

Toivo Group Plc's business review 1 January–31 March 2022

CEO Markus Myllymäki

CFO Samuli Niemelä

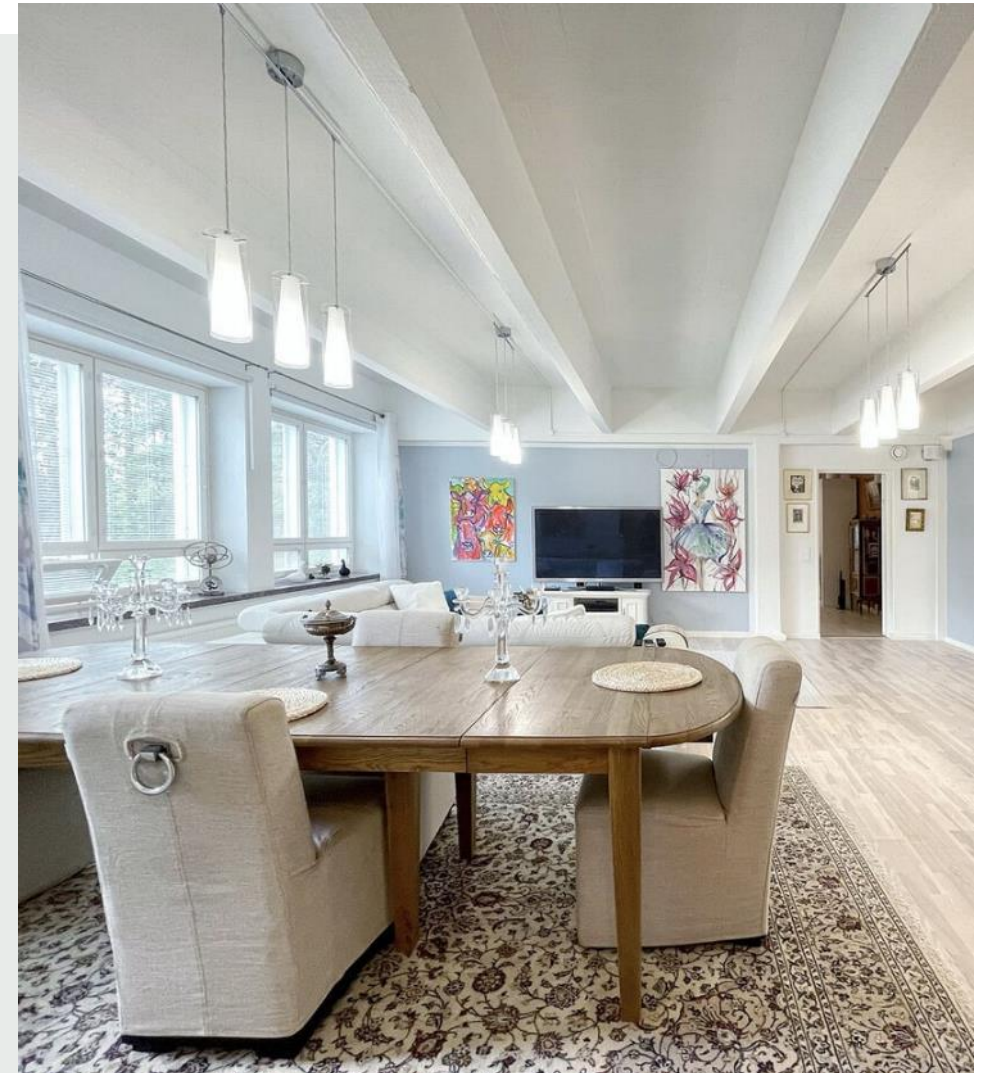
Event main points

- Operating profit EUR 7.0 M (EUR 2.7 M), +155%
- Contracts for 85 (137) apartments
- 711 (361) apartments being built
- 179 (16) apartments were completed
- Update of guidance for 2022



January–March 2022 in short

- Operating profit EUR 7.0 M (EUR 2.7 M), +155%
- **LAND DEVELOPMENT:** Contracts for 85 (137) new apartments
- **CONSTRUCTION:** 262 (70) apartment start-ups
(196 apartments in energy class A)
- **OWNERSHIP OF APARTMENTS:** 179 (16) apartments were completed
(158 apartments in energy class A)
- The rental market is challenging
- Increasing construction costs
- 3 new people were added to the staff
- Occupancy rate 99%



Key figures*

EUR thousand	1 January–31 March 2022	1 January–31 March 2021	Change %
Revenue	3,631	3,730	-3%
Operating profit	6,993	2,744	155%
Profit or loss for the financial year	5,322	2,073	157%
Earnings per share (EUR)	0.10	0.05	100%
Fair value of investment properties	121,262	66,900	81%
Economic occupancy rate	99.0%	98.1%	1%
Total equity	58,534	31,335	87%
Total assets	139,990	73,438	91%

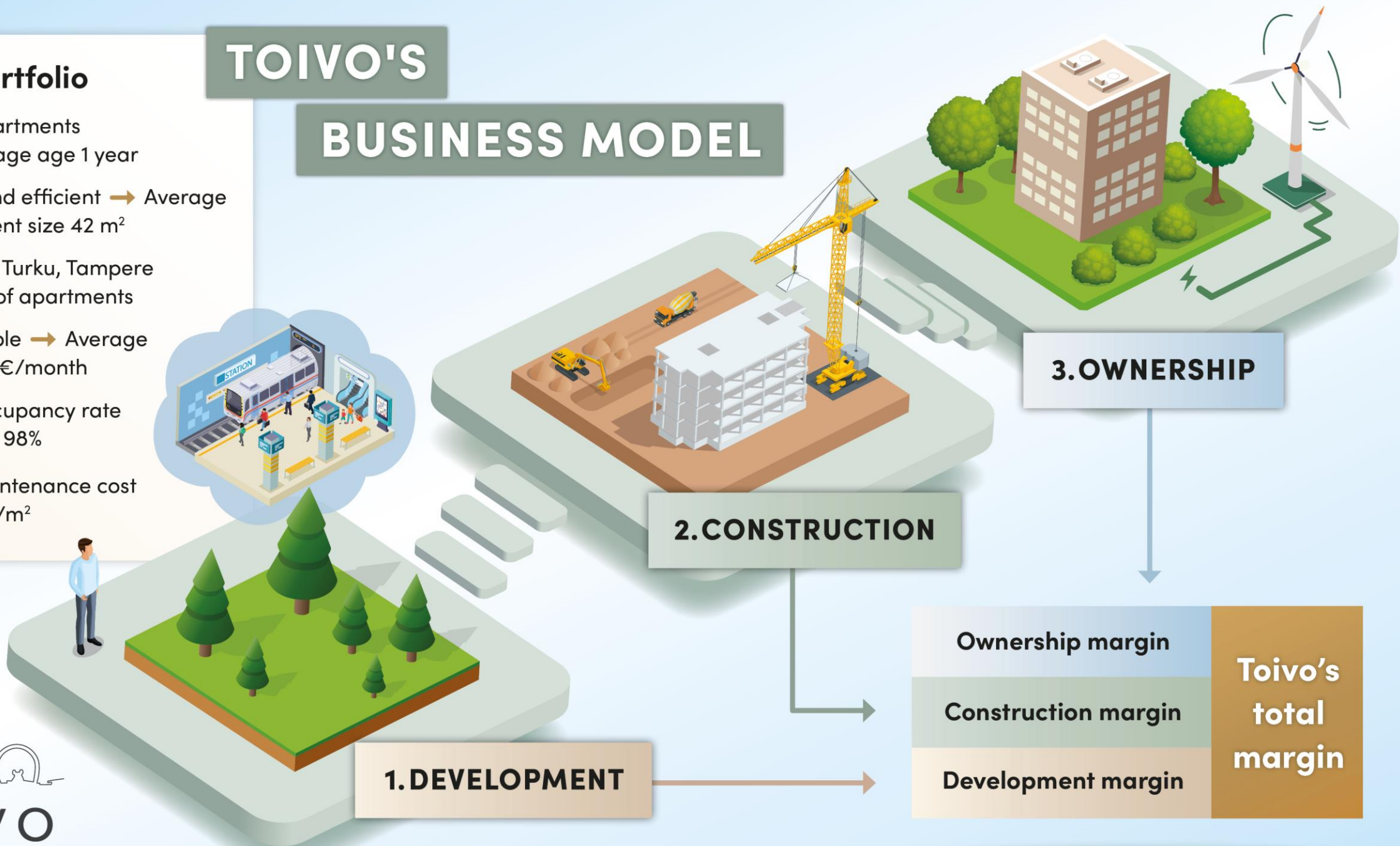
* Unaudited

Toivo's portfolio

-  New apartments
→ Average age 1 year
-  Small and efficient → Average apartment size 42 m²
-  Helsinki, Turku, Tampere
→ 98% of apartments
-  Affordable → Average rent 825€/month
-  High occupancy rate
→ Over 98%
-  Low maintenance cost
→ 2.4€/m²

TOIVO'S

BUSINESS MODEL



Strategic priorities of the apartments

Apartments currently under construction, completed apartments and Toivo's land portfolio fulfill the strategic priorities as follows:

STRATEGIC PRIORITIES



New
apartments



Small and
efficient
apartments



Sub-regions of
Helsinki, Turku
and Tampere



Affordable



High
occupancy
rate



Low
maintenance
cost

TOIVO'S PORTFOLIO

c. **1** year

Average
age of the
portfolio

c. **42** m²

Average
apartment
size

98%

of apartments are
located in the sub-
regions of Helsinki,
Turku and Tampere

825 €/
month

Average
rent

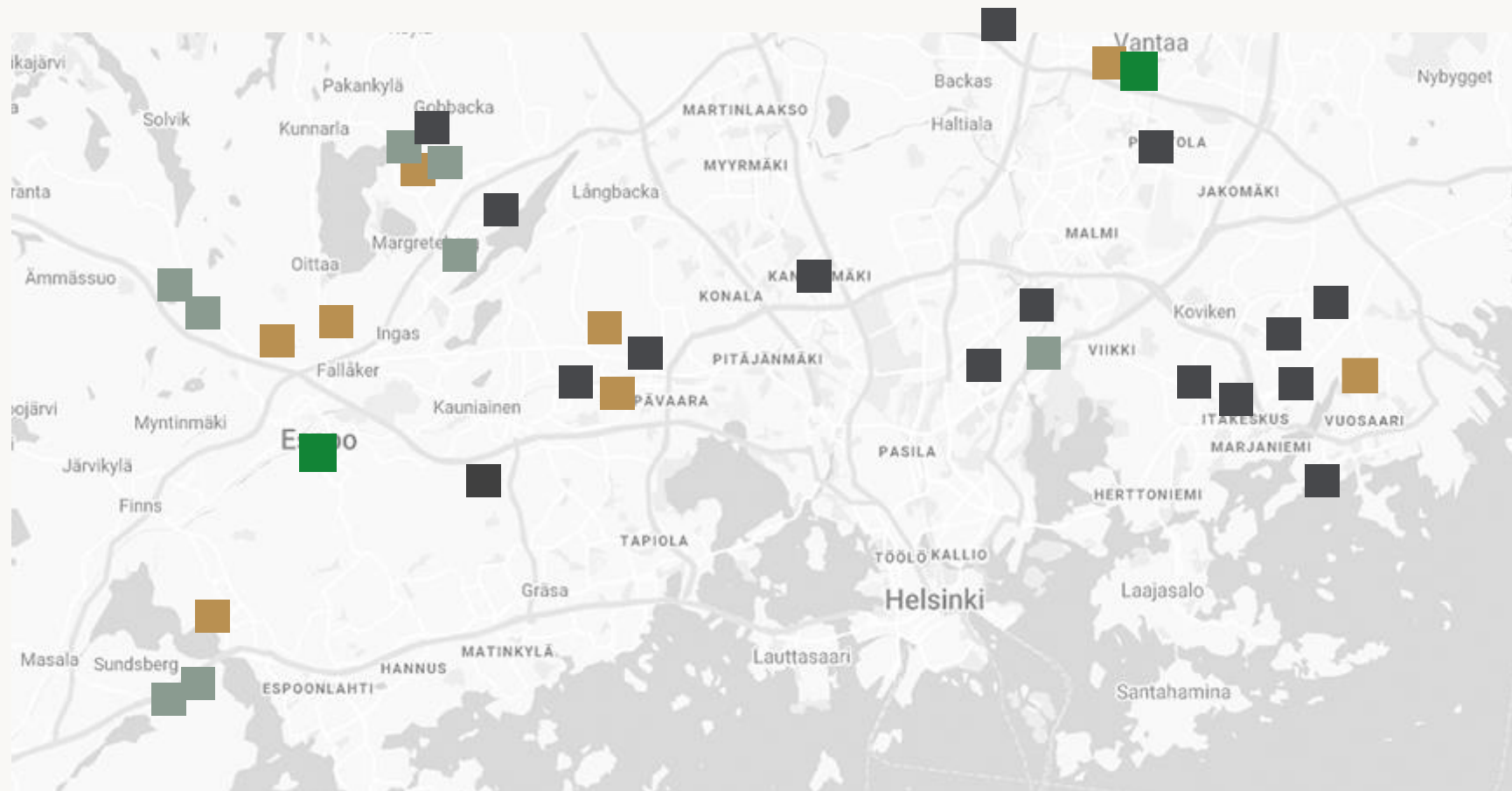
99%

Occupancy
rate of the
apartments

c. **2,4** €/m²

Maintenance
cost of the
apartments

Toivo's projects on a map

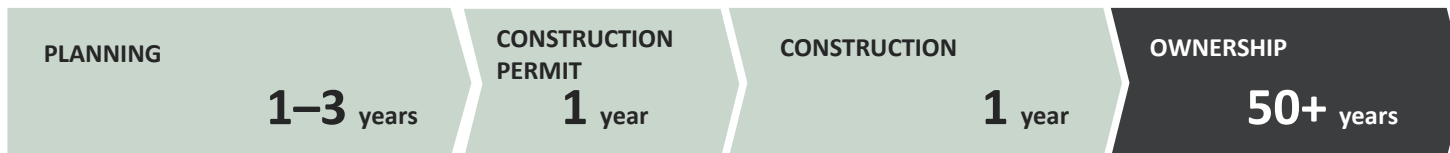
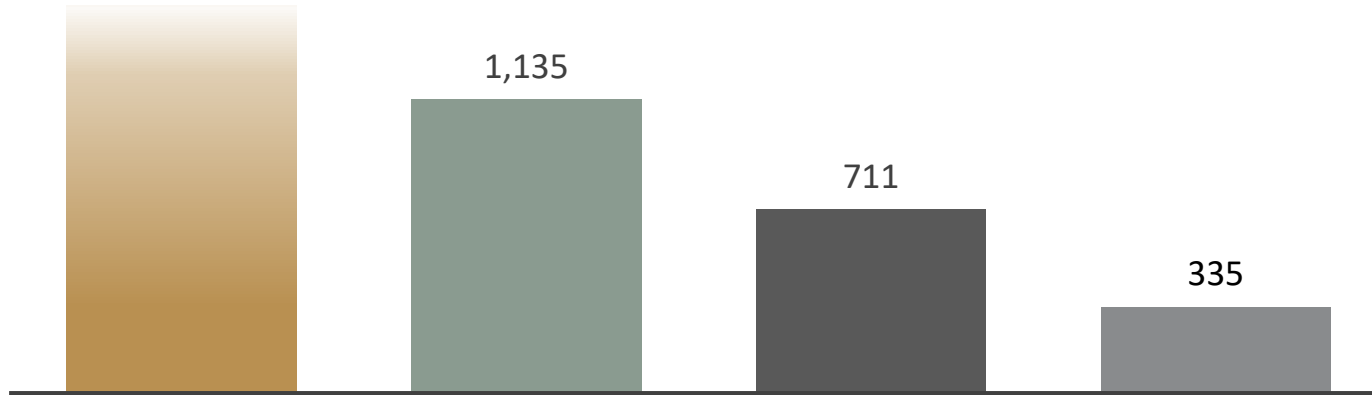


Toivo's project portfolio in the metropolitan area is strong.

The locations of the projects in contracts are attractive.

- Completed
- Under construction
- Contracts
- New contracts 1-3/2022

Project development portfolio



REAL ESTATE DEVELOPMENT IS A LONG PROCESS AND TOIVO HAS DONE A SIGNIFICANT AMOUNT OF WORK FOR ITS CURRENT PROJECT DEVELOPMENT PORTFOLIO.

631

developed residential apartments

~ 28%

average development margin

c. 1,850

residential apartments in project development portfolio

c. 84,000 m²

leasable area in project development portfolio

~EUR 410_M

fair value of project development portfolio

Examples of started sites



As Oy Espoon Kartanonlehto & -piha

- Miilukorpi
- Apartment building
- 127 apartments
- 6/2023



As Oy Vantaan Studios

- Asola
- Balcony access block
- 38 apartments
- 6/2023



As Oy Järvenpään Oktaavi

- Ainola
- Apartment building
- 69 apartments
- 3/2023



As Oy Helsingin Linnavuorenpuisto

- Mellunkylä
- Apartment building
- 28 apartments
- 3/2023

Sales by the company 1/2019 – 3/2022

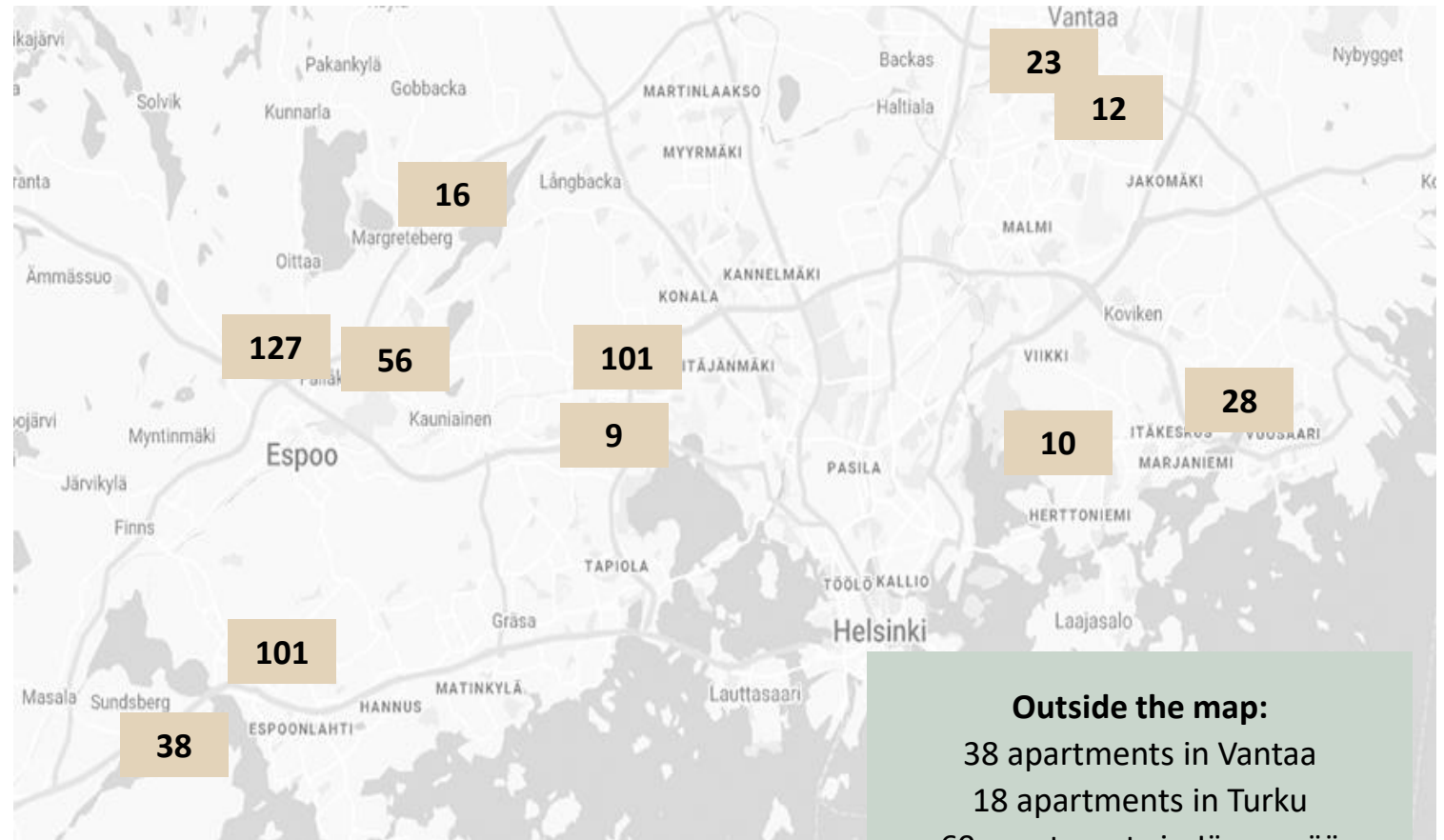
- The company completed sales totalling EUR 70.2 M (over EUR 2 M) between 1/2019 and 3/2022.
- Sales play a significant role in financing growth.
- Sales completed over valuation.
- The sales are indicative of the correct valuation of the balance sheet and market appeal of Toivo apartments.
- The sales give the courage to invest, development and take the company forward.

Site	Location	Number of apartments	Time of sale	Price c.	Price/ Valuation
Office	Oulu	-	12/2019	EUR 18.4 M	Over (+)
Apartment building	Nurmijärvi	59	11/2020	EUR 8.4 M	Over (+)
Apartment building	Kirkkonummi	47	11/2020	EUR 7.7 M	Over (+)
Apartment building	Turku	70	11/2020	EUR 11.0 M	Over (+)
Apartment building	Oulu	27	12/2020	EUR 2.6 M	Over (+)
Regional construction	Espoo	10	4/2021	EUR 2 M	Over (+)
Regional construction	Espoo	12	8/2021	EUR 2.9 M	Over (+)
Regional construction	Espoo	12	8/2021	EUR 2.7 M	Over (+)
Regional construction	Espoo	10	8/2021	EUR 2.2 M	Over (+)
Balcony access block	Kirkkonummi	21	8/2021	EUR 3.7 M	Over (+)
Apartment building	Tuusula	21	2/2022	EUR 3.3 M	Over (+)
Regional construction	Espoo	16	3/2022	EUR 5.3 M	Over (+)
Total		305		EUR 70.2 M	

Apartments under construction 3/2022

- 711 apartments being built
- Under construction c. 27,000 m²
- Toivo employees 35
- Toivo construction sites provide employment to some 500 construction workers throughout the year.

Once completed, the value of the investments in 2022 is approximately EUR 90 million.



Outside the map:
38 apartments in Vantaa
18 apartments in Turku
69 apartments in Järvenpää
65 apartments in Tampere

Financial prospects

PROSPECTS FOR 2022

- The company expects the operating profit of the financial year of 1 January–31 December 2022 to be EUR 22–28 million. (Previously: The company expects the operating profit of the financial year of 1 January–31 December 2022 to be EUR 20–28 million.)
- The company expects the fair value of investment properties to be approximately EUR 175 (12/2021: 97.6) million at the end of 2022. (Unchanged)

FINANCIAL TARGETS 2021–2026

- The fair value of investment properties will be EUR 500 million by the end of 2026.
- Toivo's non-current net assets per share (Net asset value, NAV/share) will be increased significantly every year.
- The loan to value (LTV) rate will be under 60%.
- Toivo will not pay dividends or only minimal dividends in the coming years as the potential profit from business will be invested in securing the continued growth of Toivo.

Thank you!



Markus Myllymäki

CEO

+358 (0)40 847 6206

markus.myllymaki@toivo.fi



Samuli Niemelä

CFO

+358 (0)50 430 3483

samuli.niemela@toivo.fi

Appendices

TOIVO

Appendix 1. Key figures 31 March 2022*

Group	1-3/2022	1-3/2021	Change
Revenue	3,631	3,730	-99
Lease income	666	551	115
Net lease income	467	437	30
Operating profit	6,993	2,744	4,249
Cash flow before changes in working capital (Funds from Operations, FFO)	634	344	290
Fair value of investment properties	121,262	66,900	54,362
Investments in investment properties	14,804	8,262	6,542
Sales of investment properties	0	0	0
Net debt with interest	58,958	30,816	28,142
Non-current net assets (Net asset value, NAV)	46,611	16,705	29,906
Loan to value (LTV), %	48.6%	46.1%	+2.5 percentage points
Equity ratio	42.1%	42.7%	-0.6 percentage points
Non-current net assets per share, EUR	0.88	0.36	0.52
Increase in non-current net assets per share, %	143.9	90.6	
Earnings per share (EPS), EUR ¹⁾	0.10	0.05	0.05
Occupancy rate, %	99.0%	98.1%	0.9%
Total leasable apartment area, square metres	12,156	9,391	2,765
Other leasable area, square metres	17,784	19,582	-1,798

* Unaudited

¹⁾ The reverse stock split decided on by the company's Annual General Meeting on 22 April 2021 is taken into account in the number of shares

Group income 1–3/2022*

Group Income Statement

EUR 1,000	1 January–31 March 2022	1 January–31 March 2021
Revenue	3,631	3,730
Changes in the fair values and the profit and loss on the disposal of investment properties	6,231	2,238
Other operating income	-	0
Raw materials and services	-2,161	-2,536
Staff expenses	-277	-345
Depreciation, amortisation and reduction in value	-14	-15
Other operating expenses	-416	-329
Operating profit (loss)	6,993	2,744
Financial income	41	0
Financial expenses	-258	-122
Net financial expenses	-217	-122
Profit (loss) before taxes	6,777	2,622
Current tax based on financial year's taxable income	-121	-105
Deferred taxes, change	-1,333	-443
Income taxes, total	-1,454	-548
Financial year profit (loss)	5,322	2,073
Distribution of the profit (loss) of the financial year		
Parent company owners	5,306	2,052
Non-controlling interests	16	21

Group's statement of comprehensive income

EUR 1,000	1 January–31 March 2022	1 January–31 March 2021
Financial year profit (loss)	5,322	2,073
Other comprehensive income		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	-13	-8
Other comprehensive income for the financial year	-13	-8
Total comprehensive income for the financial year	5,310	2,065
Distribution of total comprehensive income for the financial year		
Parent company owners	5,306	2,044
Non-controlling interests	16	21

* Unaudited

Group balance sheet 31 March 2022 *

EUR 1,000	31 March 2022	31 March 2021	EUR 1,000	31 March 2022	31 March 2021
ASSETS			LIABILITIES		
Non-current assets			Non-current liabilities		
Investment properties	121,262	66,900	Financial institution loans	58,866	25,989
Right-of-use assets	30	29	Lease liabilities	6,379	2,485
Tangible assets	56	205	Loans granted to associates	-	3,000
Intangible assets	44	67	Other financial liabilities and other non-current liabilities	1,279	646
Deferred tax assets	59	37	Deferred tax liabilities	5,319	2,442
Non-current assets, total	121,451	67,239	Non-current liabilities total	71,843	34,563
Current assets			Current liabilities		
Inventories	5,903	162	Financial institution loans	921	600
Rent, trade and other receivables	4,126	3,731	Lease liabilities	23	34
Cash and cash equivalents	8,510	2,306	Loans granted to associates	-	369
Current assets total	18,539	6,199	Provisions	-	0
Investment properties available for sale	-	-	Trade and other payables	8,670	6,538
Assets, total	139,990	73,438	Current liabilities total	9,613	7,378
EQUITY			Liabilities, total	81,457	42,103
Share capital	1,000	1,000	Liabilities associated with investment properties available for sale	-	-
Subordinated loans	16,921	16,921	Total equity and liabilities	139,990	73,438
Share premium account	15,676	740			
Currency translation differences	-15	-9			
Retained earnings	24,690	12,569			
Equity belonging to the owners of the parent company	58,272	31,221			
Non-controlling interests	262	114			
Total equity	58,534	31,335			

* Unaudited

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