



**Toivo Group Plc's
half-year review
1 January–30 June 2024**

Toivo Group Plc's half-year review

1 January–30 June 2024: Approximately EUR 100 million in new contracts in the second quarter. (Unaudited)

EUR thousand	1 January– 30 June 2024	1 January– 30 June 2023	Change, %
Revenue	28,403	19,727	44%
Operating profit	2,344	5,650	-59%
Operating profit without changes in values of investment properties	2,344	5,650	-59%
Profit or loss for the financial year	437	3,248	-87%
Earnings per share (EUR)	0.00	0.06	-100%
Fair value of investment properties	135,137	168,139	-20%
Economic occupancy rate	92.1%	97.8%	-6%
Total equity	68,537	73,227	-6%
Total assets	161,176	194,476	-17%

EUR thousand	1 April– 30 June 2024	1 April– 30 June 2023	Change, %
Revenue	18,135	6,090	198%
Operating profit	1,163	2,878	-60%
Operating profit without changes in values of investment properties	1,163	2,878	-60%
Profit or loss for the financial year	356	1,670	-79%
Earnings per share (EUR)	0.01	0.03	-80%
Fair value of investment properties	135,137	168,139	-20%
Economic occupancy rate	91.2%	97.2%	-6%
Total equity	68,537	73,227	-6%
Total assets	161,176	194,476	-17%

FINANCIAL PERIOD 1 JANUARY–30 JUNE 2024 KEY EVENTS

- Revenue EUR 28.4 (19.7) million.
- Contracts for building a total of 173 (50) apartments were signed during the period under review.
- 85 (76) apartment start-ups during the period under review.
- 159 (199) apartments were completed during the period under review.

PROSPECTS FOR 2024

- The company expects the operating profit without changes in values of investment properties for the financial year of 1 January–31 December 2024 to be EUR 6–12 million.
- The company expects the operating profit for the financial year of 1 January–31 December 2024 to be EUR 8–14 million.



CEO MARKUS MYLLYMÄKI



The market environment for property developers and property investors changed significantly in 2022. Money now had a price. The period of rising values had temporarily come to an end. Strong cash flows began to be valued again.

At Toivo, we began active market research and scenario analyses. We decided to update our strategy and business model to make them more effective in the new market environment. We focused on the disciplined execution of the new strategy and business model.

Market shares are now being actively distributed in the market for property developers and property investors. Thanks to our disciplined, creative and hard work, we won seven significant contracts in the second quarter, with a total value of approximately EUR 100 million.

The market remains difficult, but the outlook 6–12 months from now is better. The contracts we signed in the second quarter, approximately EUR 100 million in value, are also an indication that it is still possible to do sensible business and make deals in the current market. You have to be disciplined, creative and hard-working.

DEVELOPMENT: Toivo has a strong project development portfolio, which is why the company takes a highly selective approach to new contracts. During the second quarter, the company signed contracts for a total of 173 apartments and two community properties.

CONSTRUCTION: During the second quarter, Toivo began construction on 85 apartments and

three properties. The company is preparing to start several construction sites during the second half of 2024.

OWNERSHIP: Toivo handles lease activities and management in-house by using the company's own Asuntomestarit®. The company carried out rent increases of 4–5% in autumn 2023. The rent increases and the large number of completed apartments are currently reflected in a declining occupancy rate. It is typical of the rental housing market that leases start in August–September when the new school year begins. We expect to see an improvement in the occupancy rate in the autumn.

SELLING: In the second quarter, the company signed seven significant commercial contracts with a combined volume of approximately EUR 100 million. The most significant of the contracts were the sale to Nuveen of an apartment portfolio that is mostly still under development, and the sale to Miami of completed residential properties.

Toivo's business is very capital-intensive, and an optimal financial structure is important for the company. The company's debt financing consists primarily of long-term bank financing. The company's equity ratio was 43.0% and the financial loan to value (LTV) rate of its properties was 51.3%.

I would like to thank all customers, partners and Toivo employees for a promising first half of 2024.

NEW CONTRACTS 1 APRIL–30 JUNE 2024

During the second quarter, the company signed contracts on five sets of projects that comprise a total of 173 apartments and two community properties.

Site	District	Product	Number of apartments/ m ²	Completion	Energy efficiency class A
As Oy Espoon Alppirinne	Espoon keskus	Terraced and semi-detached houses	17	12/2025	Yes
Daycare centre, Espoo	Leppävaara	Daycare centre	1,200 m ²	12/2025	
Service property, Kangasala	Lammirahka	Assisted living facility	4,100 m ²	12/2025	
Nuveen apartment portfolio	Several	Terraced and semi-detached houses	141	2025–2027	Yes
As Oy Järvenpään Lallanpiha	Järvenpää	Terraced and semi-detached houses	15	2/2025	

NEW SITES 1 APRIL–30 JUNE 2024

The company started three projects during the second quarter. Two of the projects were project management contracting. As Oy Järvenpään Lallanpiha is a project of the special situations unit, which will be implemented on the company's own balance sheet.

Site	District	Product	Number of apartments/ m ²	Completion	Energy efficiency class A
As Oy Vantaan Mestari	Aviapolis	Apartment building	36	8/2025	Yes
Tampere Ojala	Ojala	Terraced and semi-detached houses	34	8/2025	
As Oy Järvenpään Lallanpiha	Järvenpää	Terraced and semi-detached houses	15	2/2025	



COMPLETED SITES 1 APRIL–30 JUNE 2024

The company completed a total of six projects during the second quarter. Three of the projects were owner-occupied housing projects and three were project management contracts. The projects comprised a total of 159 apartments.

Site	District	Product	Number of apartments/ m ²	Completion	Energy efficiency class A
Apartment building, Vantaa	Aviapolis	Apartment building	30	6/2024	Yes
As Oy Helsingin Rantahelmi	Ramsinranta	Apartment building	21	6/2024	Yes
As Oy Helsingin Honkasuon Portti	Honkasuo	Terraced and semi-detached houses	17	6/2024	
As Oy Kaarinan Kvartetti	Hulkio	Terraced and semi-detached houses	6	4/2024	
Apartment building, Järvenpää	City centre	Apartment building	72	4/2024	Yes
Special situation, Helsinki	Ramsinranta	Terraced and semi-detached houses	13	6/2024	

OTHER ACTIVITIES 1 APRIL–30 JUNE 2024

- On 3 April 2024, the company issued the following release: Share issue in accordance with the terms of the share-based incentive system.
- On 3 April 2024, the company issued the following release: Free issue of shares to the company itself.
- On 9 April 2024, the company issued the following release: Toivo Group terminates liquidity providing agreement.
- On 12 April 2024, the company issued the following release: Resolutions of Toivo Group Plc's Annual General Meeting 2024 and the organising meeting of the Board of Directors.
- On 30 April 2024, the company issued the following release: Toivo Group Plc changes its IR distribution system.

EVENTS AFTER THE PERIOD UNDER REVIEW

- On 9 July 2024, the company issued the following release: Toivo Group Plc has terminated an unused financing agreement with the EIB.

APPROXIMATELY EUR 100 MILLION IN NEW CONTRACTS AND NEWS ON WORKING AGAINST THE TIDE

The company signed seven significant contracts during the second quarter. The combined value of the contracts is approximately EUR 100 million and they comprise 326 apartments and 5,500 m² of community properties. Of the contracts valued at approximately EUR 100 million signed during the second quarter, sales of completed properties represent approximately EUR 30 million and sales of properties under construction represent approximately EUR 70 million. Regarding the new sites to be built, we aim for the company's average long-term profitability level.

Contract	Size	Apartments/m ²	Development	Construction	Ownership	Selling	Cash flow /Balance sheet
Implementation of the Nuveen apartment portfolio	EUR 41.85 million	141 units	X	X		X	Cash flow
Sale of Novus/ Niam apartment portfolio	over EUR 20 million	117 units	X	X	X	X	Cash flow
Community property Esperri Kangasala	EUR 13 million	4,100 m ²	X	X	X	X	Balance sheet
Terraced and semi-detached houses, owner-occupied housing, Espoo	EUR 6.8 million	17 units	X	X		X	Cash flow
Project management contracting, apartments, Vantaa	EUR 6.4 million	36 units	X	X			Cash flow
Community property Norlandia Espoo	EUR 4.5 million	1,200 m ²	X	X	X	X	Balance sheet
Special situation project, apartments, Järvenpää	EUR 4 million	15 units		X	X	X	Balance sheet
Total	Approx. EUR 100 million	326 units and 5,300 m²					

STRATEGY CHANGE AND THE MARKET

The contracts won during the second quarter, with a combined value of approximately EUR 100 million, were not the result of the change in the market, but, rather, the company's efforts that began in autumn 2022 and included the following elements:

1. Active market research and acceptance of the facts.
2. Scenario analysis for different market situations.
3. Updating the strategy and business model to reflect the market situation and the scenarios developed by the company.
4. Disciplined execution of the changes to the company's strategy and business models.

Main drivers of the Finnish housing market:

- High inflation and interest rates in Europe.
- Oversupply of completed apartments in Finland.
- Ongoing change in the operators in the housing market.

Summary: The market is difficult, but the outlook 6–12 months from now is better.

PROPERTY SALES AS PART OF THE CHANGE IN STRATEGY

Toivo has updated its strategy in order to enable property sales. Toivo completed its first property sale valued in excess of EUR 20 million to Novus Family Homes Oy. Toivo has updated its strategy and completed its first property sales for reasons related to business and risk management:

RISK MANAGEMENT REASONS:

1. Improving the equity ratio
2. Reducing the amount of liabilities
3. Reducing interest expenses
4. Increasing liquidity

BUSINESS REASONS:

1. Increasing the company's financial flexibility
2. Enabling the implementation of new projects
 - For example, contracts of approximately EUR 70 million signed in the second quarter concerning new projects.
3. Preparing for the reopening of the market
 - The ability to take advantage of the availability of plots, resources and materials

LARGE INTERNATIONAL INSTITUTIONAL INVESTORS

During the second quarter, the company concluded large transactions with major international institutional investors. Toivo has been able to offer investors the following:

1. Products with international demand (yield, product, price and location)
2. An easy way to invest
3. A business model that spans the entire investment value chain
4. Local insight into the market and value chain
5. A reliable and credible partner
6. A portfolio that includes both completed properties and properties in development
7. Ability to partly solve the issue of financing during construction

CONSTRUCTION COMMUNITY PROPERTIES IN PRODUCTION

Toivo started the pilot phase for community properties in September 2023 and has decided to move to the production phase. The pilot phase has delivered promising results. The company has decided to move to the production phase for the following reasons:

- **BUSINESS MODEL:** The company is able to execute its business model of development, construction and ownership/selling in the same manner for community properties as for apartments.
- **TYPE OF CONSTRUCTION:** In terms of project development and construction techniques, community properties are the property type that is the closest to residential projects, which means we can extensively leverage Toivo's expertise and experience.
- **THE MARKET:** The community properties market is a less organised market than the housing market.
- **SECURITY/DIVERSIFICATION:** The community properties market is not as sensitive to changes in interest rates. Diversification is another goal of the company's expansion into the community properties market.

ECONOMIC OPERATING ENVIRONMENT

The Finnish economy is not expected to grow in 2024, but it is projected that the economy will turn to growth in 2025–2026. The annual change in the harmonised index of consumer prices was 1.3% in June 2024. The harmonised index of consumer prices is projected to rise by 1–2% in 2024. Annual GDP growth in 2025–2026 is projected to be approximately 1–2%. (Source: Ministry of Finance, Economic Survey, summer 2024)

The development of apartments in the construction sector has been exceptionally high in 2018–2021, with the construction of up to 44,600 new apartments beginning every year. The number of new residential project start-ups and building permits began to decrease sharply in 2022 and declined significantly in 2023. The number of residential project start-ups was 37,000 apartments in 2022, followed by 17,500 in 2023. The projected figure for 2024 is approximately 16,500. (Source: Confederation of Finnish Construction Industries RT, economic survey, March 2024, Ministry of Finance)

The focus in 2024 is on the development of inflation and interest rates in Europe. Inflation is under control in Finland, but changes in the ECB's key interest rates are driven by the general development

of inflation in Europe. As inflation slows and interest rates fall, purchasing power will recover and confidence among households and businesses will improve. With a concurrent recovery in the export markets, there will be a turn to growth in consumption, investment, exports and output in the latter part of 2024. The recovery will accelerate in 2025. (Source: Ministry of Finance, Economic Survey, summer 2024, Bank of Finland statistics 22 July 2024)

REVIEW OF FINANCES 1 JANUARY–30 JUNE 2024

Development of finances

The Group's revenue was EUR 28.4 (19.7) million, representing an increase of 44% when compared to the reference period (1 January–30 June 2023). Changes in the fair values and the profit and loss on the disposal of investment properties were EUR -1.3 (2.4) million. The change in the fair values of investment properties was weaker than in the comparison period due to housing portfolio sales and a decrease in the volume of properties developed on the company's own balance sheet. The development margin on properties has fallen below the company's target.

At the end of the review period, the company had 783 apartments, 29 leased plots/real estate units and two commercial properties completed and generating rental cash flow.

The maintenance costs of properties amounted to EUR -1.38 (-0.87) million. The maintenance costs of properties were 59% higher than in the reference period, mainly due to the increase in the number of apartments.

Staff expenses were EUR -1.32 (-0.62) million, representing an increase of 111%. The increase is due to a decline in staff expenses allocated to projects.

Operating profit was EUR 2.3 (5.7) million, representing a decrease of 59%.

Net financial income and expenses were EUR -2.2 (-1.3) million. The financial year's current income tax was EUR -0.79 (-0.44) million and, largely due to the changes in the fair values of properties, the deferred tax was EUR 1.1 (-0.7) million.

The net profit for the period under review was EUR 0.4 (3.2) million, representing a year-on-year decrease of 87%. Earnings per share were EUR 0.00 (0.06).

INVESTMENTS

The consolidated balance sheet total at the end of the period was EUR 161.2 (194.5) million, a decrease of 17% when compared to the reference period. During the period, investments worth a total of EUR 3.6 (16.0) million in acquisition value were made in properties.

FINANCING

At the end of the period, the company's interest-bearing liabilities amounted to EUR 72.5 (92.6) million.

The company's financing position was good throughout the period under review. The company's sources of finance consisted of cash, drawn investment loans, investment loans to be drawn according to loan agreements.

PROPERTY SITES AND CONTRACTS

On 30 June 2024, the company had 783 completed apartments, 29 leased plots/real estate units and two commercial properties. A further five properties with a total of 114 apartments were under construction. During the review period, six properties were completed in full or in part: an apartment building in Vantaa, As Oy Helsingin Rantahelmi, As Oy Helsingin Honkasuo, As Oy Kaarinan Kvartetti, an apartment building in Järvenpää and a special situation project in Helsinki.

With the exception of two sites, all residential sites are located in the Helsinki metropolitan area. The sites under construction are located in the Helsinki metropolitan area and the Tampere region.

PERSONNEL AND MANAGEMENT

The average number of Toivo's personnel between 1 January and 30 June 2024 was 38 people. At the end of the period under review, Toivo employed 38 people.

The management group of Toivo consists of CEO Markus Myllymäki, CFO Samuli Niemelä, Director of Finance and Risk Management Lauri Rekola and Business Director Urho Myllymäki.

FINANCIAL TARGETS 2024–2026

- Non-current net assets per share (Net asset value, NAV/share) will increase significantly every year.
- Operating profit without changes in values of investment properties EUR 20 million in 2026.
- In development and construction, achieve an annual volume of EUR 100 million (revenue and investments) by the end of 2026 (approx. EUR 63 million in 2023).
- Equity ratio more than 40%.
- In dividend distribution, the company's investment needs and financial position will be taken into consideration.

ASSESSMENT OF OPERATIONAL RISKS AND UNCERTAINTIES

Operational risks

Operational risks include the dependency on the expertise of key personnel. It is important that the key personnel will remain at the company. Success is largely based on the skills of the company's management and employees. Recruiting skilled employees to the company poses a potential challenge. The company conducts employee satisfaction surveys regularly a few times a year.

Financial risks

Financial risks include, for example, risks related to interest rates and the availability and adequacy of financing. During the period under review, the company managed to secure the financing it required for the sites under construction. The Group's solvency was good during the period of 1 January–30 June 2024. The cash flow is enough to cover the Group's running costs and debt management costs (repayments + interest). The company's rental income involves a risk that its customers may be unable to carry out their duties. The company's lease agreements (regarding apartments) typically include a security deposit equal to the rent of 1 month, which reduces the risk of the company facing loss of income. The agreements for leased plots include a priority mortgage equal to the rent of 2–3 years. This also considerably reduces the risk of loss of income.

Damage risks

The company estimates that it has secured adequate insurance coverage required in the industry. All properties are insured with full value insurance, which includes a coverage for interruption in lease income. The company has valid indemnity insurance.

Financial risks related to operations

The company estimates that the risks and uncertainties of the current financial year are largely related to the development of Finnish economy. The development of the economy is reflected in the housing and financing markets. These factors may affect Toivo's result and cash flow. For example, the development of Finnish economy, higher interest rates or new demands on returns from property investors may cause fluctuation in the prices of apartments, which may in turn affect the fair value of the Group's property portfolio.

The supply of rental apartments may grow locally in Toivo's key operating areas and this fluctuation in supply and demand may affect the turnover rate of Toivo's tenants or the economic occupancy rate of Toivo Group Plc and, consequently, the company's lease income. The authorities' interpretations regarding VAT liability for the rental of furnished apartments may have an impact on the occupancy rate or cash flow of Toivo's apartment properties or the fair value of the Group's property assets.

The project development portfolio involves risks related to financing, zoning and building permits, for example.

Geopolitical risks and the war in Ukraine

The company estimates that the strong geopolitical risks that emerged during 2022 and the war in Ukraine will be reflected in the residential and financial markets. These factors may affect Toivo's result and cash flow. The geopolitical situation and the war in Ukraine may have impacts on inflation, interest rate hikes, availability and price of materials, availability of labour or changes in the yield requirements of apartments. This may cause fluctuation in the prices of apartments, which may in turn affect the fair value of the Group's property portfolio.

SHARES AND SHAREHOLDERS

A total of 58,539,559 Toivo Group Plc shares were entered in the trade register on 30 June 2024. On 30 June 2024, Toivo had a total of 2,261 shareholders.

FINANCIAL DISCLOSURES AND ANNUAL GENERAL MEETING

6 August 2024 Half-year review H1/2024

6 November 2024 Business review Q3/2024

MEDIA AND ANALYST CONFERENCE

A public media and analyst conference in Finnish will be held on Tuesday, 6 August 2024 at 9:00 as a webcast. Use the following link to join the webcast:

<https://toivo.videosync.fi/q2-2024>

The review will be presented by CEO Markus Myllymäki and CFO Samuli Niemelä.

The presentation materials will be published later at: sijoittajille.toivo.fi and sijoittajille.toivo.fi/en.

Espoo, 6 August 2024

Toivo Group Plc

Board of Directors

GROUP INCOME STATEMENT

EUR thousand	1 Jan–30 June 2024	1 Jan–30 June 2023
Revenue	28,403	19,727
Changes in the fair values of investment properties and gains and losses on the disposal of investment properties	-1,282	2,426
Other operating income	-	-
Raw materials and services	-21,298	-14,420
Staff expenses	-1,315	-623
Depreciation, amortisation and reduction in value	-52	-15
Other operating expenses	-2,112	-1,444
Operating profit (loss)	2,344	5,650
Share of the result of associated companies	0	0
Financial income	4	24
Financial expenses	-2,240	-1,302
Net financial expenses	-2,237	-1,277
Profit (loss) before taxes	108	4,373
Current tax based on the financial year's taxable income	-789	-442
Deferred taxes, change	1,118	-682
Income taxes, total	330	-1,125
Financial year profit (loss)	437	3,248
Distribution of the profit (loss) of the financial year		
Parent company owners	460	3,208
Non-controlling interests	-23	42
THE GROUP'S STATEMENT OF COMPREHENSIVE INCOME		
Financial year profit (loss)	437	3,248
Other comprehensive income		
Items that may be subsequently reclassified to profit or loss	-	-
Currency translation differences	-	12
Other comprehensive income for the financial year	-	12
Total comprehensive income for the financial year	437	3,260
Distribution of total comprehensive income for the financial year		
Parent company owners	460	3,219
Non-controlling interests	-23	42
Earnings per share (EPS), EUR	-0.00	0.06
Non-cash flow based expenses associated with the share-based incentive system	-81	-94

CONSOLIDATED BALANCE SHEET

EUR thousand	30 June 2024	30 June 2023
ASSETS		
Non-current assets		
Investment properties	135,137	168,139
Right-of-use assets	71	15
Tangible assets	189	59
Intangible assets	8	13
Non-current receivables	427	602
Equity method investments	48	69
Deferred tax assets	319	129
Non-current assets, total	136,199	169,027
Current assets		
Inventories	3,455	11,332
Rent, trade and other receivables	11,642	10,150
Cash and cash equivalents	9,880	3,967
Current assets total	24,978	25,449
Investment properties available for sale	-	
Assets, total	161,176	194,476
EQUITY		
Share capital	1,000	1,000
Subordinated loans	17,302	17,280
Share premium account	20,998	18,061
Currency translation differences	-27	-13
Retained earnings	28,986	36,664
Equity belonging to the owners of the parent company	68,260	72,992
Non-controlling interests	277	235
Total equity	68,537	73,227
LIABILITIES		
Non-current liabilities		
Financial institution loans	69,066	87,068
Lease liabilities	6,135	7,184
Loans granted to associates	-	2,500
Other financial liabilities and other non-current liabilities	495	431
Deferred tax liabilities	4,619	7,361
Non-current liabilities total	80,314	104,545
Current liabilities		
Financial institution loans	2,841	2,589
Lease liabilities	510	525
Loans granted to associates	107	2
Provisions	-	-
Trade and other payables	8,868	13,588
Deferred tax liabilities	-	-
Current liabilities total	12,325	16,704
Liabilities, total	92,640	121,249
Liabilities associated with investment properties available for sale	-	-
Total equity and liabilities	161,176	194,476

INVESTMENT PROPERTIES

EUR thousand	Q2 2024	Q2 2023
Fair value of investment properties, 1 January	138,382	155,716
Purchases during the financial year	1,601	10,347
Capitalised borrowing costs	-17	-108
Sales during the financial year	-4,838	-130
Other transfers	0	0
Right-of-use assets (leased plots of land)	-103	-1,071
Development profit	112	3,385
Change in fair values	0	0
Fair value of investment properties, 30 June	135,137	168,139

KEY FIGURES

Group, EUR thousand	1-6/2024	1-6/2023	Change
Revenue	28,403	19,727	8,676
Lease income	3,989	3,196	793
Net lease income	2607	2,329	278
Operating profit	2,344	5,650	-3,307
Operating profit without changes in values of investment properties	2,344	5,650	-3,307
Cash flow before changes in working capital (Funds from Operations, FFO)	1,131	847	284
Fair value of investment properties	135,137	168,139	-33,002
Investments in investment properties	3,553	15,997	-12,444
Sales of investment properties	29,758	130	29,628
Net debt with interest	69,273	96,333	-27,061
Non-current net assets (Net asset value, NAV)	55,257	62,944	-7,687
Loan to value (LTV), %	51.3%	57.3%	-6%
Equity ratio	43.0%	39.3%	3.7%
Non-current net assets per share, EUR	0.94	1.14	-0.20
Increase in non-current net assets per share, %	-17.2	9.3	-26.5
Earnings per share (EPS), EUR ¹⁾	0.00	0.06	-0.06
Occupancy rate, %	92.1%	97.8%	-5.7%
Total leasable apartment area, square metres	26,829	25,769	1,060
Other leasable area, square metres	14,813	15,143	-330

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

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

EUR thousand	1 January– 30 June 2024	1 January– 30 June 2023
Operating profit	2,344	5,650
Adjustments:	0	0
Adjusted operating profit	2,344	5,650

Toivo discloses Alternative Performance Measures (APMs). These APMs are not defined in IFRS or other applicable accounting standards. They do not substitute for any IFRS measures of performance either. For these reasons, they might not be comparable to other companies' APMs. The APMs Toivo discloses are meant to provide better information about Toivo's operational profitability, which is also monitored by the management.

Performance measures regulated by IFRS or other legislation are not regarded as APMs. All APMs are disclosed with comparison numbers and are consistently used over the years, unless otherwise noted.

KEY FIGURE CALCULATION FORMULAE

Key figure	Definition
Net lease income	= Lease income - Maintenance costs
Operating profit without changes in values of investment properties	= Operating profit - fair value changes of investment properties
Cash flow before changes in working capital (Funds from Operations, FFO)	= Cash flows before changes to net working capital and financial items - Interest paid - Income tax expense
Fair value of investment properties	= Investment properties + Investment properties available for sale
Gross investments in investment properties	= Acquisition cost-based gross investments
Sales of investment properties	= Investment properties sold at fair value
Net debt with interest	= Financial institution loans + Lease liabilities + Loans to related parties + Loans related to investment properties available for sale + Other financial liabilities and other non-current liabilities - Cash and cash equivalents
Non-current net assets (Net asset value, NAV)	= Equity attributable to the owners of the parent company - Subordinated loans + Deferred tax liabilities - Deferred tax assets
Loan to value (LTV) rate	= $\frac{\text{Net debt with interest}}{\text{Fair value of investment properties}}$
Equity ratio	= $\frac{\text{Total equity}}{(\text{Assets total} - \text{Deferred revenue})}$
Non-current net assets per share (Net asset value, NAV)	= $\frac{\text{Non-current net assets (Net asset value, NAV)}}{\text{Number of shares at end of year}}$
Increase in non-current net assets per share	= $\frac{(\text{Non-current net assets per share} - \text{Non-current net assets per share of the previous year})}{\text{Non-current net assets per share of the previous year}}$
Earnings per share (EPS)	= $\frac{\text{Profit (loss) of the financial year attributable to owners of the parent company}}{\text{The weighted average of the number of issued ordinary shares (during the financial year), with the exception of any shares potentially held by Toivo}}$
Occupancy rate	= $\frac{\text{Net lease income from properties}}{\text{Potential lease income with full occupancy rate} \times 100, \text{ (including apartments older than two months)}}$

TOIVO GROUP PLC IN BRIEF

Toivo is a Finnish real estate company that was founded in 2015. Its business consists of developing apartment lots, constructing housing and ownership of apartments. The Company's business model is unique as Toivo's business combines the value chain of real estate business from development and construction to ownership, management and rental of a completed property. Toivo manages the entire life cycle of residential real estate with its own team, from raw land development to renting apartments. This way Toivo is able to generate additional value to its customers, shareholders and stakeholders.

Toivo's strategy is to develop apartments in accordance with the Toivo concept. The apartments aim for a strong development margin and a stable and attractive return, and this way enable long-term ownership and the generation of higher additional value to Toivo's customers. Toivo has a knowledgeable and experienced team of experts with strong merits in the real estate business. The members of Toivo's team have been involved in the development and construction of over 17,000 apartments, and they have an average of ten years of experience.

Toivo's revenue in 2023 was EUR 43.7 million and its operating profit was EUR -0.3 million.

FURTHER INFORMATION

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