

Toivo Group Plc Financial Statement Release 2021 1.1.–31.12.2021

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Event main points

- Operating profit EUR 15.8 M (+120%)
- Contracts for 985 apartments (803)
- 753 apartments being built (337)
- Exploring a transfer to the Nasdaq Helsinki stock exchange
- Guidelines for 2022

18/2/2022





January–February 2021 in short

- Operating profit EUR 15.8 M (EUR 7.2 M)
- **Land development:** Contracts for 985 (803) new apartments
- **Construction:** Construction of 575 (337) apartments was started
- **Ownership of apartments:** 114 (40) apartments were completed
- The operating environment challenges the company
- 10 new people were added to the staff
- Occupancy rate 99%

Key figures*

EUR thousand	1/1–31/12/2021	1.1.–31.12.2020	change %	1/10–31/12/2021	1/10–31/12/2021	change %
Revenue	13,574	4,250	219%	2,454	1,653	48%
Operating profit	15,818	7,189	120%	5,891	3,267	80%
Profit or loss for the financial year	12,071	5,127	135%	4,304	2,541	69%
Earnings per share (EUR)	0.24	0.11	116%	0.08	0.06	47%
Fair value of investment properties	97,649	57,022	71%			
Economic occupancy rate	98.9%	99.0%	0%			
Total equity	54,420	27,290	99%			
Total assets	121,054	63,837	90%			

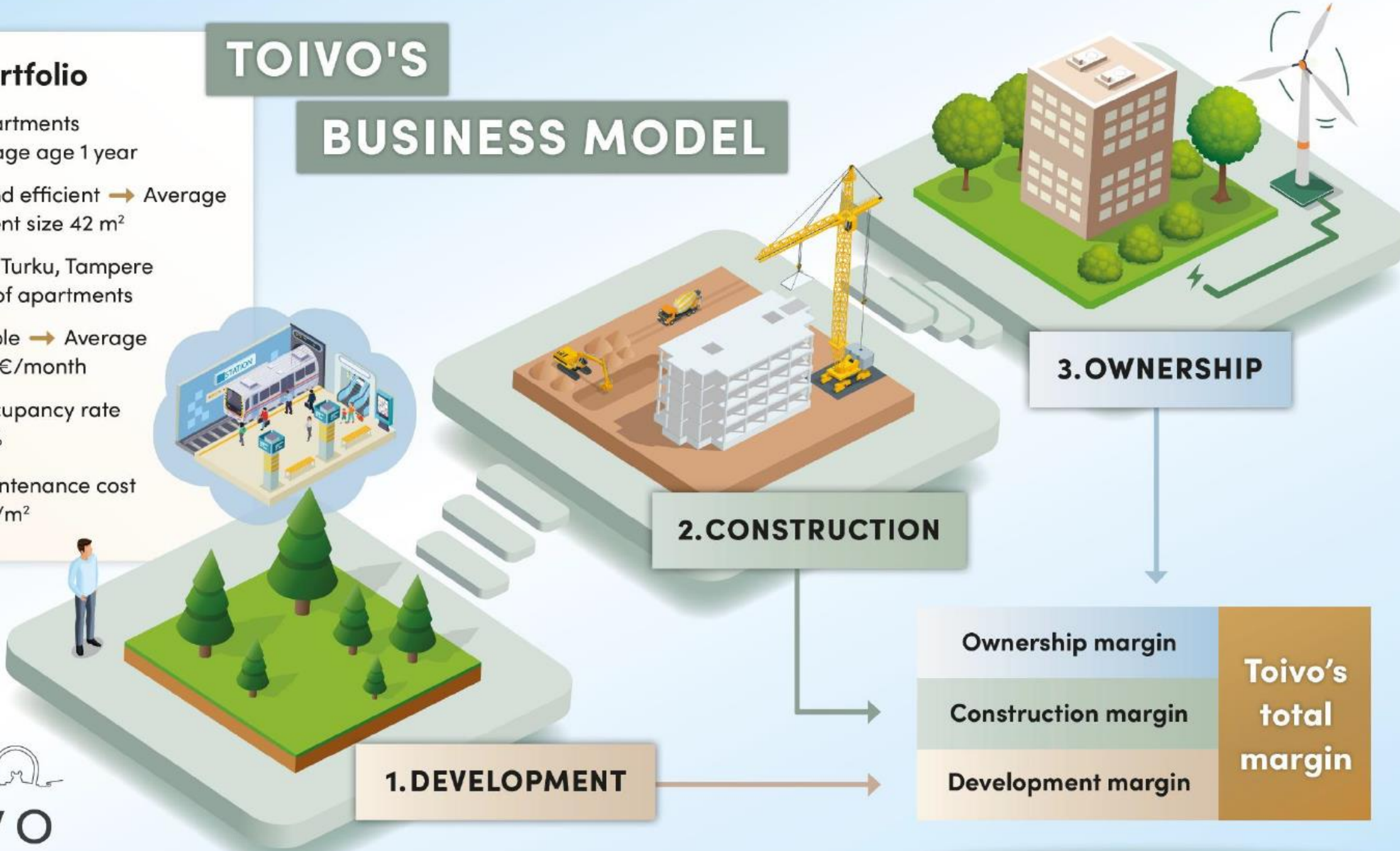
*Unaudited

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
→ ~99%
-  Low maintenance cost
→ 2.4€/m²



TOIVO'S BUSINESS MODEL



3. OWNERSHIP

2. CONSTRUCTION

1. DEVELOPMENT

Ownership margin	Toivo's total margin
Construction margin	
Development margin	

Strategy

Cornerstone

Financial year key events

Strong project development margin

The project development margin realised during the financial year was at a level in line with the strategy on the part of started and ongoing projects.

Stable and attractive returns

The net lease income of new contracts and contracts started during the financial year remained at a level in line with the strategy.

Long-term ownership

The company made contracts for 985 new apartments. Started construction of 575 new apartments.

Toivo concept

All new sites have been started with Toivo's own concepts, and there are new sites to be constructed.

Megatrends

New apartment constructions and new contracts have been made for good locations within Ring III or its immediate vicinity and in Tampere. The average area of apartments is about 42m² and a large portion of them belong to energy efficiency class A.

Additional customer value

Toivo conducted two customer satisfaction surveys during the financial year, which achieved an average 4.2 overall satisfaction score on a scale of 1–5. Financial year occupancy rate 98.9%

Strategic priorities of the apartments

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

STRATEGISET PAINOPISTEET



Uudet
asunnot



Pienet ja
tehokkaat
asunnot



Asunnot pää-
kaupunkiseudulla,
Turussa ja
Tampereella



Kohtuuhintaista
asumista



Korkea
vuokrausaste



Matala
yhtiövastike

TOIVON PORTFOLIO

1 vuosi

Asuntojen
keskimääräinen
ikä

n. **42** m²

Asuntojen
keskikoko

98 %

Asunnoista
sijaitsee Helsingin,
Turun ja Tampe-
reen seuduilla

825 €/kk

Keskimääräinen
vuokra

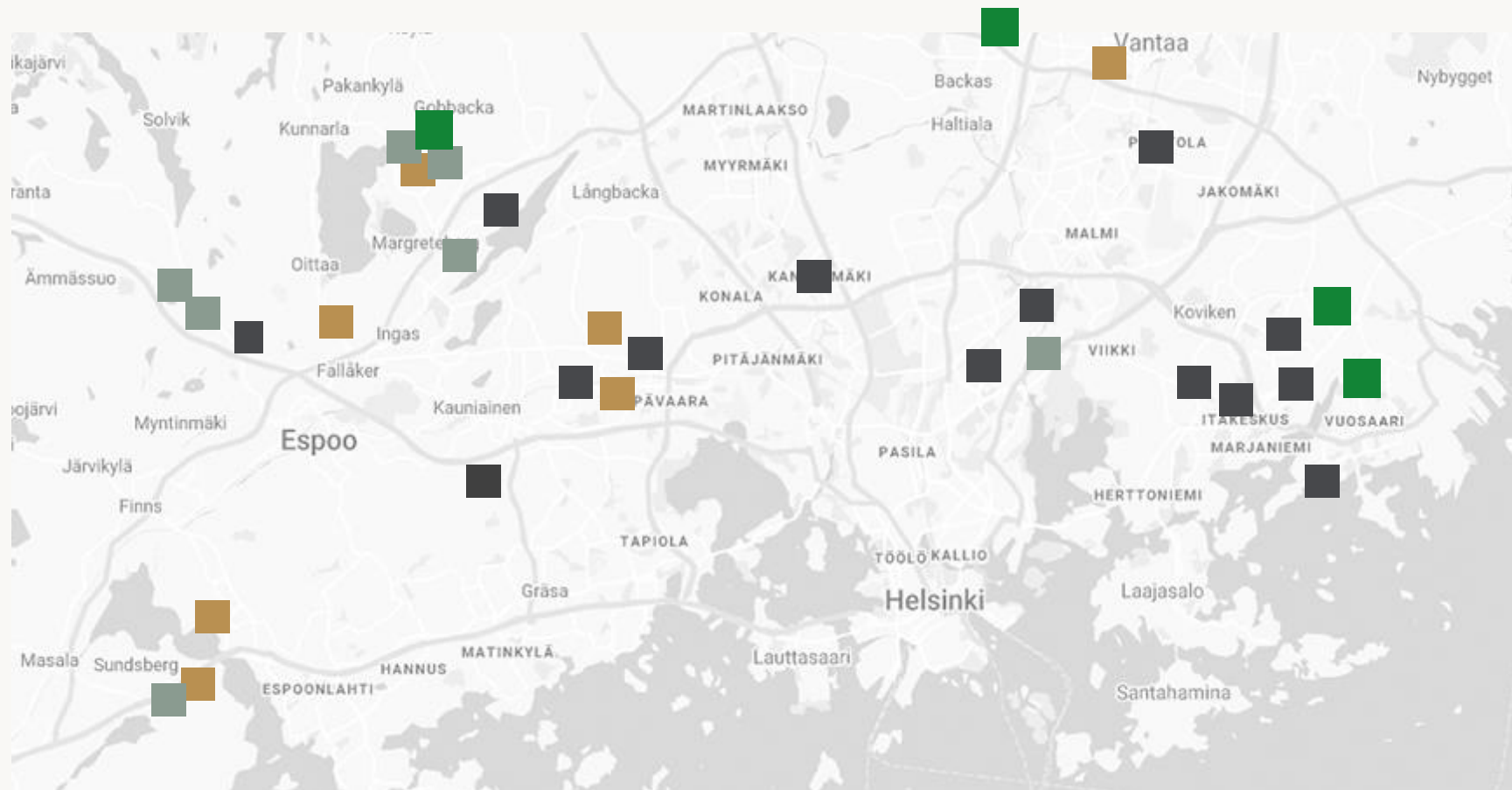
98,9 %

Asuntojen
vuokrausaste

n. **2,4** €/m²

Asunto-
kohteiden
hoitokulu

Toivo's projects on a map

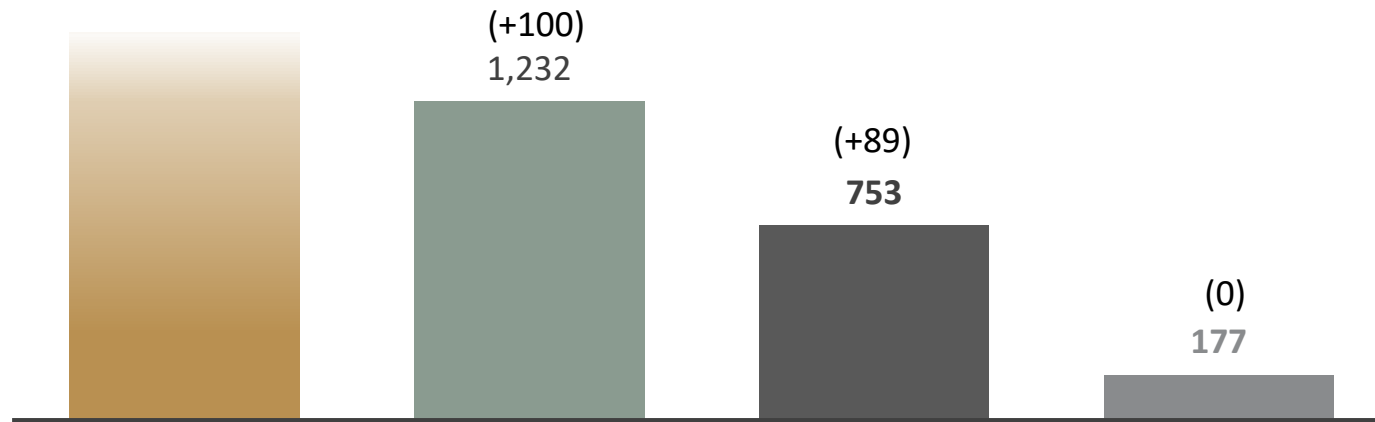


Toivo's project portfolio in the metropolitan area is strong.

The locations of the projects in contracts are attractive.

- Completed
- Under construction
- Contracts
- New contracts 10-12/2021

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.

444

developed residential apartments

~ 28%

average development margin

c. 2,000

residential apartments in project development portfolio

c. 80,000m²

leasable area in project development portfolio

~EUR 430M

fair value of project development portfolio

Examples of started sites



Koy Toivo Studios

- Leppävaara
- Apartment building
- 101 apartments
- 10/2022
- Co-living concept



Koy Espoon Loiste

- Leppävaara
- Day-care centre
- 250 m²
- 7/2022
- Lease 15 years



As Oy Helsingin Piippuhylly

- Vuosaari
- Regional construction
- 10 apartments
- 12/2022



Transfer to stock exchange

- The company is looking into transferring onto the Nasdaq Helsinki stock exchange during 2022.
- Project development portfolio c. 2,000 apartments and EUR 430 million
- Exploring the possibility of funding faster growth through equity and debt instruments.
- Natural continuum on the path of growth.

Financial prospects

PROSPECTS FOR 2022

- 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.

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!



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Appendices

TOIVO

Appendix 1. Key figures 31/12/2021*

Group	1-12/2021	1-12/2020	Change
Revenue	13,574	4,250	9,324
Lease income	2,676	3,213	-537
Net lease income	1,979	2,371	-392
Operating profit	15,818	7,189	8,629
Cash flow before changes in working capital (Funds from Operations, FFO)	1,714	637	1,077
Fair value of investment properties	97,649	57,022	40,627
Investments in investment properties	34,002	18,361	15,641
Sales of investment properties	12,085	29,674	-17,589
Net debt with interest	40,215	24,033	16,182
Non-current net assets (Net asset value, NAV)	41,169	13,498	27,671
Loan to value (LTV), %	41.2%	42.1%	-0.9 percentage points
Equity ratio	45.3%	42.8%	+2.5 percentage points
Non-current net assets per share, EUR	0.78	0.30	0.48
Increase in non-current net assets per share, %	158.5	75.2	
Earnings per share (EPS), EUR ¹⁾	0.24	0.11	0.13
Occupancy rate, %	98.9%	99%	-0.1%
Total leasable apartment area, square metres	6,776	13,006	-6,230
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 1–12/2021*

Group Income Statement

EUR 1,000	1/1– 31/12/2021	1/1– 31/12/2020
Revenue	13,574	4,250
Changes in the fair values and the profit and loss on the disposal of investment properties	13,252	5,627
Other operating income	4	68
Raw materials and services	-8,475	-858
Staff expenses	-1,060	-654
Depreciation, amortisation and reduction in value	-68	-70
Other operating expenses	-1,409	-1,174
Operating profit (loss)	15,818	7,189
Financial income	18	21
Financial expenses	-703	-718
Net financial expenses	-685	-697
Profit (loss) before taxes	15,133	6,492
Current tax based on financial year's taxable income	-756	-427
Deferred taxes, change	-2,306	-938
Income taxes, total	-3,062	-1,365
Financial year profit (loss)	12,071	5,127
Distribution of the profit (loss) of the financial year		
Parent company owners	11,918	4,983
Non-controlling interests	153	144
Earnings per share calculated from the profit belonging to the parent company owners		
Basic and diluted earnings per share, EUR	0.24	0.11

Group's statement of comprehensive income

EUR 1000	1/1–31/12/2021	1/1–31/12/2020
Financial year profit (loss)	12,071	5,127
Other comprehensive income		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	-1	-1
Other comprehensive income for the financial year	-1	-1
Total comprehensive income for the financial year	12,070	5,126
Distribution of total comprehensive income for the financial year		
Parent company owners	11,917	4,982
Non-controlling interests	153	144

*Unaudited

Group balance sheet 31/12/2021 *

EUR 1,000	31/12/2021	31/12/2020
ASSETS		
Non-current assets		
Investment properties	97,649	57,022
Right-of-use assets	16	17
Tangible assets	61	195
Intangible assets	45	65
Deferred tax assets	57	21
Non-current assets, total	97,828	57,320
Current assets		
Inventories	4,808	500
Rent, trade and other receivables	3,143	2,863
Cash and cash equivalents	15,275	3,154
Current assets total	23,226	6,517
Assets, total	121,054	63,837
EQUITY		
Ordinary shares	1,000	1,000
Subordinated loans	16,921	15,661
Share premium account	14,529	-
Currency translation differences	-2	-1
Retained earnings	21,726	10,537
Equity belonging to the owners of the parent company	54,175	27,198
Non-controlling interests	245	92
Total equity	54,420	27,290

EUR 1,000	31/12/2021	31/12/2020
LIABILITIES		
Non-current liabilities		
Financial institution loans	46,125	23,097
Lease liabilities	4,105	2,463
Loans granted to associates	-	-
Other financial liabilities and other non-current liabilities	1,263	631
Deferred tax liabilities	3,972	1,982
Non-current liabilities total	55,466	28,173
Current liabilities		
Financial institution loans	971	600
Lease liabilities	26	28
Loans granted to associates	3,000	369
Provisions	123	
Trade and other payables	7,049	7,378
Current liabilities total	11,169	8,375
Liabilities, total	66,634	36,547
Total equity and liabilities	121,054	63,837

*Unaudited

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