



January–March 2022

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29 April 2022

Robust demand and slightly increased prices in Q1



Market highlights

- Prices stable in all our markets in Q1
- Good interest and demand from private customers and investors in Q1
- Ukraine conflict clouds the near-term market outlook
- Strained supply of certain materials and increasing costs on inputs

Attractive land acquisitions and increased operating margin



Q1 figures in brief

- Net sales and EBIT increased; more units recognised with improved margins
- Increased gross profit to 373 MSEK (238) and margin improved to 13.0 % (12.9)
- Increased building right portfolio +5%
- Decision to exit through a wind down of St. Petersburg operations
- Slightly revised financial targets long and mid-term

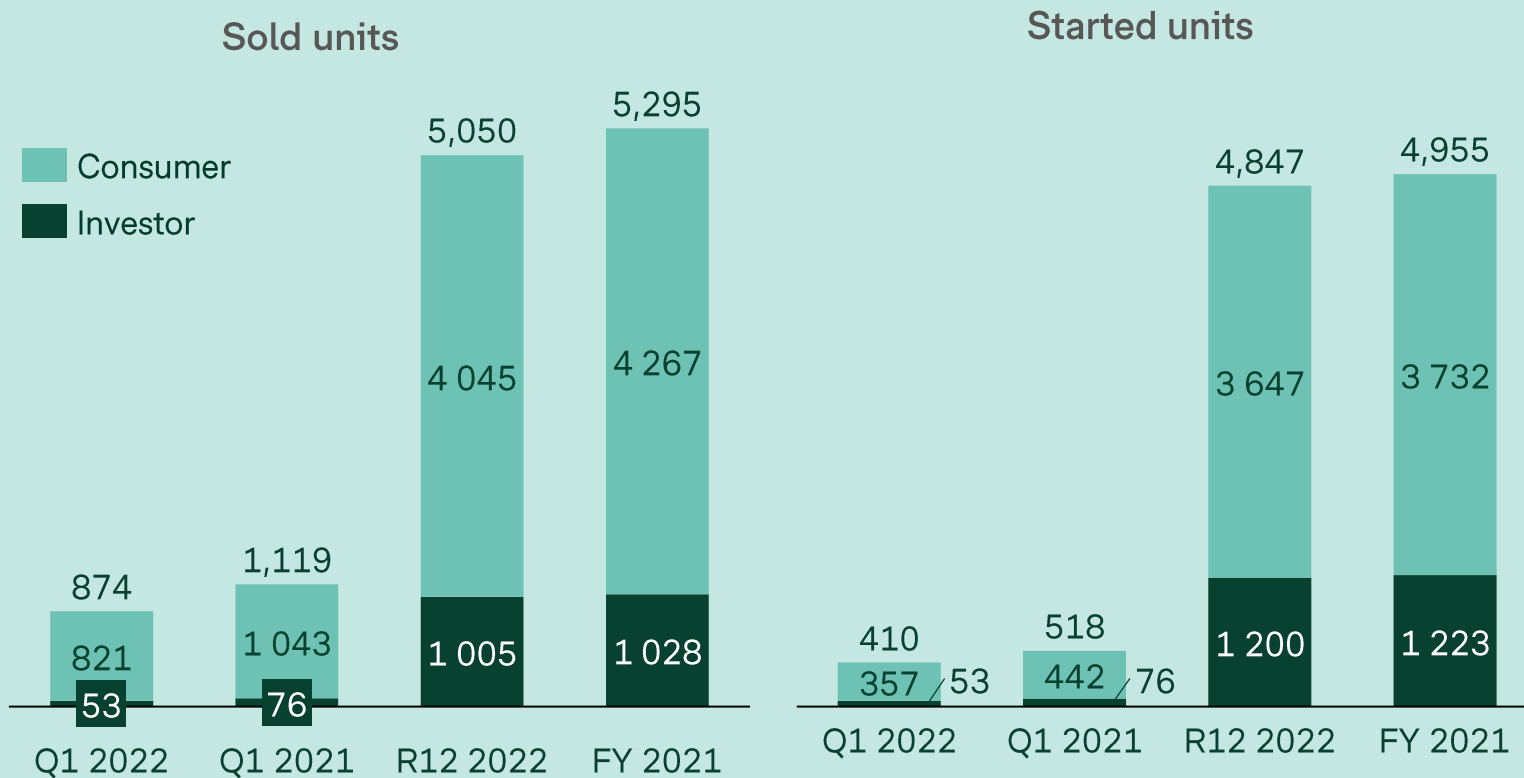
St. Petersburg update

- Humanitarian tragedy – many perspectives to consider
- Looking into various strategic options in winding down operations
- Completing 762 housing units in production
- Substantial in scope but not material for the Group



Project: Magnifika, St. Petersburg

Carefully securing cost estimates



When to start a project

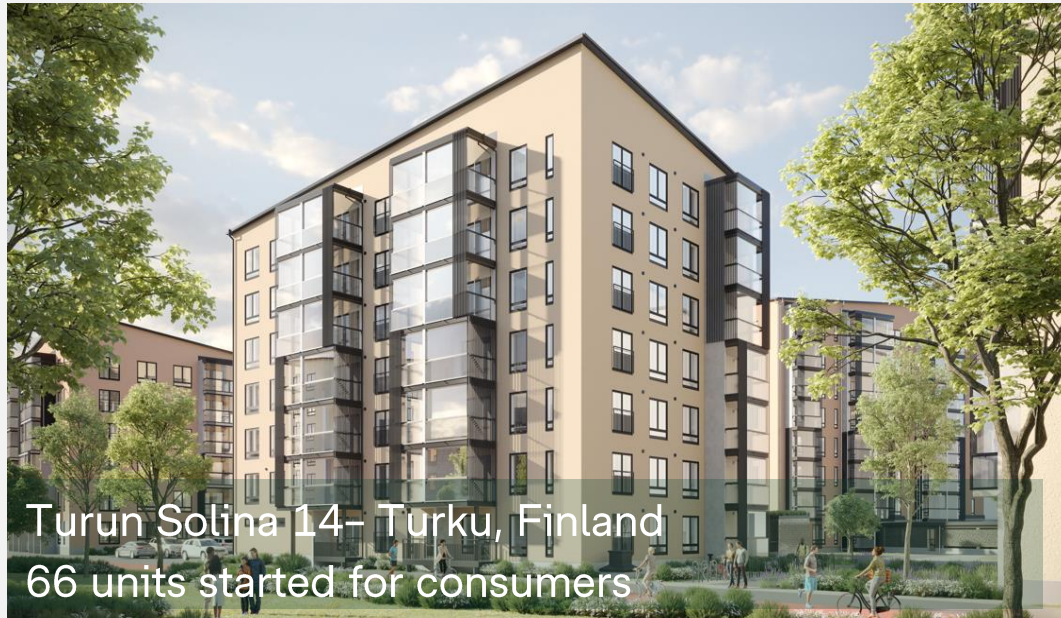
- The right team in place
- Verified cost estimates
- Verified sales and market status

Outlook production starts 2022

Production starts full year 2022 revised to 4,200 excluding the St. Petersburg operations

Examples of projects started in the quarter

Consumers – Finland



Consumers – Germany

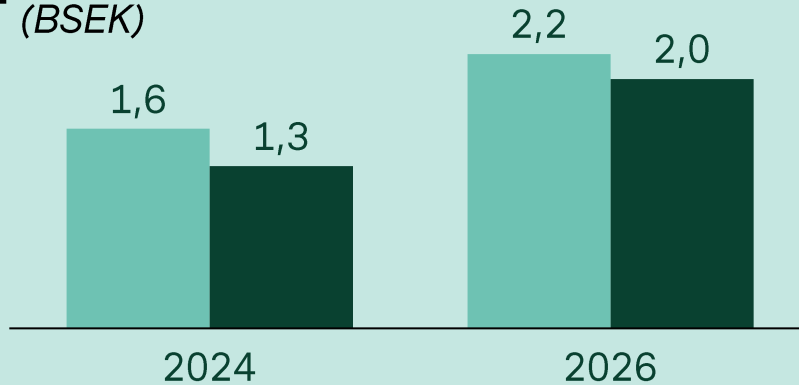


All Bonava's housing starts are presented on bonava.com/en/investor-relations/housing-starts

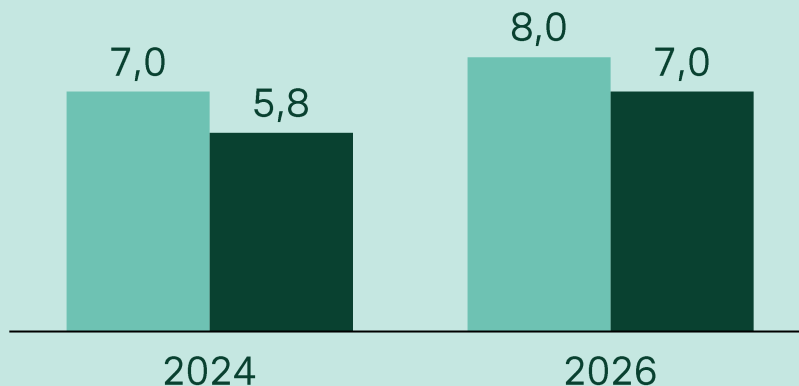
Revised financial targets

■ Previous targets ■ New targets

EBT (BSEK)



Sold units (thousands)



Updated strategy

- Revised financial targets post decision to exit operations in St. Petersburg, still strong value proposition
- 2024 target more dependent on current portfolio and thus ability to re-allocate capital is more limited short term

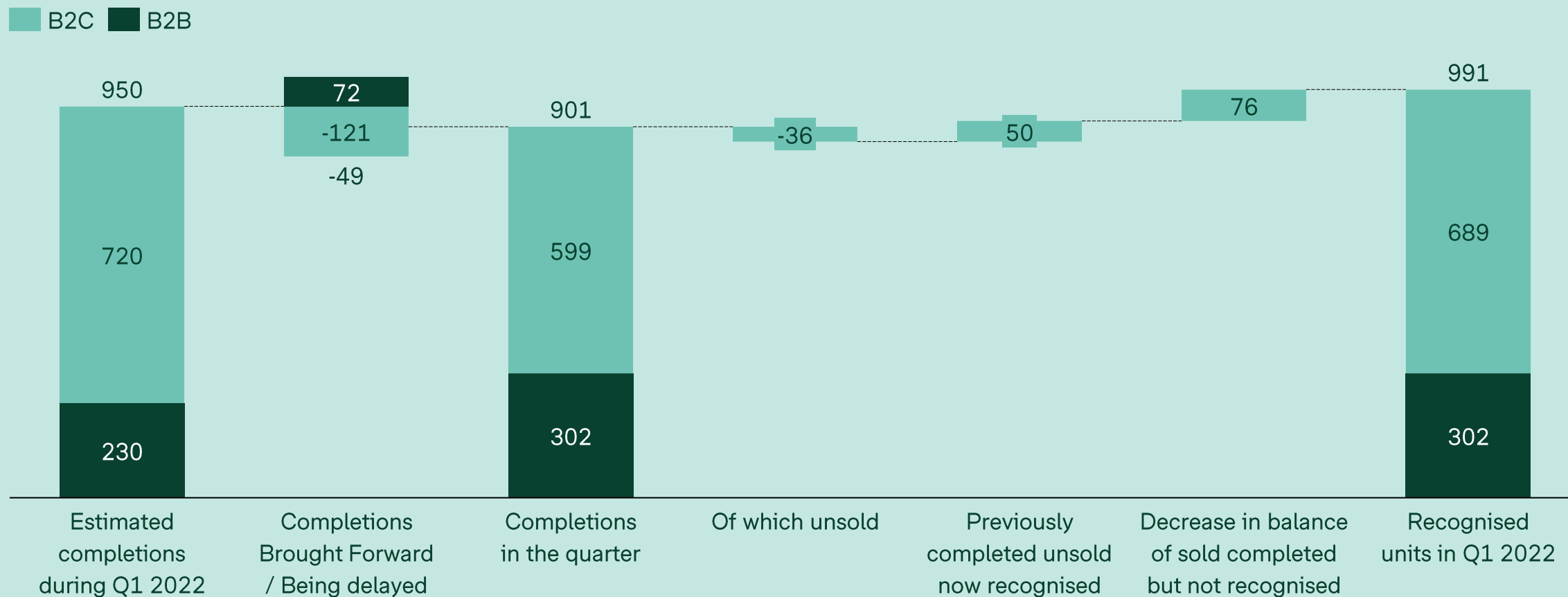
Financial development

Lars Granlöf, CFO



Recognised units in Q1 vs estimated completions Q4'21

Recognised units bridge

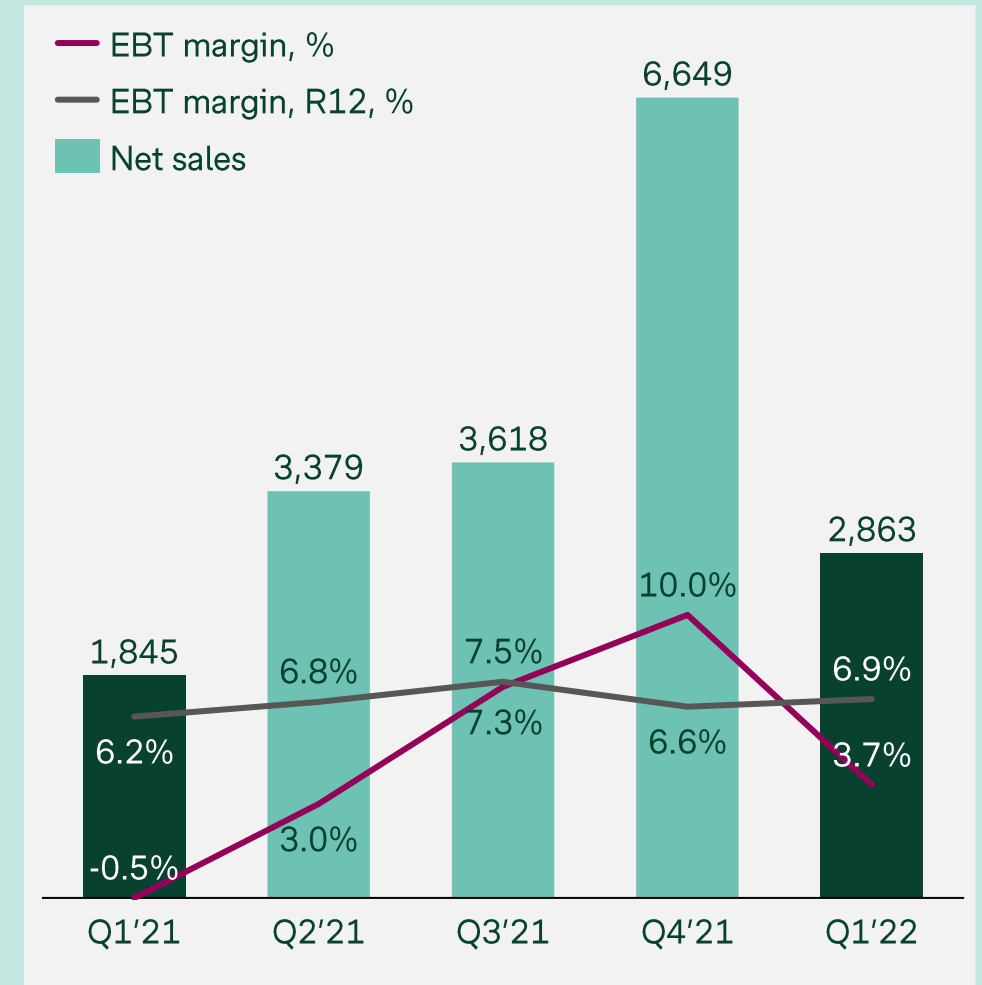


Bonava Group

Improved gross profit and margin

MSEK	2022 Q1	2021 Q1	2022 R12	2021 FY
Net sales	2,863	1,845	16,509	15,491
Gross profit	373	238	2,252	2,117
<i>Gross margin, %</i>	<i>13.0</i>	12.9	13.6	13.7
Selling & admin expense	-232	-213	-900	-882
Operating profit (before IAC)	141	25	1,352	1,236
<i>Operating margin, %</i>	<i>4.9</i>	1.4	8.2	8.0
Net financial items	-35	-34	-137	-136
Profit/loss before tax	106	-8	1,135	1,020
Tax on profit for the period	-29	2	-244	-212
<i>Tax, %</i>	<i>27,5</i>	26,7	21,5	20,8
Net profit	77	-6	891	808

*IAC totalled -80 MSEK in 2021. No IAC in Q1 2021



Germany

SHARE OF NET SALES (R12)
48 %  2021: 47%

Highlights

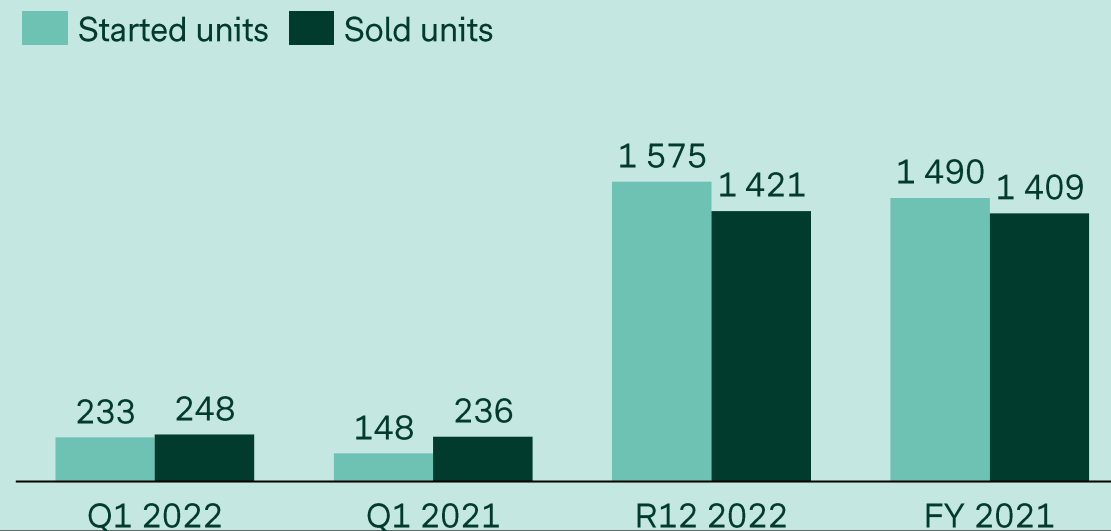
- Higher volume and increased gross profit and margin
- Increased investments in building rights
- Long process for building permits



Project: Ahornmärten, Baltic Sea

MSEK	2022 Q1	2021 Q1	2022 R12	2021 FY
Net sales	1,239	543	7,971	7,276
Gross profit	184	60	1,334	1,210
Gross margin, %	14.9	11.1	16.7	16.6
Selling & admin expense	-79	-68	-307	-296
Operating profit	105	-8	1,027	914
Operating margin, %	8.5	-1.5	12.9	12.6
Recognised units	344	130	2,027	1,813

Sold and started units



Sweden

SHARE OF NET SALES (R12)

21 % → 2021: 21%

Highlights

- Product-mix affect gross margin
- Q1'21 impacted by SoL excl. SoL operating profit was 18 MSEK
- No starts in quarter
- Increased investments in building rights

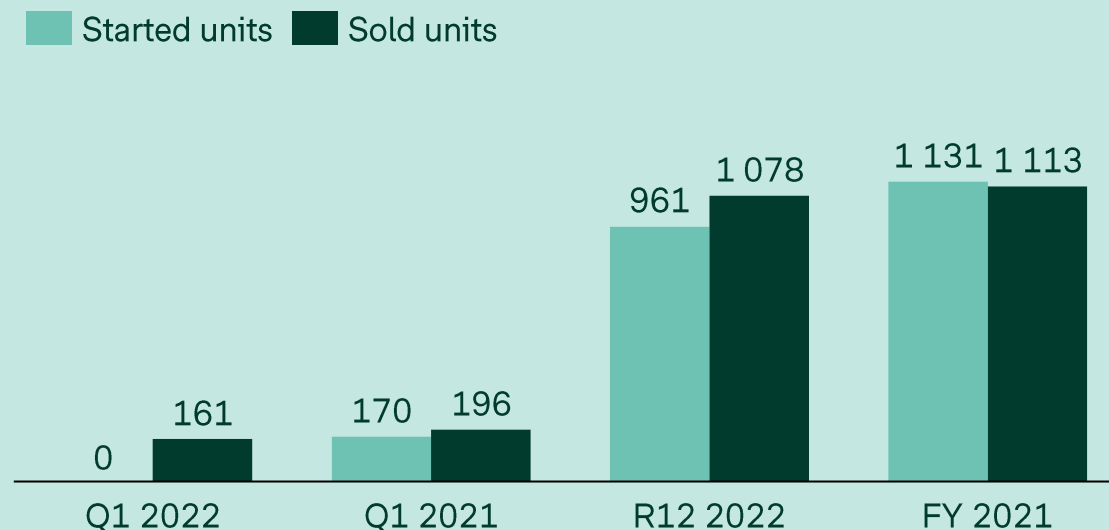


Project: Olles långa, Gothenburg

MSEK	2022 Q1	2021 Q1	2022 R12	2021 FY
Net sales	653	484	3,496	3,327
Gross profit	59	62	417	420
Gross margin, %	9.0	12.9	11.9	12.6
Selling & admin expense	-36	-36	-129	-129
Operating profit (before IAC*)	23	27	288	292
Operating margin (before IAC), %	3.5	5.5	8.2	8.8
Recognised units	234	88	1,201	1,055

*IAC totalled -44 MSEK in 2021

Sold and started units



Finland

SHARE OF NET SALES (R12)
11 % ↘ 2021: 12%

Highlights

- Better consumer margin but product-mix affect gross margin
- Good market for investor deals
- Ongoing work with stabilising the business

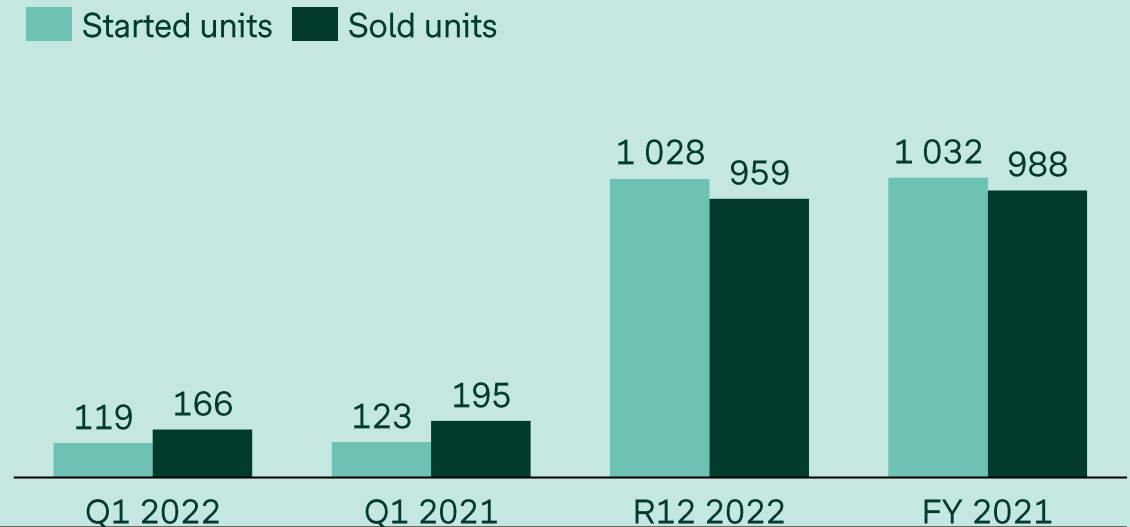


Project: Turun Solina 14, Turku

MSEK	2022 Q1	2021 Q1	2022 R12	2021 FY
Net sales	314	330	1,826	1,842
Gross profit	36	43	127	133
Gross margin, %	11.5	12.9	6.9	7.2
Selling & admin expense	-22	-18	-80	-77
Operating profit (before IAC*)	14	24	46	56
Operating margin (before IAC), %	4.5	7.4	2.5	3.1
Recognised units	122	112	646	636

*IAC totalled -36 MSEK in 2021

Sold and started units



Norway

SHARE OF NET SALES (R12)

6 %  2021: 5%

Highlights

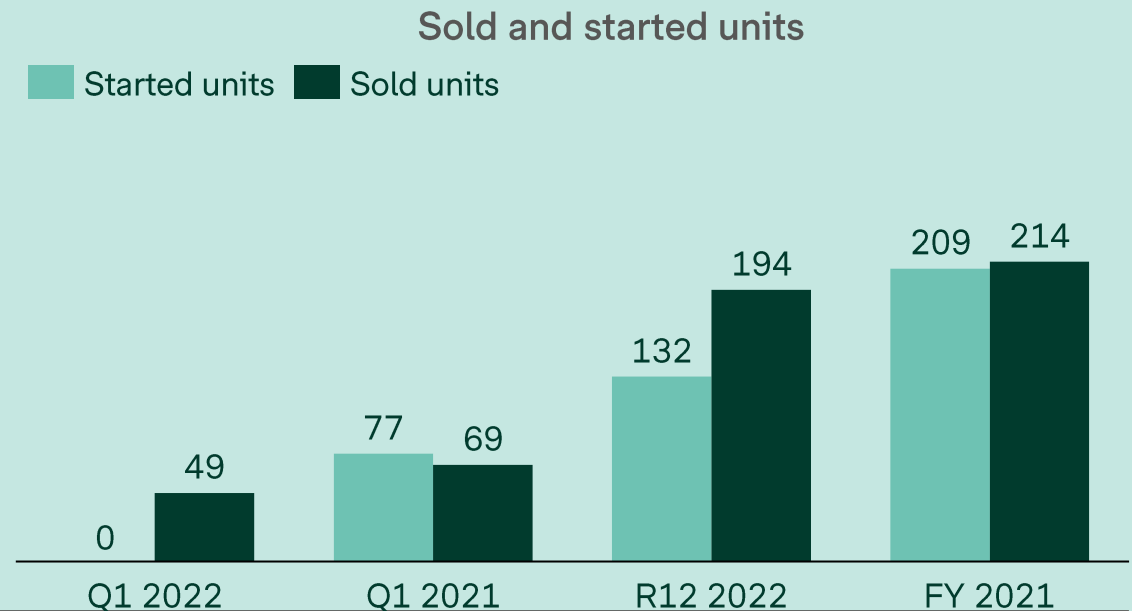
- More units recognised in profit
- Loss-making project affecting quarter
- High overhead costs mainly due to separation from Denmark



Project: Kleppekollen, Bergen

MSEK	2022 Q1	2021 Q1	2022 R12	2021 FY
Net sales	261	79	969	787
Gross profit	3	2	19	19
Gross margin, %	1.0	3.0	2.0	2.4
Selling & admin expense	-29	-18	-97	-86
Operating profit (before IAC*)	-26	-16	-77	-67
Operating margin (before IAC), %	-10.1	-19.7	-8.0	-8.5
Recognised units	54	15	263	224

*IAC totalled -50 MSEK in 2021



Baltics

SHARE OF NET SALES (R12)

5 % → 2021: 5%

Highlights

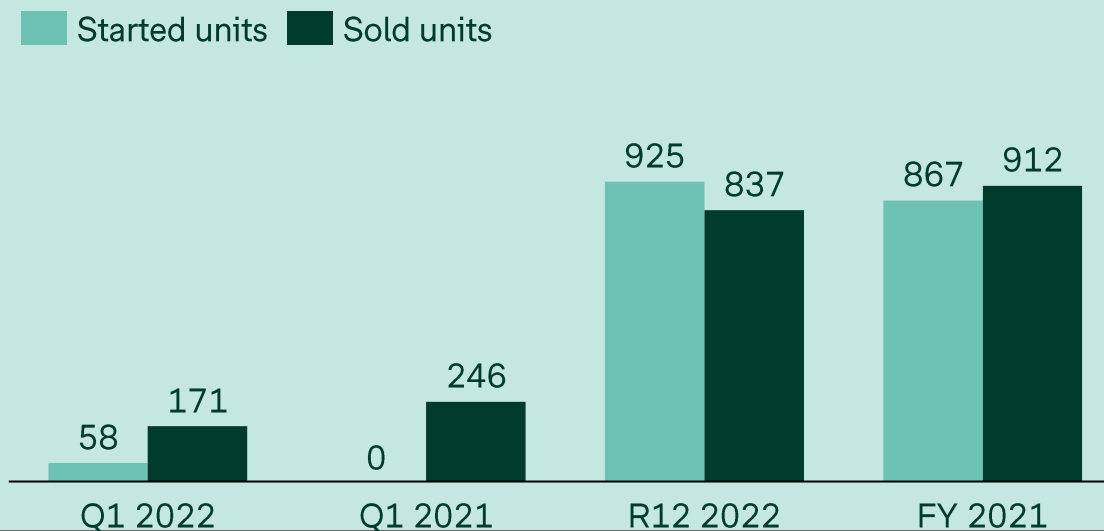
- Improved project margins in recognised units but lower volume compared to LY
- 1,600 new building rights acquired
- First project in Lithuania to be recognised in Q2



Project: Mazā Robežu 5, Latvia

MSEK	2022 Q1	2021 Q1	2022 R12	2021 FY
Net sales	82	80	760	757
Gross profit	14	9	118	114
Gross margin, %	17.1	11.8	15.6	15.0
Selling & admin expense	-11	-7	-36	-32
Operating profit	3	3	82	82
Operating margin, %	3.6	3.3	10.8	10.8
Recognised units	78	96	793	811

Sold and started units



St. Petersburg

SHARE OF NET SALES (R12)

4 % → 2021: 5%

Highlights

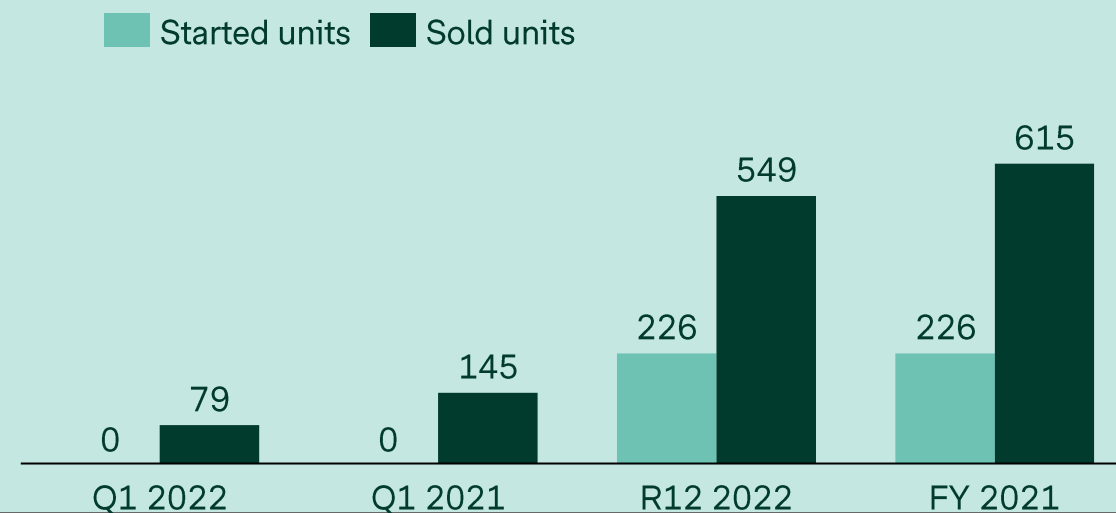
- Included in Group figures
- Continued good execution in projects
- 762 units in ongoing production
- No new starts or investments



Project: Gröna Lund, St. Petersburg

MSEK	2022 Q1	2021 Q1	2022 R12	2021 FY
Net sales	216	277	684	745
Gross profit	67	72	187	192
Gross margin, %	31.2	26.0	27.4	25.8
Selling & admin expense	-7	-10	-35	-37
Operating profit	60	62	152	155
Operating margin, %	27.7	22.5	22.2	20.8
Recognised units	138	213	501	576

Sold and started units



Exposure in St. Petersburg from Group perspective

- Equity amounted to 671 MSEK (5,933 MRUB), 8 per cent of Group

Commitments Bonava AB on behalf of Bonava St. Petersburg:

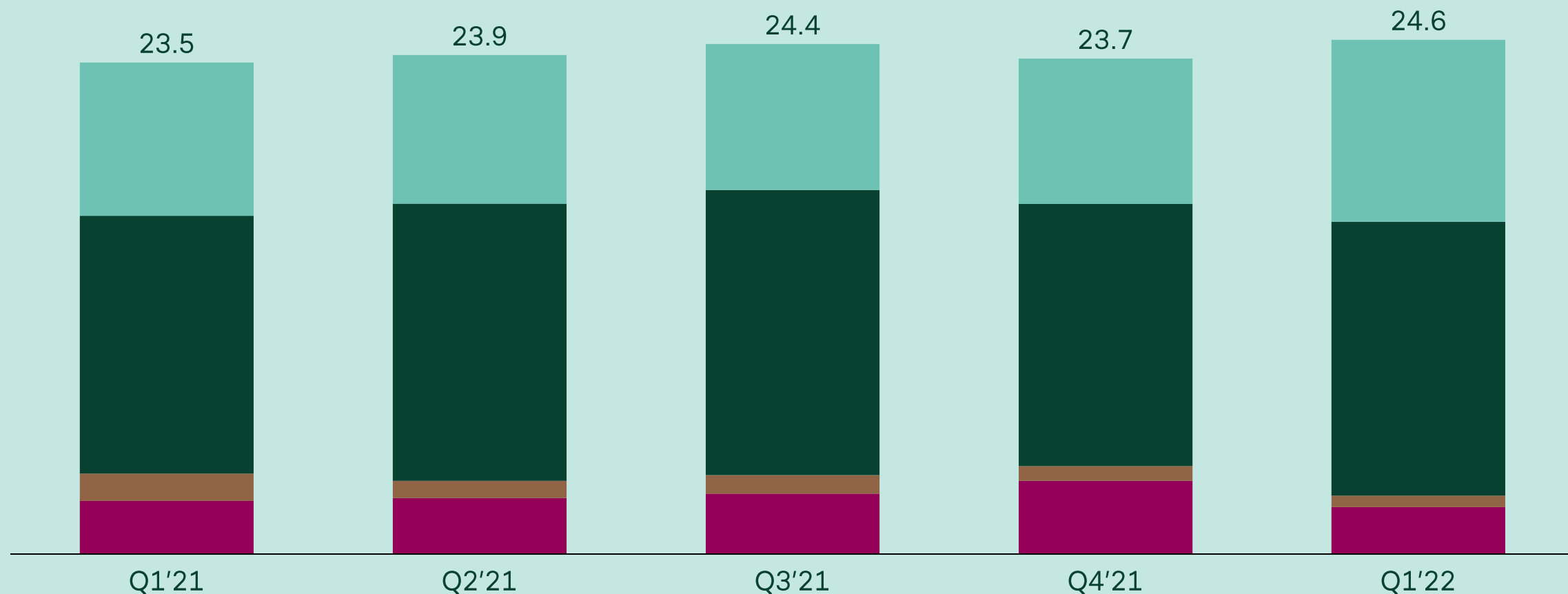
- 277 MSEK in guarantee commitments for project financing (277 MSEK included in current liabilities in St. Petersburg)
- 186 MSEK in guarantee commitments for ongoing land acquisitions (119 MSEK is included in non-current liabilities and properties held for future development in St. Petersburg)

Total exposure as of 31 March: 1.1 billion SEK

Distribution of assets: Increased investments in land bank

Total assets (SEK Bn)

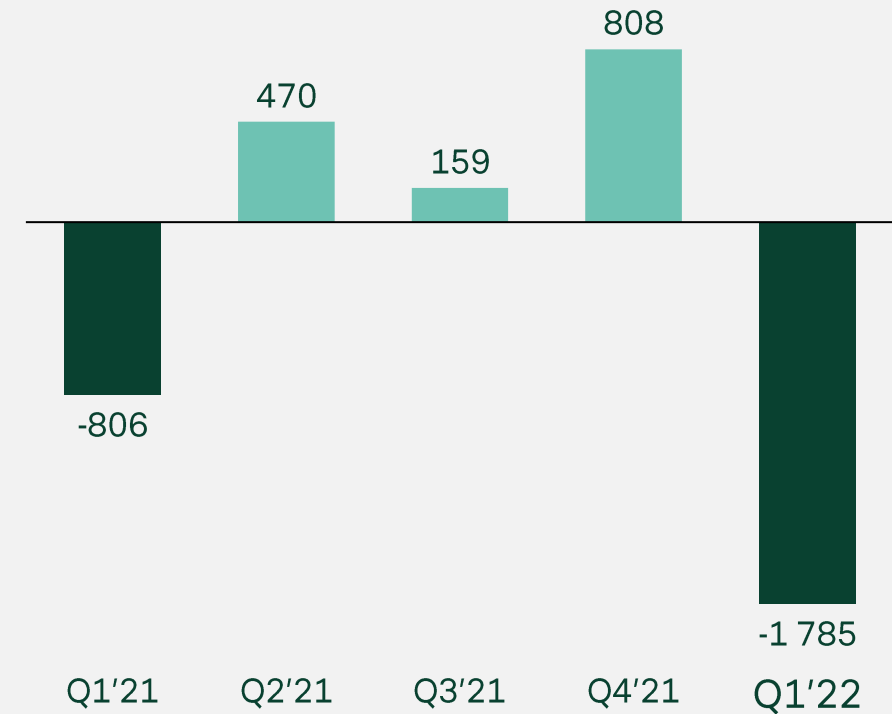
Properties held for future development Ongoing housing projects Completed housing units Other assets



Increased investments in building rights

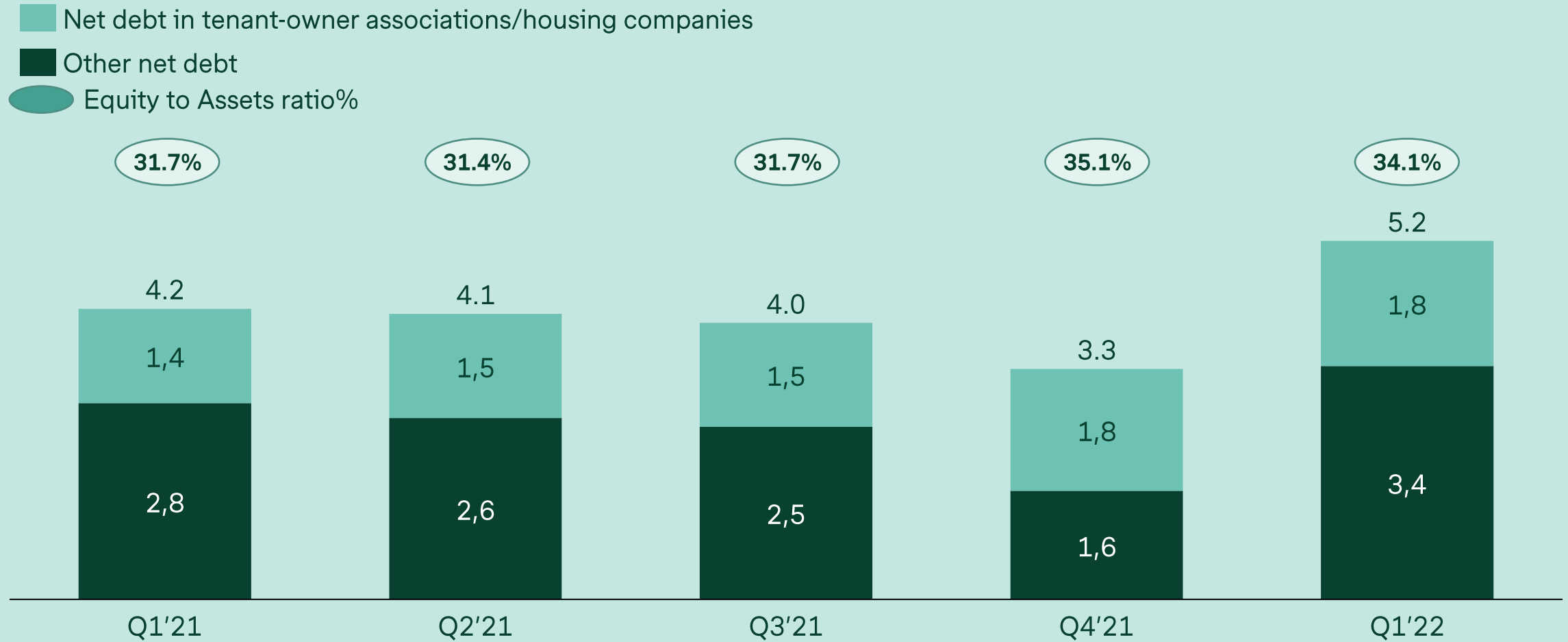
MSEK	2022 Q1	2021 Q1	2022 R12	2021 FY
Cash flow before changes in working capital	-18	-194	1,167	991
Divestments of housing projects	2,327	1,486	13,751	12,910
Investments in housing projects	-4,345	-2,542	-15,073	-13,270
Other changes in working capital	257	454	-109	88
Cash flow from operating activities	-1,778	-796	-263	719
Investing activities	-7	-10	-85	-88
Cash flow before financing	-1,785	-806	-348	631

Cashflow before financing per quarter (MSEK)



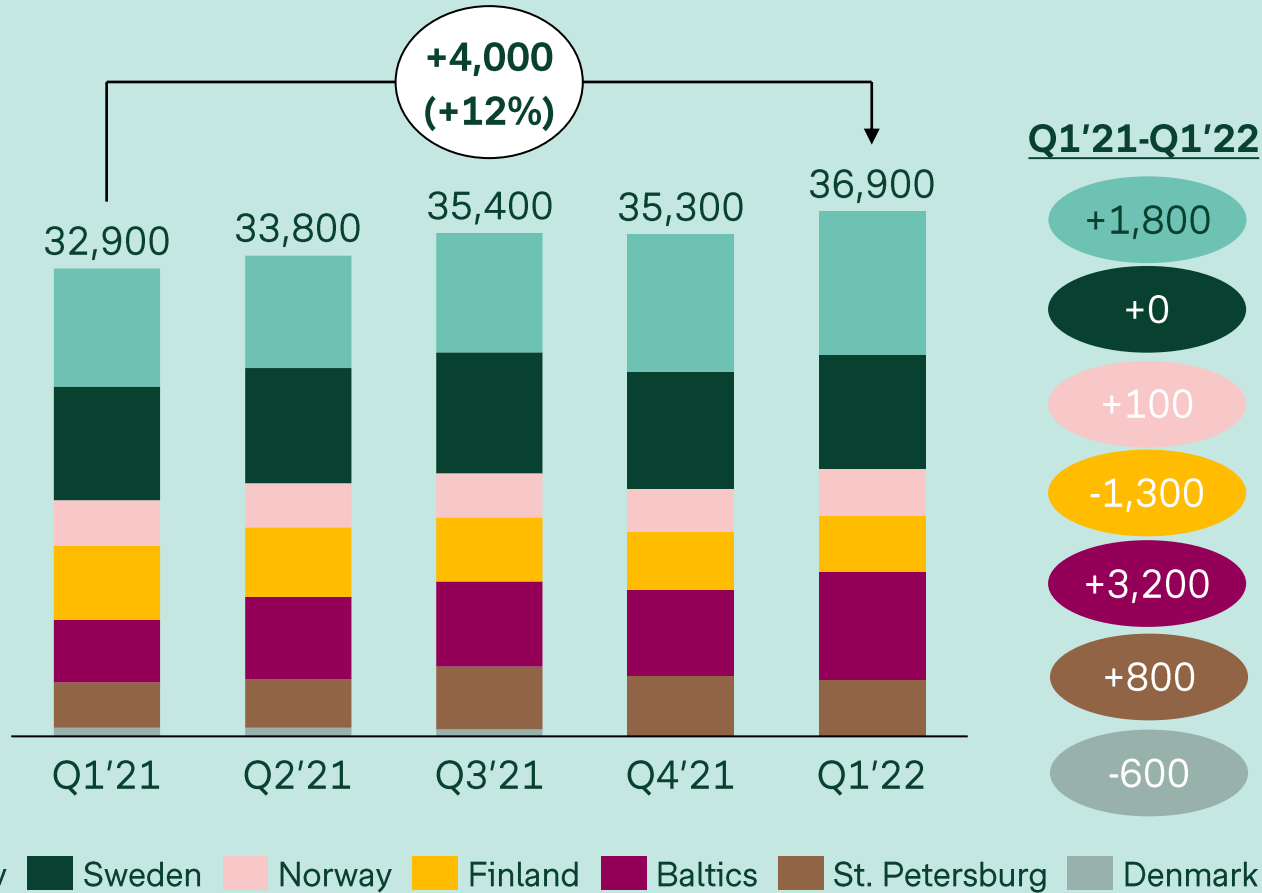
Land acquisitions made for future growth

Net debt (SEK Bn)



Increasing number of building rights in attractive locations

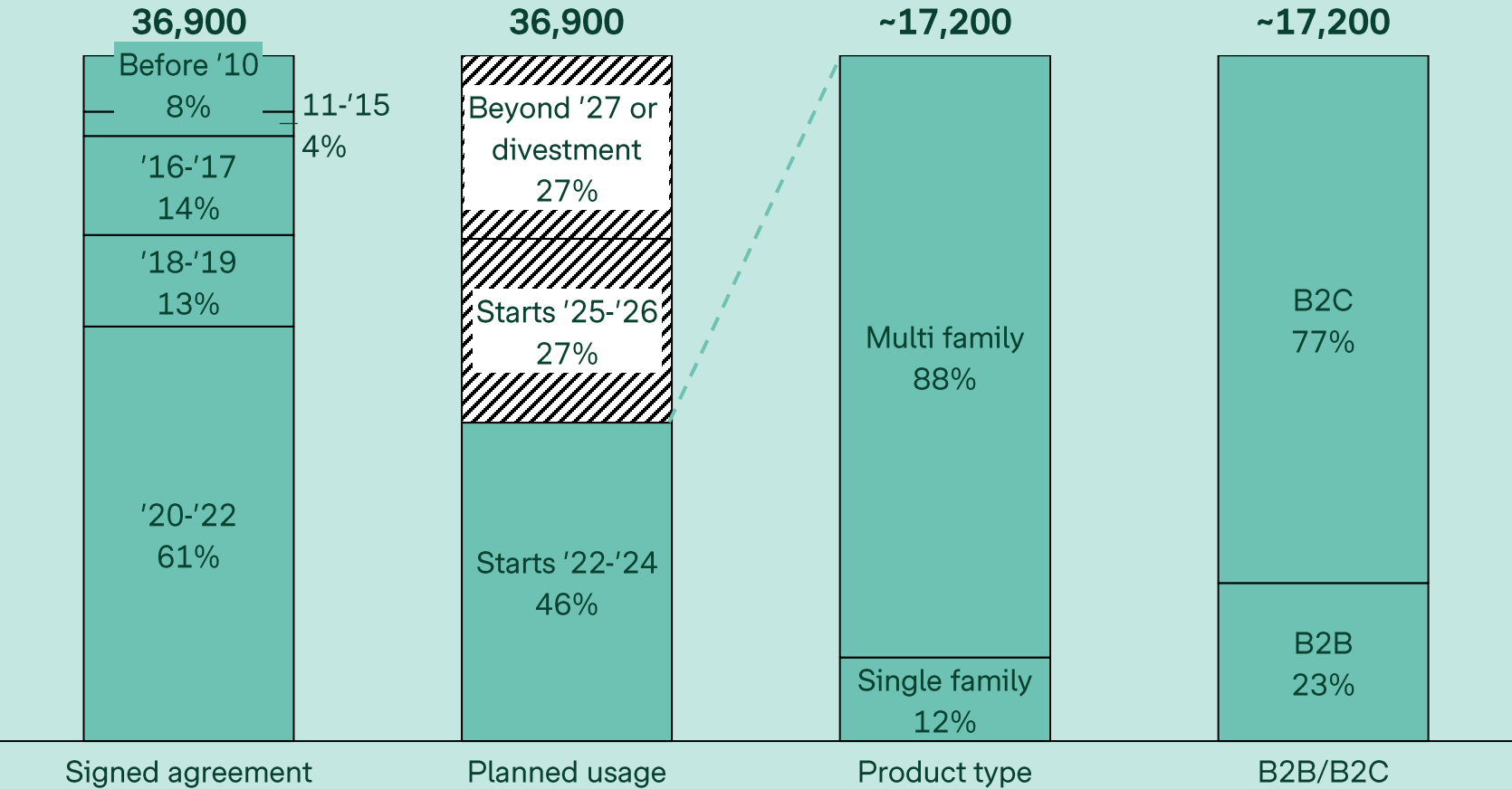
No of building rights



Building rights added to land bank

- Book value SEK 9 (7) Bn with more on balance compared to LY
- Germany: Large investment made in Berlin. Plots acquired in Leipzig, Frankfurt and Lübeck
- Sweden: One large plot in Västerås, but returned 700 building rights
- Norway: Two plots in Bergen
- Baltics: One large plot added in Lithuania and one in Latvia

Short term land bank mainly MFH and B2C

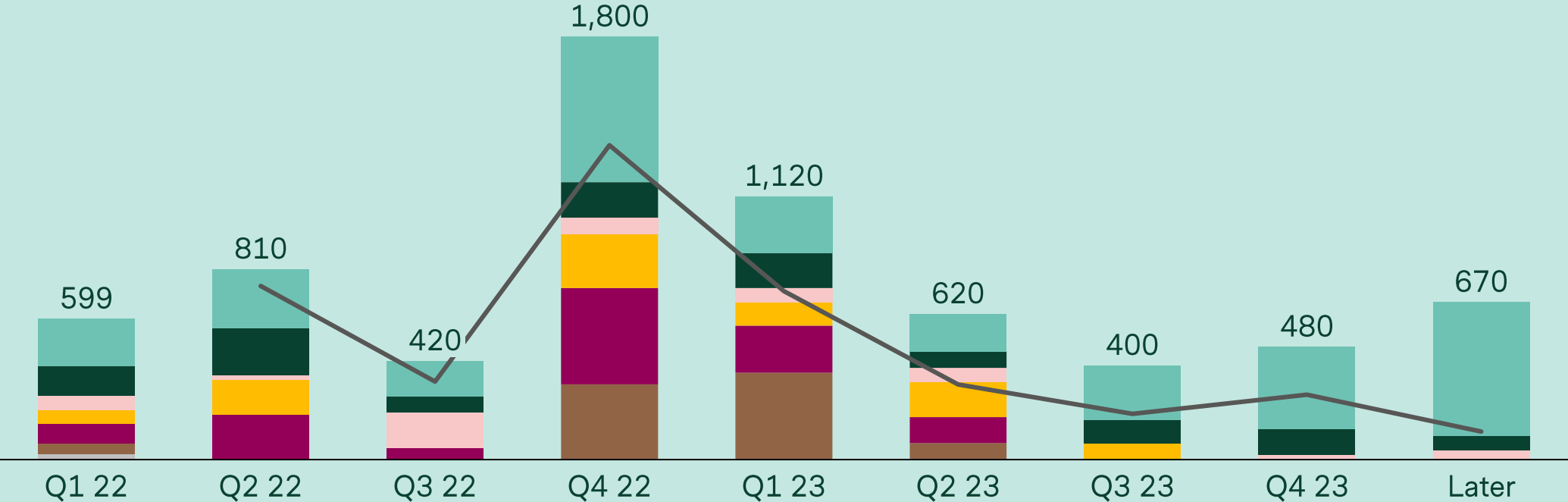


Comments

- BR on balance: 22,000
- BR off balance: 14,900
 - Options or conditional agreements
- Secured landbank to enable starts in 2022-2024
- Short term more multi family

Consumers - expected completions and sales rate

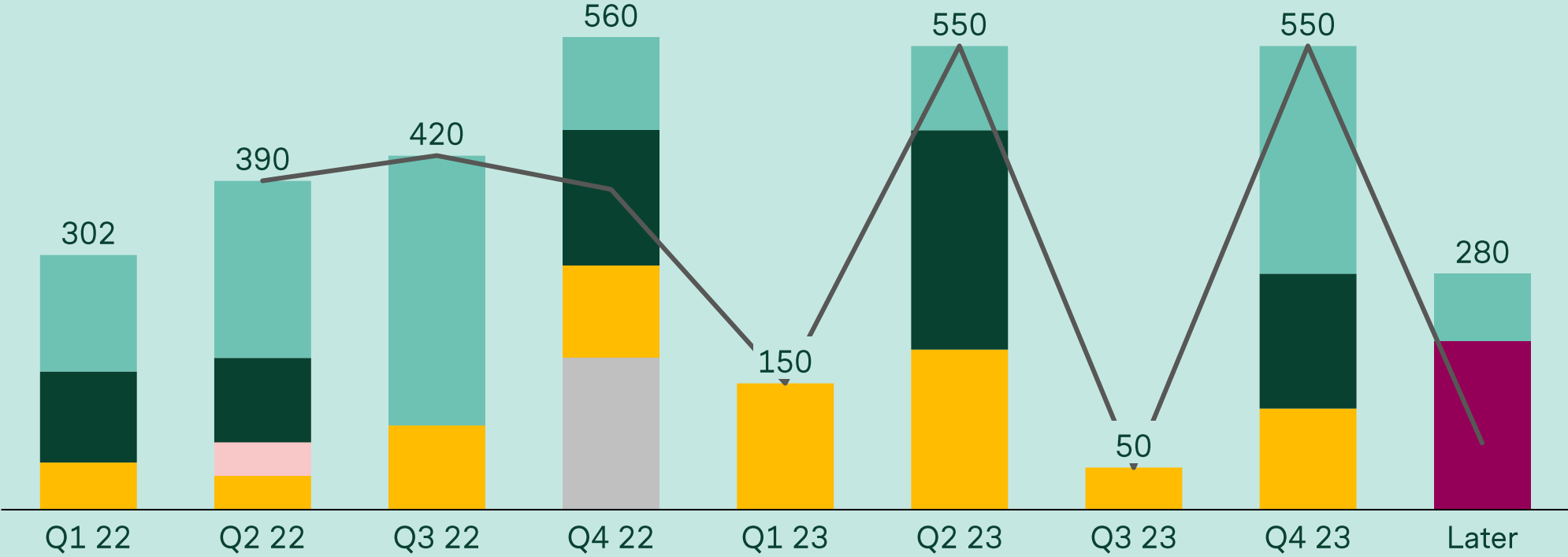
Germany Sweden Norway Finland Baltics St. Petersburg Denmark Sales Rate



Δ since Q4 21:	-121	110	-20	-60	+130	+30	-60	+480	-130	+359
Starts Q1 22:				+12	+10	+128	+27	+77	+103	+357

Investors - expected completions and sales rate

Germany Sweden Norway Finland Baltics Denmark Sales rate



Δ since Q4 21:	+72	-80			-100	-50		+550	-340	+52
Starts Q1 22:						+53				+53

Summary



Progressing in improving profitability



Summary

- Market stable in the quarter but cloudy outlook
- Review of S&A to be completed in Q2
- We are progressing in improving profitability
- Increasing attractive land bank
- Slightly revised financial targets long-term and mid-term

Q&A

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BONAVA