



Cecilien-Carré, Hellersdorf
Berlin, Germany

Year-end report January – December 2024

Homes & Neighbourhoods


BONAVA

Increase in number of housing units sold and housing starts

1 OCTOBER–31 DECEMBER 2024*

- Net sales amounted to SEK 3,144 M (4,989).
- The operating gross margin was 14.7 per cent (13.5).
- Operating EBIT was SEK 288 M (464) and the operating EBIT margin was 9.2 per cent (9.3).
- EBIT totalled SEK 288 M (427).
- Operating cash flow was SEK 523 M (1,008).
- Cash flow before financing activities was SEK 461 M (940).
- Earnings per share before and after dilution was SEK 0.49 (2.70).
- The number of housing units sold was 1,074 (356).
- The number of housing starts was 1,001 (394).

1 JANUARY–31 DECEMBER 2024*

- Net sales amounted to SEK 8,194 M (13,269).
- The operating gross margin was 11.6 per cent (10.7).
- Operating EBIT was SEK 290 M (660) and the operating EBIT margin was 3.5 per cent (5.0).
- EBIT totalled SEK 22 M (-619).
- Operating cash flow was SEK 1,524 M (538).
- Cash flow before financing activities was SEK 621 M (716).
- Earnings per share before and after dilution was SEK -1.85 (-10.66).
- The number of housing units sold was 2,300 (1,493) and the number of housing starts was 2,035 (1,333).
- A fully subscribed rights issue was carried out during the first quarter, which raised SEK 1,050 M for Bonava.
- All the conditions in the financing package were fulfilled in March.
- The value of the building rights portfolio was assessed in the third quarter, which resulted in impairment of SEK -143 M. After the impairment the surplus value in the portfolio as of the 30 September, according to the internal assessment, amounted to SEK 4.6 Bn.
- The Board of Directors proposes that no dividend be paid for 2024 financial year.

Key ratios, SEK M *	2024			2023		
	Oct-Dec	Oct-Dec	Δ%	Jan-Dec	Jan-Dec	Δ%
Net sales	3,144	4,989	-37	8,194	13,269	-38
Operating gross profit	462	672	-31	948	1,421	-33
Operating gross margin, %	14.7	13.5		11.6	10.7	
Operating EBIT	288	464	-38	290	660	-56
Operating EBIT margin, %	9.2	9.3		3.5	5.0	
EBIT	288	427	-32	22	-619	
EBIT margin, %	9.2	8.6		0.3	-4.7	
Earnings per share, before and after dilution, SEK	0.49	2.70	-82	-1.85	-10.66	
Return on equity, R12, %	-7.3	-18.5		-7.3	-18.5	
Equity/assets ratio, %	41.7	34.6		41.7	34.6	
Net debt	3,068	4,951	-38	3,068	4,951	-38
Net project asset value	4,651	5,637	-17	4,651	5,637	-17
Net project asset value / Net debt exkl. leasing, multiple	1.6	1.2	36	1.6	1.2	36
Operating cash flow	523	1,008	-48	1,524	538	183
Cash flow before financing activities	461	940	-51	621	716	-13
Number of housing units sold, consumer	590	356	66	1,727	1,242	39
Number of housing units sold, investor	484			573	251	128
Production starts, consumer	517	394	31	1,462	1,082	35
Production starts, investor	484			573	251	128
Number of housing units in production	3,177	3,055	4	3,177	3,055	4
Sales rate for ongoing production excl. B2M, %	59	55		59	55	
Number of housing units recognised in profit	801	1,444	-45	2,095	3,969	-47

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

3.5%

Operating EBIT margin, R12

2,300

Number of housing units sold, R12

2,035

Number of housing starts, R12

Comments from the CEO

With the fourth quarter, we put an end to an eventful year in which we went from a cautious start to a strong finish with both increased sales and an increase in production starts. Our markets gradually stabilised during the year, with increased activity from low levels. With increased demand for newly produced housing units, lower net debt, stable operating cash flow in 2024 and an attractive project portfolio, we are looking forward to 2025 with confidence.

Housing market continues to strengthen

The housing market gradually recovered in 2024, and interest in newly produced housing units is increasing even though we have some way to go before reaching normalised levels. Demand has increased as an effect of strengthened buying power among households owing to rising disposable incomes and lower interest levels. In Germany, Bonava has favourable exposure to markets with economic growth and a pent-up need, even if the German economy as a whole has its challenges. Demand for housing units is continuing to increase, while supply is low, in larger cities such as Berlin, Düsseldorf and Cologne, and in Stockholm and Riga as well. Activity levels in the transaction market also increased during the second half of the year, and Bonava has signed agreements on sales and construction of rental projects for investors in Germany and Finland at an aggregate value of SEK 1.8 Bn, which will be recognized in profit mainly during 2026.

Strong conclusion to the year

Bonava concluded 2024 on a strong note, with both sales and production starts more than doubling during the fourth quarter. There was a steady improvement in bookings during the year, and the number of sold and reserved housing units increased by 35 per cent for the full year compared with 2023. At the end of the fourth quarter, the sales value of housing units in ongoing production amounted to approximately SEK 7.6 Bn, compared to SEK 6.7 Bn as of 30 September 2024. The sales rate for ongoing production increased to 59 per cent (55) despite the sharp increase in production starts late in the year.

Stable margins despite lower business volume and significantly strengthened financial position

Net sales decreased, as expected, totalling SEK 3.1 Bn (5.0) in the fourth quarter. Despite the lower business volume, we posted an increased operating gross margin of 14.7 per cent (13.5) and a stable operating EBIT margin of 9.2 per cent (9.3). This is attributable to measures that were taken to reduce the company's indirect production costs and other overheads. Overall, we have achieved yearly gross cost savings of nearly SEK 1.1 Bn, compared with the yearly basis for 2022, which is slightly better than plan.

Focus in recent years has been on reducing financial risk. These efforts have involved sales of building rights that were not considered to be strategic, entering into partnerships that strengthened our offering, starting production of projects and keeping the stock of completed unsold housing units down. Active sales efforts have decreased the book value of completed unsold housing units from SEK 1.5 Bn to SEK 0.8 Bn, during the year. In total, these measures enabled a significant increase of the operating cash flow, amounting to SEK 1.5 Bn (0.5) for the full year, which along with the carried out rights issue, resulted in net debt decreasing to SEK 3.1 Bn (5.0). Thereby we enter 2025 with a significantly strengthened financial position.



2024 – a year of both consolidation and growth

The rapid worsening of the market situation that started in the spring of 2022 meant enormous challenges for all residential developers, and Bonava was no exception. We were resolute in managing the challenges that arose, and we drew lessons from these experiences. We quickly reduced our investments, initiating major cost adjustments at the same time. One of the greatest changes that was implemented is the significant increase in decentralisation, which gave us the opportunity to work closer to our markets while we can work more efficiently with an agile organisation in which we gain better leverage with increasing volumes.

2024 was a bridge from market uncertainty to firmer ground. The year developed in accordance with our plans, with gradual increases in sales and production starts. Bonava holds a good market position in its segments, with good opportunities for growth combined with an attractive building rights portfolio. Focus is on long-term profitability, financial strength and operational control. Profitability in started projects is higher than in the housing units that were delivered and recognized in 2024. Production costs have stabilised – even decreased somewhat – during the year, and we have a solid basis to significantly increase the number of production starts during 2025.

I would like to extend my sincere thanks to all our employees, suppliers, shareholders and partners for the past year, and I look forward to continuing our shared ambition of creating many more happy neighbourhoods in 2025 – without you, none of this would have been possible!

Peter Wallin
President and CEO

Group overview

	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales				
Germany	2,559	3,154	5,678	7,283
Sweden	131	858	1,073	2,685
Finland	226	646	791	2,531
Baltics	228	332	651	770
Other operations ¹⁾			2	1
Total	3,144	4,989	8,194	13,269
	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating EBIT *				
Germany	267	386	431	628
Sweden	-8	60	-57	77
Finland	30	45	-8	107
Baltics	22	38	47	68
Other operations ¹⁾	-23	-66	-124	-219
Total	288	464	290	660

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

OCTOBER-DECEMBER 2024

Net sales

As expected, fewer housing units were delivered than in the previous year, which means that net sales decreased to SEK 3,144 M (4,989). During the period, 552 (900) housing units for consumers and 249 (544) housing units for investors were recognised in profit. The average price per housing unit recognised in profit amounted to SEK 3.9 M (3.4). Germany accounted for a larger share of sales, which had a positive contribution since average prices tend to be higher in Germany.

Translation of foreign currencies had an effect of SEK -2 M on sales compared with the year-earlier period.

Operating EBIT

Operating gross profit amounted to SEK 462 M (672) and the operating gross margin for the quarter strengthened to 14.7 per cent (13.5).

Operating EBIT was SEK 288 M (464) and the operating EBIT margin was 9.2 per cent (9.3). The decrease in operating EBIT is attributable primarily to the lower business volume, which was not sufficient to cover overheads.

Exchange rate fluctuations had a negative impact of SEK -1 M on EBIT.

EBIT according to IFRS

EBIT according to IFRS totalled SEK 288 M (427). The difference compared with operating EBIT amounted to SEK 0 M (-37). The comparative period was charged with SEK -37 M in items affecting comparability pertaining to impairment in Germany and restructuring.

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

Net financial items amounted to SEK -123 M (-132), with the reduced net debt having decreased interest expenses.

Profit before tax for the quarter was SEK 166 M (294). Tax on profit for the quarter was SEK -7 M (-5), corresponding to a tax rate of 4 per cent (2). The low tax rate was attributable to deferred tax not being reported, either for deficits generated in 2024 or in the comparative period.

Profit for the period for continuing operations amounted to SEK 159 M (289).

JANUARY-DECEMBER 2024

Net sales

Net sales amounted to SEK 8,194 M (13,269). During the period, 1,630 (2,419) housing units for consumers and 465 (1,550) housing units for investors were recognised in profit. The average price per housing unit recognised in profit amounted to SEK 3.7 M (3.3).

Translation of foreign currencies had a negative effect of SEK -23 M compared with the year-earlier period.

Operating EBIT

Operating gross profit amounted to SEK 948 M (1,421) and the operating gross margin for the period was 11.6 per cent (10.7).

Operating EBIT was SEK 290 M (660) and the operating EBIT margin was 3.5 per cent (5.0).

Exchange rate fluctuations impacted EBIT by SEK -1 M compared with the year-earlier period.

EBIT according to IFRS

EBIT according to IFRS was SEK 22 M (-619). The difference compared with operating EBIT consists primarily of impairment of properties held for future development. Total operating adjustments totalled SEK -123 M for Sweden, SEK -114 M for Germany and SEK -30 M for Finland. In the comparative period, SEK -1,279 M pertaining to impairments and restructuring was classified as items affecting comparability.

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

Net financial items totalled SEK -524 M (-518) with higher interest rates partially offsetting the effect of reduced net debt.

Loss before tax for the period was SEK -501 M (-1,137). Tax on loss for the period was SEK -17 M (-5), corresponding to a tax rate of -3 per cent (0). The low tax rate was attributable to deferred tax not being reported, either for deficits generated in 2024 or in the comparative period.

Loss for the period for continuing operations amounted to SEK -518 M (-1,143).

* Beginning with the second quarter of 2024, monitoring of the segments has partially been changed, which is why Bonava recognises an operating gross profit and operating EBIT (earnings by segment), which corresponds to the earnings that form the basis of the monitoring of each segment in the Group. The operating EBIT comprises EBIT before items affecting comparability adjusted for impairment, sales of land, items related to restructuring and costs for M&A.

The figures that are based on segment reporting are marked in brown in the tables in this report. A bridge between operating EBIT and EBIT is found in Note 2.

Building rights portfolio, completed housing units and ongoing production

BUILDING RIGHTS PORTFOLIO

The total number of building rights at the end of the period was 25,900 (28,900). This decrease is attributable to housing starts, divestments of non-strategic building rights and some options that were handed back. Of the total number of building rights at the end of the period 6,300 (8,200) were recognised off the balance sheet. During the year, Bonava proactively worked with its building rights portfolio and the commitments associated with it, which included ensuring a good match between occupancy and production starts. Investment commitments for building rights off the balance sheet have gradually decreased and totalled SEK 1.2 Bn as of the balance sheet date, which is SEK 0.2 Bn less than in the preceding quarter. Of this, SEK 0.7 Bn is expected to be settled in 2025. Refer further to Note 7.

During the third quarter of 2024, the building rights portfolio was assessed through both external valuations and internally by assessing the discounted future cash flow (DCF) from projects to be started for development properties. Bonava has applied the lowest of the external value and the internally calculated DCF. The valuation has resulted in impairments of SEK 143 M in the third quarter, corresponding to 1 per cent of the assessed value of the portfolio. The assessed value of the portfolio at 30 September 2024 amounted to SEK 11.9 Bn. This corresponded to a surplus value of SEK 4.6 Bn at that point in time. In the preceding year's evaluation, during the third quarter, the surplus value of the valuation based on Bonava assessment with external valuation as starting point, totalled SEK 1.2 Bn. The internal valuation

done 2023, performed in the same way as the valuation in 2024, would have resulted in a surplus value of SEK 3.7 Bn. The increase in the surplus value in the internal assessment from SEK 3.7 Bn to SEK 4.6 Bn is attributable primarily to a lower discount rate.

SOLD COMPLETED HOUSING UNITS NOT RECOGNISED IN PROFIT

The number of sold completed housing units not recognised in profit at the end of the period was 59 (45). As of 30 September 2024, the figure was 51.

UNSOLD COMPLETED HOUSING UNITS

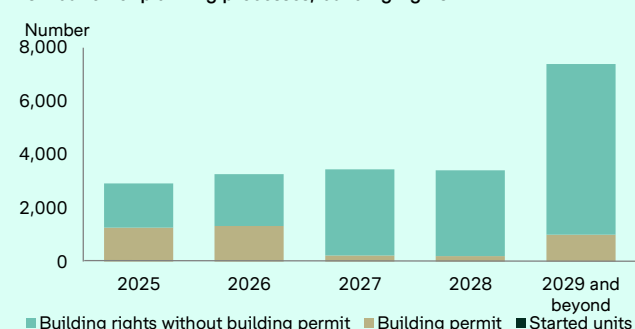
The number of unsold completed housing units at the end of the period was 309 (505). The value of these housing units totalled SEK 791 M (1,455). As of 30 September 2024, the value was SEK 933 M and the number of units was 330, of which 108 were sold during the quarter and 87 housing units were added from projects that were completed during the period.

VALUE OF HOUSING UNITS SOLD NOT YET RECOGNISED IN PROFIT

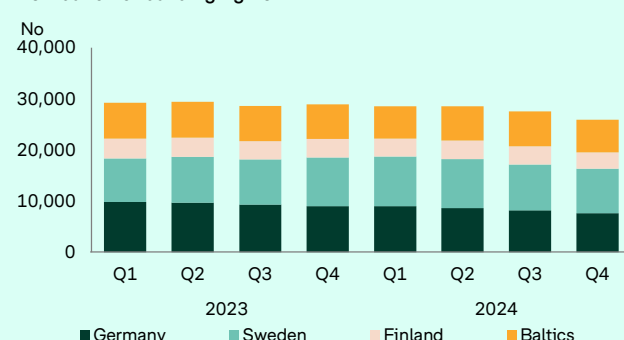
The number of housing units in ongoing production was 3,177 (3,055) with a sales rate of 59 per cent (55).

The sales value of housing units sold in projects started totalled SEK 7,556 M (7,129), of which SEK 4,314 M (4,363) for consumers and SEK 3,242 M (2,766) for investors.

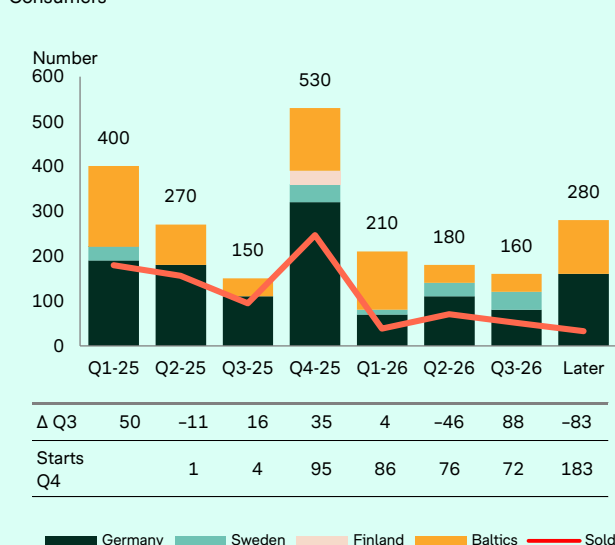
Distribution of planning processes, building rights



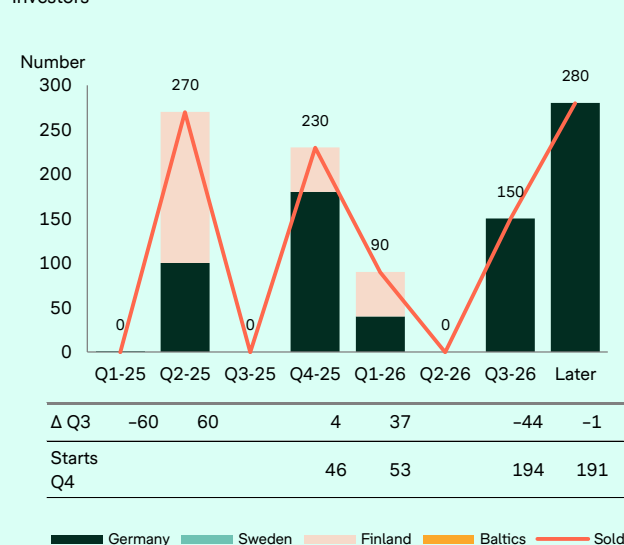
Distribution of building rights



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.

Cash flow

	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating cash flow				
Operating EBITDA	314	471	399	977
Operating adjustments/items affecting comparability		-37	-267	-1,279
EBITDA	314	434	132	-302
Net project investments/divestments	714	2,420	954	3,926
Net land investments/divestments	101	89	988	-374
Net investments/divestments, other	-10	-26	-56	-18
Net investments	806	2,483	1,886	3,534
Change in accounts receivable	-14	-20	-19	70
Change in advances from customers	-603	-2,211	78	-2,046
Change in accounts payable	57	-74	-45	-281
Change in other working capital	-37	396	-508	-436
Change in working capital	-597	-1,909	-494	-2,694
Operating cash flow	523	1,008	1,524	538

Starting in the second quarter of 2024, Bonava reports a simplified operating cash flow that reflects EBITDA together with net investments and changes in working capital in the balance sheet in accordance with IFRS, without adjustments for exchange-rate changes and other non-cash items. However, the comparative figures produced have been adjusted for the divestments of operations that took place in 2023. A bridge between operating cash flow and the legal cash flow before financing activities is provided in Note 11.

CASH FLOW OCTOBER–DECEMBER 2024

EBITDA totalled SEK 314 M (434), no operating adjustments (-37) were recognised during the quarter.

Net investments amounted to SEK 806 M (2,483), driven by net divestments of SEK 714 M (2,420) in project operations.

The change in working capital totalled SEK -597 M (-1,909) with a decrease in customer advances owing to deliveries in Germany and Finland having impacted cash flow by SEK -603 M (-2,211).

In total, the operating cash flow decreased during the quarter, amounting to SEK 523 M (1,008).

Cash flow before financing activities was SEK 461 M (940). The negative discrepancy compared with the operating cash flow is attributable primarily to financial items of SEK -80 M (-106). Refer to Note 11 for the bridge between operating cash flow and legal cash flow.

CASH FLOW JANUARY–DECEMBER 2024

EBITDA totalled SEK 132 M (-302) and includes impairment of SEK 244 M (721) that is not included in operating EBITDA.

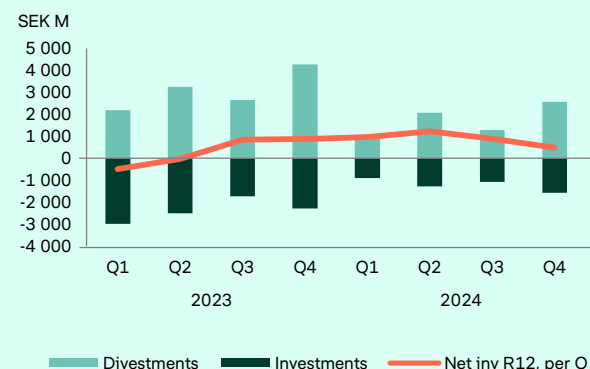
Net investments totalled SEK 1,886 M (3,534), with net divestments in project operations of SEK 954 M being lower than the SEK 3,926 M that was recognised in the preceding year. Net changes in land amounted to SEK 988 M (-374), with SEK 244 M (721) of this effect being due to recognised impairment. Excluding this, changes in land totalled SEK 744 M for the period, which is attributable to a small number of strategic sales of properties held for future development and reclassifications to ongoing projects.

The change in working capital totalled SEK -494 M (-2,694) with an increase in customer advances contributing SEK 78 M (-2,046).

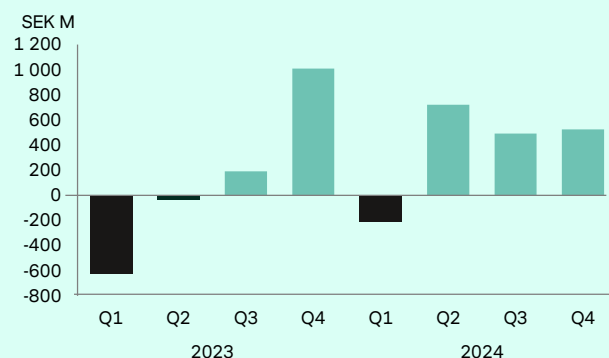
In total, the operating cash flow strengthened during the period, amounting to SEK 1,524 M (538).

Cash flow before financing activities was SEK 621 M (716), with the negative discrepancy compared with the operating cash flow, attributable primarily to financial items of SEK -482 M (-521) and changes in project financing of SEK -347 M (-807). The preceding year also included a positive effect from the sale of the operations in Norway and St. Petersburg. Refer to Note 11 for the bridge between operating cash flow and legal cash flow.

Investments and divestments, total



Operating cash flow



Financing and net debt

Bonava's objective is to achieve a cost-efficient capital structure and a good credit rating, taking into account the financing needs of the operation and securing future acquisitions. The Parent Company finances the operation mainly through a syndicated credit agreement and bonds. When monitoring its capital structure, Bonava uses key measures including the current and forecast equity/assets ratio, liquidity, and net project asset value.

Net debt

Net debt amounted to SEK 3,068 M (4,951). As of 30 September 2024, net debt was SEK 3,491 M. The decrease during the quarter was due to a positive cash flow from operations. Cash and cash equivalents amounted to SEK 593 M and unutilised credits amounted to SEK 1,530 M. Refer further to Note 4. Exchange rate fluctuations impacted net debt by SEK 67 M compared with 31 December 2023 and SEK 55 M compared with 30 September 2024.

Equity/assets ratio

The equity/assets ratio was 41.7 per cent (34.6). As of 30 September 2024, the equity/assets ratio was 38.2 per cent. Bonava's target is for the equity/assets ratio not to fall below 30 per cent.

Net project asset value

To ensure control of financial risk, Bonava's target is for the Group's net project asset value to not to exceed net debt (excluding leases). Net project asset value is defined as the carrying amounts of ongoing housing projects, completed housing units and investment properties less customer advances. As of the balance sheet date, the ratio between net project asset value to net debt excluding leasing was 1.6 (1.2), and the target has therefore been met.

Capital and fixed interest rates

At the end of the period, the average fixed-rate term was 0.2 years (0.1), excluding project financing, and the average interest rate was 7.58 per cent (7.07). The maturity rate of tied-up capital for liabilities to credit institutions and investors was 1.7 years at the end of the period.

The Group's financing framework

Bonava has a credit agreement totalling EUR 398 M that matures on 1 February 2027. The agreement, which was signed on 1 February 2024, encompasses credits and a revolving credit facility (RCF) with contractual amortisations starting in December 2024. Credits under this agreement can be drawn in EUR, SEK and NOK and are divided

between fixed-term tranches and an RCF that can be utilised as needed during the tenor of the credit.

In February, Bonava also conducted a fully underwritten preferential rights issue, which raised SEK 1,050 M less issue expenses for the company. In the first quarter of 2024, the terms and conditions were also updated for the bond loan, which at the same time was extended to March 2027. The nominal amount of the bond loan is SEK 960 M.

Covenants in loan agreements

Bonava's syndicated credit agreements include two covenants. The first is that EBIT, with certain contractual adjustments, must exceed determined levels, which vary for each quarter. The second is a level for the lowest level of available liquidity that the Group is to maintain in the form of cash and cash equivalents or available credits. Both covenants had been fulfilled as of the balance sheet date.

Green financing

Since 2020 Bonava has had a green financing framework, through which the company can issue bond loans and raise loans to fund sustainable residential development with the aim of promoting positive environmental effects. Bonava has issued a green bond loan that is listed on the Nasdaq Sustainable Bond List. Green financing amounted to SEK 1,998 M (2,889).

Unutilised credit limits

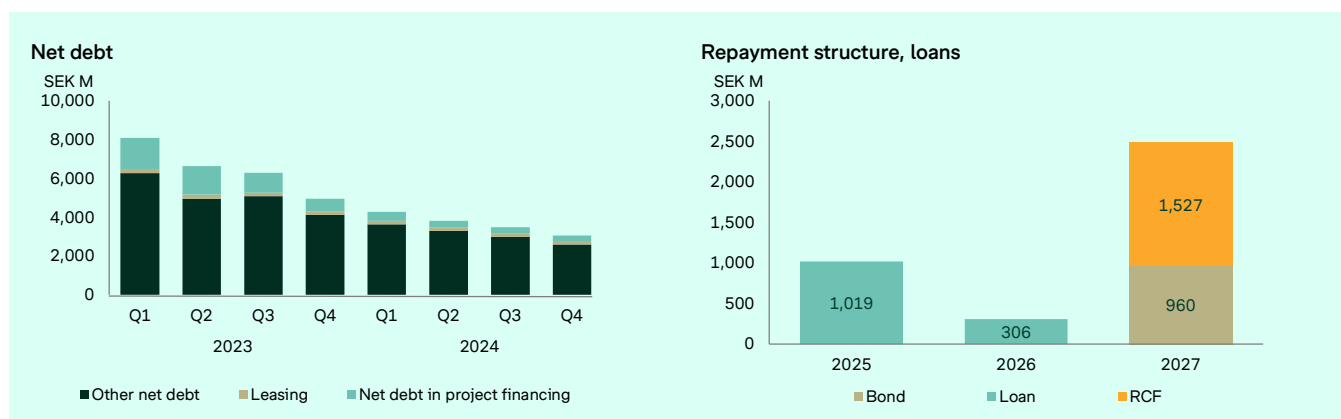
The nominal amount of the bond loan was SEK 960 M, under the loan terms in force the redemption price amounted to SEK 970 M on the balance sheet date.

The syndicated credits will be repaid as agreed during the period from December 2024 to March 2027. The outstanding amount for loans raised in EUR was SEK 1,325 M on the balance sheet date.

The amount utilised in RCF totalled SEK 1,527 M on the balance sheet date, of which SEK 489 M was raised in NOK and SEK 1,038 M in EUR. The unutilised amount totalled SEK 1,530 M.

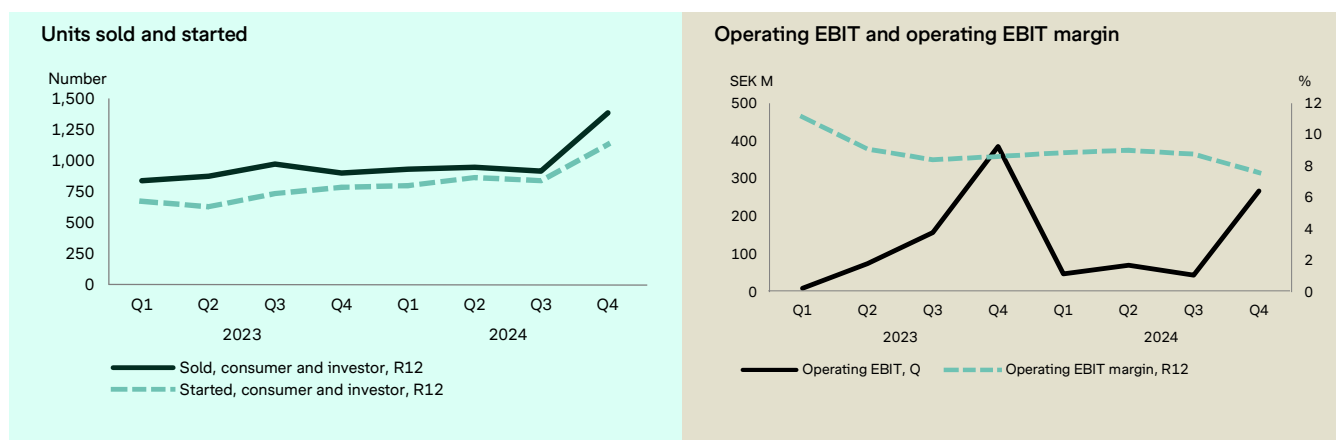
In addition to the above, there are contractual credit frames for projects in Swedish tenant-owner associations and Finnish housing companies, with SEK 320 M being utilised on the balance sheet date and the contractual unutilised credits totalled SEK 74 M.

In the fourth quarter, Bonava also secured financing from local banks for its investment properties in the Baltics. In December, Bonava received a payment of SEK 92 M (EUR 8 M) pertaining to the property in Estonia. There is no unutilised credit left for this loan. Furthermore, a loan agreement of SEK 69 M (EUR 6 M) related to the property in Latvia was signed for payment in January 2025.



Germany

Germany is Bonava's largest market, with operations 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 is still a shortage of homes in Germany, and the German state estimates that 400,000 newly produced housing units will need to be built yearly. The issue is high on the political agenda, and the offering of new housing units is low. Despite the existing macroeconomic challenges in Germany, there are positive signs of increasingly favourable conditions in the regions and segments where Bonava is pursuing residential development.

EARNINGS OCTOBER–DECEMBER 2024

Net sales decreased year-on-year to SEK 2,559 M (3,154), which is attributable to fewer housing units being delivered to consumers. During the quarter, 360 (475) housing units for consumers and 195 (166) housing units for investors were recognised in profit.

Additional investor transactions were carried out in the fourth quarter, which means that Bonava in Germany recognised 385 sold and started housing units for investors. The number of units sold to consumers also increased compared with the year-earlier period, while units started for consumers was somewhat lower.

The operating gross margin amounted to 13.3 per cent (14.8), which is attributable to the mix in housing units delivered in 2024.

Operating EBIT totalled SEK 267 M (386) with an operating EBIT margin of 10.4 per cent (12.2), with the implemented restructuring beginning to have an increasingly greater effect in the form of lower selling and administrative expenses in the quarter. The restructuring is proceeding as planned, and we saw a reduction in these costs in 2024 with full effect beginning in 2025.

EARNINGS JANUARY–DECEMBER 2024

Net sales decreased year-on-year to SEK 5,678 M (7,283), which is attributable to fewer housing units for consumers being delivered.

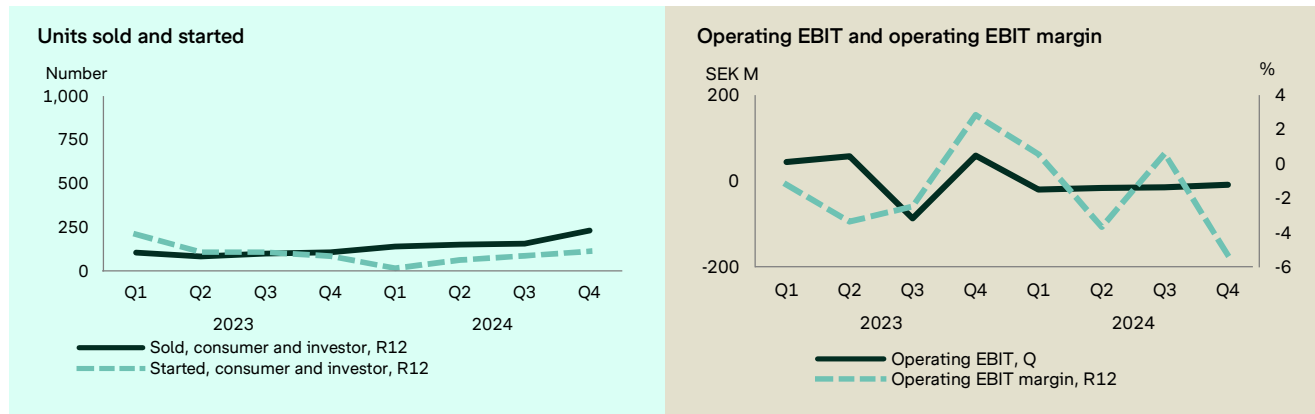
The operating gross margin was somewhat lower than in the preceding year and amounted to 12.2 per cent (12.6), which is attributable to the mix in housing units delivered.

Operating EBIT totalled SEK 431 M (628) with an operating EBIT margin of 7.6 per cent (8.6), with the implemented restructuring beginning to have an increasing effect in the form of lower selling and administrative expenses.

KEY RATIOS	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	2,559	3,154	5,678	7,283
Operating gross profit	341	468	693	917
Operating gross margin, %	13.3	14.8	12.2	12.6
Operating EBIT	267	386	431	628
Operating EBIT margin, %	10.4	12.2	7.6	8.6
Capital employed	6,087	6,936	6,087	6,936
Return on capital employed, %	4.1	8.2	4.1	8.2
Number of housing units in ongoing production	1,964	1,930	1,964	1,930
Number of housing units completed, not recognised in profit	56	100	56	100
Housing units sold, consumers	304	222	910	724
Housing units sold, investors	385		474	176
Production starts, consumers	171	263	657	610
Production starts, investors	385		474	176
Sales rate for ongoing production, %	69	58	69	58
Number of housing units recognised in profit	555	641	1,141	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 all over Sweden.



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 quarter continued to display higher levels of activity among customers, a slight improvement in the interest-rate situation and more stable price levels, with a significantly more positive sentiment among customers. Sales increased but remain at low levels.

EARNINGS OCTOBER–DECEMBER 2024

Net sales decreased year-on-year to SEK 131 M (858), which is attributable to a lower number of housing units delivered to both consumers and investors. During the quarter, 33 (140) housing units for consumers and 0 (162) housing units for investors were recognised in profit.

Housing units sold to consumers increased somewhat year-on-year and a further 27 housing units for consumers were started during the quarter, compared with none in the preceding year. The sales rate for ongoing production increased and was 45 per cent (24).

The operating gross margin increased to 18.0 per cent (11.5) as a result of the reversal of provisions for risks that no longer exist.

Operating EBIT amounted to SEK -8 M (60) with an operating EBIT margin of -5.7 per cent (7.0), as a result of lower volumes and lower margins in housing units recognised in profit.

EARNINGS JANUARY–DECEMBER 2024

Net sales decreased year-on-year to SEK 1,073 M (2,685), which is attributable to a lower number of housing units delivered to consumers and investors.

The operating gross margin was 5.7 per cent (8.4).

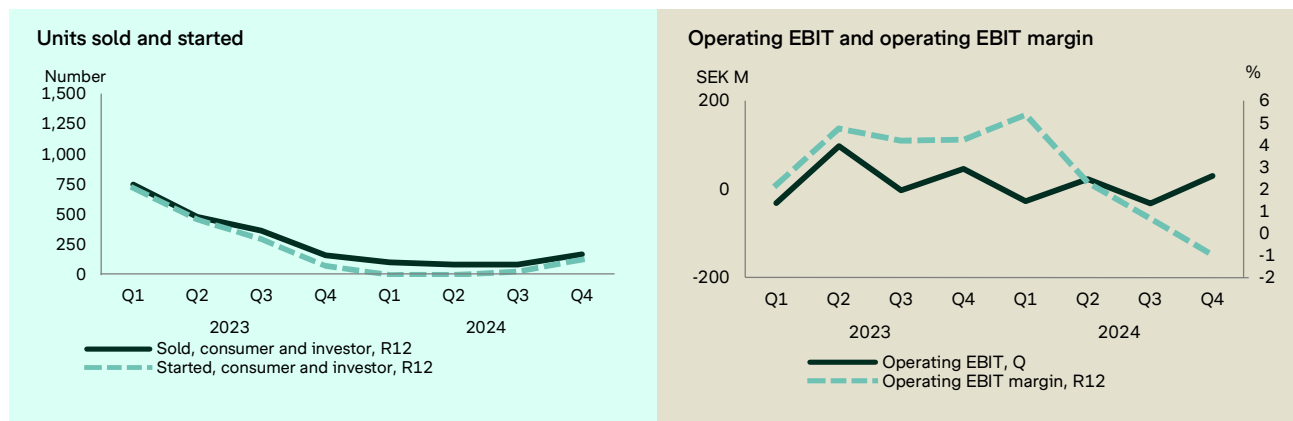
Operating EBIT amounted to SEK -57 M (77) with an operating EBIT margin of -5.3 per cent (2.9).

KEY RATIOS	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	131	858	1,073	2,685
Operating gross profit	24	99	61	225
Operating gross margin, %	18.0	11.5	5.7	8.4
Operating EBIT	-8	60	-57	77
Operating EBIT margin, %	-5.7	7.0	-5.3	2.9
Capital employed	2,636	3,189	2,636	3,189
Return on capital employed, %	-6.6	1.9	-6.6	1.9
Number of housing units in ongoing production	150	180	150	180
Number of housing units completed, not recognised in profit	98	156	98	156
Housing units sold, consumers	94	20	233	110
Housing units sold, investors				
Production starts, consumers	27		116	88
Production starts, investors				
Sales rate for ongoing production, % ¹⁾	45	24	45	24
Number of housing units recognised in profit	33	302	204	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. In the housing market in Finland, supply remains greater than demand and customer activity remains low. Inflation is decreasing more rapidly than in the rest of the EU, and the policy interest rates have continued to fall. The interest-rate trend is expected to support demand, and real incomes are expected to increase going forward, although it will take time for the market to normalise.

EARNINGS OCTOBER–DECEMBER 2024

Net sales decreased year-on-year to SEK 226 M (646), which was attributable to a lower number of housing units delivered. During the quarter, 16 (71) housing units for consumers and 54 (216) housing units for investors were recognised in profit.

A rental project comprising 99 housing units in Turku was sold to investors during the quarter and production was started. Housing units sold to consumers totalled 19 (33).

The operating gross margin increased to 26.4 (10.2) as a result of improved project margins and reversal of previously provisioned costs for a warranty issue that was resolved in Bonava's favour.

Operating EBIT amounted to SEK 30 M (45) with an operating EBIT margin of 13.1 per cent (7.0). The improvement in the operating margin is attributable primarily to the improved gross margin.

EARNINGS JANUARY–DECEMBER 2024

Net sales decreased year-on-year to SEK 791 M (2,531), which was attributable to a lower number of housing units delivered.

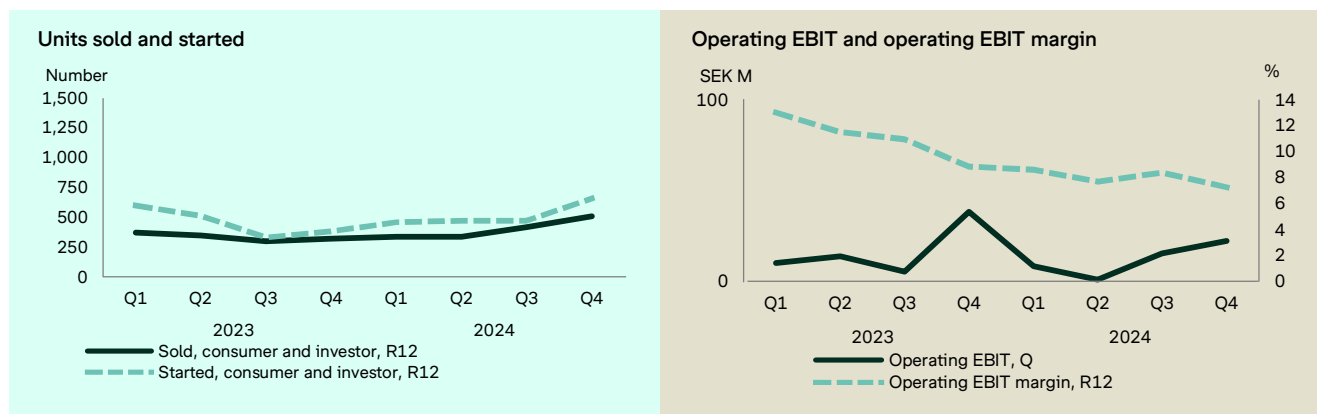
The operating gross margin increased year-on-year to 12.3 per cent (7.6) as a result of improved project margins and reversal of previously provisioned costs for a warranty issue that was resolved in Bonava's favour.

Despite improved project margins, operating EBIT fell to SEK -8 M (107) as a result of lower volumes that did not cover indirect costs. The operating EBIT margin thus amounted to -1.0 per cent (4.2).

KEY RATIOS	2024	2023	2024	2023
	Oct–Dec	Oct–Dec	Jan–Dec	Jan–Dec
Net sales	226	646	791	2,531
Operating gross profit	60	66	97	192
Operating gross margin, %	26.4	10.2	12.3	7.6
Operating EBIT	30	45	-8	107
Operating EBIT margin, %	13.1	7.0	-1.0	4.2
Capital employed	669	789	669	789
Return on capital employed, %	-3.8	11.3	-3.8	11.3
Number of housing units in ongoing production	294	418	294	418
Number of housing units completed, not recognised in profit	60	124	60	124
Housing units sold, consumers	19	33	73	87
Housing units sold, investors	99		99	75
Production starts, consumers			29	
Production starts, investors	99		99	75
Sales rate for ongoing production, %	93	100	93	100
Number of housing units recognised in profit	70	287	316	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, but we noted higher levels of activity in Latvia and Estonia than in Lithuania.

EARNINGS OCTOBER–DECEMBER 2024

Net sales amounted to SEK 228 M (332). During the quarter, 143 (214) housing units for consumers and 0 (0) housing units for investors were recognised in profit.

Housing units sold to consumers increased to 173 (81) and production starts for consumers also increased to 319 (131).

The operating gross margin was 15.8 per cent (15.5), in line with the preceding year.

Operating EBIT decreased to SEK 22 M (38) with an operating EBIT margin of 9.9 per cent (11.6). The decrease in EBIT is attributable primarily to a lower business volume.

The occupancy rate continues to increase in the two build-to-manage properties and has enabled external financing.

EARNINGS JANUARY–DECEMBER 2024

Net sales decreased year-on-year to SEK 651 M (770), which is attributable to fewer housing units being delivered to consumers.

The operating gross margin decreased slightly to 14.5 per cent (15.0).

Operating EBIT amounted to SEK 47 M (68) with an operating EBIT margin that decreased year-on-year to 7.3 per cent (8.9), which is attributable to lower volumes.

KEY RATIOS	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	228	332	651	770
Operating gross profit	36	51	95	116
Operating gross margin, %	15.8	15.5	14.5	15.0
Operating EBIT	22	38	47	68
Operating EBIT margin, %	9.9	11.6	7.3	8.9
Capital employed	1,584	1,409	1,584	1,409
Return on capital employed, %	3.1	5.2	3.1	5.2
Number of housing units in ongoing production whereof investment properties	769	527	769	527
Number of housing units completed, not recognised in profit	154	170	154	170
Housing units sold, consumers	173	81	511	321
Housing units sold, investors				
Production starts, consumers	319	131	660	384
Production starts, investors				
Sales rate for ongoing production, % ¹⁾	23	19	23	19
Number of housing units recognised in profit	143	214	434	521

¹⁾ Excluding investment properties.

Current neighbourhoods in the quarter

During the fourth quarter, Bonava started production of 1,001 housing units (394).

All production starts are reported at <https://www.bonava.com/en/investor-relations/housing-starts>

Germany – Gartenstadt Karlshorst

Location: Berlin

Housing category: Multi-family housing for investors

Number of units: 194 rental apartments

In Berlin, Bonava has sold and started production of 194 rental apartments. This comprises the initial construction of Gartenstadt Karlshorst, where Bonava will build some 500 new housing units through 2031 by creating a garden city. The rental apartments in question will be constructed in three multi-family housing units that offer high energy efficiency, green roofs and sustainable energy and heating systems.



Germany – Cecilien-Carré

Location: Berlin

Housing category: Multi-family housing for investors

Number of units: 128 rental apartments

Bonava has sold and started production of 128 rental apartments in the east of Berlin. This comprises the initial stage in the forthcoming Cecilien-Carré neighbourhood, where Bonava will construct a total of 272 housing units with mixed types of tenure through 2028. Once the neighbourhood is finished, it will consist of eight multi-family buildings placed around a shared inner courtyard.



Germany – Paulshöfe

Location: Düsseldorf

Housing category: Multi-family housing units for consumers and investors

Number of units: 128 housing units, 63 rental apartments and 65 apartments for consumers

Bonava has sold and started production of 63 rental apartments in Düsseldorf. In addition, production of 65 housing units for consumers has been started in the same area, in Paulshöfe. By the end of 2028, the entire residential neighbourhood will have about 550 condominiums and rental apartments across 12 multi-family buildings. The area is located close to public transport, services and preschools.



Finland – Kirstinpuisto

Location: Turku

Housing category: Multi-family housing for investors

Number of units: 99 rental apartments

Bonava has sold and started production of 99 rental apartments in Turku. In total, Bonava plans to construct 1,400 housing units in Kirstinpuisto. These are Bonava's eighth and ninth multi-family buildings in the area. The design of the area emphasises sustainable development solutions, high-quality public areas, and green spaces, with a particular focus on sustainable storm water management.



Sweden – Fjärilshusen

Location: Stockholm

Housing category: Single-family homes for consumers

Number of units: 16 single-family homes

Bonava has started production of 16 single-family homes in Järfälla, just north of Stockholm. Bonava will build a sustainable neighbourhood in Fjärilshusen with a total of 70 Nordic Swan ecolabelled houses and terraced houses, with ownership rights as the type of tenure. The entire neighbourhood is characterised by sustainable solutions with stormwater retention ponds, energy-efficient materials, solar panels on the roofs, and vehicle charging stations for each building. With over 1,500 single-family homes built over the last ten years, Bonava is among the largest developers of single-family housing in Sweden.





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 December 2024 was 923 (1,486).

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.

Bonava's share capital was SEK 538 M on the balance sheet date, divided among 322,816,756 shares and 594,241,762 votes. At 31 December 2024, Bonava had 30,158,334 Class A shares and 292,658,422 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 26 June, Bonava announced that the company had appointed Jon Johnsson as the new CFO and a member of the company's Executive Management Group. In December Bonava's Board of Directors decided to also appoint Jon Johnsson as Deputy CEO assuming the roles on 2 January 2025.

The number of votes in Bonava AB changed during the year as a result of the conversion of 3,136,254 Class A shares to 3,136,254 Class B shares. The total number of votes is thereby 594,241,762. See further under the section "The share" above.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events took place after the end of the period.

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, 4 February 2025
Bonava AB (publ)

Peter Wallin
President and CEO

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

Current events in sustainability

We build more than homes – we create happy neighbourhoods for the many. Bonava builds 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.

Actions to create a safe workplace

One of Bonava’s strategic targets is to halve the number of severe incidents by 2026, compared with 2022. To achieve this, each business unit will produce a yearly activity plan to implement: an Everyone plan. These are also part of safeguarding our ambition of establishing a proactive way of working for 2026.

The plan should be at least 90 per cent fulfilled. In producing health and safety plans, there are three company-wide themes that every plan should contain:

- Leadership – culture with respect as a driver.
- Proactive efforts through a systematic and standardised approach.
- Learning from both incidents and what we did right, with a focus on reducing severe incidents.

The outcome for 2024 was 95.4 per cent fulfilment of improvement activities, which means that on the whole all activities that were planned for 2024 have been carried out.



Bonava rewards climate performance

Combating climate change is a strategic target for us, which we measure and henceforth will reward on an individual basis.

Starting in 2025, evaluation of climate performance will be part of the total performance assessment that is applied to both short-term incentive programmes (STIs) and long-term incentive programs (LTIs). We integrate climate into performance assessments by evaluating three principles:

- Materiality, with a focus on putting a premium on insights that lead to large reductions in emissions, in combination with economic sustainability in the projects.
- Measurability, which ensures that the initiatives are quantifiable for better decision-making.
- Market, which takes the local conditions of markets into account in order to create insights for reductions of emissions, for example, based on the range of emissions-reducing materials or the maturity of supplier markets for delivering specific emissions data.

Bonava’s strategic targets for sustainability

Healthy and safe workplace

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

Frequency of severe incidents

- Target 2026: <7.1 (baseline 14.3)
Outcome 2024: 4.1

Everyone Plan fulfilment

- Target: ≥90%
Outcome 2024: 95%

Employee engagement

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

Outcome 2024: 83 (83), on a scale of 0 to 100. The average for the top 10 per cent of companies in 2024 was 88 (87).

For more information on the target, the efforts to achieve the target, and the outcome, refer to Bonava’s coming Annual and Sustainability Report for 2024.

Combat climate change

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

A 50 per cent reduction in Scope 1, 2 and 3 emissions by 2030.

For more information on the target, the efforts to achieve the target, and the outcome, refer to Bonava’s coming Annual and Sustainability Report for 2024.

Consolidated income statement

	Note	2024	2023	2024	2023
	1	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Continuing operations					
Net sales	2	3,144	4,989	8,194	13,269
Production cost		-2,682	-4,316	-7,514	-11,849
Gross profit		462	672	680	1,421
Selling and administrative expenses		-174	-209	-658	-760
EBIT before items affecting comparability	2	288	464	22	660
Items affecting comparability	3		-37		-1,279
EBIT	2	288	427	22	-619
Financial income		32	-8	48	19
Financial expenses		-155	-124	-571	-537
Net financial items		-123	-132	-524	-518
Profit/loss before tax	2	166	294	-501	-1,137
Tax on profit for the period		-7	-5	-17	-5
Profit/loss for the period¹⁾		159	289	-518	-1,143
Discontinued operations					
Net profit from discontinued operations, after tax			52		-194
Net profit for the period from discontinued operations			52		-194
Net profit/loss for the period from continuing and discontinued operations		159	341	-518	-1,337
Per share data before and after dilution					
Profit/loss for the period, SEK		0.49	2.70	-1.85	-10.66
Cash flow from operating activities, SEK		1.23	4.44	2.02	-3.15
Shareholders' equity, SEK		22.36	61.58	22.36	61.58
Weighted average number of shares in million		321.6	107.2	279.9	107.2
Number of shares at the end of period, million ²⁾		321.6	107.2	321.6	107.2

¹⁾ Profit/loss 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	2024	2023
	1	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Profit/loss for the period		159	341	-518	-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		46	-82	93	-3
Translation differences during the period reclassified to income statement			-38		-43
Other comprehensive income for the period		46	-120	93	-47
Comprehensive income/loss for the period¹⁾		205	221	-425	-1,384

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

Condensed consolidated balance sheet

	Note 1, 4, 5	2024 31 Dec	2023 31 Dec
ASSETS			
Fixed assets			
Investment properties	6	286	239
Other fixed assets		1,052	1,119
Total fixed assets		1,338	1,358
Current assets			
Properties held for future development		7,150	8,138
Ongoing housing projects		6,598	6,966
Completed housing units		1,007	1,593
Current receivables		568	861
Cash and cash equivalents	4	593	180
Total current assets		15,917	17,738
TOTAL ASSETS		17,254	19,097
SHAREHOLDERS' EQUITY			
Shareholders' equity attributable to Parent Company shareholders		7,184	6,596
Non-controlling interest		5	5
Total shareholders' equity		7,189	6,601
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities	4	2,913	227
Other non-current liabilities		18	11
Non-current provisions		553	1,214
Total non-current liabilities		3,483	1,452
Current liabilities			
Current interest-bearing liabilities	4	1,397	5,594
Other current liabilities		4,863	5,450
Current provisions		322	
Total current liabilities		6,582	11,044
Total liabilities		10,065	12,496
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		17,254	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	-425		-425
New share issue	1,050		1,050
Costs related to new share issue	-37		-37
Performance-based incentive programme			
Closing shareholders' equity, 31 December 2024	7,184	5	7,189

Condensed consolidated cash flow statement

	2024 Oct-Dec	2023 Oct-Dec	2024 Jan-Dec	2023 Jan-Dec
OPERATING ACTIVITIES				
Profit before tax ¹⁾	166	342	-501	-1,297
Adjustments for items not included in cash flow	-239	61	-258	1,665
Tax paid	-4	41	-159	-139
Cash flow from operating activities before change in working capital	-77	444	-918	229
Cash flow from change in working capital				
Sales of housing projects	2,641	3,460	6,943	11,293
Investments in housing projects	-1,566	-1,244	-4,815	-8,099
Advances from customers	-675	-2,165	-39	-2,135
Other changes in working capital	71	-19	-605	-1,625
Cash flow from changes in working capital	470	31	1,484	-567
Cash flow from operating activities	393	476	566	-337
INVESTMENT ACTIVITIES				
Sale of group companies	68	502	93	1,239
Other cash flow from investment activities	1	-37	-37	-185
CASH FLOW BEFORE FINANCING ACTIVITIES	461	940	621	716
FINANCING ACTIVITIES				
New share issue after cost			1,013	
Increase in interest-bearing liabilities	1,665	1,837	7,480	6,662
Decrease in interest-bearing liabilities	-2,288	-3,103	-8,729	-7,495
Change in interest-bearing receivables	-2		-1	
Cash flow from financing activities	-625	-1,266	-237	-833
CASH FLOW DURING THE PERIOD	-164	-326	384	-117
Cash and cash equivalents at start of period	741	462	180	303
Exchange rate differences in cash and cash equivalents	17	45	29	-6
CASH AND CASH EQUIVALENTS AT END OF PERIOD	593	180	593	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.

Consolidated cash flow from discontinued operations

	2024 Oct-Dec	2023 Oct-Dec	2024 Jan-Dec	2023 Jan-Dec
Net cash flow from operating activities		-33		360
Net cash flow from investment activities		502		1,248
Net cash flow from financing activities		-188		-375
Net increase in cash and cash equivalents discontinued operations¹⁾		281		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, recommendation RFR 1 Supplementary Accounting Rules for Groups from the Swedish Financial Reporting Board, and the Swedish Annual Accounts Act. This Interim Report covers pages 1–26, and pages 1–14 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.

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.

Beginning with the second quarter of 2024, monitoring of the segments has partially been changed, which is why Bonava recognises an operating gross profit and operating EBIT (earnings by segment), which corresponds to the earnings that form the basis of the monitoring of each segment in the Group. The operating EBIT comprises EBIT before items affecting comparability adjusted for impairment, sales of land, items related to restructuring and costs for M&A. The figures that are based on segment reporting are marked in **brown** in this report. A bridge between operating EBIT and EBIT is found in Note 2 Reporting of operating segments. No corrections

have been made to the comparative figures, which thereby correspond to EBIT before items affecting comparability.

Bonava also recognises an operating cash flow that is based on IFRS reporting. The operating cash flow corresponds to EBITDA adjusted for net investments in fixed assets, properties held for future development, ongoing housing projects and completed housing units as well as changes in working capital on the balance sheet according to IFRS, excluding adjustments for exchange-rate changes and other non-cash items. However, the comparative figures produced have been adjusted for the divestments of operations that took place in 2023. A bridge between operating and legal cash flow can be found in note 11.

The building rights are recognised as current assets and measured at the lower of cost and market value, item by item. During the third quarter of 2024, the building rights portfolio was assessed through both external valuations and internally by assessing the discounted future cash flows (DCF). The external valuations covered approximately 30 per cent of the portfolio, and furthermore the internal model was checked externally regarding the model and yield requirements. In cases where an external valuation was obtained for an item, Bonava has applied the lowest of the external value and the internally calculated DCF. The valuation model for building rights that Bonava applies is a valuation model where cash flows from projects to be started for development properties are valued through a discounted cash flow approach. The assessed risk of the cash flows is taken into consideration by including risk provisions and also an assessment is made regarding where in the project cycle the project is. Based on the assessed risk in each project, a discount rate is applied which reflects this risk. In the valuation conducted 2024, the discounted rate (unlevered) varied between 8.4 and 11.5 (12.5) with an average unlevered discount rate of 9.2 per cent.

NOTE 2 Reporting of operating segments

	Germany	Sweden	Finland	Baltics	Other operations ¹⁾	The Group
Oct-Dec 2024						
Net sales, consumers	1,860	127	47	223		2,256
Net sales, investors	694	1	179			874
Net sales, land	5	2				7
Other revenue		2		5		8
Operating EBIT	267	-8	30	22	-23	288
Operating adjustments						
Items affecting comparability						
EBIT	267	-8	30	22	-23	288
Net financial items						-123
Profit before tax						166
Oct-Dec 2023						
Net sales, consumers	2,490	481	152	331		3,454
Net sales, investors	659	369	491			1,520
Net sales, land	3	4	3			10
Other revenue		4				4
Operating EBIT	386	60	45	38	-66	464
Operating adjustments						
Items affecting comparability	-35	5			-7	-37
EBIT	351	65	45	38	-73	427
Net financial items						-132
Profit before tax						294

NOTE 2 Reporting of operating segments, cont.

Jan-Dec 2024	Germany	Sweden	Finland	Baltics	Other operations ¹⁾	The Group
Net sales, consumers	4,723	759	169	638		6,288
Net sales, investors	773	5	621			1,399
Net sales, land	181	302				483
Other revenue	1	7	1	13	2	24
Operating EBIT	431	-57	-8	47	-124	290
Operating adjustments	-114	-123	-30			-267
Items affecting comparability						
EBIT	316	-180	-38	47	-124	22
Net financial items						-524
Profit before tax						-501
Jan-Dec 2023	Germany	Sweden	Finland	Baltics	Other operations ¹⁾	The Group
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 EBIT	628	77	107	68	-219	660
Operating adjustments						
Items affecting comparability	-879	-303	-90		-7	-1,279
EBIT	-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 operating adjustments and items affecting comparability

Items affecting comparability and operating adjustments are shown in the tables below. For the 2023 financial year, the adjustments have also been recognised as items affecting comparability in the income statement according to IFRS. For information by segment, refer to Note 2.

	2024 Jan-Dec	2023 Jan-Dec
Write down of land		-606
Value change of B2M-Project in Sweden		-123
Write down of capitalized development costs		-115
Organizational changes		-435
Sum of items affecting comparability		-1,279
Write-down of land	-244	
Other	-23	
Sum of operating adjustments	-267	

NOTE 4 Specification of net debt

	2024 31 Dec	2023 31 Dec
Non-current interest-bearing receivables ¹⁾	591	582
Current interest-bearing receivables ¹⁾	57	108
Cash and cash equivalents ²⁾	575	167
Interest bearing assets	1,224	857
Non-current interest-bearing liability to creditors and investors	2,719	
Current interest-bearing liability to creditors and investors	1,021	4,994
Interest bearing liability to creditors and investors	3,739	4,994
Net debt in project financing	393	654
Net debt excl. Leasing	2,908	4,791
Lease liability	160	160
Net debt	3,068	4,951

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

²⁾ Excluding cash on hand for project financing.

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, fair value for the loan deviates marginally from book value.

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 Dec	2023 31 Dec
Derivatives		35
Total assets		35
Derivatives	6	6
Total liabilities	6	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 Dec	2023 31 Dec
Fair values at start of period	239	262
Investments	37	140
Value change		-123
Reclassification		-36
Translation differences for the year	9	-4
Fair value at end of period	286	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 December 2024, the total value of these commitments was SEK 1.2 Bn (SEK 1.4 Bn at 30 September 2024).

The investments are expected to be adjusted by SEK 0.7 Bn in 2025, SEK 0.1 Bn in 2026 and SEK 0.4 Bn in 2027 and later. The majority of the reduction in the quarter is attributable to land that was taken into possession in Sweden. The agreements are often conditional on building permits being received or zoning plans being approved.

Additionally, Bonava has signed agreements that provide options for the acquisition of building rights. In cases where the option is exercised, this means a future outflow of cash. In cases where the option is not exercised, it could entail a cost for Bonava, mainly through impairment of recognised advances.

NOTE 8 Pledged assets and contingent liabilities

	2024 31 Dec	2023 31 Dec
Pledged assets		
<i>For own liabilities</i>		
Property mortgages	355	235
Net assets in Group excl. the Parent Company	2,000	
Other pledged assets	611	13
Total pledged assets	2,966	249

Surety and guarantee obligations*Own contingent liabilities*

Counter guarantee to external guarantors	600	600
Contingent liabilities ¹⁾	395	393
Other guarantees and contingent liabilities ²⁾	129	803
Total surety and guarantee obligations	1,124	1,796

¹⁾ Expenses related to properties 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 consist of collateral on behalf of Finnish housing companies, Swedish tenant-owner associations and financing of investment properties in the Baltics.

Counter guarantees pertaining to guarantees that constitute collateral for amounts paid to tenant-owner associations formed by Bonava Sverige AB comprise SEK 600 M (600). 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, was paid in the first quarter of 2024.

NOTE 10 Key performance indicators and currency rates

	2024	2023		2024	2023
	31 Dec	31 Dec		31-dec	31-dec
Return on capital employed, R12, %	-0.3	4.3	<i>Average Rates</i>		
Interest coverage ratio, R12, multiple	0.1	-1.1	DKK	1.53	1.54
Equity/assets ratio, %	41.7	34.6	EUR	11.44	11.47
Return on equity, R12, %	-7.3	-18.5	<i>Closing rates</i>		
Interest-bearing liabilities/total assets, %	25.0	30.5	DKK	1.55	1.49
Net debt	3,068	4,951	EUR	11.54	11.11
Debt/equity ratio, multiple	0.4	0.8			
Capital employed	11,499	12,422			
Capital turnover rate, multiple	0.7	0.9			
Share of risk-bearing capital, %	41.9	34.7			
Average interest rate at period-end, % ¹⁾	7.58	7.07			
Average fixed-rate term, years ¹⁾	0.2	0.1			
Average interest rate at period-end, % ²⁾	4.41	5.58			
Average fixed-rate term, years ²⁾	0.5	0.4			

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.

¹⁾ Excluding loans in projects, and leases.

²⁾ Pertains to project financing.

NOTE 11 Bridge between operating and legal cash flow

Starting in the second quarter of 2024, Bonava began to recognise "operating cash flow". To facilitate understanding of how operating cash flow relates to cash flows before financing activities that are found in the legal cash flow, a bridge with explanatory items has been compiled below.

	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating cash flow	523	1,008	1,524	538
Currency translation	35	181	77	-63
Finance items	-80	-106	-482	-521
Paid tax	-1	33	-151	-137
Changes in project financing	-16	-455	-347	-807
Sale of group companies		500		1,239
Other		-219		469
Cash flow before financing activities	461	940	621	716

The Parent Company in brief

JANUARY–DECEMBER 2024

The Parent Company comprises the operations of Bonava AB (publ). Net sales for the company totalled SEK 167 M (213). Profit after financial items was SEK 166 M (-1,109). The comparative period was negatively impacted by the sale of the Norwegian operations in the second quarter of 2023 (SEK -812 M) and impairment of a receivable in the form of an anticipated dividend from the subsidiary in Germany (SEK -390 M) and impairment of participations in Group companies in Sweden as a result of shareholder contributions paid (SEK -480 M) in the third and fourth quarters of 2023. The divestment of the operations in St. Petersburg, which was concluded in the fourth quarter of 2023, yielded a positive effect of SEK 564 M.

In February 2024, Bonava conducted a fully underwritten preferential rights issue that raised 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 Group 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 some intra-Group receivables have also been pledged for Bonava AB's liabilities under the credit facility agreement. In the third quarter of 2024, some of Bonava AB's receivables in subsidiaries were reclassified from current to non-current owing to changes to loan terms, which is the primary reason for the shift between current assets and fixed assets.

	Note 1	2024 Jan–Dec	2023 Jan–Dec
INCOME STATEMENT			
Net sales		167	213
Selling and administrative expenses		-271	-378
EBIT		-103	-165
Profit/loss from participations in Group companies			-1,119
Financial income		892	646
Financial expenses		-622	-471
Profit/loss after financial items		166	-1,109
Appropriations			-170
Profit/loss before tax		166	-1,279
Tax on profit for the period		-2	-3
Profit/loss for the period		164	-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 Dec	2023 31 Dec
BALANCE SHEET			
Assets			
Fixed assets		10,790	2,766
Current assets		341	9,554
Total assets		11,131	12,320
Shareholders' equity and liabilities			
Shareholders' equity		7,304	6,127
Provisions		17	14
Non-current liabilities		2,719	
Current liabilities		1,091	6,179
Total shareholders' equity and liabilities		11,131	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 Dec	2023 31 Dec
Counter guarantee to external guarantors	5,731	6,528
Guarantees for project-specific financing	192	432
Guarantees for Group companies	993	1,723
Other guarantees ¹⁾	129	803
Shares in subsidiary	2,084	
Intra-Group Loans	8,048	
Other pledged assets	611	13
Total	17,788	9,499

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

	2024 31 Dec	2023 31 Dec
Counter guarantee to external guarantors ²⁾	789	600
Guarantees for project-specific financing	192	432
Total	982	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

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

Return on shareholders' equity Profit after tax 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.

Total assets Total assets or liabilities and shareholders' equity.

Gross margin Gross profit as a percentage of net sales.

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

EBITDA EBIT before net financial items, tax and depreciation.

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

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

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

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

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.

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

Net project asset value The carrying amount of ongoing housing projects, completed housing units and investment properties less customer advances.

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

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

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

Operating gross profit and operating EBIT The earnings that form the basis of the monitoring of each segment in the Group. The operating EBIT corresponds to EBIT before items affecting comparability adjusted for impairment, sales of land, items related to restructuring and cost for M&A.

Operating gross margin and operating EBIT margin Operating gross profit and operating EBIT as a percentage of net sales.

Operating cash flow EBITDA adjusted for net investments in fixed assets, properties held for future development, ongoing housing projects and completed housing units as well as changes in working capital, excluding corrections for non-cash items.

Project financing – loans raised in Swedish tenant-owner associations and Finnish housing companies, as well as debt that directly finances investment properties.

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

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 period.

Interest-bearing liabilities/total assets Interest-bearing liabilities divided by total assets.

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

EBIT margin EBIT as a percentage of net sales.

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

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

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.

SECTOR-RELATED DEFINITIONS

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

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.

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

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.

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 commenced.

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.

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

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.



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 900 employees, Bonava develops residential housing in Germany, Sweden, Finland, Latvia, Estonia and Lithuania. To date, the company has built about 40,000 homes and reported net sales of approximately SEK 8 billion in 2024. Bonava's shares and green bond are listed on Nasdaq Stockholm.

8.2

SEK BN
NET SALES 2024

6

COUNTRIES

900

EMPLOYEES
AT END OF Q4 2024

2,300

NUMBER OF HOUSING UNITS
SOLD IN 2024

FINANCIAL CALENDAR

Publication of Annual Report and Sustainability Report, 17–21 March 2025

Capital Markets Day, 27 March 2025

Annual General Meeting, 9 April 2025

Q1 Interim report Jan–Mar, 9 May 2025

Q2 Interim report, Jan–Jun, 18 July 2025

Q3 Interim report, Jan–Sep, 24 October 2025

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PUBLICATION

This information is such that Bonava AB (publ) is obligated to disclose pursuant to the EU Market Abuse Regulation. The information was issued for publication through the agency of the contact persons set out above on 4 February 2025 at 7:30 a.m. CET.

WEBCAST PRESENTATION 4 FEBRUARY

President and CEO Peter Wallin and CFO Jon Johnsson will present the report on 4 February 2025 at 9:00 a.m. CET.

Follow the webcast live at:

<https://bonava.videosync.fi/2025-02-04-q4-2024>

To participate in the teleconference, register using this link:

<https://service.flikmedia.se/teleconference/?id=5001921>

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.