



January–June 2022

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21 July 2022

Demand and prices stable for modern and sustainable homes



Market highlights Q2

- Demand and prices stable for modern and sustainable homes
 - Consumers more cautious
 - Investor market still active
- Strained supply of certain materials and increasing costs on inputs but signs of the peak being reached

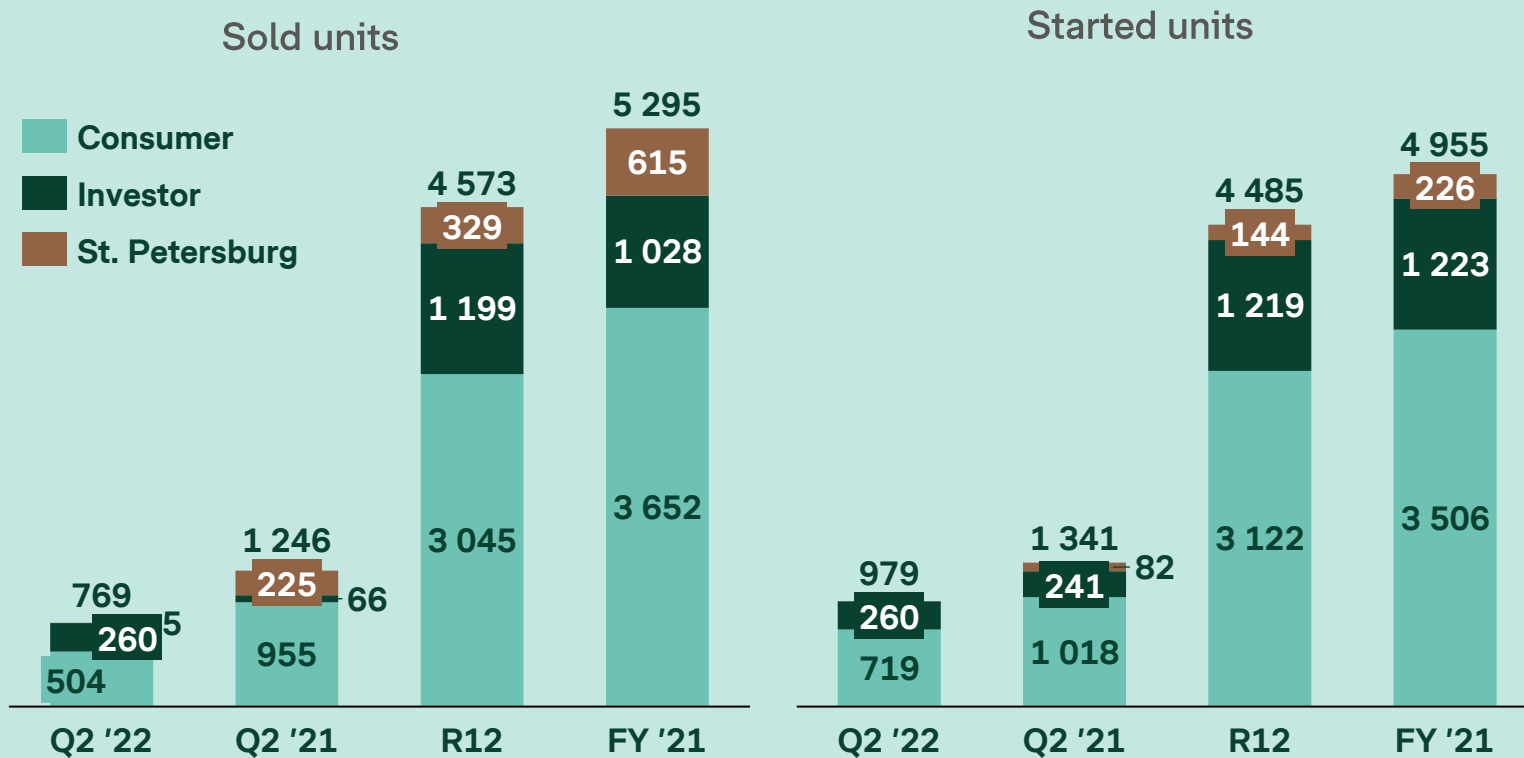
More units recognised with higher margins



Q2 figures in brief

- Net sales and EBIT increased; more units recognised and improving margins
- Increased gross profit to SEK 571 M (467) and gross margin improved to 15.2 % (13.8)
- Good sales rate of 71 per cent (74) in ongoing production
- Cost review conducted SEK 220 M identified and aiming to decrease costs further
- We are looking into various strategic options to wind-down the St. Petersburg operations in a responsible way, including a potential divestment of the business

Carefully securing cost estimates



When to start a project

- The right team in place
- Verified cost estimates
- Verified sales and market status

Outlook production starts 2022

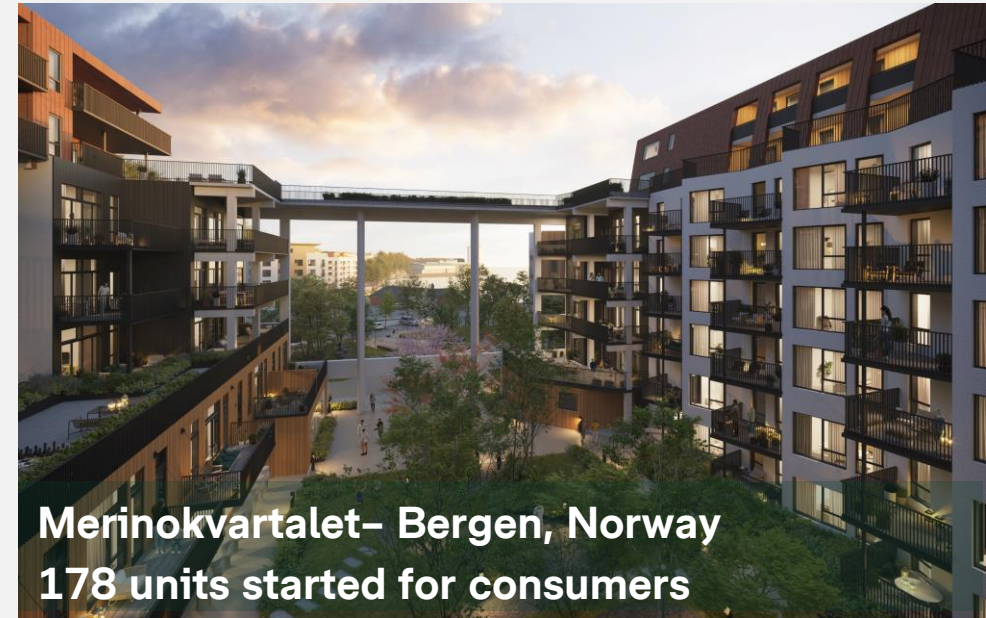
Our estimate is 4,200 housing units. The start volume depends on that we have the right prerequisites to start and that necessary permits being obtained.

Examples of projects started in the quarter

Consumers – Sweden



Consumers – Norway



All Bonava's housing starts are presented on bonava.com/en/investor-relations/housing-starts

Financial development

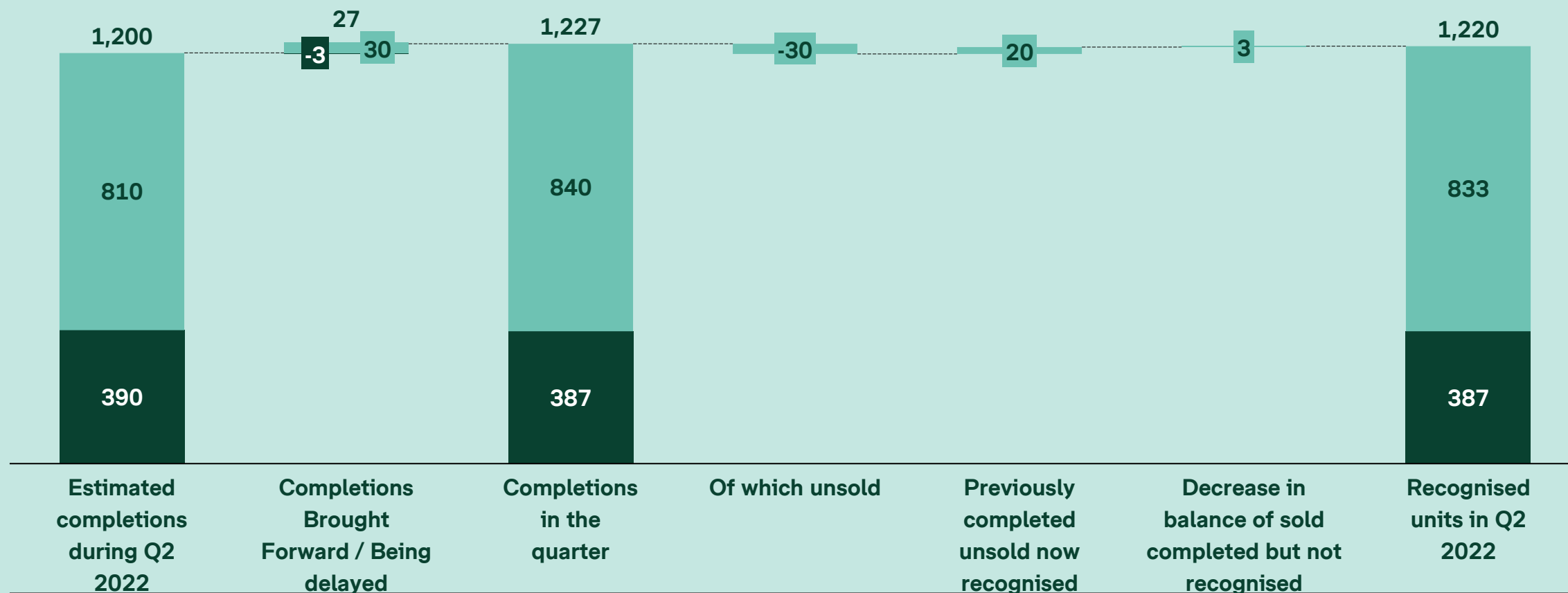
Lars Granlöv, CFO



Recognised units in Q2 vs estimated completions Q1'22

Recognised units bridge

■ B2C ■ B2B

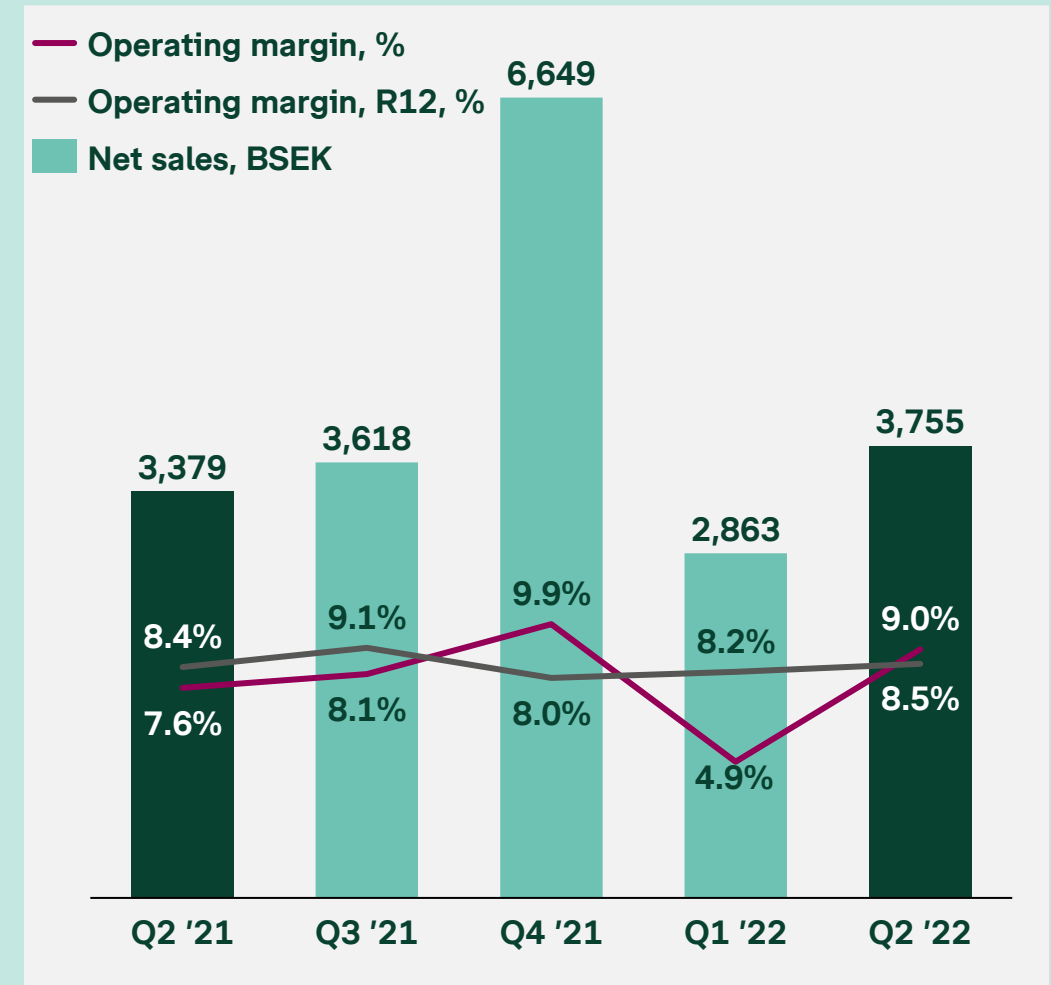


Bonava Group

More units recognised with higher margins

SEK M	2022 Q2	2021 Q2	2022 R12	2021 FY
Net sales	3,755	3,379	16,886	15,491
Gross profit	571	467	2,356	2,117
Gross margin, %	15.2	13.8	14.0	13.7
Selling & admin expense	-233	-210	-923	-882
Operating profit (before IAC)	338	257	1,433	1,236
Operating margin, %	9.0	7.6	8.5	8.0
Net financial items	-35	-39	-134	-136
Profit/loss before tax	303	101	1,337	1,020
Tax on profit for the period	-88	-26	-306	-212
Tax, %	29.0	25.7	22.9	20.8
Net profit	215	75	1,031	808

*No IAC reported in 2022. IAC totalled SEK -80 M in 2021 YTD. IAC in Q2 2021 totalled SEK -117 M.



Germany

SHARE OF NET SALES (R12)

47 % → 2021: 47%

Highlights

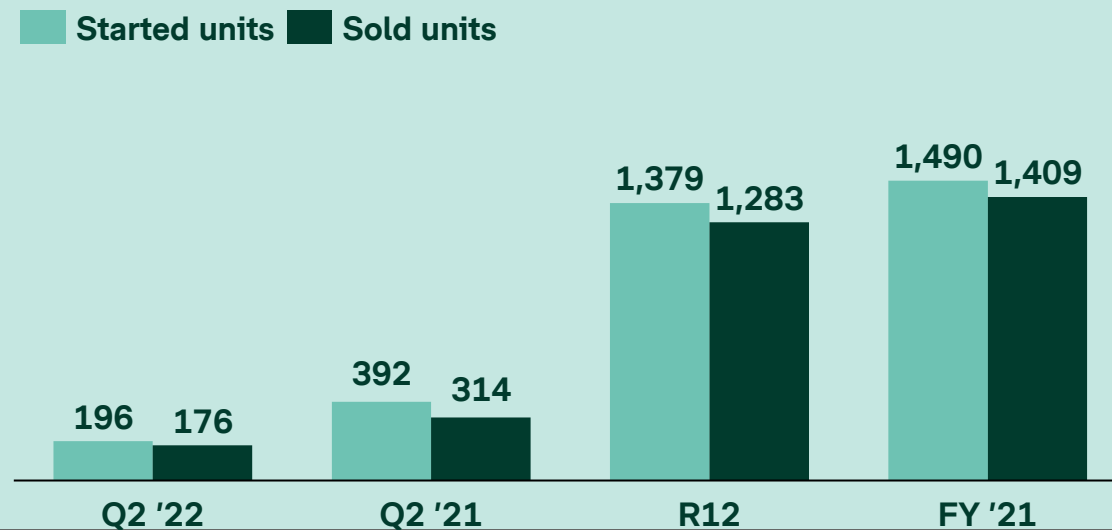
- More units recognised but mix affecting net sales
- Increased gross profit and gross margin
- Continued investments in attractive building rights
- Long process for building permits



Project: Hofgarten Buch, Berlin

SEK M	2022 Q2	2021 Q2	2022 R12	2021 FY
Net sales	1,593	1,665	7,900	7,276
Gross profit	303	281	1,355	1,210
Gross margin, %	19.0	16.9	17.2	16.6
Selling & admin expense	-73	-70	-310	-296
Operating profit	229	211	1,045	914
Operating margin, %	14.4	12.7	13.2	12.6
Recognised units	448	382	2,093	1,813

Sold and started units



Sweden

SHARE OF NET SALES (R12)

21 % → 2021: 21%

Highlights

- More units recognised and increased gross margin
- Low volume of starts
 - Permitting deferrals
- Increased investments in building rights

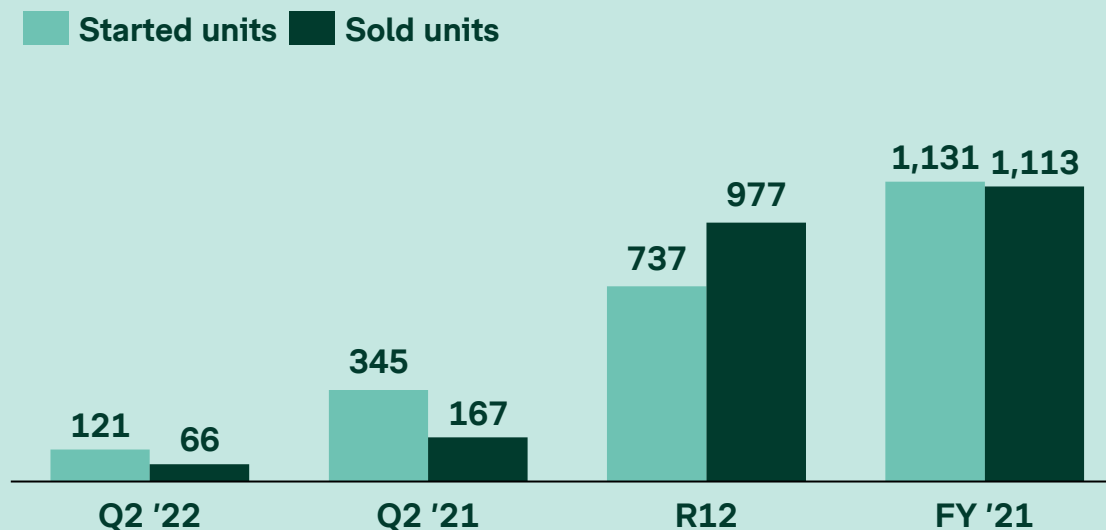


Project: Kapellgärdet 5, Uppsala

SEK M	2022 Q2	2021 Q2	2022 R12	2021 FY
Net sales	1,025	999	3,522	3,327
Gross profit	150	121	445	420
Gross margin, %	14.6	12.2	12.6	12.6
Selling & admin expense	-36	-30	-135	-129
Operating profit (before IAC*)	113	91	310	292
Operating margin (before IAC), %	11.1	9.1	8.8	8.8
Recognised units	291	268	1,224	1,055

*IAC totalled SEK -44 M in 2021

Sold and started units



Finland

SHARE OF NET SALES (R12)

11 % ↗ 2021: 12%

Highlights

- More units recognised and increased gross margin
- Good investor market
- Ongoing work with stabilising the business

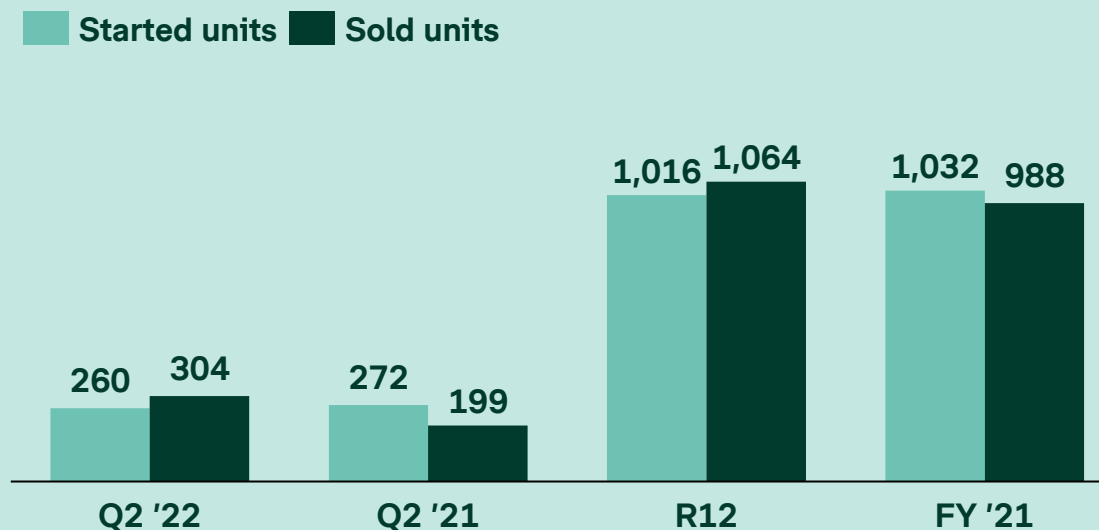


Project: Turun Solina 9, Turku

SEK M	2022 Q2	2021 Q2	2022 R12	2021 FY
Net sales	460	361	1,926	1,842
Gross profit	48	29	145	133
Gross margin, %	10.5	8.1	7.6	7.2
Selling & admin expense	-23	-19	-84	-77
Operating profit (before IAC*)	26	10	62	56
Operating margin (before IAC), %	5.6	2.7	3.2	3.1
Recognised units	174	106	714	636

*IAC totalled SEK -36 M in 2021

Sold and started units



Norway

SHARE OF NET SALES (R12)
8 %  2021: 5%

Highlights

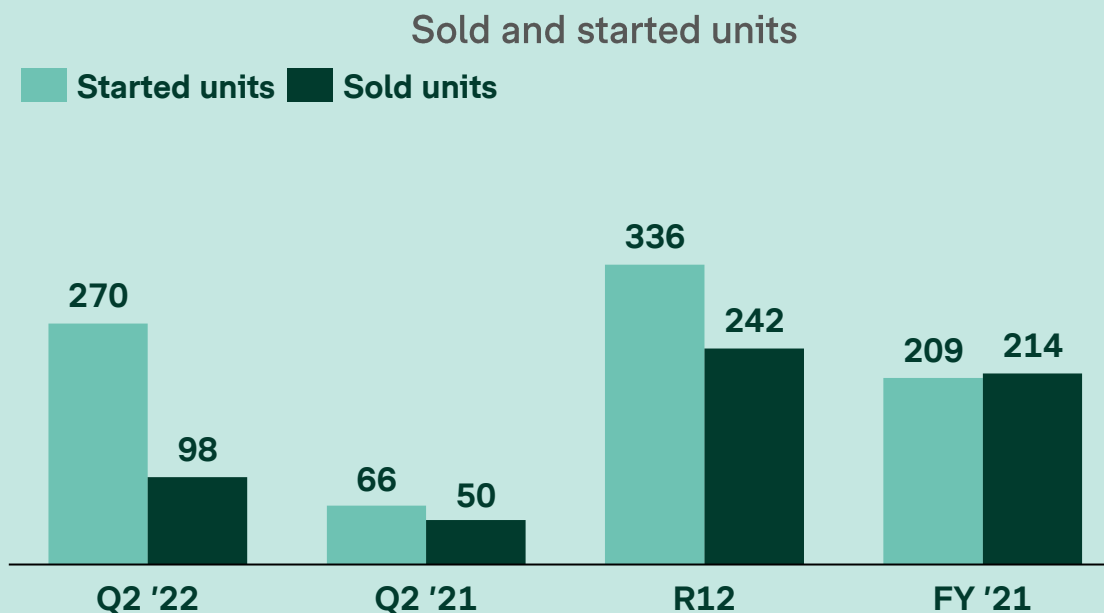
- More units recognised in profit
- Continuous challenges with one loss-making project affecting the quarter
- Increased number of starts



Project: Gartneritaket I, Oslo

SEK M	2022 Q2	2021 Q2	2022 R12	2021 FY
Net sales	357	20	1,306	787
Gross profit	7	-8	34	19
Gross margin, %	1.8	-38.9	2.6	2.4
Selling & admin expense	-21	-20	-98	-86
Operating profit (before IAC*)	-14	-28	-64	-67
Operating margin (before IAC), %	-4.1	-136.0	-4.9	-8.5
Recognised units	65	5	323	224

*IAC totalled SEK -50 M in 2021



Baltics

SHARE OF NET SALES (R12)

5 % → 2021: 5%

Highlights

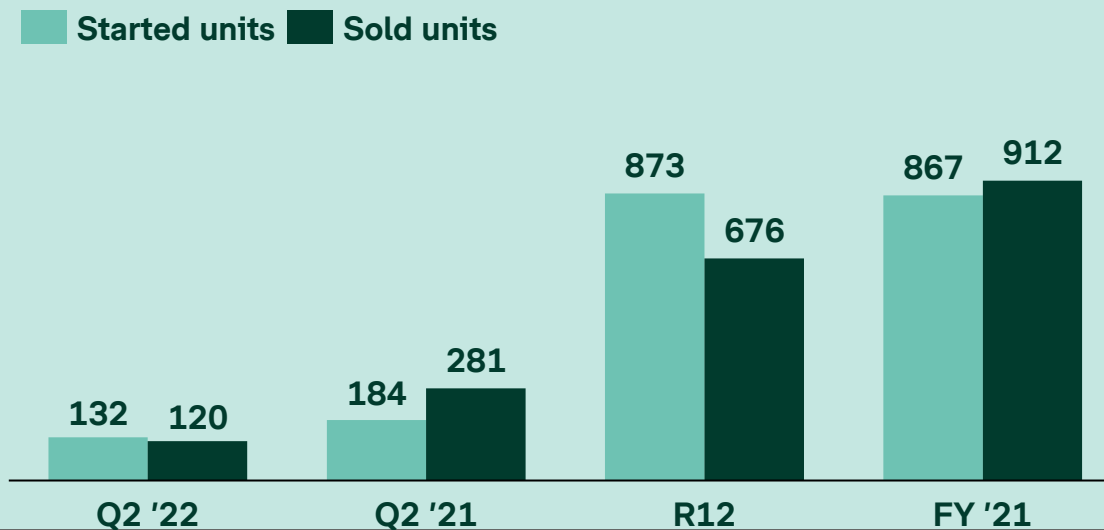
- More units recognised and increased gross margin
- First project in Lithuania recognised in profit
- Postponed starts to Q3



Project: Vakaru Lenas, Lithuania

SEK M	2022 Q2	2021 Q2	2022 R12	2021 FY
Net sales	251	125	886	757
Gross profit	45	14	150	114
Gross margin, %	18.0	11.0	16.9	15.0
Selling & admin expense	-10	-7	-39	-32
Operating profit	35	7	110	82
Operating margin, %	13.9	5.6	12.4	10.8
Recognised units	232	143	882	811

Sold and started units



St. Petersburg

SHARE OF NET SALES (R12)

4 %  2021: 5%

Highlights

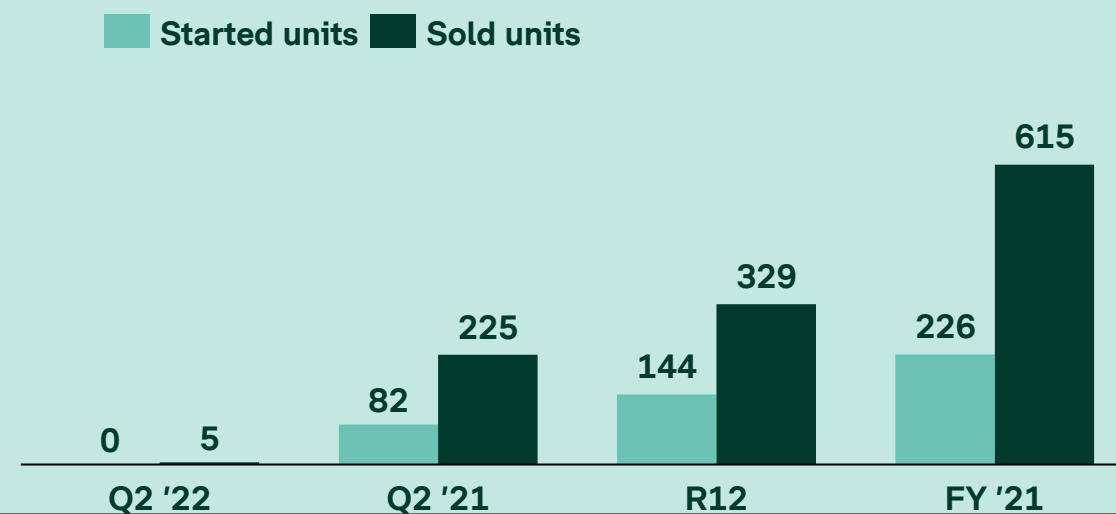
- Included in Group figures
- Continued good execution in projects
- 762 units in ongoing production
- No new starts or investments
- 28 completed unsold units



Project: Gröna Lund, St. Petersburg

SEK M	2022 Q2	2021 Q1	2022 R12	2021 FY
Net sales	66	155	595	745
Gross profit	26	39	174	192
Gross margin, %	39.0	25.2	29.3	25.8
Selling & admin expense	-12	-8	-39	-37
Operating profit	14	31	135	155
Operating margin, %	21.5	20.0	22.7	20.8
Recognised units	10	128	383	576

Sold and started units



Exposure in St. Petersburg from Group perspective

	2022 Q2 SEK M	2022 Q2 RUB M	2022 Q1 SEK M	2022 Q1 RUB M
Equity	1,175	5,991	671	5,933
Guarantee commitments project financing	740 ¹⁾	3,771 ³⁾	277	2,454
Guarantee commitments ongoing land acquisitions	280 ²⁾	1,429	186	1,645
Total exposure	2,195	11,191	1,134	10,032



Project: Magnifika, St. Petersburg

¹⁾ SEK 524 M included in current liabilities in St. Petersburg

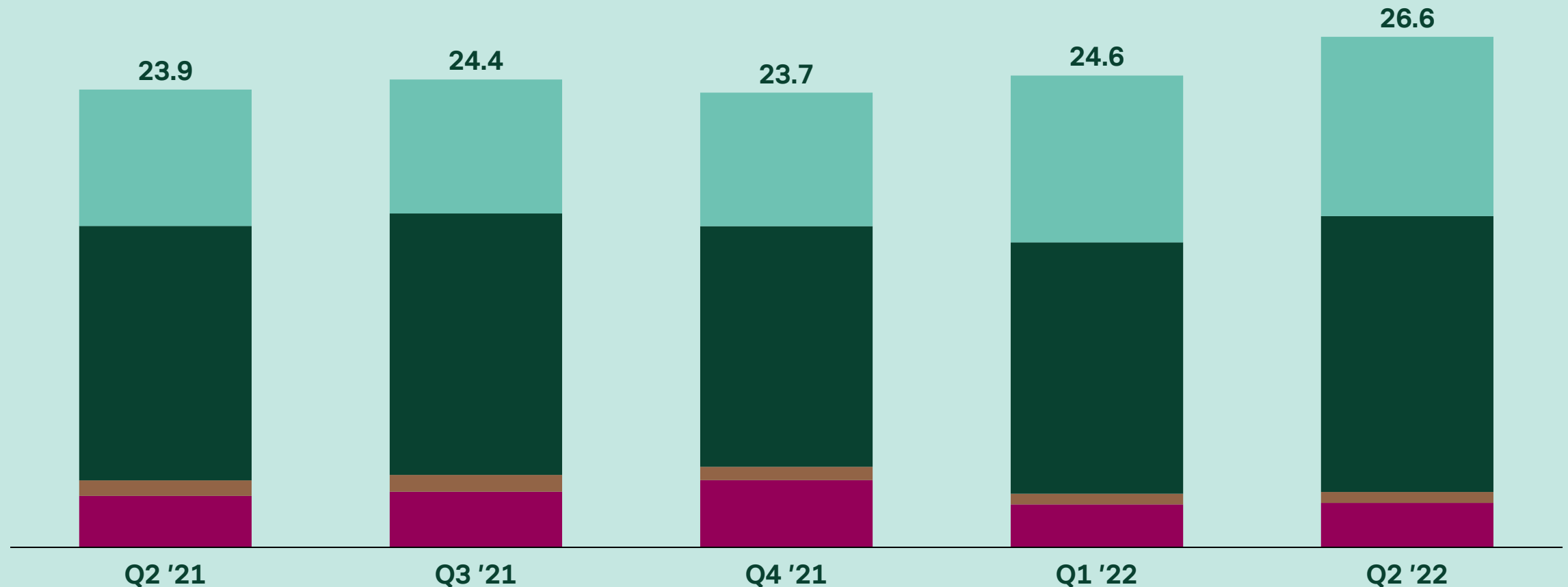
²⁾ SEK 206 M is included in non-current liabilities and properties held for future development in St. Petersburg

³⁾ RUB 3,771 M is the maximum amount for these guarantees

Distribution of assets: Increased investments and impact from FX

Total assets (SEK Bn)

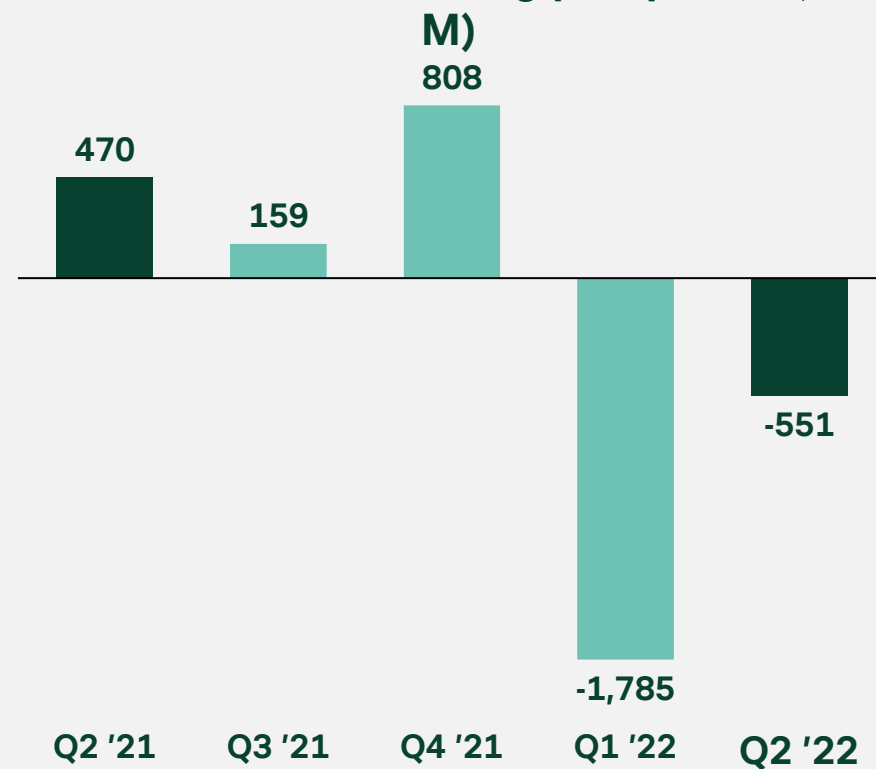
Properties held for future development Ongoing housing projects Completed housing projects Other assets



Increased investments in projects and building rights

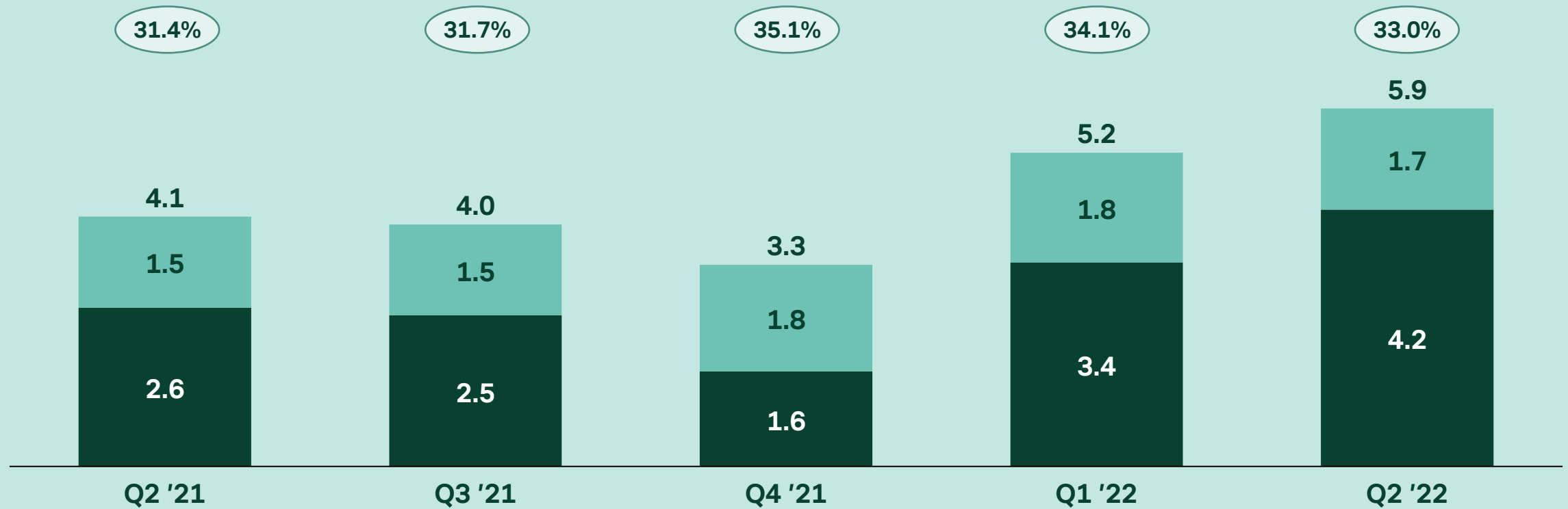
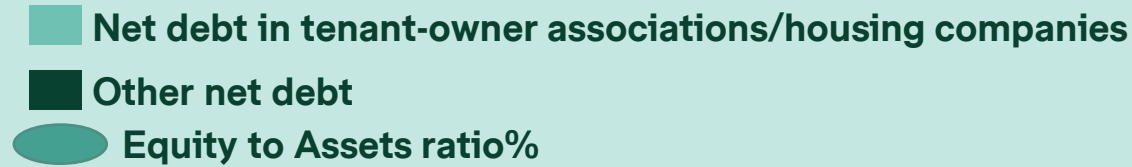
SEK M	2022 Q2	2021 Q2	2022 R12	2021 FY
Cash flow before changes in working capital	82	183	1,067	991
Divestments of housing projects	3,046	2,725	14,071	12,910
Investments in housing projects	-3,748	-3,158	-15,664	-13,270
Other changes in working capital	71	733	-771	88
Cash flow from operating activities	-549	484	-1,297	719
Investing activities	-1	-14	-72	-88
Cash flow before financing	-551	470	-1,369	631

Cashflow before financing per quarter (SEK M)



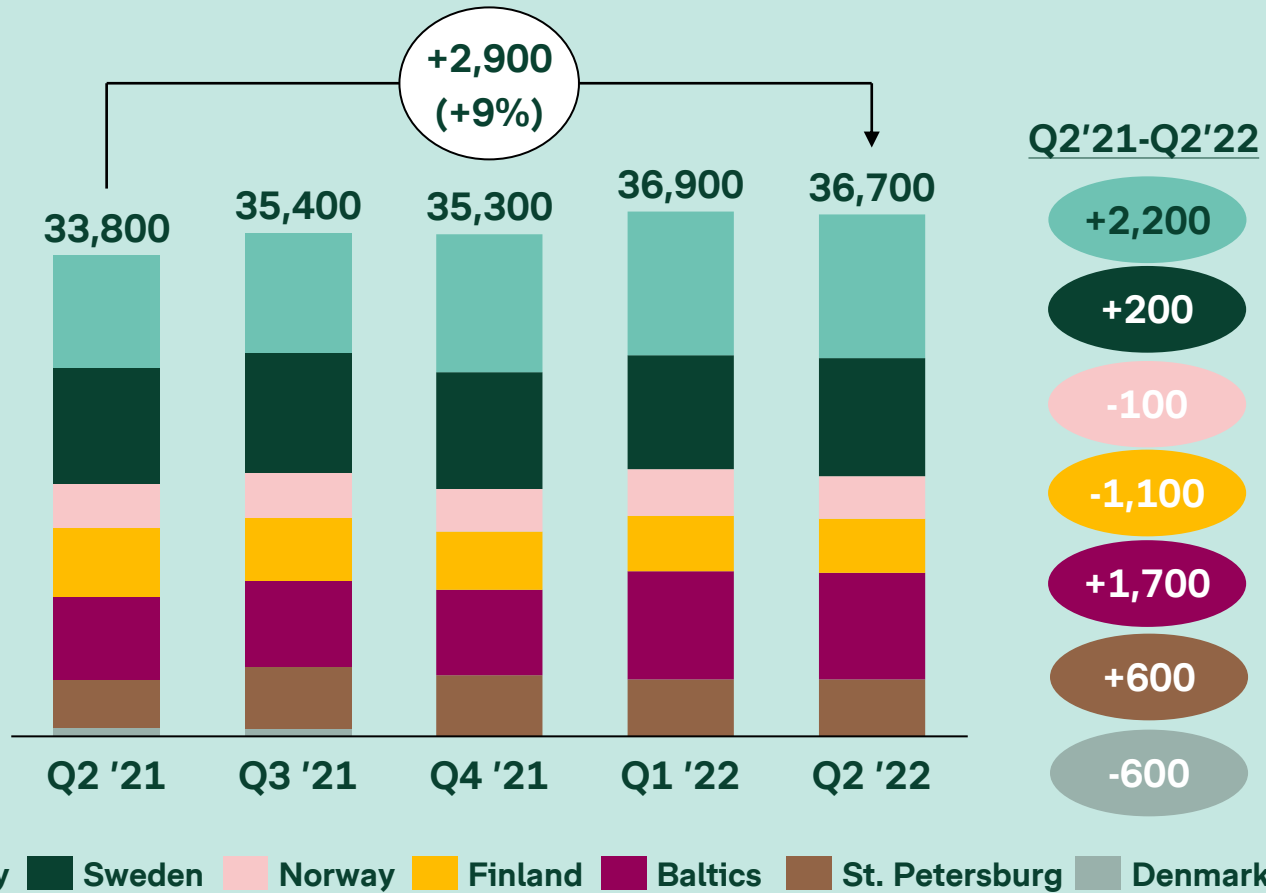
Land acquisitions made for future growth

Net debt (SEK Bn)



Increasing number of building rights in attractive locations

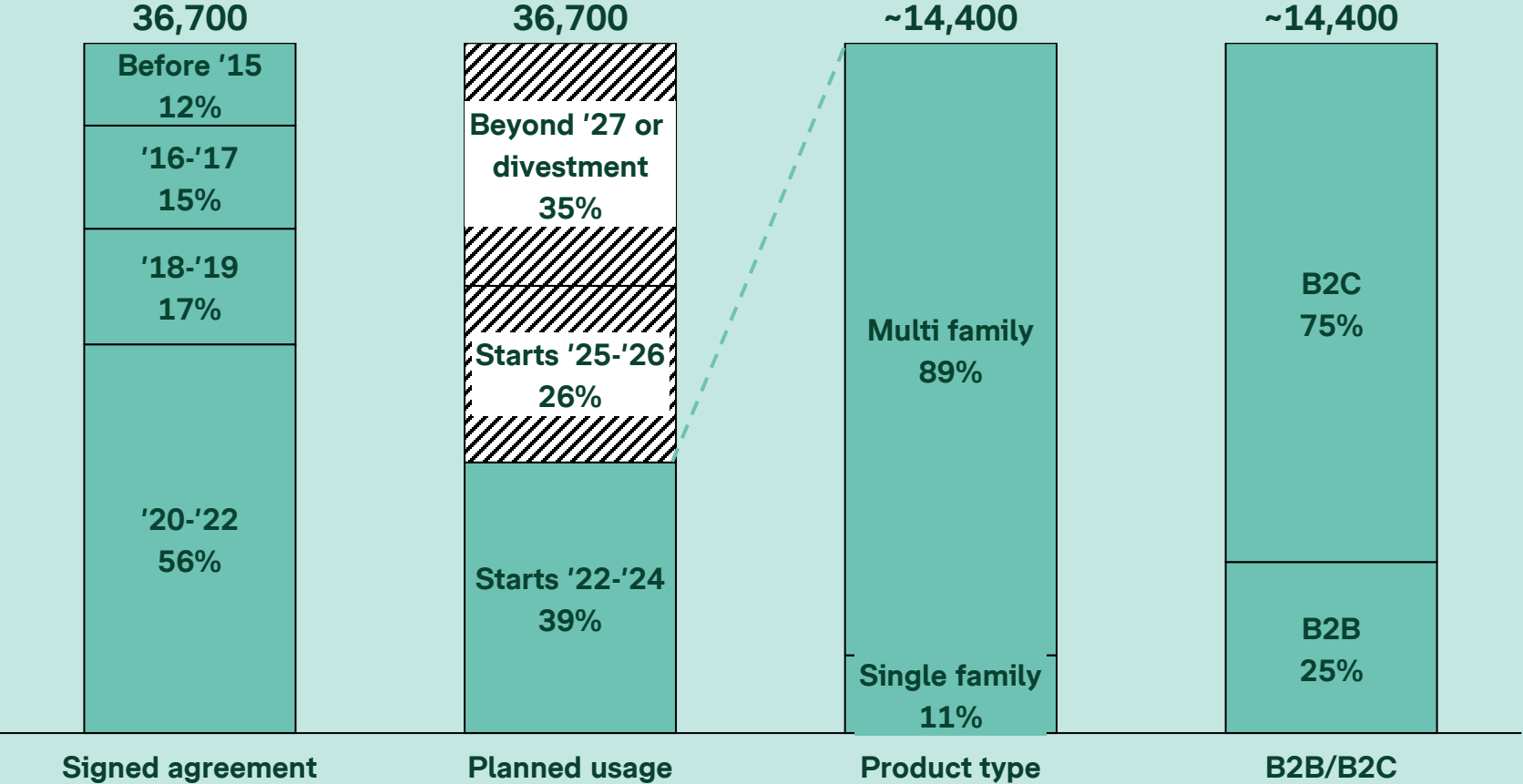
No of building rights



Building rights added to land bank

- Book value SEK 9 (7) Bn with more on balance compared to LY
- Germany: One large investment made in Leipzig
- Sweden: One large plot in Gothenburg and one in Stockholm

Short term land bank mainly MFH and B2C

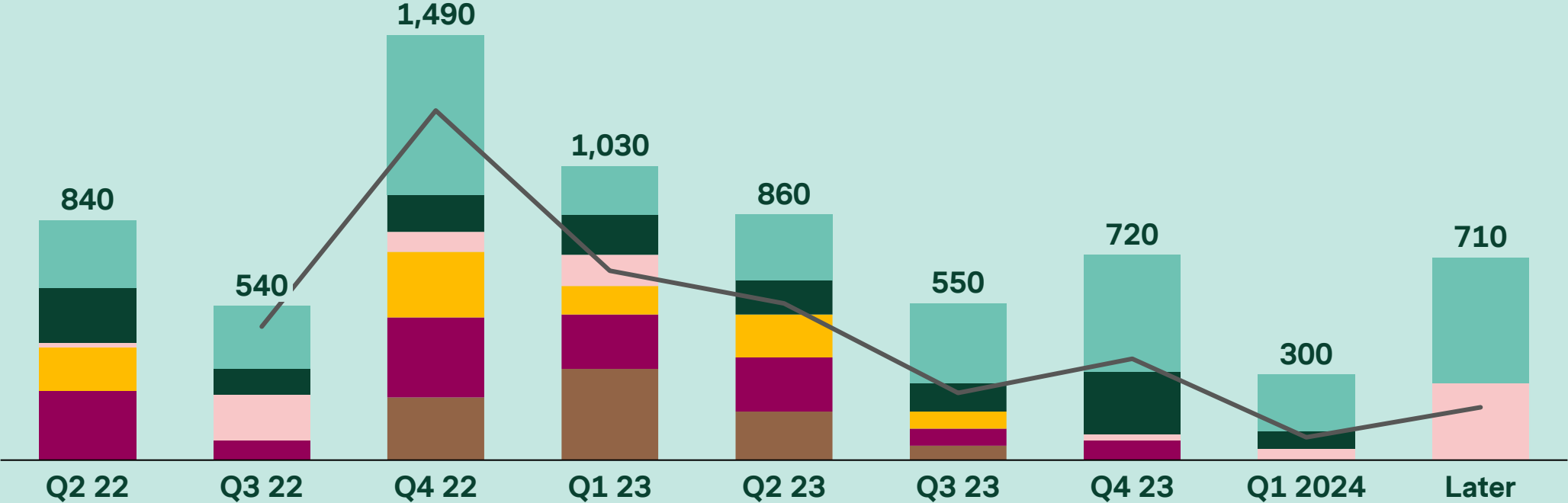


Comments

- BR on balance: 22,600
- BR off balance: 14,100
 - Options or conditional agreements
- Secured landbank to enable starts in 2022-2024
- Short term more multi family

Consumers - expected completions and sales rate

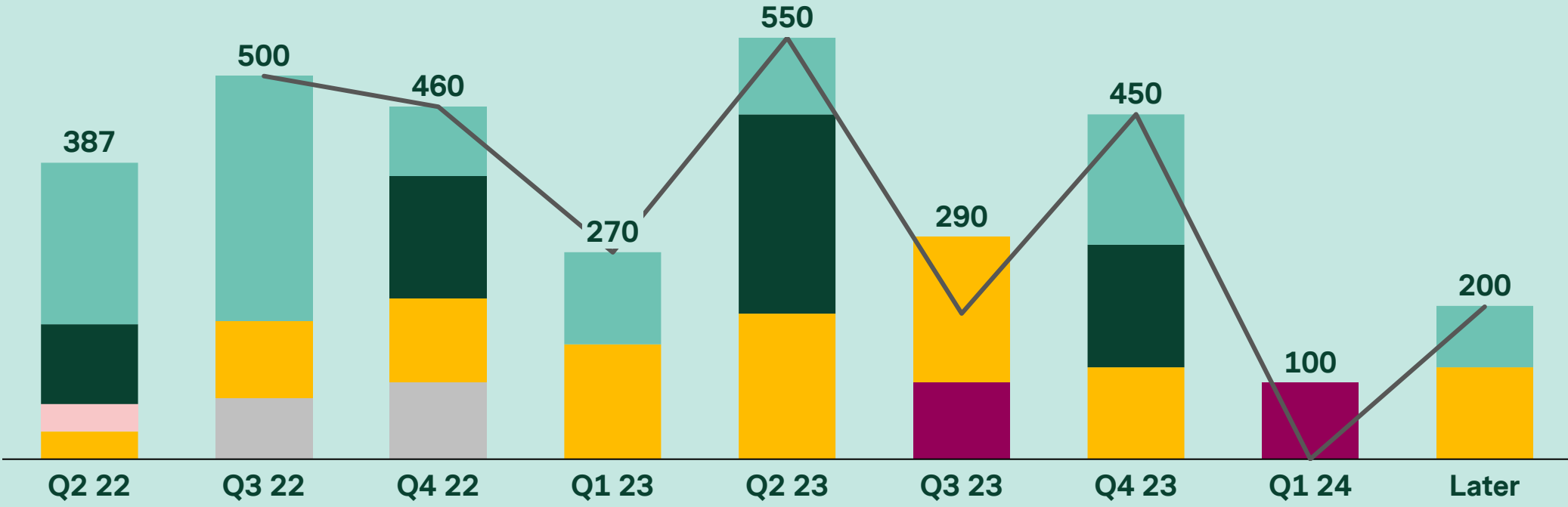
Germany Sweden Norway Finland Baltics St. Petersburg Denmark Sales Rate



Δ since Q1 22:	+30	+120	-310	-94	+210	+23	+72	+242	-292	-1
Starts Q2 22:				+4	+30	+127	+168	+58	+332	+719

Investors - expected completions and sales rate

■ Germany
 ■ Sweden
 ■ Norway
 ■ Finland
 ■ Baltics*
 ■ Denmark
 — Sales rate



Δ since Q1 22:	-3	+80	-100	+120		+100	-100	+100	-200	-3
Starts Q2 22:						+140			+120	+260

* Baltics refers to B2M

Summary



Progressing in improving profitability



Summary

- Demand and prices stable for modern and sustainable homes so far
- We are progressing in improving profitability
- Cost review conducted SEK 220 M identified and aiming to decrease costs further
- Increasing attractive land bank
- Strong financial position
- Outlook of 4,200 production starts in 2022 remains

Q&A

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BONAVA