



First quarter 2021

Peter Wallin, CEO and Lars Granlöf, CFO

29 April 2021

Strong housing sector throughout the western world



Market highlights

- High demand and price increases in all of our markets
- Stable and favourable macro conditions
- Size of living area and the neighbourhood prioritised as a result of ongoing pandemic
- Bonava systematically captures customer insights in design phase and offering

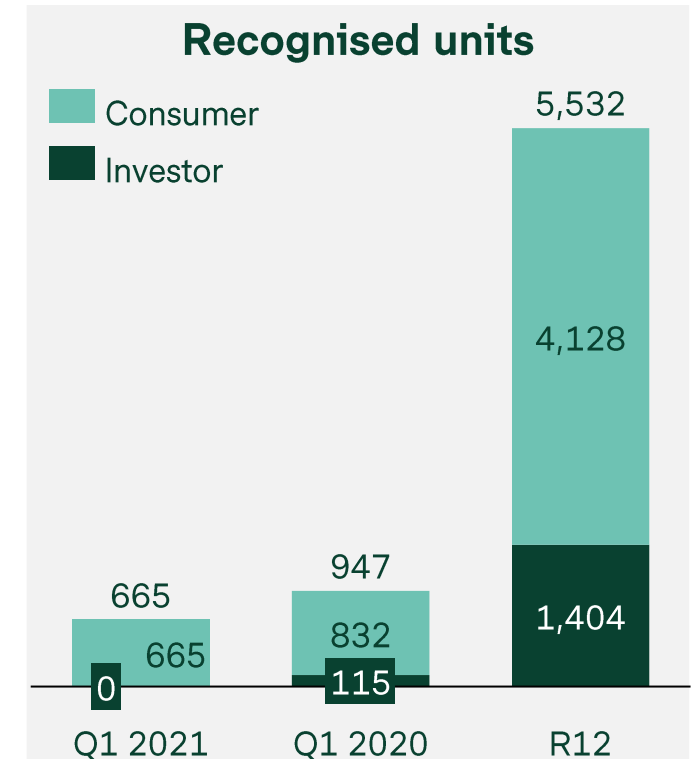
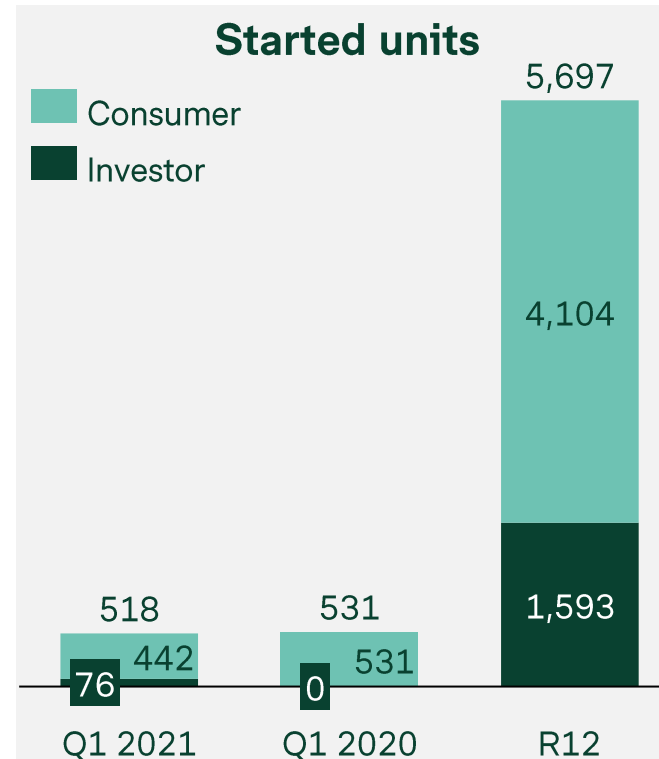
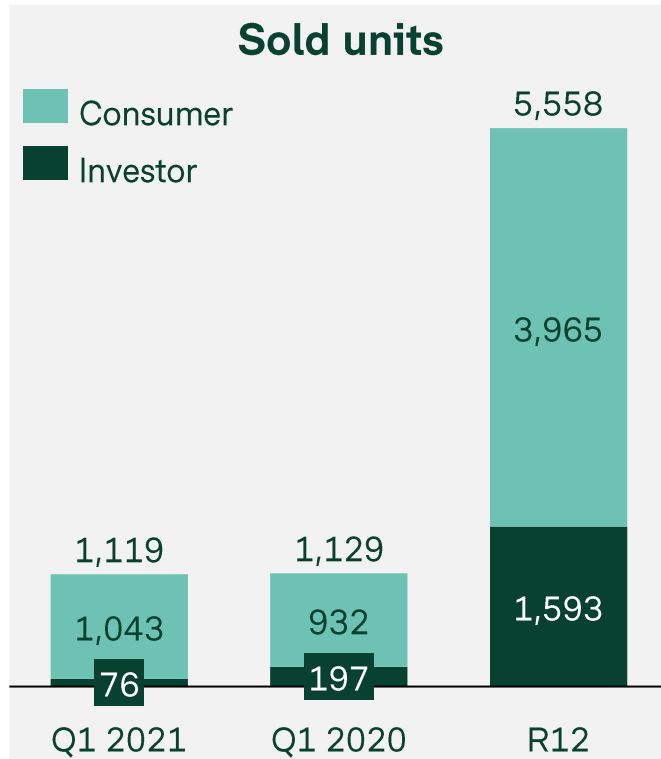
Strengthened gross margins



Q1 figures in brief

- Net sales decreased by 37% (35% currency adjusted)
 - Significantly lower volume of recognised units
 - Strong contribution from units completed in prior periods
- Gross margin strengthened to 12.9% (8.8)
- EBIT excluding currency in line with last year
 - Turnaround in Finland impacting project margins
 - Increased gross margin to consumers

Strong focus on sales and increased starts full-year 2021



Outlook production starts 2021

For the full-year 2021, the number of production starts is estimated to increase by approximately 5% compared with 5,710 units in 2020.

New projects during the quarter

Consumers - Sweden



Investors - Finland



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

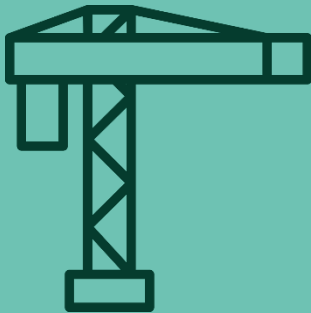
Limited COVID-19 impact on operations and supply chains



Health and safety comes first

- Extended lockdowns and reopening's affect our nine markets differently
- Tools and processes in place to maintain and prioritise projects and customers
- No major disruption in supply chains or access to construction materials
- Germany impacted by delays in zoning plans and building permits postponing starts

First reflections as new CEO



Project starts – our engine

- Platform for growth
- Efficient production and project control central



Position and profitability

- Strategic review of performance and markets initiated
- Outcome to be communicated in Q4 2021



Sustainable business

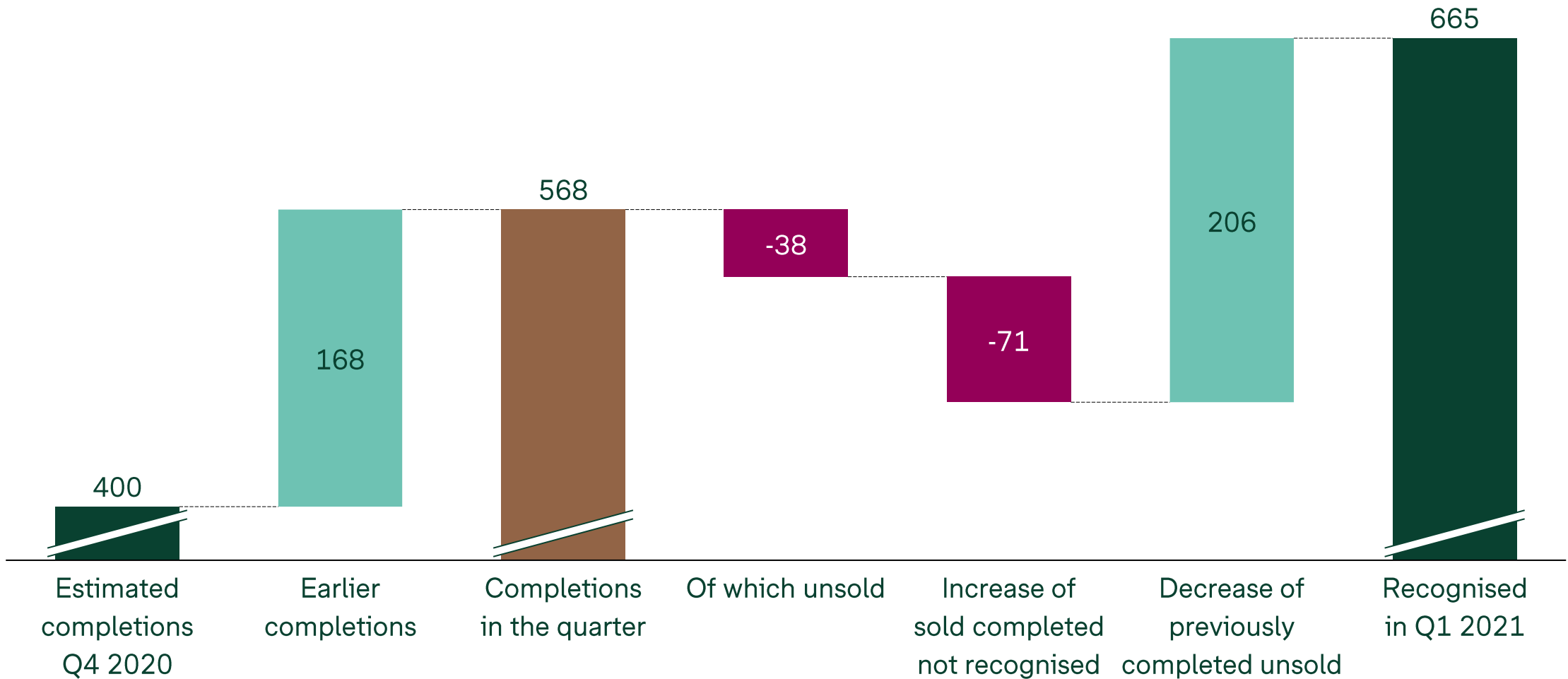
- Drive sustainable change step by step
- Science based approach foster whole value-chain perspective

Financial development

Lars Granlöf, CFO



Recognised units Q1 vs estimated completions Q1 by Q4 2020



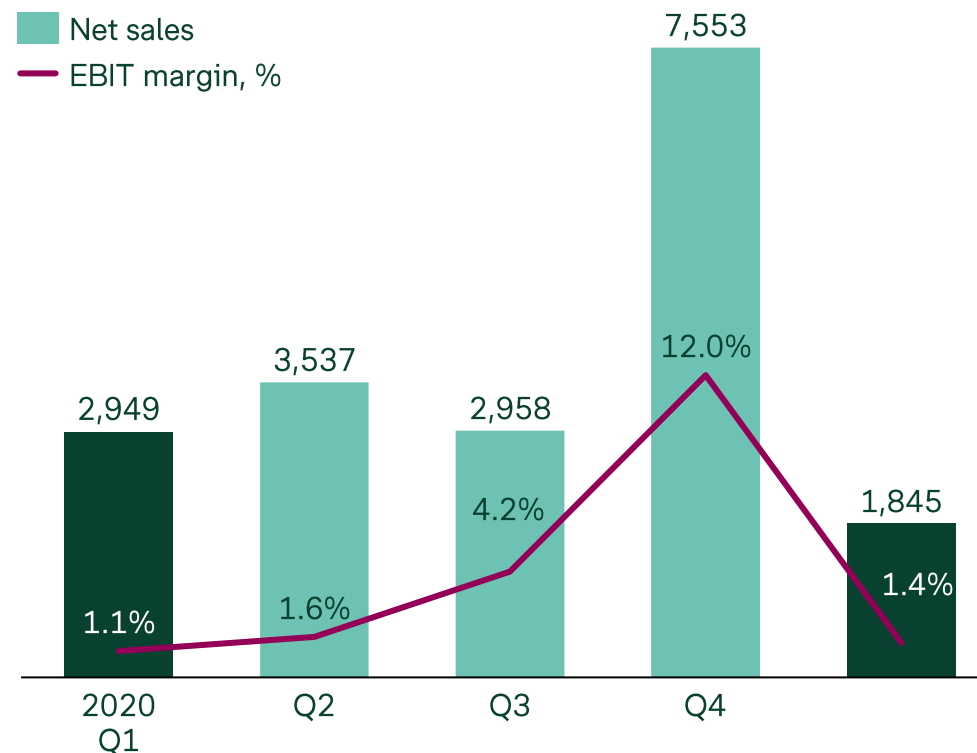
Improved gross margin

MSEK	2021 Q1	2020 Q1	2020 FY
Net sales	1,845¹	2,949	16,997
Gross profit	238	260	1,979
<i>Gross margin, %</i>	<i>12.9%</i>	<i>8.8%</i>	<i>11.6%</i>
Selling & admin expenses	-213	-229	-857
EBIT	25¹	31	1,121²
<i>EBIT margin, %</i>	<i>1.4%¹</i>	<i>1.1%</i>	<i>6.6%²</i>
Net financial items	-34	-29	-122
Profit/loss after financial items	-8	2	999
Tax on profit for the period	2	-1	-267
<i>Tax, %</i>	<i>27%</i>	<i>-25%</i>	<i>27%</i>
Net profit	-6	2	733

¹ Net sales currency effects of -74 MSEK and EBIT -9 MSEK in Q1 2021

² Legal case from 2010 in Germany impacted profitability by -67 MSEK corresponding to margin effect FY 2020 of -0.4 p.p.

Net sales (MSEK) and EBIT % per quarter

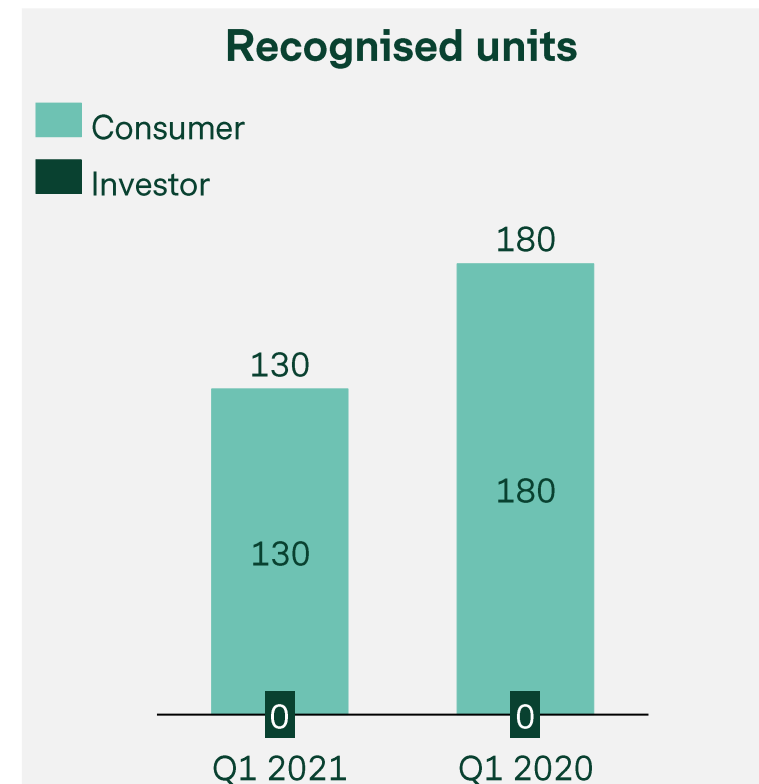


Germany

Low volume quarter

MSEK	2021 Q1	2020 Q1	2020 FY
Net sales	543	722	7,466
Gross profit	60	89	1,036
<i>Gross margin, %</i>	<i>11.1%</i>	<i>12.3%</i>	<i>13.9%</i>
Selling & admin expense	-68	-82	-284
EBIT	-8	7	752¹
<i>EBIT margin, %</i>	<i>-1.5%</i>	<i>0.9%</i>	<i>10,1%¹</i>

¹ Legal case from 2010 in Germany impacted profitability by -67 MSEK corresponding to margin effect in FY 2020 -0.9 p.p.

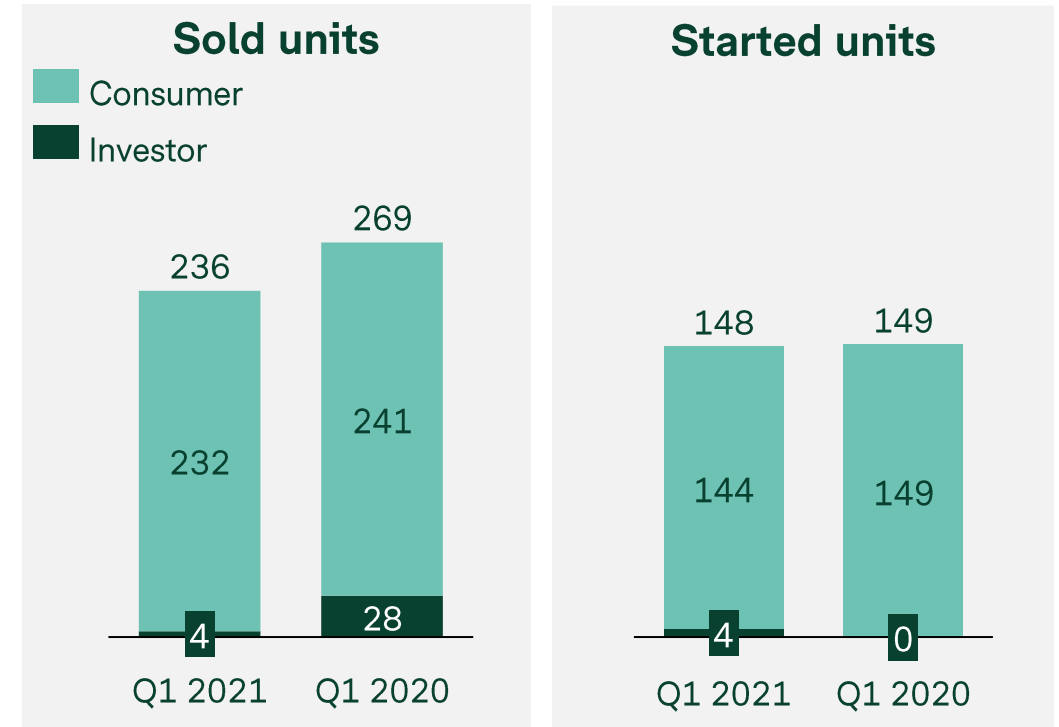


Germany

Starts in line with last year but fewer units sold

Key comments

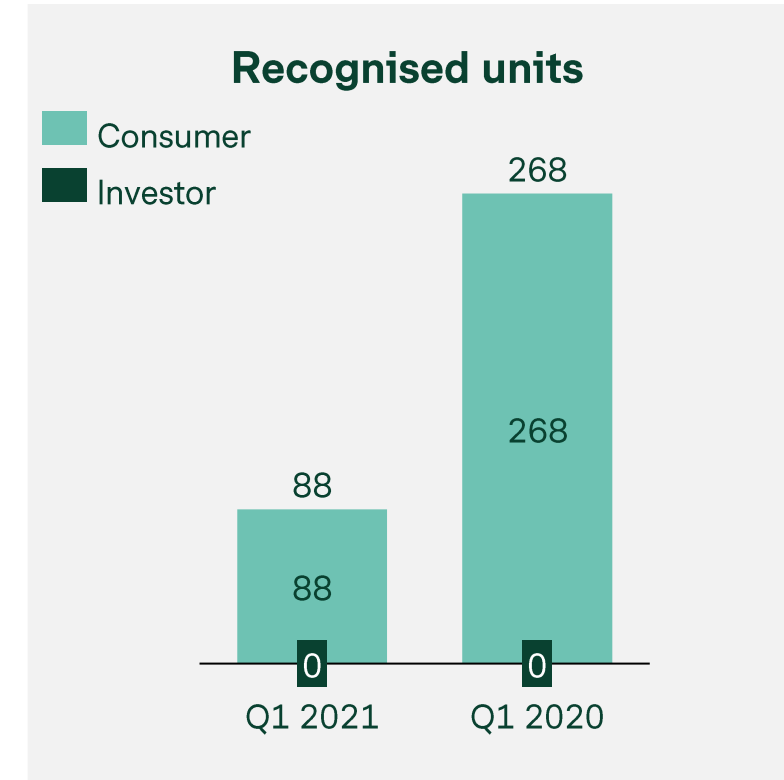
- Strong demand but fewer units completed
- Price increase in slower pace than prior pandemic
- Extended lockdown affects processing time for permits postponing project starts
- Production starts key priority
- Acquisition of smaller land plot in Hamburg



Sweden

Fewer units completed for sale compensated by reduced stock

MSEK	2021 Q1	2020 Q1	2020 FY
Net sales	484	1,170	3,528
Gross profit	62	150	411
Gross margin, %	12.9%	12.8%	11.7%
Selling & admin expense	-36	-36	-128
EBIT	27	114	283
EBIT margin, %	5.5%	9.7%	8.0%

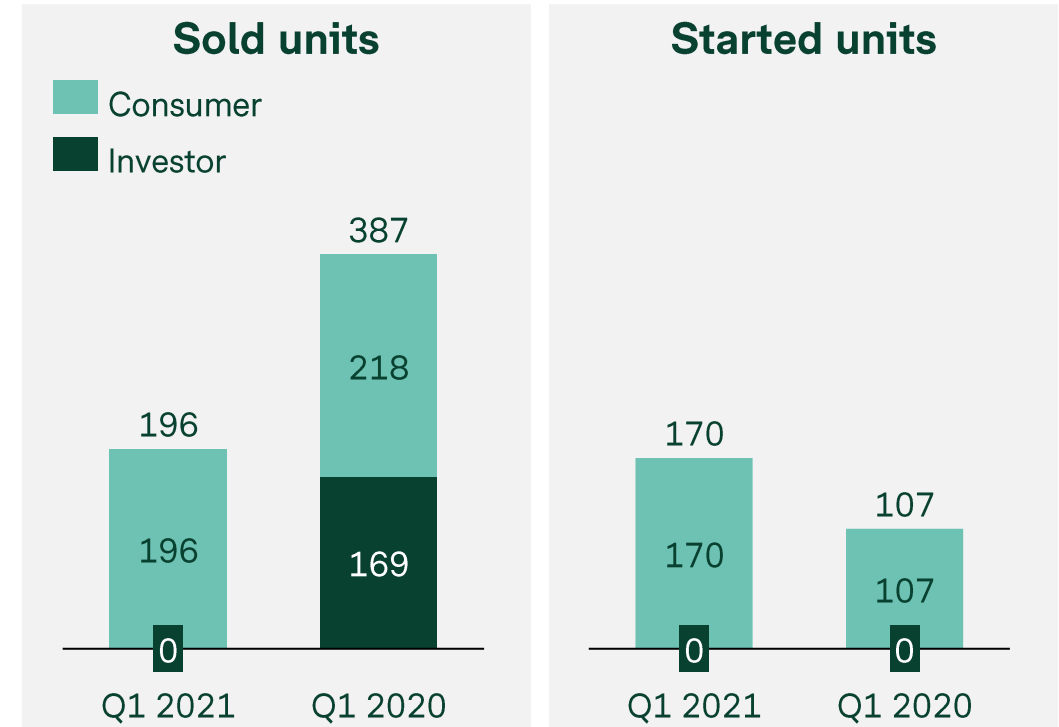


Sweden

Higher volume of started units to consumers

Key comments

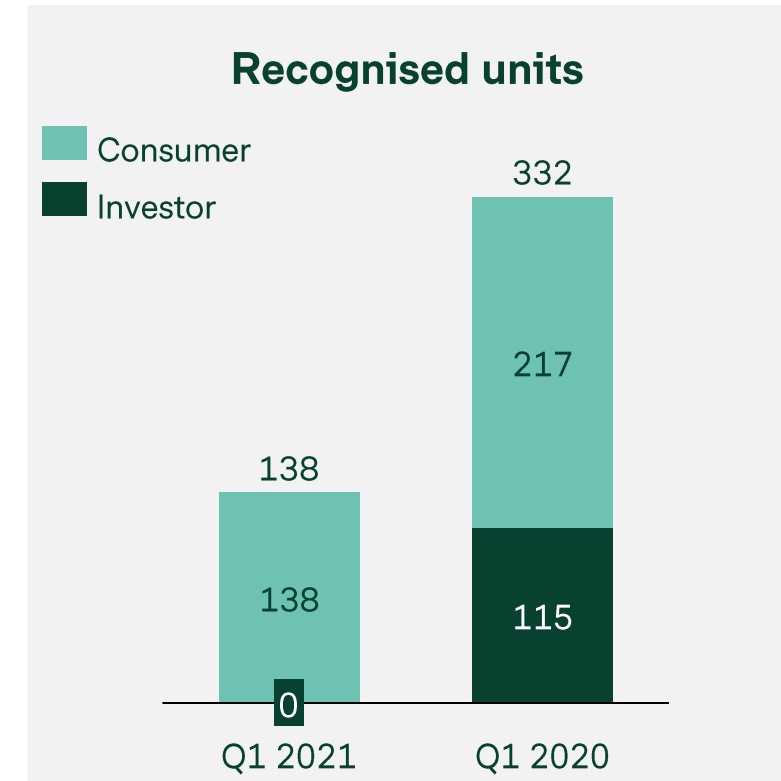
- Increased prices, especially for larger apartments and houses
- Unsold units in stock continued to decrease
- Higher volume of started units to consumers
- Two smaller land acquisitions in Stockholm and Gothenburg area targeting 250 new units
- Conditioned investor deal of 83 units in Umeå after Q1



Nordic

Strengthened margins

MSEK	2021 Q1	2020 Q1	2020 FY
Net sales	463	816	4,563
Gross profit	40	-15	274
Gross margin, %	8.6%	-1.8%	6.0%
Selling & admin expense	-48	-49	-177
EBIT	-8	-64	97
EBIT margin, %	-1.8%	-7.8%	2.1%

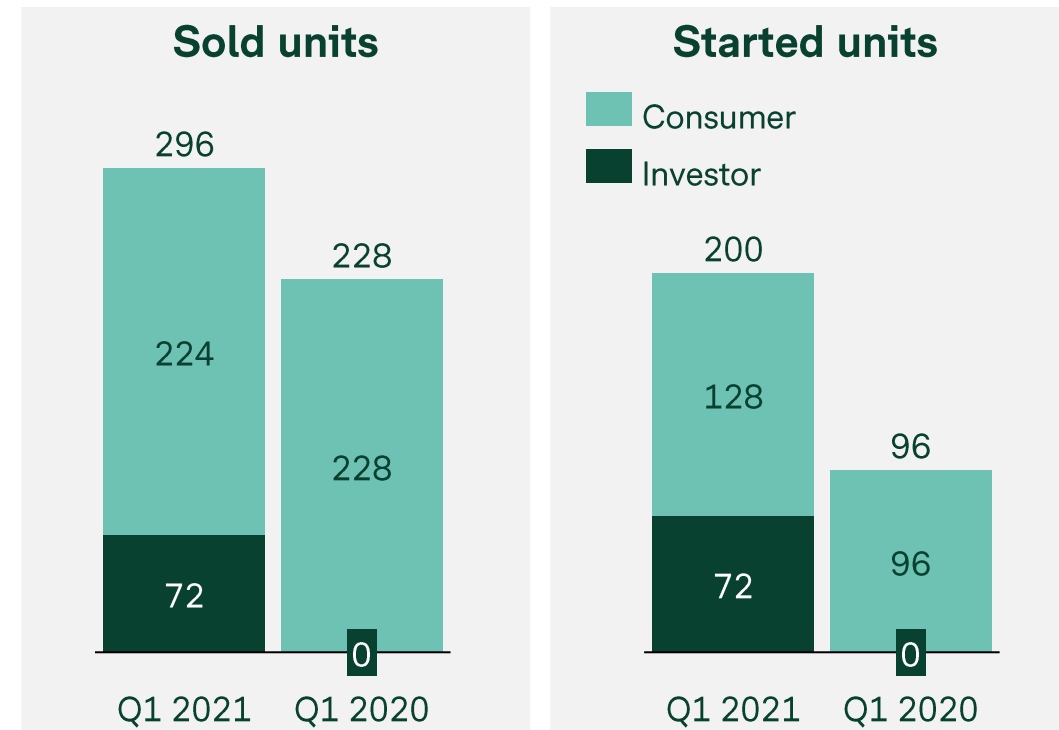


Nordic

Strong sales development and twice as many units started

Key comments

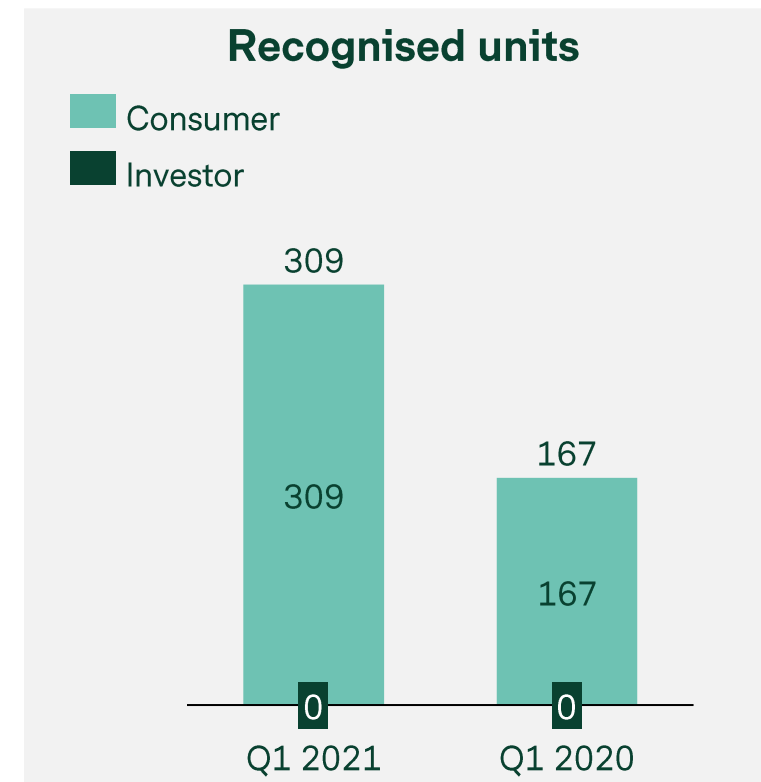
- Strong demand from consumers and investors in all Nordic markets and price increases
- Completed unsold units continued to decrease
- Two investor deals sold and started in Helsinki (36 + 36 units)
- Land plots acquired in Turku and Tampere
- Joint development with DNB Livforsikring of 300 units in Bergen



St. Petersburg-Baltics

Higher volume recognised units and strong EBIT margin

MSEK	2021 Q1	2020 Q1	2020 FY
Net sales	356	241	1,439
Gross profit	81	45	300
Gross margin, %	22.8%	18.8%	20.8%
Selling & admin expense	-16	-17	-63
EBIT	65	28	236
EBIT margin, %	18.2%	11.7%	16.4%

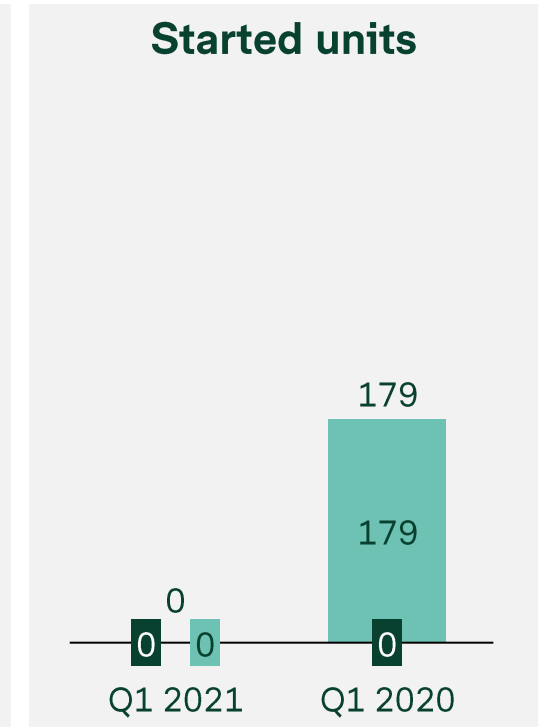
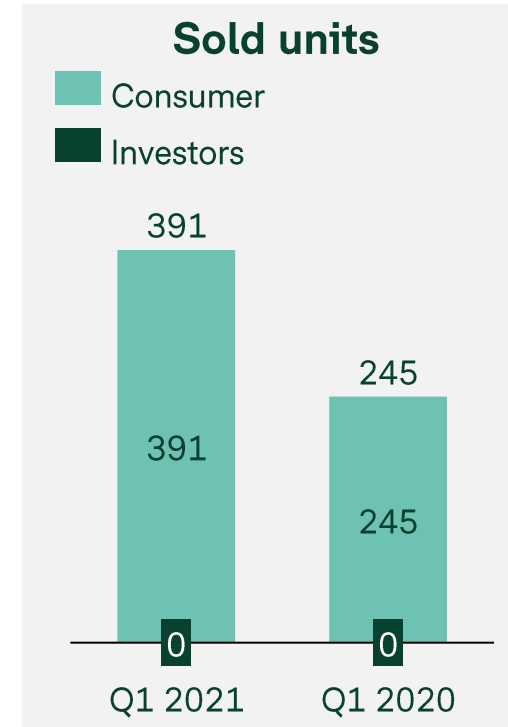


St. Petersburg-Baltics

Strong sales development

Key comments

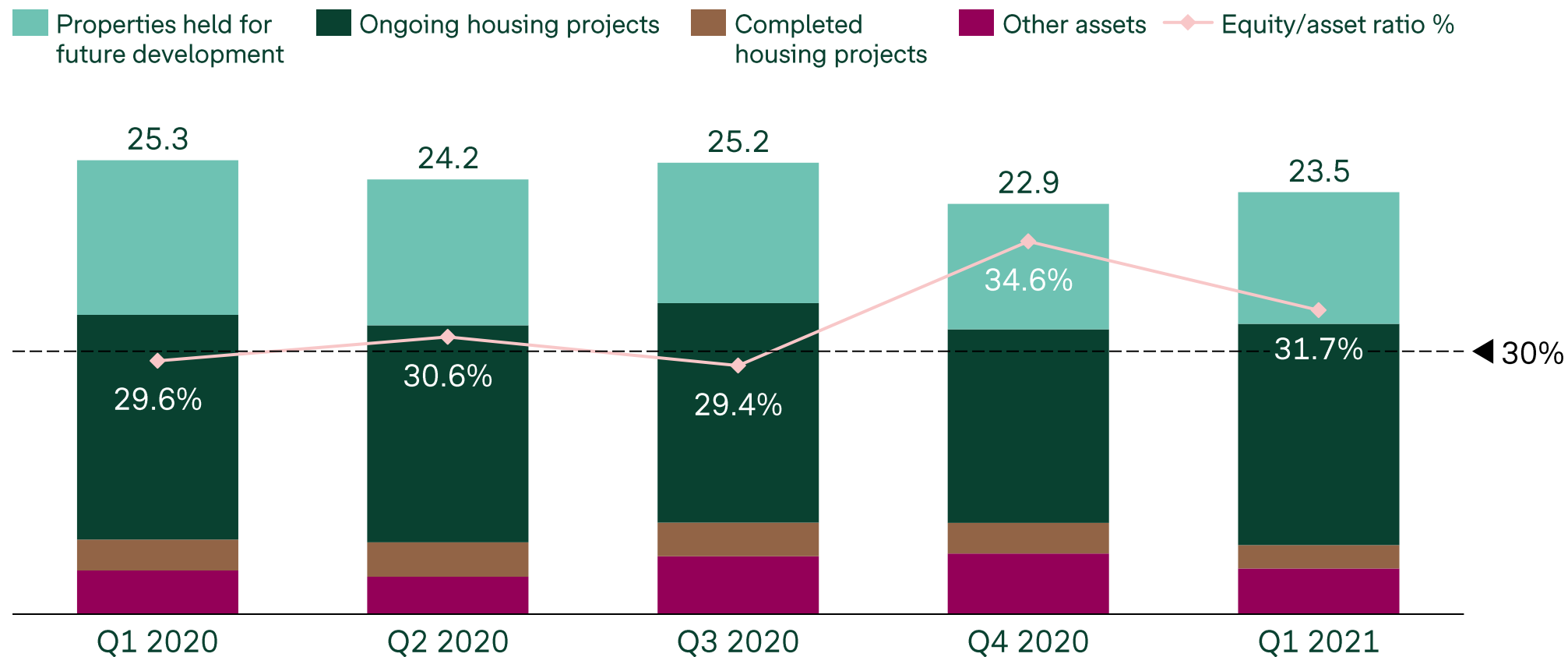
- High demand and price increases in St. Petersburg and the Baltics
- Strong sales development in Latvia and Lithuania
- No project starts in Q1 (as planned), several major project starts in Q4 2020



Distribution of assets:

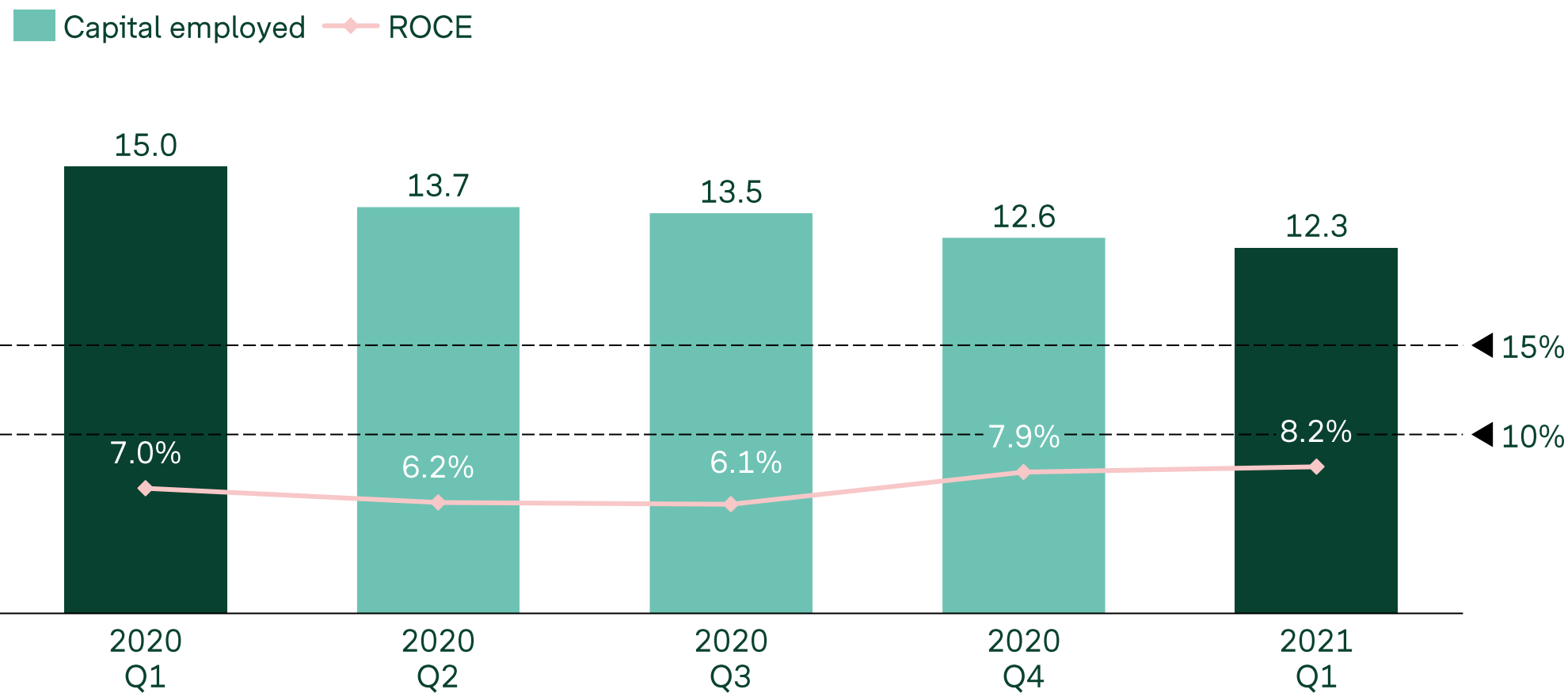
Equity/assets ratio impacted by separation of dividend in Q1

Total assets (SEK Bn)



Positive development of ROCE

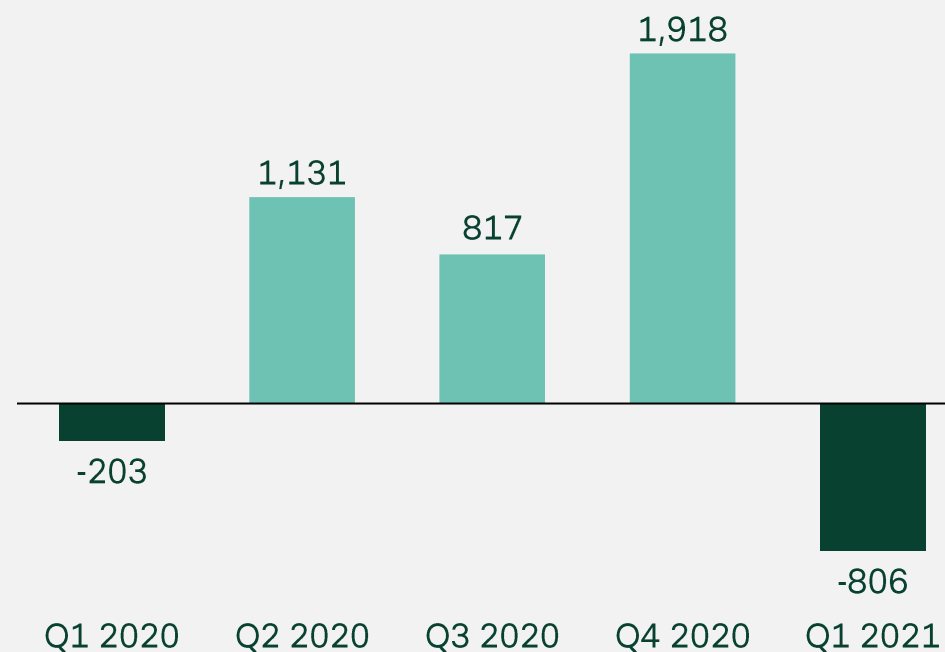
Capital employed (SEK Bn) and ROCE, R12 %



Cash flow reflects increased investments for growth

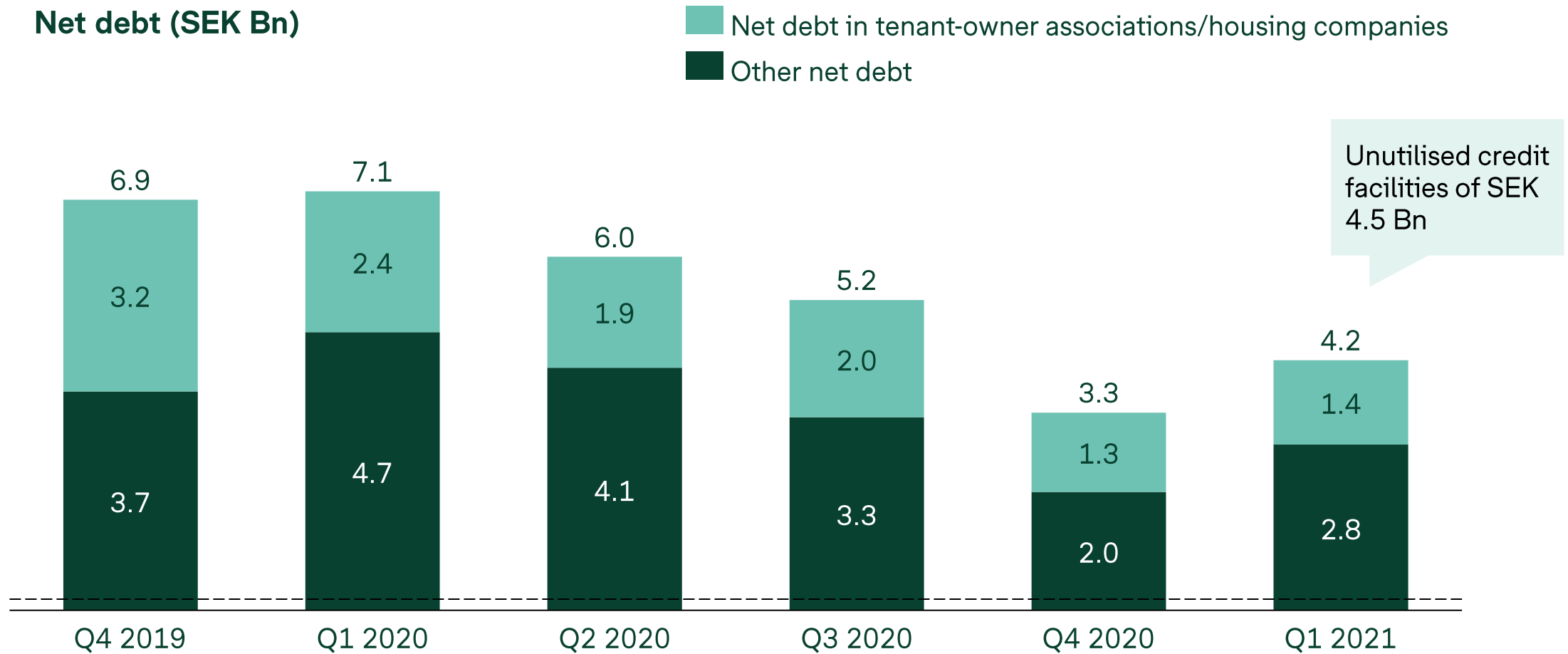
MSEK	2021 Q1	2020 Q1	2020 FY
Cash flow before changes in working capital	-194	-283	1,394
Sales of housing projects	1,486	2,600	14,521
Investments in housing projects	-2,542	-4,170	-14,179
Other changes in working capital	454	1,677	2,054
Cash flow from operating activities	-796	-176	3,790
Investing activities	-10	-27	-128
Cash flow before financing	-806	-203	3,662

Cash flow before financing per quarter (MSEK)

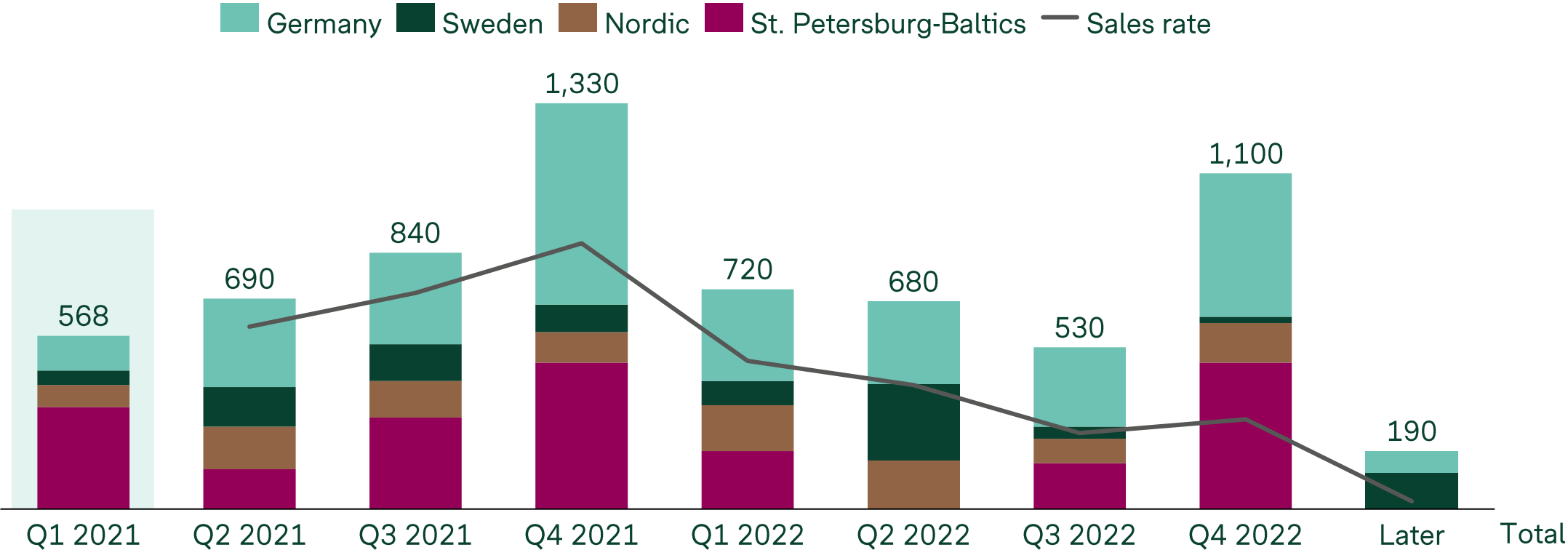


Net debt indicates investments in ongoing production

Net debt (SEK Bn)



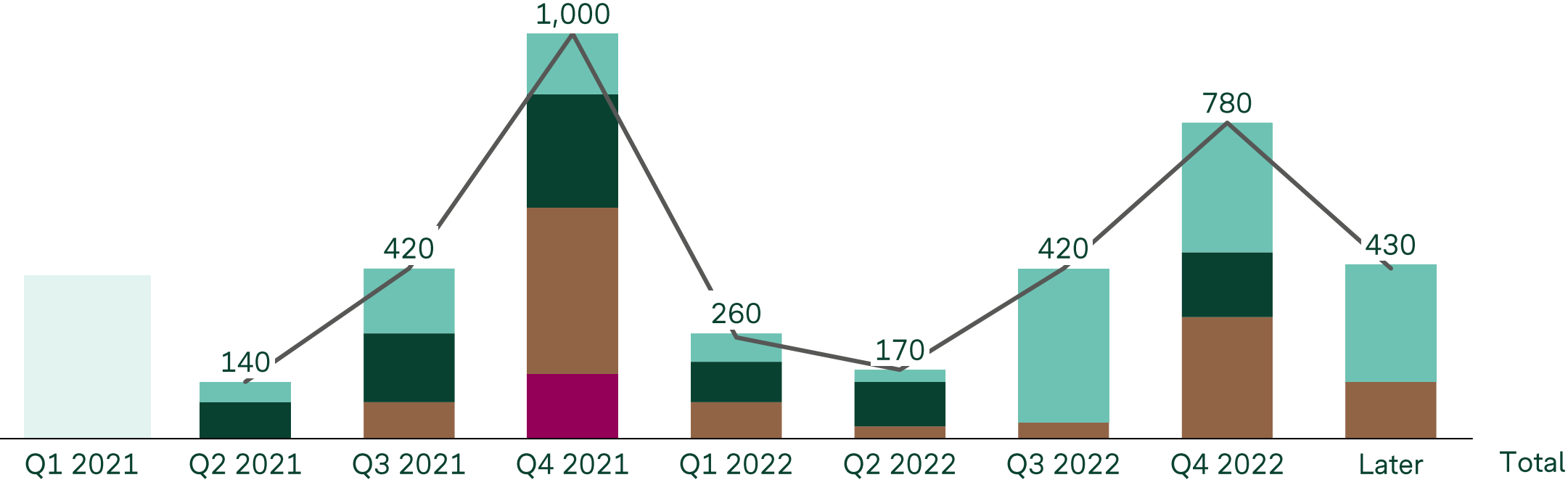
Consumers - expected completions and sales rate



Δ since Q4 20:	+168	-140	+20	-32	-123	-144	-101	+1,044	-704	-12
Q1 Starts:				+42	+33	+114	+71	+56	+126	+442

Investors - expected completions and sales rate

■ Germany
 ■ Sweden
 ■ Nordic
 ■ St. Petersburg-Baltics
 — Sales rate



Δ since Q4 20:	+90	-90	-40	+40	-216	-36	+776	-531	-7
Q1 Starts:					+36	+36	+4		76

Summary and outlook



Focus on strengthened position and balanced growth



Outlook

- Strong market conditions for housing sector
- Good sentiment in Germany
- Project starts and profitability key priorities, extended lockdown delaying project starts
- Targeting around 5% increase of starts FY 2021
- Strategic review of performance and markets ongoing
- High level of ambition for long-term value creation

Q&A

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