

Press release, 28 October 2021

## Bonava's Q3 interim report 2021: Stable positive performance and new financial targets

### Third quarter, July– September 2021

- Net sales amounted to SEK 3,618 M (2,958), an increase of 26 per cent adjusted for currency effects
- The gross margin was 13.6 per cent (10.8)
- Operating profit totalled SEK 293 M (125) and the operating margin was 8.1 per cent (4.2)
- Earnings per share was SEK 1.85 (0.68)
- The equity/assets ratio was 31.7 per cent (29.4)
- The number of housing units sold was 1,353 (1,438)
- The number of production starts was 1,036 (1,243)

### Nine months, January– September 2021

- Net sales amounted to SEK 8,842 M (9,444), a decrease of 3 per cent adjusted for currency effects
- The gross margin was 13.5 per cent (8.8)
- Operating profit before items affecting comparability totalled SEK 576 M (211) and the operating margin was 6.5 per cent (2.2)
- Operating profit after items affecting comparability totalled SEK 459 M (211) and the operating margin was 5.2 per cent (2.2)
- Earnings per share was SEK 2.49 (0.86)
- The equity/assets ratio was 31.7 per cent (29.4)
- The number of housing units sold was 3,718 (3,542)
- The number of production starts was 2,895 (2,525)

### Events after the end of the quarter

- The remaining land bank in Copenhagen was sold for a cash consideration of SEK 545 M, and resulted in a positive effect on earnings before tax of SEK 226 M in the fourth quarter of 2021
- New financial and non-financial targets established, and an effect on earnings of SEK –150 to –200 M is recognised as items affecting comparability in the fourth quarter as a result of the strategic review

### President and CEO Peter Wallin comments:

"The quarter displayed a stable trend toward increased efficiency and profitability. The robust economic recovery, with favourable market conditions, resulted in healthy demand in all of Bonava's markets. Net sales were higher and operating profit improved substantially, since the number of housing units to investors recognised in profit increased.

The gross margin strengthened as a result of an improved project and market mix. We also continued to show good control of our overheads, which supported an improvement in operating profit. We have continued to manage rising prices, shortages of input goods and challenges in the supply chain without any major impact on our ongoing projects.

The strategic analysis that was initiated as a result of my taking office as President and CEO has now been completed. From 2022, the business will be managed on the basis of six targets, two of which are financial. One of the targets is to more than double earnings before tax to SEK 2.2 Bn in 2026.

With raised and clarified targets, and an updated strategy including increased investments in building rights, we are steering our operations towards profitable growth and sustainable value creation throughout the Group."



**Q3 presentation today at 11:00 a.m. (CEST)**

The report will be commented by President and CEO Peter Wallin and CFO Lars Granl f at 11.00 a.m. today at a webcast presentation. Follow the webcast presentation live at: [bonava.com/audiocast Q3 2021](https://bonava.com/audiocast/Q3%2021)

To participate in the telephone conference and thereby be able to ask questions, please dial in on any number below a couple of minutes before the start of the call.

SE: +46 856642651, DE: +49 6913803430, UK: +44 3333000804, US: +1 6319131422  
Pin code: 73694087#

The presentation material and an on-demand version will be available at [bonava.com](https://bonava.com).

**Capital Markets Day on 14 December 2021**

President and CEO Peter Wallin and other key members of Bonava's management will present Bonava's business, revised targets and updated strategy in more detail at a webcast digital Capital Markets Day on Tuesday, 14 December 2021. An invitation with more details will be published later.

**For more information, please contact:**

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Bonava is a leading residential developer in Northern Europe that creates homes and neighbourhoods where people have the highest quality of life. The company is the first residential developer in Europe to receive approval from the Science Based Targets initiative for its climate targets. With its 2,100 co-workers, Bonava develops residential housing in Germany, Sweden, Finland, Denmark, Norway, St. Petersburg, Estonia, Latvia and Lithuania, with net sales of approximately SEK 17 Bn in 2020. Bonava's shares and green bond are listed on Nasdaq Stockholm.

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