



GENOVA

Q3 2021

Company Presentation

Genova Property Group AB (publ)

Stockholm

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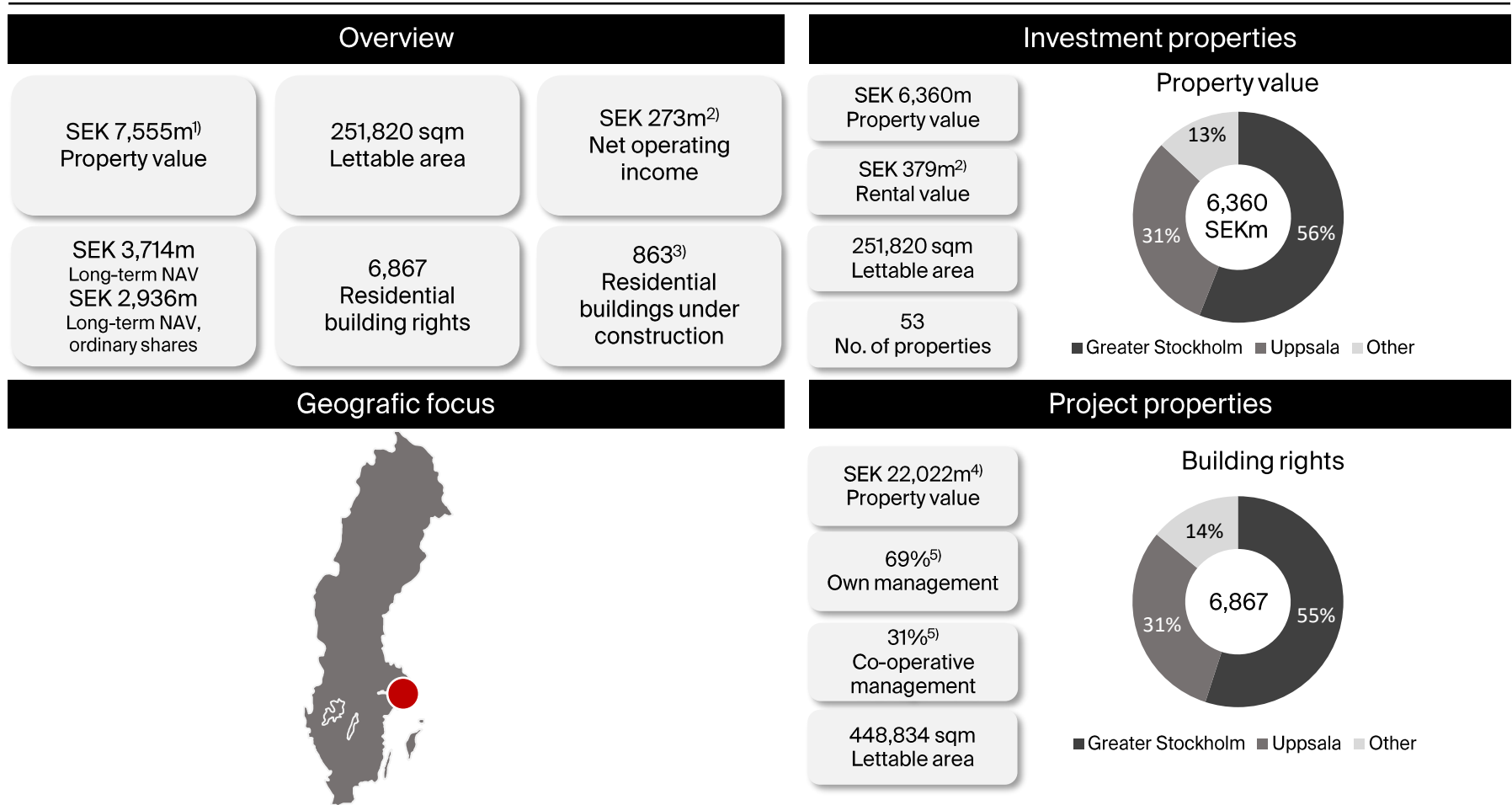
INTRODUCTION

1



Genova in short

As of Q3 – 2021

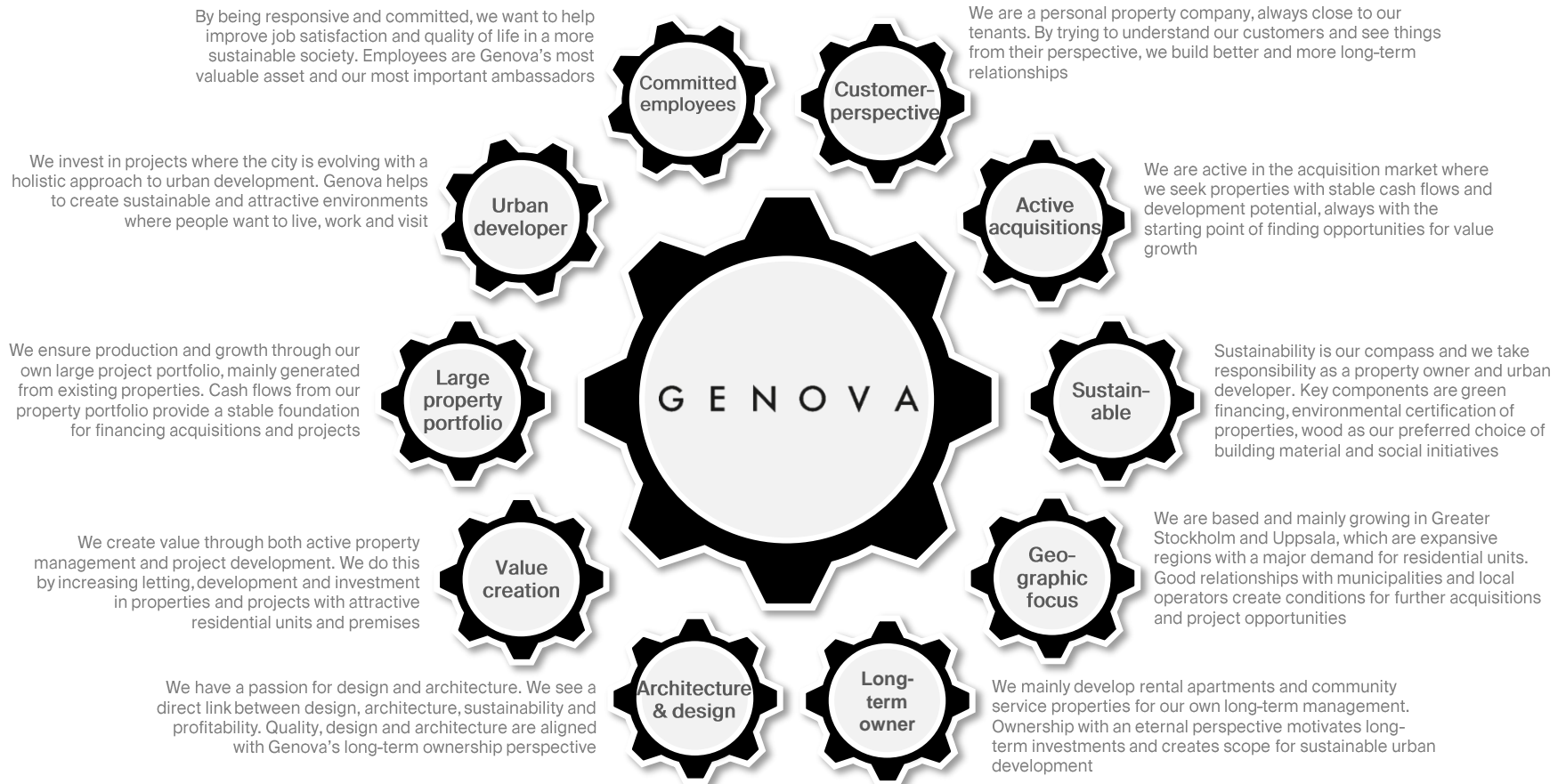


1) Refers to investment properties and ongoing construction. 2) According to earnings capacity as of 30 September 2021. 3) Including 40 hotel rooms. 4) Refers to estimated value at completion. 5) Based on estimated value at completion.

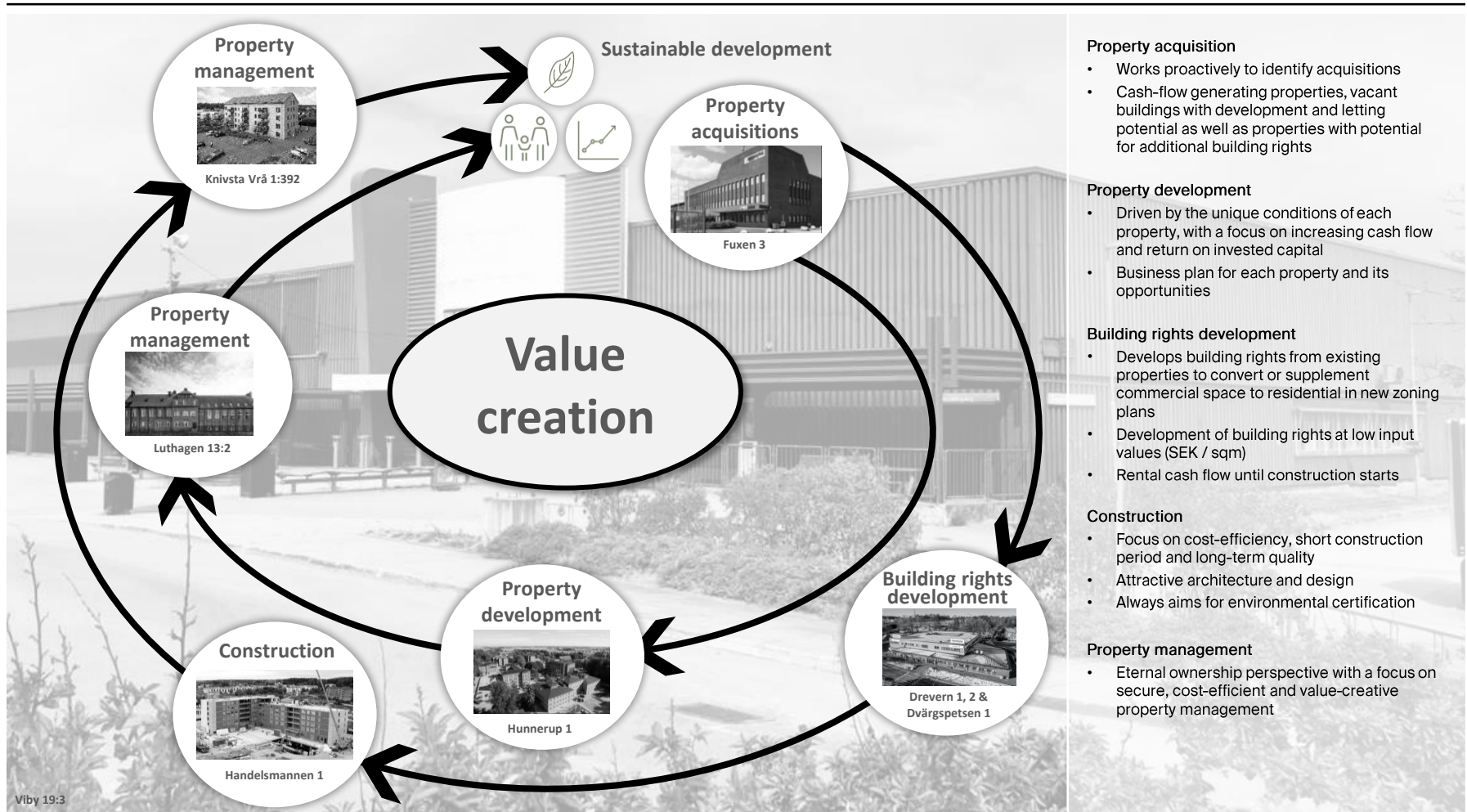


Genova – the personal property company

Genova's cornerstones



Genova's business model



OPERATIONAL AND
FINANCIAL UPDATE

2



Financial and operational targets

Genova's overall objective is to create value for the company's shareholders. Value creation is measured over a business cycle as growth in both long-term net asset value and income from property management per ordinary share

Financial targets

Long-term net asset value¹⁾



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

Income from property management²⁾



Achieve an average annual growth of at least 20% in income from property management per ordinary share over a business cycle

The goal is to create growth in net asset value and income from property management, while maintaining a continued stable and strong financial position with balanced financial risk-taking, meaning that:

Equity/assets ratio



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

Loan-to-value ratio



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

Interest coverage ratio



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

Operational targets

Rental income



Rental income from residential and community service properties shall account for at least 70% of Genova's total rental income by the end of 2023

Ongoing construction



Ongoing construction of own-produced residential units shall amount to at least 1 500 residential units per year as of 2022

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 ordinary shares. In the long-term, the dividend on ordinary shares shall be at least 50% of income from property management attributable to ordinary shares. Dividends on preference shares shall be paid in accordance with the provisions of the Articles of Association

1) Long-term net asset value attributable to ordinary shareholders has decreased by SEK 80m due to the proposed redemption of outstanding preference shares. 2) New ordinary shares in a new share issue during 2020 ad 2021 not included in the calculation of annual growth per ordinary share. From Q4 2020, exchange rate effects have been broken out of the income statement result and are reported on a separate line in the income statement where comparative figures have been recalculated. Since Q4 2020, currency effects are no longer included in income from property management and are presented on a separate line in the income statement where the comparative figures have been restated. 3) Including 40 hotel rooms.



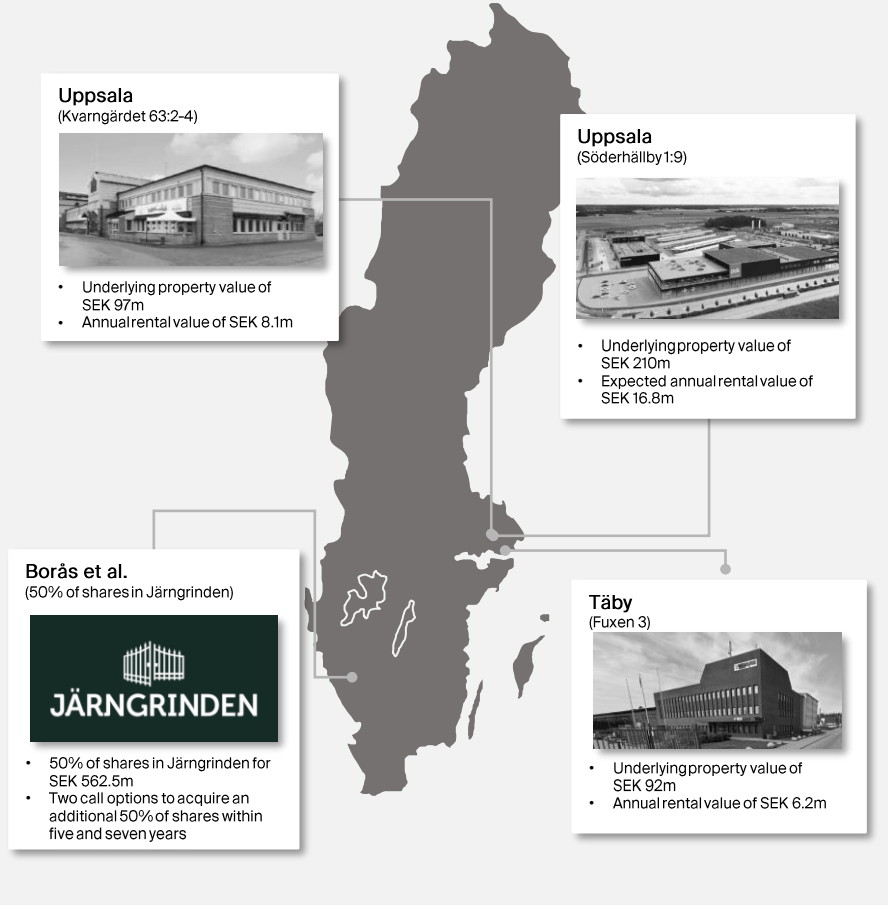
Operational update

As of Q3 – 2021

Comments

- In August, Genova became a partner to Läxhjälpfen whereby Genova will offer financial assistance to the foundation over a period of three years
- In September, an agreement was signed to acquire 50% of shares in the property and project development company Järngrinden AB for SEK 562.5m, of which SEK 275m will be paid as a capital contribution in the form of a share issue in Järngrinden and SEK 287.5m in the form of the direct acquisition of existing shares from Järngrinden's principal owner, including two call options to acquire an additional 50% of shares in five and seven years, respectively
- In connection with the acquisitions of 50% of shares in Järngrinden, Genova completed a directed issue of 2.4 million new ordinary shares at a subscription price of SEK 120 per share, directed to institutional investors. As a result of the directed issue, Genova raised SEK 288m less costs. Investors in the directed issue comprised a number of Swedish and international institutional investors
- In August and October, Genova issued subsequent senior unsecured green bonds in the amount of SEK 250m and then SEK 100m due 9 September 2024 and amended and restated the terms and conditions for its existing senior unsecured bond due 2024. The existing framework of SEK 750m has now been fully utilised
- In July, a new two-year commercial rental agreement was signed for 2,000 sqm in the Boländerna 9:11 property in Uppsala. The annual rental value is approx. SEK 2.1m
- Furthermore almost 7,000 sqm has been let in the Söderhällby 1:9 property in Uppsala with an annual rental value of approximately SEK 8.3m. The property was acquired in May 2021 as a project property totalling approximately 14,000 sqm of lettable area for warehouse and logistics. The project is expected to be completed in Q2 2022 and Genova will continue to work with the lettings in parallel with the construction
- In October, Genova announced that the company is taking a comprehensive approach to the planned development of a new district in Skarpnäck. Genova already owns two properties in Skarpnäck and has now signed a strategically important land-use agreement with the City of Stockholm to expand the building right. Genova is planning to build almost 500 residential units in the area and the future expected building right, after the land allocation, amounts to a lettable area of approximately 42,000 sqm gross floor area

Access and acquisition during Q3



Focus for the remainder of 2021

Ongoing construction

As of 30 Sep 2021, Genova had 863 residential units under construction, of which 40 hotel rooms, with a book value of SEK 705m¹⁾

Segerdal, Knivsta

Before the end of 2020, Genova commenced the Segerdal project located in central Knivsta, directly adjacent to the train station. The project comprises new construction of approximately 300 rental apartments. The buildings will be environmentally certified and the first occupancy is scheduled for Q4 2023

Handelsmannen 1, Norrtälje

In Norrtälje, Genova has increased the utilisation of the existing building right in the ongoing project. The ongoing project comprises two blocks containing one retirement home with 80 residential units, one preschool with 125 places and 408 rental apartments. The first occupancies are scheduled for the second half of 2022

Korsängen, Enköping

In the first quarter of 2021, construction of the Korsängen project in Enköping started. The project comprises 185 rental apartments with a lettable area of just over 8,000 sqm. Korsängen is located directly adjacent to Genova's Kryddgården 6:3 & 6:5 investment properties, with estimated completion in Q1 2023

Söderhällby, Uppsala

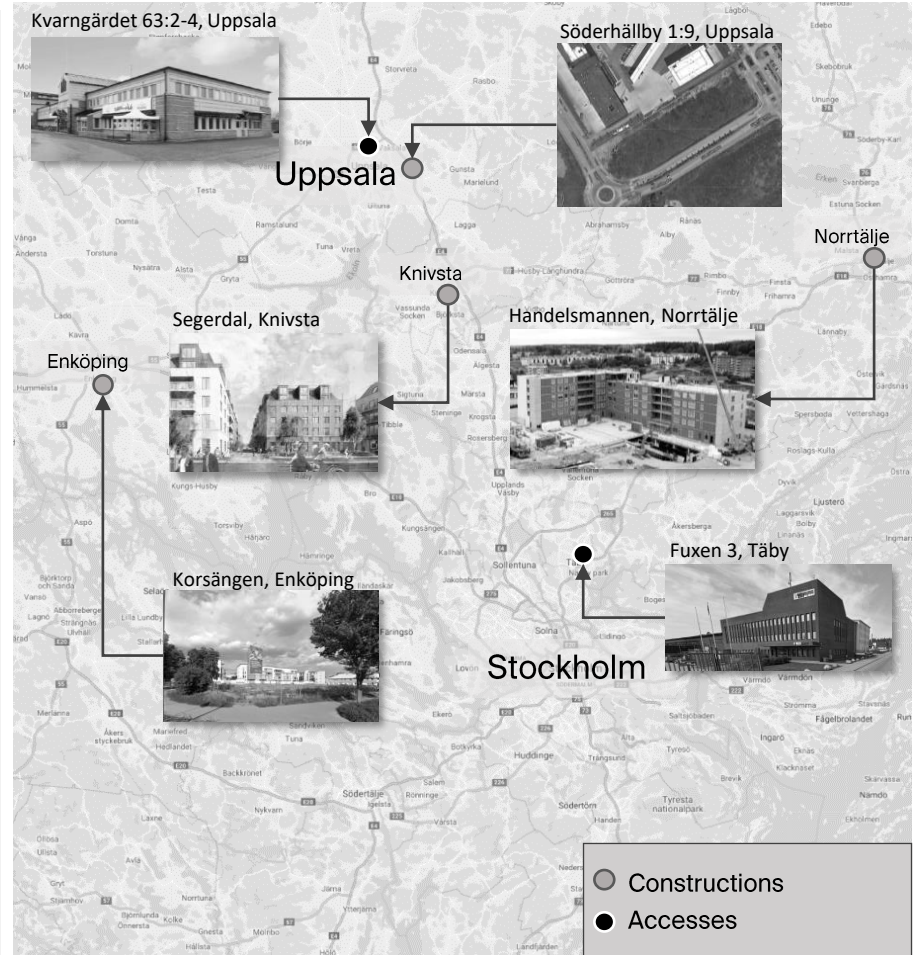
In September, Genova accessed a green project property for warehouse and logistics purposes in Uppsala. The property is strategically located and will contain approx. 14,000 sqm of lettable area. The total investment for Genova when completed will amount to SEK 218m and expected completion is scheduled for Q2 2022

Hotel Can Oliver, Palma

During the quarter, the hotel project Can Oliver in Palma commenced which consist of 40 hotel rooms. The project is Genova's second hotel in Palma with Nobis as sole tenant, with Hotel Conceptio that was completed in Q2 2021

Focus going forward

- Genova will focus on the new growth targets from 2021, saying that Genova shall increase ongoing construction of residential units and increase the share of rental income from residential and community service properties
- Genova has approx. 30 zoning plans under development where several projects has an expected construction start within the next two years. Approx. 80 % of the buiding rights regards development for own management
- During the first half of the year Genova has issued green capital securities of SEK 700m, which has partly been used to redeem outstanding preference shares in order to reduce financial costs. During the quarter Genova has successfully issued subsequent senior unsecured green bonds in the amount of SEK 250m and then SEK 100m under the existing framework totalling SEK 750m, that has now been fully utilised
- The issued green bonds is part of Genova's work in regard to its sustainability initiatives, with continued ambition to environmentally certify all new production and to initiate the work of certifying investment properties
- Genova is in a strong financial position for further growth through both acquisitions and construction for own management and new business opportunities are being evaluated on an ongoing basis



○ Constructions
● Accesses

1) Excluding the ongoing Danmarks-Kumla project in Uppsala, for which a divestment agreement was concluded during Q1 with exit scheduled for Q4 2021. As of 30 September 2021, the book value of the project was SEK 285.5m.



Financial development

As of Q3 – 2021

Income statement					Balance sheet			
SEKm	2021 Jan-Sep	2020 Jan-Sep	Okt 2020- Sep 2021	2020 Jan-Dec	SEKm	2021 30 Sep	2020 30 Sep	2020 31 Dec
Rental income	225.2	168.3	288.0	231.1	Investment properties	6,359.7	4,324.3	4,559.6
Maintenance costs and operating expenses	-54.6	-38.1	-70.2	-53.7	Properties under construction	1,072.0	550.8	704.1
Net operating income	170.6	130.2	217.8	177.4	Other fixed assets	672.3	633.3	665.0
Central administration, property management	-15.3	-21.5	-19.9	-26.1	Development properties	123.4	95.3	91.4
Central administration, property development	-16.5	-32.3	-23.3	-39.1	Cash and cash equivalents	271.0	715.2	578.4
Income from associations in joint ventures	9.8	52.9	12.6	55.7	Other current assets	454.7	401.3	186.2
Net financial items	-82.7	-79.3	110.5	-107.1	Total assets	8,953.1	6,720.2	6,784.7
Income from property management	65.9	50.0	76.7	60.8	Total equity	3,394.5	2,549.9	2,647.8
Income from production of co-ops	-	-	37.0	37.0	Loans from credit institutions	3,669.6	2,670.4	2,560.0
Other operating income	15.4	2.0	15.6	2.2	Bond loans	1,161.9	946.5	954.6
Changes in value, properties	379.6	296.7	462.9	380.0	Deferred tax liability	406.4	307.8	324.6
Currency effects, properties	3.1	1.7	-5.4	-6.8	Other liabilities	320.7	245.6	297.7
Income before tax	464.0	350.4	586.8	473.2	Total equity and liabilities	8,953.1	6,720.2	6,784.7
Income tax	-115.6	-40.6	-130.2	-55.2				
Income for the period	348.4	309.8	456.6	418.0				

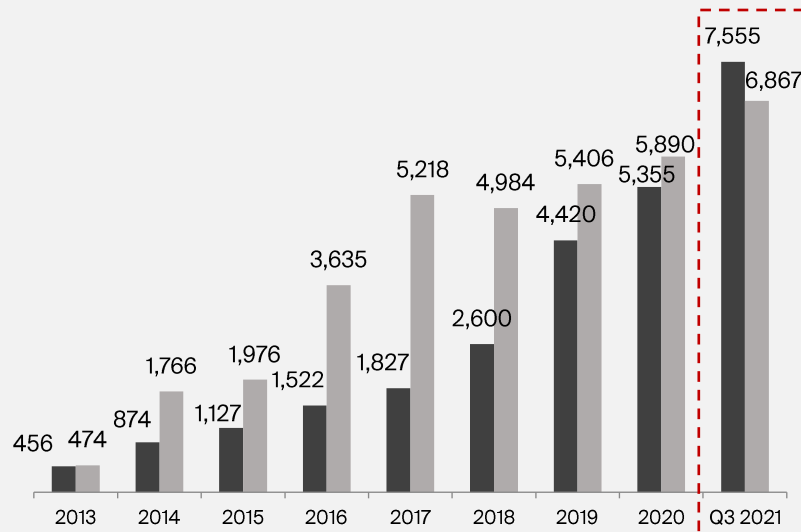
Key metrics				
	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec	
Rental income, SEKm	225.2	168.3	231.1	
NOI, SEKm	170.6	130.2	177.4	
Income from property management, SEKm	65.9	50.0	60.8	
Income from property management per ordinary share, SEK	0.45	0.55	0.53	
Residential units under construction, no.	863	438	540	
Residential units completed, no.	35	89	137	
Net investments, SEKm	1,811.7	706.6	1,074.7	
Loan-to-value ratio, %	60.5	55.9	55.2	
Equity/assets ratio, %	37.9	37.9	39.0	
Interest coverage ratio, times	2.2	1.8	1.8	
Long-term NAV, SEKm	3,714.4	2,818.1	2,883.0	
Long-term NAV referable to shareholders, SEKm	2,935.9	2,299.8	2,364.6	
Long-term NAV per ordinary share, SEK	69.94	58.11	59.75	



Financial development

As of Q3 – 2021

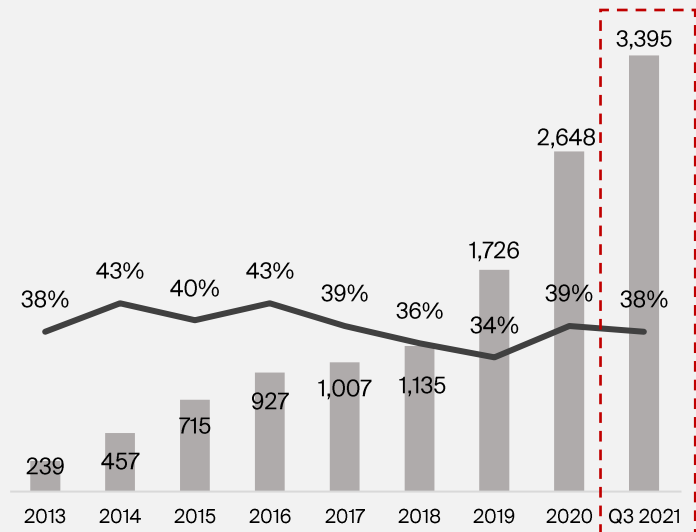
Property value and no. of building rights



Property value, SEKm

No. of building rights¹⁾

Equity and Equity/assets ratio



Equity, SEKm

Equity/assets ratio, %

1) As of 30 June 2021, CBRE's market evaluation of the expected unused building rights in Sweden included in Planned projects was just over SEK 3.1bn. As of 30 June 2021, the existing buildings on these properties, which in some cases will need to be demolished when using the planned unused building rights, and Planned projects had a book value of approximately SEK 1.7bn. On the basis of this valuation, a review was carried out on 30 September and the assessment is that the excess value in the Group's building rights portfolio amounted to approximately SEK 1.4bn at the end of the reporting period.



Financial development

As of Q3 – 2021

Financing in brief

Interest-bearing debt
SEK 4,839m¹⁾

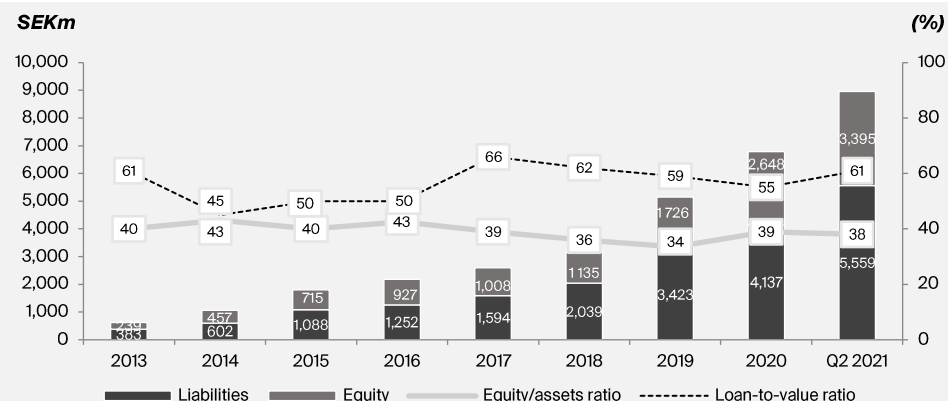
Average interest rate²⁾ (3m STIBOR floating)
2.0%

Average duration (loan)
2.0 years

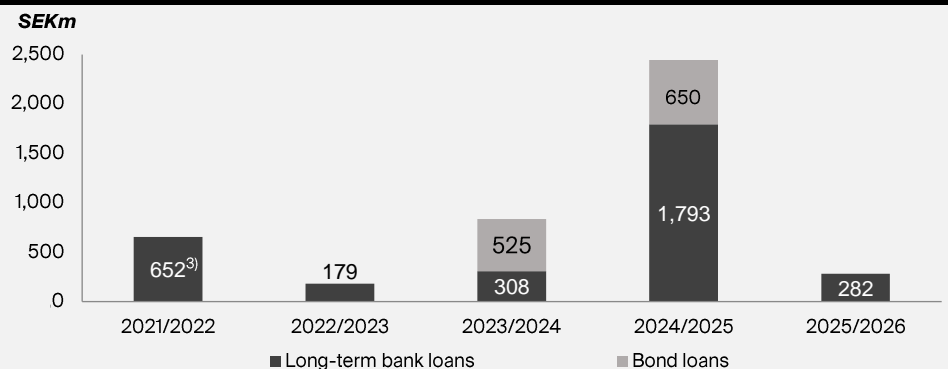
Available liquidity
SEK 706m

**Financing from Nordea, Swedbank, SBAB, SEB
and Danske Bank**

Capital structure



Debt maturity schedule



1) Includes bond loan of SEK 1,175m (3m STIBOR +4.50/5.25%). 2) Interest-bearing debt to credit institutions. 3) Long-term financing of SEK 652m has already been agreed and will start after completed internal mergers.



APPENDIX



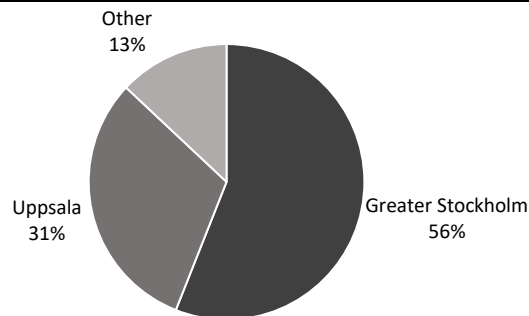
The portfolio

As of Q3 - 2021

Estimated earnings capacity of investment properties as of 30 Sep 2021 (SEKm)

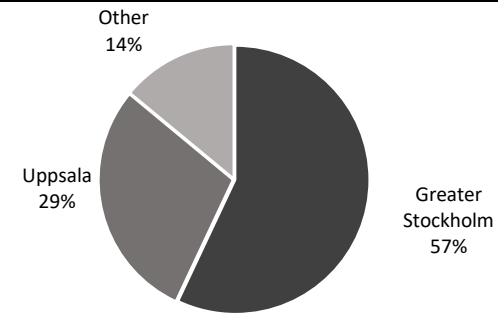
Rental value ¹⁾	379
Vacancy rate	-19
Rental income	360
Operating and maintenance costs	-79
Property tax	-7
Total property costs	-87
Net operating income	273

Property value



Property value: SEK 6,360m

Rental value



Rental value: SEK 379m

- At the end of the period, Genova had 291 commercial tenants with an average remaining rental duration of 6.5 years
- The three largest tenants were Internationella Engelska Skolan, Coop Sverige and Uppsala Music School Trust, which jointly accounted for 14% of rental income
- The proportion of rental income derived from residential units and publicly funded tenants was approximately 55%. If supermarkets are also included, the proportion of total rental income was approximately 63%

Investment property portfolio	Properties	Lettable area Sq m	Property value		Rental value		Occupancy rate %	Contracted annual rent ¹⁾ SEKm	Property costs		Net operating income	
			SEKm	SEK/sqm	SEKm	SEK/sqm			SEKm	SEKm	SEK/sqm	SEKm
Per property category²⁾												
Commercial properties	31	124,040	2,827	22,793	168	1,357	91.4	154	-42	-339	112	902
Community service properties ³⁾	22	127,780	3,532	27,645	210	1,645	97.9	206	-45	-349	161	1,262
Total	53	251,820	6,360	25,255	379	1,503	95.0	360	-87	-344	273	1,085
Per geography												
Greater Stockholm	29	143,564	3,546	24,698	205	1,429	96.4	198	-49	-344	148	1,034
Uppsala	18	74,048	1,963	26,513	115	1,553	96.1	111	-25	-338	86	1,156
Other	6	34,208	851	24,869	58	1,707	88.0	51	-12	-358	39	1,144
Total	53	251,820	6,360	25,255	379	1,503	95.0	360	-87	-344	273	1,085
Ongoing construction ⁴⁾				990								
Planned projects				206								
Total as per the balance sheet				7,555								
Acquired, not yet accessed properties and near-term completed constructions ⁵⁾	2	21,517	419		33	1,525	100.0	33	-2.9	-136	30	1,389
Total	53	273,337	7,974		411	1,505	95.4	392	-90	-392	303	1,108
Properties owned through joint ventures												641

1) Not including rental discounts of SEK 10m. 2) Based on the primary use of the property. 3) Of which two properties pertains 51 rental apartments. 4) Including the ongoing Danmarks-Kumla project in Uppsala, for which a divestment agreement was concluded in Q1 2021 with exit scheduled for Q4 2021. The project's book value amounted to SEK 285.5m as of 30 September 2021. 5) Pertains to the Söderhällby project and stages in the Handelsmannen project that will be completed within 12 months. The property value when completed will amount to SEK 650m but as of 30 September was SEK 231m recognised in the balance sheet under properties under construction.



Project development

As of Q3 - 2021

Ongoing construction														
Project	Municipality	Category	Construction start	Scheduled completion	No. of units	Lettable area, sqm		Property value ¹⁾		Rental value		Investment, SEKm		Book value ⁴⁾
						Residential	Premises	SEKm	SEK/sqm	SEKm	SEK/sqm	Estimated	Accumulated	SEKm
Handelsmannen 1	Norrköping	Community service properties	Q4 2019	Q3 2022	80	6,080	1,437	370	49,222	16	2,126	279	155	186
Handelsmannen 1	Norrköping	Rental apartments	Q4 2019	Q4 2022/Q4 2023 ³⁾	408	21,314	-	900	42,226	37	1,730	720	177	239
Segerdal ⁵⁾	Knivsta	Rental apartments	Q4 2020	Q4 2023	150	9,027	252	398	42,908	19	2,060	345	62	-
Korsängen	Enköping	Rental apartments	Q1 2021	Q1 2023	185	7,979	243	378	45,970	16	1,978	286	59	63
Hotel Can Oliver	Palma	Commercial properties ⁵⁾	Q2 2021	Q2 2023	40	3,300	-	286	86,784	13	3,806	193	138	157
Söderhällby	Uppsala	Commercial properties	Q3 2021	Q2 2022	-	-	14,000	280	20,000	17	1,214	218	45	60
Total ongoing construction					863	47,700	15,932	2,612	41,056	118	1,851	2,041	636	705

Planned projects											
Per category	No. of units	Lettable area, sqm		Property value ¹⁾		Rental value		Investment, SEKm		Book value ⁴⁾	
		Residential	Premises	SEKm	SEK/sqm	SEKm	SEK/sqm	Estimated	Accumulated	SEKm	
Rental apartments	4,085	227,340	-	10,321	45,401	486	2,137	8,483	58	110	
Community service properties	360	26,855	18,478	1,949	43,000	96	2,118	1,564	10	10	
Commercial properties	-	-	10,880	339	31,188	20	1,813	299	7	10	
Co-operative apartments	1,560	101,650	-	6,800	66,896	-	-	4,974	48	76	
Total per category	6,004	355,845	29,358	19,410	50,389	601	2,121	15,320	123	206	
Per geography	No. of units	Lettable area, sqm		Property value ¹⁾		Rental value		Investment, SEKm		Book value ⁴⁾	
		Residential	Premises	SEKm	SEK/sqm	SEKm	SEK/sqm	Estimated	Accumulated	SEKm	
Greater Stockholm	3,290	203,335	18,148	12,355	55,784	300	2,216	9,625	78	146	
Uppsala	1,764	94,795	10,745	4,657	44,124	197	2,079	3,790	33	43	
Other	951	57,715	465	2,398	41,216	104	1,955	1,905	12	17	
Total per geography	6,004	355,845	29,358	19,410	50,389	601	2,121	15,320	123	206	

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.

1) Refers to fair value of the completed investment. 2) Approximately 35% of the rental units will be completed in Q4 2022 in a first stage. 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. 4) Excluding the ongoing Danmarks-Kumla project in Uppsala, for which a divestment agreement was concluded during the quarter with exit scheduled for Q4 2021. At 30 September 2021, the book value of the project was SEK 285.5m. 5) Where the number and lettable area of residential units specified in the 'Commercial properties' category refers to hotel development.



Project development

As of Q3 - 2021

	Project	Category	Municipality	Scheduled construction start	Scheduled completion	No. of units	Lettable area, sqm	Planning notification	Consulting in planning	Exhibition	Established zoning plan
Ongoing construction	Handelsmannen ¹⁾	R, CSP	Norrtälje	Q4 2019	Q4 2022/Q2 2023	488	28,831	•	•	•	•
	Segerdal ²⁾	R	Knivsta	Q4 2020	Q4 2023	150	9,278	•	•	•	•
	Korsängen	R	Enköping	Q1 2021	Q1 2023	220	8,222	•	•	•	•
	Hotel Can Oliver	H	Palma	Q2 2021	Q2 2023	40	3,300	•	•	•	•
	Söderhällby	C	Uppsala	Q3 2021	Q2 2022	-	14,000	•	•	•	•
Planned projects	Viby ³⁾	R, CoA, CSP, C	Upplands-bro	2021	2028	910	66,808	•	•	•	
	Gredelby	C, R	Knivsta	2022	2024	45	2,820	•	•	•	•
	Klostergården	C	Lund	2022	2024	165	7,700	•	•		
	Ekeby	CoA, C	Uppsala	2022	2024	90	5,400	•	•		
	Storvreta	R	Uppsala	2022	2024	60	3,420	•			
	Drevern 1, 2	R, CSP, C	Stockholm	2022	2024	200	17,770	•	•		
	Dvärgspetsen 1	R, CoA	Stockholm	2022	2024	270	15,400	•	•		
	Odal mannen	CoA	Huddinge	2022	2024	26	2,850	•			
	Jaktvarvet	CoA	Nacka	2022	2024	45	4,275	•	•		
	Luthagen	C, CoA	Uppsala	2023	2025	45	2,180	•	•	•	
	Kryddgården	R, CoA, CSP, C	Enköping	2023	2027	655	40,160	•	•		
	Västra Knivsta	R	Knivsta	2022	2025	250	15,400	•			
	Gulmäran 7, 8 ²⁾	CSP, R	Borås	2023	2025	315	20,050	•	•		
	Nacka Strand ²⁾	CoA, R	Nacka	2023/2025	2025/2027	191	11,970	•	•		
	Sydöstra Vikdalen	R	Nacka	2023	2025	250	14,600	•	•		
	Brynjan 5	R, C	Huddinge	2023	2025	145	9,225	•			
	Gäddviken	CoA	Nacka	2023	2025	100	6,840	•	•		
	Örnsberg	CoA	Stockholm	2023	2025	120	7,500	•	•		
	Runö 7:84	R, CoA	Österåker	2023	2025	258	14,250	•			
	Särsta	R, CSP	Knivsta	2023	2025	110	9,600	•			
	Runö 7:146	CSP	Österåker	2023	2025	-	5,850	•			
	Skvaltän ²⁾	CoA	Nacka	2024	2026	175	9,625	•			
	Hunnerup	CSP, CoA, R	Lund	2024	2027	341	22,345	•			
	Rivan	R	Lund	2025	2027	50	3,465	•			
	Västerbro	R	Lund	2025	2027	80	4,620	•			
	Kungsängen	R	Uppsala	2025	2027	175	10,000	•			
Gåshaga ²⁾	R, CoA	Lidingö	2025	2027	385	23,000	•				
Fuxen	R, CoA	Täby	2025	2027	215	11,520					
Kvarngärdet	R, CoA	Uppsala	2025	2027	334	16,560					
Total						6,867	448,834				

Definitions

- CoA = Co-operative apartments
- R = Rental apartments
- H = Hotel
- CSP = Community service properties
- C = Commercial

1) Approximately 35% of the rental units will be completed in Q4 2022 in a first stage. 2) Owned at 50% and refers to Genova's shares in the project. 3) Owned at 70 % and refers to Genova's shares in the project.

