

SELVAAG BOLIG

Q2 2023

Oslo, 10 August 2023

Sverre Molvik, CEO

Christopher Brunvoll, CFO

Agenda

Highlights

Operational update

Financial update

Market

Summary



Highlights

- Stronger sales than second half of last year
- Satisfactory result considering challenging market conditions
- Acquired new land in Stockholm for 175 units in Q2, land bank increased by 1 000+ units year to date
- Introducing first CITY*-project in Stockholm
- Dividend of NOK 1.00 per share for H1'23

* Selvaag CITY is a new concept for urban compact living



Key financials Q2 and H1 2023

Q2 2023

837

Operating revenues

NOK million

11.4

Adjusted EBITDA* margin

Per cent

First half 2023

1 571

Operating revenues

NOK million

13.1

Adjusted EBITDA* margin

Per cent

542

Operating revenues (NGAAP)

NOK million

10.0

EBITDA** margin (NGAAP)

Per cent

1 137

Operating revenues (NGAAP)

NOK million

11.1

EBITDA** margin (NGAAP)

Per cent

* EBITDA is profit before interest, taxes, depreciation and amortization. EBITDA adjusted is excluding financial expenses included in project costs.

** EBITDA is operating profit before depreciation, gains (losses) and profit from associated companies.

Agenda

Highlights

Operational update

Financial update

Market

Summary



Operational news

Operating model

- Risk-minimizing sales model
 - Minimum presale of 60% before construction start
 - Fixed construction cost secured for all units under construction
- Temporary adjustment to operating model, adapting to market uncertainty
 - Additional contractual reservation: Construction start subject to construction cost

Construction costs

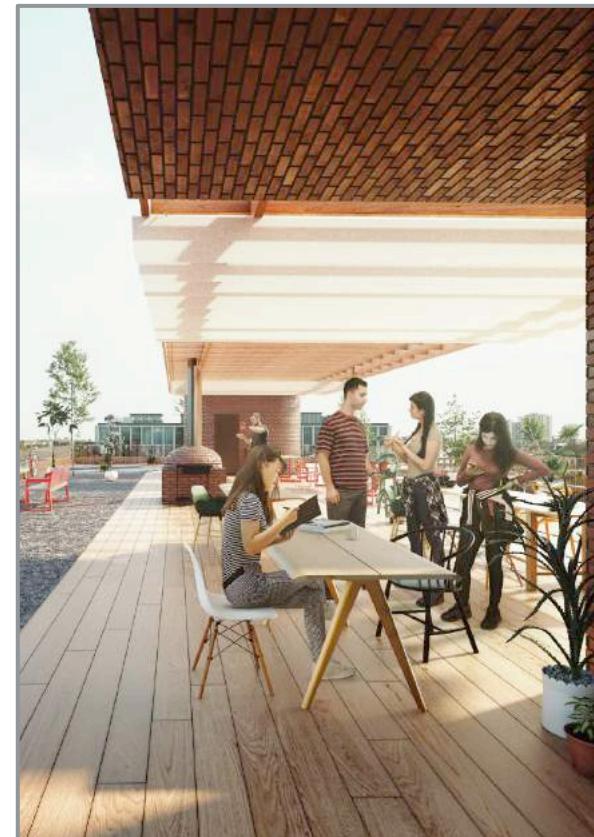
- Construction costs trending downwards, further decrease expected
 - Positive sales development for Langhus- and Solberg projects where contractual reservations have been made regarding sustainable construction costs
 - Outlook to sign construction contracts at lower cost in H2

Land bank

- Acquired land plots in H1 '23, including attractive site for first City concept in Stockholm
 - Sandsli, Bergen ~600 units
 - Tangen, Drammen ~250 units
 - Stockholm ~175 units

New land plot in Stockholm for new urban living concept

~175 units with attractive location at Hornsberg on Kungsholmen



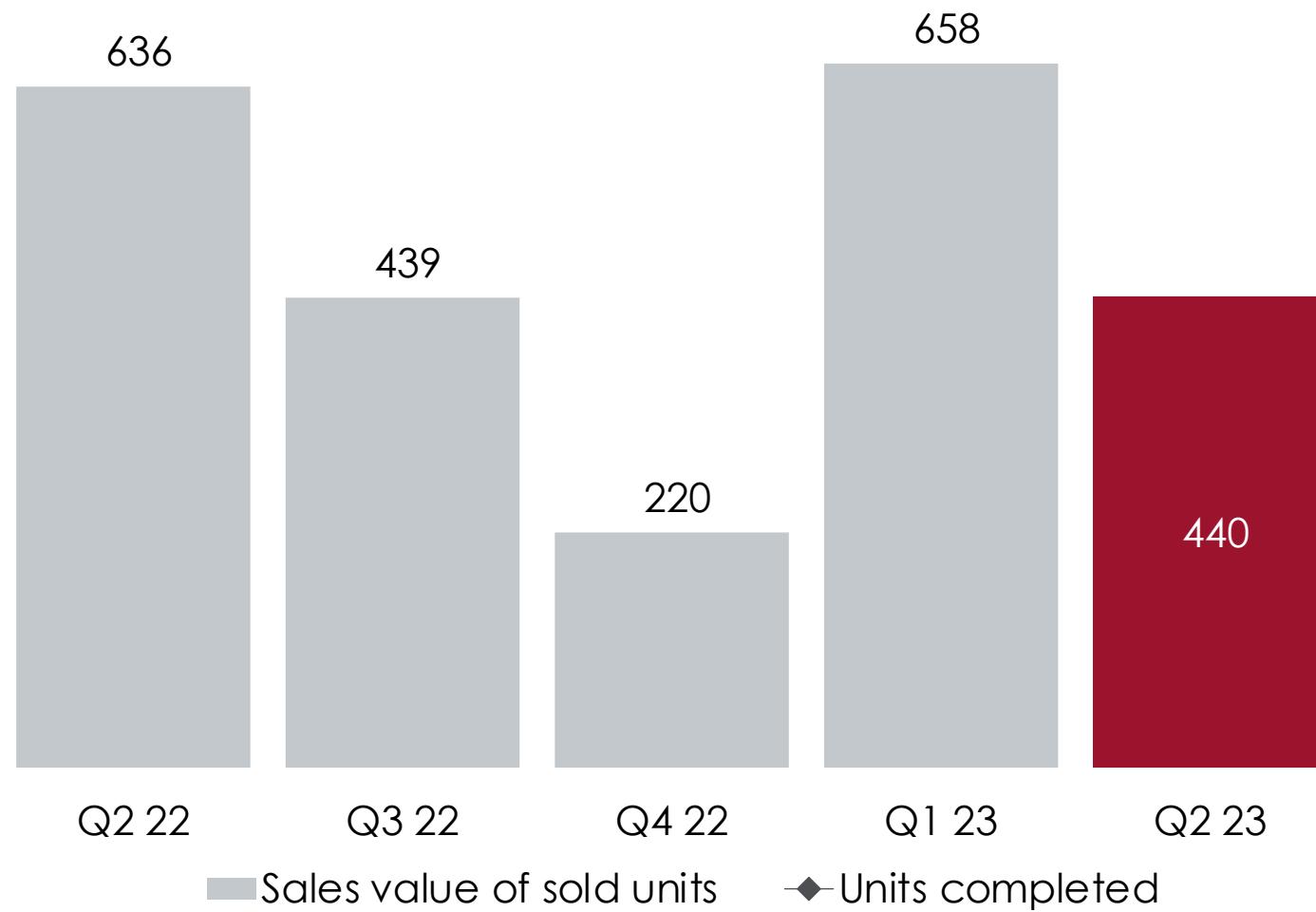
CITY – A Selvaag Pluss Concept

- Urban compact living for all ages
- Improved economics for individuals and society
 - Lower BOA reduce entry-cost – Less for more
 - Shared facilities – More space for everyone
 - Optimized project area-utilisation
 - Sustainable housing development
- Improved quality of life
 - Social networks, security and belonging

Sales value and units sold

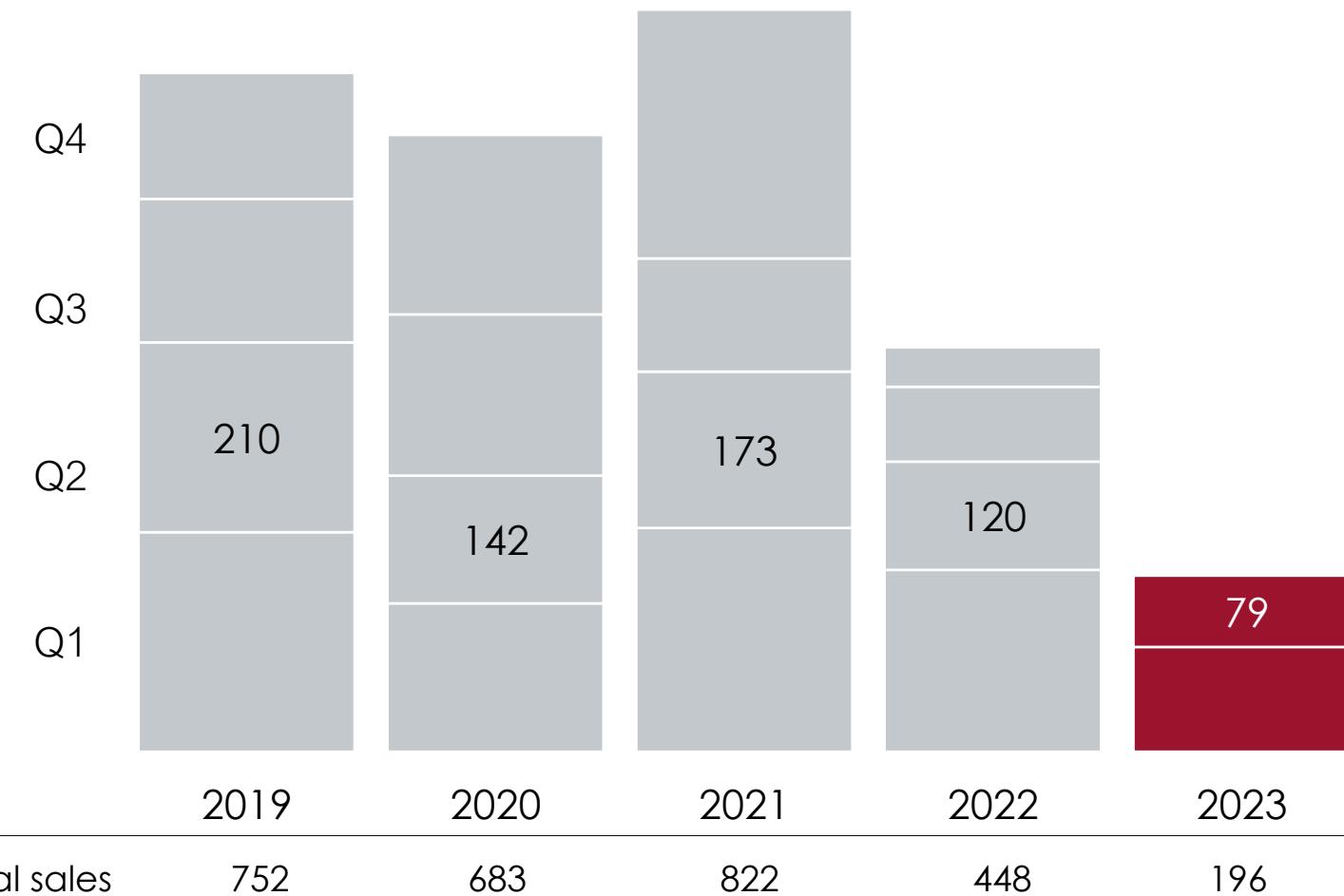
Sales value

NOK million



Number of units sold per quarter

Units



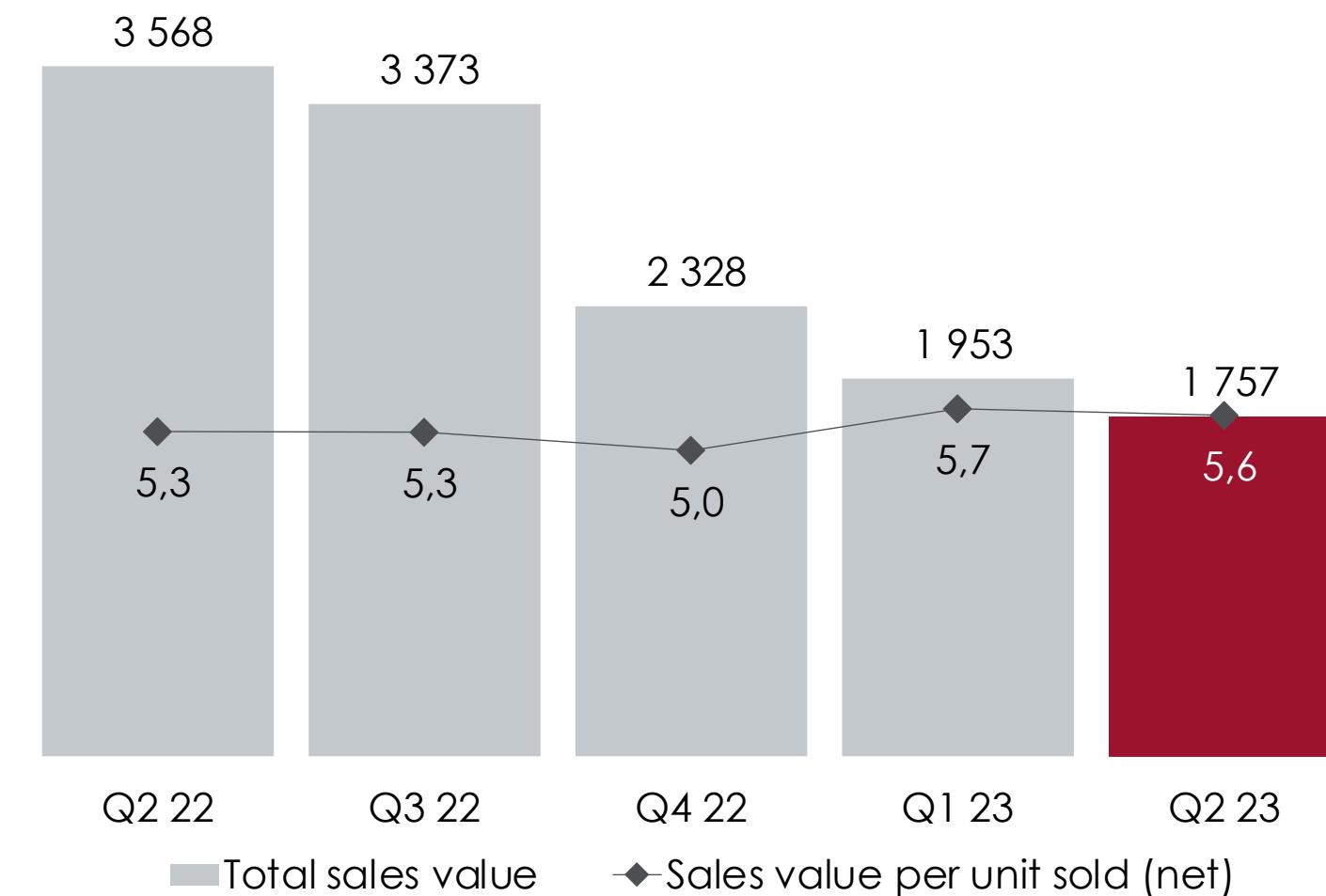
Note: Sales value is adjusted for Selvaag Bolig's share in joint ventures.

Units sold are sales contracts entered into with customers pursuant to the Norwegian Housing Construction Act. In accordance with the IFRS, they are recognised as income on delivery.

Rolling sales value and units sold

Sales value 12-month rolling

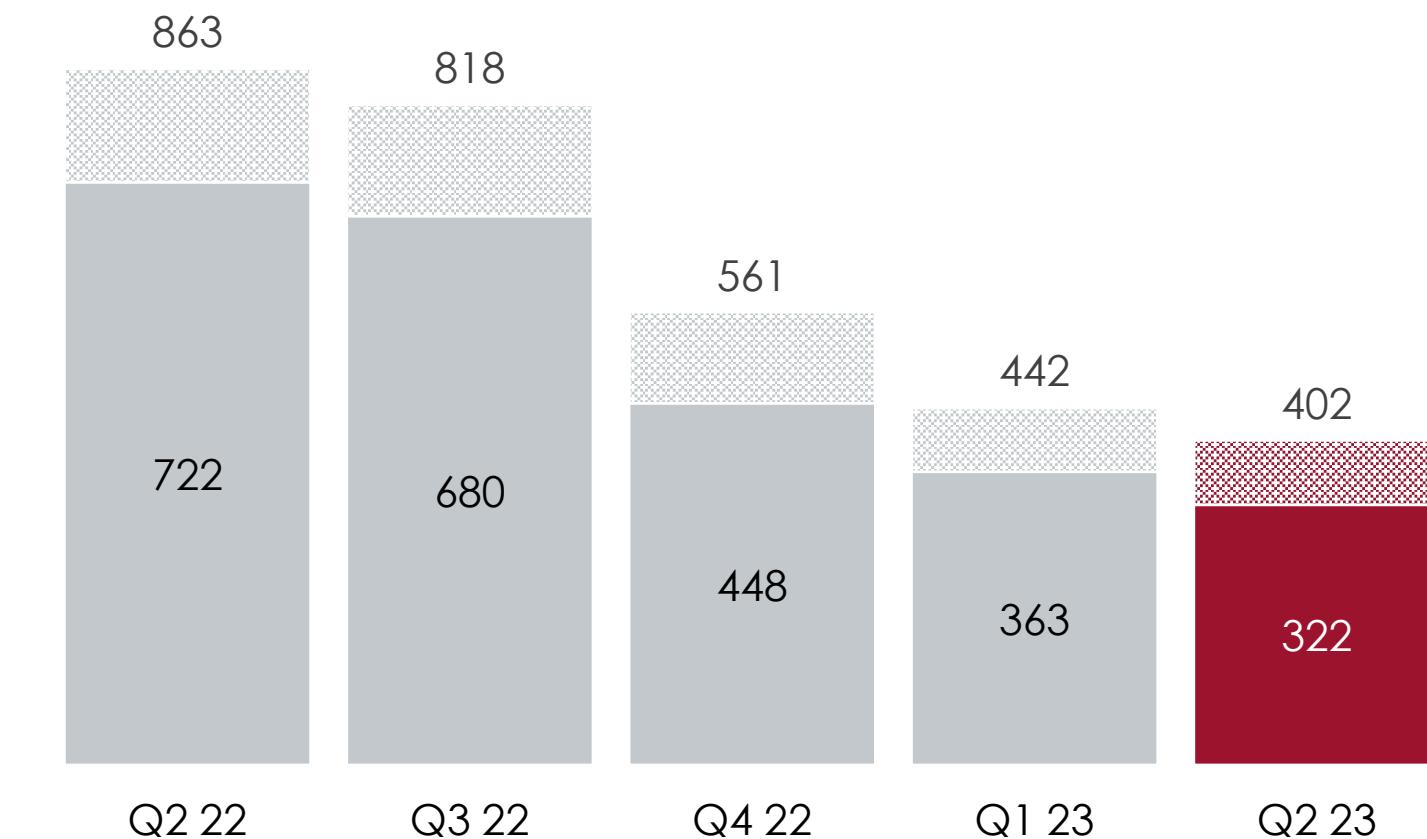
NOK million



Note: Sales value is adjusted for Selvaag Bolig's share in joint ventures.

Units sold 12-month rolling

Units



*Total columns show Selvaag Bolig's gross sales.

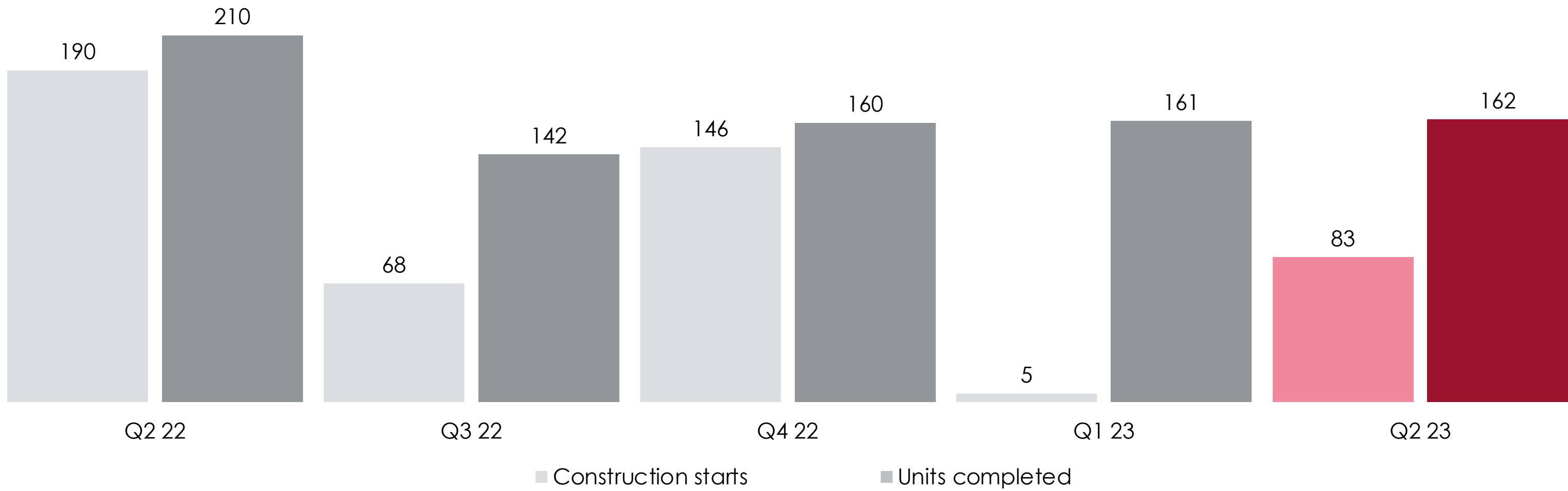
**Columns excluding dotted areas show Selvaag Bolig's net sales.

Units sold are sales contracts entered into with customers pursuant to the Norwegian Housing Construction Act. In accordance with the IFRS, they are recognised as income on delivery.

Construction starts and completions

Construction starts and completions per quarter

Units

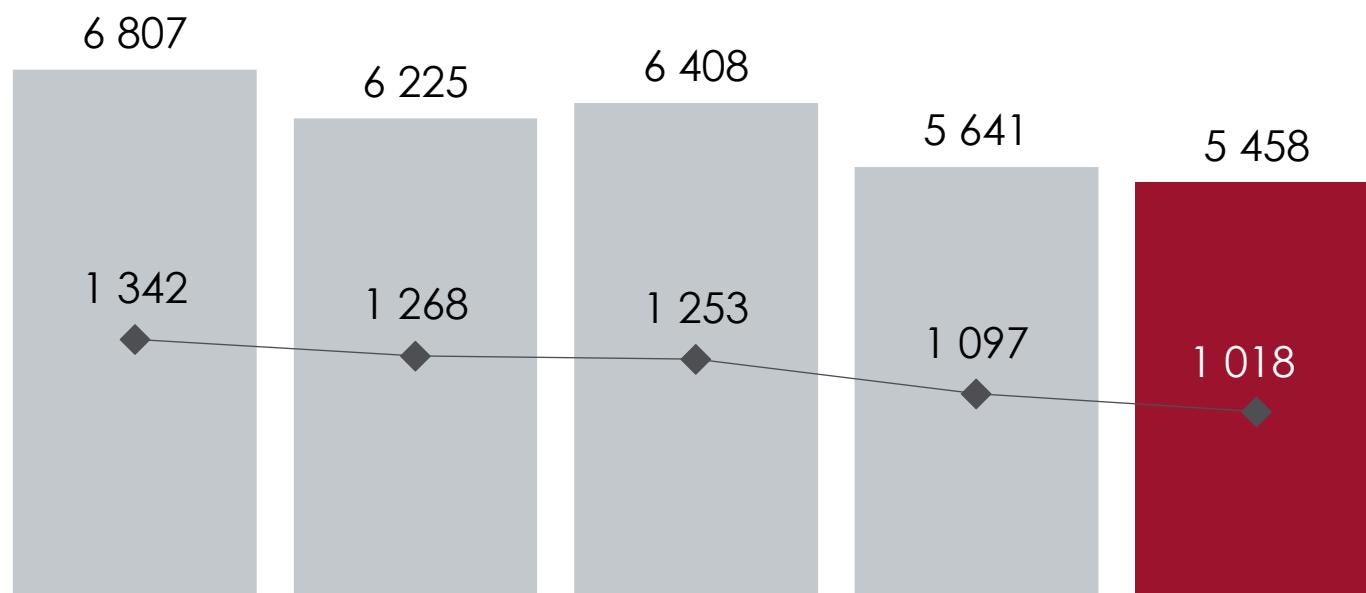


Note: Number of units are adjusted for Selvaag Bolig's share in joint ventures.

Units under construction and completions

Sales value units under construction

NOK million



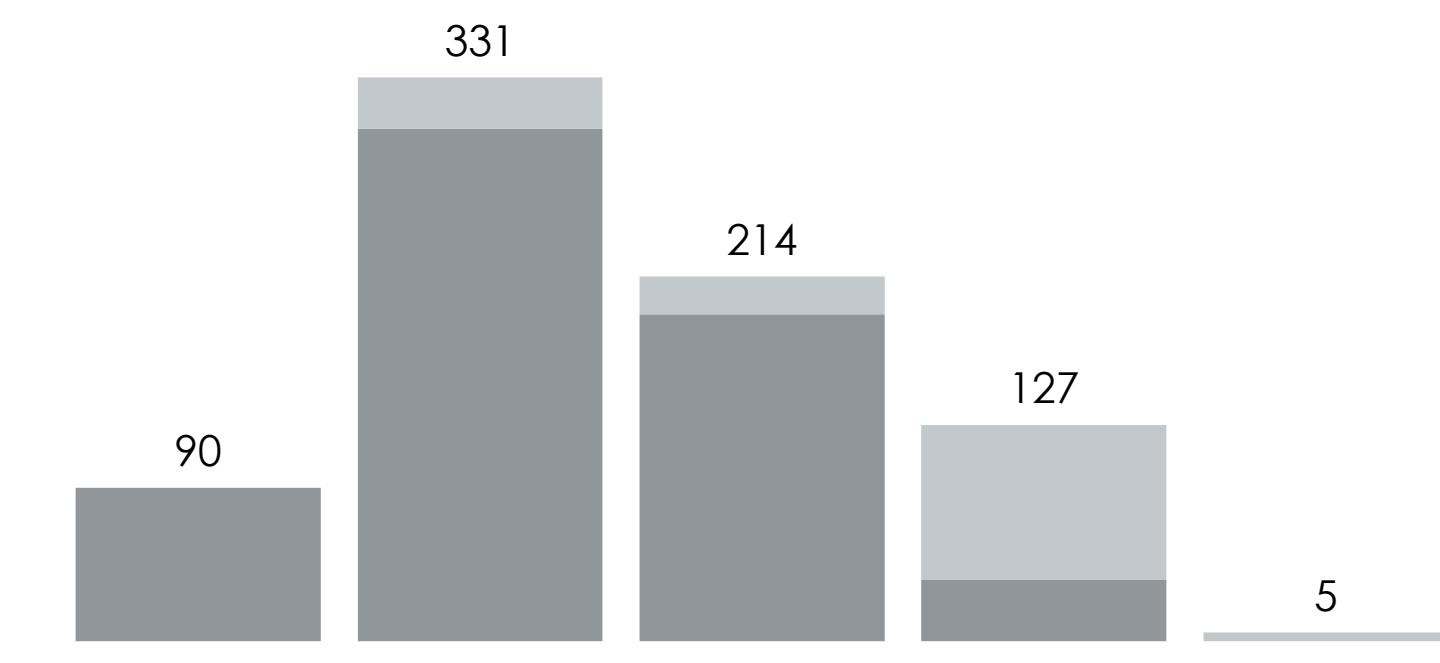
Q2 22 Q3 22 Q4 22 Q1 23 Q2 23

Sales value of units under construction (NOK million)
◆ Units under construction

- 68% of units under construction sold by Q2 2023
- 86% of construction volume in Greater Oslo Area* in Q2 2023

Expected completions per quarter

Units



Q3 23 Q4 23 Q1 24 Q2 24 Q3 24

■ Part-owned units

Expected completions

- Expected completions for the full year 2023: 744
- 83% of 2023 completions sold by Q2 2023

Note: Sales value and number of units are adjusted for Selvaag Bolig's share in joint ventures.

* Includes: Oslo, Lørenskog, Follo, Tønsberg, Asker.

Agenda

Highlights

Operational update

Financial update

Market

Summary

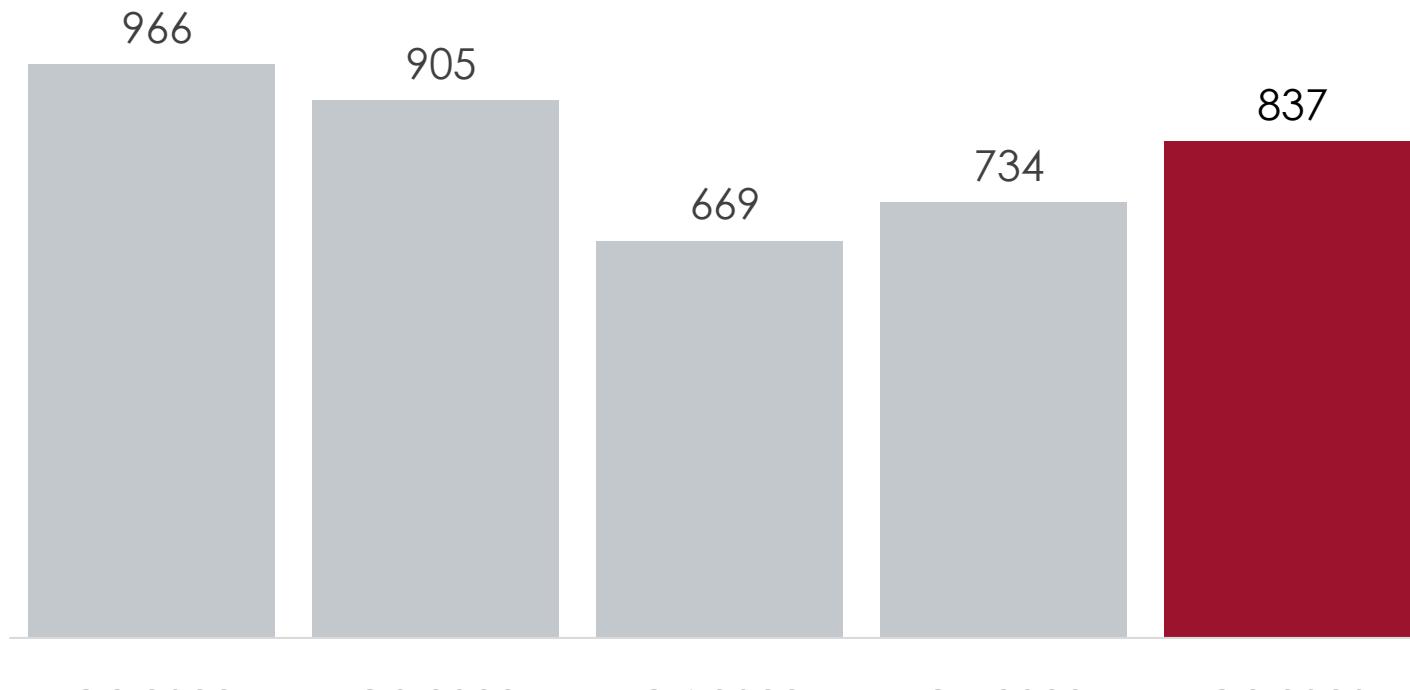


Income statement highlights Q2 2023 (IFRS)

- 155 units delivered (217)
 - 1 unit from share of JVs (69)
- Revenues NOK 837m (966)
 - Other revenues NOK 17m (18)
- Project costs NOK 709m (804)
 - Of which NOK 29m is interest (27)
- Other costs NOK 57m (60)
- Adjusted EBITDA* NOK 95m (233)
- EBITDA* NOK 66m (206)
- EPS in the quarter NOK 0.55 (1.90)

Operating revenues (IFRS)

NOK million



Adjusted
EBITDA margin

24% 15% 13% 15% 11%

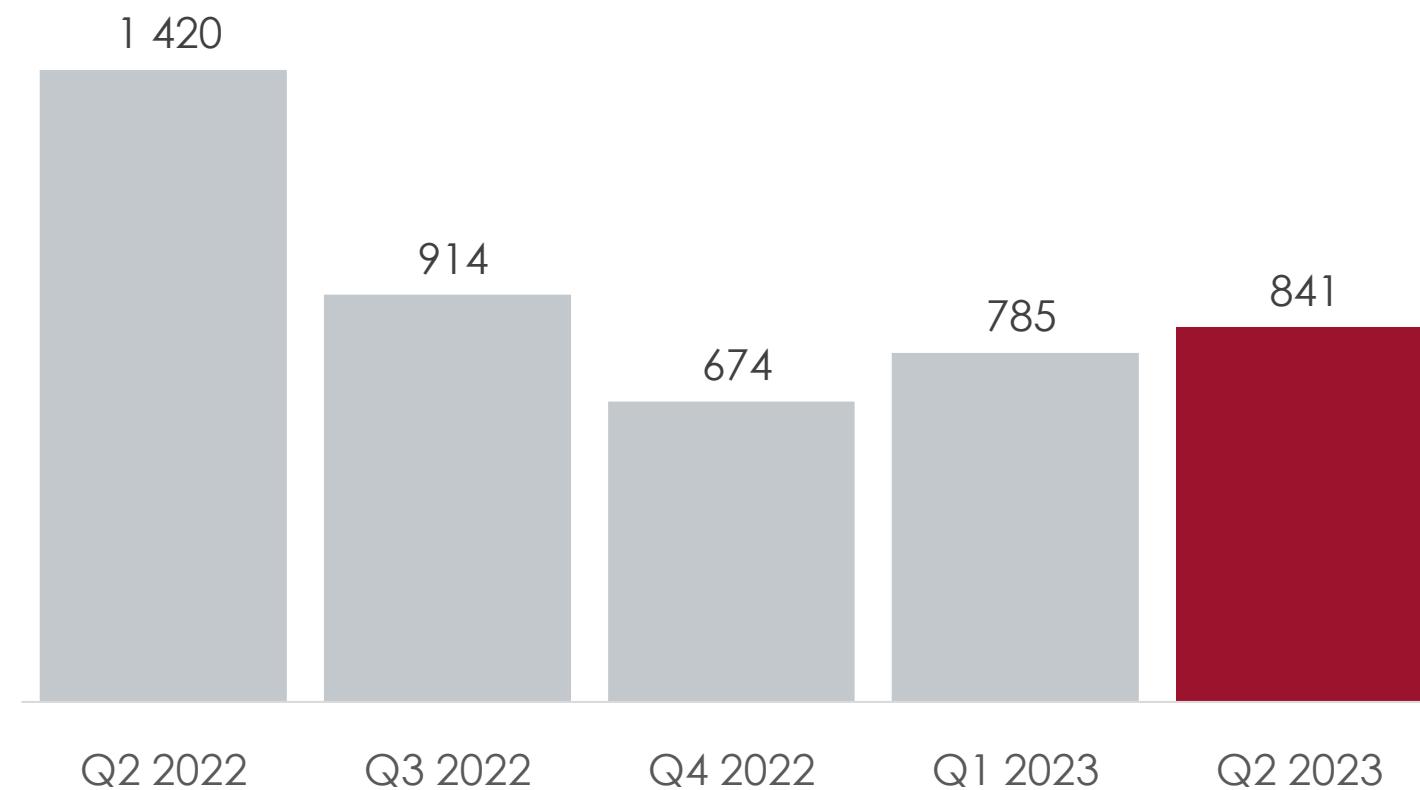
* EBITDA is profit before interest, taxes, depreciation and amortization. EBITDA adjusted is excluding financial expenses included in project costs.

Q2 2023 proforma figures including proportionate share of JV

- 155 units delivered (217)
- Revenues NOK 841 (1 420)
 - Other revenues NOK 19m (20)
- Project costs NOK 710m (1 117)
 - Of which NOK 29m is interest (37)
- Other costs NOK 65m (69)
- Adjusted EBITDA** NOK 99m (273)
- EBITDA* NOK 69m (236)
- EPS in the quarter NOK 0.55 (1.90)

Operating revenues (IFRS)

NOK million



Adjusted EBITDA margin 19% 15% 13% 14% 12%

* EBITDA is profit before interest, taxes, depreciation and amortization.

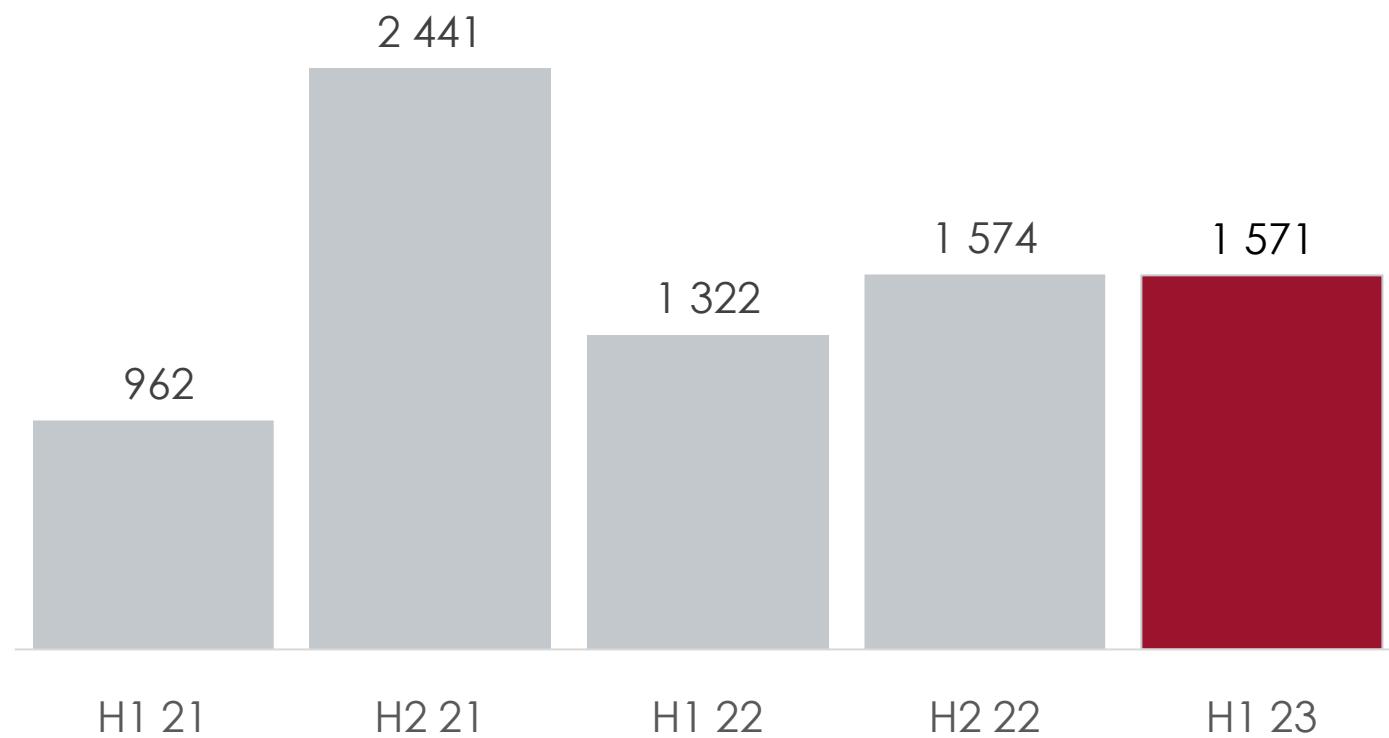
** EBITDA adjusted is excluding financial expenses included in project costs. The difference compared to reported EBITDA is due to interest, taxes, depreciation and amortization in JVs.

Income statement highlights H1 2023 (IFRS)

- 305 units delivered (294)
 - 14 units from share of JVs (70)
- Revenues NOK 1 571m (1 322)
 - Other revenues NOK 34m (32)
- Adjusted EBITDA* NOK 205m (293)
- EBITDA* NOK 154m (258)
- EPS in H1 NOK 1.25 (2.30)

Operating revenues (IFRS)

NOK million



Adjusted EBITDA margin	23%	22%	22%	14%	13%
------------------------	-----	-----	-----	-----	-----

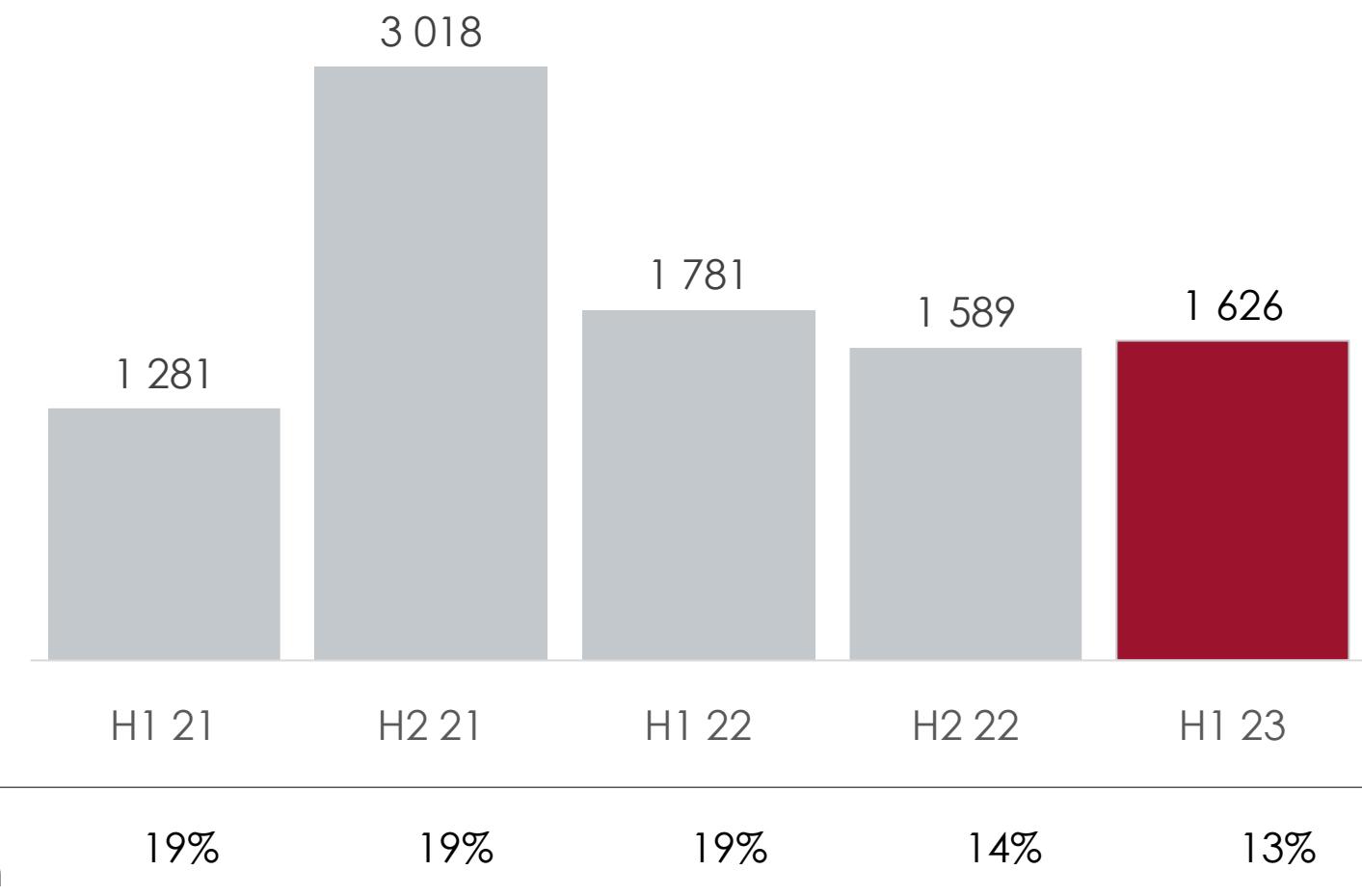
* EBITDA is profit before interest, taxes, depreciation and amortization. EBITDA adjusted is excluding financial expenses included in project costs.

H1 2023 proforma figures including proportionate share of JV

- 305 units delivered (294)
 - 14 units from share of JVs (70)
- Revenues NOK 1 626m (1 781)
 - Other revenues NOK 38m (36)
- Adjusted EBITDA** NOK 210m (235)
- EBITDA* NOK 157m (289)
- EPS in H1 NOK 1.25 (2.30)

Operating revenues (IFRS)

NOK million



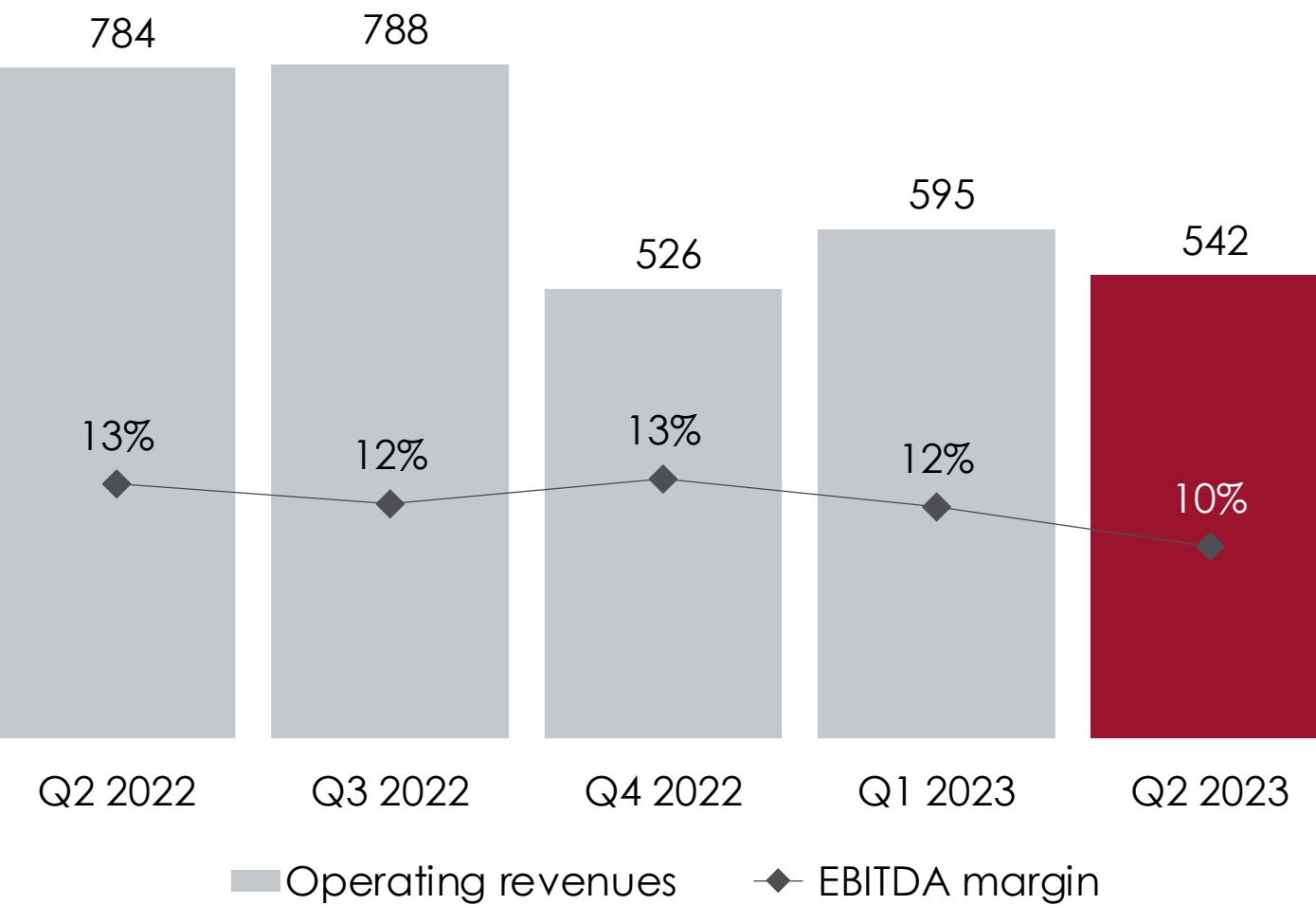
* EBITDA is profit before interest, taxes, depreciation and amortization.

** EBITDA adjusted is excluding financial expenses included in project costs. The difference compared to reported EBITDA is due to interest, taxes, depreciation and amortization in JVs.

Income statement highlights Q2 2023 (NGAAP)

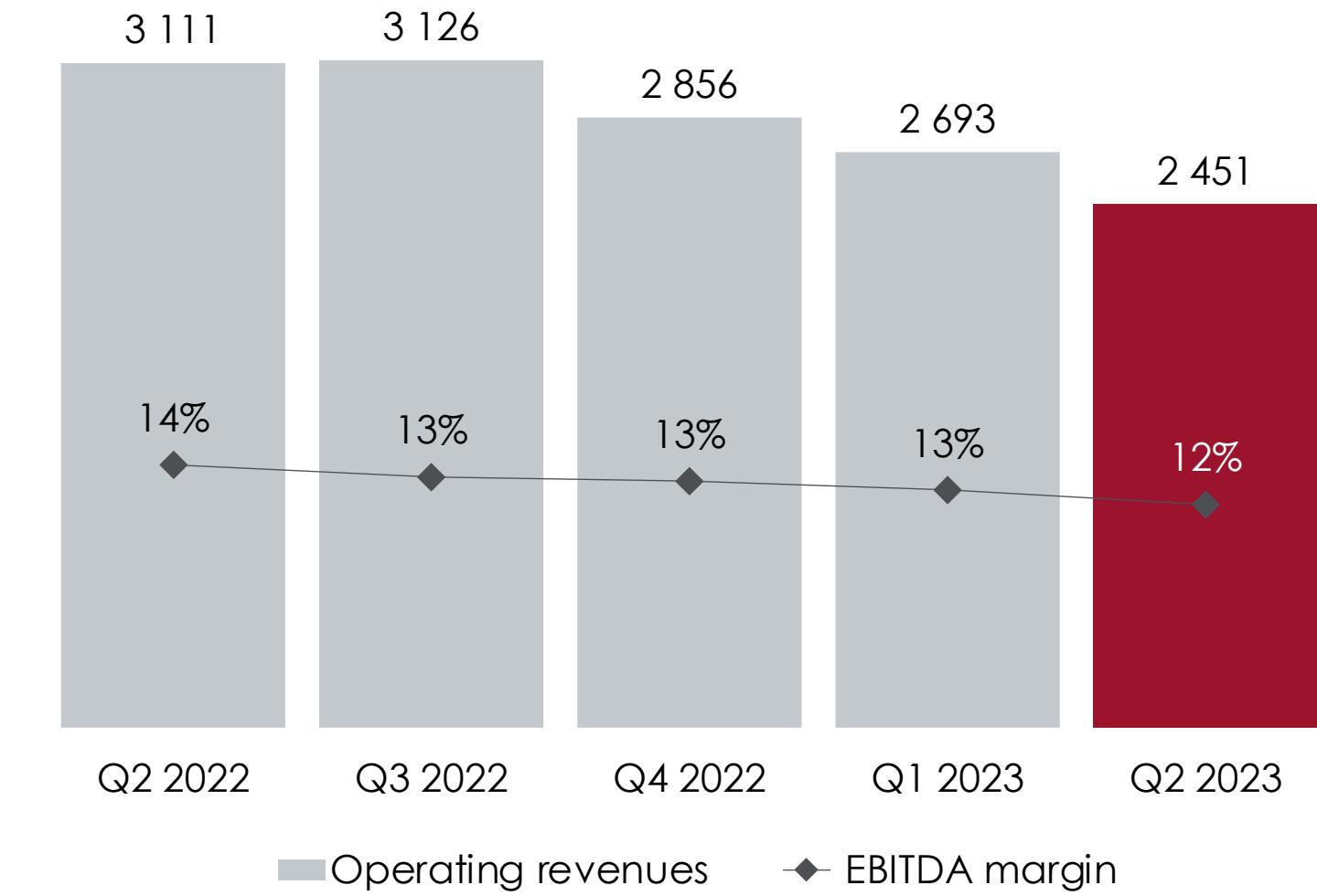
Revenues and EBITDA margin (NGAAP)*

NOK million



12 month-rolling revenues (NGAAP)*

NOK million



* Construction costs are exclusive of financial expenses in the segment reporting (NGAAP).
Note: EBITDA is operating profit before depreciation, gains (losses) and profit from associated companies.

Cash flow development Q2 2023

NOK million



- Cash flow from operations positive at NOK 98.4m driven by decreased inventories
- Cash flow from investing activities positive at NOK 5.2m
- Cash flow from financing activities negative at NOK 122.7m mainly due to a dividend payment

Note: Items of less than NOK 60 million are excluded from the cash flow overview.

Balance sheet highlights Q2 2023

- Book value of equity NOK 24.2 per share
 - Equity ratio 39.9%
- Changes from Q1 2023:
 - Inventories decreased by NOK 283m
 - Trade and other receivables increased by NOK 223m
 - Cash decreased by NOK 19m
- Prepayments from customers represent NOK 79m of other current non-interest-bearing liabilities

Balance sheet composition

NOK million

6 000

5 721

5 721

5 000

Non-current assets

Equity

4 000

Current assets

Non-current
liabilities

3 000

2 000

1 000

0

Cash

Assets

Current liabilities

Equity and liabilities

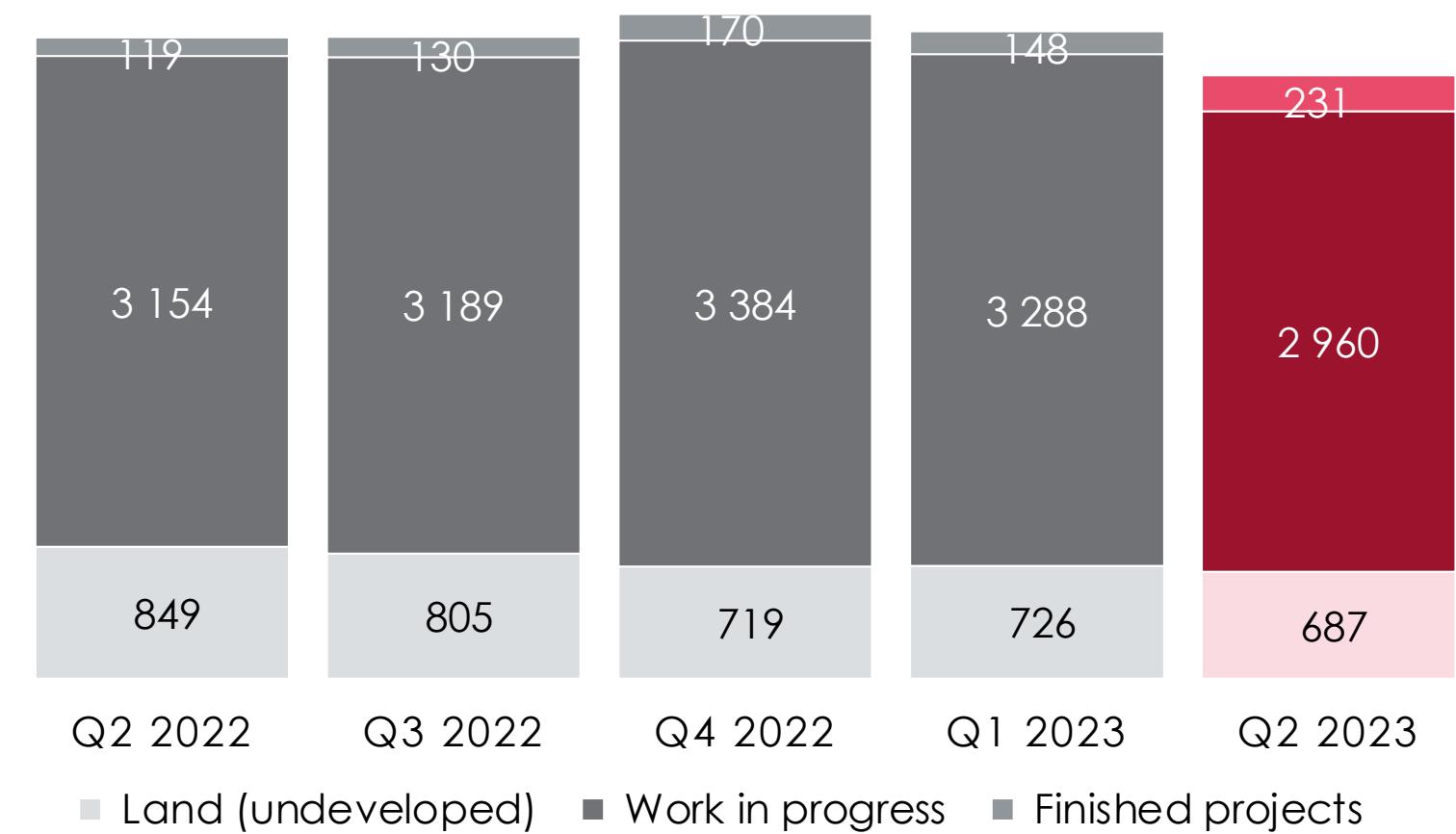
Inventories (property) Q2 2023

Q1 2023 vs Q2 2023

- Land value down NOK 38m
- Work in progress down NOK 328m
 - Mainly due to high number of units completed and fewer construction starts
- Finished goods up NOK 83m

Inventory value development

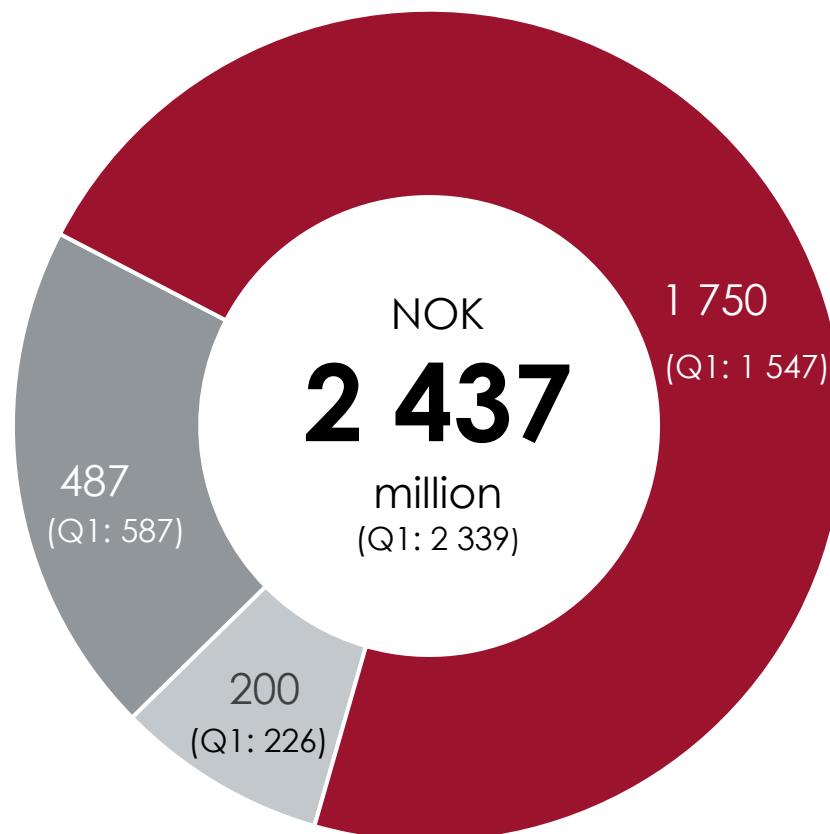
NOK million



Debt structure

Interest-bearing debt at 30.6.23

NOK million



Loan facility	Drawn at 30.6.23 (NOKm)	Interest rate margin*
1 Construction loan facilities from a range of Nordic credit institutions	1 750	1.65% - 2.40%
2 Debt to Urban Property**	487	3.75%***
3 Land loan facilities from a range of Nordic credit institutions	200	1.50% - 2.95%
4 NOK 300 million revolving credit facility from DNB maturing in 2025	0	2.50% - 3.00%
5 NOK 150 million working capital facility from DNB with annual renewal	0	2.10%

Total Q2 2023 net interest-bearing debt NOK 2 045 million

Total Q1 2023 net interest-bearing debt NOK 1 928 million

■ Land loan ■ Debt to Urban Property ■ Construction loan

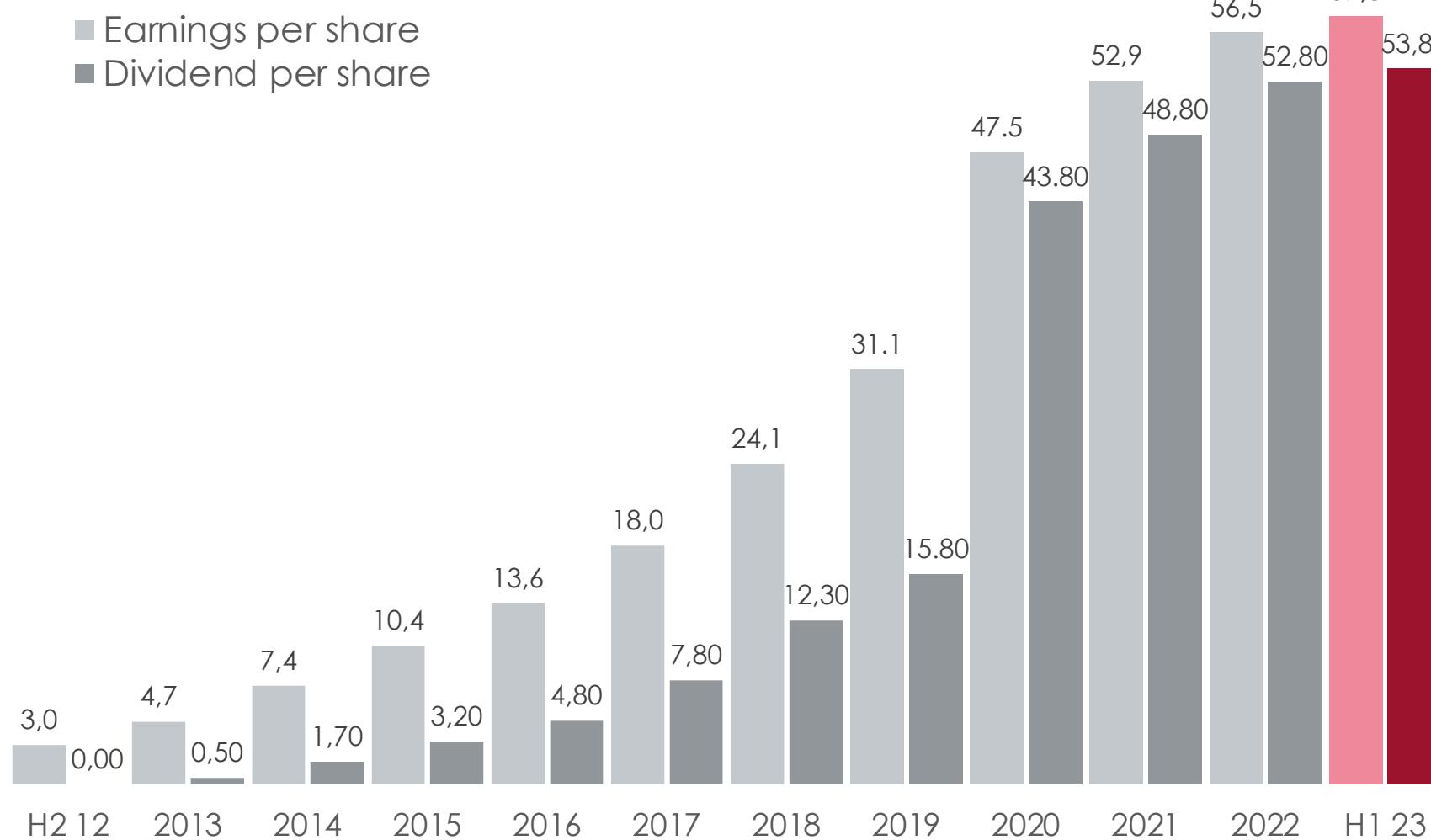
* Margin added to 3m NIBOR.

** Repurchase agreements portfolio B and seller credits.

*** + 2.00% fee at property repurchase.

Earnings and dividend per share since IPO

Accumulated dividend and earnings per share*



Aiming to maximize shareholder return

Selvaag Bolig's ambition is to pay high and stable dividends to its owners

- The company aims to pay dividends of minimum 60 per cent of net annual profit
- Dividend will be weighed against the company's liquidity forecasts and capital adequacy
- Dividend of NOK 1.00 per share in H1 2023
 - Pay out ratio of 80%
- Average payout ratio of 68%** since listing

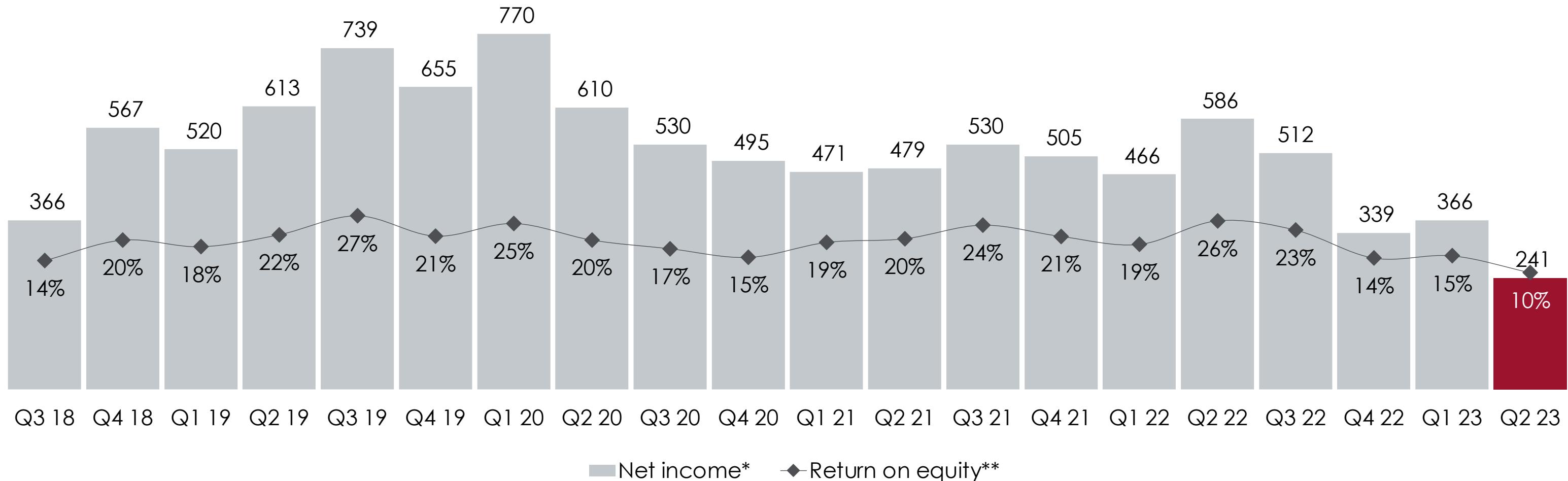
* Including EPS of NOK 11.01 and DPS of NOK 22 from UP transaction

** Excluding EPS of NOK 11.01 and DPS of NOK 22 from UP transaction

Return on equity (IFRS)

12-month rolling net income (NOKm) ROE (%)

Q1 2020 Net income excluding Other gains of NOK 1 029m



Agenda

Highlights

Operational update

Financial update

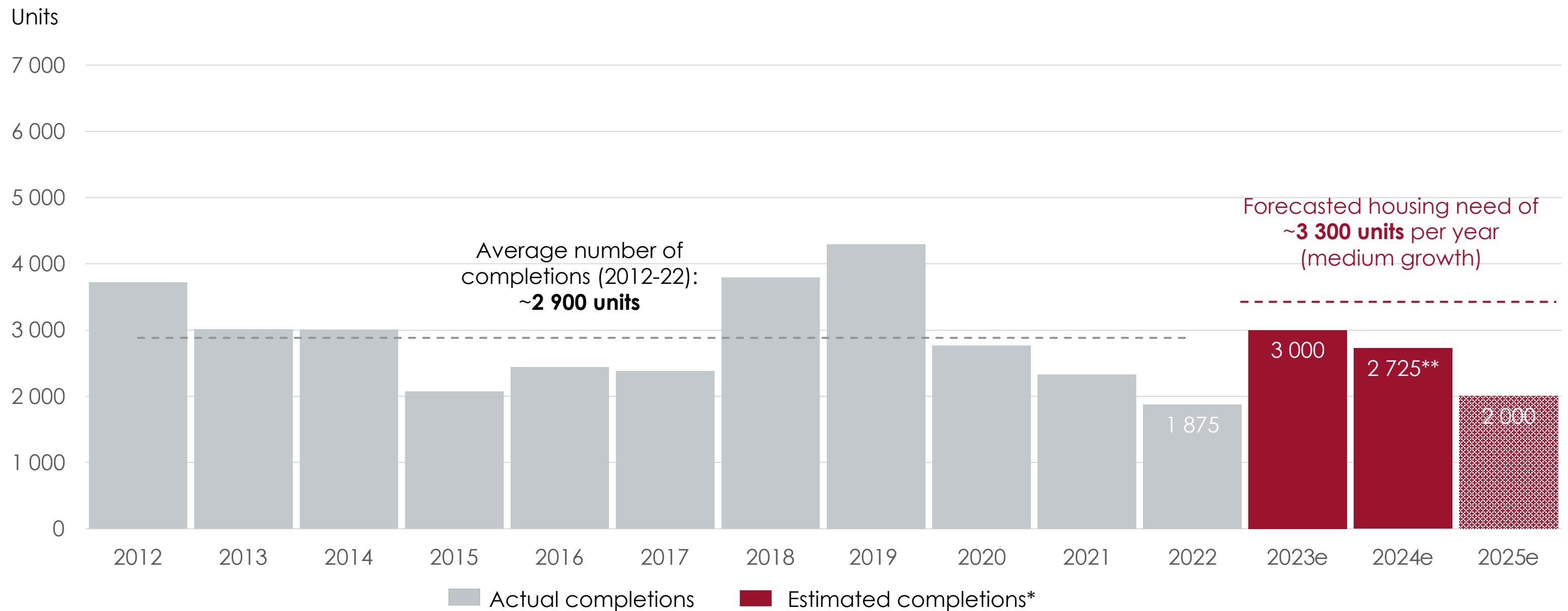
Market

Summary



Illustration Stockholm stad

Estimated completions in Oslo well below forecasted need



Sources: Historic data: Statistics Norway (SSB), Forecasted housing completions: Hawii Analyse, Forecasted housing need next 5 years: Prognosesenteret.

Note: Number of persons per household in Oslo: 1.90.

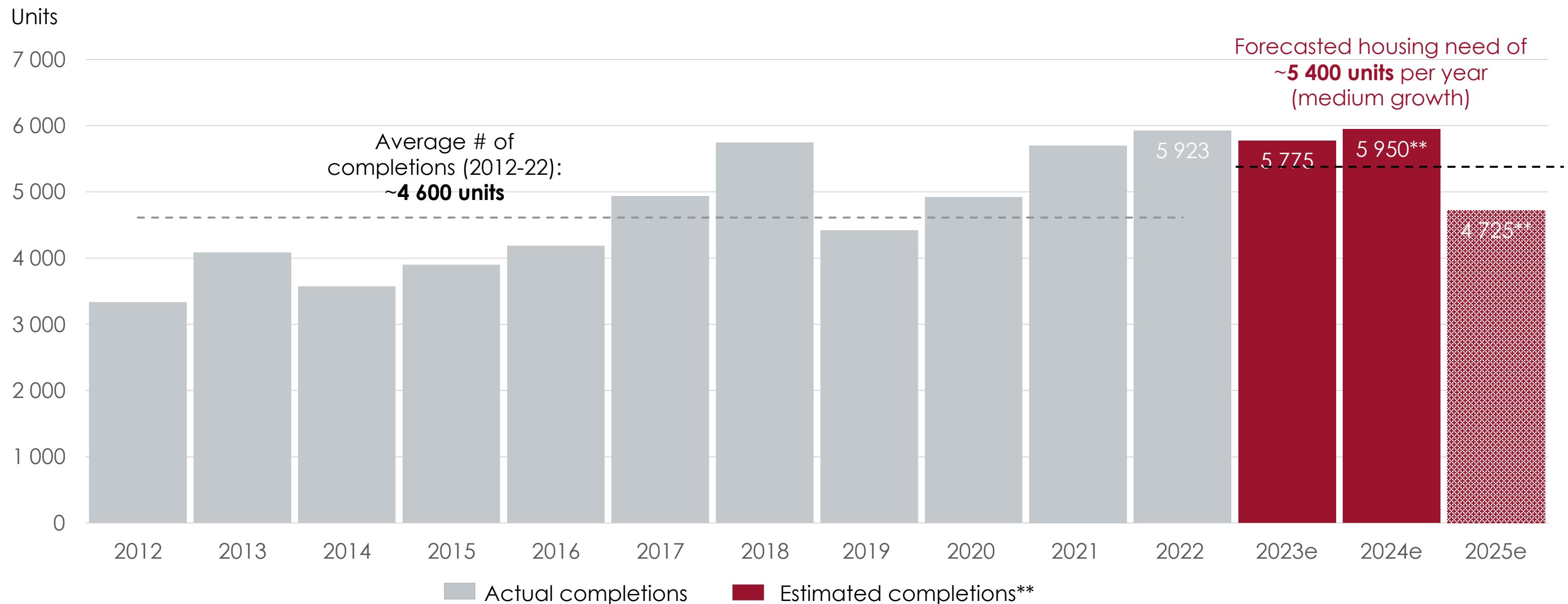
Note: Housing need calculated on parameters such as number of persons per household, lag on housing development, housing demolition.

Note: Completions exclusive of student- and senior housing.

* Estimates based on actual sales, future sales starts, and historical data.

** Uncertainty due to project lead-time.

Estimated completions in Akershus*



Sources: Historic data: Statistics Norway (SSB), Forecasted housing completions: Hawii Analyse, Forecasted housing need next 5 years: Prognosesenteret.

Note: Housing need calculated on parameters such as number of persons per household, lag on housing development, housing demolition.

Note: Completions exclusive of student- and senior housing.

* Akershus county = Viken county ex. Buskerud and Østfold.

** Estimates based on actual sales, future sales starts, and historical data.

*** Uncertainty due to project lead-time.

Newbuild market update

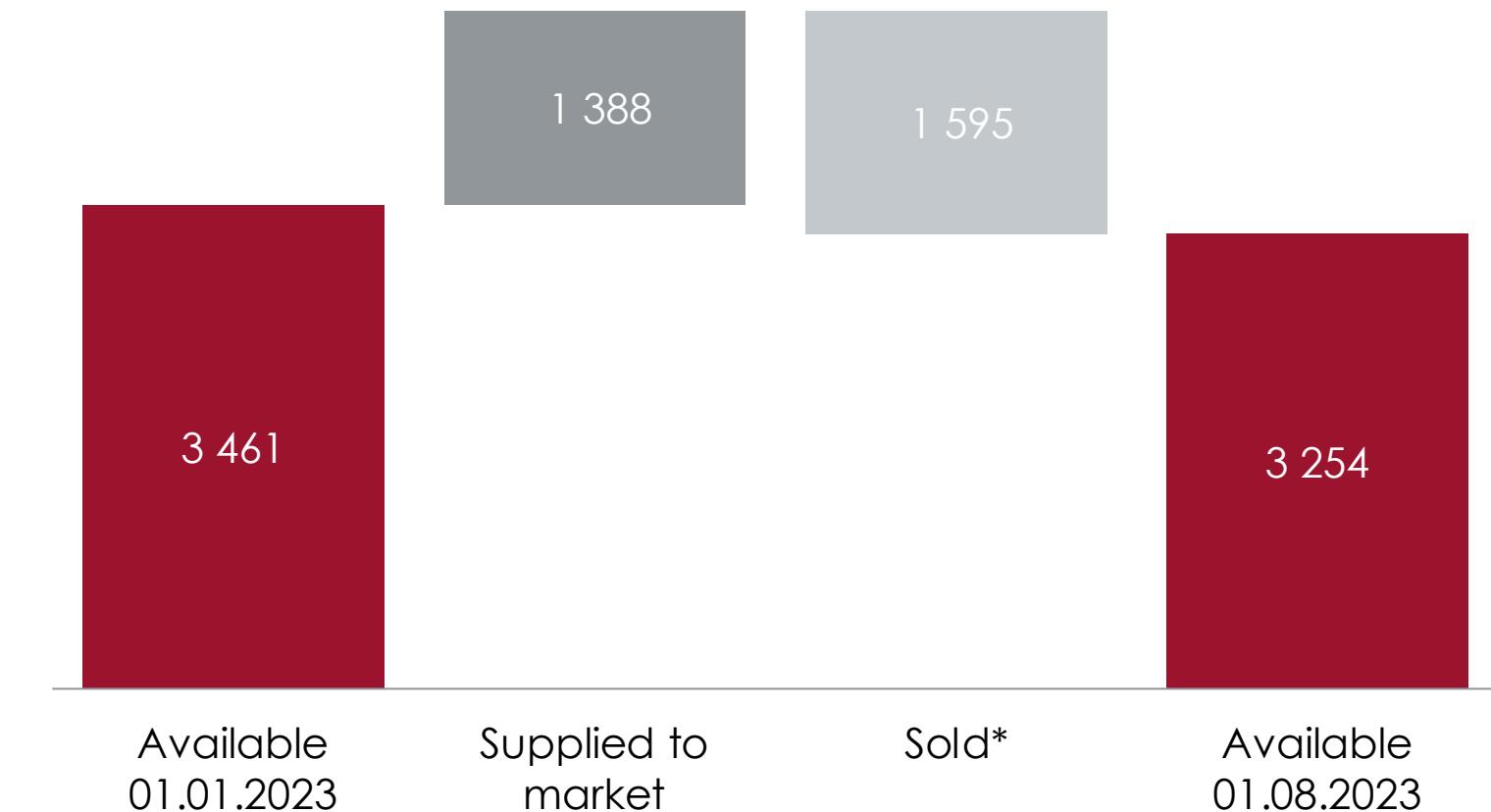
Oslo – 1.1–1.8, 2023

Units



Akershus – 1.1–1.8, 2023

Units

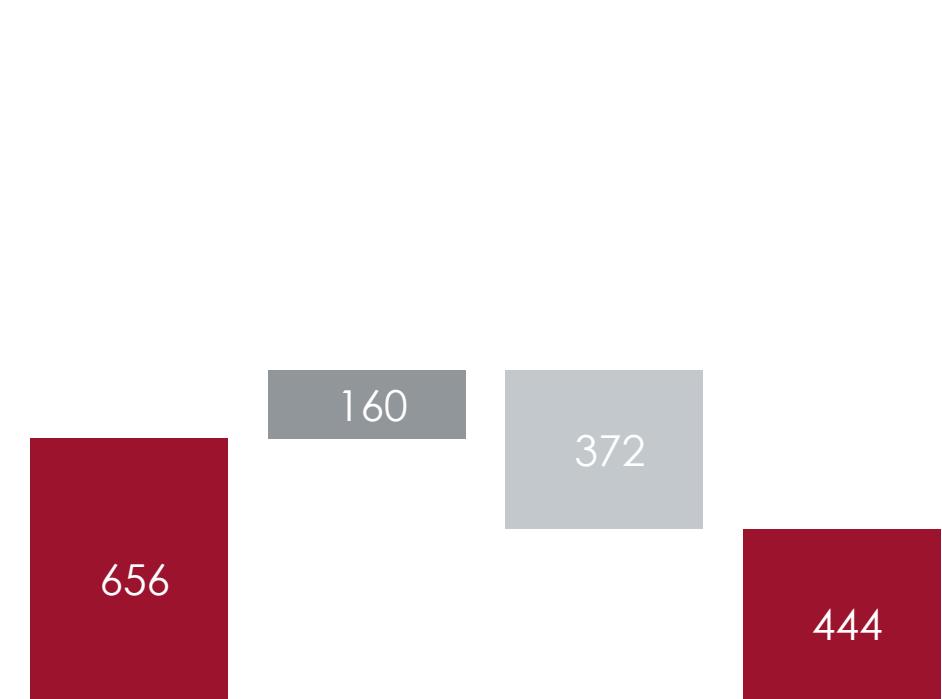


Source: Hawii analyse.
* Including withdrawals

Newbuild market update

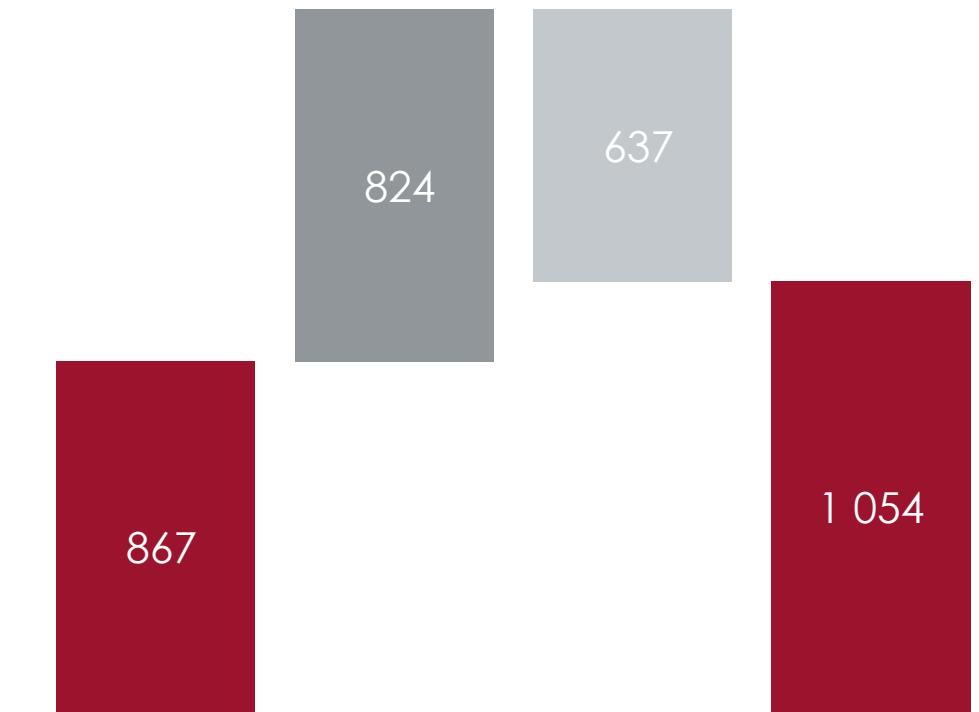
Bergen – 1.1–1.8, 2023

Units



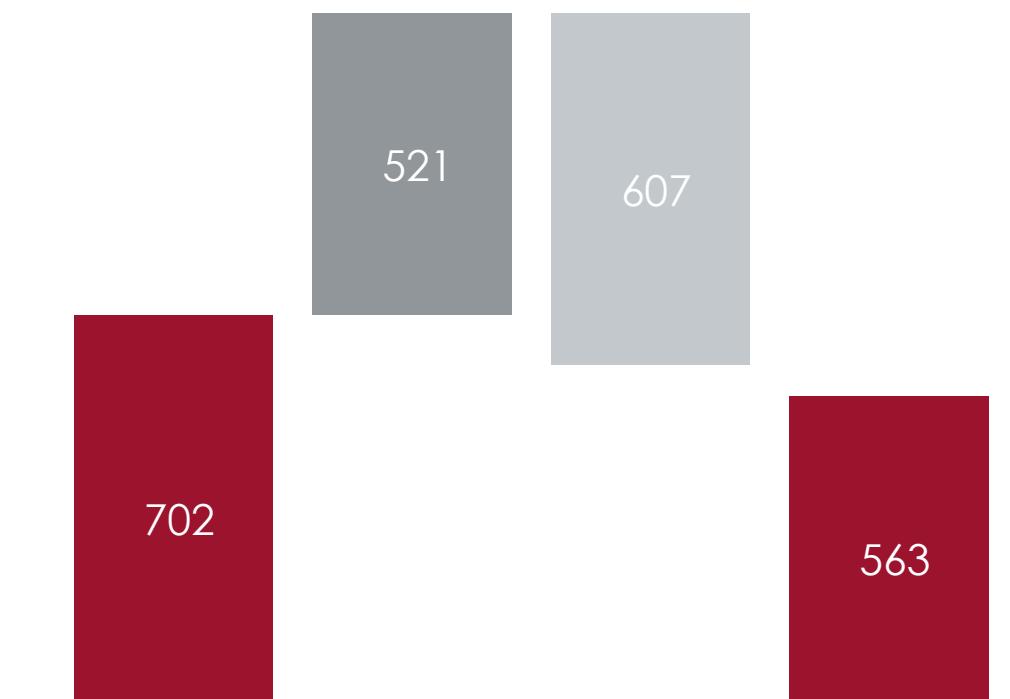
Trondheim – 1.1–1.8, 2023

Units



Stavanger area** – 1.1–1.8, 2023

Units

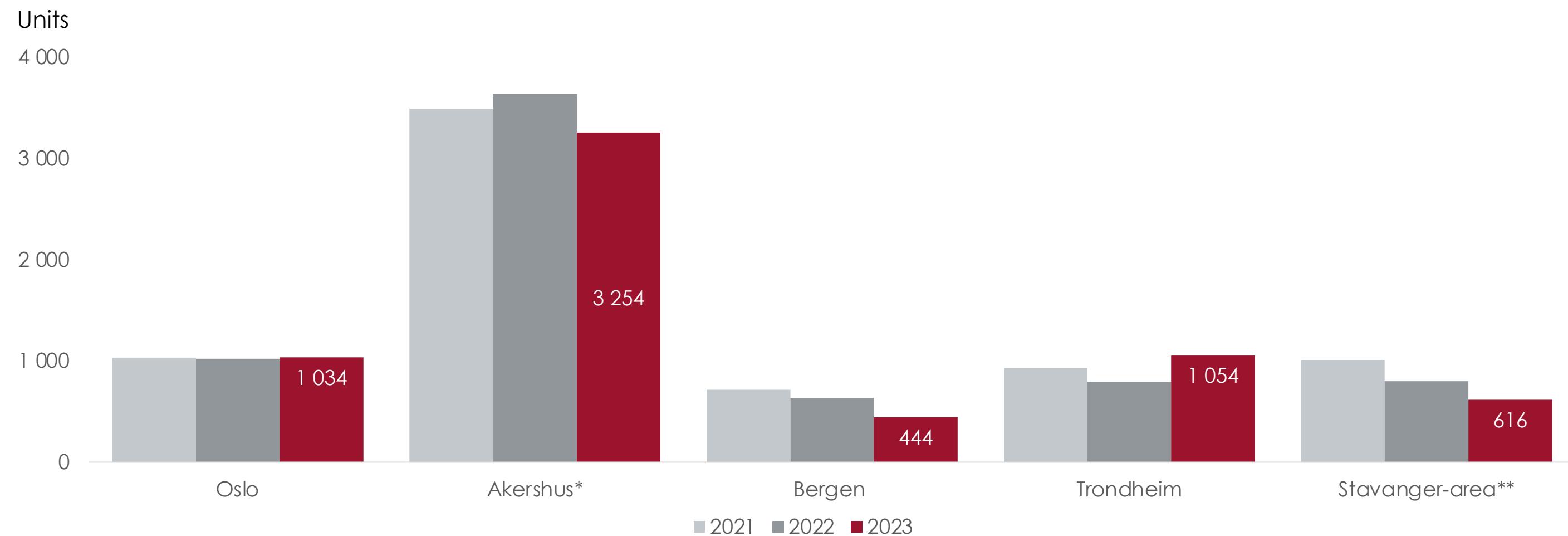


Source: Hawii analyse.

* Including withdrawals

** includes Stavanger, Sandnes, Sola, Randaberg.

Regional Newbuild availability on 1 August, 2021-23



Population***	709 000	699 700	289 300	212 700	268 500
Available units per 1 000 capita 1.8.2023	1.5	4.7	1.5	5.0	2.3

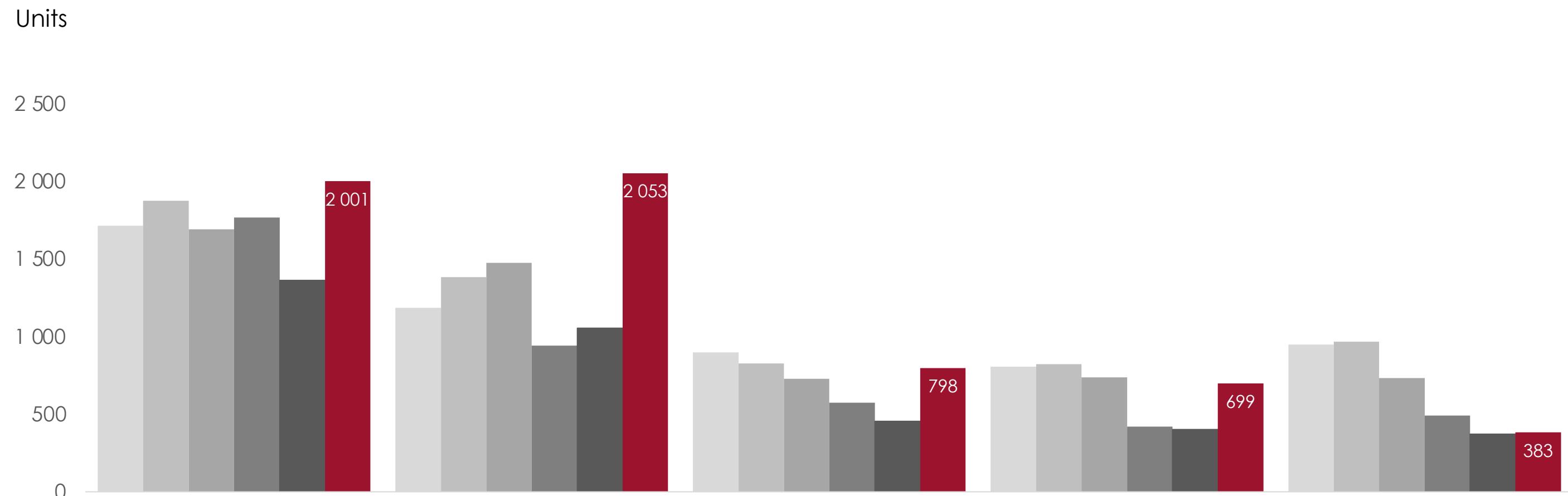
Source: Hawii analyse

* Akershus county = Viken ex. counties Buskerud and Østfold.

** Includes Stavanger, Sola, Sandnes, Randaberg.

*** Population at YE 2022.

Regional Second-hand availability on 1 August, 2021-23



Population***	709 000	699 700	289 300	212 700	268 500
Available units per 1 000 capita 1.8.2023	2.8	2.9	2.8	3.3	1.4

Source: Eiendomsverdi, Statistics Norway.

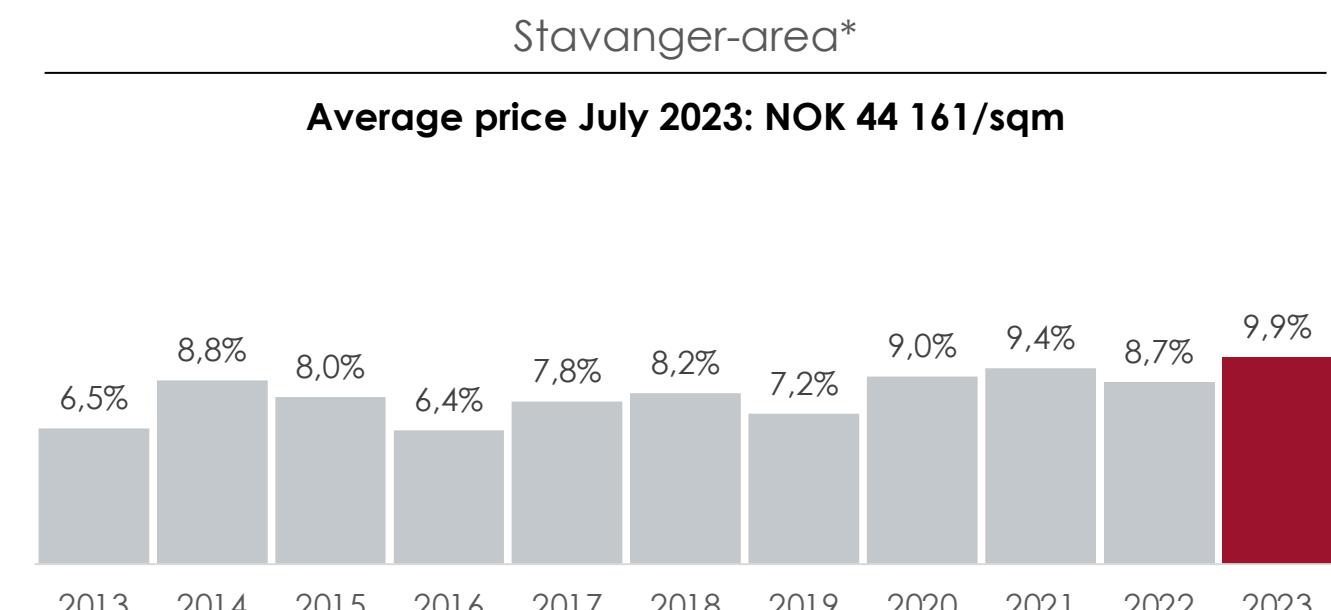
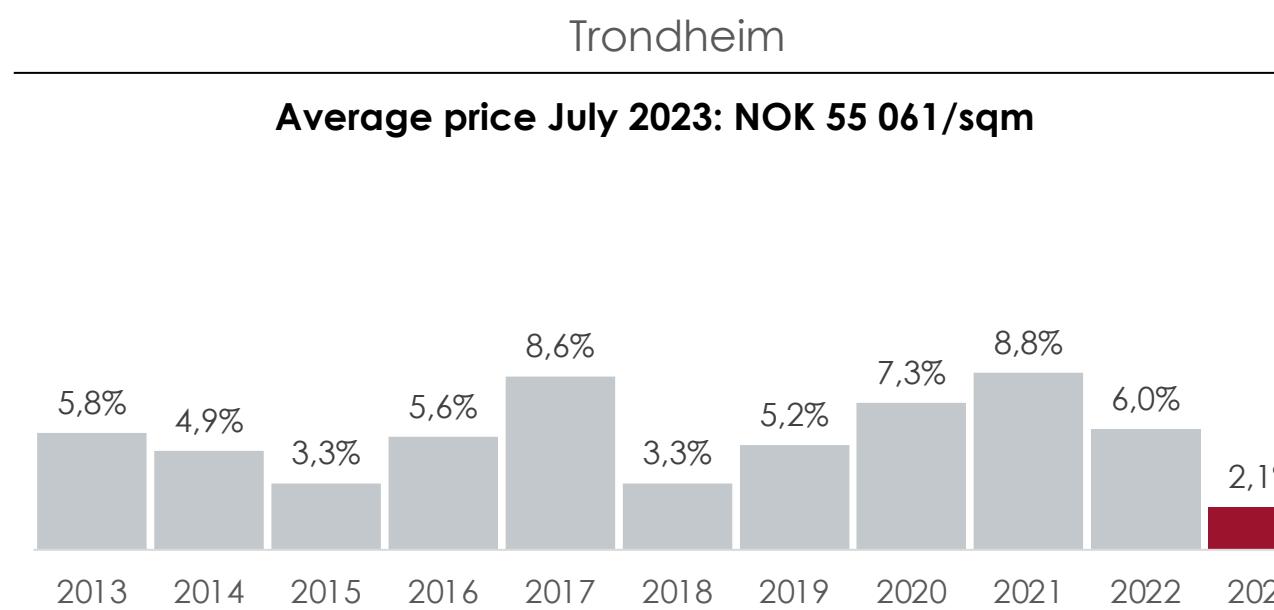
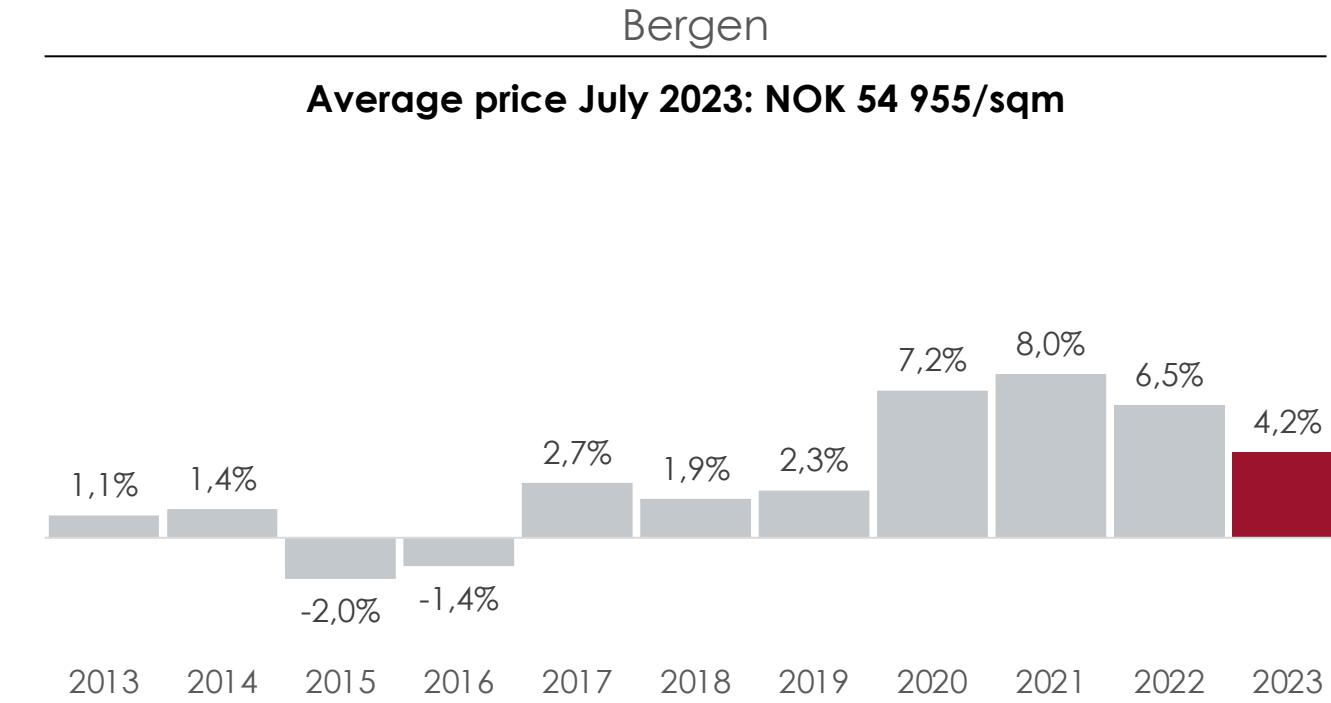
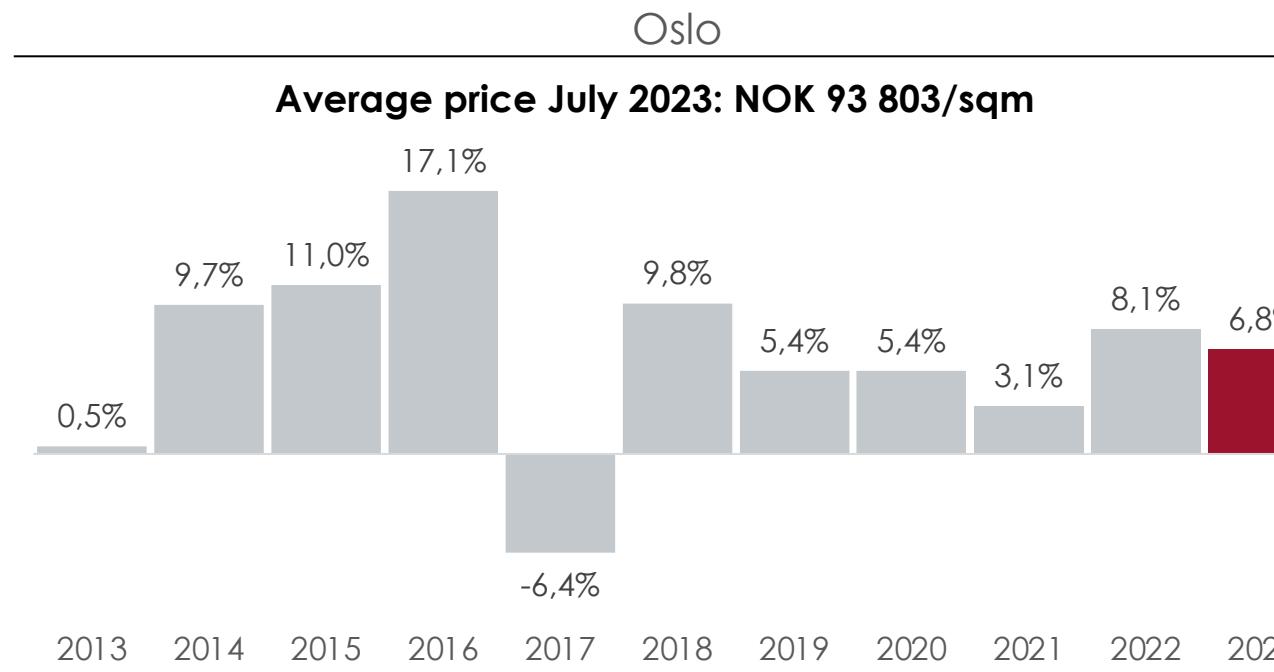
Includes projects with 2 units or more

* Akershus county = Viken ex. counties Buskerud and Østfold.

** Includes Stavanger, Sola, Sandnes, Randaberg.

*** Population at YE 2022.

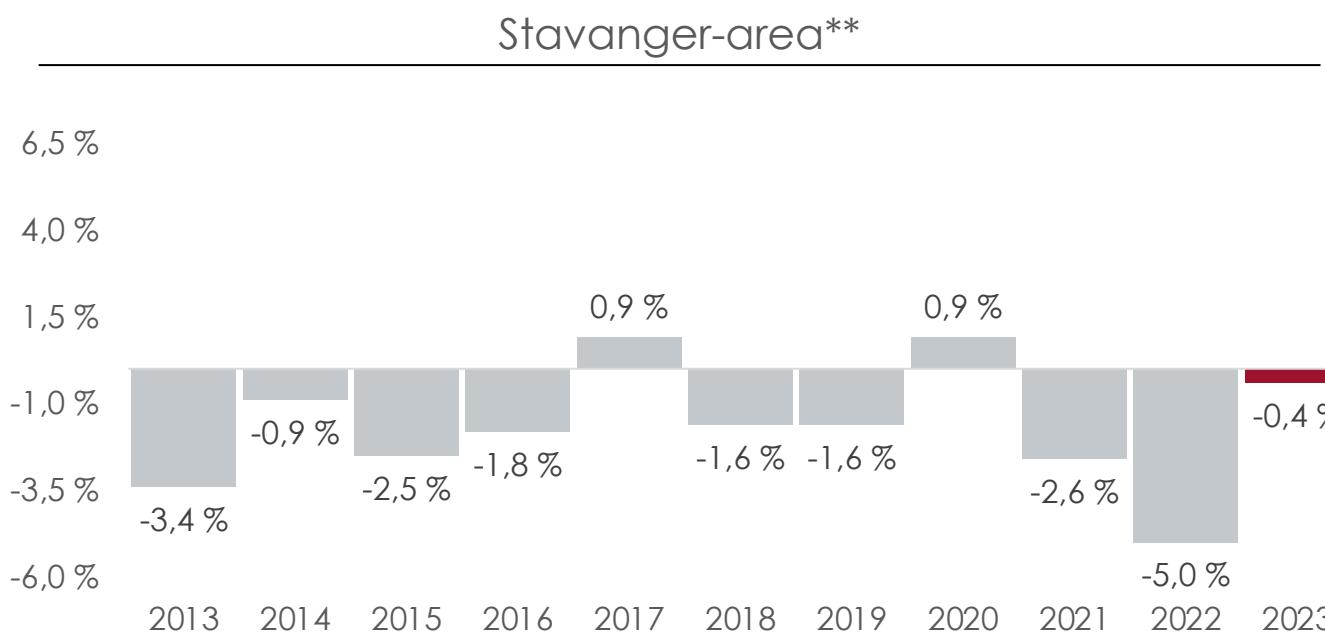
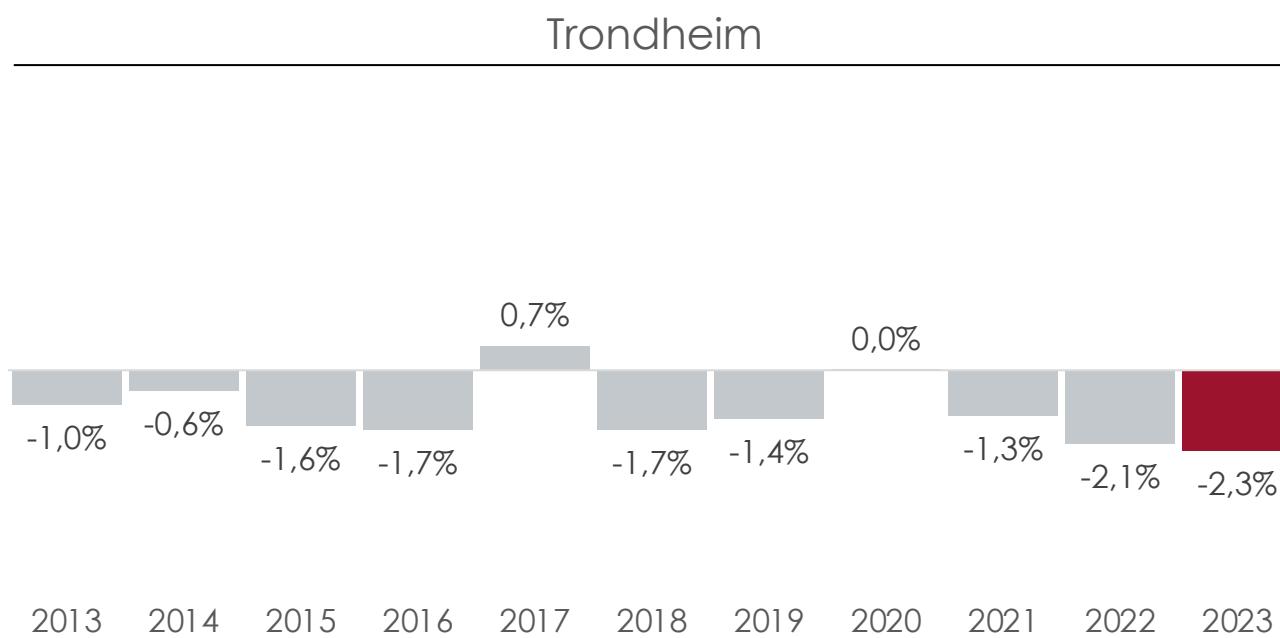
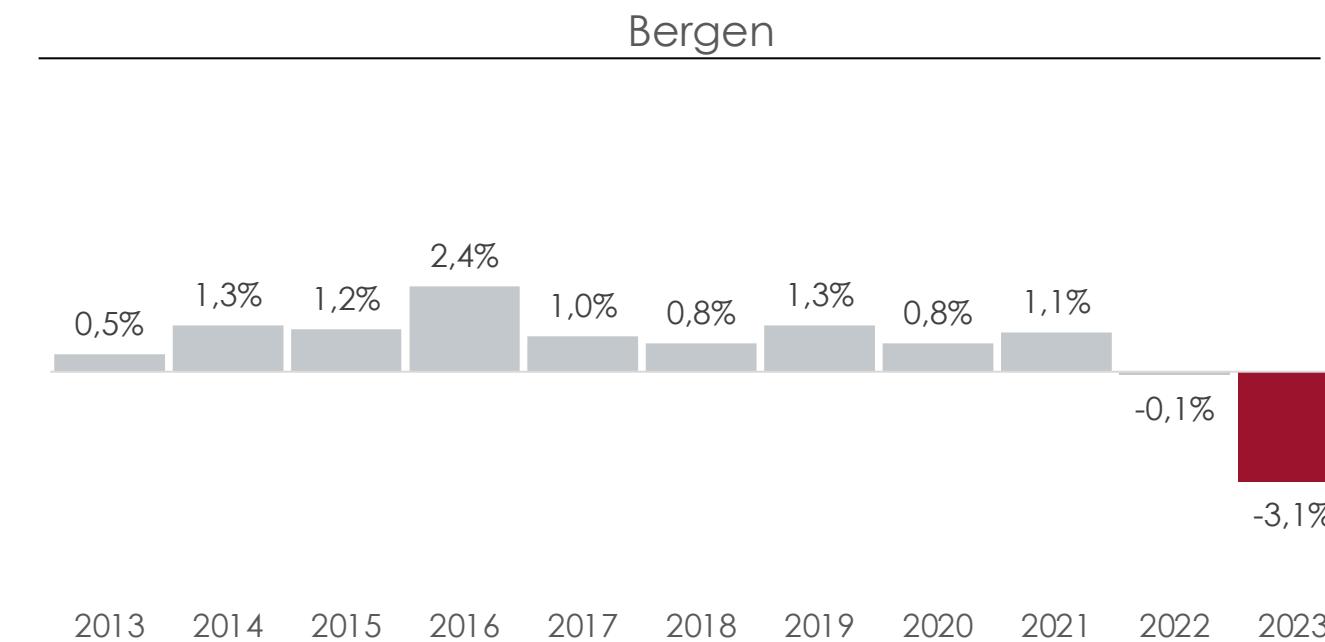
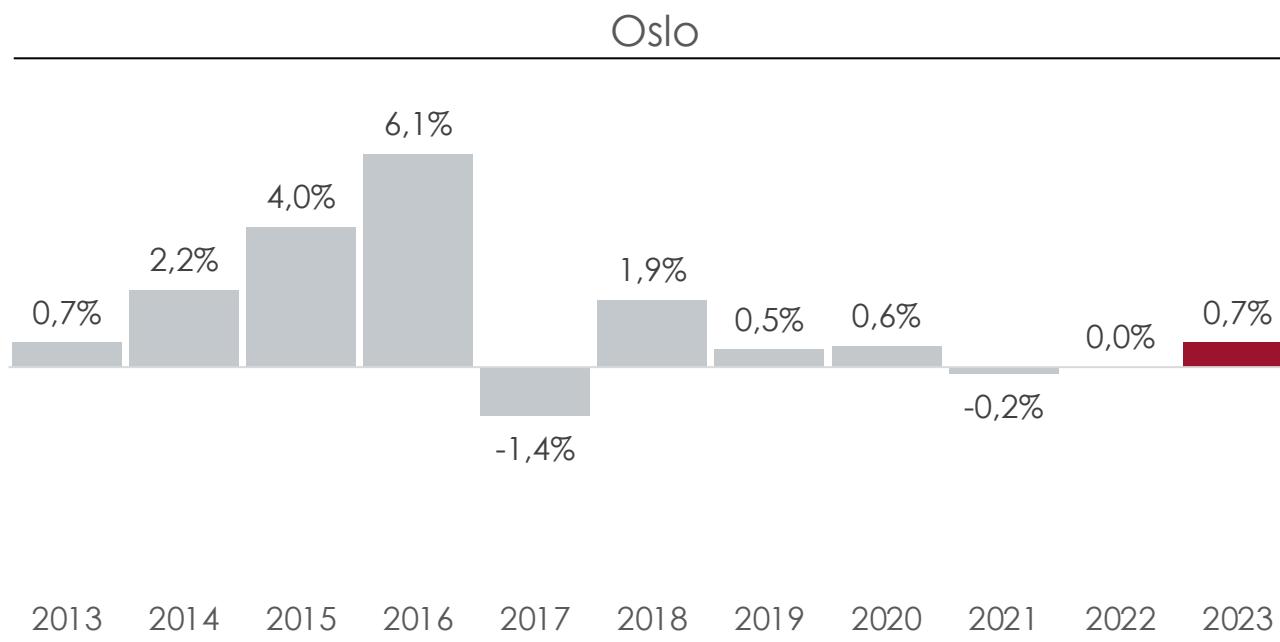
Regional price development 1.1-31.7, 2013-23



Source: Eiendom Norge.

* Includes Stavanger, Sola, Sandnes, Randaberg.

Regional price* development July, 2013-23



Source: Eiendom Norge.

* Nominal price change.

** Includes Stavanger, Sola, Sandnes, Randaberg.

Market outlook

- Housing shortage in Oslo area provides favorable conditions for new housing
- Increased viewing activity and positive sales development so far in H1 2023
- Expecting reduction in construction cost going forward
- Well positioned for market recovery
 - 350 units for sale at 1 August 2023
 - Potential for soles start of app. 500 additional units in H2 dependent on project economics and market conditions



Selected ongoing projects

Lørenskog stasjonsby

~ 2 000 units total

~ 200 Pluss units

~ 800 units remaining for sale



Skårerbyen

~ 1 100 units total

~ 250 Pluss units

~ 400 units remaining for sale



Landås

~ 650 units total

~ 400 Pluss units

~ 450 units remaining for sale



Kaldnes Brygge

~ 1 500 units total (JV)

~ 500 Pluss units

~ 500 units remaining for sale



Selected ongoing projects

Ringve Pluss

~ 600 units total (JV)

~ 400 Pluss units

~ 500 units remaining for sale



Sandsli

~ 1 150 units total

~ 500 Pluss units

~ 1000 units remaining for sale



Lervig Brygge

~ 800 units total

~ 200 Pluss units

~ 150 units remaining for sale



Solbergskogen Pluss

~ 300 Pluss units total

~ 250 units remaining for sale



Selected upcoming projects

Robust project pipeline to meet long term demand

Ballerud
Greater Oslo
~ 160 units



Solheimsvatnet Pluss (JV)
Bergen
~ 300 Pluss units



Barkarby Pluss
Stockholm
~ 220 Pluss units



Lørenvangen
Oslo
~ 200 units



Fredrikstad (JV)
Greater Oslo
~ 2 000 units
~400 Pluss units



Lilleaker
Oslo
~ 150 units



Hornsberg
Stockholm
~175 CITY units



Jessheim (JV)
Greater Oslo
~ 200 Pluss units



Fornebu (JV)
Greater Oslo
~ 2 000 units
~500 Pluss units



Bjerke
Oslo
~ 1 500 units
~300 Pluss units



Nacka
Stockholm
~150 Pluss units



Slakhusområdet
Stockholm
~170 Pluss units
(2027)



2023

2024

Potential sales start

2025

2026 and 2027

Agenda

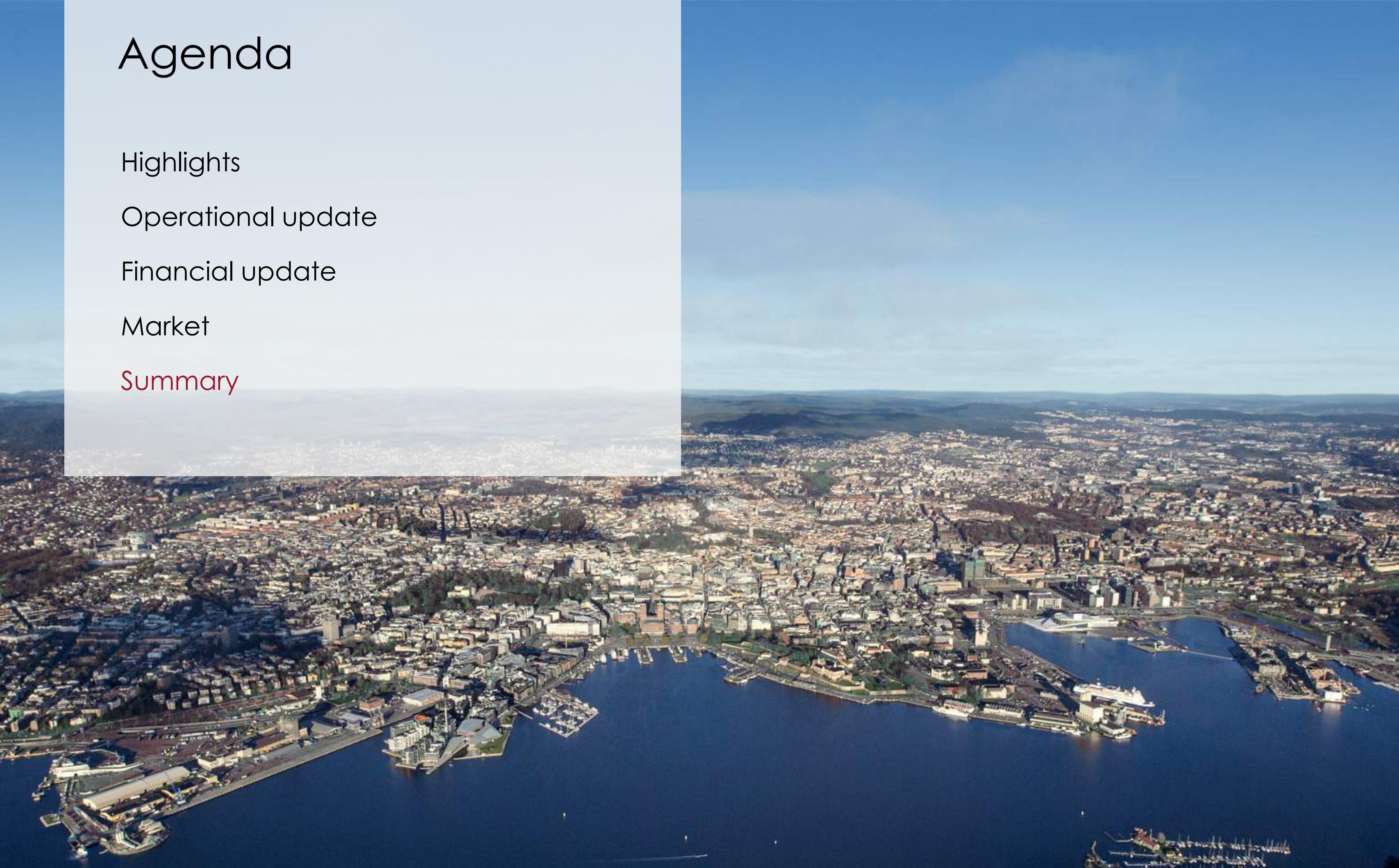
Highlights

Operational update

Financial update

Market

Summary



Summary

- Stronger sales than second half of last year
- Satisfactory result considering challenging market conditions
- Acquired new land in Stockholm for 175 units in Q2, land bank increased by 1 000+ units year to date
- Introducing first CITY*-project in Stockholm
- Dividend of NOK 1.00 per share for H1'23



Thank you for your attention – follow us online!

Next event:
3rd quarter 2023
9 November 2023

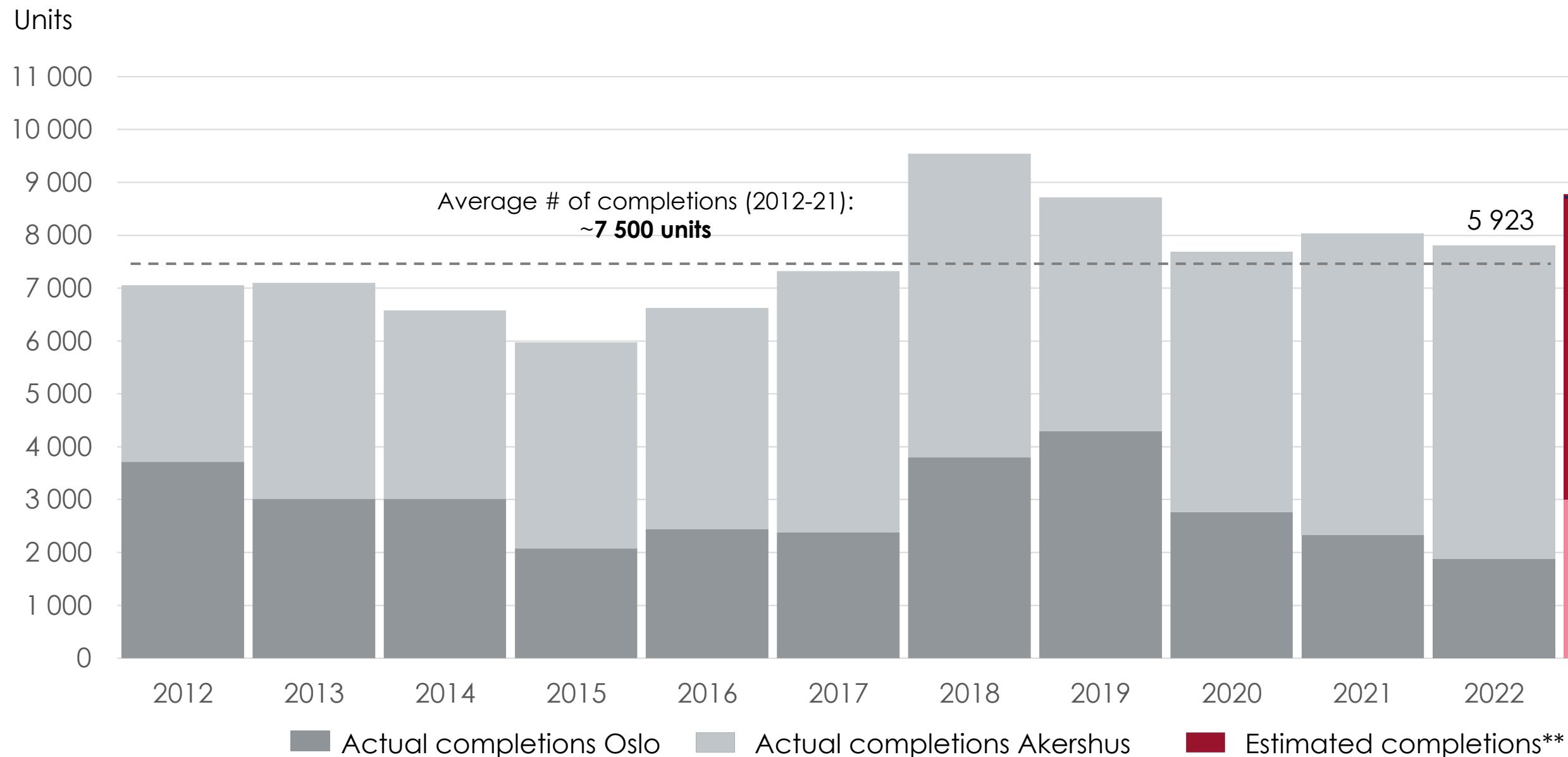


@SelvaagAksjen

Appendix



Estimated completions in Oslo and Akershus*



Sources: Historic data: Statistics Norway (SSB), Forecasted housing completions: Hawii Analyse, Forecasted housing need next 5 years: Prognosesenteret.

Note: Number of persons per household in Oslo: 1.90.

Note: Housing need calculated on parameters such as number of persons per household, lag on housing development, housing demolition.

Note: Completions exclusive of student- and senior housing.

* Akershus county = Viken county ex. Buskerud and Østfold.

** Estimates based on actual sales, future sales starts, and historical data.

*** Uncertainty due to project lead-time.

Dividend policy

Revised dividend policy:

Selvaag Bolig's ambition is to pay high and stable dividends to its owners.

The company aims to pay dividends of minimum 60 per cent of net annual profit, paid in two instalments over the year. However, the size of the dividend will be weighed against the company's liquidity forecasts and capital adequacy.

Old dividend policy:

Selvaag Bolig's ambition is to pay high and stable dividends to its owners.

The company aims to pay dividends of minimum 40 per cent of net annual profit, paid in two instalments over the year. However, the size of the dividend will be weighed against the company's liquidity forecasts and capital adequacy.

The company will maintain an equity ratio of minimum 30 per cent.

Share performance since IPO in June 2012

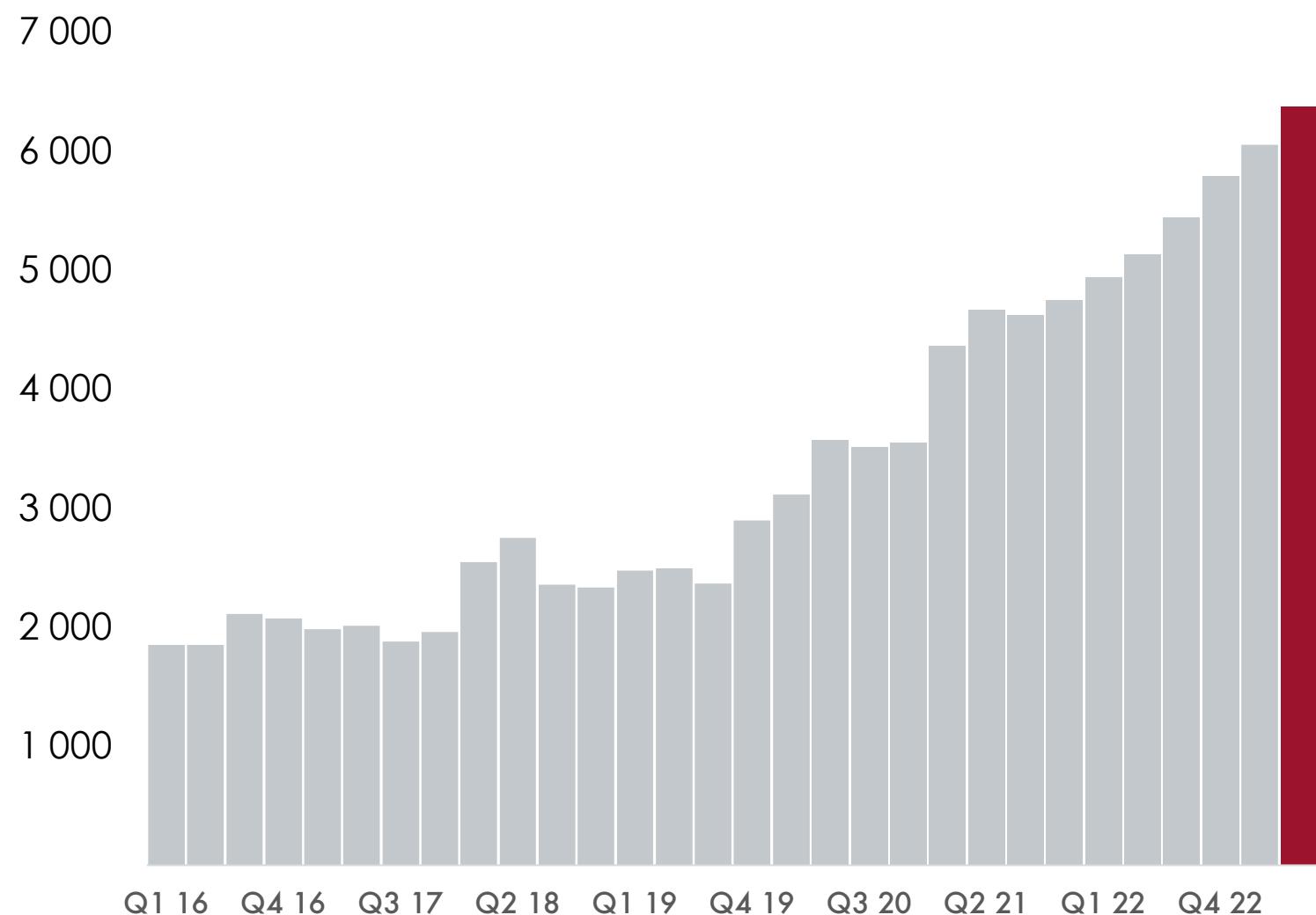


Source: Oslo Børs

Share information

- Total number of shares: 93.8 million
- Number of shareholders: 6 370 (6 049)*
 - 20 largest controlling 79.0% (81.3)
 - Selvaag AS largest shareholder - 53.5%
- Trading
 - 2.9 million shares during the quarter (9.3), 2.9% of total shares outstanding (6.2%)
 - Share turnover totaled NOK 92 million (307)

Number of shareholders



* All numbers in brackets from previous quarter.

Largest shareholders at 30.6.2023

Shareholder	# of shares	% share
SELVAAG AS	50 180 087	53.5%
PARETO INVEST NORGE AS	4 671 772	5.0%
VERDIPAPIRFONDET ALFRED BERG GAMBA	3 266 051	3.5%
The Northern Trust Comp, London Br *	2 186 000	2.3%
JPMorgan Chase Bank, N.A., London *	1 911 395	2.0%
SANDEN EQUITY AS	1 600 000	1.7%
EGD CAPITAL AS	1 204 580	1.3%
MUSTAD INDUSTRIER AS	1 067 454	1.1%
Goldman Sachs International *	974 443	1.0%
HAUSTA INVESTOR AS	927 879	1.0%
The Northern Trust Comp, London Br *	840 200	0.9%
BANAN II AS	830 000	0.9%
Brown Brothers Harriman & Co. *	684 331	0.7%
J.P. Morgan SE *	646 269	0.7%
Skandinaviska Enskilda Banken AB *	613 995	0.7%
GÅSØ NÆRINGSUTVIKLING AS	530 599	0.6%
BNP Paribas *	530 000	0.6%
Brown Brothers Harriman & Co. *	509 989	0.5%
Skandinaviska Enskilda Banken AB *	477 692	0.5%
Sverre Molvik	387 905	0.4%
Total 20 largest shareholders	74 040 641	79.0%
Other shareholders	19 725 047	21.0%
Total number of shares	93 765 688	100.0%

* Further information regarding shareholders is presented at: <http://sboasa.no/en>

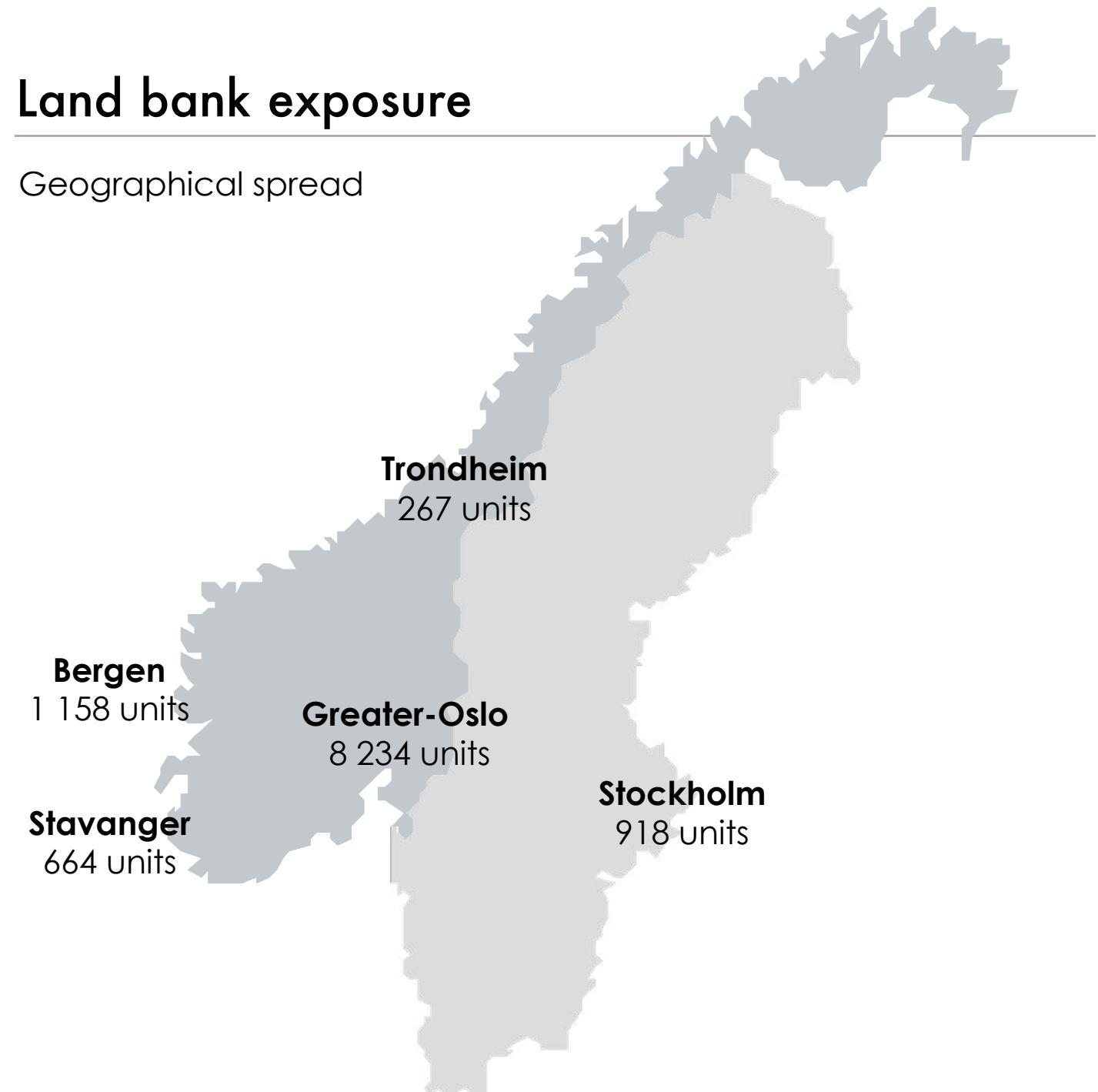
Substantial land bank in Norway's four largest growing urban areas

Land-bank strategy

- Acquire the right mix of zoned and unzoned land in suitable locations
- Land acquisitions in defined core areas
- High degree of site utilisation and strategic land development
- Substantial land bank to accommodate targets/growth in core areas
- Good infrastructure and public transport
- Joint ventures (JVs)

Land bank exposure

Geographical spread



Note: The numbers represent the size of the land portfolio at 31 December 2022. All numbers are adjusted for Selvaag Bolig's share in joint ventures. The total portfolio is ~10 550 units. Of these ~5 250 are options and obligations to buy.

Change in needs calls for new concepts

Selvaag Pluss

- Lifestyle concept
- Attractive common areas
- Professional hosting services
- Service offerings and good neighbourliness, make every day living easier
- Guestrooms for family and friends
- Work-out- and fitness centre

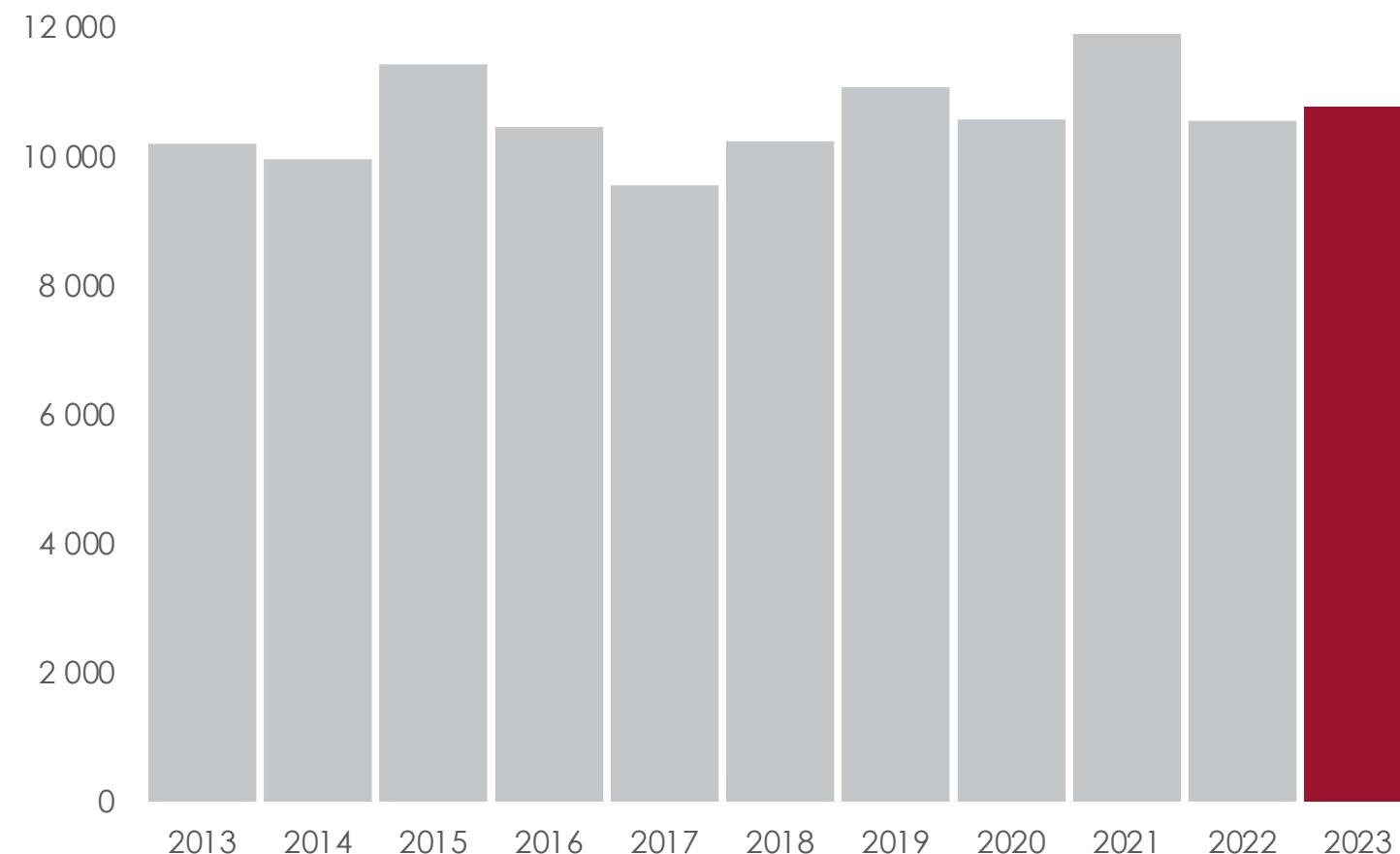
Selvaag City

- Urban lifestyle concept with compact apartments
- Attractive common areas
- Professional hosting services
- Service offerings and good neighbourliness, make every day living easier
- Guestrooms for family and friends
- Work-out- and fitness centre

Oslo second-hand market update

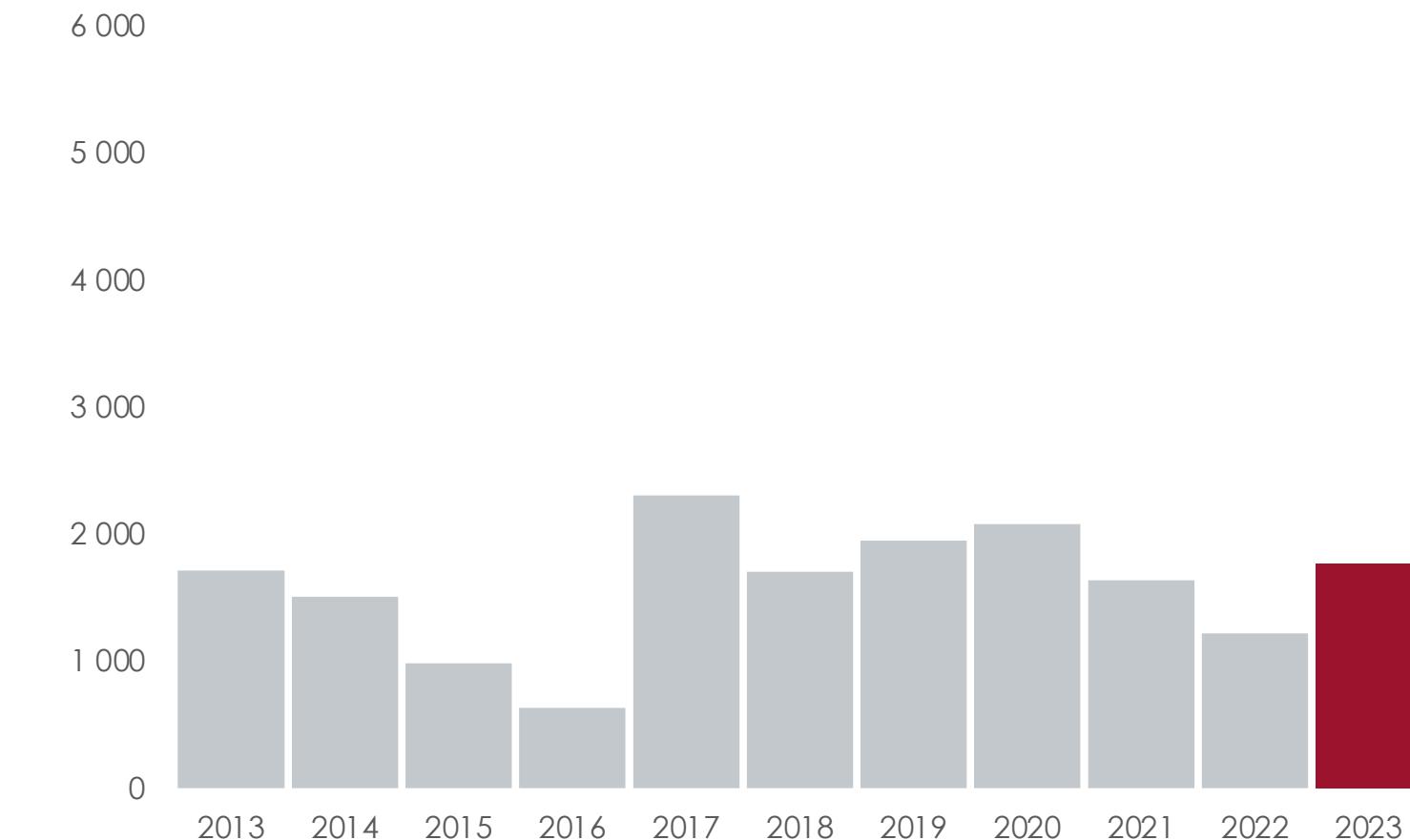
Units sold 1.1 - 30.6, 2013-23

Units



Inventory at 30.6, 2013-23

Units

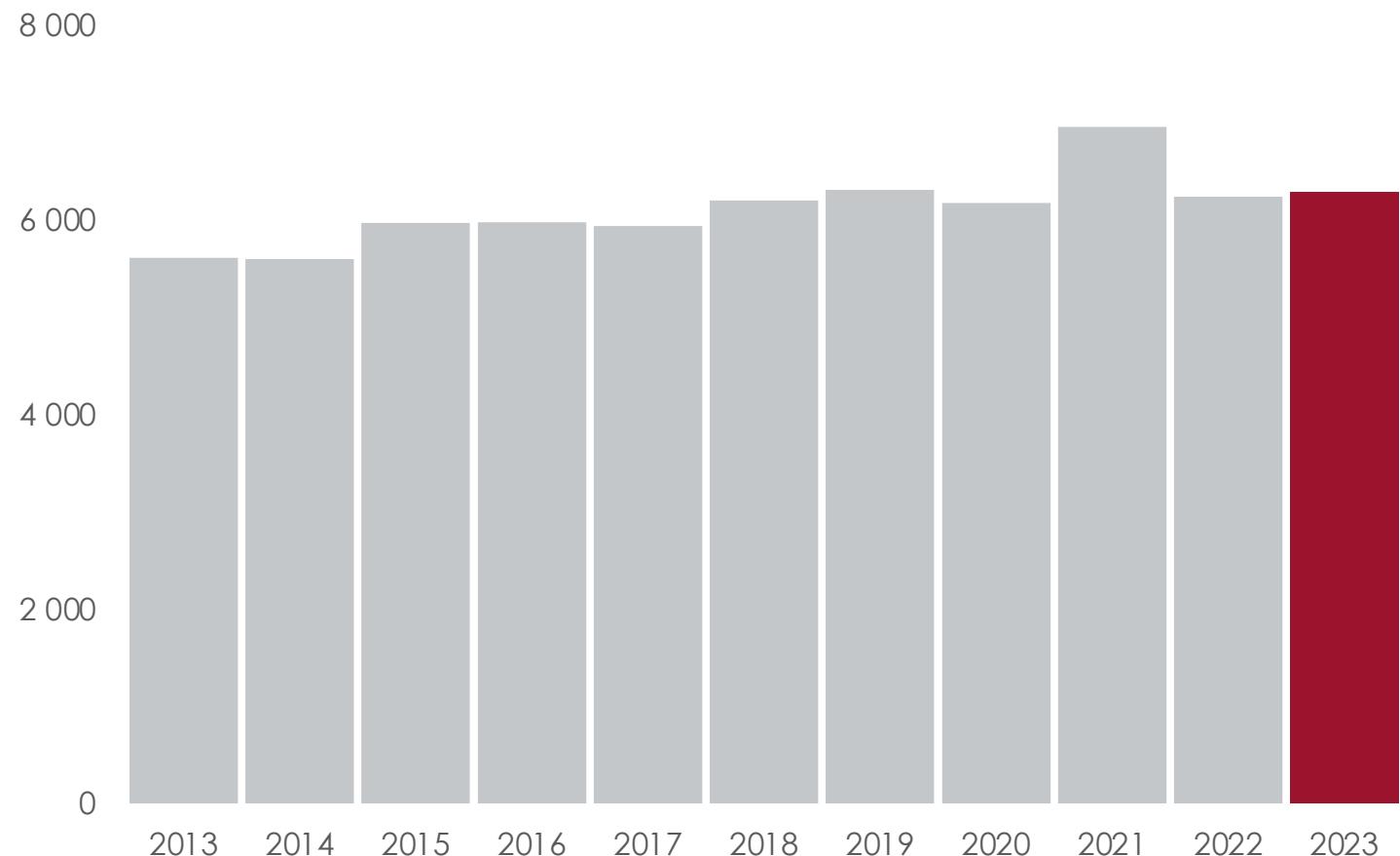


Source: Eiendomsverdi.

Akershus* second-hand market update

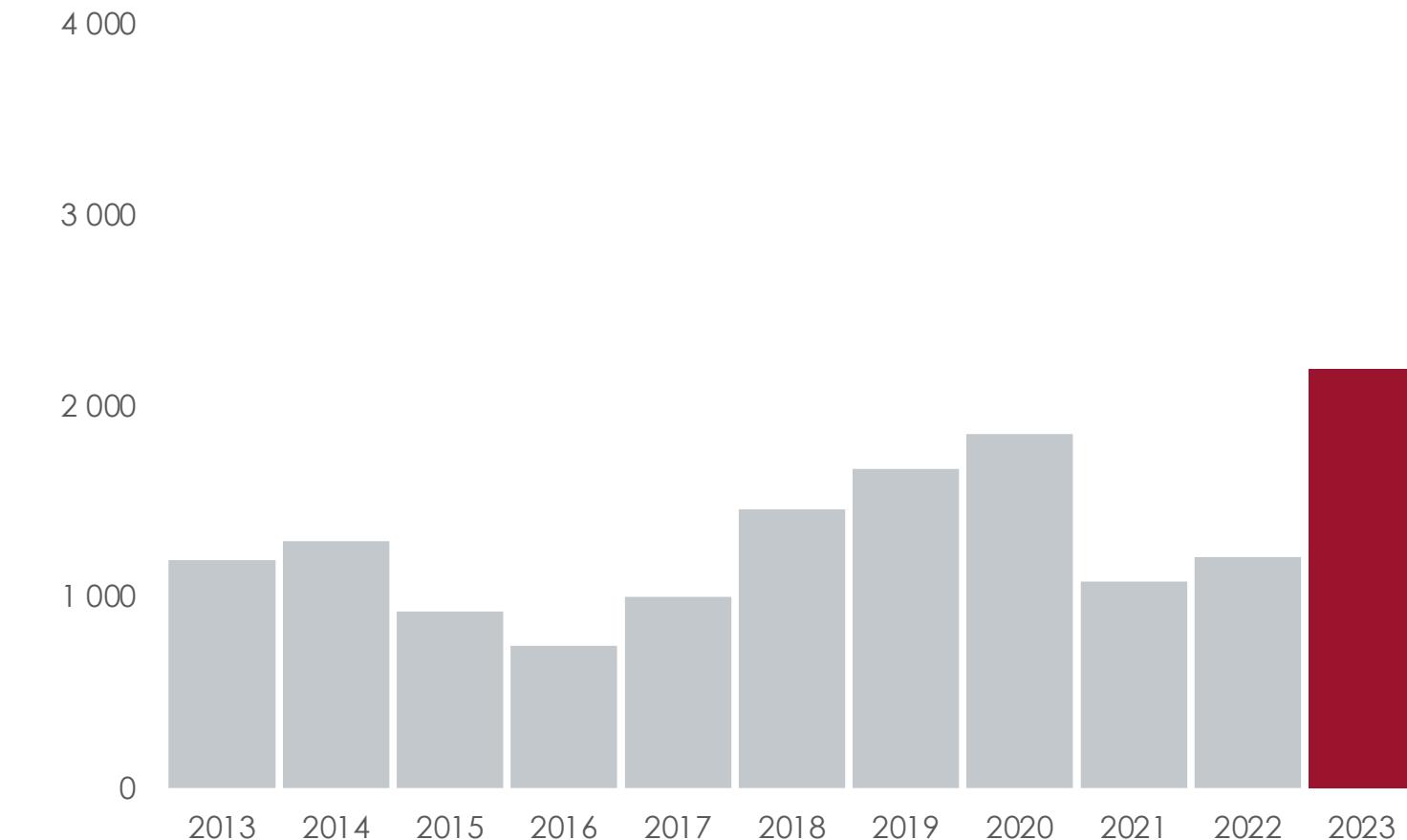
Units sold 1.1 - 30.6, 2013-23

Units



Inventory at 30.6, 2013-23

Units



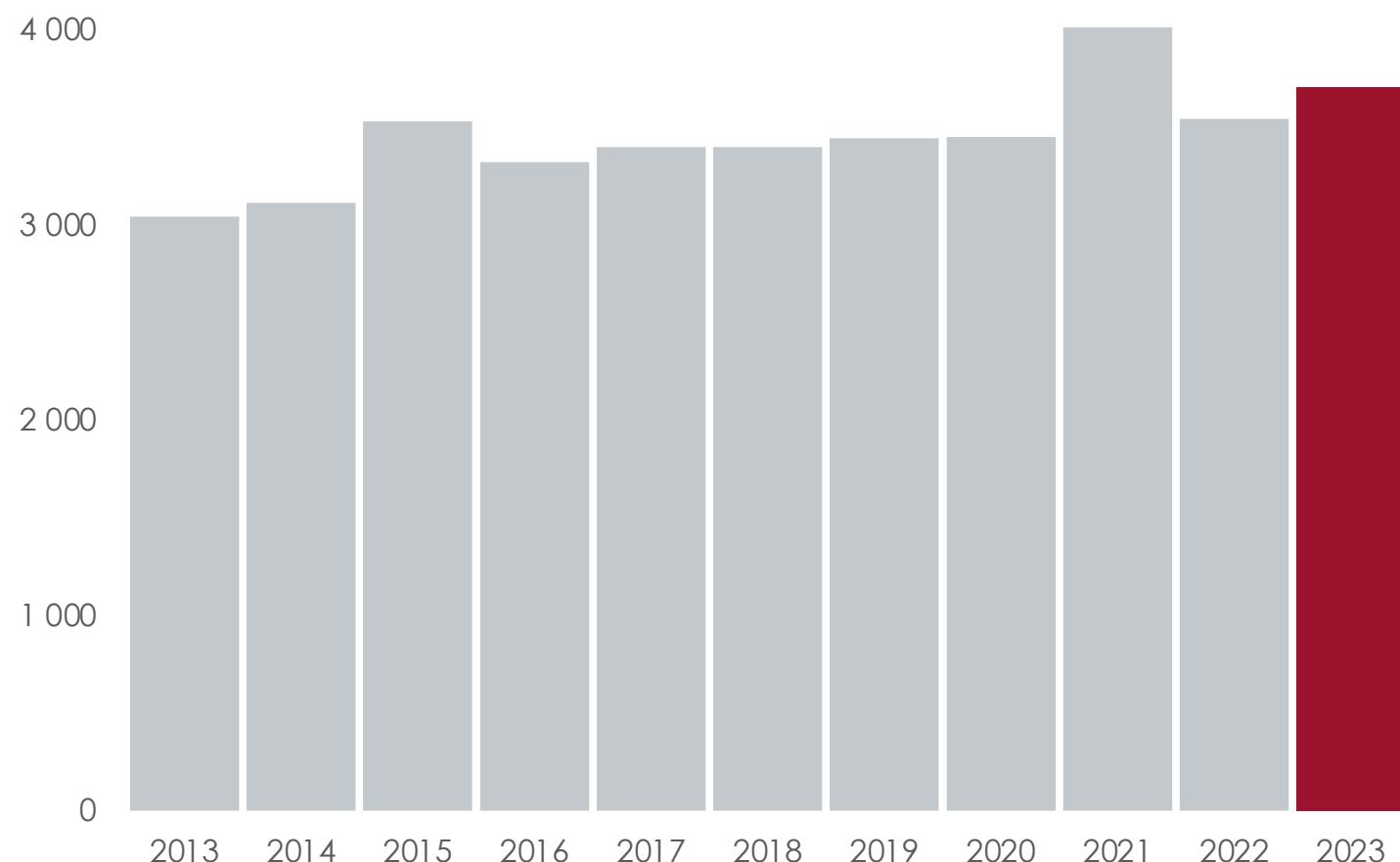
Source: Eiendomsverdi.

* Akershus county = Viken county ex. Buskerud and Østfold.

Bergen second-hand market update

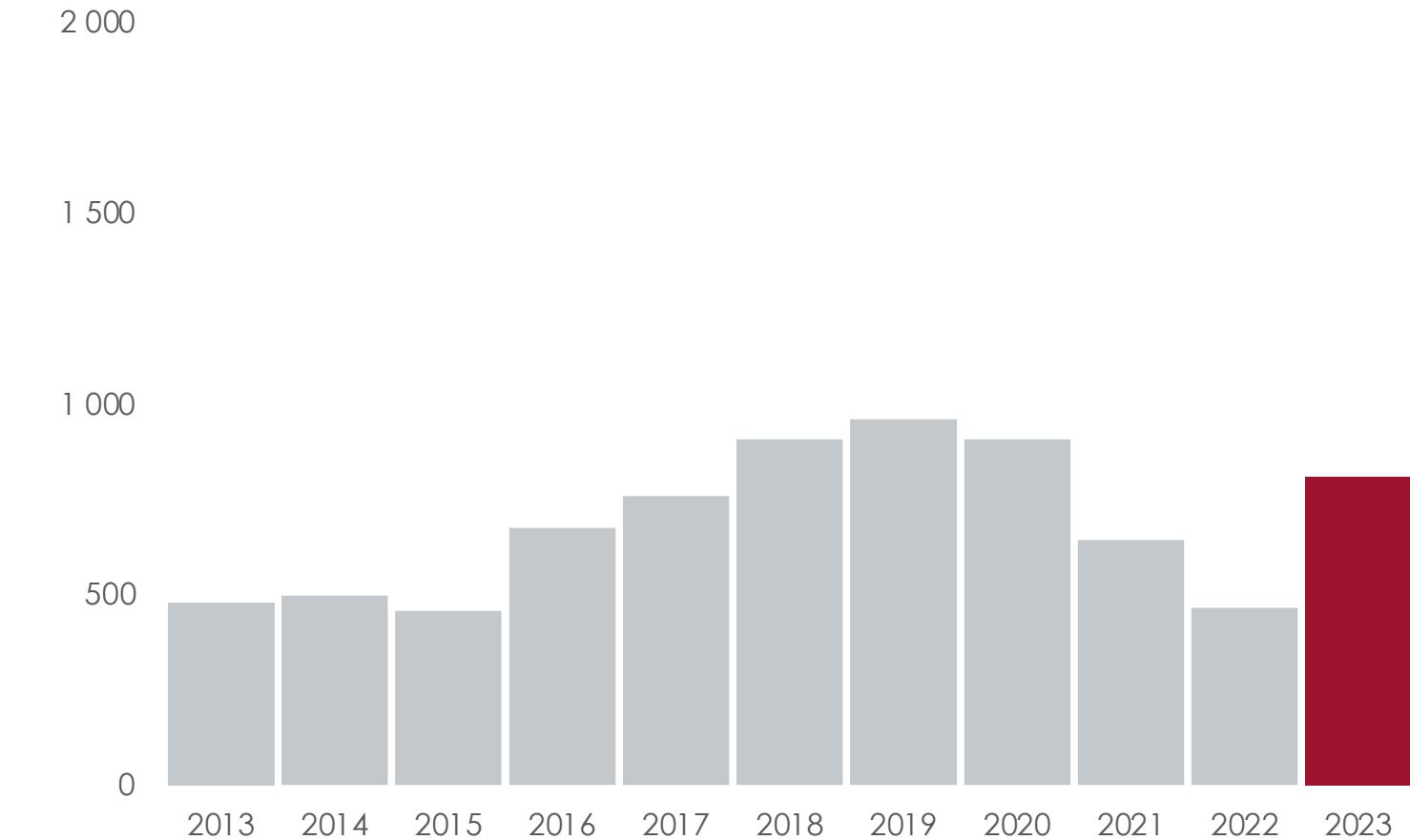
Units sold 1.1 - 30.6, 2013-23

Units



Inventory at 30.6, 2013-23

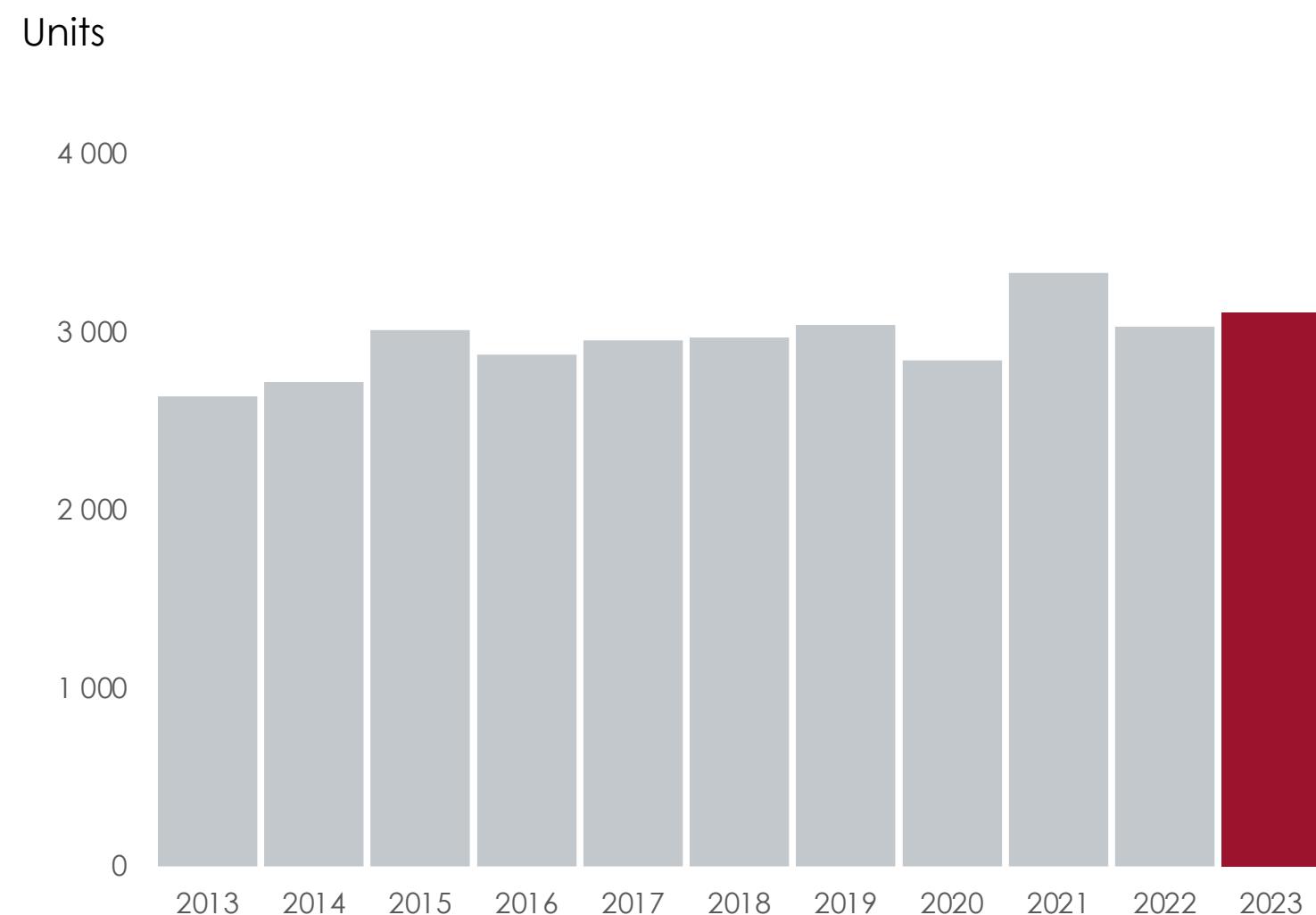
Units



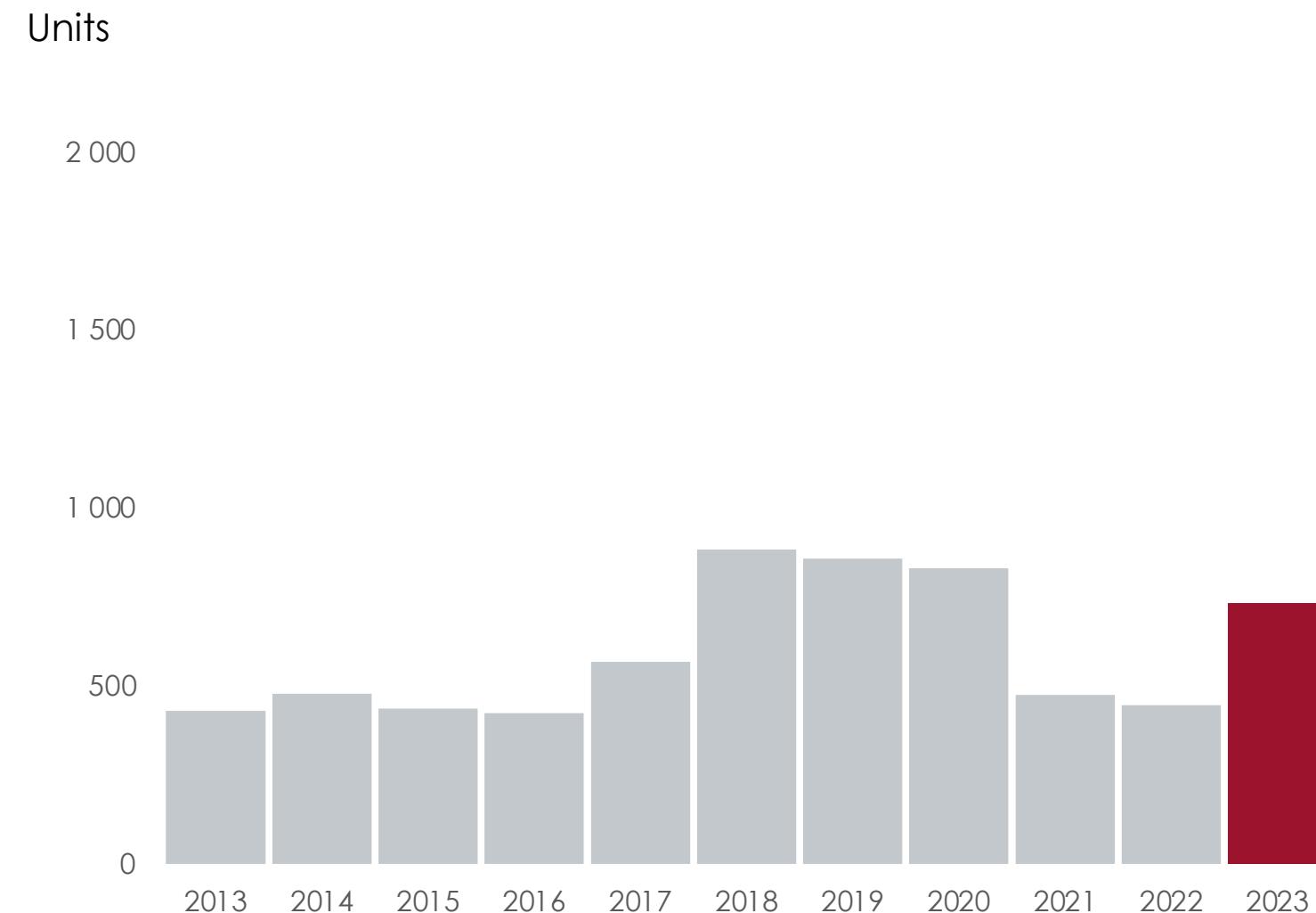
Source: Eiendomsverdi.

Trondheim second-hand market update

Units sold 1.1 - 30.6, 2013-23



Inventory at 30.6, 2013-23

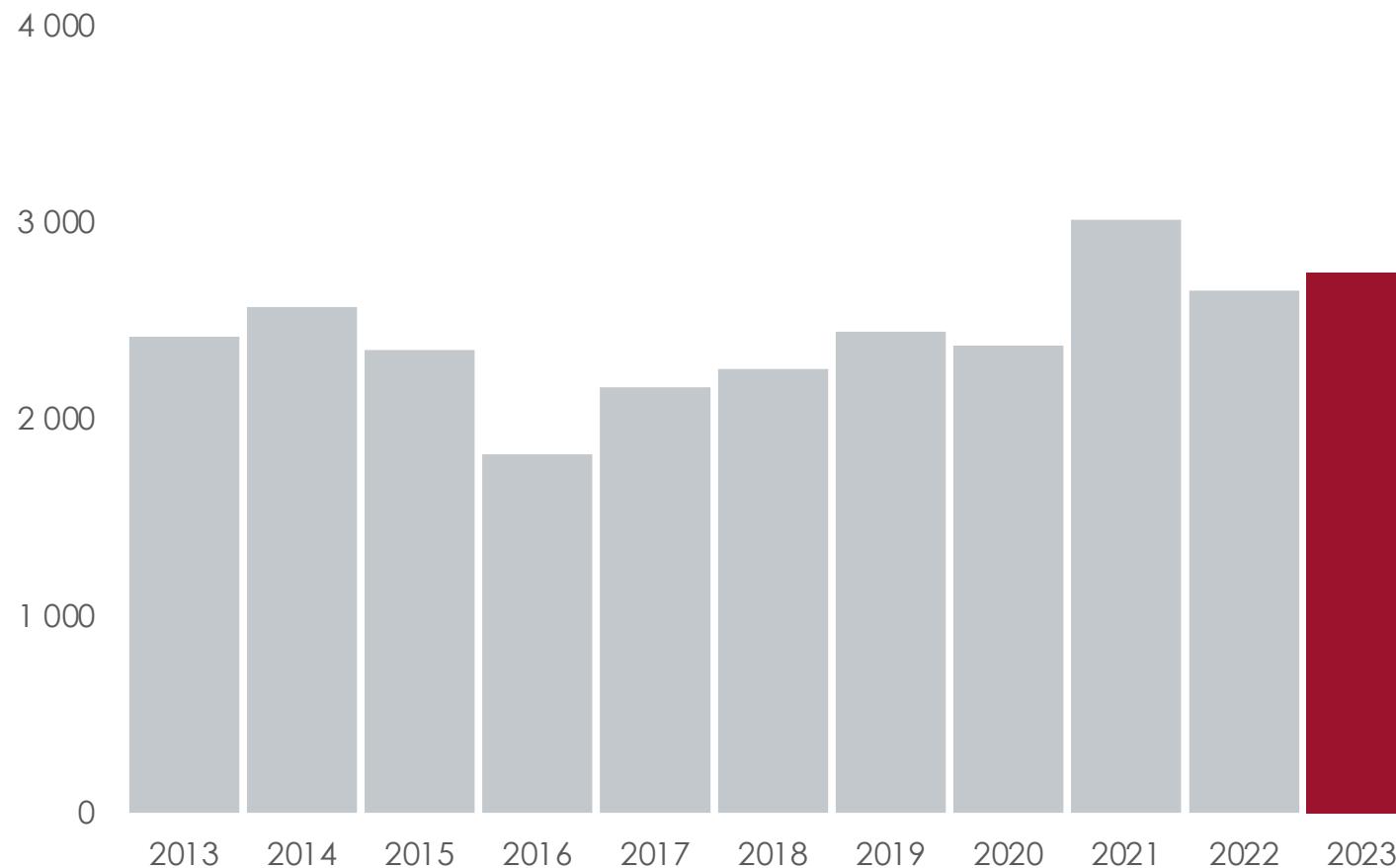


Source: Eiendomsverdi.

Stavanger-area* second-hand market update

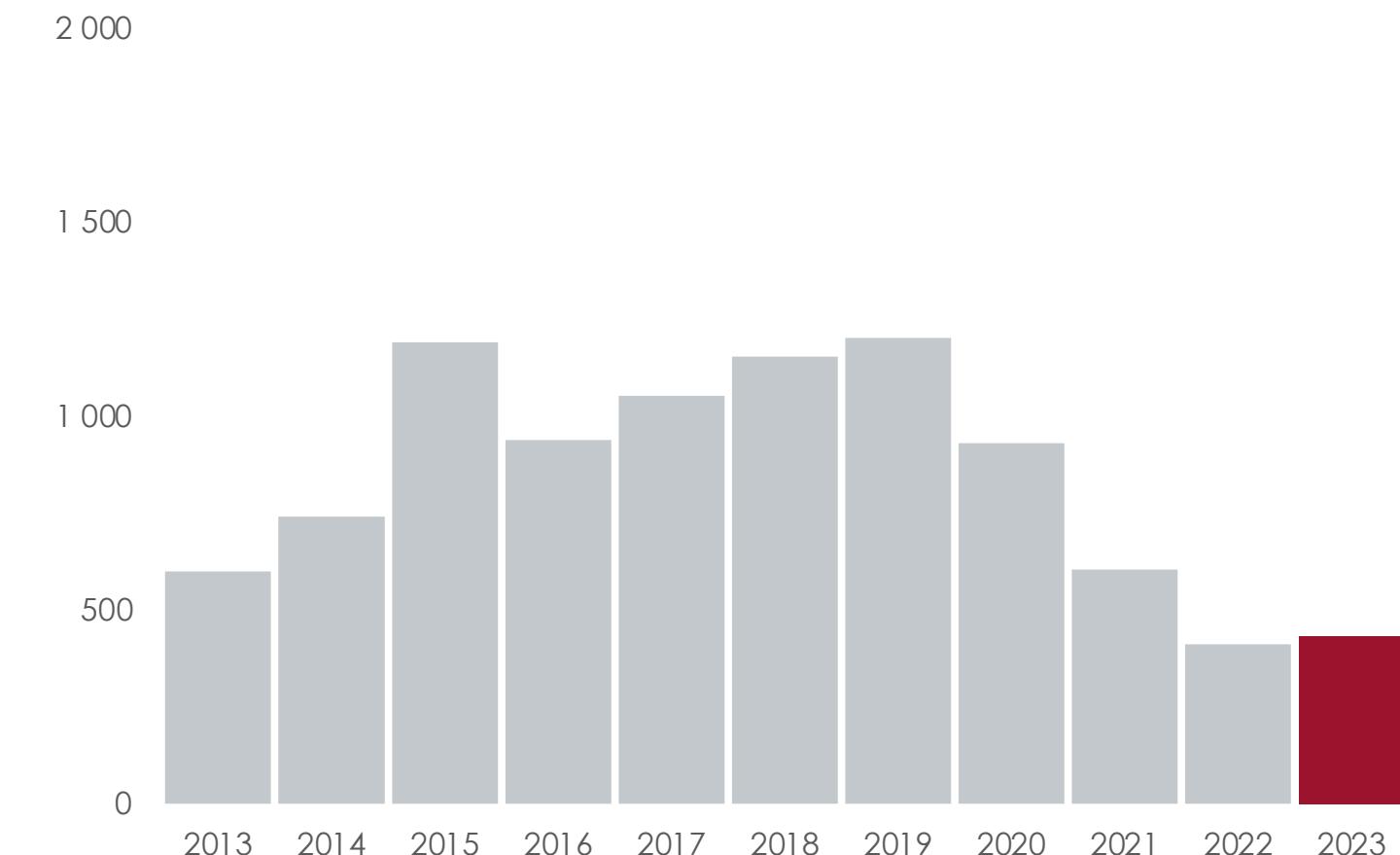
Units sold 1.1 - 30.6, 2013-23

Units



Inventory at 30.6, 2013-23

Units



Source: Eiendomsverdi.

* Includes Stavanger, Sola, Sandnes, Randaberg.

Regional price* development – July 2023

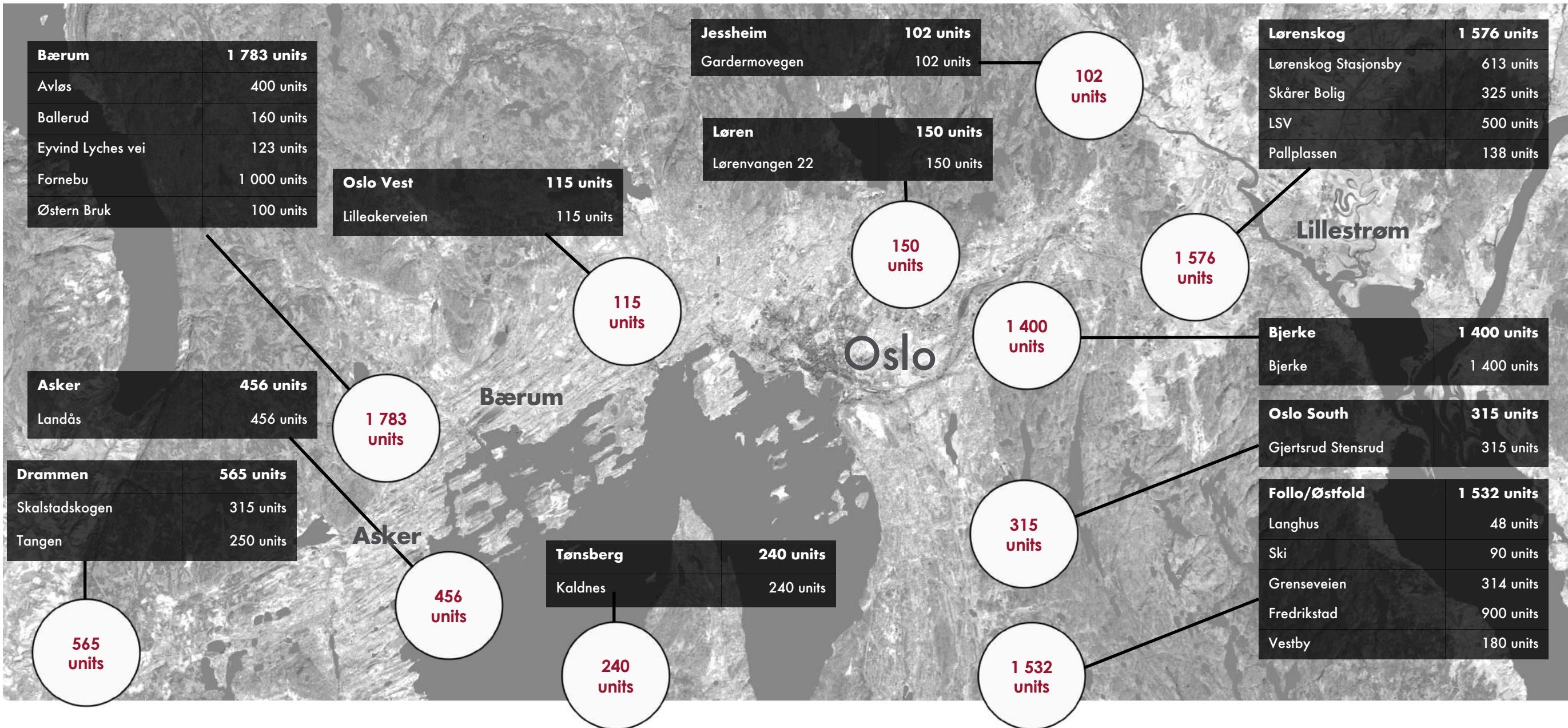
Area	% chg -1M	% chg. -1M seasonal adj.	% chg YtD	% chg -12m	% chg -5Y	% chg -10Y	Average price/sqm (NOK)	Average price (NOK)
Oslo	0.7%	0.5%	6.8%	0.5%	27.0%	85.6%	93 803	5 752 332
Bergen	-3.1%	-2.9%	4.2%	-3.7%	16.9%	36.0%	54 955	3 611 980
Trondheim	-2.3%	-0.4%	2.1%	-2.3%	17.7%	37.4%	55 601	3 938 457
Stavanger-area**	-0.4%	1.4%	9.9%	7.1%	23.0%	11.5%	44 161	3 990 195
Norway	-1.1%	0.2%	5.2%	-0.2%	22.1%	56.6%	48 449	3 944 271

Source: Eiendom Norge.

* Nominal price change.

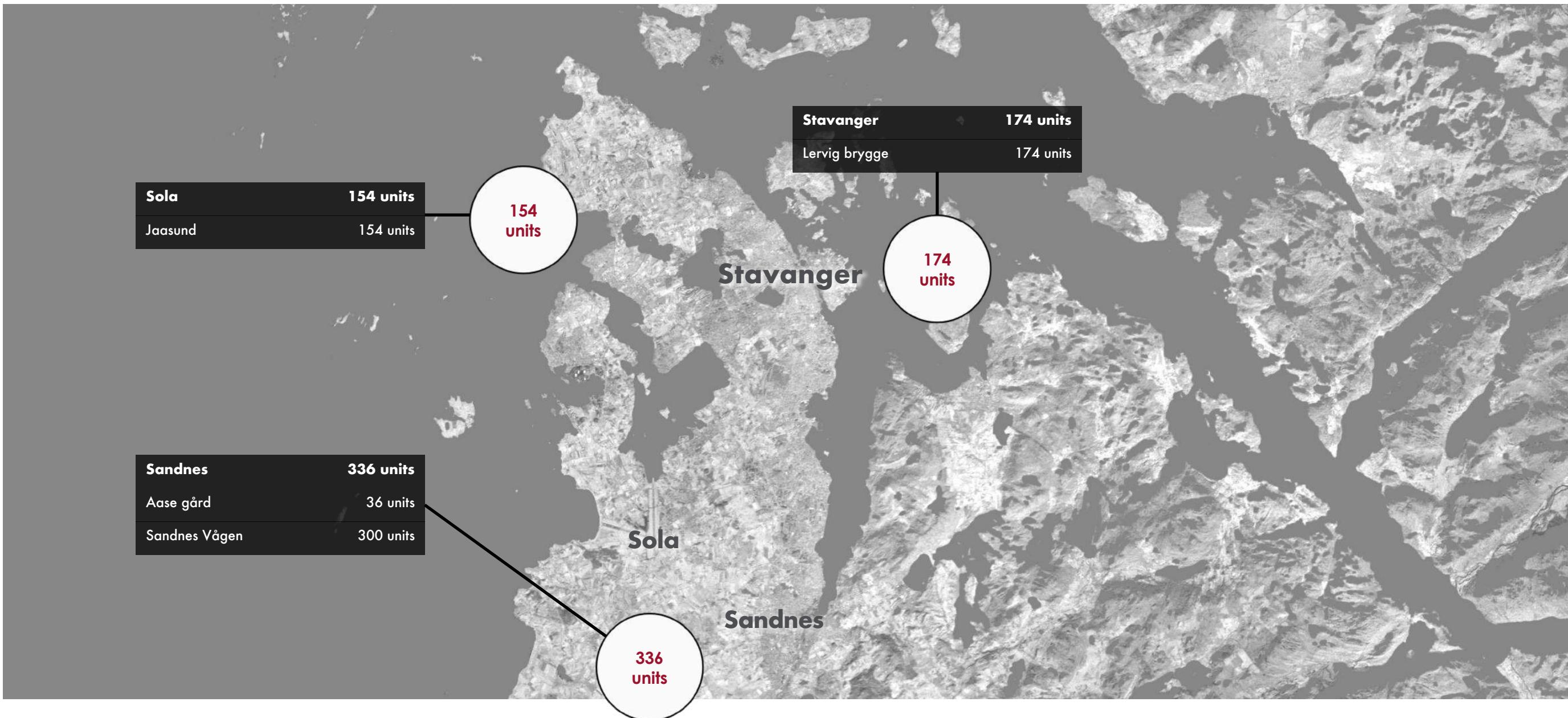
** Includes Stavanger, Sola, Sandnes, Randaberg.

Land bank in Oslo and Greater Oslo at 30.6.23



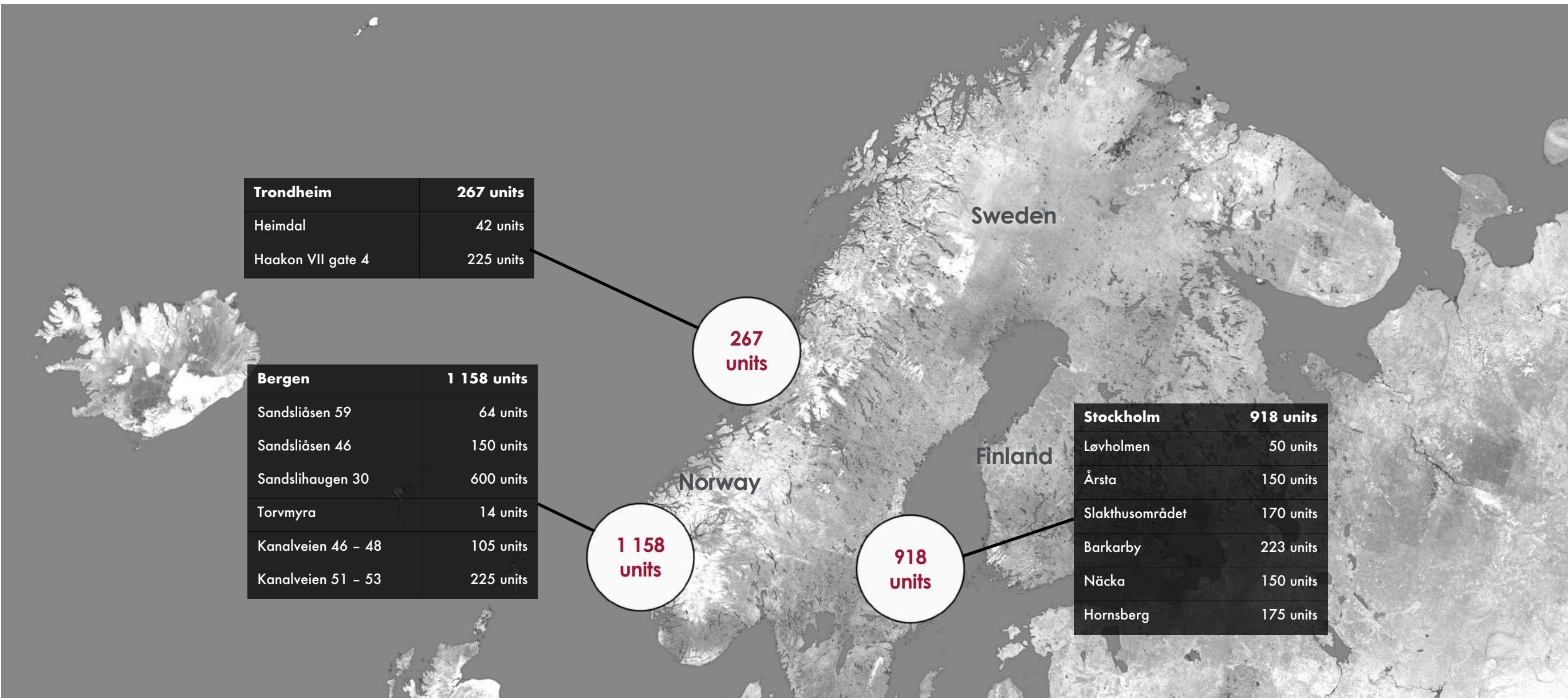
*The numbers are adjusted for Selvaag Bolig's share in joint ventures

Land bank in Stavanger area at 30.6.23



*The numbers are adjusted for Selvaag Bolig's share in joint ventures

Land bank in Bergen, Trondheim and Stockholm at 30.6.23



*The numbers are adjusted for Selvaag Bolig's share in joint ventures.

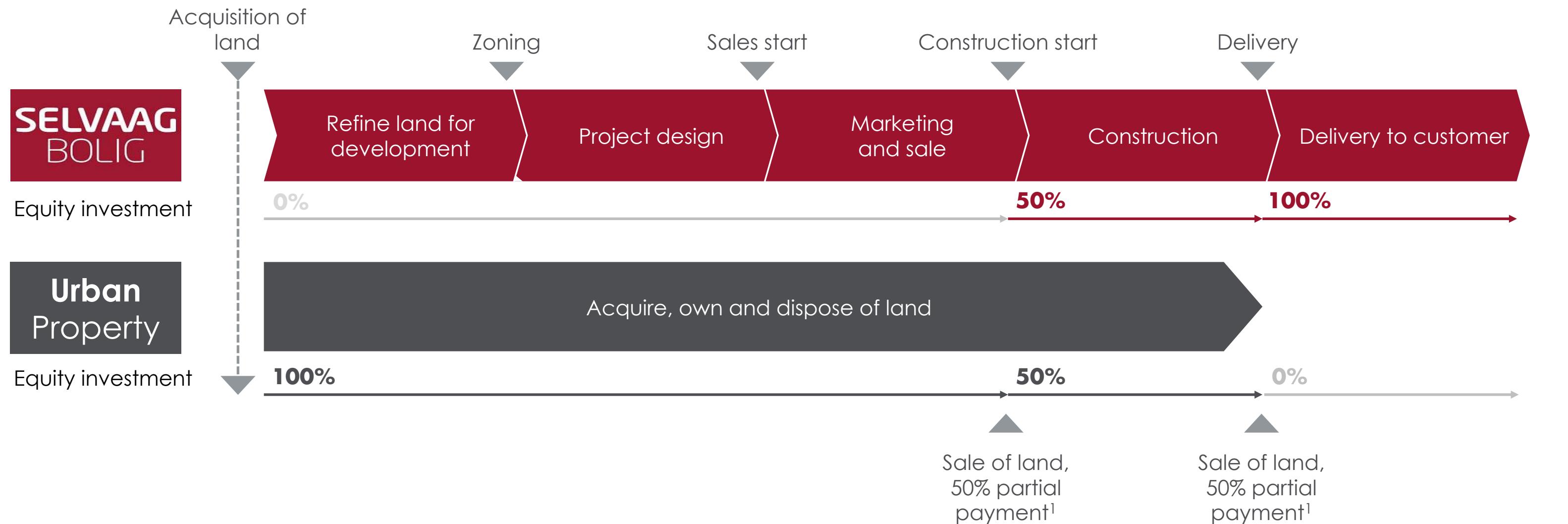
Cooperation with Urban Property from 1.1.2021

Selvaag Bolig sold most of its land bank to Urban Property in January 2020, entering a long-term and strategic partnership. Urban Property is a financially sound, well capitalized and predictable partner.

- How it works:
 - Urban Property has a right of first refusal (ROFR) to purchase all new land Selvaag Bolig wants to develop
 - Urban Property acquires land on Selvaag Bolig recommendations
 - Selvaag Bolig has an option to repurchase the land in stages
 - Fee structure:
 - 2.5% transaction fee
 - Annual option premium of NIBOR +375bp
- Benefits for Selvaag Bolig:
 - Eliminates need for equity when purchasing land, as SBO pay 50% of purchasing price at construction start and 50% at project completion
 - Increases return on equity
 - Allows for a higher dividend payout ratio
 - More efficient and predictable funding of existing and new land plots
 - Increases competitiveness when making land purchases
 - Down-side risk for SBO limited to 48 months option premium (break fee)

No equity investment in early phase through land bank cooperation with Urban Property

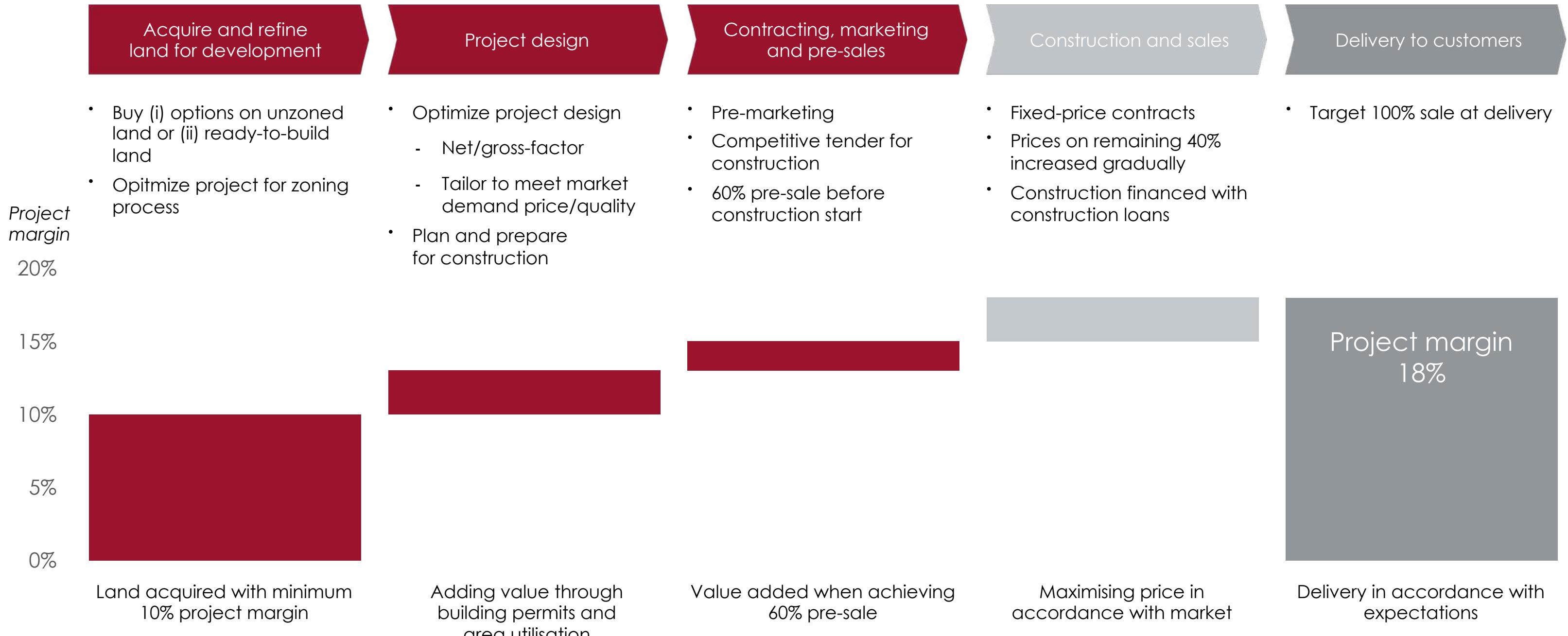
Cooperation between Selvaag Bolig and Urban Property



1) + 2.5% transaction fee and option price (Nibor + 375bps).

Business model securing healthy project margins

Margin development through project stages¹



Example project calculations before and after

	PROJECT CALCULATIONS BEFORE URBAN PROPERTY		PROJECT CALCULATIONS AFTER URBAN PROPERTY	
	MNOK	%	MNOK	%
Figures for illustration purposes only				
Sales revenue	348.5	100.0%	348.5	100.0%
Construction cost	195.8	56.2%	195.8	56.2%
Land cost	69.7	20.0%	85.2	24.4%
Other costs	24.5	7.0%	24.5	7.0%
Project cost	290.0	83.2%	305.5	87.7%
Net finance (excluding Urban Property)	16.8	4.8%	5.3	1.5%
TOTAL REVENUE	348.5	100.0%	348.5	100.0%
TOTAL COST	306.8	88.0%	310.9	89.2%
PROFIT	41.7	12.0 %	37.7	10.8%
Internal rate of return (IRR)		12.2%		28.0%

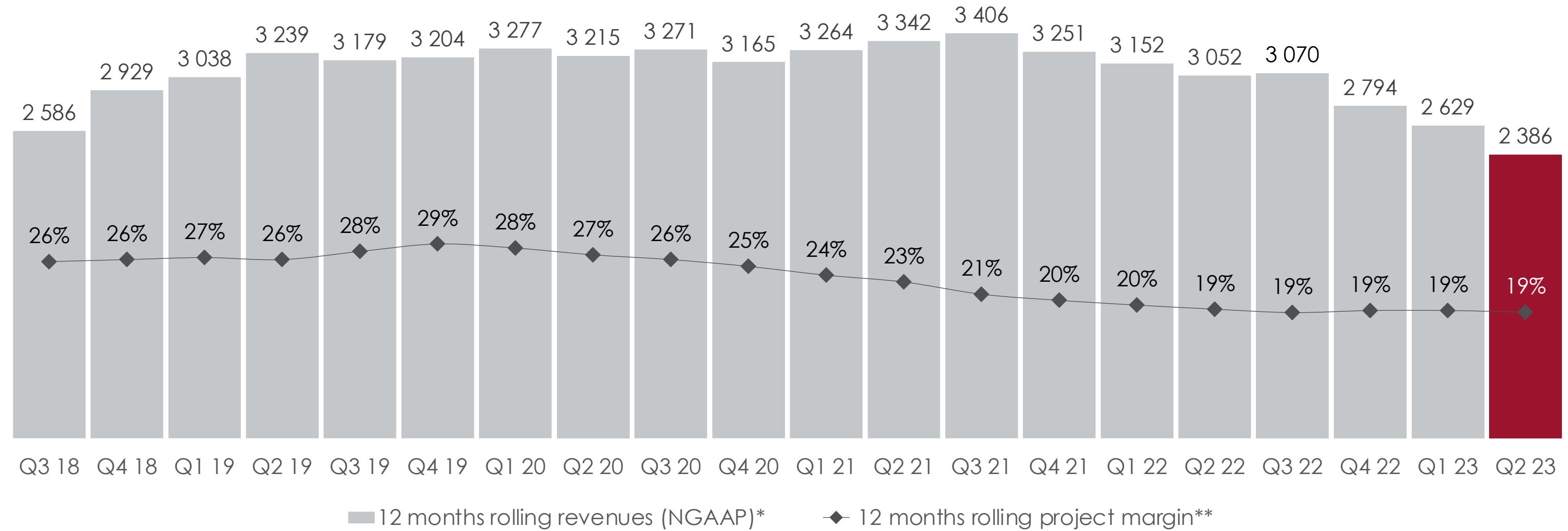
- 1 Initial project margin and IRR before Urban Property when purchasing land at market value
- 2 Initial project margin and IRR with Urban Property as partner when purchasing land at market value (including option premium)

→ In total marginal lower project margins, but significantly increased IRR and RoE

Example apply a land ownership period in Urban Property of 3-4 years, and a finance cost of 4% on all capital employed in the project.

Project margin development

NOK million



* Includes project revenues only.

** Project margins are exclusive of overhead costs. Construction costs are exclusive of financial expenses in the segment reporting (NGAAP).

Substantial portfolio for development

Total land bank portfolio at 30.6.2023

Units



Valuation of remaining land bank*

NOK million

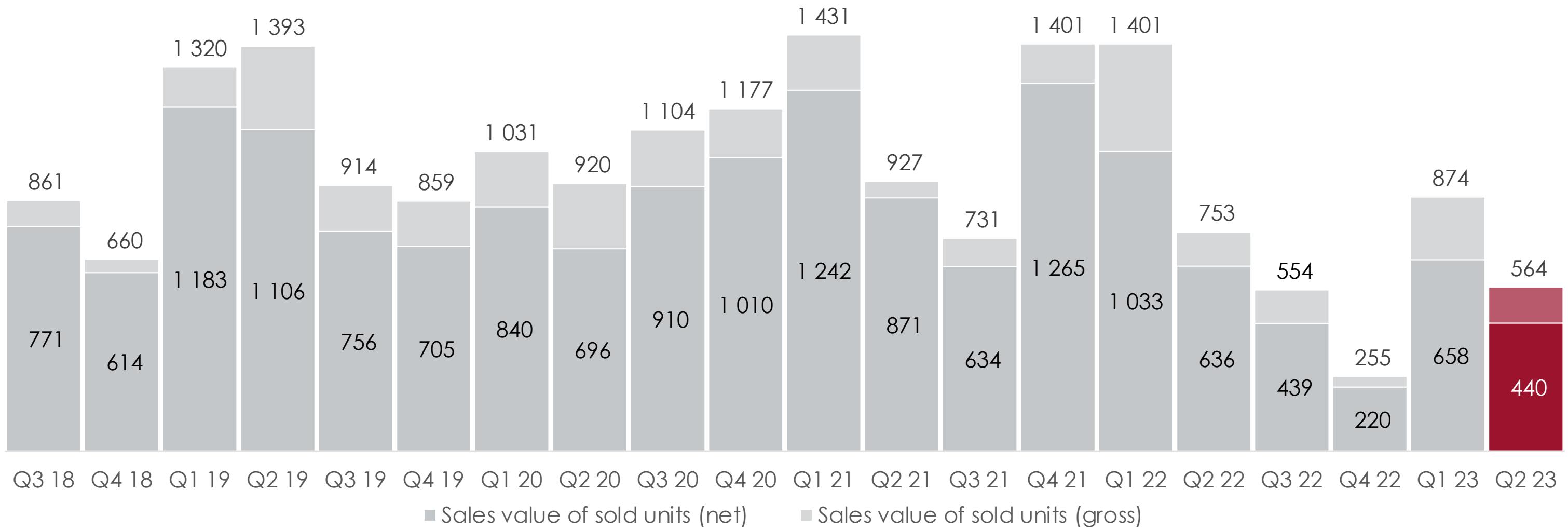


* SBO land bank not included in the UP transaction

Value of units sold - gross and net

Sales value of units sold

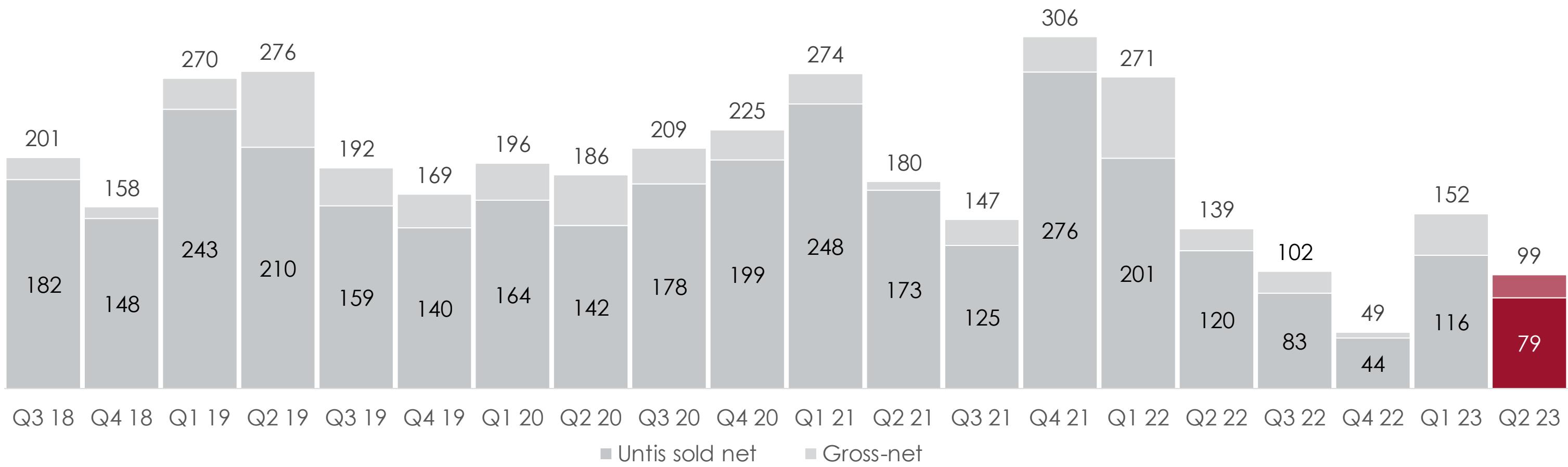
NOK million



Number of units sold - gross and net

Number of units sold

Units



Income statement IFRS

(figures in NOK million)	Q2 2023	Q2 2022	1H 2023	1H 2022	2022
Total operating revenues	836.9	965.9	1,571.1	1,322.2	2,896.4
Project expenses	(708.6)	(804.1)	(1,288.5)	(1,057.2)	(2,313.7)
Other operating expenses	(55.2)	(57.2)	(113.1)	(103.5)	(236.3)
Associated companies and joint ventures	(7.2)	101.2	(15.9)	96.2	85.7
EBITDA	66.0	205.8	153.7	257.6	432.1
Depreciation and amortisation	(2.3)	(2.5)	(4.5)	(4.8)	(9.7)
Other gains (loss)	-	-	-	-	-
EBIT	63.7	203.4	149.1	252.8	422.4
Net financial expenses	6.0	0.5	6.6	(1.7)	2.7
Profit/(loss) before taxes	69.7	203.9	155.7	251.2	425.1
Income taxes	(18.2)	(27.1)	(39.0)	(36.8)	(86.3)
Net income	51.6	176.8	116.8	214.4	338.9

Balance sheet

(figures in NOK million)	Q2 2023	Q1 2023	2022
Intangible assets	383.4	383.4	383.4
Property, plant and equipment	9.9	9.6	8.2
Investments in associated companies and joint ventures	219.0	231.5	234.7
Other non-current assets	500.1	435.1	345.3
Total non-current assets	1,112.4	1,059.5	971.6
Inventories (property)	3,878.1	4,161.4	4,273.2
- Land	687.3	725.6	719.3
- Land held for sale			
- Work in progress	2,960.1	3,287.9	3,384.2
- Finished goods	230.8	147.9	169.7
Other current receivables	338.5	115.1	92.1
Cash and cash equivalents	391.8	410.8	612.7
Total current assets	4,608.4	4,687.3	4,978.0
TOTAL ASSETS	5,720.7	5,746.8	5,949.6
Equity attributed to shareholders in Selvaag Bolig ASA*	2,272.0	2,408.1	2,338.1
Non-controlling interests	7.8	7.8	7.8
Total equity	2,279.8	2,415.9	2,345.9
Non-current interest-bearing liabilities	695.6	1,194.2	1,400.4
Other non-current non interest-bearing liabilities	448.2	439.5	404.2
Total non-current liabilities	1,143.9	1,633.7	1,804.6
Current interest-bearing liabilities	1,741.5	1,145.0	1,085.4
Other current non interest-bearing liabilities	555.5	552.2	713.7
Total current liabilities	2,297.0	1,697.2	1,799.1
TOTAL EQUITY AND LIABILITIES	5,720.7	5,746.8	5,949.6

Cash flow statement

(figures in NOK million)	1H 2023	1H 2022	2022
Net cash flow from operating activities	137.9	(11.0)	63.4
Net cash flow from investment activities	(57.4)	131.2	239.8
Net cash flow from financing activities	(301.3)	61.9	(218.0)
Net change in cash and cash equivalents	(220.9)	182.1	85.2
Cash and cash equivalents at start of period	612.7	527.4	527.4
Cash and cash equivalents at end of period	391.8	709.5	612.7

Operational highlights – key operating figures

	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23
Units sold	120	83	44	116	79
Construction starts	190	68	146	5	83
Units completed	210	142	160	161	162
Units delivered	217	144	147	150	155
Units under construction	1,342	1,268	1,253	1,097	1,018
Proportion of sold units under construction	75 %	73 %	67 %	69 %	68 %
Completed unsold units	13	19	31	37	43
Sales value of units under construction (NOK million)	6,807	6,225	6,408	5,641	5,458

EBITDA Q2 2023

<u>(figures in NOK million)</u>	Property development	Other	Total
Operating revenues	525.2	16.4	541.6
Project expenses	(429.9)	(0.4)	(430.3)
Other operating expenses	(10.2)	(47.1)	(57.3)
EBITDA (percentage of completion)	85.2	(31.1)	54.0

Note: Construction costs are exclusive of financial expenses in the segment reporting.

IFRS EBITDA for the quarter, per segment

Operating revenues	820.5	16.4	836.9
Project expenses	(708.1)	(0.4)	(708.6)
Other operating expenses	(10.2)	(45.0)	(55.2)
Share of income (losses) from associated companies and joint ventures	(7.2)	-	(7.2)
Other gain (loss), net	-		
EBITDA	95.0	(29.0)	66.0
Units in production	1,018	N/A	N/A
Units delivered	155	N/A	N/A

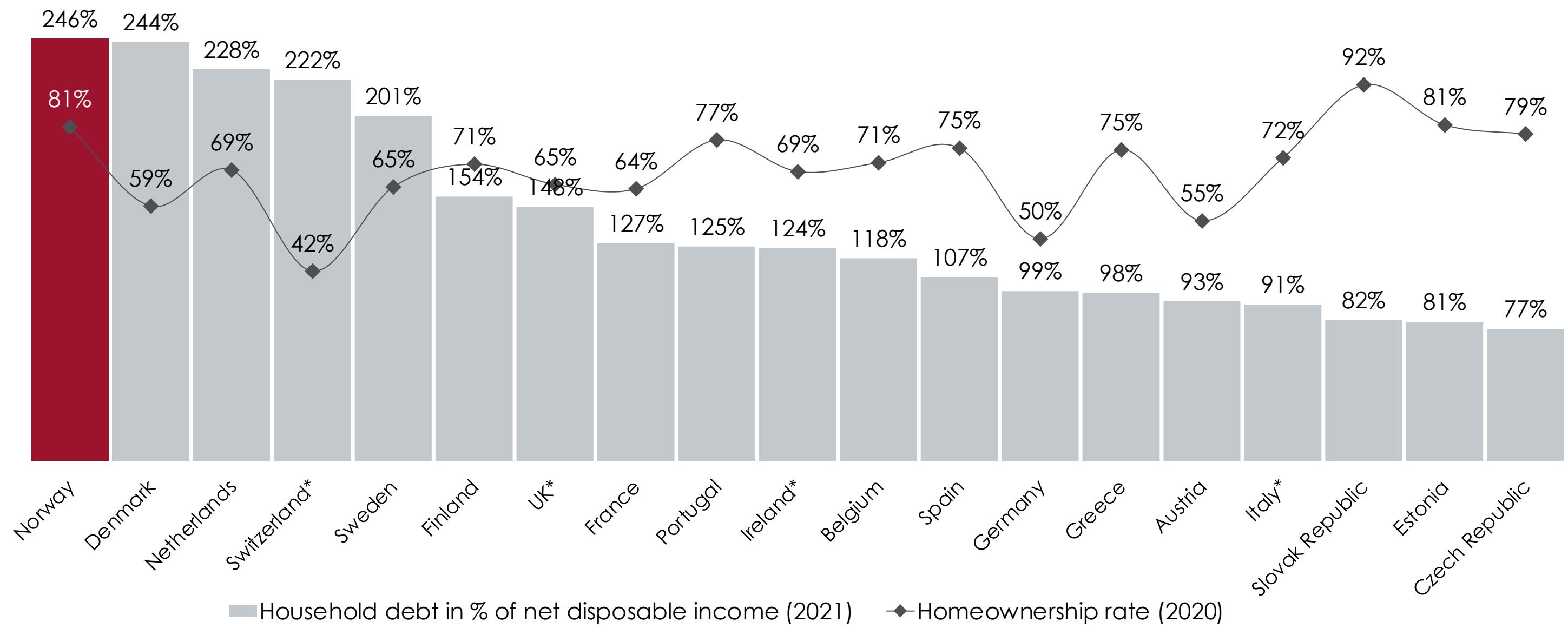
Note: EBITDA is operating profit before depreciation, gains (losses) and profit from associated companies.

Norwegian housing market

- Low risk for housebuilders
 - Advance sales: banks require that 50-70% of homes are sold before construction starts
 - Binding offers: offer to purchase is a binding sales contract, and requires a minimum 10% cash deposit
- High level of home ownership
 - 85% (one of the world's highest)
- Economic benefits for home owners
 - 23% of mortgage loan interest payments are tax deductible
 - Transfer stamp duty for new houses is lower than for second-hand homes
- Strong population growth
 - Norway's urban areas are among the fastest growing in Europe
 - Good market for new homes

Source: Selvaag Bolig and Eurostat.

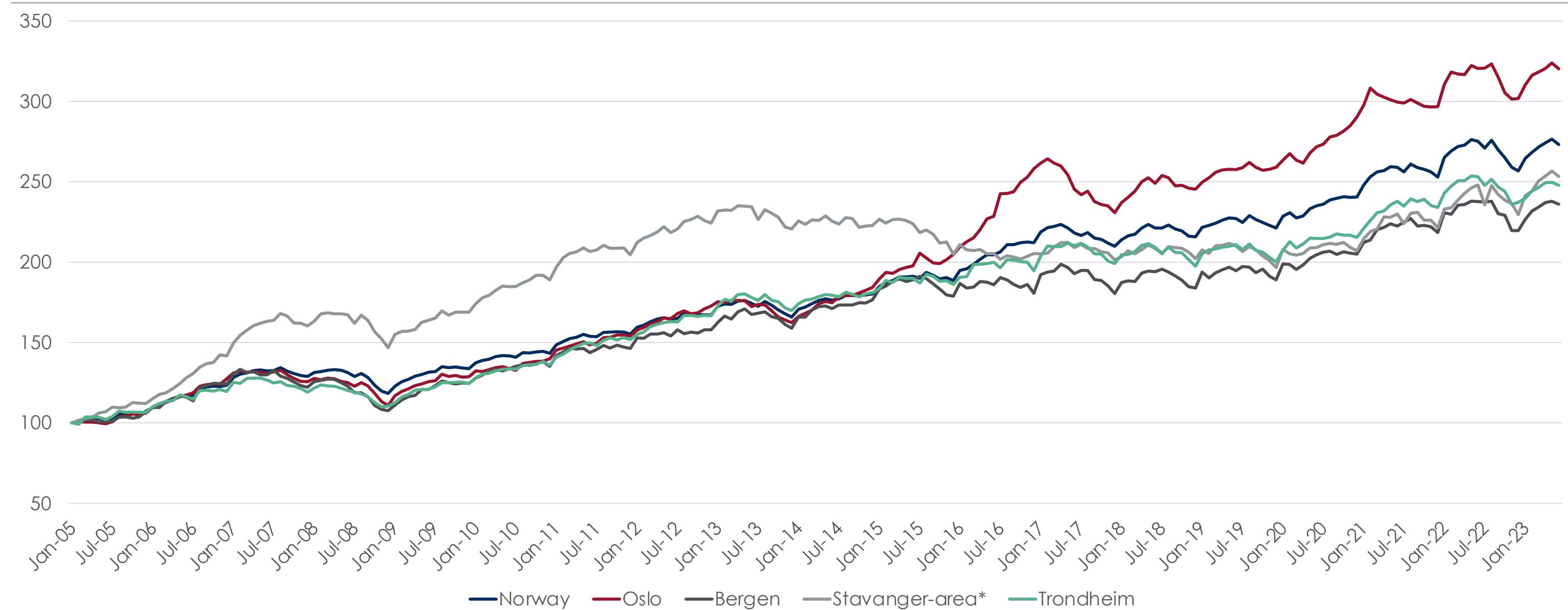
Total household debt and homeownership



Source: OECD, Statista.

Price development Norway and selected regions (2005-23)

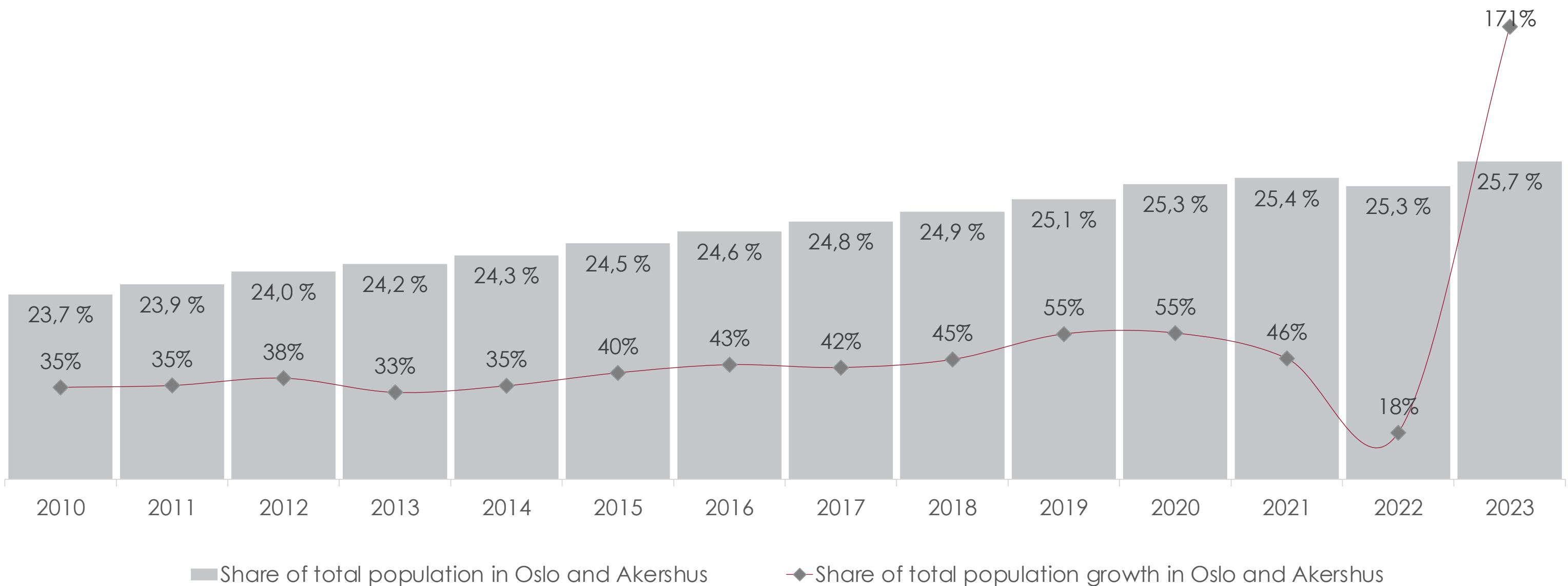
Price development (rebased 1.1.2005)



Source: Eiendomsverdi.

* Stavanger area includes: Randaberg, Sandnes, Sola, Stavanger.

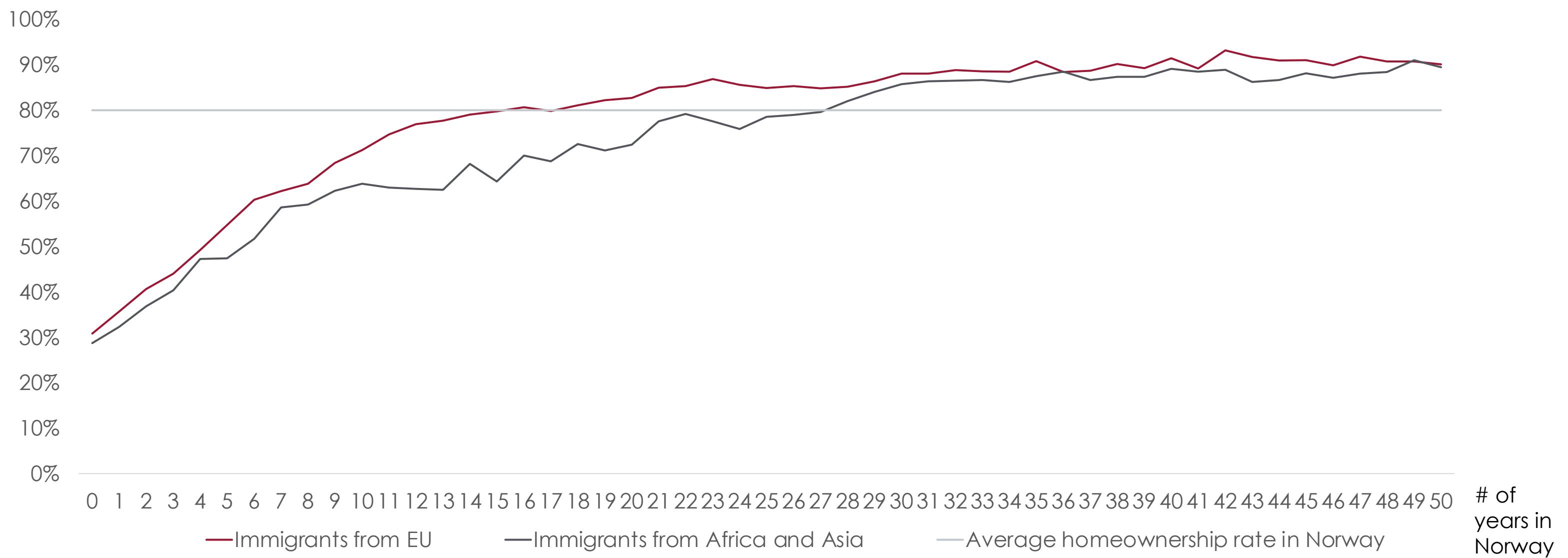
Population growth in Oslo and Akershus remains high



Source: Statistics Norway.

Immigration increases demand over time

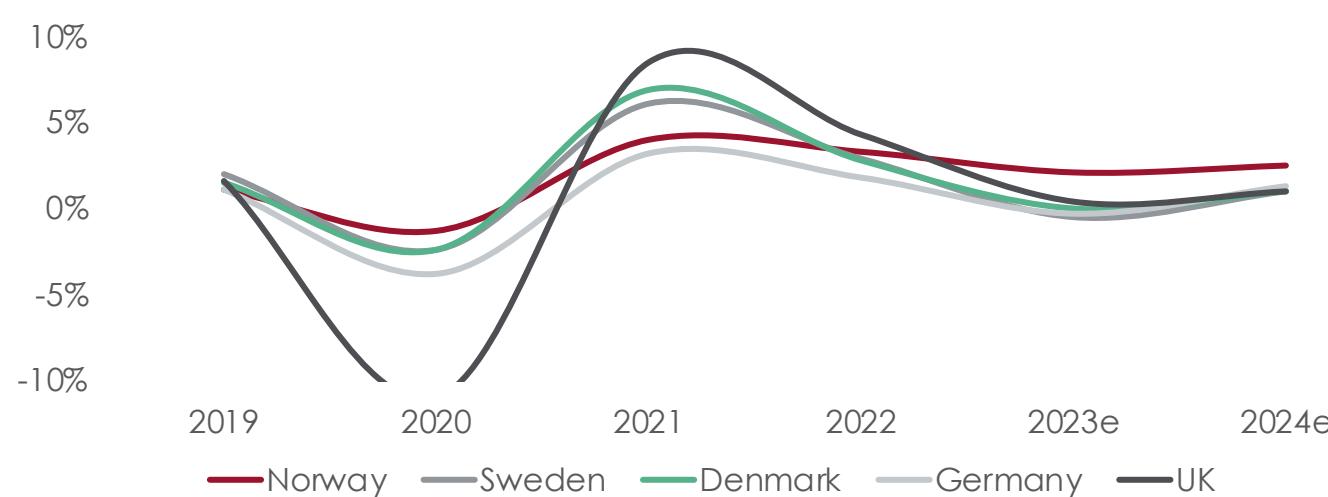
Homeownership rate among immigrants in Norway (per year living in Norway)



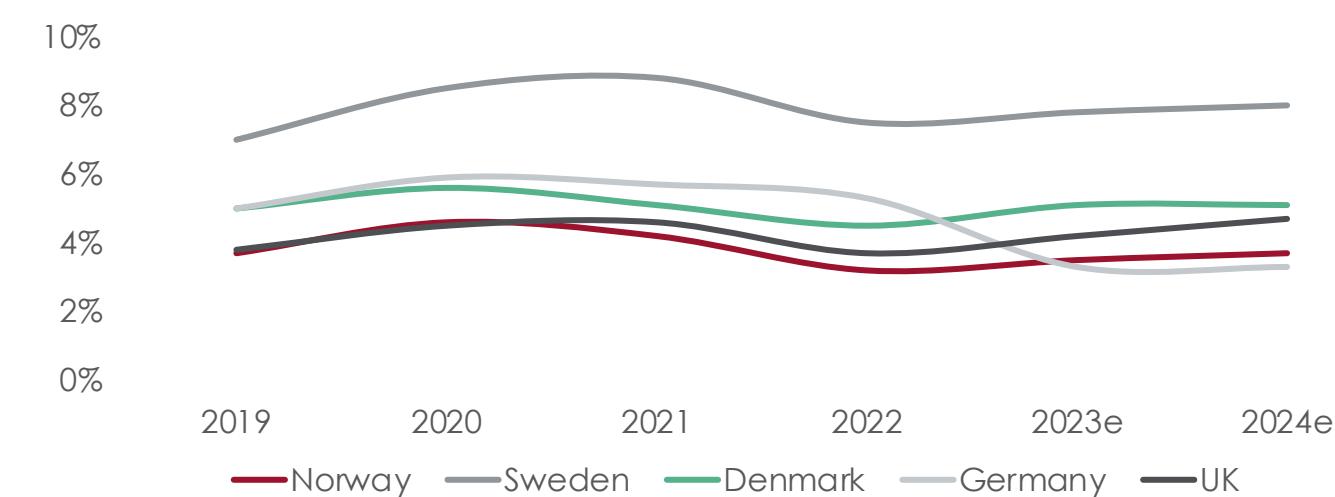
Source: Statistics Norway.

Norway – relatively limited volatility

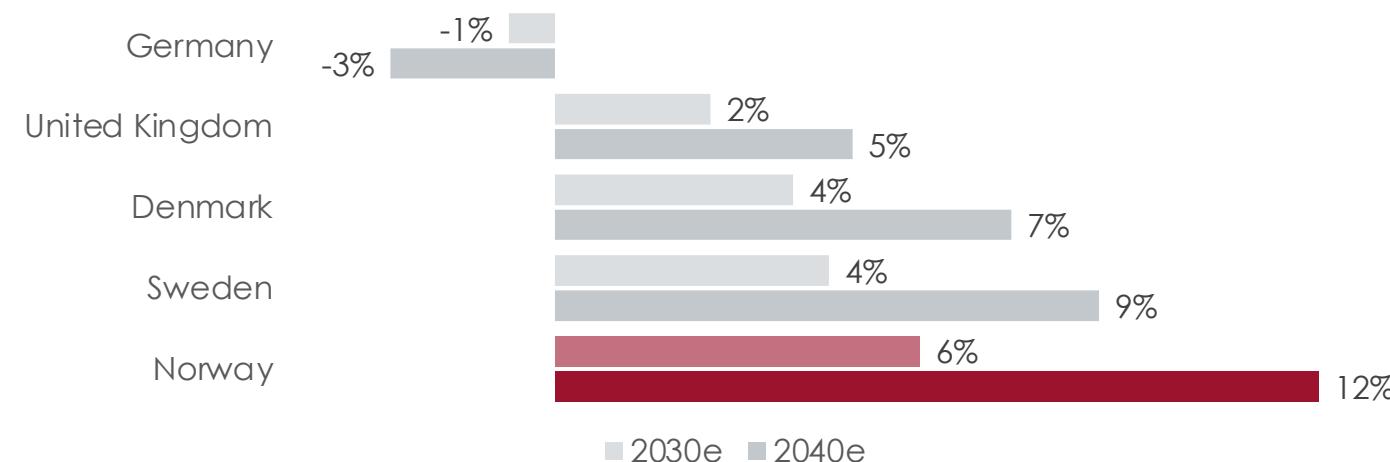
GDP growth 2018 - 2024e



Unemployment 2018 - 2024e

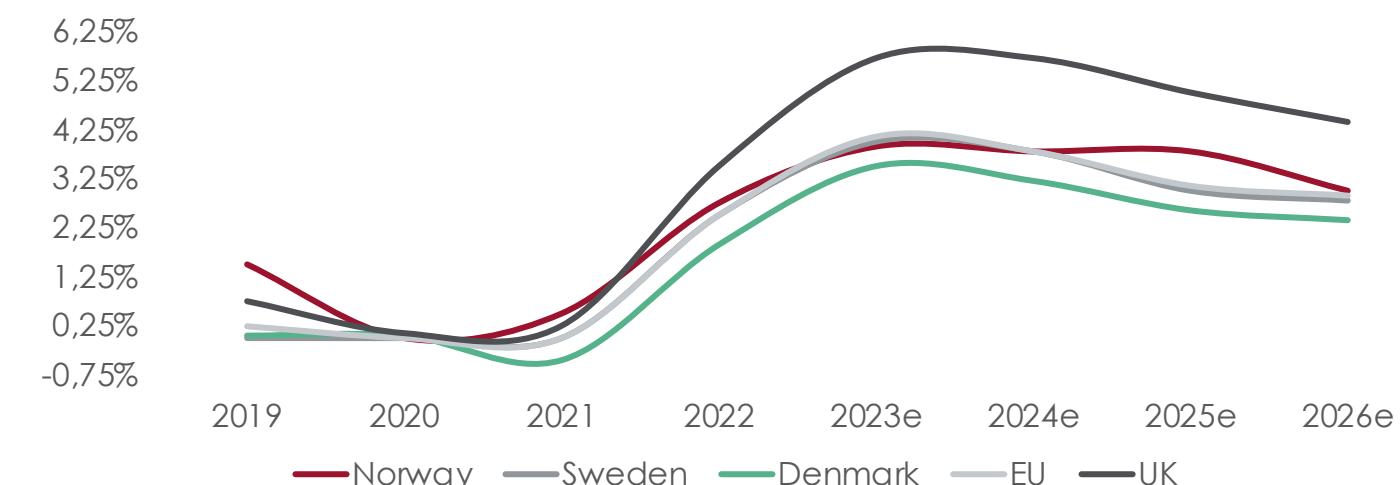


Population growth 2022 - 2030e and 2040e



Source: Bloomberg, IMF, UN

Interest rates* 2019 - 2026e**

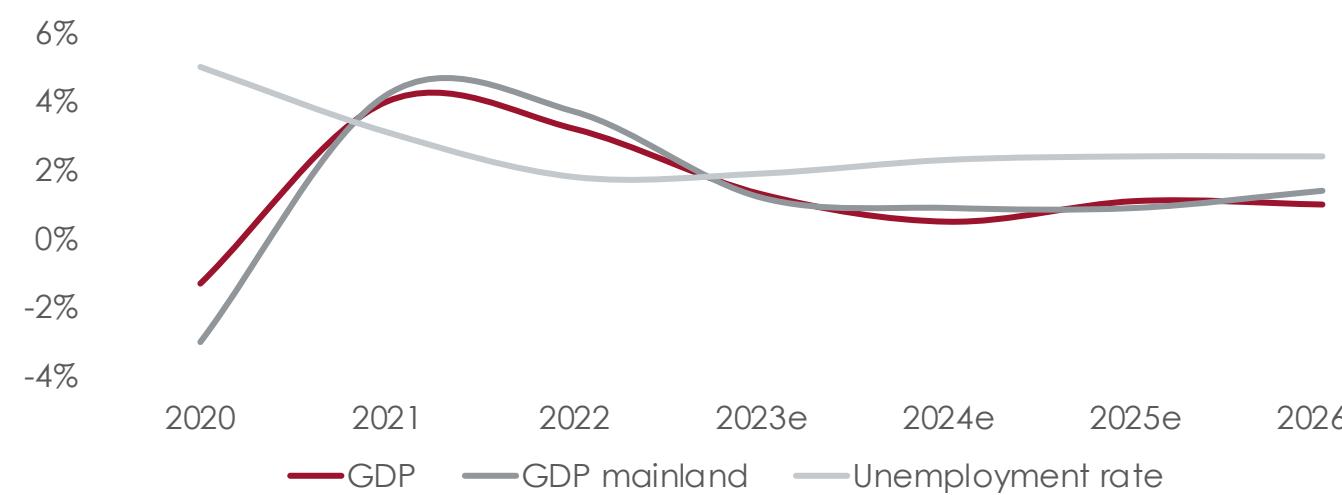


*Central bank policy rates

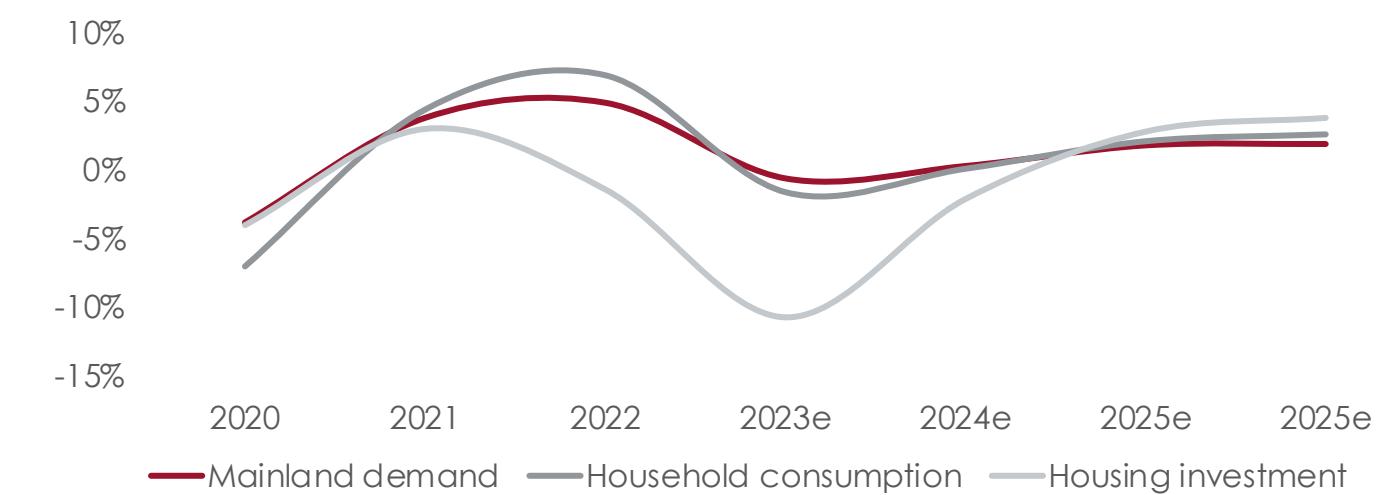
**Market implied policy rates

Healthy macroeconomics

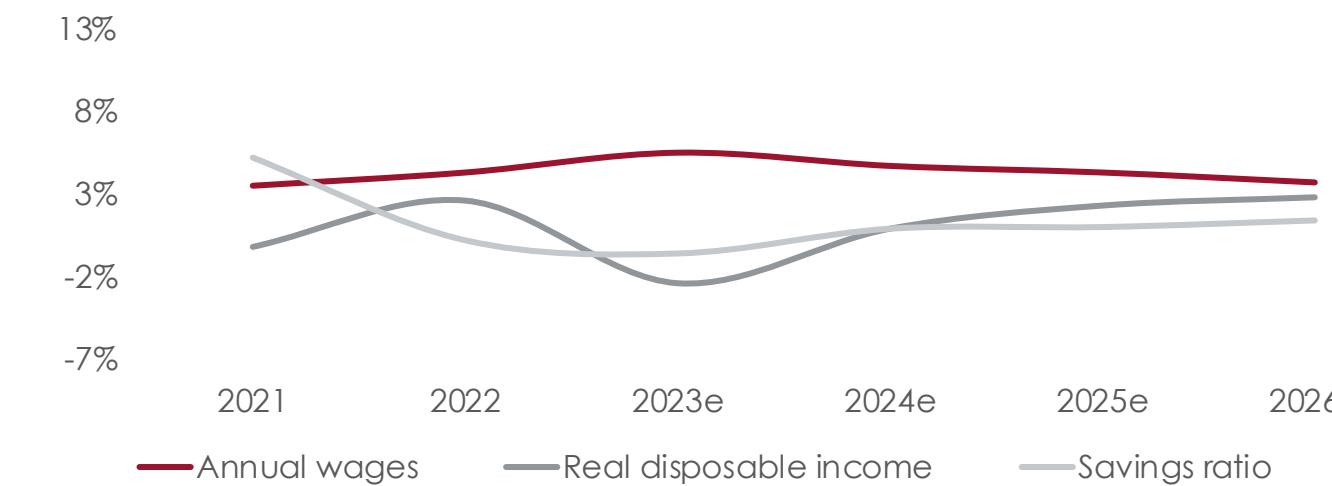
Real economy 2020 - 2026e



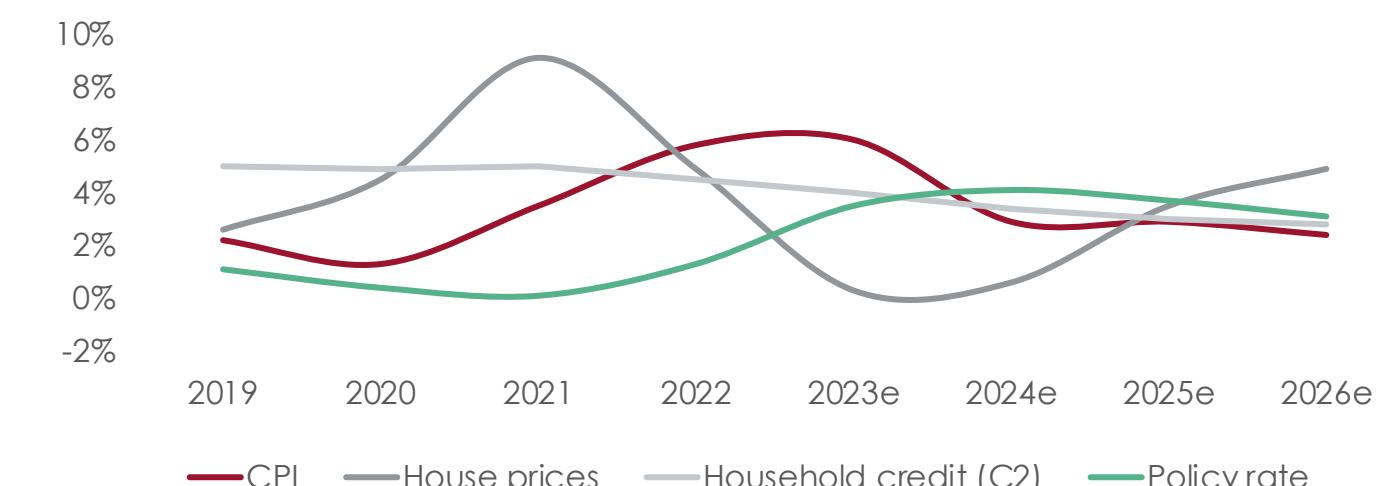
Demand 2020 - 2026e



Wages & disposable income 2020 - 2026e



Prices & interest rates 2020 - 2026e



Source: Monetary Policy Report 2 | 23, Central Bank of Norway.

SELVAAG BOLIG