

G E N O V A

Company Presentation
Q4 2023



Genova in brief

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

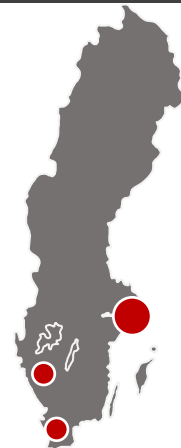
Genova is a personal property company that owns, manages and develops properties with a long-term, sustainable and highly committed approach. The large portfolio of own residential building rights ensures the Group's long-term growth and continued stable growth of the investment property portfolio

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. Genova has also widened its geographic focus through the acquisition of *Järngrinden* who operates in strong growth markets in Western Sweden

Overview

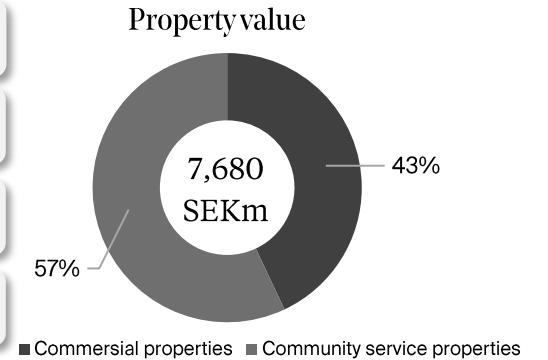
SEK 9,899m ¹⁾ Property value	361 ksqm Lettable area	SEK 392m ²⁾ Net operating income
SEK 3,219.8m Long term NAV, ordinary shares Corresponding to SEK 70.59 per share	8,756 No. of building rights	625 No. of residentials under construction

Geographic focus



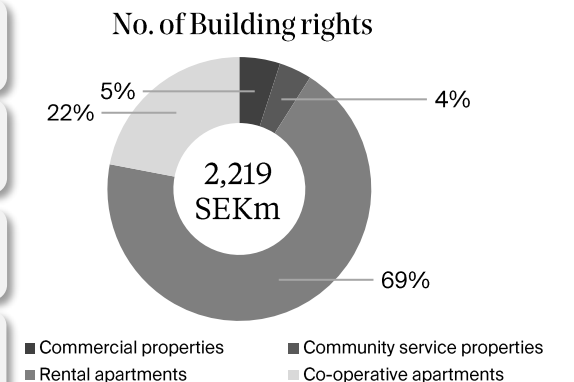
Investment properties

SEK 7,680m Property value
SEK 555m ²⁾ Rental value
361 ksqm Lettable area
80 No. of properties



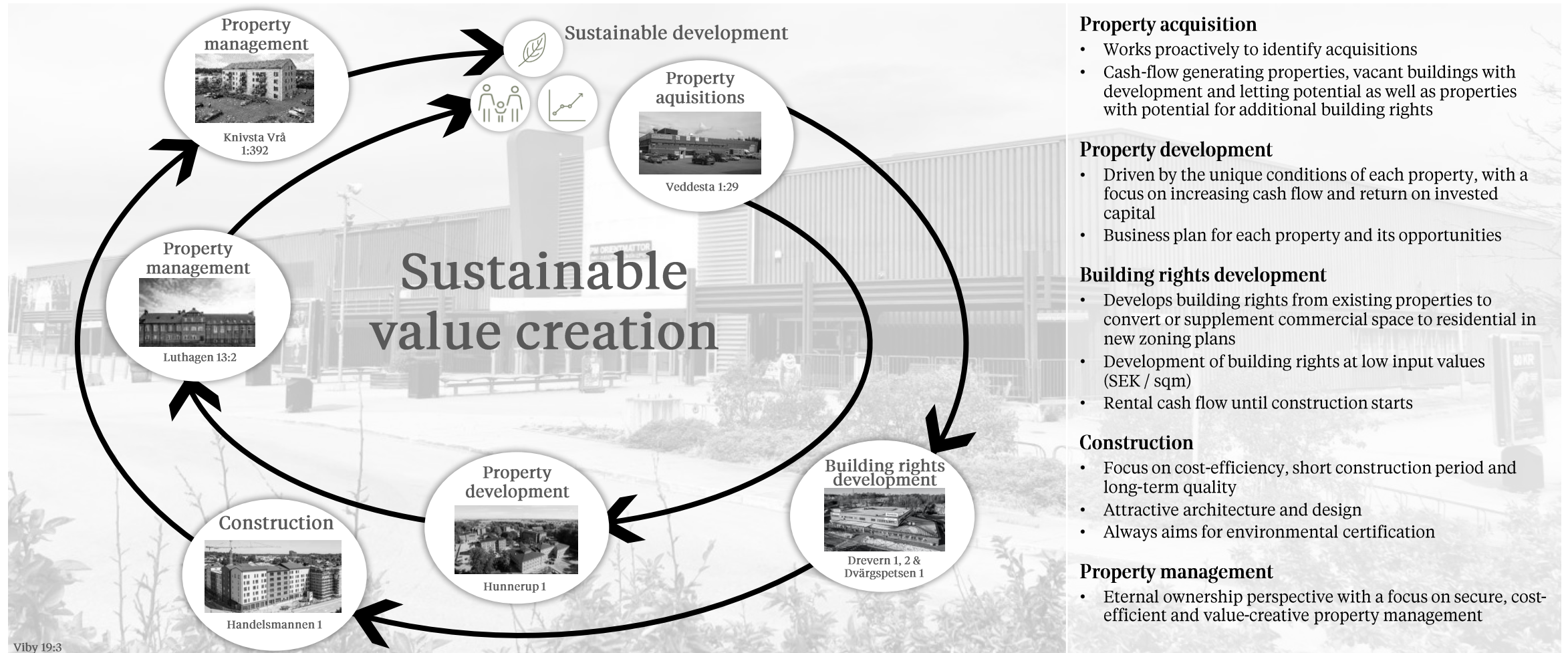
Project properties

SEK 28,304m ³⁾ Property value
70% ⁴⁾ Own management
30% ⁴⁾ Co-operative apartments
566 ksqm Lettable area



1) Of which ongoing construction and planned projects of SEK 2,219m. 2) According to current earnings capacity. 3) Refers to estimated value at completion. 4) Based on estimated value at completion.

Genova's business model



Operational update

Financing

- In October, the company's outstanding bond loan 2019/2023 with a final maturity date of 30 September 2023 was fully redeemed
- In November, senior unsecured green bonds of SEK 500m were issued. The bonds carry a floating interest rate of 3m Stibor + 595 basis points and mature in November 2026
- In November, the company's outstanding bonds 2020/2024 were redeemed before their maturity date. The total bond debt decreased from approximately SEK 1,300m to SEK 500m, with a positive impact on net financial items and earnings
- In the fourth quarter, bank loans of approximately SEK 450m were refinanced with an average fixed-rate period of 1.8 years.
- Interest-rate swaps of SEK 850m with an average fixed rate of approximately 2.50% and a term of 3.6 years were entered into during the quarter
- After the end of the period, Genova entered into an additional interest-rate swap of SEK 500m with a fixed rate of 2.58% that expires in January 2030

Project development

- During the quarter, 54 residential units in the Segerdal project in Knivsta were completed. Genova owns 50% of the project
- At the end of the year, the zoning plan for nearly 90 apartments in the Ekeby project in Uppsala won legal force

Divestments

- In October, an agreement was signed to divest two fully leased hotel properties in Palma, Majorca, for approximately EUR 35m, corresponding to approximately SEK 400m.
- In October, Genova divested a property in Uppsala at an underlying property value of SEK 50m, which is in line with book value.
- During the year Genova has completed property sales for approximately SEK 550m, which freed up about SEK 450m in liquidity.



Project Segerdal, Knivsta

Focus 2024

Ongoing constructions

As of Q4, Genova had 625 residential units under construction where several stages will be completed during the 2024. The projects are expected to contribute to an increased earnings capacity of SEK 96m when completed¹

Handelsmannen, Norrtälje

- 246 rental apartments with completion in stages during 2024

Segerdal, Knivsta

- 150 rental units directly adjacent to the train station in central Knivsta, of which Genova's share amounts to 50%

Korsängen, Enköping

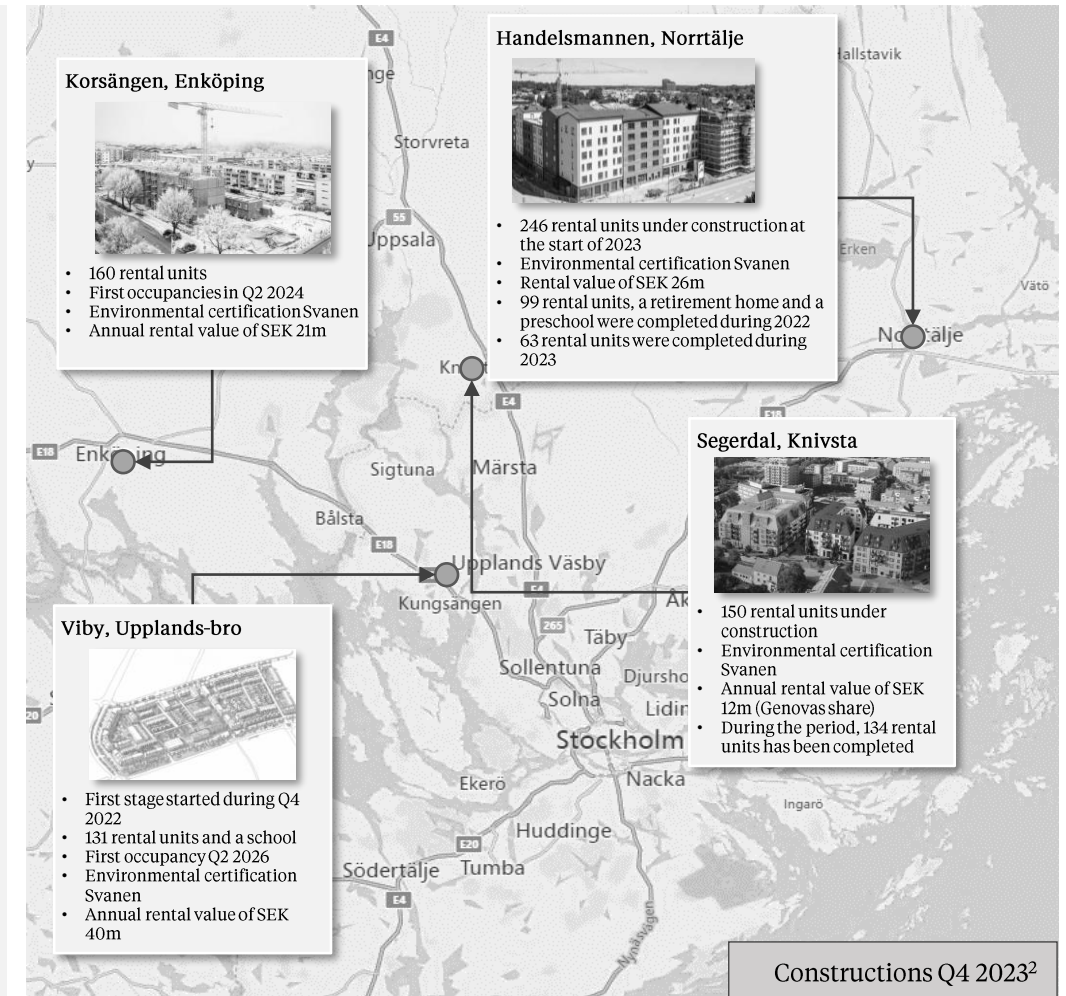
- 160 rental units in the center of Enköping with occupancies during 2024

Viby, Upplands Bro

- 131 rental units and a school in the first stage. Construction started during Q4 2022

Focus going forward

- Genova will continue to work pro-actively to strengthen the balance sheet and improve our net financial position. 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
- Long-term stable financing is central for Genova and acquired an even greater focus in the current capital market uncertainty. We worked to secure financing through refinancing and by extending loans. In November, the company's outstanding bonds 2020/2024 were redeemed before their maturity date. The total bond debt decreased from approximately SEK 1,300m to SEK 500m, with a positive impact on net financial items and earnings
- Our ongoing projects are proceeding as planned, with an approximate total of 600 residential units in Norrtälje, Enköping, Knivsta and Upplands-Bro and completion scheduled for 2024–2026. We see continued demand for new rental apartments in our core markets of Greater Stockholm and the Uppsala Region, as well as our new West region
- In 2024, we will complete nearly 400 rental apartments for own long-term management with annual rent of approximately SEK 46m, all with planned Nordic Swan Ecolabel environmental certification



¹) Refers to fully owned properties. ²) Ongoing construction under Genova's management. Excludes construction managed by Genova's daughter company Järngrinden.



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 value

>20%
Target
44%
Average annual growth 2019-2023

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 management

>20%
Target
98%
Average annual growth 2019-2023

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

>35%
Target
37,2%
Q4 2023

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

Loan-to-value ratio

<65%
Target
60,5%
Q4 2023

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

Loan-to-value ratio

51,8%
Q4 2023

Interest coverage ratio

>2.0x
Target
1.6x
2023

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

Operational targets

Rental income

>55%
Target
55%
Q4 2023

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

Ongoing construction

1,000
Target
625
Q4 2023

Ongoing construction of own-produced residential units shall amount to at least 1,000 residential units per year as of 2024

Property value

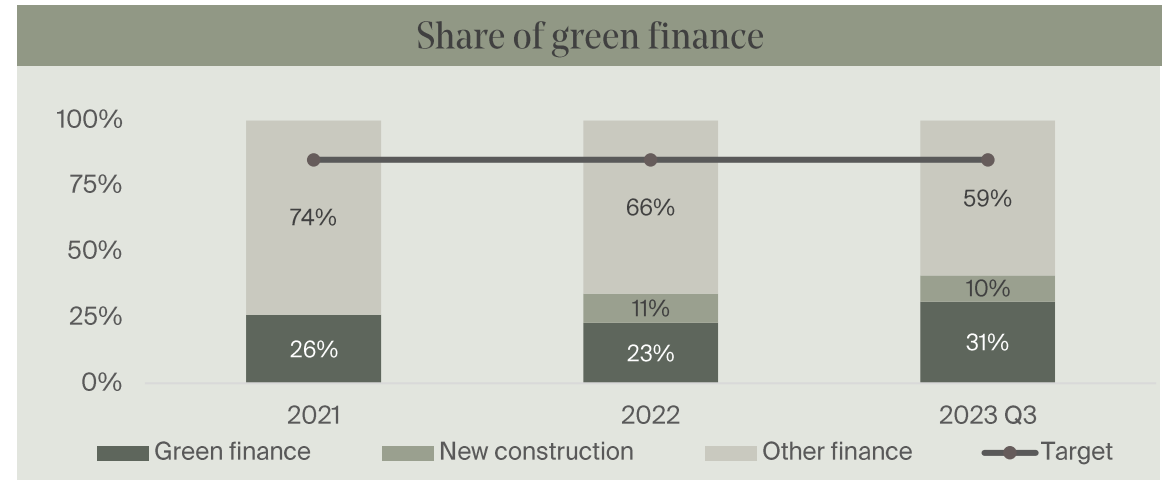
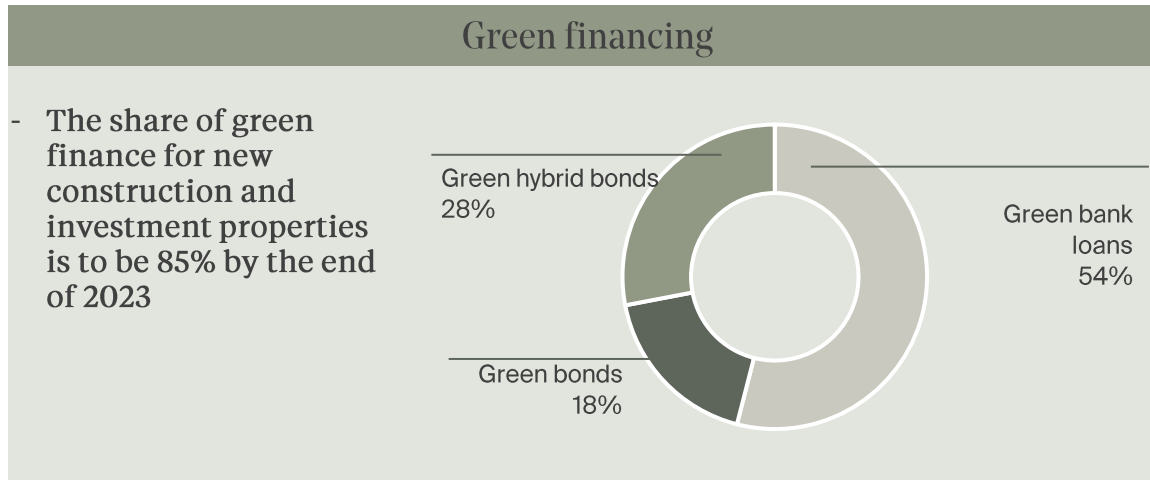
SEK 20bn
Target
SEK 9.9bn
Q4 2023

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

Utdelningspolicy

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

Green financing



Environmental certification

Certification	Investment properties				Total	Construction Ongoing
	Certified	Ongoing	Continuing/ planned	Ongoing planning		
Nordic Swan	3				3	3
Green Building	2				2	
Miljöbyggnad iDrift						
Silver	16	11			27	
Broze	1				1	
Not certified				27	27	
Total	22	11	0	27	60	3

An evaluation of the environmental certification of Järngrinden's 21 investment properties will begin in 2024.

Energy consumption

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

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



Financial development

Income statement

SEKm	Jan-dec 2023	Jan-dec 2022	Okt-dec 2023	Okt-dec 2022
Rental income	503.0	394.7	125.9	108.7
Maintenance costs and operating expenses	-135.4	-116.9	-39.0	-37.0
Net operating income	367.6	277.8	86.9	71.7
Central administration, property management	-21.8	-23.2	-4.3	-6.0
Central administration, property development	-35.5	-28.3	-7.0	-7.2
Income from associations in joint ventures	-16.4	39.3	-0.9	5.6
Net financial items	-233.3	-144.9	-56.7	-39.0
Income from property management	60.6	120.8	18.1	25.2
Income from new residential construction	40.0	0.0	-3.0	0.0
Other income	0.0	2.6	0.0	1.5
Other costs	-11.2	0.0	-6.6	0.0
Value changes, properties	-530.3	198.7	-162.0	-224.7
Value changes, derivatives	-50.0	0.0	-85.2	0.0
Currency effects, properties	12.3	2.2	3.2	-4.5
Income before tax	-478.7	324.2	-235.5	-202.6
Income tax	62.7	-68.3	20.7	42.8
Income for the period	-416.0	255.9	-214.8	-159.8

Key metrics

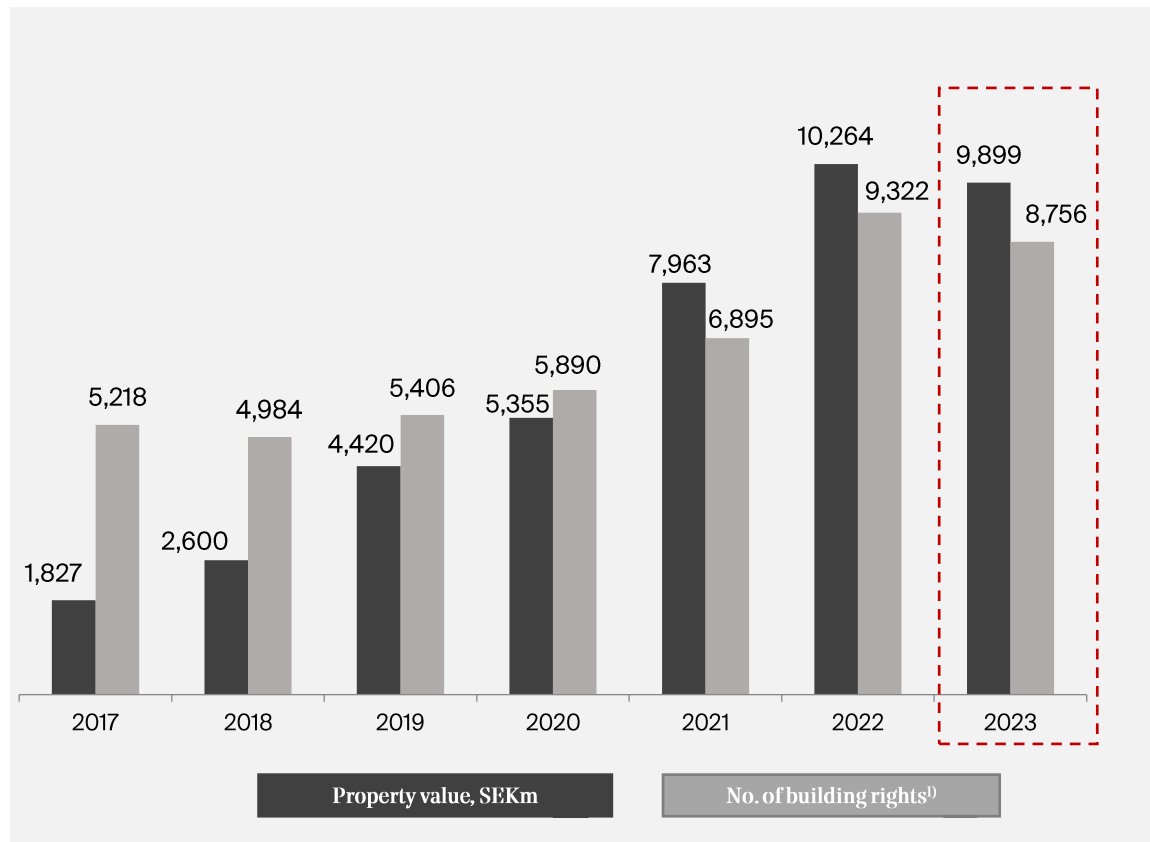
	Jan-dec 2023	Jan-dec 2022	Okt-dec 2023	Okt-dec 2022
Rental income, SEKm	503.0	394.7	125.9	108.7
NOI, SEKm	367.6	277.8	86.9	71.7
Income from property management, SEKm	60.6	120.8	18.1	25.2
Income from property management per ordinary share, SEK	-0.49	1.53	-0.08	0.22
Residential units under construction, no.	625.0	1,006.0	625.0	1,006.0
Residential units completed, no.	289.0	179.0	146.0	113.0
Net investments, SEKm	148.5	717.2	-245.5	63.4
Loan-to-value ratio, %	51.8	50.7	51.8	50.7
Loan-to-value ratio, properties %	60.5	59.1	60.5	59.1
Equity/assets ratio, %	37.2	38.4	37.2	38.4
Interest coverage ratio, times	1.6	2.0	1.7	1.9
Long-term NAV, SEKm	4,812.3	5,134.0	4,812.3	5,134.0
Long-term NAV referable to shareholders, SEKm	3,219.8	3,584.1	3,219.8	3,584.1
Long-term NAV per ordinary share, SEK	70.59	85.38	70.59	85.38

Balance sheet

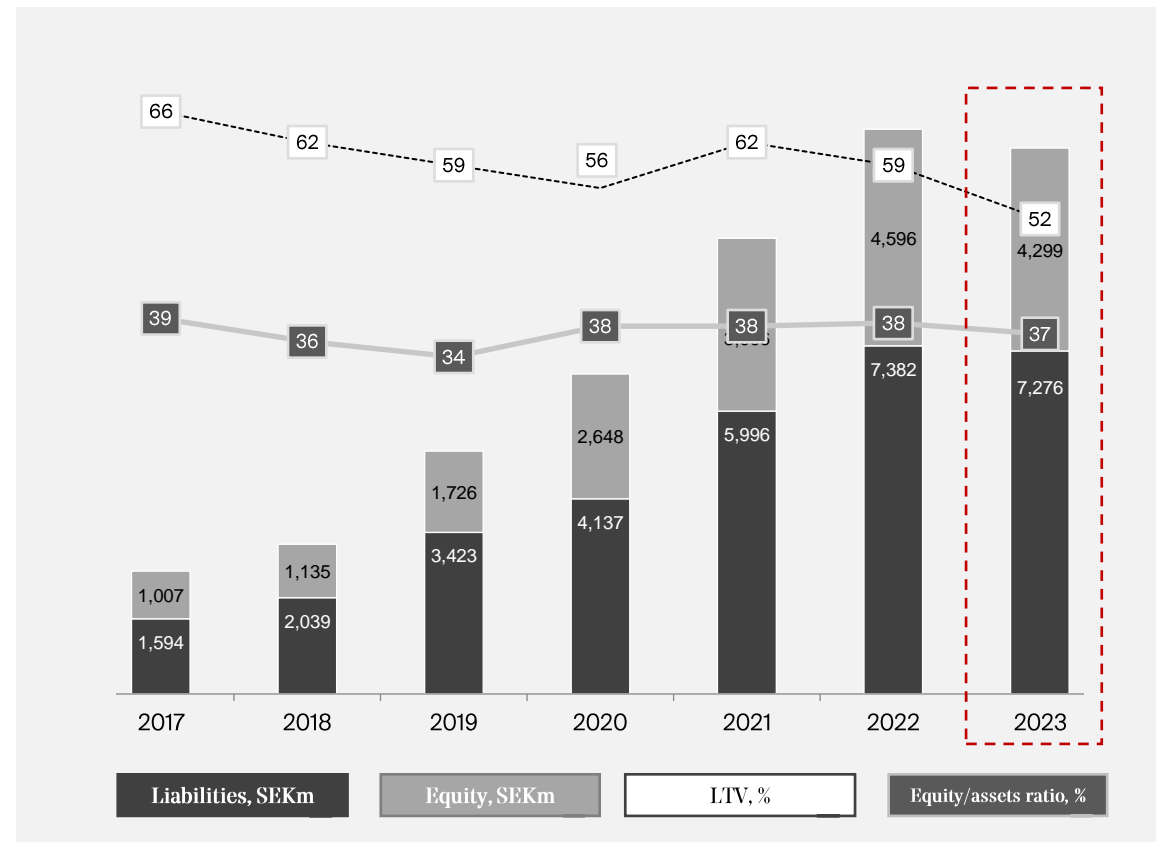
SEKm	2023 30 Sep	2022 31 Dec
Investment properties	7,679.9	8,183.2
Properties under construction	878.0	860.5
Development properties	1,298.0	1,023.2
Other fixed assets	1,194.0	1,197.3
Ongoing residential projects	42.6	197.0
Cash and cash equivalents	284.5	257.7
Other current assets	195.8	258.2
Total assets	11,572.8	11,977.1
Total equity	4,303.3	4,595.5
Loans from credit institutions	6,273.8	6,327.5
Bond loans	44.0	-
Deferred tax liability	554.6	619.5
Other liabilities	397.2	434.5
Total equity and liabilities	11,572.8	11,977.1

Financial development

Property value and no. of building rights



Capital structure



1) At 31 December 2023, CBRE's market valuation of the estimated unused building rights in Sweden included in planned projects amounted to approximately SEK 3.4 billion. At 31 December 2023, the existing buildings on these properties, which in some cases will need to be demolished when using the planned unused building rights, as well as accumulated investments for planned projects had a book value of approximately SEK 2.1 billion. This means that the excess value in the Group's building rights portfolio is estimated to be approximately SEK 1.3 billion at the end of the reporting period.



Financial development

Financing in brief

Interest-bearing debt
SEK 6,274m¹⁾

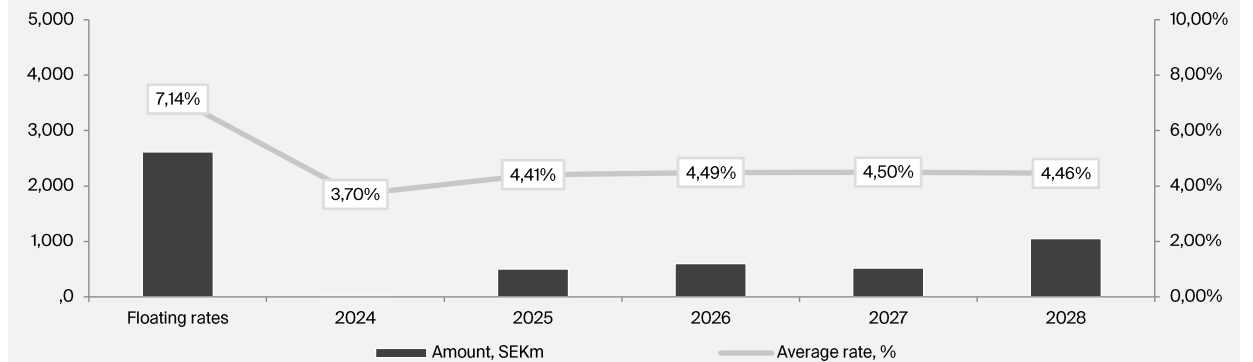
Average interest rate²⁾
5.3 %

Average duration (loans)
2.4 years

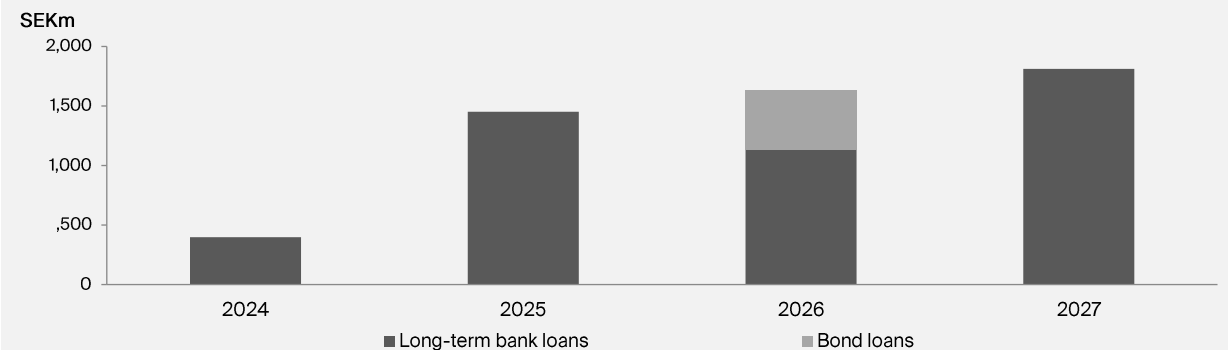
Available liquidity, including undrawn construction credits
SEK 877m

Financing from Nordea, Swedbank, SBAB, SEB och
Danske Bank

Interest rate term³⁾



Credit term structure

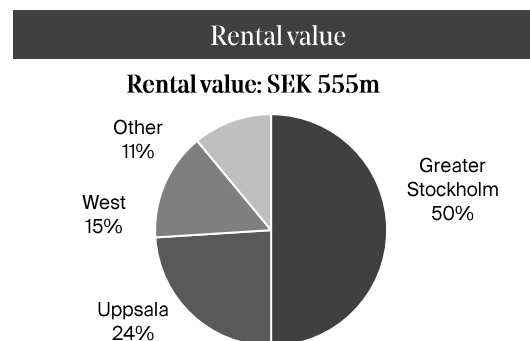
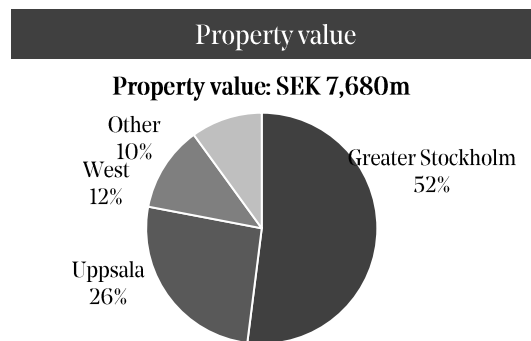


1) Includes bond loan of SEK 500m (3m STIBOR +5.95%). 2) Interest-bearing debt to credit institutions. 3) Average interest rates are calculated using daily interest rates as of 31 December and do not take an average for the entire period into account.



Investment properties

Investment property portfolio	Properties	Lettable area	Property value		Rental value		Occupancy rate	Contracted annual rent ¹⁾	Property costs		Net operating income	
	No. of	KSqm	SEKm	SEK/sqm	SEKm	SEK/sqm	%		SEKm	SEK/sqm	SEKm	SEK/sqm
Per property category²⁾												
Commercial properties	50	196.3	3,308	16,852	261	1,328	90.3	235	-64	-325	171	873
Community service properties ³⁾	30	165.1	4,372	26,477	295	1,785	96.1	283	-63	-382	220	1,333
Total	80	361.4	7,680	21,249	555	1,537	93.4	518	-127	-351	392	1,083
Per geography												
Greater Stockholm	34	169.1	4,014	23,735	277	1,640	95.9	266	-61	-361	205	1,211
Uppsala	16	76.7	1,986	25,891	132	1,717	92.6	122	-33	-431	89	1,158
West	23	78.9	948	12,018	84	1,068	90.3	76	-18	-228	58	736
Other	7	36.7	731	19,937	62	1,693	88.0	55	-15	-407	40	1,083
Total	80	361.4	7,680	21,249	555	1,537	93.4	518	-127	-351	392	1,083
<i>Of which Järngrinden</i>	<i>21</i>	<i>63.3</i>	<i>704</i>	<i>11,126</i>	<i>65</i>	<i>1,028</i>	<i>87.4</i>	<i>57</i>	<i>-13</i>	<i>-202</i>	<i>44</i>	<i>696</i>
Ongoing construction			921									
Planned projects			1,298									
Total as per the balance sheet			9,898									
Near-term completed constructions ⁴⁾	2	21.0	257		46	2,190	100	46	-8	-375	38	1,815
Total	82	382.4	10,156		601	1,573	93.9	565	-135	-353	430	1,124
Properties owned through joint ventures			982									



Estimated earnings capacity as of 31 December 2023

(SEKm)	Investment properties Genova	Investment properties Järngrinden	Investment properties Total	Ongoing construction	Total
Rental value	490	65	555	96	651
Vacancy rate	-29	-8	-37	0	-37
Rental income	461	57	518	96	613
Property costs	-114	-13	-127	-12	-139
Net operating income	347	44	392	84	474

1) Based on the primary use of the property. 2) Not including decreasing rental discounts with a current annual value of SEK 4m. 3) Of which 240 rental apartments are allocated between eight properties. 4) Refers the Korsängen project Handelsmannen project, which will be completed within 12 months. The property value upon completion will amount to SEK 1,000m but as of 31 December SEK 743m was recognised in the balance sheet under properties under construction.



Project development

Ongoing construction

Project	Municipality	Category	Construction start	Scheduled completion	No. of units	Lettable area, sqm		Property value ¹		Rental value		Investment, SEKm		Book value ²
						Residential	Premises	SEKm	SEK/sqm	SEKm	SEK/sqm	Estimated	Accumulated	SEKm
Handelsmannen 1	Norrköping	Rental apartments	Q4 2019	Q2 / Q4 2024	246	12,752	-	601	47,130	26	2,004	548	429	469
Segerdal ³	Knivsta	Rental apartments	Q4 2020	Q2 2023/Q1 2025	75	4,743	224	234	47,111	12	2,505	225	90	-
Korsängen	Enköping	Rental apartments	Q1 2021	Q2/Q3 2024	160	8,031	244	399	48,218	21	2,495	396	272	274
Viby, Etapp 1 ⁴	Upplands-bro	Rental apartments	Q4 2022	Q2 2026	131	8,728	1,693	483	46,375	25	2,444	374	36	91
Viby, Etapp 1 ⁴	Upplands-bro	Community service properties	Q4 2022	Q2 2026	-	-	5,670	301	53,000	15	2,700	230	17	44
Järngrinden ⁵		Co-operative apartments ⁶			13	959	-	39	40,909	-	-	36	43	43
Total					625	35,213	7,831	2,057	47,789	99	2,363	1,809	886	921

Planned projects

Per category	No. of units	Lettable area, sqm		Property value ¹		Rental value		Investment, SEKm		Book value ²
		Residential	Premises	SEKm	SEK/sqm	SEKm	SEK/sqm	Estimated	Accumulated	SEKm
Rental apartments	5,913	338,129	-	15,993	47,297	808	2,388	13,472	663	707
Community service properties	185	14,415	15,751	1,315	43,584	71	2,339	1,155	51	51
Commercial properties	-	-	15,574	528	33,879	31	2,002	500	94	96
Co-operative apartments	2,033	139,350	-	8,412	60,367	-	-	6,819	406	444
Total per category	8,131	491,894	31,325	26,247	50,164	909	2,369	21,945	1,214	1,298

Per category	No. of units	Lettable area, sqm		Property value ¹		Rental value		Investment, SEKm		Book value ²
		Residential	Premises	SEKm	SEK/sqm	SEKm	SEK/sqm	Estimated	Accumulated	SEKm
Greater Stockholm	3,199	197,612	17,292	12,071	56,168	341	2,579	9,817	574	653
Uppsala	1,809	97,525	12,065	5,025	45,854	231	2,344	4,285	183	183
West	2,558	168,702	1,968	7,904	46,309	282	2,183	6,752	375	375
Other	565	28,055	-	1,248	44,471	56	2,316	1,090	82	87
Total per geography	8,131	491,894	31,325	26,247	50,164	909	2,369	21,945	1,214	1,298

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 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. 4) The Viby project is 70/30 owned by Genova and K2A. 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) Refers to project Ejdern that is completed but not resigned to the co-operative housing association.

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.