

GENOVA



Interim report January–September / **2023**



The period in summary

January–September 2023 period

- Rental income amounted to SEK 377.1m (286.0), an increase of 32%.
- Net operating income amounted to SEK 280.7m (206.1), an increase of 36%.
- Income from property management decreased 44% to SEK 42.5m (95.6), of which income from property management attributable to shareholders was SEK -18.3m (55.1), corresponding to SEK -0.40 (1.31) per share. The decline was mainly due to increased interest expense and negative changes in the value of joint ventures.
- Net income for the period amounted to SEK -201.9m (415.7), corresponding to SEK -6.53 (8.01) per share. The decline was mainly due to negative changes in the values of properties.
- Long-term net asset value attributable to shareholders decreased 7% to SEK 3,431.6m (3,703.0), corresponding to SEK 75.23 (88.21) per share.

July–September 2023 quarter

- Rental income amounted to SEK 122.6m (100.3), an increase of 22%.
- Net operating income amounted to SEK 94.3m (73.8), an increase of 28%.
- Income from property management decreased 53% to SEK 18.4m (39.3), of which income from property management attributable to shareholders was SEK -3.2m (24.0), corresponding to SEK -0.07 (0.57) per share. The decline was mainly due to increased interest expense.
- Net income for the period amounted to SEK -54.1m (73.2), corresponding to SEK -1.65 (0.95) per share.

SEK 10,340m¹

Property value

8,934

Residential building rights

60.4%

Loan-to-value ratio

SEK 75.23

Long-term net asset value attributable to shareholders per share

1) Of which ongoing construction and planned projects of SEK 2,385m.

	Jan-Sep 2023	Jan-Sep 2022	Jul-Sep 2023	Jul-Sep 2022	Oct 2022 -Sep 2023	Jan-Dec 2022
Rental income, SEKm	377.1	286.0	122.6	100.3	485.8	394.7
Net operating income, SEKm	280.7	206.1	94.3	73.8	352.3	277.8
Income from property management, SEKm	42.5	95.6	18.4	39.3	67.7	120.8
Income from property management attributable to shareholders per share, SEK	-0.40	1.31	-0.07	0.57	-0.21	1.53
Residential units under construction, no. ¹	811	797	811	797	811	1,006
Residential units completed, no.	195	66	14	66	308	179
Net investment, SEKm	394.0	653.8	251.8	138.7	459.4	719.2
Loan-to-value ratio, %	60.4	61.7	60.4	61.7	60.4	59.1
Equity/assets ratio, %	36.3	38.6	36.3	38.6	36.3	38.4
Interest-coverage ratio, times	1.6	2.0	1.5	2.0	1.7	2.0
Long-term net asset value, SEKm	5,015.3	4,644.6	5,015.3	4,644.6	5,015.3	5,134.0
Long-term net asset value attributable to shareholders, SEKm	3,431.6	3,703.0	3,431.6	3,703.0	3,431.6	3,584.1
Total no. of shares outstanding, 000s	45,613	41,977	45,613	41,977	45,613	41,977
Long-term net asset value attributable to shareholders per share, SEK	75.23	88.21	75.23	88.21	75.23	85.38

1) Including 40 hotel rooms.

2) Excluding non-recurring costs.

Significant events during and after the end of the quarter

Third quarter

- In July, an agreement was signed to divest two fully leased hotel properties in Palma, Majorca, for approximately EUR 35m, corresponding to about SEK 400m. The properties are not of a long-term strategic nature for the company and are low-leveraged, and the divestment provided Genova with net liquidity of approximately SEK 350m, which will be used to reduce the company's indebtedness. The exit date was 18 October 2023.
- In September, a 15-year rental agreement was signed for the Söderhällby 1:9 property in Uppsala, with approximately 5,000 sqm and an annual rental value of approximately SEK 9m. The letting will involve leasehold improvements, where Genova's total investment commitment is expected to be approximately SEK 40m. The tenant will gain accession to 4,000 sqm on 1 April 2024, and the remaining area in 2025.

Events after the end of the quarter

- Bond loan with ISIN SE0013222593 (senior unsecured bonds 2019/2023) and a final maturity date of 30 September 2023 was fully repaid. The total remaining amount that was redeemed amounted to SEK 410m after Genova cancelled its previously repurchased bonds of SEK 115m in connection with the redemption.
- After the end of the period, Genova divested a property in Uppsala at an underlying property value of SEK 50m, which is in line with book value. The property has a lettable area of approximately 3,300 square meters with warehouse and light industry and is fully let with an annual rental value of approximately SEK 4.0m. Average remaining contract term is 1.0 years. Exit date is planned to November 1, 2023.



Gredelby 21:1, Knivsta

CEO's statement

Genova's property management and project development performed well during the period and we grew organically with occupancy of completed rental apartments. At the same time, income from property management is burdened by higher interest expense and negative value changes in associated companies. We continued our methodical efforts to strengthen liquidity and reduce interest expense and, among other things, divested non-strategic assets. After the end of the period, we also redeemed a bond loan with existing liquidity.



“Genova has continued working to reduce indebtedness and strengthen liquidity.”

During the period, rental income increased 32% and net operating income 36%, mainly due to a larger investment property portfolio and completed projects. Income from property management decreased to SEK 42.5m compared with SEK 95.6m in the preceding year, mainly due to higher interest expense and negative changes in the value of associated companies. We recognised negative value changes of SEK 368m from the properties, mainly due to increased yield requirements. Overall, this had a negative impact on net asset value per share.

Financing

Genova continued working to reduce indebtedness and strengthen liquidity. During the period, we raised new equity of approximately SEK 200m and completed property sales for approximately SEK 500m, which freed up about SEK 400m in liquidity. After the end of the period, we redeemed an outstanding bond loan of SEK 410m. In 2023, Genova has been focused on being well equipped for the maturity of our bond, and the fact that we could manage the maturity with existing liquidity is positive. Overall, this means that we strengthened the balance sheet and reduced our interest expense by approximately SEK 50m on an annual basis.

Property management

Our existing property portfolio generates favourable earnings. During the quarter, several large lettings of commercial premises were completed and we have a steady economic occupancy rate of 93% with long-term rental agreements, an average of 5.1 years. Most of our rental agreements are linked to inflation via annual CPI indexation, which from January 2024 will have a positive effect on our earnings capacity.

Investments

One of Genova's strengths is the combination of investment properties with stable cash flows and profitable project development of rental units and premises that creates organic growth. Ongoing projects in Enköping, Knivsta, Norrtälje and Upplands-Bro are progressing well and to date this year, approximately 180 tenants have occupied newly developed rental apartments. It is positive that we are seeing unchanged strong demand for the apartments that we develop. In our core markets of Stockholm and Uppsala and other growth regions, underlying demand for rental apartments is strong, not least in line with the sharp decline in housing construction. We believe that this situation will continue. Genova's work with ongoing zoning plans is therefore important for being able to commence new construction where we believe it will create long-term value. One project with great potential is located in Skarpnäck, where we are partnering with the City of Stockholm to plan a new district with residential units, grocery stores, a school and so forth in an attractive location with good access to public transport.

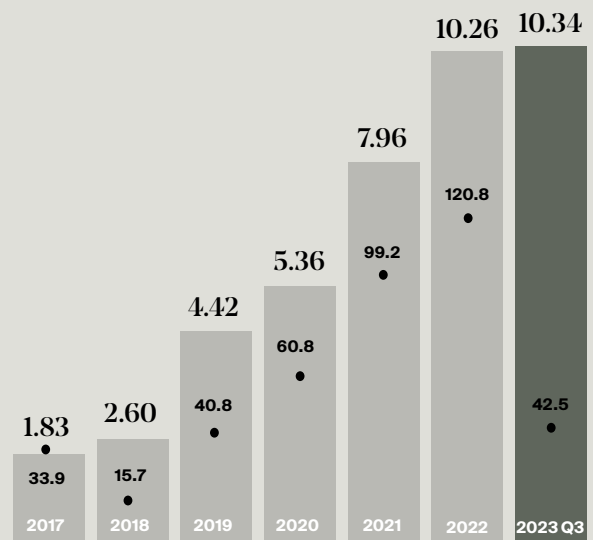
In the prevailing market uncertainty, we need to act both here and now and apply a longer perspective in order to secure the business both operationally and financially. Genova will continue to work pro-actively to strengthen the balance sheet and improve our net financial position. At the same time, we will continue to invest in profitable project development in order to create long-term value. We are determined to emerge stronger when the market recovers.

Michael Moschewitz, CEO

Genova – the personal property company

Genova's mission is to combine stable cash flows from the investment property portfolio with cost-efficient project development of mainly rental apartments and community service properties for our own long-term management.

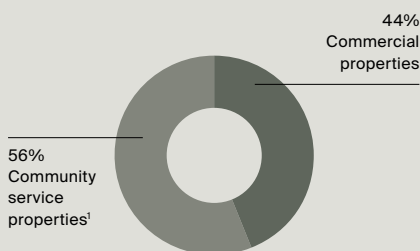
Genova is a personal property company that owns, manages and develops properties with a long-term, sustainable and highly committed approach. The large portfolio of own residential building rights ensures the Group's long-term growth and continued stable growth of the investment property portfolio. Genova's core markets – Greater Stockholm and the Uppsala Region – are characterised by strong growth, high disposable income, high level of education and low unemployment. The company also owns properties in other growth areas, such as Lund, and operates in western Sweden through the subsidiary Järngrinden.



■ Property value, SEK billion

● Income from property management, SEKm

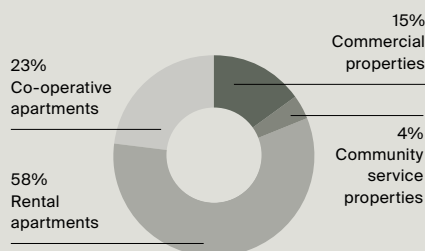
Investment properties



Property value
Total SEK 7,956m

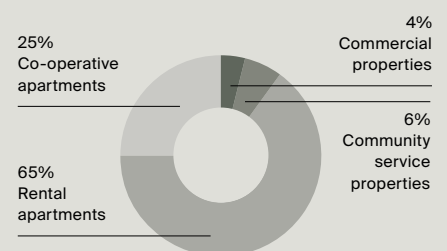
1) Of which 238 rental apartments

Ongoing projects and development properties



Property value
Total SEK 2,385m

Building rights portfolio



Lettable area
Total 583 ksqm

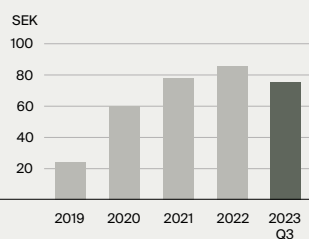
Financial targets

Long-term net asset value

Achieve an average annual growth of at least 20% in long-term net asset value per share (including any value distributions to shareholders) over a business cycle.

44%

Average annual growth
2019-Q3 2023



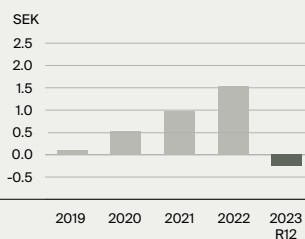
Long-term net asset
value per share, SEK

Income from property management

Achieve an average annual growth of at least 20% in income from property management per share (before dividends) over a business cycle.

101%

Average annual growth
2019-Q3 2023



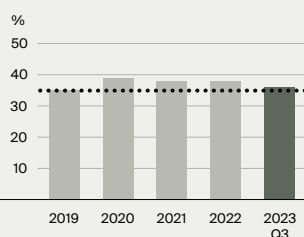
Income/loss from
property management
per share, SEK

Equity/assets ratio

Over time, the equity/assets ratio shall be at least 35%.

36%

30 Sep 2023



Target

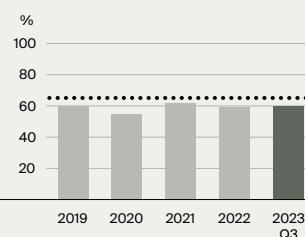
Equity/assets ratio, %

Loan-to-value ratio

Over time, the loan-to-value ratio shall not exceed 65%.

60%

30 Sep 2023



Limitation

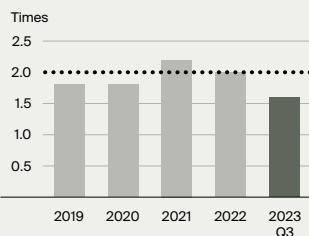
Loan-to-value ratio, %

Interest-coverage ratio

Over time, the interest-coverage ratio shall be higher than 2.0.

1.6 times

Jan-Sep 2023



Target

Interest-coverage ratio, times

Dividend policy

Genova's overall objective is to create value for the company's shareholders. In the coming years, this is deemed best achieved by reinvesting cash flows in operations to create further growth through investments in new construction, existing properties and property acquisitions, which could lead to either small or no dividends at all on shares. In the long-term, the dividend on shares shall be at least 50% of income from property management attributable to shares.

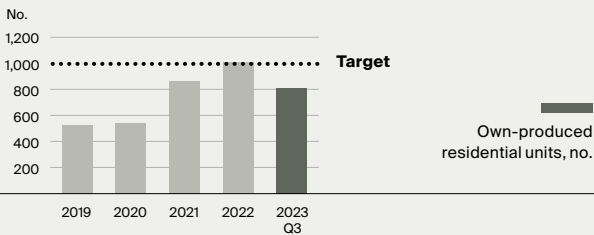
Operational targets

Ongoing construction

Ongoing construction of own-produced residential units shall amount to at least 1,000 residential units per year by the end of 2024.

811

30 Sep 2023

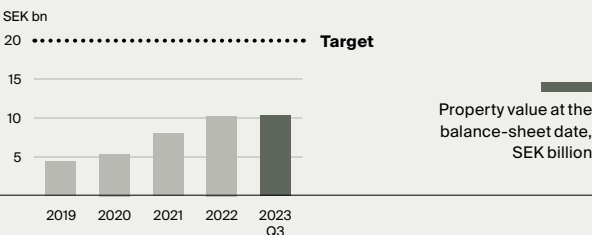


Property value

The value of the investment property portfolio is to be SEK 20 billion by the end of 2025.

SEK 10.3 bn

30 Sep 2023

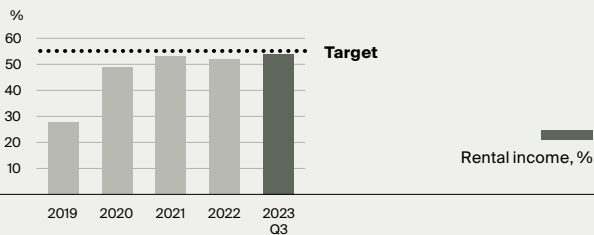


Rental income

Rental income from residential and community service properties shall account for at least 55% of Genova's total rental income by the end of 2023.

54%

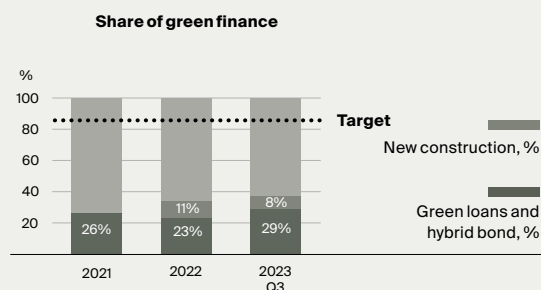
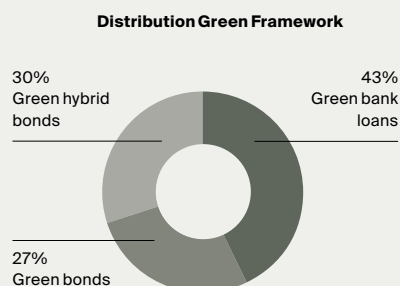
30 Sep 2023



Sustainability targets

Green finance

The share of green finance for new construction and investment properties is to be 85% by the end of 2023.



The company has elected to highlight the ongoing new constructions that will be classified as green upon completion and final placement.

Environmental certification

All new construction is to have environmental certification. In addition, all investment properties that are owned and managed on a long-term basis (excluding Järngrinden's properties) are to have environmental certification by the end of 2023.

Certification	Investment properties				Construction	
	Certified	Ongoing	Continuing/ Planned	Ongoing planning	Total	Ongoing
Nordic Swan	2				2	3
Green Building	2				2	
Miljöbyggnad iDrift						
Silver	7	22			29	
Bronze	1				1	
Not certified				27	27	
Total	12	22	0	27	61	3

An evaluation of the environmental certification of Järngrinden's 21 investment properties will begin in 2023.

Climate targets

GHG emissions are to decrease by 42% by 2030 compared with levels in 2021 in Scope 1 and Scope 2. Emissions in Scope 3 are to be measured and reduced. The targets have been validated and published by the Science Based Target initiative. The targets will be followed up annually, starting with the Sustainability Report for 2023

Sustainability work

Sustainability strategy

The sustainability strategy is divided into three main areas: building and managing for tomorrow's environment and climate, long-term urban development, and pursuing sustainable business activities. These three areas have, in turn, objectives that are continuously reviewed and adopted by the Board at least once annually. In 2022, Genova developed specific targets for the reduction of its emissions, increased the share of properties with environmental certification, and increased the share of green finance.

Green Finance Framework

In December 2020, Genova established a Green Finance Framework aligned with the Green Bond Principles issued by the

International Capital Market Association (ICMA). This document governs the conditions for using the proceeds from green bonds, green loans and other types of debt instruments. Genova's Green Finance Framework and related information are available on the company's website ([genova.se](https://www.genova.se)).

Environmental certification

Genova's long-term goal is that all newly developed properties and properties under long-term management in our portfolio will be environmentally certified in order to meet customer and investor requirements, reduce our negative impact, increase our positive impact, increase the value of the property, and enable better terms for loans.

Events during the period

During the period, Genova set climate targets that have been validated and published by the Science Based Targets initiative. The targets are to reduce the company's GHG emissions by 42% by 2030 compared with levels in 2021 in Scope 1 and Scope 2, and to measure and reduce emissions in Scope 3. The new climate targets complement Genova's existing sustainability targets concerning environmental certification and green financing.

In the third quarter, Genova continued to work with environmental certification and five investment properties obtained Miljöbyggnad iDrift, level Silver certification. Efforts with other selected properties continue and the aim is that they will obtain certification in the coming months.



Handelsmannen 1, Norrtälje

Investment property portfolio

Investment properties

Genova's investment property portfolio comprises community service properties and residential units, as well as commercial properties for retail, offices and warehousing. The development of future rental apartments combined with community service properties are being planned for most of Genova's existing investment properties, often in new districts. The investment properties are mainly located in Greater Stockholm, the Uppsala Region and in western Sweden.

Genova works continuously to identify properties that will contribute to achieving the financial and operational targets. Potential acquisition candidates include cash flow-generating properties, fully or partly let, and vacant buildings with development and letting potential.

Genova's aim is that the acquired properties will eventually provide opportunities to create building rights for new construction projects in the future.

At the end of the period, Genova had one wholly owned investment property portfolio comprising 82 investment properties with a market value of approximately SEK 8.0 billion, allocated over about 367 ksqm. The total property value, including accessed properties, properties under construction and joint ventures, was approximately SEK 11.3 billion.

Rental agreements

At the end of the period, Genova had approximately 450 rental agreements with an average remaining rental dura-

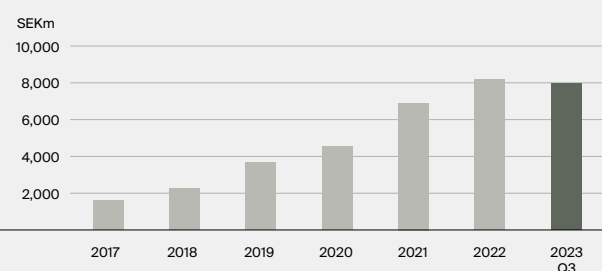
tion of 5.1 years, and 236 agreements for rental apartments.

Of total contracted rental income, the proportion derived from residential units and publicly funded tenants was approximately 54%. If supermarkets are also included, the proportion of contracted rental income was approximately 61%.

During the period, Genova signed a 15-year rental agreement for the Söderhällby 1:9 property in Uppsala, with approximately 5,000 sqm and an annual rental value of approximately SEK 9m. The tenant will gain accession to 4,000 sqm in April 2024, and the remaining area in 2025.

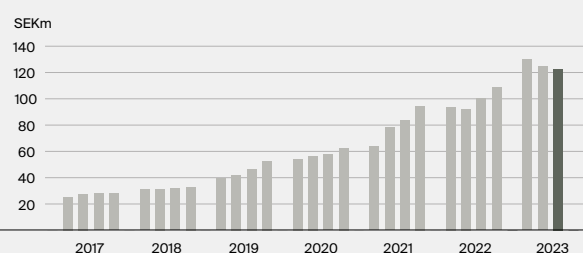
Performance of value of investment properties

30 September 2023



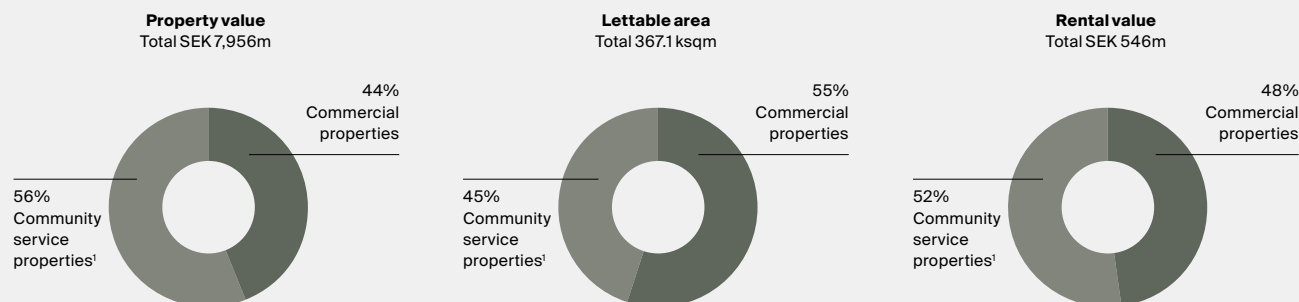
Rental income per quarter

30 September 2023



Investment properties per property category

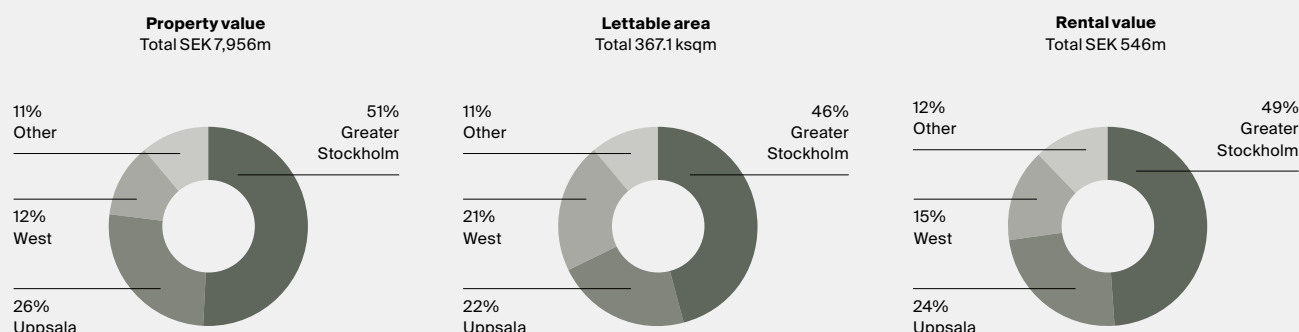
30 September 2023



¹) Existing rental apartments are included in the Community service properties category.

Investment properties per geography

30 September 2023



Allocation of rental income

30 September 2023

Rental agreements	Contracted annual rent, SEKm	Percentage, %
Community service	251	49
Residential units ¹	25	5
Supermarkets	35	7
Other commercial	198	39
Total rental income	509	100
Average weighted remaining term, years (10 largest)		6.5 years
Average weighted remaining term, years (total portfolio)		5.1 years

¹) Of which approximately SEK 2.5m pertains to student accommodation let through a rental contract.

Structure of rental agreements

30 September 2023

	No. of rental agreements	Area ksqm	Contracted rent, SEKm	Percentage, %
Term				
2023	17	2	8	2
2024	175	45	61	12
2025	107	78	113	22
2026	70	58	83	16
2027	31	19	29	6
>2027	54	107	191	37
Total	454	308	486	95
Rental apartments	236	13	23	5
Total	690	321	509	100
Vacant		46	38	
Total		367	546	

Investment property portfolio

30 September 2023

	No. of proper- ties	Lettable area, ksqm	Property value		Rental value		Occu- pancy rate, %	Contracted annual rent ² , SEKm	Property costs		Net operating income	
			SEKm	SEK/ sqm	SEKm	SEK/ sqm			SEKm	SEKm	SEK/ sqm	SEKm
Per property category ¹												
Commercial properties	52	202.0	3,530	17,481	263	1,300	90.2	237	-67	-331	170	843
Community service prop- erties ³	30	165.1	4,425	26,800	284	1,719	95.8	272	-60	-362	212	1,285
Total per property category	82	367.1	7,956	21,673	546	1,489	93.1	509	-127	-345	382	1,041
Per geography												
Greater Stockholm	34	169.1	4,044	23,908	268	1,587	95.7	257	-59	-351	197	1,168
Uppsala	17	80.0	2,053	25,647	130	1,623	92.4	120	-34	-423	86	1,077
West	23	78.9	960	12,164	79	1,007	89.0	71	-18	-229	53	666
Other	8	39.0	899	23,067	69	1,762	89.2	61	-15	-390	46	1,181
Total per geography	82	367.1	7,956	21,673	546	1,489	93.1	509	-127	-345	382	1,041
Of which Järngrinden	21	63.3	711	11,227	61	967	85.7	52	-13	-199	40	629
Ongoing construction			1,136									
Planned projects			1,249									
Total as per the balance sheet			10,340									
Near-term completed constructions ⁴	2	13.8	141		30	2,146	100	30	-5	-375	24	1,771
Total	84	380.9	10,482		576	1,512	93.5	538	-132	-346	407	1,068
In addition:												
Properties owned through joint ventures			906									

1) Based on the primary use of the property.

2) Not including decreasing rental discounts with a current annual value of SEK 12m.

3) Of which 238 rental apartments are allocated between eight properties

4) Refers to the Korsängen project and part of the Handelsmannen project, which will be completed within 12 months. The property value was SEK 554m upon completion but as of 30 September, an amount corresponding to SEK 413m was recognised on the balance sheet for properties under construction.

The above summary pertains to the properties owned by Genova at the end of the period, with the addition of acquired but not accessed properties, and near-term completed constructions. The table reflects income from, and costs of, the properties as if they had been owned throughout the entire period.

Estimated earnings capacity

The table below was prepared to provide an indication of Genova's estimated earnings capacity for management activities. The earnings capacity is based on the status of the investment objects at the end of the period, and earnings capacity from ongoing development projects where construction has started following completion and occupancy. It is important to note that the current earnings capacity is not a forecast for the next 12 months. The earnings capacity does not, for example, include an assessment of occupancy, vacancy or interest-rate changes. Most of the

company's premise rents, excluding rent surcharges, are subject to indexation at year-end. In addition to the estimated earnings capacity, a 6% inflation rate means that contracted rental income will increase by approximately SEK 27m as of January 2024.

The rental value for each investment object and ongoing development projects included in current earnings is presented in the sections "Investment properties" and "Project development" in the interim report. Rental income is based on annual rental value less vacant premises. Property costs are an

estimate of normalised costs for a full year. Administrative expenses pertain to costs attributable to property management, and are based on estimated costs for the next 12-month period, excluding any non-recurring costs. Net financial items have been calculated on the basis of current interest-bearing net debt. No interest is received on cash and cash equivalents and interest on the interest-bearing debt has been calculated using the average interest rate at the end of the period.

Estimated earnings capacity, 30 September 2023

SEKm	Investment properties Genova	Investment properties Järngrinden	Total Investment properties	Ongoing construction	Total
Rental value	485	61	546	80	627
Vacancy rate	-29	-9	-38	0	-38
Rental income	456	52	509	80	589
Property costs	-114	-13	-127	-12	-139
Net operating income	342	40	382	68	450
Central administration, property management	-17	-4	-21	0	-21
Genova's share of income from property management through joint ventures	11	4	15	4	19
Net financial items	-221	-21	-242	-55	-297
Income from property management	115	19	134	17	151



Luthagen 13:2, Uppsala

Project development

Genova's organic growth is generated from project development for rental apartments, community service properties and commercial premises where the project portfolio is mainly focused on the creation of building rights from the company's own investment properties using existing cash flow. Thus, Genova is active across the entire chain of property investments – from acquisitions to property management, project development and construction, where the projects often include contributing to the development of new districts.

Ongoing construction

Genova's ongoing projects comprise the rental units in Norrtälje, Knivsta, Enköping and Upplands-Bro as well as construction of a hotel in Palma, Majorca.

Järngrinden's ongoing projects are the co-operative apartments in Mark and co-operative apartments and rental units in Borås. Completed projects in our core markets will be owned and managed by Genova.

The first block in Norrtälje was completed and occupied. The second block, which is under construction, contains 240 rental apartments.

The Segerdal project is located in central Knivsta, directly adjacent to the train station. The project is being carried out in a joint venture with Redito and the first occupancies started in the second quarter of 2023.

The Korsängen project in central Enköping is located directly adjacent to Genova's Kryddgården 6:3 and Kryddgården 6:5 investment properties. Genova is constructing 160 rental apartments that are scheduled for completion next year.

In Palma, Majorca, a 40-room hotel was completed after the end of the quarter. The project is centrally located in Palma and let to Nobis, which also rents the hotel that was completed in 2021 in the same area. Both of these hotels were divested in the second quarter, and exited after the end of the quarter.

Construction on Genova's urban development project Viby in central Brunnåsa in Upplands-Bro started in the fourth quarter of 2022. The first stage comprises 131 residential units, a grocery store and an elementary school. Genova has signed letters of intent with Axfood and the Raoul Wallenberg School to operate on the premises. The Viby project will encompass a total of 850 residential units and service. The project is jointly owned with property company K2A (30%).

During the period, Järngrinden exited a rental unit project containing 92 rental apartments, and completed a co-operative apartment project with 23 co-operative apartments, both located in Borås. Järngrinden's ongoing projects in Mark include 13 co-operative apartments and the projects will be completed and exited in 2023. In addition, Järngrinden has one ongoing project in Borås through joint ventures and associated companies. All of Järngrinden's ongoing projects will be exited upon completion.

Building rights portfolio

Genova uses an estimated excess value to indicate the value of the company's building rights portfolio. The excess value is based on an externally estimated market value of the unused building rights in planned projects. This could be relevant in the event that Genova does not follow its business plan to develop

the building rights, but instead divests them. As of 30 September, CBRE's market valuation of the future building rights amounted to approximately SEK 3.4 billion. The existing buildings on these properties which, in some cases, will need to be demolished in connection with development, and accrued investments for planned projects had a book value of approximately SEK 2.1 billion as of 30 September. This means that the excess value in the Group's building rights portfolio was estimated to be approximately SEK 1.3 billion. This excess value is not reflected on Genova's balance sheet.

Järngrinden's building rights have not been externally appraised and are excluded from the excess value that Genova deems to exist in addition to the balance sheet. The aim moving forward is that Järngrinden's building rights will be externally appraised to also illustrate Järngrinden's excess value, which will become part of the Genova Group.

8,934

No. of residential building rights

580 ksqm

Lettable area

SEK 1.3 billion

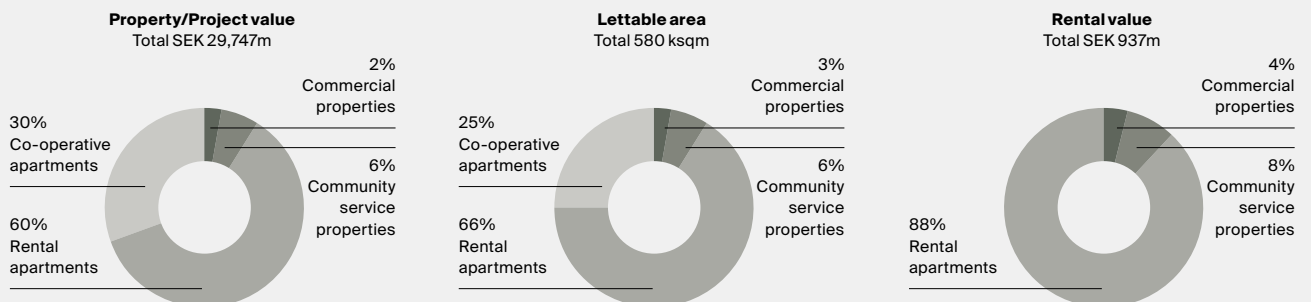
Excess value in building rights portfolio



Gredelby 21:1, Knivsta

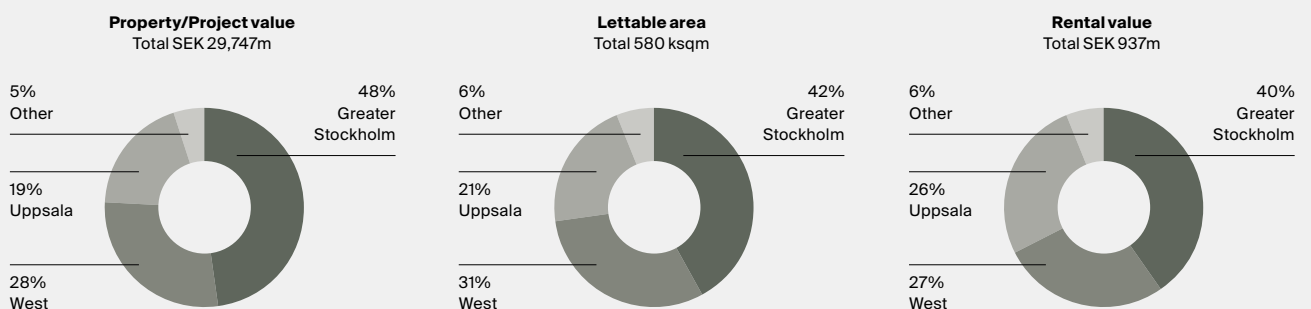
Project development per property category

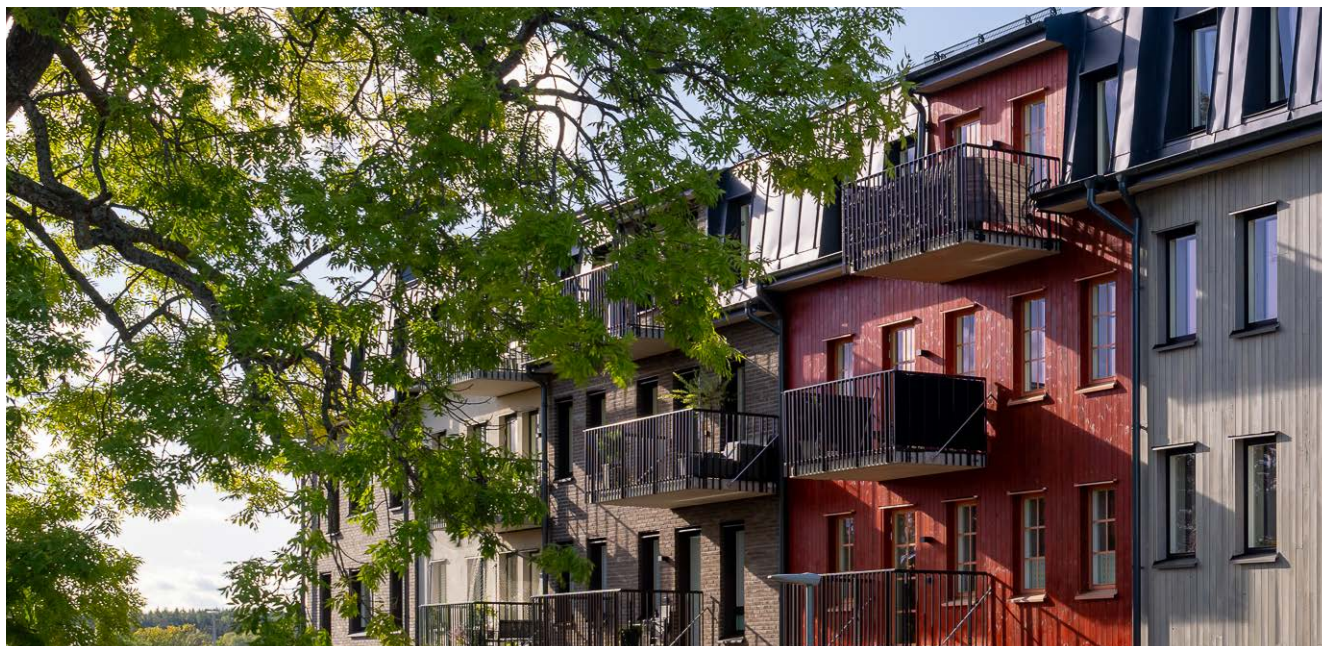
30 September 2023



Project development per geography

30 September 2023





Handelsmannen 1, Norrtälje

Ongoing construction

30 September 2023

Project	Municipality	Category	Construction start	Planned completion	No. of residential units	Lettable area, sqm		Property value ¹		Rental value		Investment, SEKm		Book value ² , SEKm
						Residential units	Premises	SEKm	SEK/sqm	SEKm	SEK/sqm	Estimated	Accumulated	
Handelsmannen 1	Norrtälje	Rental apartments	Q4 2019	Q2/Q4 2024	246	12,752	-	601	47,130	25	1,933	545	368	402
Segerdal ³	Knivsta	Rental apartments	Q4 2020	Q2 2023/ Q1 2025	102	6,309	271	329	50,000	15	2,301	301	158	-
Korsängen	Enköping	Rental apartments	Q1 2021	Q1/Q3 2024	160	8,031	244	389	47,009	19	2,283	386	236	239
Viby, Stage 1 ⁴	Upplands-Bro	Rental apartments	Q4 2022	Q2 2026	131	8,728	1,693	492	47,213	22	2,132	429	90	90
Viby, Stage 1 ⁴	Upplands-Bro	Community service properties	Q4 2022	Q2 2026	-	-	5,670	306	54,000	15	2,600	238	43	43
Järngrinden ⁵		Own management			72	4,048	-	150	36,993	-	-	134	-	-
Järngrinden ⁵		Co-operative housing association ⁶			60	2,484	-	148	59,402	-	-	121	123	123
Can Oliver Hotel ⁷	Palma	Commercial properties	Q2 2021	Q3 2023	40	-	-	-	-	-	-	-	-	239
Total ongoing construction					811	42,353	7,878	2,415	45,105	96	1,874	2,155	1,018	1,136

1) Refers to fair value of the investment upon completion.

2) Refers to only wholly owned projects. Book value attributable to jointly owned projects is presented under shares in joint ventures and associated companies on the balance sheet.

3) The Segerdal project is 50/50 owned by Genova and Redito. The table only shows the information that corresponds to Genova's financial stake. During the quarter, 27 apartments were completed and transferred to investment (Genova's financial stake has been rounded and corresponds to the completion of 14 apartments).

4) The Viby project is 70/30 owned by Genova and K2A. The entire project value is presented in the table, since the project has been consolidated in Genova's consolidated financial statements.

5) Järngrinden is a subsidiary, in which Genova has a 51% stake. Järngrinden's wholly owned, and stake in jointly owned, projects under construction are presented in the table.

6) Of which 23 apartments are completed and will be handed over to the co-operative housing association in the next quarter

7) The Can Oliver Hotel was exited after the end of the quarter

The table only shows the number of residential units, area, property and rental value, and investment amounts that correspond to Genova's financial stake in jointly owned properties. Properties in which Genova owns more than 50% are recognised as wholly owned. Projects in Genova's Järngrinden subsidiary are recognised using the same principle.

Information about ongoing construction and planned projects in the interim report is based on assessments of size, focus and scope, and when projects are scheduled for start-up and completion. The information is also based on assessments of future project costs and rental value. These assessments and assumptions should not be considered a forecast. Assessments and assumptions entail uncertainties in regard to the implementation, design, size, timetables, project costs

and future rental value of projects. The information about ongoing construction and planned projects is regularly reviewed and assessments and assumptions are adjusted as ongoing construction is completed or added, and circumstances change. For projects not yet started, financing has not been arranged, which means that financing for planned projects represents an uncertainty.

Planned projects

30 September 2023

Project	No. of residen- tial units	Lettable area, sqm		Property value ¹		Rental value		Investment, SEKm		Book value ² , SEKm
		Residen- tial units	Premises	SEKm	SEK/ sqm	SEKm	SEK/ sqm	Esti- mated	Accum- ulated	
Per category										
Rental apartments	5,913	342,434	-	16,542	48,306	746	2,180	14,135	632	685
Community service properties	185	14,415	15,751	1,357	44,973	64	2,125	1,122	48	48
Commercial properties	-	-	15,574	550	35,318	31	1,964	541	93	95
Co-operative apartments	2,025	141,426	-	8,884	62,820	-	-	7,188	393	421
Total per category	8,123	498,275	31,325	27,333	51,611	841	2,171	22,987	1,167	1,249
Per geography – Own management										
Greater Stockholm	2,028	115,964	17,292	7,151	53,661	315	2,365	6,047	327	367
Uppsala	1,590	86,495	12,065	4,434	44,988	214	2,168	3,781	152	162
West	1,955	127,055	1,968	5,665	43,910	257	1,991	4,915	219	219
Other	525	27,335	-	1,198	43,831	55	2,028	1,057	75	80
Total per geography	6,098	356,849	31,325	18,448	47,525	841	2,171	15,799	774	829
Per geography – Co-operative apartments										
Greater Stockholm	1,171	82,448	-	5,775	70,045	-	-	4,593	227	254
Uppsala	219	11,030	-	591	53,584	-	-	494	18	18
West	595	43,198	-	2,290	53,017	-	-	1,892	145	145
Other	40	4,750	-	228	48,000	-	-	209	3	3
Total per geography	2,025	141,426	-	8,884	62,820	-	-	7,188	393	421
Per geography – Own management and co-operative apartments										
Greater Stockholm	3,199	198,412	17,292	12,926	59,924	315	2,365	10,640	554	621
Uppsala	1,809	97,525	12,065	5,025	45,854	214	2,168	4,275	170	180
West	2,550	170,253	1,968	7,956	46,194	257	1,991	6,806	365	365
Other	565	32,085	0	1,426	44,448	55	2,028	1,266	78	83
Total own management and co-operative apartments per geography	8,123	498,275	31,325	27,333	51,611	841	2,171	22,987	1,167	1,249
Of which Järngrinden	2,077	131,083	1,038	6,296	47,651	178	2,006	5,293	365	365

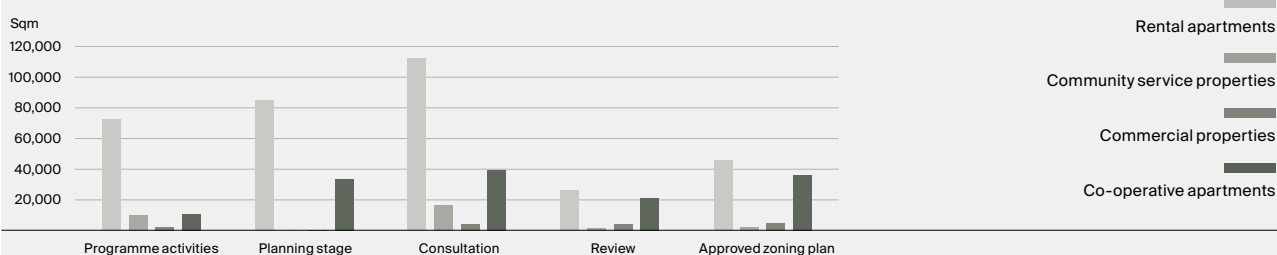
1) Refers to fair value of the investment upon completion.

2) Book value in wholly owned projects. Book value attributable to jointly owned projects is presented under shares in joint ventures and associated companies on the balance sheet.

The table only shows the number of residential units, area, property and rental value, and investment amounts that correspond to Genova's financial stake in jointly owned properties. Properties in which Genova owns more than 50% are recognised as wholly owned. Planned projects in Genova's Järngrinden subsidiary are recognised using the same principle.

Planned projects and planning stage, lettable area

30 September 2023



Joint ventures and associated companies

Genova's operations also include investments in joint ventures and associated companies in order to gain access to more attractive cash flow-generating investment properties with a possibility for project development of rental apartments, community service properties and commercial premises.

As of 30 September 2023, Genova owned participations in four joint

ventures and indirectly owned participations in a number of associated companies through ownership of Järngrinden. The joint ventures hold a total of 17 cash flow-generating properties with a total property value of approximately SEK 1.8 billion, of which Genova's share amounts to approximately SEK 0.9 billion.

Genova's share of the number of residential building rights is about 1,400, allocated over approximately 93 ksqm.

Share of profit/loss from joint ventures and associated companies was impacted by negative changes in value of approximately SEK 14m.

Genova's share in joint ventures and associated companies

30 September 2023

Name	Percentage, %	Book value, SEKm	Geography	Property management		Project development	
				No. of properties	Share of property value	No. of residential units	Lettable area, ksqm
Share of Järngrinden's associated companies	49	261	Western Sweden	5	256	400	25
SBBGenova Gåshaga	50	113	Stockholm	1	200	385	23
SBBGenova Nackahusen	50	90	Stockholm	4	227	192	12
GenovaRedito	50	76	Knivsta	3	133	102	7
Greenova	50	8	Stockholm	5	90	285	24
		548		18	906	1,364	91



Korsängen 20:47, Enköping

Consolidated statement of comprehensive income

SEKm	Jan-Sep 2023	Jan-Sep 2022	Jul-Sep 2023	Jul-Sep 2022	Oct 2022 -Sep 2023	Jan-Dec 2022
Rental income	377.1	286.0	122.6	100.3	485.8	394.7
Operating costs	-71.3	-58.2	-20.5	-17.7	-97.2	-84.1
Maintenance costs	-17.1	-15.5	-5.4	-6.7	-25.3	-23.7
Property tax	-8.0	-6.2	-2.5	-2.1	-10.9	-9.1
Total property costs	-96.5	-79.9	-28.4	-26.5	-133.4	-116.9
Net operating income	280.7	206.1	94.3	73.8	352.3	277.8
Central administration, property management	-17.5	-17.2	-6.0	-5.8	-23.4	-23.2
Central administration, project development	-28.5	-21.1	-9.8	-7.2	-35.7	-28.3
Share of profit from joint ventures and associated companies	-15.5	33.7	3.1	16.3	-9.9	39.3
Net financial items	-176.6	-105.9	-63.2	-37.8	-215.6	-144.9
Income from property management	42.5	95.6	18.4	39.3	67.7	120.8
Income from new residential construction	43.0	-	-	-	43.0	0.0
Other income	-	1.1	-	0.5	1.5	2.6
Other costs	-4.6	-	-2.4	-	-4.6	-
Value changes, properties	-368.3	423.4	-66.4	53.4	-593.0	198.7
Value changes, derivatives	35.2	-	-1.1	-	35.2	-
Currency effects, properties	9.1	6.7	-10.4	2.9	4.5	2.2
Profit/loss before tax	-243.1	526.8	-61.9	96.1	-445.7	324.2
Income tax	41.2	-111.1	7.8	-22.9	84.0	-68.3
Net income/loss for the period	-201.9	415.7	-54.1	73.2	-361.7	255.9
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-201.9	415.7	-54.1	73.2	-361.7	255.9
Net income for the period attributable to:						
Parent Company shareholders	-235.9	376.7	-53.8	55.0	-389.1	223.5
Non-controlling interests	33.9	39.0	-0.2	18.2	27.4	32.5
Total comprehensive income attributable to:						
Parent Company shareholders	-235.9	376.7	-53.8	55.0	-389.1	223.5
Non-controlling interests	33.9	39.0	-0.2	18.2	27.4	32.5
Income/loss per share before and after dilution, SEK ¹	-6.53	8.01	-1.65	0.95	-10.56	3.98
No. of shares at the end of the period, 000s	45,613	41,977	45,613	41,977	45,613	41,977
Average no. of shares, 000s	45,465	41,977	45,613	41,977	44,577	41,977

1) Earnings in relation to average number of ordinary shares after payment for hybrid bonds.

Performance analysis

Amounts in parentheses refer to the January-September 2022 period.

Rental income

During the period, the Group's rental income amounted to SEK 377.1m (286.0). The increase corresponds to rental income growth of 32%. Rental income for the third quarter amounted to SEK 122.6m (100.3). Growth in rental income was mainly attributable to an expanding investment property portfolio.

Income from the comparable portfolio was SEK 21.7m higher year-on-year, mainly due to inflation adjustment for 2023.

At the end of the period, the economic occupancy rate was 93.1% (94.9).

Income development			
SEKm	Jan-Sep 2023	Jan-Sep 2022	Change, %
Comparable portfolio	289.5	267.9	8
Properties added	85.1	12.7	n/a
Properties sold	2.4	5.4	n/a
Rental income	377.1	286.0	32
Commercial properties	178.2	124.9	43
Community service properties	198.9	161.1	23
Rental income	377.1	286.0	32

Property costs

During the period, property costs in the form of operating and maintenance costs and property tax increased to SEK -96.5m (-79.9), up approximately 21%. Property costs for the quarter amounted to SEK 28.4m (-26.5). The increase in property costs was largely due to the fact that Genova is managing a larger investment property portfolio compared with the preceding year.

Property costs development			
SEKm	Jan-Sep 2023	Jan-Sep 2022	Change, %
Comparable portfolio	-76.5	-76.9	-1
Properties added	-19.6	-2.0	n/a
Properties sold	-0.4	-1.1	n/a
Property costs	-96.5	-79.9	21
Commercial properties	-48.9	-41.3	19
Community service properties	-47.5	-38.6	23
Property costs	-96.5	-79.9	21

Annual property costs per sqm

SEK/sqm	Commercial properties	Community service properties	Total
Operation	-252	-318	-281
Maintenance	-34	-37	-35
Property tax	-45	-7	-28
Total	-331	-362	-345

Net operating income

During the period, net operating income increased to SEK 280.7m (206.1), up 36%. The NOI margin for the period was 74.4%, which is higher than 72.1% for the year-earlier period. The higher NOI margin was an effect of inflation adjustment of rental income in the comparable portfolio and growth in the investment property portfolio through acquisitions and new construction.

Net operating income amounted to SEK 94.3m (73.8) for the quarter, with an NOI margin of 76.9% (73.6).

Central administration

Central administrative expenses are allocated between property management and project development. During the year, central administrative expenses totalled SEK -46.0m (-38.3), up 20%. The increase is mainly a result of the expanding operations including the acquisition of Järngrinden.

Central administration

SEKm	Jan-Sep 2023	Jan-Sep 2022
Property management		
Other external costs	-2.9	-6.9
Personnel costs	-12.7	-8.1
Depreciation/amortisation and leases	-1.8	-2.2
Central administration, property management	-17.5	-17.2
Project development		
Other external costs	-4.7	-8.4
Personnel costs	-20.8	-10.0
Depreciation/amortisation and leases	-3.0	-2.7
Central administration, project development	-28.5	-21.1

Share of profit from joint ventures and associated companies

The earnings effect of Genova's properties owned through joint ventures is reported in this item. During the period, share of profit from joint ventures amounted to SEK -15.5m (33.7) and pertained to income from operating activities, value changes and the divestment of GenovaFastator. The negative earnings effect of approximately SEK 49.2m compared with 2022 was mainly attributable to changes in the value of properties and the consolidation of Järngrinden as a subsidiary since 1 January 2023.

Net financial items

Net financing cost amounted to SEK -176.6m (-105.9) in the growing property management and project activities, which are financed by bank loans and bond loans. The interest expense attributable to property management is a running cost that is charged to net financial items. Project activities include properties under construction, future projects and investments in joint ventures. The financing of project activities, however, is part of the acquisition cost and is capitalised for each project and not charged to profit or loss.

During the period, SEK 91.3m attributable to project activities was capitalised. The current assessment is that the annual capitalisation attributable to project activities will amount to approximately 30% of the Group's total interest expense.

As of the balance-sheet date, the average interest rate was 6.0% (6.3% including bond loans and construction credit). Financial expenses during the period included SEK -12.9m (-10.8) pertaining to financing costs, which are allocated over the terms of the loans. The interest-coverage ratio for the period was 1.6 times (2.0). The interest-coverage ratio excludes non-recurring costs.

Net financial items

SEKm	Jan-Sep 2023	Jan-Sep 2022
Interest income	23.0	3.7
Interest expense, loans	-185.5	-97.7
Interest expense leases	-1.2	-1.1
Other financial expenses	-12.9	-10.8
Net financial items	-176.6	-105.9

Income from property management

During the period, income from property management amounted to SEK 42.5m (95.6), down 56%. The decline was due to negative changes in the values of properties in joint ventures and higher interest expense, but offset by higher net operating income.

Income from new residential construction

In January, one of Järngrinden's rental unit projects outside Borås was exited, with an earnings effect of SEK 32.6m. The project comprised 92 newly developed rental units.

In June, Järngrinden's co-operative apartment project in Borås was completed and divested, with an earnings effect of SEK 10.4m. The project comprised 23 newly developed apartments.

Value changes, properties

During the period, higher yield requirements of about 60 points on average had a negative impact on values.

Value changes, properties

SEKm	Jan-Sep 2023	Jan-Sep 2022
Change in net operating income	-35.1	29.6
Ongoing construction	-33.8	150.0
Land and unused building rights	-47.2	211.1
Change in yield requirement	-242.1	-17.5
Acquisitions	-	50.2
Divestments	-10.1	-
Value changes, properties	-368.3	423.4

Value changes, derivatives

The item mainly comprises changes in the fair value of interest-rate swaps.

Income tax

Recognised tax amounted to SEK 41.2m (-111.1) and was mainly attributable to deferred tax on value changes. Both current and deferred tax was calculated using a nominal tax rate of 20.6%. Remaining tax loss carryforwards were an estimated SEK 371m (380), with untaxed reserves of approximately SEK 88m (71). Deferred tax liabilities are calculated using the nominal tax rate of 20.6% of the difference between the book value and tax base, less the tax attributable to asset acquisitions.

Tax calculation		
SEKm	Jan-Sep 2023	Jan-Sep 2022
Income/loss before tax	-243.1	526.8
Tax rate, %	20.6	20.6
Income tax at the current tax rate	50.1	-108.5
Non-taxable income	27.8	7.3
Non-deductible expenses	-10.9	-3.2
Non-deductible net interest income	-45.6	-8.2
Deductible costs not included in profit or loss	16.8	-
Taxable income not included in profit or loss	-1.6	-
Property transaction reversals	-	1.1
Adjustment of tax for prior periods	1.3	-
Change in unused tax loss carryforward	1.7	-
Other	1.6	0.4
Tax for the period as per the income statement	41.2	-111.1

Deferred tax liabilities, net

SEKm	Jan-Sep 2023	Jan-Sep 2022
Temporary differences, properties	-552.8	-570.9
Untaxed reserves	-18.1	-14.7
Total deferred tax liabilities	-570.9	-585.6
Tax loss carryforwards	76.4	78.3
Other	9.1	0.2
Total deferred tax assets	76.4	78.3
Deferred tax liabilities, net	-494.5	-507.3

Net income for the period

Net income for the period amounted to SEK 201.9m (415.7). Compared with 2022, net operating income increased and income from property management decreased during the first three quarters of the year. The value changes, including provision for deferred tax, decreased, which means that Genova's net income after tax for the period was lower than the year-earlier period.

Consolidated balance sheet

SEKm	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Non-current assets			
Goodwill	202.9	-	202.9
Investment properties	7,955.6	7,792.4	8,183.2
Properties under construction	1,012.4	1,104.6	860.5
Development properties	1,249.1	143.4	1,023.2
Other tangible assets	18.0	-	18.9
Right-of-use assets	10.8	29.4	32.6
Equipment	5.4	3.0	4.7
Deferred tax assets	85.5	78.5	81.1
Shares in joint ventures and associated companies	548.9	865.7	556.1
Derivatives	40.9	-	-
Other non-current receivables	302.6	271.4	301.1
Total non-current assets	11,431.9	10,288.4	11,264.2
Current assets			
Ongoing residential projects	123.3	-	197.0
Rent receivable and accounts receivable	10.1	14.5	33.3
Other receivables	189.1	164.8	186.5
Prepaid expenses and accrued income	53.0	37.7	38.4
Cash and cash equivalents	669.0	206.3	257.7
Total current assets	1,044.5	423.3	712.9
TOTAL ASSETS	12,476.5	10,711.7	11,977.1
EQUITY			
Total comprehensive income for the period			
Share capital	54.7	50.4	50.4
Other capital contributions	1,652.6	1,459.5	1,459.5
Retained earnings, including net income for the period	1,238.8	1,687.0	1,535.7
Hybrid bond	800.0	800.0	800.0
Non-controlling interests	783.7	141.6	749.8
Total equity	4,529.9	4,138.5	4,595.5
LIABILITIES			
Non-current liabilities			
Loans from credit institutions	4,793.9	4,087.7	4,151.1
Bond loans	-	1,264.7	742.0
Lease liabilities	30.4	25.1	29.5
Other non-current liabilities	65.4	3.1	63.0
Deferred tax liabilities	570.9	584.6	619.5
Total non-current liabilities	5,460.5	5,965.2	5,605.2
Current liabilities			
Loans from credit institutions	977.3	372.5	901.2
Bond loans	1,141.8	6.7	533.2
Bank overdraft	3.1	42.3	0.0
Accounts payable	69.0	54.2	93.9
Lease liabilities	6.2	4.3	4.8
Current tax liabilities	14.8	12.5	11.2
Other liabilities	135.1	24.4	130.7
Accrued expenses and deferred income	138.8	91.1	101.4
Total current liabilities	2,486.1	608.0	1,776.4
TOTAL LIABILITIES AND EQUITY	12,476.5	10,711.7	11,977.1

Consolidated statement of changes in equity

SEKm	Attributable to Parent Company shareholders				Hybrid bond	Non-controlling interests	Total equity
	No. of shares outstanding, 000s	Share capital	Other capital contributions	Retained earnings incl. net income for the period			
Opening balance, 1 January 2022	41,977	50.4	1,459.5	1,353.4	700.0	102.6	3,665.9
Comprehensive income							
Net income for the year				223.5		32.5	255.9
Other comprehensive income				-		-	-
Total comprehensive income				223.5		32.5	255.9
Transactions with owners							
Transactions with non-controlling interests				19.4		614.7	634.1
Issue of hybrid bond					100.0		100.0
Issue costs, hybrid bond				-1.5			-1.5
Dividends, hybrid bond				-57.7			-57.7
Currency effects				-1.3			-1.3
Closing balance, 31 December 2022	41,977	50.4	1,459.5	1,535.8	800.0	749.8	4,595.5
Opening balance, 1 January 2023	41,977	50.4	1,459.5	1,535.8	800.0	749.8	4,595.5
Comprehensive income							
Net income for the period				-235.9		33.9	-201.9
Other comprehensive income				-		-	-
Total comprehensive income				-235.9		33.9	-201.9
Transactions with owners							
Dividends, hybrid bond				-61.1			-61.1
New issue of ordinary shares	3,636	4.4	193.1				197.4
Closing balance, 30 September 2023	45,613	54.7	1,652.6	1,238.9	800.0	783.7	4,529.9

Comments on the balance sheet

Amounts in parentheses refer to 31 December 2022

Goodwill

The Group's goodwill is entirely attributable to the acquisition of Järngrinden at 31 December 2022.

Investment property portfolio and property value

Investment properties
The Group's investment properties comprise a total of 82 wholly owned properties. The fair value of investment properties is mainly estimated using a Discounted Cash Flow Model, where the value has been calculated as the present value of expected future cash flows and the residual value during a calculation period, where discounting has taken place using an estimated cost of capital. The average yield requirement for the property portfolio was an estimated 5.5% as of the balance-sheet date.

Properties under construction

Properties under construction comprise projects in Norrtälje, Enköping, Upplands-Bro and a hotel in Palma (Majorca).

Development properties

Development properties refers to accrued and capitalised costs for construction projects that have not yet commenced and in some cases measured at fair value using the same method as for investment properties. When construction commences, the actual amounts are reclassified as properties under construction.

Ongoing residential projects

Ongoing residential projects refer to Järngrinden's ongoing co-operative apartment project, and an ongoing rental apartment property that was completed and divested in early 2023. The projects are recognised as Ongoing residential projects under current assets.

Property value

The investment property portfolio excluding Järngrinden's portfolio is externally appraised every quarter. As of 30 September, the external appraisals were carried out by CBRE, Newsec and Forum. In the fair value hierarchy, investment properties are considered Level 3 assets, which means that the fair value of the asset is based on unobservable inputs.

Change in investment property portfolio			
SEKm	30 Sep 2023	30 Sep 2022	31 Dec 2022
Opening value, investment properties	8,183.2	6,902.6	6,902.6
+ Acquisitions	-	345.0	1,055.3
+ Building improvements and renovations	68.2	38.1	56.8
- Divestments	-87.9	-228.5	-228.5
+/- Reclassifications	132.1	461.0	341.4
+/- Unrealised value changes	-340.0	274.2	55.7
Closing value, investment properties	7,955.6	7,792.4	8,183.2
Opening value, properties under construction	860.5	945.8	945.8
+ Acquisitions	-	-	0.0
+ New construction	359.3	469.8	622.6
- Divestments	-	-	0.0
+/- Reclassifications	-158.3	-461.0	-864.4
+/- Unrealised value changes	-49.1	150.0	156.7
Closing value, properties under construction	1,012.4	1,104.6	860.5
Opening value, development properties	1,023.2	114.1	114.1
+ Acquisitions	-	-	336.1
+/- Reclassifications	50.4	-	523.0
+/- Unrealised value changes	29.0	-	-10.9
+ Capitalisation	146.5	29.4	60.9
Closing value, development properties	1,249.1	143.5	1,023.2
Opening value, ongoing residential projects	197.0	-	-
+ Acquisitions	-	-	197.0
+ New construction	36.3	-	-
- Divestments	-110.0	-	-
Closing value, ongoing residential projects	123.3	0.0	197.0
Closing value, investment property portfolio	10,340.4	9,040.5	10,264.0
Investment properties	7,955.6	7,792.4	8,183.2
Ongoing construction	1,012.4	1,104.6	860.5
Planned projects	1,249.1	143.5	1,023.2
Ongoing residential projects	123.3	0.0	197.0
Closing value, investment property portfolio	10,340.4	9,040.5	10,264.0

Yield requirement per category

%	30 Sep 2023	30 Sep 2022
Commercial properties ¹	6.1	5.6
Community service properties	5.0	4.5
Total	5.5	4.9

1) Refers to average yield requirements for the residual value of Genova's wholly owned and consolidated investment properties at the valuation date. Based on external valuations for investment properties and excluding Hotel Concepcio in Palma, which is valued internally.

Key metrics investment properties

	30 Sep 2023	30 Sep 2022
Rental value, SEK/sqm	1,489	1,442
Economic occupancy rate, %	93	95
Property costs, SEK/sqm ¹	-345	329
Net operating income, SEK/sqm ¹	1,041	1,039
NOI margin, % ¹	75	76
Investment property value, SEK/sqm	21,673	26,004
Lettable area, ksqm	367.1	300.0
No. of properties	82	64

1) Calculated based on estimated annual value.

Equity and net asset value

As of 30 September, consolidated equity amounted to SEK 4,529.9m (4,595.5) and the equity/assets ratio was 36.3% (38.4).

Long-term net asset value amounted to SEK 5,015.3m (5,134.0), down 2%. Long-term net asset value attributable to

shareholders was SEK 3,431.6m (3,584.1), down 4%. Long-term net asset value attributable to shareholders per share was SEK 75.23 (85.38).

Net asset value

	30 Sep 2023		30 Sep 2022		31 Dec 2022	
	SEKm	SEK/share	SEKm	SEK/share	SEKm	SEK/share
Equity as per the balance sheet	4,529.9	99.31	4,138.5	98.59	4,595.5	109.48
Reversal:						
Deferred tax liabilities as per the balance sheet	570.9	12.52	584.6	13.93	619.5	14.76
Less:						
Deferred tax assets as per the balance sheet	-85.5	-1.87	-78.5	-1.87	-81.1	-1.93
Hybrid bond	-800.0	-17.54	-800.0	-19.06	-800.0	-19.06
Non-controlling interests	-783.7	-17.18	-141.6	-3.37	-749.8	-17.86
Long-term net asset value attributable to ordinary shareholders	3,431.6	75.23	3,703.0	88.22	3,584.1	85.38

Interest-bearing liabilities

As of 30 September 2023, the Group's interest-bearing liabilities attributable to investment properties and project properties were approximately SEK 6,916m (5,743), representing a loan-to-value ratio of 60.4% (59.1) adjusted for cash and cash equivalents. In the following tables and diagrams (except for the table for capital structure, which is based on the balance sheet as of 30 September), the bond that was redeemed on 2 October is excluded in order to present a true and fair view of the future. As of 30 September 2023, the average interest rate was approximately 6.0% (6.3% including construction credit and bond loans) with an equity/assets ratio of 36.3% (38.6) on the same date. After the end of the quarter, Genova has made a final redemption of the outstanding bond loan of SEK 410m with final maturity on September 30, 2023. Furthermore, the Hotel properties in Palma, which were divested as per an agreement signed in July 2023 was exited, whereby construction credit of approximately SEK 45m was repaid and liquidity of approximately 350m was freed up. Following the redemption of the bond loan, the effects of the exit in Palma and intended further amortization of short-term debt, the adjusted loan-to-value ratio is deemed to amount to approximately 57% and the adjusted equity/ assets ratio to approximately 39%.

The average interest rate describes the Group's current interest rate in the credit portfolio on a daily basis as of 30 September and should not be viewed as the average interest rate

for the January-September period. Nor is the average interest rate a forecast for the next 12 months since maturity dates and changes in STIBOR have not been taken into account.

Interest-bearing liabilities were attributable to loans raised in connection with acquisitions, refinancing of the existing property portfolio, project financing and investments in joint ventures. The Group's credit facilities contain customary loan guarantees and covenants, including the requirement that Genova and its property owning subsidiary meet certain financial key metrics, such as the loan-to-value ratio and interest-coverage ratio.

As of 30 September 2023, the average maturity was 2.3 years (2.6). The credit term structure at the same date is shown in the table on page 27.

Long-term financing

During the period, Genova took several concrete measures to strengthen the balance sheet. In January, Genova completed a directed issue of ordinary shares, and raised capital of approximately SEK 200m. In addition, Genova repurchased bonds amounting to SEK 142.5m, of which SEK 115m for the bond loan of SEK 525m that matures in September 2023 and SEK 27.5m for the bond loan of SEK 750m that matures in September 2024. The total remaining amount of SEK 410m in the bond loan with final maturity on 30 September 2023 was redeemed on 2 Octo-

ber. During the period, Genova also divested properties at an underlying property value of approximately SEK 500m, which freed up liquidity of approximately SEK 400m after redemption of the debt. Of these, the divestment of the hotel properties in Palma accounted for approximately SEK 400m of the underlying property value and approximately SEK 350m of the freed-up liquidity. The hotel properties in Palma were exited after the end of the period and the final effects will be recognised in the year-end report for 2023 (January-December).

Following final redemption of the bond maturing on 30 September 2023, Genova's maturities amounted to SEK 190m in 2023, as shown by the term structure of credit spreads below. The entire amount pertains to financing in the bank market where Genova and the now consolidated company Järngrinden will refinance the liabilities linked to their existing investment properties.

Genova's focus moving forward is to manage the bond maturity in 2024 and the plan is to reduce exposure to the bond market. The maturity amounts to SEK 750m in total, of which SEK 27.5m has already been repurchased.

Liquidity and undrawn facilities

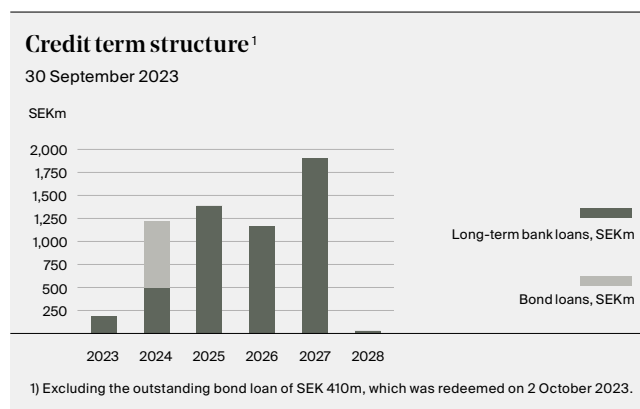
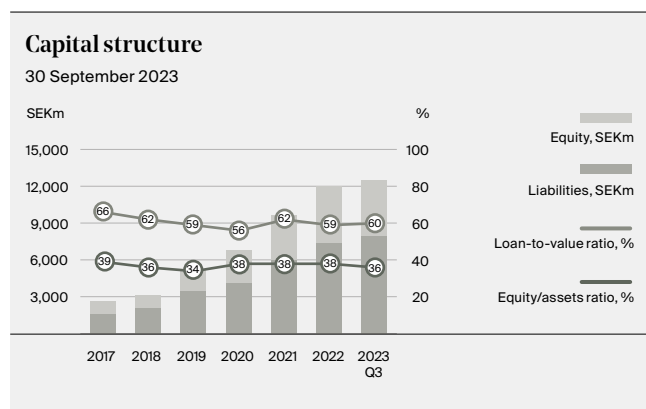
Total available liquidity, including construction credit, amounted to SEK 1,303m. This amount includes bank bal-

ances of SEK 669m, undrawn revolving credit facilities and a bank overdraft totalling SEK 308m, and granted construction credit of SEK 326m that has not yet been drawn.

Fixed-rate period

In the past, Genova has focused on short-term fixed rates as part of its creation of the current investment property portfolio. The strategy going forward will strive to find a better balance in the interest rate strategy to create the highest possible level of predictability. Therefore, derivative opportunities offered in the market are regularly evaluated.

As of 30 September 2023, Genova had two interest-rate swap agreements totalling SEK 1,300m. In the first quarter of 2023, Genova entered into an interest-rate swap totalling SEK 800m with a fixed rate of 2.35% that expires in January 2028. In the third quarter of 2023, Genova entered into an interest-rate swap totalling SEK 500m with a fixed rate of 2.50% that expires in September 2025. In addition to this, Genova has a fixed-interest loan of SEK 545m, which means that approximately 31% of the credit portfolio has been hedged. All fixed-interest loans and interest-rate swaps are included in the table on term structure of credit spreads and interest rates.



Term structure of interest rates and credit spreads

30 September 2023

Term	Interest-rate term ¹		Credit term ²			Term structure of derivatives	
	Amount, SEKm	Average rate, %	Credit agreements, SEKm	Drawn, SEKm	Undrawn, SEKm	Interest-rate derivative, SEKm	Fixed rate, %
Variable rate ³	4,027	7.08	-	-	-	-	-
2023	-	-	190	190	-	-	-
2024	4	1.62	1,265	1,215	50	-	-
2025	500	4.52	1,387	1,387	-	500	2.50
2026	9	3.96	1,168	1,168	-	-	-
2027	522	4.50	2,073	1,903	171	-	-
2028	809	4.66	9	9	-	800	2.35
Total	5,872	6.29	6,093	5,872	221	1,300	2.41
Construction credit		6.71	939	613	326		
Total		6.33	7,031	6,485	547		
Loans, excluding bonds and construction credit		5.97	5,370	5,149	221		

1) Average interest rates are calculated using daily interest rates as of 30 September and do not take an average for the entire period into account.

2) Excluding the outstanding bond loan of SEK 410m, which was redeemed on 2 October 2023.

3) SEK 722.5m (net after repurchasing of SEK 27.5m) pertains to a bond interest rate of 4.50%.

Consolidated cash flow statement

SEKm	30 Sep 2023	30 Sep 2022	31 Dec 2022
Cash flow from operating activities			
Income from property management	42.5	95.6	120.8
Adjustment for non-cash items*	68.5	-19.6	-39.0
Other income	-	1.1	2.6
Other costs	-4.6	-	-
Income tax paid	-9.4	1.0	2.5
Cash flow from operating activities before changes in working capital	97.0	78.1	86.9
Changes in working capital			
Change in accounts receivable	18.9	1.4	-9.9
Change in other operating receivables	-7.4	-45.9	-58.1
Change in accounts payable	-24.9	-1.7	35.1
Change in other operating liabilities	-2.3	-44.7	19.0
Cash flow from operating activities	81.3	-12.8	73.0
Cash flow from investing activities			
Investments in properties and projects	-617.8	-881.7	-1,095.7
Investments in equipment	-0.3	-0.6	-1.4
Divestments of properties	224.1	228.5	228.5
Investments in subsidiaries ¹⁾	-	-	149.5
Change in other financial assets	-6.0	-28.9	-48.3
Cash flow from investing activities	-400.1	-682.7	-767.5
Cash flow from financing activities			
New issue of ordinary shares	197.9	-	-
Issue of hybrid bond	-	98.5	98.5
Loans raised	891.1	865.5	922.0
Repayment of loans	-302.5	-337.8	-327.9
Dividends paid	-54.9	-40.5	-56.5
Cash flow from financing activities	730.2	585.7	636.1
Cash flow for the period	411.3	-109.8	-58.3
Opening cash and cash equivalents	257.7	316.1	316.0
Closing cash and cash equivalents	669.0	206.3	257.7
<i>*) Other non-cash items</i>			
Reversal of depreciation and amortisation	4.8	5.0	7.5
Share of profit/loss from joint ventures	15.5	-33.7	-39.3
Accrued interest	48.1	9.1	-7.2
	68.5	-19.6	-39.0
Interest received	6.4	3.7	8.4
Interest paid	-160.5	-99.7	-155.3

1) The amount 2022 includes acquired cash and cash equivalents of SEK 162.5m.

Segment reporting

SEKm	Jan-Sep 2023				Jan-Sep 2022			
	Property management	Other	Not allocated	Total	Property management	Other	Not allocated	Total
Rental income	377.1			377.1	286.0			286.0
Total income	377.1			377.1	286.0			286.0
Property costs	-96.5			-96.5	-79.9			-79.9
Total property costs	-96.5			-96.5	-79.9			-79.9
Net operating income/Income from new construction	280.7			280.7	206.1			206.1
Central administration	-17.5		-28.5	-46.0	-17.2		-21.1	-38.3
Share of profit/loss from joint ventures	-15.5			-15.5	33.7			33.7
Net financial items	-176.6			-176.6	-105.9			-105.9
Income from new residential construction			43.0	43.0				-
Other income				-			1.1	1.1
Other costs			-4.6	-4.6				0.0
Value changes, properties	-368.3			-368.3	423.4			423.4
Value changes, derivatives	35.2			35.2				0.0
Currency effects, properties	9.1			9.1	6.7			6.7
Profit/loss before tax	-253.0		9.9	-243.1	546.8		-20.0	526.8
Segment-specific assets								
Investment properties	7,955.6				7,792.4			
Properties under construction	1,012.4				1,104.6			
Development properties	1,249.1				143.4			
Ongoing residential projects	123.3				-			
Shares in joint ventures	548.9				865.7			
Segment-specific investments								
Acquisitions and investments in properties	68.2				882.3			

Segment reporting

Management has identified operating segments on the basis of internal management reports to the company's chief operating decision-maker, which the Group has identified as the CEO. Based on the internal management reports, the operations are organised, managed and reported as two operating segments: Property management and Other. The Investment properties operating segment has been consolidated according to the same policies as for the Group as a whole. The income and expenses reported for each operating segment

are actual costs. The same applies to the assets and liabilities reported per segment and that are shown in the Consolidated statement of financial position. Management regularly reviews how internal reporting could be developed. As the number of managed rental apartments grows, recognition and segment reporting will also increase. At present, a volume of 1,000 rental apartments is deemed reasonable to make a new segment.

Key metrics

	Jan-Sep 2023	Jan-Sep 2022	Jul-Sep 2023	Jul-Sep 2022	Jan-Dec 2022
Key metrics, properties					
Ongoing construction, no.	811	797	811	797	1,006
Residential units completed, no.	195	-	14	-	179
Total no. of building rights	8,934	7,044	8,934	7,044	9,322
Lettable area, commercial properties, ksqm	202.0	156.4	202.0	156.4	207.6
Lettable area, community service properties, ksqm	165.1	143.3	165.1	143.3	160.4
Total lettable area, ksqm	367.1	299.7	367.1	299.7	368.0
Economic occupancy rate, %	93.1	94.9	93.1	94.9	94.0
NOI margin, %	74.4	72.1	76.9	73.6	70.4
Net investments, SEKm	394.0	653.8	251.8	138.7	717.2
Financial key metrics					
Return on equity, %	-7.9	14.2	-4.7	7.4	6.2
Equity/assets ratio, %	36.3	38.6	36.3	38.6	38.4
Loan-to-value ratio, %	60.4	61.7	60.4	61.7	59.1
Average interest rate, %	6.0	3.7	6.0	3.7	4.5
Average interest rate including bond loans, %	6.3	4.4	6.3	4.4	5.1
Interest-coverage ratio, times	1.6	2.0	1.5	2.0	2.0
Maturity, no. of years	2.3	2.9	2.3	2.9	2.6
Key metrics, shares					
Total no. of shares outstanding, 000s	45,613	41,977	45,613	41,977	41,977
Average no. of shares outstanding, 000s	45,465	41,977	45,465	41,977	41,977
Income from property management per share, SEK	-0.40	1.31	-0.07	0.57	1.53
Growth income from property management LTM, per share before dividend, %	-53.7	58.4	-53.7	58.4	16.5
Income/loss per share, SEK	-6.53	8.01	-1.65	0.95	3.98
Equity, SEKm	4,529.9	4,138.5	4,529.9	4,138.5	4,595.5
Equity attributable to shareholders, SEKm	2,946.2	3,196.9	2,946.2	3,196.9	3,045.7
Equity per share, SEK	64.59	76.16	64.59	76.16	72.56
Long-term net asset value, SEKm	5,015.3	4,644.6	5,015.3	4,644.6	5,134.0
Long-term net asset value attributable to shareholders, SEKm	3,431.6	3,703.0	3,431.6	3,703.0	3,584.1
Long-term net asset value per share, SEK	75.23	88.21	75.23	88.21	85.38

Parent Company income statement

SEKm	Jan-Sep 2023	Jan-Sep 2022	Jul-Sep 2023	Jul-Sep 2022	Jan-Dec 2022
Net sales	5.3	7.0	1.8	0.1	7.0
Total operating income	5.3	7.0	1.8	0.1	7.0
Other external costs	-5.2	-4.3	-2.3	-0.9	-5.6
Personnel costs	-7.3	-8.8	-2.7	-3.2	-11.5
Total operating expenses	-12.5	-13.1	-5.0	-4.1	-17.1
Operating loss	-7.2	-6.1	-3.2	-4.0	-10.1
Impairment of participations in Group companies	-	-5.5	-	-	-83.4
Interest income and similar profit items	49.9	38.2	1.1	38.1	136.9
Interest expense and similar loss items	-84.8	-57.3	-26.6	-20.5	-87.0
Profit/loss from financial items	-34.9	-24.6	-25.5	17.6	-33.5
Appropriations					
Group contributions received	-	-	-	-	10.7
Profit/loss before tax	-42.1	-30.7	-28.7	13.6	-32.9
Tax on net income for the year	-	-	-	-	-0.1
Net income/loss for the year	-42.1	-30.7	-28.7	13.6	-33.0
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-42.1	-30.7	-28.7	13.6	-33.0

Parent Company balance sheet

SEKm	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Non-current assets			
Financial assets			
Participations in Group companies	818.2	221.8	818.2
Participations in associated companies	-	563.4	-
Deferred tax assets	22.4	22.5	22.4
Receivables from Group companies	1,967.7	1,727.6	1,886.3
Total financial assets	2,808.3	2,535.3	2,726.9
Current receivables			
Receivables from Group companies	5.3	-	-
Other receivables	4.6	3.5	5.2
Prepaid expenses and accrued income	5.6	1.4	1.3
	15.5	4.9	6.6
Cash and cash equivalents	440.8	209.0	65.1
Total current assets	456.3	213.9	71.7
TOTAL ASSETS	3,264.6	2,749.2	2,798.5
EQUITY AND LIABILITIES			
Total comprehensive income for the period			
Restricted equity			
Share capital	54.7	50.4	50.4
Total restricted equity	54.7	50.4	50.4
Unrestricted equity			
Share premium reserve	1,004.8	-	811.7
Retained earnings	-579.2	343.7	-485.1
Net loss for the period/year	-42.1	-30.7	-33.0
Total unrestricted equity	383.5	313.0	293.6
Hybrid bond	800.0	800.0	800.0
Total equity	1,238.2	1,163.4	1,144.0
Non-current liabilities			
Liabilities to credit institutions	300.0	-	-
Bond loans	-	1,264.7	742.0
Total non-current liabilities	300.0	1,265	742
Current liabilities			
Liabilities to credit institutions	100.0	-	-
Bank overdraft	-	42.3	0.0
Bond loans	1,132.5	6.7	533.2
Accounts payable	1.8	1.0	0.1
Liabilities to Group companies	488.6	268.0	355.9
Current tax liabilities	0.1	-	0.2
Other liabilities	0.8	0.9	22.4
Accrued expenses and deferred income	2.7	2.2	0.6
Total current liabilities	1,726.4	321.1	912.5
TOTAL LIABILITIES AND EQUITY	3,264.6	2,749.2	2,798.5

Parent Company statement of changes in equity

SEKm	Share capital	Share premium reserve	Retained earnings	Net income for the year	Hybrid bond	Total equity
Opening balance, 1 January 2022	50.4	811.7	-383.2	-42.8	700.0	1,136.2
Carried forward			-42.8	42.8		-
Net income for the year				-33.0		-33.0
Total comprehensive income				-33.0		-33.0
Transactions with owners						
Issue of hybrid bond					100.0	100.0
Issue costs, hybrid bond			-1.5			-1.5
Dividends, hybrid bond			-57.7			-57.7
Closing balance, 31 December 2022	50.4	811.7	-485.1	-33.0	800.0	1,144.0
Opening balance, 1 January 2023	50.4	811.7	-485.1	-33.0	800.0	1,144.0
Carried forward			-33.0	33.0		-
Net income for the year				-42.1		-42.1
Total comprehensive income				-42.1		-42.1
Transactions with owners						
Dividends, hybrid bond			-61.1			-61.1
New issue of ordinary shares	4.4	193.1				197.4
Closing balance, 30 September 2023	54.7	1,004.8	-579.2	-42.1	800.0	1,238.3

Opportunities and risks for the Group and the Parent Company

Through its operations, Genova is exposed to various risks that could have a material effect on the company's future performance, earnings and financial position.

In Genova's business process, all major transaction and project decisions are analysed to identify risks and risk management, as well as opportunities. Risk management is an integral part of Genova's decision-making. For more information about Genova's risks, refer to the 2022 Annual Report on pages 70-75.

The risk that Genova believes will be most material for operations going forward is inflation, which is gaining an increasingly large foothold and will have some impact on costs in both routine property management and construction projects, while borrowing costs also rise. Genova is continuously analysing development in the macro environment and carefully considering decisions based on the risks and opportunities that arise due to the constantly changing market conditions. Genova has a diversified tenant mix and rental income that is inflation-linked. Combined with healthy liquidity, this provides security in uncertain times.

Opportunities and risks in cash flow

Genova aims to achieve secure, cost-efficient and well-functioning property management. This requires a high level of service and close relationships with tenants. Genova applies an eternal perspective to property management, with the aim of continuing to grow the existing property portfolio through acquisitions and project development. Cash flows from the property portfolio are used to finance project development of residential units, primarily rental apartments, and community service properties such as schools, preschools, retirement homes and residential care facilities, while building on land that we have developed for own long-term management.

Since existing and future investment property portfolios are located in markets with population growth and expected long-term needs for rental apartments, schools, preschools, retirement homes and residential care facilities, demand is expected to remain high. For new construction, the company is focused on cost efficiency, high profitability, short construction times and long-term quality assurance, while architecture and design are important elements.

The assessment is that Genova has good opportunities for maintaining a high level of customer service and therefore offer products with attractive rent levels, low costs and low vacancy rates.

Most of Genova's rental agreements for premises are index-linked to protect against inflation, which balances the effects of rising interest rates.

Sensitivity analysis, cash flow¹

	Change	Effect on cash flow
Contracted annual rent	+/- 5%	+/- SEK 25m
Occupancy rate	+/- 2 percentage points	+/- SEK 11m
Property costs	+/- 10%	+/- SEK 13m
Interest expense	+/- 1 percentage point	+/- SEK 69m

¹⁾ The cash flow pertains to current earnings capacity. Occupancy rate is based on the rental value.

Property value opportunities and risks

Genova's investment properties are appraised every quarter by independent appraisal organisations. Changes in the value of properties are included in profit or loss.

The appraisal method used to assess the value of properties is mainly based on the present value of future cash flows and determined by four input parameters – rents, maintenance costs, vacancy rates and yield requirements. The rent concept includes the actual rent level and any future rental assumptions. The yield requirements is a sum of the risk-free interest rate and the risk premium that investors can expect to realise from a given investment.

The value of the properties is driven by supply and demand, where investors analyse the estimated net operating income of the properties and, in combination with the willingness to accept a given level of risk, determine the required rate of return. Increased demand/willingness to accept risk lowers yield requirements and therefore raises the value, while declining demand/willingness to accept risk has the opposite effect.

By continuing to develop and build attractive properties for own management in growth areas, Genova's believes that the company can maintain favourable rent levels, low vacancy rates and low costs.

Sensitivity analysis, value changes¹

Value change	+/- 5%	+/- 10%
Effect on property value	+/- SEK 517m	+/- SEK 1,035m
Adjusted property value	SEK 10,857m /SEK 9,823m	SEK 11,374m/ SEK 9,306m
Effect on loan-to-value ratio	-2.9/3.2%	-5.5/6.7%
Adjusted loan-to-value ratio	58/64%	55/67%
Effect on equity/assets ratio	1.7/-1.9%	3.3/-3.9%
Adjusted equity/assets ratio	38/34%	40/32%

¹⁾ The value change is based on fair value as of the balance-sheet date.

Funding and liquidity risk

Funding and liquidity risk refers to the risk of having insufficient liquidity, that financing cannot be obtained, or only obtained at unfavourable terms for the company. Genova's operations, especially property acquisitions, are largely

financed by loans from external creditors, and interest expense is the company's largest cost item. Some of Genova's operations comprise property development projects, which may be delayed or impacted by unforeseen or additional costs.

Shares and ownership structure

Genova has one class of shares – ordinary shares – which were listed on Nasdaq Stockholm in June 2020. At the end of the period, Genova had 1,921 shareholders. At 30 September 2023, the closing price of the share was SEK 37.60. As of 30 September 2023, the total number of shares in Genova was 45,613,329.

In October 2021, Genova entered into an agreement with ABG Sundal Collier whereby ABG Sundal Collier would act as liquidity provider for Genova's share. The purpose is to continually provide liquidity for the share and the undertaking is subject to Nasdaq Stockholm's rules for liquidity provision. This means that the liquidity provider quotes buy and sell volumes corresponding to at least SEK 75,000 with a maximum bid-ask spread of 4%.

Directed issue

In January, Genova completed a directed issue of approximately 3.6 million new ordinary shares at a subscription

price of SEK 55 per share. The directed issue raised proceeds of approximately SEK 200m for Genova before share issue costs. Investors in the new share issue included institutional investors, such as Lancelot Asset Management (on behalf of customers), Swedbank Robur, Länsförsäkringar Fondförvaltning and Enter Fonder.

The subscription price per new ordinary share issued was set at SEK 55 through an accelerated bookbuild, which was supported by the approval of shareholders at the Annual General Meeting on 4 May 2022. The subscription price corresponds to a premium of 3.1% in relation to the volume-weighted average price of the share for the ten most recent consecutive trading days.

The new share issue strengthened Genova's financial position and capacity to act on value-creating opportunities.

Shareholders

30 September 2023

Name	No. of shares	Holding (%)	Votes (%)
Micael Bile (via company)	17,814,999	39.06	39.06
Andreas Eneskjöld (via company)	7,535,000	16.52	16.52
Länsförsäkringar Fondförvaltning AB	3,536,559	7.75	7.75
Lancelot Asset Management	3,239,754	7.10	7.10
Swedbank Robur Fonder	2,750,000	6.03	6.03
Skandia	2,239,731	4.91	4.91
Michael Moschewitz (via company)	2,155,538	4.73	4.73
Capital Research and Management	2,126,731	4.66	4.66
Enter Fonder	1,100,778	2.41	2.41
BNP Paribas	413,688	0.91	0.91
Cancerfonden	300,000	0.66	0.66
Handelsbanken Fonder	252,000	0.55	0.55
Roosgruppen	230,000	0.50	0.50
Futur Pension	208,195	0.46	0.46
SEB Investment Management	199,006	0.44	0.44
Avanza Pension	175,839	0.39	0.39
Total other shareholders	1,335,511	2.93	2.93
Total	45,613,329	100.00	100.00

Other information

Organisation

During the period, the average number of employees in the organisation was 36 (34), of whom 20 (19) were women. The employees have relevant and broad experience in property management, project management, construction, finance, law, marketing and sales.

Related-party transactions

Related-party transactions are presented in Note 39 of Genova's 2022 Annual Report. The year-on-year volume and nature of the transactions remained essentially unchanged during the period. Customary remuneration has been paid to the Board of Directors and senior executives.

Annual General Meeting

The Annual General Meeting of Genova Property Group AB (publ) will be held in Stockholm on 2 May 2024.

Incentive programme

The Annual General Meeting on 3 May 2023 resolved to issue a maximum of 400,000 warrants. Each warrant entitles the holder to subscribe for one new ordinary share in the company for SEK 85.90 per ordinary share during the period of 1 July 2026 until the date that falls 30 calendar days thereafter. The company's subsidiary, Genova Fastigheter AB, has subscribed for 400,000 warrants, and Genova Fastigheter AB has, in turn, transferred 396,000 of the warrants to employees and consultants of the company. The price (option premium) has been determined using the Black & Scholes valuation model, with the valuation being carried out by Svalner Skatt & Transaktion. If all 400,000 warrants are exercised for subscription of 400,000 new ordinary shares, the dilution effect will be approximately 1% (calculated on the basis of the number of ordinary shares on the date of the 2023 Annual General Meeting).

Genova has an additional incentive programme from 2021 under which each warrant entitles the holder to subscribe for one new ordinary share in the company for SEK 125.10 per ordinary share during the period as of 20 June 2024 until the date that falls 30 calendar days thereafter. If all 400,000 warrants are exercised for subscription of 400,000 new ordinary shares, the dilution effect will be approximately 1% (calculated on the basis of the number of ordinary shares on the date of the 2021 Annual General Meeting).

Accounting policies

Genova applies International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report was prepared in accordance with IAS 34 Interim Financial Reporting. The information required by IAS 34.16A is also disclosed, except in the financial statements and their related notes, in other sections of the interim report. The Parent Company's accounts are prepared in accordance with RFR 2, Accounting for Legal Entities and the Swedish Annual Accounts Act. The same principles of accounting and measurement are applied as in the most recent Annual Report, refer to Note 2 in Genova's 2022 Annual Report.

Revenue

Revenue from contracts with customers refers to income from the sale of goods and services from Genova's ordinary operations. Revenue is recognised when the customer obtains control over the goods or services that the company deems to be distinct in a contract and reflects the amount of consideration to which the company expects to be entitled in exchange for transferring the promised goods or services to the customer. The Group's revenue is derived from lease income and recognised in accordance with IFRS 16 Leases. These principles are described in Note 2 of the 2022 Annual Report.

Auditors' review

This interim report has been audited.

Assurance of the Board of Directors and Chief Executive Officer

The Board of Directors and Chief Executive Officer hereby certify that this interim report provides a true and fair view of the Parent Company and the Group's operations, financial position and earnings and describes significant risks and uncertainties faced by the Parent Company and those companies included in the Group.

Stockholm, 27 October 2023

Mikael Borg, Chairman of the Board

Anette Asklin, Board member

Micael Bile, Board member

Andreas Eneskjöld, Board member

Erika Olsén, Board member

Maria Rankka, Board member

Michael Moschewitz, CEO

Financial calendar

Year-end report, January-December 2023	21 February 2024
2023 Annual Report	27 March 2024
Interim report January-March 2024	2 May 2024
Annual General Meeting 2024	2 May 2024

For further information, please contact:

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This information is inside information that Genova Property Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 27 October 2023 at 8:00 a.m. CEST.

Auditor's review

Genova Property Group AB, Corp. Reg. No. 556864-8116

Introduction

We have performed a review of the interim financial information for Genova Property Group AB at 30 September 2023 and the nine-month period that ended on that date. The Board and the Chief Executive Officer are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report on the basis of our review.

Focus and scope of the review

We performed our review in accordance with the International Standard on Review Engagements (ISRE) 2410, Review of interim financial information performed by the independent auditor of the entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards.

The review procedures performed do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion expressed on the basis of a review does not therefore provide the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information has not, in all material respects, been prepared for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the Parent Company in accordance with the Swedish Annual Accounts Act.

Stockholm, 27 October 2023

Ernst & Young AB

Henrik Nilsson
Authorised Public Accountant

Definitions

Genova or the company

Genova Property Group AB (publ).

Return on equity

Net income after tax, based on a rolling 12-month period, in relation to average equity. Return on equity is used to assess Genova's ability to generate profits from its shareholders' investments in the company.

Loan-to-value ratio, %

Interest-bearing liabilities less cash and cash equivalents in relation to the market value of investment properties, properties under construction and development properties at the end of the reporting period. The loan-to-value ratio is used to assess Genova's financial risk.

Net operating income

Rental income less property costs. This key metric is used to measure the profitability of property management before central administrative expenses, net financing costs and unrealised value changes.

Equity attributable to shareholders

Equity less the value of issued hybrid bonds and non-controlling interests, in relation to the number of shares outstanding as of the balance-sheet date. Equity attributable to shareholders is used to measure the shareholders' proportion of the company's equity per share.

Economic occupancy rate

Contract value in relation to rental value. This key metric is expressed as a percentage and used to measure vacancies, where a high percentage of occupancy equates to a low economic vacancy rate.

Investment properties

Refers to properties with existing cash flows and includes commercial premises, residential units and community service properties.

Income from property management

Income before value changes, currency effects and tax. Income from property management is used to measure the profitability of property management after financial income and expenses, but not unrealised value changes.

Income from property management attributable to shareholders per share

Income from property management less dividend payments on preference shares and payment for hybrid bonds during the period, in relation to the number of weighted average shares outstanding during the period. Income from property management per share is used to measure the shareholders' proportion of income from property management per share.

Rental value

Contract value plus estimated market rent for unlet spaces. Rental value is used to measure the Group's potential net income.

Adjusted income per share

Net income attributable to Parent Company shareholders less dividend payments on preference shares and payment for hybrid bonds during the period, in relation to the number of weighted average shares outstanding during the period. Adjusted net income after tax per share is used to measure Parent Company shareholders' proportion of the company's net income after tax per share.

Long-term net asset value

Recognised equity with reversal of deferred tax. Long-term net asset value is used to provide stakeholders with information about Genova's long-term net asset value estimated in a standard manner for listed property companies.

Long-term net asset value attributable to shareholders

Long-term net asset value less the value of all issued hybrid bonds and non-controlling interests. Long-term net asset value attributable to shareholders is used to clarify the proportion of long-term net asset value considered attributable to shareholders after the proportion attributable to hybrid bond holders and non-controlling interests has been eliminated.

Long-term net asset value per share

Long-term net asset value attributable to shareholders divided by the number of shares outstanding as of the balance-sheet date. Long-term net asset value per share is used to measure the shareholders' proportion of the company's long-term net asset value attributable to shareholders per share.

Development properties

Refers to properties for further development.

Income per share

Net income for the year/period less dividend payments on preference shares and payment for hybrid bonds during the period, in relation to the number of weighted average shares outstanding during the period. Net income after tax per share is used to measure the shareholders' proportion of the company's net income after tax per share.

Interest-coverage ratio

Net operating income less costs for central administrative expenses attributable to property management in relation to net interest income. Non-recurring financial items are not included in the calculation. The interest-coverage ratio is used to measure the sensitivity of the company's income to interest-rate fluctuations.

Equity/assets ratio

Equity at the end of the period in relation to total assets at the end of the period. The equity/assets ratio is used to measure Genova's financial stability.

Lettable area

Total area in sqm that is available for letting.

NOI margin

Net operating income in relation to rental income. The net operating income (NOI) margin is used to measure the profitability of property management before financial income and expenses, and unrealised value changes.

Contact

Street addresses

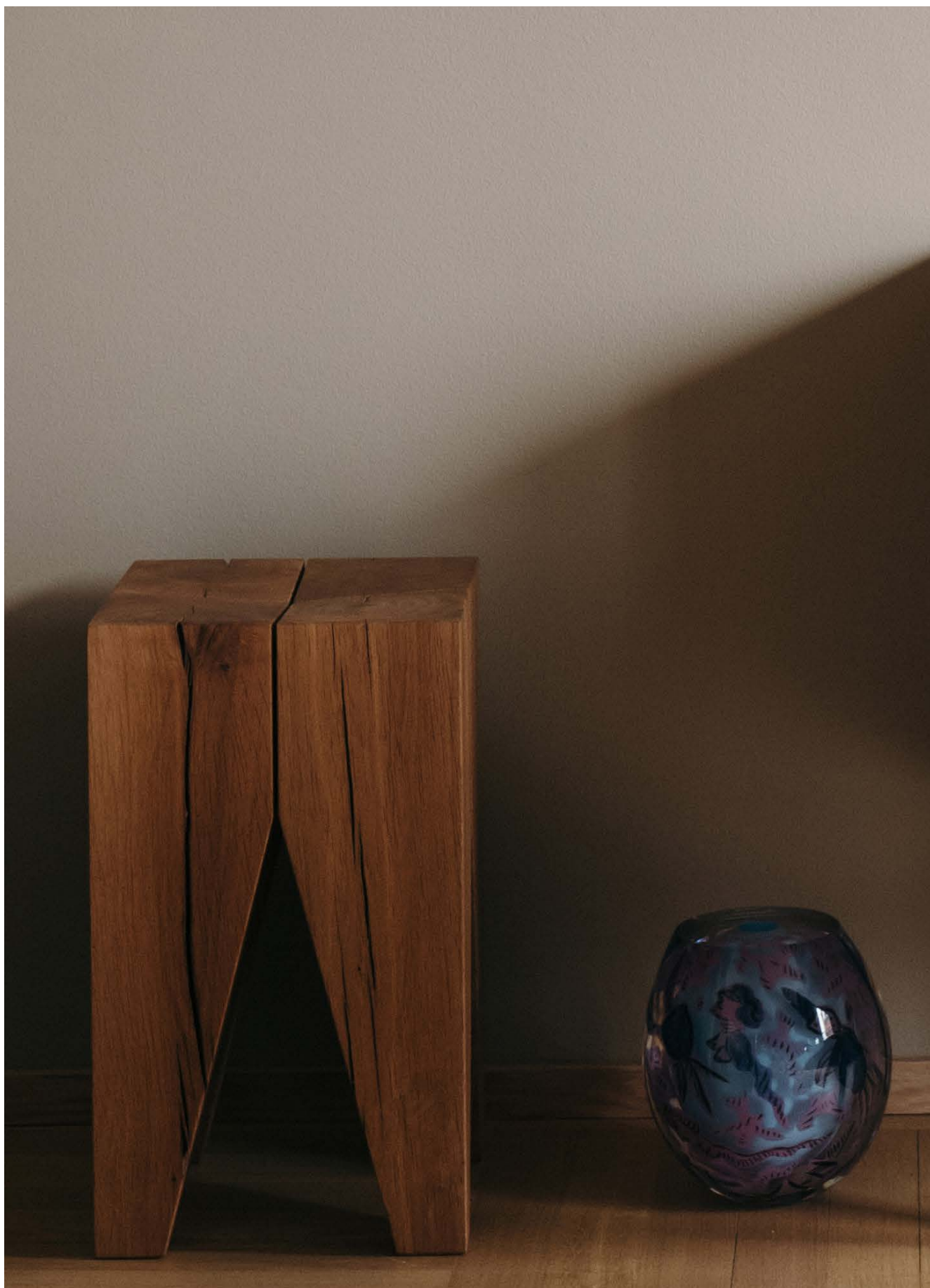
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genova.se



G E N O V A