	-27	-32	112	107
Operating margin before items affecting comparability, %	-63.7	-6.5	5.4	4.2
Operating profit/loss after items affecting comparability	-27	-32	21	17
Operating margin after items affecting comparability, %	-63.7	-6.5	1.0	0.7
Capital employed	756	975	756	789
Return on capital employed, %	13.8	4.3	13.8	11.3
Number of housing units in ongoing production	418	1,301	418	418
Number of housing units completed, not recognised in profit	106	80	106	124
Housing units sold, consumers	18		105	87
Housing units sold, investors		75		75
Production starts, consumers				
Production starts, investors		75		75
Sales rate for ongoing production, %	100	90	100	100
Number of housing units recognised in profit	18	212	857	1,051

Baltics

The Baltics segment comprises the capital cities of Tallinn, Estonia; Riga, Latvia; and Vilnius in Lithuania. The offering primarily consists of apartments for consumers, which are supplemented by rental housing projects for investors.



MARKET TREND

The markets in all three Baltic capitals are growing economies. The low standard of the existing housing stock combined with growing demand for rental housing presents opportunities to build and manage them. The favourable market conditions in the Baltic markets remain, with a low level of unemployment and a lack of supply. The prices for new housing units are stable in all markets, and sales are gradually improving.

PROFIT, JANUARY-MARCH 2024

Net sales were in line with the preceding year and amounted to SEK 136 M (137). During the quarter, 99 (92) housing units for consumers and no (none) housing units for investors were recognised in profit.

The gross margin was 14.4 per cent (16.1), with the decrease due to the mix in housing units delivered.

Operating profit totalled SEK 8 M (10) with an operating margin of 6.2 per cent (7.5) as a result of the lower gross margin.

The occupancy rate during the quarter and in April gradually increased to approximately 50 per cent in the two investment properties (Build-to-Manage) that have been completed in the Baltics, with a level of rent remuneration in line with the market. The properties contributed rental income of SEK 1 M in the first quarter, and the gross profit from investment properties was positive even though it remained low.

KEY RATIOS	2024	2023	Apr 2023	2023
	Jan-Mar	Jan-Mar	- Mar 2024	Jan-Dec
Net sales	136	137	768	770
Gross profit	20	22	113	116
Gross margin, %	14.4	16.1	14.7	15.0
Operating profit/loss before items affecting comparability	8	10	66	68
Operating margin before items affecting comparability, %	6.2	7.5	8.6	8.9
Operating profit/loss after items affecting comparability	8	10	66	68
Operating margin after items affecting comparability, %	6.2	7.5	8.6	8.9
Capital employed	1,513	1,170	1,513	1,409
Return on capital employed, %	4.8	11.1	4.8	5.2
Number of housing units in ongoing production	643	980	643	527
whereof investment properties		195		
Number of housing units completed, not recognised in profit	196	121	196	170
Housing units sold, consumers	91	74	338	321
Housing units sold, investors				
Production starts, consumers	241	164	461	384
Production starts, investors				
Sales rate for ongoing production, % ¹⁾	14	35	14	19
Number of housing units recognised in profit	99	92	528	521

¹⁾ Excluding investment properties.

Current neighbourhoods in the quarter

During the first quarter, Bonava started production of 281 housing units (334). All production starts are reported at <https://www.bonava.com/en/investor-relations/housing-starts>.

The Baltics – Forest Gate

Location: Vilnius
Housing category: Multi-family housing
Number of units: 101 apartments for consumers

Forest Gate is located in the attractive Fabijoniškės neighbourhood just 15 minutes from Vilnius city centre. The district has a large amount of green space and will also be close to preschools, schools, shopping centres and sport facilities. The project will feature unique architecture and a sharp focus on sustainability, with a building that has an A++ energy classification that will also reduce residents' costs.



The Baltics – Pikaliiva Kaarmaja

Location: Tallinn
Housing category: Multi-family housing
Number of units: 81 apartments for consumers

In this splendidly located district of Tallinn, Bonava has now begun the final phase of the construction of housing units, with a total of 160 modern and sustainable apartments to be built. The neighbourhood is located adjacent to a beach and has a large amount of green space. Each residence is carefully planned with smart solutions and are energy-efficient.



The Baltics – Blūmendāles Majas

Location: Riga
Housing category: Multi-family housing
Number of units: 58 apartments for consumers

This neighbourhood is characterised by a large amount of green space, and it will feature outdoor gyms, outdoor relaxation spaces and bicycle parking. Customers will be offered modern, energy-efficient apartments. Bonava has now begun the second phase in the construction of housing units, with a total of approximately 230 modern and sustainable apartments to be built.



Germany – Wohnen am Ritterschlag

Location: Berlin
Housing category: Single-family housing
Number of units: 6 single-family homes for consumers

In this family-friendly and modern district, close to Berlin city centre, Bonava has now commenced the sale of six single-family homes where Bonava will build a total of 123 housing units. With both nature and Berlin as neighbours, this is a great location. The floor plans offer space and comfort, with an open-plan layout between the living room and dining room. All buildings are modern and equipped for sustainability.



Germany – Bergische Gärten

Location: Düsseldorf
Housing category: Single-family housing
Number of units: 4 single-family homes for consumers

In this neighbourhood, Bonava is building a total of 47 semi-detached houses, single-family homes and terraced houses, with production of 4 single-family homes having commenced. Each home offers its own garden space, cellar, garage and parking space. With Düsseldorf, preschools, schools and grocery stores in close proximity, every convenience is nearby.



Other information

SIGNIFICANT RISKS AND UNCERTAINTIES

Bonava's operations are exposed to various types of risks, both operational and financial. During the next 12-month period, there are a number of uncertainties that could affect our operations and sales. For further information on material risks and risk management, refer to pages 60–62 of Bonava's Annual and Sustainability Report for 2023, which is available at bonava.com.

ORGANISATION AND EMPLOYEES

The average number of employees in continuing operations for the period from January to March 2024 was 1,234 (1,659).

THE SHARE

Bonava has two share classes, Class A and Class B. Each Class A share carries ten votes and each Class B share one vote. The number of shares and votes in Bonava has changed as a result of the preferential rights issue of Class A shares and Class B shares that was decided on by the Board of Directors on 20 December 2023 and approved at an Extraordinary General Meeting on 7 February 2024. The number of shares increased by 214,380,934 through the preferential rights issue, of which 22,139,706 were Class A shares and 192,241,228 were Class B shares, corresponding to an increase of 413,638,288 votes.

Bonava's share capital was SEK 538 M on the balance sheet date, divided between 322,816,756 shares and 604,259,311 votes. As of 31 March 2024, Bonava had 31,271,395 Class A shares and 291,545,361 Class B shares. The number of Class B shares in treasury totalled 1,245,355, corresponding to 0.4 per cent of the capital and 0.2 per cent of the votes. More information on the Bonava share and owners is available at bonava.com/en/investor-relations.

SIGNIFICANT EVENTS DURING THE PERIOD

On 1 February, Bonava announced that the company had signed an agreement with its lenders for approximately EUR 400 M involving an extension of credit until March 2027.

In early February, Bonava announced the terms of its fully underwritten rights issue and published a prospectus. The subscription period ended on 27 February, and on 29 February Bonava announced that the rights issue had been fully subscribed with a subscription rate totalling 169.7 per cent. Through this rights issue, the company received SEK 1,050 M before issuing costs.

On 14 March, Bonava announced that all conditions for its financing package, which was presented on 20 December 2023, had been fulfilled and amended terms of the notes had entered into force. The financing package involved an extension of and adjustment to the terms of the company's senior credit facilities, with a maturity in March 2027. Furthermore, an extension of and adjustment to the terms of the company's green notes, with maturity in March 2027, and a fully underwritten rights issue of SEK 1,050 M before new issue costs.

The number of shares and votes in Bonava AB changed as a result of the rights issue of Class A shares and Class B shares that was carried out during the period, and as a result of the conversion of Class A shares to Class B shares. 1,938,164 Class A shares were converted to 1,938,164 Class B shares during the period. For information on the new share issue, refer to the section "The share" above.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

Bonava held its Annual General Meeting on 10 April 2024. The Annual General Meeting passed resolutions in accordance with the proposals from the Board of Directors, and the minutes have been published at bonava.com. Mats Jönsson, Viveca Ax:son Johnson, Per-Ingemar Persson, Nils Styf, Anette Frumerie, Olle Boback and Tobias Lönnevall were re-elected as members of the Board of Directors.

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, 24 April 2024

Bonava AB (publ)

Peter Wallin
President and CEO

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

Our sustainability agenda

To create locations and environments where people thrive, and where future generations can grow up, we build much more than homes – we create happy neighbourhoods for the many. This is our overall purpose. We build homes and neighbourhoods based on a genuine understanding of our customers’ needs and driving forces. Our sustainability agenda gives us a stable foundation to work from.

SYRENEEN – SUSTAINABLE, FAMILY-FRIENDLY HOUSING

Syreenen is our eighth and final neighbourhood in Nacka, where the last homes are up for sale. 22 Nordic Swan ecolabelled buildings stand ready for occupancy in an attractive location with an open view of the forest. The neighbourhood is located in a beautiful natural region, with areas such as the Nacka nature reserve, the Hellasgården park and Ältasjön lake within walking distance. There is also a large activity park in the area where there is something for all ages in the form of a playground and an outdoor gym.

Syreenen is the first neighbourhood with solar panels and charging stations installed in all buildings, which will reduce our customers’ energy needs by 20 per cent.



EMBEDDED ENVIRONMENTAL RESPECT

The climate impact of the construction and property industry is significant, and developing housing units in line with the international climate targets has become increasingly important to customers and investors. Environmental respect must therefore be embedded into our entire procedure when creating new homes. We have climate targets that have been validated by the Science Based Targets initiative (SBTi), and to reduce our environmental and climate impact across the life cycle we focus on the sustainable use of land and the development of resource-efficient housing units, with good energy efficiency and low water consumption. Where previously undeveloped land is claimed, we work to protect biodiversity and other ecological values.

Where needed, we remediate land to render it suitable for building homes. To optimise the use of materials and other resources throughout the life cycle, we endeavour to attain a circular production model with as few virgin production raw materials and as little waste as possible. We also focus on using the right materials for healthy homes with as few materials as possible that are hazardous to the environment and to health. Ecolabelled materials comprise an excellent tool for ensuring sound homes. To package our sustainability offering in relation to customers, investors and financiers, we use the relevant sustainability labelling and certification.

PEOPLE-CENTRIC CULTURE

We always focus on our customers, employees, suppliers and the entire neighbourhood in our projects – from planning to completion.

Our culture is always people-centric. Our efforts are based on our Group-wide framework: our “People strategy”. This framework includes our values and leadership principles, and is based on how we are to work on health and safety, a value-driven workplace, and diversity in order to deliver on our Group-wide business strategy. Our goal is a safe and healthy workplace for everyone, everywhere, every day, with a halving of serious incidents by 2026 compared with the 2022 level.

GOVERNANCE FOR HIGH PERFORMANCE

Development of housing units and residential districts is a central component of every community, and maintaining trusting relationships with many different stakeholders. Good governance is a condition for achieving the best results, and there is an expectation among all our stakeholders that our operations are to be carried out with a high level of business ethics and good transparency.

Our efforts with human rights, safe working conditions, environmental protection and anti-corruption are based on the fundamental principles of the UN Global Compact, and we set the same requirements for our suppliers as we do for ourselves. A long-term perspective and mutual learning with our suppliers are also crucial to our strategy and to achieving several of our targets, particularly our climate targets and the targets for health and safety. To be a reliable business partner, we are transparent and openly report on how we comply with the universal principles and promote the UN Sustainable Development Goals.

Healthy and safe workplace

For everyone, everywhere, every day, with a halving of serious incidents by 2026 compared with the 2022 level.

Frequency of serious incidents

Target 2026: <7.1

Everyone Plan fulfilment

Target: ≥90%

Employee engagement

Employee engagement in line with the top 10 per cent of the best-performing companies.

Combat climate change

Reduced climate impact in line with our climate targets validated by SBTi for a level of 1.5 degrees C.

Consolidated income statement

	Note	2024	2023	Apr 2023	2023
	1	Jan-Mar	Jan-Mar	- Mar 2024	Jan-Dec
Continuing operations					
Net sales	2	1 280	1 929	12 620	13 269
Production cost		-1 147	-1 759	-11 236	-11 849
Gross profit		133	170	1 384	1 421
Selling and administrative expenses		-156	-197	-719	-760
Operating profit/loss before items affecting comparability	2	-22	-28	666	660
Items affecting comparability	3			-1 279	-1 279
Operating profit/loss after items affecting comparability	2	-22	-28	-614	-619
Financial income		5	3	21	19
Financial expenses		-116	-96	-557	-537
Net financial items		-111	-93	-536	-518
Profit/loss before tax	2	-133	-121	-1 150	-1 137
Tax on profit for the period		-2	30	-37	-5
Profit/loss for the period¹⁾		-135	-91	-1 187	-1 143
Discontinued operations					
Net profit/loss from discontinued operations, after tax			51	-245	-194
Net profit/loss for the period from discontinued operations			51	-245	-194
Net profit/loss for the period from continuing and discontinued operations		-135	-41	-1 431	-1 337
Per share data before and after dilution					
Profit for the period, SEK		-0.87	-0.85	-9.96	-10.66
Cash flow from operating activities, SEK		-3.13	-8.41	0.67	-3.15
Shareholders' equity, SEK		23.56	73.73	23.56	61.58
Weighted average number of shares at the end of period, million		154.8	107.2	119.1	107.2
Number of shares at the end of period, million ²⁾		321.6	107.2	321.6	107.2

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

²⁾ The total number of shares repurchased as of the balance sheet date was 1,245,355 (1,245,355).

Consolidated statement of comprehensive income

	Note	2024	2023	Apr 2023	2023
	1	Jan-Mar	Jan-Mar	- Mar 2024	Jan-Dec
Profit for the period		-135	-41	-1,431	-1,337
<i>Items that have or may be reclassified to profit for the period</i>					
Translation differences during the period in translation of foreign operations		95	-41	133	-3
Translation differences during the period reclassified to income statement				-43	-43
Other comprehensive income for the period		95	-41	90	-47
Comprehensive income/loss for the period¹⁾		-40	-82	-1,341	-1,384

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

Condensed consolidated balance sheet

	Note 1, 4, 5	2024 31 Mar	2023 31 Mar	2023 31 Dec
ASSETS				
Fixed assets				
Investment properties	6	248	295	239
Other fixed assets		1,056	763	1,119
Total fixed assets		1,304	1,058	1,358
Current assets				
Properties held for future development		8,148	10,323	8,138
Ongoing housing projects		7,240	12,147	6,966
Completed housing units		1,650	1,008	1,593
Current receivables		871	914	861
Cash and cash equivalents	4	378	122	180
Assets held for sale			709	
Total current assets		18,287	25,222	17,738
TOTAL ASSETS		19,591	26,281	19,097
SHAREHOLDERS' EQUITY				
Shareholders' equity attributable to Parent Company shareholders		7,570	7,898	6,596
Non-controlling interest		5	5	5
Total shareholders' equity		7,575	7,903	6,601
LIABILITIES				
Non-current liabilities				
Non-current interest-bearing liabilities	4	4,198	2,452	227
Other non-current liabilities		1	90	11
Non-current provisions		1,123	946	1,214
Total non-current liabilities		5,322	3,488	1,452
Current liabilities				
Current interest-bearing liabilities	4	1,144	5,488	5,594
Other current liabilities		5,550	8,693	5,450
Liabilities attributable to assets held for sale			709	
Total current liabilities		6,694	14,890	11,044
Total liabilities		12,016	18,378	12,496
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		19,591	26,281	19,097

Condensed consolidated changes in shareholders' equity

	Shareholders' equity attributable to Parent Company shareholders	Non-controlling interest	Total shareholders' equity
Opening shareholders' equity, 1 January 2023	7,979	5	7,984
Comprehensive income for the period	-1,384		-1,384
Closing shareholders' equity, 31 December 2023	6,596	5	6,601
Comprehensive income for the period	-40		-40
New share issue	1,050		1,050
Costs related to new share issue	-36		-36
Performance-based incentive programme			
Closing shareholders' equity, 31 March 2024	7,570	5	7,575

Condensed consolidated cash flow statement

	2024 Jan-Mar	2023 Jan-Mar	Apr 2023 - Mar 2024	2023 Jan-Dec
OPERATING ACTIVITIES				
Profit before tax ¹⁾	-133	-56	-1,375	-1,297
Adjustments for items not included in cash flow	-345	-17	1,338	1,665
Tax paid	-96	-42	-193	-139
Cash flow from operating activities before change in working capital	-574	-115	-230	229
Cash flow from change in working capital				
Sales of housing projects	1,068	2,192	10,169	11,293
Investments in housing projects	-893	-2,850	-6,142	-8,099
Advances from customers	242	557	-2,451	-2,135
Other changes in working capital	-328	-686	-1,266	-1,625
Cash flow from changes in working capital	89	-787	309	-567
Cash flow from operating activities	-485	-902	80	-337
INVESTMENT ACTIVITIES				
Sale of group companies			1,239	1,239
Other cash flow from investment activities	1	-61	-123	-185
CASH FLOW BEFORE FINANCING ACTIVITIES	-483	-963	1,196	716
FINANCING ACTIVITIES				
New share issue after cost	1,014		1,014	
Increase in interest-bearing liabilities	3,585	2,142	8,105	6,662
Decrease in interest-bearing liabilities	-3,946	-1,235	-10,206	-7,495
Change in interest-bearing receivables	-1	-2	1	
Cash flow from financing activities	651	905	-1,086	-833
CASH FLOW DURING THE PERIOD	168	-58	109	-117
Cash and cash equivalents at start of period	180	303	240	303
Exchange rate differences in cash and cash equivalents	30	-6	29	-6
CASH AND CASH EQUIVALENTS AT END OF PERIOD²⁾	378	240	378	180

¹⁾ The difference between profit before tax in the consolidated cash flow statement and profit before tax in the consolidated income statement pertains to discontinued operations.

²⁾ The difference between cash and cash equivalents in the consolidated cash flow statement and the consolidated balance sheet corresponds to cash and cash equivalents in discontinued operations.

Consolidated cash flow from discontinued operations

	2024 Jan-Mar	2023 Jan-Mar	Apr 2023 - Mar 2024	2023 Jan-Dec
Net cash flow from operating activities		116	244	360
Net cash flow from investment activities		7	1,241	1,248
Net cash flow from financing activities		-191	-184	-375
Net increase in cash and cash equivalents discontinued operations¹⁾		-68	1,301	1,233

¹⁾ Cash flow from discontinued operations is included in the condensed consolidated cash flow statement above.

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 1–23, and pages 1–13 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 2023 Annual Report, pages 67–70. The Annual Report is available at [bonava.com](https://www.bonava.com).

As of 1 January 2024, additional changes to IAS 1 concerning classification of liabilities as either short or long-term in the statement of financial position has entered force. IASB has also clarified that the terms of loans that a company must meet after the balance sheet date do not affect whether liabilities are to be classified as short or long-term. With this change, however, disclosure requirements are being added concerning terms of loans that must be fulfilled within 12 months of the end of the reporting period in order for the liabilities not to fall due for payment. Refer to Note 4 for further information.

NOTE 2 Reporting of operating segments

					Other operations ¹⁾	
Jan–Mar 2024	Germany	Sweden	Finland	Baltics		Total
Net sales, consumers	844	155	40	135		1,174
Net sales, investors	5	1	2			8
Net sales, land	91	2				93
Other revenue		2		1	1	5
Operating profit/loss before items affecting comparability	48	–19	–27	8	–32	–22
Operating profit/loss after items affecting comparability	48	–19	–27	8	–32	–22
Net financial items						–111
Profit before tax						–133
Jan–Mar 2023	Germany	Sweden	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	544	566	164	137		1,411
Net sales, investors	164		325			488
Net sales, land	3	21	1			25
Other revenue		3			1	4
Operating profit/loss before items affecting comparability	10	45	–32	10	–60	–28
Operating profit/loss after items affecting comparability	10	45	–32	10	–60	–28
Net financial items						–93
Profit before tax						–121
Jan–Dec 2023	Germany	Sweden	Finland	Baltics	Other operations ¹⁾	Total
Net sales, consumers	5,849	1,819	872	768		9,308
Net sales, investors	1,404	814	1,654			3,871
Net sales, land	30	44	4			78
Other revenue	1	8	1	1	1	12
Operating profit/loss before items affecting comparability	628	77	107	68	–219	660
Items affecting comparability	–879	–303	–90		–7	–1,279
Operating profit/loss after items affecting comparability	–251	–226	17	68	–227	–619
Net financial items						–518
Profit before tax						–1,137

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

NOTE 3 Specification of items affecting comparability

Items affecting comparability for the Group are shown in the table below. For information by segment, refer to Note 2.

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Write down of land			-606
Value change of B2M-Project			-123
Write down of capitalized development costs			-115
Organizational changes			-435
Sum of items affecting comparability			-1,279

NOTE 4 Specification of net debt

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Non-current interest-bearing receivables ¹⁾	535	2	582
Current interest-bearing receivables ¹⁾	147	21	108
Cash and cash equivalents ²⁾	341	199	167
Interest bearing assets	1 024	223	857
Non-current interest-bearing liability to creditors and investors	4 087	2 482	
Current interest-bearing liability to creditors and investors	577	4 331	4 994
Interest bearing liability to creditors and investors	4 663	6 813	4 994
Net debt in Tenant-owner associations ³⁾	467	1 277	654
Net debt excl. leasing	4 107	7 867	4 791
Lease liability	175	226	160
Net debt⁴⁾	4 282	8 094	4 951

¹⁾ Including vendor notes issued to the buyer of the Norwegian operations.

²⁾ Excluding cash on hand for Tenant-owner associations ("BRF") and Housing companies ("BAB") amounting to SEK 37 M.

³⁾ Of which green loans SEK 1,080 M (3,778). The green asset base pledged consisted of assets in Sweden that are or will be Nordic Swan Ecolabelled, as well as specific projects in Finland, Germany and the Baltics with energy efficiency class A or B.

⁴⁾ Of which SEK 300 M as of 31 March 2023 pertains to discontinued operations in St. Petersburg.

The Group's financing framework

The table below specifies the Group's financing facilities. The Group has a green bond with an amount outstanding of SEK 1,080 M as well as a syndicated credit agreement of EUR 397 M, which runs until March 2027. The loan agreement can be drawn in EUR, SEK and NOK and has been divided into a fixed-term loan on the one hand and an RCF that can be utilised as needed on the other. The fixed-term portion has contractual amortisations during the period from December 2024 to March 2027.

In addition, there are unutilised contractual credits of SEK 42 M for projects in Swedish tenant-owner associations.

Financing	Maturity, year	Amount	Utilised	Unutilised
Bond	<365	120	120	
Loan, EUR	<365	457	457	
Bond	2027	960	960	
RCF	2027	3,060	2,166	894
whereof EUR			1,674	
whereof NOK			492	
Loan, EUR	2027	1,071	1,071	
Total		5,668	4,774	894

Covenants in loan agreements

Bonava's syndicated credit agreements are linked to two covenants. The first is that operating profit must exceed determined levels, which vary for each quarter. The other is a level for the lowest level

of available liquidity that the Group is to maintain in the form of cash on hand or available credits. Both covenants had been fulfilled as of 31 March 2024.

NOTE 5 Fair value of financial instruments

Fair value for the financial instruments that are continuously measured at fair value in Bonava's balance sheet is determined on the basis of 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 1,058 M (1,200).

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.

	2024 31 Mar	2023 31 Mar	2023 31 Dec
Derivatives	1	17	35
Total assets	1	17	35
Derivatives	18	66	6
Total liabilities	18	66	6

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, the carrying amount of accounts receivable, other receivables, cash and cash equivalents, accounts payable and other interest-free liabilities is considered equal to the fair value.

NOTE 6 Investment properties

Investment properties are measured at fair value in accordance with IAS 40. At the balance sheet date, 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.

	2024 31 Mar	2023 31 Mar	2023 31 Dec
Fair values at start of period	239	262	262
Investments		31	140
Value change			-123
Reclassification			-36
Translation differences for the year	9	2	-4
Fair value at end of period	248	295	239

NOTE 7 Investment commitments

Bonava has signed agreements on the purchase of building rights that are conditional and have not yet been recognised as part of the financial statements. At 31 March, the total value of these commitments was SEK 1.4 Bn (SEK 1.4 Bn at 31 December).

The investments are expected to be adjusted by SEK 0.6 Bn in 2024, SEK 0.3 Bn in 2025 and SEK 0.5 Bn in 2026 and later, and during the quarter there were no significant changes in the expected settlement. The agreements are often conditional on building permits being received or zoning plans being approved.

NOTE 8 Pledged assets and contingent liabilities

	2024 31 Mar	2023 31 Mar	2023 31 Dec
Pledged assets			
<i>For own liabilities</i>			
Property mortgages	356	1,092	235
Net assets in Group excl. the Parent Company	2,527		
Other pledged assets	675	11	13
Total pledged assets	3,559	1,103	249
Surety and guarantee obligations			
<i>Own contingent liabilities</i>			
Counter guarantee to external guarantors	600	1,243	600
Contingent liabilities ¹⁾	394	227	358
Other guarantees and contingent liabilities ²⁾	333	1,393	803
Total surety and guarantee obligations	1,326	2,863	1,761

¹⁾ Expenses related to property held for future development that are deemed to arise even if housing projects are not started.

²⁾ The undertakings pertaining to divested companies to be taken over by the purchaser in accordance with agreements.

Property mortgages of SEK 356 M (1,092) consist of collateral on behalf of Finnish housing companies and Swedish tenant-owner associations.

Counter guarantees pertaining to guarantees that constitute collateral for amounts paid to tenant-owner associations formed by Bonava Sverige AB comprise SEK 600 M (1,243). Deposit guarantees are valid until one year after the final acquisition cost of the tenant-owner association's building has been established. Bonava AB's commitment is limited to SEK 600 M.

As part of its financing from credit institutions and Bonava's green bond, the Group has pledged shares in subsidiaries and material receivables (with the associated assets) and surety and guarantee obligations as collateral. Some intra-Group receivables have also been pledged. These have been eliminated in the Group.

NOTE 9 Related-party transactions

The portion of Bonava's preferential rights issue that was not covered by subscription commitments were underwritten by Nordstjernan in addition to its subscription commitment. Underwriting remuneration of 2 per cent for the guarantee commitment, corresponding to SEK 13.8 M, has been paid.

NOTE 10 Key performance indicators and currency rates

	2024 31 Mar	2023 31 Mar	2023 31 Dec
Return on capital employed, R12, %	4.0	6.0	4.3
Interest coverage ratio, R12, multiple	-1.3	3.2	-1.1
Equity/assets ratio, %	38.7	30.1	34.6
Return on equity, R12, %	-20.0	-5.0	-18.5
Interest-bearing liabilities/total assets, %	27.3	30.2	30.5
Net debt	4 282	8 094	4 951
Net debt/equity ratio, multiple	0.6	1.0	0.8
Capital employed	12 918	16 260	12 422
Capital turnover rate, multiple	0.8	1.0	0.9
Share of risk-bearing capital, %	38.8	30.2	34.7
Average interest rate at period-end, % ¹⁾	8.49	4.42	7.07
Average fixed-rate term, years ¹⁾	0.2	0.1	0.1
Average interest rate at period-end, % ²⁾	5.38	4.70	5.58
Average fixed-rate term, years ²⁾	0.4	0.3	0.4

¹⁾ Excluding loans in Swedish tenant-owner associations, Finnish housing companies, and leases.

²⁾ Pertains to loans in Swedish tenant-owner associations and Finnish housing companies.

	2024 31 mar	2023 31 mar	2023 31 dec
Average currency rate			
DKK	1.51	1.50	1.54
EUR	11.28	11.20	11.47
Rate on balance sheet date			
DKK	1.55	1.51	1.49
EUR	11.55	11.27	11.11

Key performance indicators per quarter and full-year are available at <https://www.bonava.com/en/investor-relations/financial-information>. Reporting of Bonava's alternative performance measures can also be found here.

The Parent Company in brief

JANUARY–MARCH 2024

The Parent Company comprises the operations of Bonava AB (publ). Net sales for the company totalled SEK 41 M (59). Profit after financial items was SEK 22 M (4). In February 2024, Bonava conducted a fully underwritten preferential rights issue that raised approximately SEK 1,050 M less issue expenses for the company. As a result of the rights issue, Bonava AB's share capital increased by SEK 104,580,931 to SEK 538,324,219. For its obligations under the credit facility agreement and bond loan, Bonava has pledged as collateral the shares in the wholly owned subsidiary Bonava East Holding AB, into which ownership of all of the Group's subsidiaries has been gathered through shareholder contributions or non-cash issue. Material receivables and certain intra-Group loans have also been pledged for Bonava AB's obligations under the credit facility agreement.

	Note 1	2024 Jan–Mar	2023 Jan–Mar	2023 Jan–Dec
INCOME STATEMENT				
Net sales		41	59	213
Selling and administrative expenses		-65	-108	-378
Operating profit/ loss		-25	-49	-165
Profit from participations in Group companies				-1 119
Financial income		168	133	646
Financial expenses		-121	-80	-471
Profit/loss after financial items		22	4	-1 109
Appropriations				-170
Profit/loss before tax		22	4	-1 279
Tax on profit for the period				-3
Profit/loss for the period		22	4	-1 282

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

	Note 1, 2	2024 31 Mar	2023 31 Mar	2023 31 Dec
BALANCE SHEET				
Assets				
Fixed assets		2 719	2 629	2 766
Current assets		9 891	11 770	9 554
Total assets		12 609	14 399	12 320
Shareholders' equity and liabilities				
Shareholders' equity		7 162	7 413	6 127
Provisions		13	11	14
Non-current liabilities		4 087	1 959	
Current liabilities		1 347	5 016	6 179
Total shareholders' equity and liabilities		12 609	14 399	12 320

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 2023 Annual Report, pages 67–70 and 97. The Annual Report is available at bonava.com.

NOTE 2 Pledged assets and contingent liabilities

	2024 31 Mar	2023 31 Mar	2023 31 Dec
Counter guarantee to external guarantors	5 231	9 609	6 528
Guarantees for project-specific financing	292	912	432
Guarantees for Group companies	1 310	3 589	1 723
Other guarantees ¹⁾	333	1 393	803
Shares in subsidiary	2 084		
Intra-Group Loans	9 284		
Other pledged assets	675	11	13
Total	19 209	15 513	9 499

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

	2024 31 Mar	2023 31 Mar	2023 31 Dec
Counter guarantee to external guarantors ²⁾	600	1,243	600
Guarantees for project-specific financing	292	912	432
Total	892	2,155	1,032

¹⁾ Guarantee pertaining to discontinued operations that are to be taken over by the buyer in accordance with agreements.

²⁾ 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. Bonava AB's commitment is limited to SEK 600 M.

Definitions

Bonava uses measurements including the following alternative key performance indicators: return on capital employed, net debt and equity/assets ratio. The Group considers that these key performance indicators provide complementary information to readers of its financial reports that contributes to assessing the Group's capacity to pay dividends, make strategic investments, meet its financial commitments and to evaluate its profitability.

FINANCIAL KEY PERFORMANCE INDICATORS

Average capital employed Average capital employed as of the five last quarters.

Average fixed-rate term The remaining fixed-rate term weighted by interest-bearing liabilities outstanding.

Average interest rate Nominal interest rate weighted by interest-bearing liabilities outstanding on the balance sheet date.

Average shareholders' equity Average reported shareholders' equity as of the last five quarters.

Capital employed Total assets less non-interest bearing liabilities including deferred tax liabilities.

Dividend yield The dividend as a percentage of the market price at year-end.

Earnings per share Net profit/loss for the period divided by the weighted average number of shares in the year.

Earnings per share adjusted for items affecting comparability Net profit/loss for the period before items affecting comparability divided by the weighted average number of shares in the year.

Equity/assets ratio Shareholders' equity as a percentage of total assets.

Gross margin Gross profit as a percentage of net sales.

Interest coverage ratio Profit/loss after financial items plus financial expenses divided by financial expenses, calculated on a rolling 12-month basis.

Items affecting comparability Material one-off items in operating profit, the profit effect of which is important to note when the financial performance for the period is compared with earlier periods.

Net debt Interest-bearing liabilities and provisions less interest-bearing assets including cash and cash equivalents.

Net debt/equity ratio Net debt divided by shareholders' equity.

Net projects asset value Carrying value of ongoing housing projects, completed housing and investment properties adjusted for advances from customers.

Net projects asset value in relation to Net debt Current period relation between Net projects asset value versus Net debt excluding leasing.

Net sales Net sales are recognised when the housing unit is delivered to the end customer. Property sales are recognised at the time when control is transferred to the buyer, which normally coincides with transfer of ownership. Net income is subject to the same definition.

Operating margin Operating profit as a percentage of net sales.

Production costs Costs incurred for land, development expenses for architects and other contractor-related costs, utility connection fees and building construction.

Return on shareholders' equity Profit after tax on a rolling 12-month basis as a percentage of average shareholders' equity.

Return on capital employed Profit after financial items (excluding items affecting comparability where applicable) on a rolling 12-month basis following the reversal of interest expense as a percentage of average capital employed.

Share of risk-bearing capital Total shareholders' equity and deferred tax liabilities as a percentage of total assets.

Total assets Total assets or liabilities and shareholders' equity.

Total return Total of the change in the share price during the year and paid dividends in relation to the share price at the beginning of the year.

Underlying gross margin Gross profit before profit or loss from sale of land, write downs and risk provisions as a percentage of net sales.

SECTOR-RELATED DEFINITIONS

Building right Estimated possibility of developing a site. With respect to housing units, a building right corresponds to an apartment or a semi-detached or detached house. Either ownership of a site or an option on ownership of the site is a prerequisite for being granted access to a building right.

Completed housing units Refers to housing units for which inspection documents have been received, but the unit has not yet been sold, or units that have been sold but not handed over to the customer.

Completion rate Recognised expenses in relation to the calculated total costs of ongoing housing projects.

Housing units for sale (ongoing production and completed) Refers to the number of units, in ongoing production or completed, that are available for sale.

Housing units in ongoing production Refers to the period from production start to completion of a building. A housing unit is considered complete on receipt of inspection documentation.

Housing units sold Number of housing units for which binding sales agreements have been signed with the customer and production of the housing unit has started.

Number of housing units recognised in profit Number of housing units sold that have been occupied by the purchaser. Once the purchaser has taken over occupancy, the purchase consideration is recognised as net sales, and expenses incurred for the housing unit are recognised as production costs.

Production start The time when Bonava starts production of a building. At this time, capitalised expenditure for land and development expenses is transferred to ongoing housing projects.

Properties held for future development Refers to Bonava's holdings of land and building rights for future residential development and capitalised property development costs.

Reservation rate Number of reserved housing units in production in relation to the total number of housing units in production.

Sales rate for housing units in ongoing production Number of housing units sold in production in relation to the total number of housing units in production.

Sales value of housing units sold Sales value of housing units sold for which binding sales agreements have been signed with the customer and production of the housing unit has started.



Bonava in brief

OUR MISSION

We create happy neighbourhoods for the many.

OPERATIONS

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

With its 1,300 co-workers, Bonava develops residential housing in Germany, Sweden, Finland, Estonia, Latvia and Lithuania. To date, the company has built about 40,000 homes and reported net sales of approximately SEK 13 Bn in 2023. Bonava's shares and green bond are listed on Nasdaq Stockholm.

13.3

SEK BN
NET SALES 2023

6

COUNTRIES

1,300

EMPLOYEES
END OF Q4 2023

1,493

NUMBER OF HOUSING UNITS
SOLD IN 2023

FINANCIAL CALENDAR

Q2 Interim report	Jan–Jun, 19 July
Q3 Interim report	Jan–Sep, 24 October
Q4 Year-end Report	Jan–Dec, 4 February 2025

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WEBCAST PRESENTATION 24 APRIL

President and CEO Peter Wallin and CFO Lars Ingman will present the report on 24 April 2024 at 9:30 a.m. CEST.

Follow the webcast live at:

<https://bonava.videosync.fi/2024-04-24-q1>

To participate in the teleconference, register using this link:

<https://service.flikmedia.se/teleconference/?id=100405>

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.