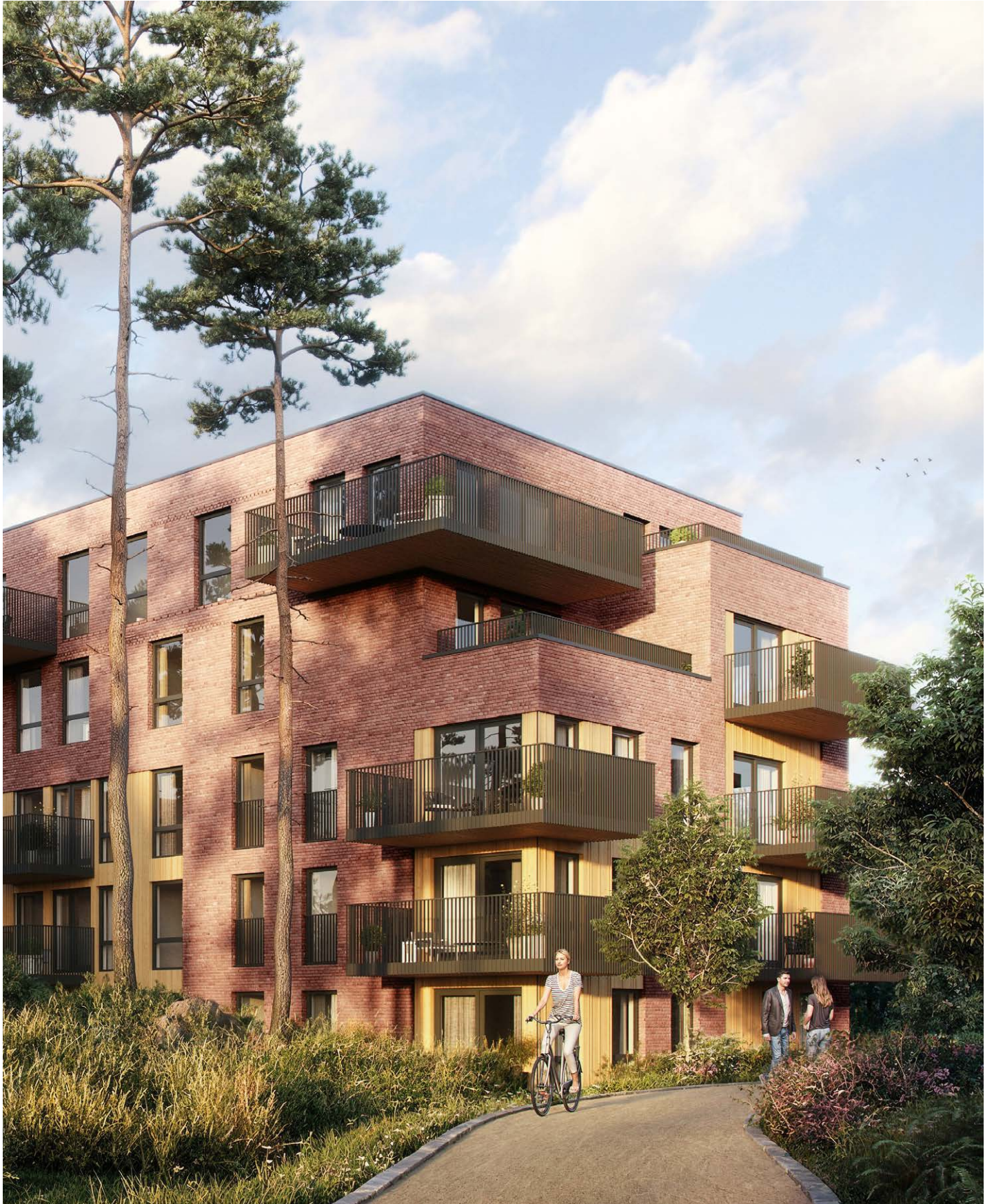


# SELVAAG BOLIG

## Q2 2024

Second quarter results





## Highlights of the second quarter 2024

Selvaag Bolig delivered 127 homes to their buyers in the second quarter of 2024. The result was better than in the same quarter in 2023, due to an increased number of delivered units from joint ventures and sale of property. The number of net homes sold in the quarter was at the highest level since the fourth quarter of 2021, and the value was the highest ever.

The market for new housing has been challenging over time and the number of units under construction has fallen significantly over the past two years. The company also has a higher number of unsold completed units than normal. The board of directors has therefore decided not to pay dividend for the first half of the year. The dividend for 2024 be assessed in February 2025 based on the annual results and the company outlook. The company's dividend policy remains unchanged.

- Operating revenues<sup>1</sup> NOK 620 million (837)
- Adjusted EBITDA<sup>3</sup> NOK 124 million (95) and ordinary EBITDA<sup>2</sup> NOK 99 million (66)
- Pre-tax profit of NOK 92 million (70)
- 207 units sold<sup>6</sup> (79) and construction started on 95 units (83)
- 105 units completed (162) and 127 delivered (155)
- A total of 661 units (1 018) under construction at 30 June, with a combined sales value of NOK 4 211 million (5 458)
- 66 per cent of units under construction (68) sold. 80 per cent of the units being completed in 2024 are sold (83)

(Figures in brackets relate to the same period of the year before)

## Key figures

(figures in NOK 1 000)	Q2 2024	Q2 2023	1H 2024	1H 2023	2023
<b>IFRS main figures</b>					
Operating revenues <sup>1</sup>	620 187	836 928	1 247 928	1 571 103	3 254 651
EBITDA <sup>2</sup>	98 935	65 990	166 806	153 663	310 129
EBITDA adjusted <sup>3</sup>	123 691	95 430	229 733	205 112	451 680
Operating profit/(loss)	96 567	63 682	162 167	149 133	300 898
Profit/(loss) before taxes	91 884	69 722	158 859	155 742	319 477
Net income	79 385	51 558	135 306	116 753	244 677
Cash flow from operating activities	87 679	98 408	234 952	137 876	1 196 613
Net cash flow	(9 453)	(19 091)	(67 610)	(220 916)	(346 148)
Interest-bearing liabilities	1 217 838	2 437 188	1 217 838	2 437 188	1 410 212
Total assets	4 542 811	5 720 727	4 542 811	5 720 727	4 754 411
Equity	2 348 109	2 279 836	2 348 109	2 279 836	2 306 964
Equity ratio	51.7%	39.9%	51.7%	39.9%	48.5%
Earnings per share in NOK	0.85	0.55	1.45	1.25	2.62
<b>Segment reporting (NGAAP<sup>4</sup>)</b>					
Operating revenues	602 942	541 636	1 150 316	1 136 923	2 153 082
EBITDA <sup>5</sup>	48 408	54 015	93 372	125 630	202 392
EBITDA margin	8.0%	10.0%	8.1%	11.1%	9.4%
<b>Key figures (net, adjusted for share in joint ventures)</b>					
Number of units sold <sup>6</sup>	207	79	346	195	360
Number of construction starts	95	83	218	88	275
Number of units delivered	127	155	306	305	655
Number of units completed	105	162	341	323	744

<sup>1</sup> Operating revenues do not include revenues from joint ventures.

<sup>2</sup> EBITDA is operating profit before interest, taxes, depreciation, amortisation and other gains (losses).

<sup>3</sup> EBITDA adjusted excludes financial expenses included in project cost. See note 6 for details.

<sup>4</sup> The NGAAP accounts utilise the percentage of completion method, i.e. percentage of completion multiplied by the sales ratio.

<sup>5</sup> EBITDA is operating profit before interest, tax, depreciation, amortisation, profit from joint ventures and other gains (losses).

<sup>6</sup> Units sold are sales contracts entered into with customers pursuant to the Norwegian Housing Construction Act and the Swedish Bostadsrättslagen. In accordance with the IFRS, they are recognised as income on delivery.

## Financial review

### Summary of overall results

(figures in NOK 1 000)	Q2 2024	Q2 2023	1H 2024	1H 2023	2023
<b>Total operating revenues</b>	<b>620 187</b>	<b>836 928</b>	<b>1 247 928</b>	<b>1 571 103</b>	<b>3 254 651</b>
Project expenses	(489 882)	(708 581)	(1 005 791)	(1 288 453)	(2 677 166)
Other operating expenses, salaries and personnel costs, depreciation and amortisation	(61 151)	(57 495)	(124 239)	(117 610)	(263 235)
<b>Total operating expenses</b>	<b>(551 033)</b>	<b>(766 076)</b>	<b>(1 130 030)</b>	<b>(1 406 063)</b>	<b>(2 940 401)</b>
Associated companies and joint ventures	27 413	(7 170)	44 269	(15 907)	(13 352)
Other gains (losses), net	-	-	-	-	-
<b>Operating profit</b>	<b>96 567</b>	<b>63 682</b>	<b>162 167</b>	<b>149 133</b>	<b>300 898</b>
<b>Net financial expenses</b>	<b>(4 683)</b>	<b>6 040</b>	<b>(3 308)</b>	<b>6 609</b>	<b>18 579</b>
<b>Profit before taxes</b>	<b>91 884</b>	<b>69 722</b>	<b>158 859</b>	<b>155 742</b>	<b>319 477</b>
Income taxes	(12 499)	(18 164)	(23 553)	(38 989)	(74 800)
<b>Net income</b>	<b>79 385</b>	<b>51 558</b>	<b>135 306</b>	<b>116 753</b>	<b>244 677</b>

## Results for the second quarter of 2024

(Figures in brackets relate to the corresponding period of 2023. The figures are unaudited.)

Selvaag Bolig had operating revenues of NOK 620.2 million (NOK 836.9 million) in the second quarter. Revenues from units delivered accounted for NOK 369.8 million (NOK 757.0 million) of the total. In addition, the group sold two properties, one in Bærum and one in Lørenskog, for a total of NOK 229.9 million. Other revenues derived from non-core activities, mainly provision of services.

A total of 127 units (155) were delivered in the quarter, including 69 (154) from consolidated project companies and 58 (one) from joint ventures.

Project costs for the quarter totalled NOK 489.9 million (NOK 708.6 million), of which NOK 24.8 million (NOK 29.4 million) represented previously capitalised financial expenses. Total project expenses primarily represented construction costs for units delivered as well as costs in projects which do not qualify for capitalisation as inventory.

Operating costs excluding project costs totalled NOK 61.2 million (NOK 57.5 million) for the period. Payroll costs accounted for NOK 31.6 million (NOK 30.0 million) of this figure. In addition, NOK 4.8 million (NOK 4.5 million) in payroll costs relating to housing under construction were capitalised during the quarter and will be expensed as project costs on future delivery.

Other operating costs came to NOK 27.2 million (NOK 25.2 million) for the quarter, including NOK 10.5 million (NOK 6.7 million) for sales and marketing.

The share of profit from associates and joint ventures came to NOK 27.4 million (negative at NOK 7.2 million) for the quarter. The increase compared to last year was primarily due to more delivered units from joint ventures.

Reported EBITDA was NOK 98.9 million (NOK 66.0 million), corresponding to a margin of 16.0 per cent (7.9 per cent). EBITDA adjusted for the share of project costs that are financial expenses came to NOK 123.7 million (NOK 95.4 million), corresponding to a margin of 19.9 per cent (11.4 per cent). The increase in the EBITDA margin from the second quarter of 2023 primarily reflected an increased number of delivered units from joint ventures, as well as contributions from the sale of two properties. Results from joint ventures are presented net and their turnover is thus not included in the group's turnover. For more information, see note 8 on proportional consolidation.

Consolidated depreciation and amortisation totalled NOK 2.4 million (NOK 2.3 million) for the quarter. Operating profit thereby came to NOK 96.6 million (NOK 63.7 million).

Net financial items amounted to a negative NOK 4.7 million (positive at NOK 6.0 million). Pre-tax profit for the quarter thereby came to NOK 91.9 million (NOK 69.7 million).

Tax expense for the period was NOK 12.5 million (NOK 18.2 million). Comprehensive income for the second quarter came

to NOK 79.4 million (NOK 51.6 million). NOK 79.4 million of the profit was attributable to the shareholders of Selvaag Bolig ASA (NOK 51.6 million), and NOK 0.0 to non-controlling shareholders (NOK 0.0).

## Results for the first half of 2024

Selvaag Bolig had operating revenues of NOK 1 247.9 million (NOK 1 571.1 million) in the first half. Revenues from units delivered accounted for NOK 976.9 million (NOK 1 474.4 million) of the total. In addition, the group sold two properties, one in Bærum and one in Lørenskog, land plots and commercial property for a total of NOK 229.9 million. Other revenues related to non-core activities, mainly provision of services.

A total of 306 units (305) were delivered in the first half, including 196 (291) from consolidated project companies and 110 (14) from joint ventures.

Project costs for the first half totalled NOK 1 005.8 million (NOK 1 288.5 million). Total project expenses primarily represented construction costs for units delivered as well as costs in other projects which do not qualify for capitalisation as inventory.

Operating costs excluding project costs and associates totalled NOK 124.2 million (NOK 117.6 million) for the period. Payroll costs accounted for NOK 63.9 million (NOK 59.0 million) of this figure. In addition, NOK 10.2 million (NOK 9.4 million) in payroll costs relating to housing under construction was capitalised during the first half and will be expensed as project costs on future delivery.

Other operating costs came to NOK 55.7 million (NOK 54.0 million), including NOK 21.2 million (NOK 16.7 million) for sales and marketing.

## Cash flow

Consolidated net cash flow from operational activities was NOK 87.7 million (NOK 98.4 million) for the second quarter. The decrease from the same period of 2023 was primarily because of the impact from net changes in working capital.

In the first half, consolidated net cash flow from operational activities was positive at NOK 235.0 million (positive at NOK 137.9 million). The increase from the same period of 2023 was primarily due to the previous year including negative impacts from changes in accounts receivable and accounts payable.

The share of profit from associates and joint ventures was NOK 44.3 million (negative at NOK 15.9 million). The increase from the same period of 2023 reflected more units delivered from joint ventures.

Reported EBITDA for the first half was NOK 166.8 million (NOK 153.7 million), corresponding to a margin of 13.4 per cent (9.8 per cent). EBITDA adjusted for financial expenses included in project costs came to NOK 229.7 million (NOK 205.1 million), corresponding to a margin of 18.4 per cent (13.1 per cent). The increase in the EBITDA margin from the first half of 2023 primarily reflected an increased number of delivered units from joint ventures, as well as contributions from the sale of two properties. Results from joint ventures are reported net and thus their revenues are not included in the group's turnover. For more information, see note 8 on proportional consolidation.

Consolidated operating profit for the first half came to NOK 162.2 million (NOK 149.1 million). Net financial expenses amounted to NOK 3.3 million (income of NOK 6.6 million).

Pre-tax profit for the first half was NOK 158.9 million (NOK 155.7 million). Estimated tax expense for the period is NOK 23.6 million (NOK 39.0 million).

Comprehensive income for the first half came to NOK 135.3 million (NOK 116.8 million). NOK 135.3 million of the profit was attributable to the shareholders of Selvaag Bolig ASA (NOK 116.8 million), and NOK 0.0 to non-controlling shareholders (NOK 0.0).

Net cash flow from investing activities amounted to NOK -3.3 million (positive at NOK 5.2 million) for the quarter. The change from last year was primarily related to dividends received from joint ventures.

In the first half, cash flow from investing activities was positive at NOK 25.9 million (negative at NOK 57.5 million). The change from the previous year is primarily due to financing joint venture companies in 2023, as well as the dividends received from joint ventures are somewhat higher in 2024.

Net cash flow from financing activities was negative at NOK 93.8 million (negative at NOK 122.7 million) for the quarter. The change from the same period of last year is primarily due to paid dividends, partly offset by a decrease in issuance of construction loans.

In the first half, net cash flow from financing activities was negative at NOK 328.4 million (negative at NOK 301.3

million). The change from the same period of 2023 primarily reflected lower issuance of construction loans, partly offset by a lower dividend paid.

The group's holding of cash and cash equivalents at 30 June totalled NOK 198.9 million (NOK 391.8 million), a decrease of NOK 9.5 million from 31 March and a decline of NOK 192.8 million from a year earlier.

## Cash flow summary

(figures in NOK 1 000)	Q2 2024	Q2 2023	1H 2024	1H 2023	2023
Profit before taxes	91 884	69 722	158 859	155 742	319 477
Net cash flow from operating activities	87 679	98 408	234 952	137 876	1 196 613
Net cash flow from investment activities	(3 333)	5 247	25 883	(57 447)	(45 251)
Net cash flow from financing activities	(93 799)	(122 747)	(328 445)	(301 345)	(1 497 510)
Net change in cash and cash equivalents	(9 453)	(19 091)	(67 610)	(220 916)	(346 148)
Cash and cash equivalents at start of period	208 365	410 845	266 522	612 670	612 670
Cash and cash equivalents at end of period	198 912	391 754	198 912	391 754	266 522

## Financial position

The carrying amount of Selvaag Bolig's total inventory (land, units under construction and completed units) at 30 June was NOK 2 933.4 million, compared with NOK 2 967.5 million at 31 March and NOK 3 878.1 million a year earlier. See note 5 for a further specification of inventory.

The group's customer receivables were NOK 103.4 million at the end of the quarter, compared with NOK 81.8 million at 31 March and NOK 322.1 million a year earlier. The increase during the quarter was due to units delivered near the end of the quarter, with settlement postponed until the third quarter. These are considered normal fluctuations and do not involve any credit risk as the funds are in the client's account with the settlement intermediary from the handover of the flat to the final receipt of settlement.

Equity was NOK 2 348.1 million (NOK 2 279.8 million) at 30 June, corresponding to an equity ratio of 51.7 per cent (39.9 per cent). Selvaag Bolig ASA paid a dividend of NOK 93.6 million in the second quarter (NOK 187.4 million), based on the profit for the second half of 2023. Non-controlling interests amounted to NOK 7.9 million (NOK 7.8 million) of equity.

Other current non-interest-bearing liabilities for the group totalled NOK 294.7 million (NOK 434.2 million) at 30 June, of

which NOK 24.2 million (NOK 79.2 million) represented advance payments from customers.

At 30 June, consolidated interest-bearing debt amounted to NOK 1 217.8 million (NOK 2 437.2 million), of which NOK 336.9 million (NOK 695.6 million) was non-current and NOK 880.9 million (NOK 1 741.6 million) was current. NOK 436.9 million (NOK 486.7 million) of current debt related to repurchase agreements with and seller credits for Urban Property. See note 7 for more information.

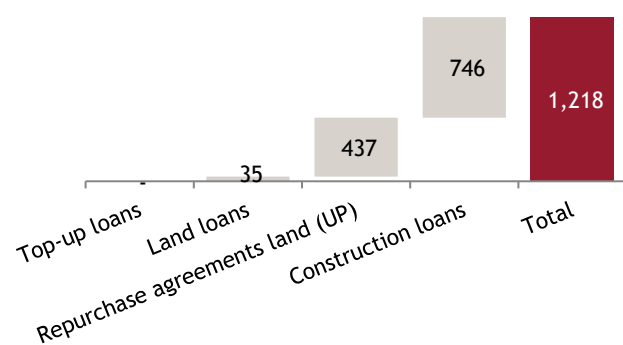
The group had land loans totalling NOK 35.0 million (NOK 200.3 million) at 30 June. This relatively low level reflects the fact that a large part of the properties is financed through Urban Property and classified as current liabilities, repurchase agreements and seller credits. Land loans are normally converted to construction loans in line with the progress of the respective development projects.

Selvaag Bolig ASA has a credit facility agreement of NOK 300 million with DNB, which matures in December 2025. The agreement contains financial covenants, see note 10. The group also has an annually renewed overdraft facility of NOK 150 million with the same bank. No drawings had been made against any of these facilities at 30 June.

**Net interest-bearing debt**

(figures in NOK 1 000)	Q2 2024	Q1 2024	Q2 2023	2023
Non-current interest-bearing debt	336 884	634 015	695 641	681 776
Current interest-bearing debt	444 097	127 873	1 254 833	323 826
Current liabilities repurchase agreements and seller credits	436 857	434 842	486 714	404 610
Cash and cash equivalents	(198 912)	(208 365)	(391 754)	(266 522)
<b>Net interest-bearing debt</b>	<b>1 018 926</b>	<b>988 365</b>	<b>2 045 434</b>	<b>1 143 690</b>

The group's interest-bearing debt falls primarily into four categories: 1) top-up loans, which are liabilities in parent company Selvaag Bolig ASA, 2) land loans, 3) repurchase agreements with Urban Property and 4) construction loans. At 30 June 2024, the group had no top-up loans, land loans of NOK 35 million, repurchase agreements with Urban Property of NOK 437 million and total construction loans of NOK 746 million.

**Interest-bearing debt at 30 June 2024 (NOK mill)**

Interest costs on land loans are recognised in profit and loss until the site secures planning permission. They are capitalised against the site from the day the project secures planning permission, and recognised in profit and loss as part of the cost of sales when the units are delivered. Interest charges on construction loans are capitalised during the

construction period and recognised under cost of sales in the same way. At 30 June, interest of NOK 35 million on land loans had been capitalised.

In connection with the Urban Property (UP) transaction in 2020, a large proportion of the group's land loans were redeemed and replaced with liabilities in the form of repurchase agreements (UP). See note 7 for a description of the collaboration with UP. This means that interest charges on land loans related to these sites, which are collectively designated as Portfolio B, have been replaced by option premiums paid quarterly. These premiums are treated in the accounts in the same way as land-loan interest charges, being capitalised as inventory and included in the cost of sales on delivery of completed units. Option premiums paid and capitalised for sites in Portfolio B came to NOK 4.7 million (NOK 5.3 million) for the second quarter and NOK 10.6 million (NOK 10.2 million) for the first half.

Portfolio C comprises land which the group has the right or obligation to purchase from Urban Property in the future. See note 7 for more information. Provision for accrued option premiums is made quarterly as other long-term assets and other long-term liabilities respectively in Selvaag Bolig's consolidated accounts. The asset is reclassified as inventory when the land is taken over. Provision for and capitalisation of option premiums for portfolio C in the second quarter came to NOK 52.4 million (NOK 39.3 million). Provision for and capitalisation of option premiums for portfolio C in the first half came to NOK 104.3 million (NOK 74.5 million). At 30 June, total provision and capitalisation came to NOK 413.2 million (NOK 248.9 million).

## Operational reporting

Each project is followed up individually in daily operations, and operational reporting accordingly comprises one main segment - Housing development. Reporting also comprises the "Other" segment. The latter primarily includes service deliveries in completed Pluss projects as well as group administration not allocated to the main segment. Operational reporting utilises the percentage of completion method for recognising revenues and profit (NGAAP), which differs from the IFRS where profit is recognised on delivery. Note 4 to the financial statements presents segment information reconciled with the financial reporting figures (IFRS).

### Segments

#### Second quarter

(figures in NOK 1 000)	Operating revenues		EBITDA		Operating profit/loss	
	Q2 24	Q2 23	Q2 24	Q2 23	Q2 24	Q2 23
Housing development (NGAAP)	583 479	525 244	78 348	85 157	86 324	97 765
Other	19 463	16 392	(29 940)	(31 142)	(30 681)	(31 584)
IFRS adjustments	17 245	295 292	50 527	11 975	40 924	(2 499)
<b>Total group (IFRS)</b>	<b>620 187</b>	<b>836 928</b>	<b>98 935</b>	<b>65 990</b>	<b>96 567</b>	<b>63 682</b>

#### Jan-Jun

(figures in NOK 1 000)	Operating revenues		EBITDA		Operating profit/loss	
	6M 24	6M 23	6M 24	6M 23	6M 24	6M 23
Housing development (NGAAP)	1 115 061	1 104 782	158 791	190 482	177 064	203 344
Other	35 255	32 141	(65 419)	(64 852)	(66 555)	(65 630)
IFRS adjustments	97 612	434 180	73 434	28 033	51 658	11 419
<b>Total group (IFRS)</b>	<b>1 247 928</b>	<b>1 571 103</b>	<b>166 806</b>	<b>153 663</b>	<b>162 167</b>	<b>149 133</b>

## Housing development

This segment comprises all Selvaag Bolig's projects regardless of geographical location since each project is followed up individually.

Operating revenues from Housing development for the second quarter were NOK 583.5 million (NOK 525.2 million). They derived from 14 projects (17) in production.

Operating costs, primarily for construction and sales, are directly related to the projects and amounted to NOK 505.1 million (NOK 440.1 million) for the second quarter.

Construction costs in the segment reporting are exclusive of directly-related financial expenses (interest on construction loans). This differs from the IFRS accounts, where financial expenses are included in project costs on delivery.

EBITDA presents operating profit (loss) before depreciation, gain (loss), and share of profit (loss) from associates. It came to NOK 78.3 million (NOK 85.2 million) for the quarter, corresponding to a profit margin of 13.4 per cent (16.2 per cent).

## Other business - unallocated

The other business segment comprises several activities in the group which are not regarded as part of the core business on a stand-alone basis. It also includes administration and management which cannot be attributed directly to the projects and are accordingly not allocated to the housing development segment.

Operating revenues for the segment in the second quarter came to NOK 19.5 million (NOK 16.4 million), while operating costs amounted to NOK 49.4 million (NOK 47.5 million). Costs relate largely to remuneration for the administration and management, as well as other costs. EBITDA was thereby negative at NOK 29.9 million (negative at NOK 31.1 million).

## Review of operations

All figures are presented net, adjusted for Selvaag Bolig's share of joint ventures, unless otherwise specified. Units sold are sales contracts entered into with customers pursuant to the Norwegian Housing Construction Act and the Tenancy Act in Sweden. Pursuant to the IFRS, these are recognised as income on delivery.

### Operations

Gross sales during the quarter totalled 235 units with a combined value of NOK 1 574 million. The sales consisted of 232 units in Norway and three units in Sweden. Selvaag Bolig's share amounted to 207 units with a combined value of NOK 1 385 million.

Work started on constructing 95 units during the second quarter, so that Selvaag Bolig had 661 units worth some NOK 4.2 billion under construction at 30 June. A total of 105 units were completed during the quarter.

To manifest value creation in the group, segment reporting shows revenue and costs in the various projects using the

percentage of completion method as its accounting principle.

### Projects

The group has projects in Oslo, Bærum, Asker, Lørenskog, Ski, Ås, Fredrikstad, Stavanger, Sandnes, Sola, Tønsberg, Trondheim, Bergen and Stockholm. However, no projects were under construction in Bærum, Fredrikstad or Stockholm during the second quarter.

#### Quarterly development of the project portfolio

	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
Units sold	79	77	88	139	207
Construction starts	83	57	130	123	95
Units completed	162	90	331	236	105
Completed unsold units	43	60	95	126	119
Completed sold units pending delivery	11	10	30	56	41
Units delivered	155	74	276	179	127
Units under construction	1 018	985	784	671	661
Proportion of sold units under construction	68 %	69 %	62 %	62 %	66 %
Sales value of units under construction (NOK million)	5 458	5 292	4 496	3 948	4 211

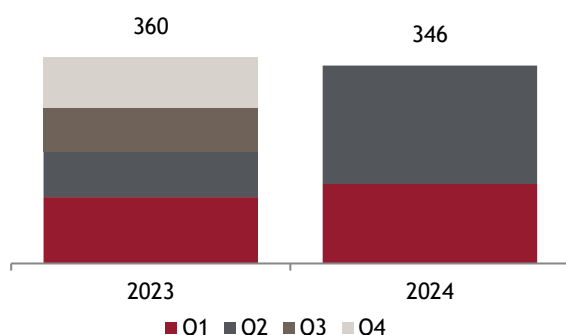
### Purchase and sale of property

During the quarter Selvaag Bolig purchased two land plots from the company's financing partner Urban Property for a total of NOK 206 million. Selvaag Bolig sold two properties, one in Bærum and one in Lørenskog, for a total of NOK 229.9 million during the quarter.



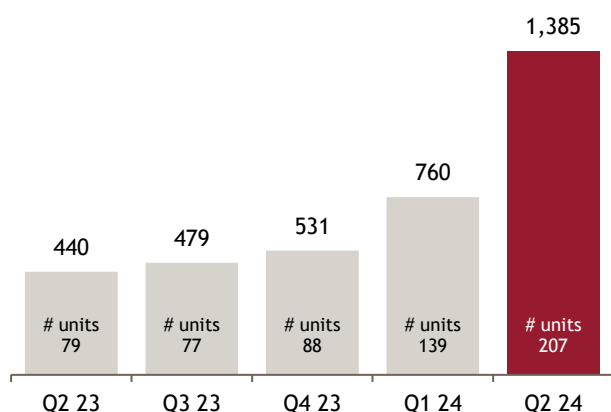
## Sales development and progress

### Units sold



Total housing sales during the second quarter, including Selvaag Bolig's relative share of joint ventures, amounted to 207 units with a combined sales value of NOK 1 385 million. These sales comprise Selvaag Bolig's consolidated project companies as well as its relative share of units sold in joint-venture projects. Sales in the same period of 2023 totalled 79 units with a combined value of NOK 440 million, whereas sales in the previous quarter were 139 units with a value of NOK 760 million.

### Value of units sold (NOK mill)



Selvaag Bolig started sales during the quarter in six projects, comprising 360 residential units (72).

### Sales starts in the quarter

Project	No of units	Category	Region
Solbergskogen Pluss	43	Flat	Greater Oslo
Ballerud trinn 2	44	Flat	Greater Oslo
Ballerud trinn 3	36	Terraced	Greater Oslo
Landåstoppen	90	Flat	Greater Oslo
Snøbyen Pluss	70	Flat	Greater Oslo
Lille Løren Park	19	Flat	Greater Oslo
Sandsliåsen Hageby	46	Flat	Bergen
Sandsliåsen Hageby	12	Terraced	Bergen
<b>Total</b>	<b>360</b>		

Construction began on 95 (83) units during the quarter. At 30 June, Selvaag Bolig consequently had 661 (1 018) units under construction. They included 549 units in Greater Oslo, 21 units in Trondheim and 91 units in Stavanger.

Construction starts can vary substantially from quarter to quarter, since construction normally only begins when 60 per cent of the units in a project have been sold.

The order backlog at 30 June, in other words, the sales value of the 661 (1 018) units then under construction, was NOK 4 211 million (NOK 5 458 million).

A total of 105 (162) units were completed in the second quarter, and 127 (155), including ones completed earlier, were delivered. The completed units were spread over eight projects.

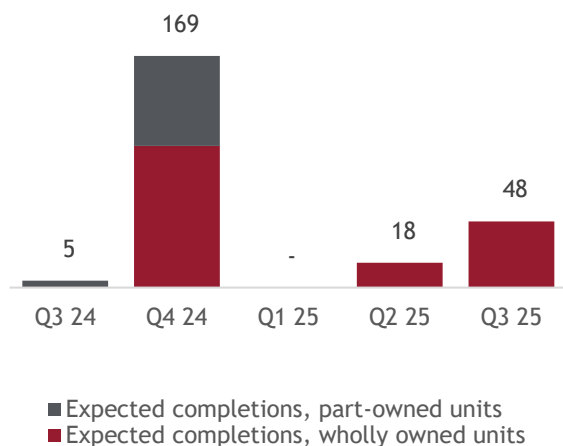
At 30 June, the group held 119 (43) completed but unsold units. The group also had 41 completed units that were sold, but not delivered at the end of the quarter (11). Consolidated project companies accounted for 69 (154) of the units delivered during the quarter, while 58 (one) were in part-owned project companies.

### Units completed by project

Project	No of units	Category	Region
Skårerbyen Gårdskvartalet	36	Flat	Greater Oslo
Lille Løren Park	46	Flat	Greater Oslo
Ringve Pluss	24	Flat	Trondheim
<b>Total</b>	<b>105</b>		

Based on anticipated progress for the projects, five units are expected to be completed in the third quarter of 2024. Estimated completions for 2024 as a whole amount to 515 units.

## Expected number of completions



## Share information

The company had 93.77 million issued shares at 30 June, divided between 6 742 shareholders.

The 20 largest shareholders controlled 81.1 per cent of the total number of issued shares. The largest shareholder was Selvaag AS, with a 53.5 per cent holding.

During the quarter, the Selvaag Bolig share varied in price from NOK 33.70 to NOK 39.95. The closing price at 30 June was NOK 37.00. That compared with NOK 36.40 at 31 March, and the share price accordingly rose by 1.6 per cent over the quarter. A dividend of NOK 1.00 per share was paid in the second quarter. Corrected for this payout, the share price rose by 4.4 per cent over the period.

Just over 2.2 million shares, or 2.4 per cent of the overall number outstanding, were traded during the period. Share turnover totalled NOK 82.3 million during the quarter, corresponding to an average daily figure of roughly NOK 1.3 million.

### 20 largest shareholders at 30 June 2024

Shareholder	# of shares	% share
SELVAAG AS	50 180 087	53.5%
Skandinaviska Enskilda Banken AB *	4 680 572	5.0%
PERESTROIKA AS	3 443 837	3.7%
VERDIPAPIRFONDET ALFRED BERG GAMBA	3 266 051	3.5%
The Northern Trust Comp, London Br *	2 186 000	2.3%
EGD CAPITAL AS	1 704 752	1.8%
SANDEN EQUITY AS	1 660 000	1.8%
HAUSTA INVESTOR AS	1 584 500	1.7%
MUSTAD INDUSTRIER AS	1 067 454	1.1%
Goldman Sachs International *	965 549	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%
Brown Brothers Harriman & Co. *	500 604	0.5%
Sverre Molvik	491 387	0.5%
Øystein Klungland	491 387	0.5%
Skandinaviska Enskilda Banken AB *	399 628	0.4%
KBC Bank NV *	388 089	0.4%
THRANE-STEEN NÆRINGSBYGG AS	342 249	0.4%
VARDE NORGE AS	333 783	0.4%
<b>Total 20 largest shareholders</b>	<b>76 040 460</b>	<b>81.1%</b>
Other shareholders	17 725 228	18.9%
<b>Total number of shares</b>	<b>93 765 688</b>	<b>100.0%</b>

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

## Risk and uncertainty factors

As a housing developer, Selvaag Bolig is exposed to risks which could affect the group's business and financial position.

Risk factors relate to land development, sales and the execution of housing projects, and can be divided into categories market risk, operational risk, financial risk and climate risk. The group prioritises its work on managing and dealing with risk, and has established routines and control systems to limit and control risk exposure.

Macroeconomic conditions - particularly unemployment and the level of interest rates - as well as demographic changes are factors which affect the group's development.

As a pure housing developer, without its own construction arm, Selvaag Bolig puts all building work out to competitive tender. This means the group has great operational flexibility and can adapt its operations at short notice to changing levels of activity in the market. As a general rule, it requires 60 per cent advance sales before initiating projects. 66 per cent of total units under construction and 80 per cent of planned completions in 2024 had been sold at 30 June 2024.

See the annual report for 2023, available on the group's website, for a more detailed explanation of the risk and uncertainty factors it faces.

## Outlook

Selvaag Bolig is well-positioned with large projects centrally located in and near Greater Oslo, Stavanger, Bergen, Trondheim and Stockholm.

According to Statistics Norway, urbanisation and population growth create a large and long-term need for new homes in Selvaag Bolig's core areas. However, during the recent years, the market has been negatively affected by increased construction costs and home loan interest rates, as well as reduced household purchasing power. This has resulted in more housing completions than housing starts for the company, and the order reserve has thus fallen considerably over the past two years.

The second quarter was nevertheless a good quarter for Selvaag Bolig. The company's gross sales during the quarter totalled 235 units with a combined value of NOK 1 574

million. Net sales, adjusted for Selvaag Bolig's share of joint venture companies, were 207 units valued at NOK 1 385 million. This is expected to lead to more construction starts going forward, and the company is planning more sales starts in the second half if the positive momentum in the market continues. Uncertainty tied to the development of new home sales due to macroeconomic conditions will, however, still be able to influence the start of new projects, and thereby also the number of homes under construction for the company.

Selvaag Bolig is well equipped organisationally, operationally and financially to support and strengthen its market position going forward. The company still has a good order reserve, a solid land bank in the company's core areas and available capital through the Urban Property (UP) agreement to buy new land plots.

## Transactions with related parties

Pursuant to the accounting rules, Urban Property is a related party to the group. This means that ongoing option premiums and repurchases of land are regarded as related-party transactions, see note 7 for further information. During the second quarter, Selvaag Bolig repurchased two land plots from UP for a total sum of NOK 206 million, see note 7. The

group has also entered into two new option agreements with UP linked to a property in Oslo and one in Bergen.

See note 23 to the group's annual reports for detailed information on transactions with related parties in earlier years.

## Housing market

All in all, there has been high sales activity in the second-hand Norwegian housing market so far this year. More homes have been both offered for sale and sold than in the same period of 2023, and the number of homes for sale, which has been high in several areas, has fallen back to normal levels. The inventory is still low in Oslo and Bergen and record low in the Stavanger area. In Trondheim and Akershus, the inventory is marginally higher than in recent years.

The price development so far this year has been strong. According to Real Estate Norway, the national second-hand housing prices rose 8 per cent in the first half of the year, and were up 2.2 per cent compared to the same period one year earlier. In Oslo, prices rose 6.7 per cent in the first half and were up 3.2 per cent compared to last year. In Stavanger, prices rose 10.2 per cent in the first half year and 5.6 per cent compared to one year earlier. Prices in Bergen have also risen by 10.2 per cent in the first half and are 4.7 per cent higher than one year earlier.



## Interim financial statements IFRS

## Statement of comprehensive income

(figures in NOK 1 000, except earnings per share)	Q2 2024	Q2 2023	1H 2024	1H 2023	2023
Revenues	599 776	819 853	1 211 040	1 537 266	3 186 235
Other revenues	20 411	17 075	36 888	33 837	68 416
<b>Total operating revenues</b>	<b>620 187</b>	<b>836 928</b>	<b>1 247 928</b>	<b>1 571 103</b>	<b>3 254 651</b>
Project expenses	(489 882)	(708 581)	(1 005 791)	(1 288 453)	(2 677 166)
Salaries and personnel costs	(31 629)	(30 020)	(63 912)	(59 048)	(145 318)
Depreciation and amortisation	(2 368)	(2 308)	(4 639)	(4 530)	(9 231)
Other operating expenses	(27 154)	(25 167)	(55 688)	(54 032)	(108 686)
<b>Total operating expenses</b>	<b>(551 033)</b>	<b>(766 076)</b>	<b>(1 130 030)</b>	<b>(1 406 063)</b>	<b>(2 940 401)</b>
Associated companies and joint ventures	27 413	(7 170)	44 269	(15 907)	(13 352)
Other gains (losses), net	-	-	-	-	-
<b>Operating profit</b>	<b>96 567</b>	<b>63 682</b>	<b>162 167</b>	<b>149 133</b>	<b>300 898</b>
Financial income	7 246	9 354	11 544	12 844	29 778
Financial expenses	(11 929)	(3 314)	(14 852)	(6 235)	(11 199)
<b>Net financial expenses</b>	<b>(4 683)</b>	<b>6 040</b>	<b>(3 308)</b>	<b>6 609</b>	<b>18 579</b>
<b>Profit/(loss) before taxes</b>	<b>91 884</b>	<b>69 722</b>	<b>158 859</b>	<b>155 742</b>	<b>319 477</b>
Income taxes	(12 499)	(18 164)	(23 553)	(38 989)	(74 800)
<b>Net income</b>	<b>79 385</b>	<b>51 558</b>	<b>135 306</b>	<b>116 753</b>	<b>244 677</b>
<b>Other comprehensive income/expenses</b>					
Translation differences	(493)	(173)	(521)	4 642	1 796
<b>Total comprehensive income/(loss) for the period</b>	<b>78 892</b>	<b>51 385</b>	<b>134 785</b>	<b>121 395</b>	<b>246 473</b>
<b>Net income for the period attributable to:</b>					
Non-controlling interests	10	7	21	26	44
Shareholders in Selvaag Bolig ASA	79 375	51 551	135 285	116 727	244 633
<b>Total comprehensive income/(loss) for the period attributable to:</b>					
Non-controlling interests	10	7	21	26	44
Shareholders in Selvaag Bolig ASA	78 882	51 378	134 764	121 369	246 429
<b>Earnings per share for net income/(loss) attributed to shareholders in Selvaag Bolig ASA:</b>					
Earnings per share (basic and diluted) in NOK	0.85	0.55	1.45	1.25	2.62

*The consolidated financial information has not been audited*

## Statement of financial position

(figures in NOK 1 000)	Note	Q2 2024	Q1 2024	Q2 2023	2023
<b>ASSETS</b>					
<b>Non-current assets</b>					
Goodwill		383 376	383 376	383 376	383 376
Property, plant and equipment		12 247	12 571	9 868	9 767
Right-of-use lease assets		6 803	8 431	14 024	10 295
Investments in associated companies and joint ventures		244 040	228 631	219 016	229 985
Loans to associated companies and joint ventures		167 819	148 737	136 052	161 314
Other non-current assets	7	475 673	432 439	350 029	408 503
<b>Total non-current assets</b>		<b>1 289 958</b>	<b>1 214 185</b>	<b>1 112 365</b>	<b>1 203 240</b>
<b>Current assets</b>					
Inventories (property)	5, 7	2 933 391	2 967 547	3 878 101	3 199 454
Trade receivables		103 403	81 813	322 106	60 194
Other current receivables		17 147	23 487	16 401	25 001
Cash and cash equivalents		198 912	208 365	391 754	266 522
<b>Total current assets</b>		<b>3 252 853</b>	<b>3 281 212</b>	<b>4 608 362</b>	<b>3 551 171</b>
<b>TOTAL ASSETS</b>		<b>4 542 811</b>	<b>4 495 397</b>	<b>5 720 727</b>	<b>4 754 411</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributed to shareholders in Selvaag Bolig ASA</b>					
Equity attributed to shareholders in Selvaag Bolig ASA		2 340 250	2 355 008	2 272 016	2 299 126
Non-controlling interests		7 859	7 849	7 820	7 838
<b>Total equity</b>		<b>2 348 109</b>	<b>2 362 857</b>	<b>2 279 836</b>	<b>2 306 964</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Pension liabilities		1 147	1 147	1 090	1 147
Deferred tax liabilities		73 689	73 476	60 635	73 476
Provisions		70 215	70 215	66 999	70 215
Other non-current liabilities	7	415 210	385 781	312 651	385 745
Non-current lease liabilities		2 504	2 504	6 839	2 749
Non-current interest-bearing liabilities		336 884	634 015	695 641	681 776
<b>Total non-current liabilities</b>		<b>899 649</b>	<b>1 167 138</b>	<b>1 143 855</b>	<b>1 215 108</b>
<b>Current liabilities</b>					
Current lease liabilities		4 562	6 381	8 021	8 181
Current interest-bearing liabilities		444 097	127 873	1 254 833	323 826
Current liabilities repurchase agreements and seller credits	7	436 857	434 842	486 714	404 610
Trade payables		70 516	74 247	51 855	73 094
Current tax payables		44 339	54 636	61 432	66 378
Other current non-interest-bearing liabilities		294 682	267 423	434 181	356 250
<b>Total current liabilities</b>		<b>1 295 053</b>	<b>965 402</b>	<b>2 297 036</b>	<b>1 232 339</b>
<b>Total liabilities</b>		<b>2 194 702</b>	<b>2 132 540</b>	<b>3 440 891</b>	<b>2 447 447</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4 542 811</b>	<b>4 495 397</b>	<b>5 720 727</b>	<b>4 754 411</b>

The consolidated financial information has not been audited

## Statement of changes in equity

	Share capital	Share premium account	Other paid-in capital	Cumulative translation differences	Other reserves	Retained earnings	Equity attributed to shareholders in Selvaag Bolig ASA	Non-controlling interests	Total equity
<b>Equity at 1 January 2024</b>	<b>187 279</b>	<b>1 394 857</b>	<b>700 629</b>	<b>10 102</b>	<b>3 528</b>	<b>2 729</b>	<b>2 299 125</b>	<b>7 839 *</b>	<b>2 306 964</b>
Transactions with owners:									
Dividend	-	-	-	-	-	(93 640)	(93 640)	-	(93 640)
Share buy back	-	-	-	-	-	-	-	-	-
Employee share programme	-	-	-	-	-	-	-	-	-
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	135 285	135 285	21	135 306
Other comprehensive income/(loss) for the period	-	-	-	(521)	-	-	(521)	-	(521)
<b>Equity at 30 June 2024</b>	<b>187 279</b>	<b>1 394 857</b>	<b>700 629</b>	<b>9 581</b>	<b>3 528</b>	<b>44 374</b>	<b>2 340 249</b>	<b>7 860 *</b>	<b>2 348 109</b>
<b>Equity at 1 January 2023</b>	<b>187 440</b>	<b>1 394 857</b>	<b>700 629</b>	<b>8 306</b>	<b>3 528</b>	<b>43 327</b>	<b>2 338 088</b>	<b>7 795 *</b>	<b>2 345 883</b>
Transactions with owners:									
Dividend	-	-	-	-	-	(187 442)	(187 442)	-	(187 442)
Share buy back	-	-	-	-	-	-	-	-	-
Employee share programme	-	-	-	-	-	-	-	-	-
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	116 727	116 727	26	116 753
Other comprehensive income/(loss) for the period	-	-	-	4 642	-	-	4 642	-	4 642
<b>Equity at 30 June 2023</b>	<b>187 440</b>	<b>1 394 857</b>	<b>700 629</b>	<b>12 948</b>	<b>3 528</b>	<b>-27 388</b>	<b>2 272 015</b>	<b>7 821 *</b>	<b>2 279 836</b>
Transactions with owners:									
Dividend	-	-	-	-	-	(93 721)	(93 721)	-	(93 721)
Share buy back	(1 832)	-	-	-	-	(25 697)	(27 529)	-	(27 529)
Employee share programme	1 671	-	-	-	-	21 629	23 300	-	23 300
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	127 906	127 906	18	127 924
Other comprehensive income/(loss) for the period	-	-	-	(2 846)	-	-	(2 846)	-	(2 846)
<b>Equity at 31 December 2023</b>	<b>187 279</b>	<b>1 394 857</b>	<b>700 629</b>	<b>10 102</b>	<b>3 528</b>	<b>2 729</b>	<b>2 299 125</b>	<b>7 839 *</b>	<b>2 306 964</b>

The consolidated financial information has not been audited.

\*) Non-controlling interests include tax from profits in companies subject to partnership taxation. Income taxes in the group do not include taxes from tax subjects outside the Selvaag Bolig group.

## Statement of cash flow

(figures in NOK 1 000)	Note	Q2 2024	Q2 2023	1H 2024	1H 2023	2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
Profit/(loss) before taxes		91 884	69 722	158 859	155 742	319 477
Income taxes paid		(22 796)	(187)	(45 592)	(41 347)	(64 821)
Depreciation and amortisation		2 368	2 308	4 639	4 530	9 231
Share of profits/(losses) from associated companies and joint ventures		(27 413)	7 170	(44 269)	15 907	13 352
Changes in inventories (property)	5	53 892	314 525	305 205	456 998	1 195 705
Changes in trade receivables		(21 590)	(217 849)	(43 209)	(240 651)	21 261
Changes in trade payables		(3 731)	(4 454)	(2 578)	(47 488)	(26 249)
Changes in other operating working capital assets		(13 184)	(56 698)	10 410	(57 683)	(89 573)
Changes in other operating working capital liabilities		28 249	(16 128)	(108 513)	(108 132)	(181 771)
<b>Net cash flow from operating activities</b>		<b>87 679</b>	<b>98 408</b>	<b>234 952</b>	<b>137 876</b>	<b>1 196 613</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>						
Proceeds from sale of property, plant and equipment and intangible assets		-	316	-	316	316
Purchases of PPE and intangible assets		(422)	(792)	(3 629)	(2 774)	(3 659)
Proceeds from disposal of businesses and subsidiaries, net of cash disposed		-	-	-	-	-
Purchases of businesses and subsidiaries, net of cash acquired		-	-	-	-	-
Purchases of associated companies and joint ventures		-	-	(5 000)	-	-
Proceeds from sale of other investments and repayment of loans		3 089	-	15 512	-	45 573
Purchases of other investments and loans		(6 000)	(4 700)	(6 000)	(65 412)	(97 904)
Dividends and disbursements from associated companies and joint ventures		-	10 423	25 000	10 423	10 423
<b>Net cash flow from investment activities</b>		<b>(3 333)</b>	<b>5 247</b>	<b>25 883</b>	<b>(57 447)</b>	<b>(45 251)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>						
Proceeds from borrowings	7	462 719	520 477	780 080	929 632	1 706 662
Repayments of borrowings	7	(444 107)	(436 758)	(964 979)	(997 747)	(2 796 129)
Interest payments		(17 240)	(17 049)	(46 617)	(42 377)	(108 061)
Repayments of lease liabilities		(1 819)	(2 235)	(3 864)	(3 931)	(7 861)
Dividends paid to equity holders of Selvaag Bolig ASA		(93 640)	(187 442)	(93 640)	(187 442)	(281 163)
Share buy back Selvaag Bolig ASA		-	-	-	-	(27 529)
Proceeds from disposal of shares Selvaag Bolig ASA		288	260	575	520	16 571
<b>Net cash flow from financing activities</b>		<b>(93 799)</b>	<b>(122 747)</b>	<b>(328 445)</b>	<b>(301 345)</b>	<b>(1 497 510)</b>
Net change in cash and cash equivalents		(9 453)	(19 091)	(67 610)	(220 916)	(346 148)
<b>Cash and cash equivalents at start of period</b>		<b>208 365</b>	<b>410 845</b>	<b>266 522</b>	<b>612 670</b>	<b>612 670</b>
<b>Cash and cash equivalents at end of period</b>		<b>198 912</b>	<b>391 754</b>	<b>198 912</b>	<b>391 754</b>	<b>266 522</b>

The consolidated financial information has not been audited



## Selected notes to the quarterly financial statements

### 1. General information and accounting principles

Selvaag Bolig ASA (the "company") and its subsidiaries (together "the group") is a property development group, involved in the construction of residential property for sale in the ordinary course of business. The condensed consolidated interim financial information consists of the group and the group's interest in associated companies and jointly controlled entities.

The group's consolidated financial information has been prepared in accordance with IAS 34 Interim Financial Reporting. The report does not include all the information and disclosures required for annual financial statements and should be read in conjunction with the group's consolidated financial statements for 2023.

The accounting policies applied in preparing these interim condensed consolidated financial statements are otherwise consistent with those applied in the group's consolidated financial statements for the year ended 31 December 2023.

### 2. Accounting judgements, estimates and assumptions

The preparation of interim financial information requires management to make judgements, estimates and assumptions which affect the application of accounting principles and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this consolidated interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were largely the same as those which applied in the consolidated financial statements for the year ended 31 December 2023.

### 3. Transactions with related parties

See note 23 to the consolidated financial statements for 2023 for detailed information on related-party transactions in previous years.

### 4. Segment information

The main segment is defined as Housing development. In addition, the Other segment consists of services and estate agent as well as unallocated revenues and costs.

The group utilises the percentage of completion method in its internal reporting for which the degree of completion is estimated on the basis of expenses incurred relative to total estimated costs and sales rate. Operating revenue under the percentage of completion method also includes an estimated profit element. The consolidated income statement is based on the completed contract method, in which revenue is recognised at the time of transfer of risk and control, being the point of delivery of the property. A reconciliation of this effect (from stage of completion to completed contract) can be found in the segment reporting under "Reconciliation EBITDA to operating profit (loss)".

Group management considers segment results based on the percentage of completion method for determining EBITDA. The method of measurement is defined as operating profit (loss) before "Depreciation and amortisation", "Other gain (loss), net", and "Share of income (losses) from disposals from associated companies and joint ventures". Financial income and expenses are not allocated to operating segments since this type of activity is managed by a central finance function focused on managing the group's liquidity.

Second quarter 2024

(figures in NOK 1 000)	Housing development	Other	Total
Operating revenues	583 479	19 463	602 942
Project expenses	(494 302)	455	(493 847)
Other operating expenses	(10 829)	(49 858)	(60 687)
<b>EBITDA (percentage of completion, NGAAP)</b>	<b>78 348</b>	<b>(29 940)</b>	<b>48 408</b>
<b>Reconciliation EBITDA to operating profit (loss)</b>			
EBITDA (percentage of completion)	78 348	(29 940)	48 408
Sales revenues (adjustment effect of percentage of completion)	(419 697)	-	(419 697)
Sales revenues (completed contract)	436 942	-	436 942
Project expenses (adjustment effect of percentage of completion)	344 566	-	344 566
Project expenses (completed contract)	(340 601)	-	(340 601)
Lease expenses	-	1 904	1 904
Depreciation and amortisation	-	(2 368)	(2 368)
Share of income (losses) from associated companies and joint ventures	27 413	-	27 413
Other gain (loss), net	-	-	-
<b>Operating profit (loss), (IFRS)</b>	<b>126 971</b>	<b>(30 404)</b>	<b>96 567</b>
Units under construction	661	N/A	N/A
Units delivered	127	N/A	N/A

Second quarter 2023

(figures in NOK 1 000)	Housing development	Other	Total
Operating revenues	525 244	16 392	541 636
Project expenses	(429 863)	(441)	(430 304)
Other operating expenses	(10 224)	(47 093)	(57 317)
<b>EBITDA (percentage of completion, NGAAP)</b>	<b>85 157</b>	<b>(31 142)</b>	<b>54 015</b>
<b>Reconciliation EBITDA to operating profit (loss)</b>			
EBITDA (percentage of completion)	85 157	(31 142)	54 015
Sales revenues (adjustment effect of percentage of completion)	(459 145)	-	(459 145)
Sales revenues (completed contract)	754 437	-	754 437
Project expenses (adjustment effect of percentage of completion)	372 322	-	372 322
Project expenses (completed contract)	(650 600)	-	(650 600)
Lease expenses	-	2 131	2 131
Depreciation and amortisation	-	(2 308)	(2 308)
Share of income (losses) from associated companies and joint ventures	(7 170)	-	(7 170)
Other gain (loss), net	-	-	-
<b>Operating profit (loss), (IFRS)</b>	<b>95 001</b>	<b>(31 319)</b>	<b>63 682</b>
Units under construction	1 018	N/A	N/A
Units delivered	155	N/A	N/A

At 30 June 2024

(figures in NOK 1 000)	Housing development	Other	Total
Operating revenues	1 115 061	35 255	1 150 316
Project expenses	(932 741)	(519)	(933 260)
Other operating expenses	(23 529)	(100 155)	(123 684)
<b>EBITDA (percentage of completion, NGAAP)</b>	<b>158 791</b>	<b>(65 419)</b>	<b>93 372</b>
<b>Reconciliation EBITDA to Operating profit (loss):</b>			
EBITDA (percentage of completion)	158 791	(65 419)	93 372
Sales revenues (adjustment effect of percentage of completion)	(944 803)	-	(944 803)
Sales revenues (completed contract)	1 042 415	-	1 042 415
Project expenses (adjustment effect of percentage of completion)	778 454	-	778 454
Project expenses (completed contract)	(850 985)	-	(850 985)
Lease expenses	-	4 084	4 084
Depreciation and amortisation	-	(4 639)	(4 639)
Share of profits (losses) from associated companies and joint ventures	44 269	-	44 269
Other gain (loss), net	-	-	-
<b>Operating profit (loss), (IFRS)</b>	<b>228 141</b>	<b>(65 974)</b>	<b>162 167</b>
Units under construction	661	N/A	N/A
Units delivered	306	N/A	N/A

At 30 June 2023

(figures in NOK 1 000)	Housing development	Other	Total
Operating revenues	1 104 782	32 141	1 136 923
Project expenses	(893 068)	(884)	(893 952)
Other operating expenses	(21 232)	(96 109)	(117 341)
<b>EBITDA (percentage of completion, NGAAP)</b>	<b>190 482</b>	<b>(64 852)</b>	<b>125 630</b>
<b>Reconciliation EBITDA to operating profit (loss):</b>			
EBITDA (percentage of completion)	190 482	(64 852)	125 630
Sales revenues (adjustment effect of percentage of completion)	(1 030 751)	-	(1 030 751)
Sales revenues (completed contract)	1 464 930	-	1 464 930
Project expenses (adjustment effect of percentage of completion)	834 463	-	834 463
Project expenses (completed contract)	(1 228 965)	-	(1 228 965)
Lease expenses	-	4 263	4 263
Depreciation and amortisation	-	(4 530)	(4 530)
Share of profits (losses) from associated companies and joint ventures	(15 907)	-	(15 907)
Other gain (loss), net	-	-	-
<b>Operating profit (loss), (IFRS)</b>	<b>214 252</b>	<b>(65 119)</b>	<b>149 133</b>
Units under construction	1 018	N/A	N/A
Units delivered	305	N/A	N/A

## 5. Inventory - property

The group has property which comprises land and buildings intended for sale in the ordinary course of business or in the process of construction or development for such sale.

Inventories thus comprise land, property held for resale, and property under development and construction. Inventories are measured at the lower of cost and net realisable value.

(figures in NOK 1 000)	Q2 2024	Q1 2024	Q2 2023	2023
Land (undeveloped)	633 546	662 056	687 252	667 305
Work in progress	1 651 936	1 461 942	2 960 072	1 959 180
Completed units	647 909	843 549	230 777	572 969
<b>Carrying amount</b>	<b>2 933 391</b>	<b>2 967 547</b>	<b>3 878 101</b>	<b>3 199 454</b>

## 6. Project expenses and EBITDA

The group expenses all directly attributable costs in construction projects as project expenses. This also includes financial expenses. Below is a specification

showing the project cost and EBITDA including and excluding financial expenses.

(figures in NOK 1 000)	Q2 2024	Q2 2023	1H 2024	1H 2023	2023
<b>Project expenses</b>	<b>(489 882)</b>	<b>(708 581)</b>	<b>(1 005 791)</b>	<b>(1 288 453)</b>	<b>(2 677 166)</b>
Finance expenses	(24 756)	(29 440)	(62 927)	(51 449)	(141 551)
Other project expenses	(465 126)	(679 141)	(942 864)	(1 237 004)	(2 535 615)

(figures in NOK 1 000)	Q2 2024	Q2 2023	1H 2024	1H 2023	2023
EBITDA <sup>1</sup>	98 935	65 990	166 806	153 663	310 129
EBITDA margin	16.0%	7.9%	13.4%	9.8%	9.5%
EBITDA adjusted <sup>2</sup>	123 691	95 430	229 733	205 112	451 680
EBITDA margin adjusted	19.9%	11.4%	18.4 %	13.1%	13.9%

<sup>1</sup> EBITDA is operating profit before interest, taxes, depreciation, amortisation and other gains (losses).

<sup>2</sup> EBITDA adjusted excludes financial expenses included in project costs.

The EBITDA margins are affected positively by presenting results from joint ventures net and excluding them from turnover. For more information, see note 8 on proportional

consolidation, which presents the effect if the joint ventures had been included with their share of turnover, in other words, not presented net.



## 7. Collaboration with Urban Property

With effect from January 2020, large parts of the available land portfolio for Selvaag Bolig (SBO) have been owned by Urban Property (UP). The companies are long-term and strategic partners. UP is owned by Oslo Pensjonsforsikring AS with a 40 per cent holding, Equinor Pensjon with 30 per cent, Selvaag AS with 20 per cent and Rema Etablering Norge AS with 10 per cent. The Selvaag AS holding in UP makes the latter a related party to SBO pursuant to the IFRS, but not according to the Norwegian Public Limited Companies Act. See note 26 to the consolidated accounts for 2020 for detailed information on the transaction.

UP is a financially sound, well-capitalised and predictable partner. The collaboration agreement includes the following elements:

- UP has a pre-emptive right to buy new land SBO wants to develop.
- SBO has an option to purchase the land from UP.
- The land is purchased in stages from UP at its original acquisition price plus an annual option premium of Nibor plus 3.75 per cent. In addition comes a transaction fee, which is 0.5 per cent when UP buys property from the landowner and two per cent when SBO buys from UP.
- SBO pays 50 per cent of the purchase price to UP on taking over a property (when construction starts) and 50 per cent on completion of the project.
- If SBO decides not to exercise the option on a land plot, there is a 48-month option premium (break fee).
- The agreement includes financial covenants, see note 10.

The transaction covered properties which were divided into Portfolios A, B and C. Portfolio A was converted to portfolio C with effect from 1 January 2021 following a renegotiation of the collaboration agreement between the parties.

### Portfolio B

In accounting terms, Portfolio B is treated as a financing arrangement because SBO retains control of these properties. This means that the carrying amount of Portfolio B remains unchanged as inventory after the transaction, while the consideration from the sale of Portfolio B has been recognised as a liability for repurchase agreements (to UP) in the SBO balance sheet.

The option premium related to the properties in Portfolio B is paid quarterly. These premiums are treated for accounting purposes in the same way as interest charges on land loans. They are recognised in the balance sheet as part of inventory and expensed as cost of sales when

completed residential units are delivered. Option premiums paid and capitalised for land in Portfolio B amounted to NOK 4.7 million in the second quarter (NOK 5.3 million). For the first half, option premiums paid and capitalised were NOK 10.6 million (NOK 10.2 million). SBO can cancel the option at any given time on payment of a fixed break fee corresponding to 48 months of option premiums for the property. SBO pays 50 per cent of the purchase price to UP on taking over a property and 50 per cent on completion of the project.

### Portfolio C

Portfolio C covers properties which the group has the right or obligation to purchase in the future. An agreement has been entered into which means that UP acquires rights and obligations corresponding to those currently held by the group in relation to the landowners. SBO will remain the formal counterparty to the present landowners. The agreement covers agreements on future property acquisitions where UP will be the formal counterparty to the landowners. After UP has acquired a property, SBO will have an option to buy it back on specified terms.

Fifty per cent of the option premium in Portfolio C falls due when SBO acquires the land from UP, with the remainder falling due on completion of the relevant project. Provision for accrued option premiums is made quarterly in SBO's consolidated accounts, as other non-current assets and other non-current liabilities, respectively. The asset is reclassified as inventory upon the land takeover, while the remaining unpaid option premium is reclassified to short-term liabilities, repurchase agreements and seller credits. Provision for and capitalisation of option premiums for Portfolio C amounted to NOK 52.4 million in the second quarter (NOK 39.3 million). For the first half, option premiums paid and capitalised were NOK 104.3 million (NOK 74.5 million). Accumulated provisions and capitalisation at 30 June totalled NOK 413.2 million (NOK 248.9 million).

SBO can cancel the option at any given time in exchange for a break fee comprising the accumulated increase in the repurchase price for the property plus a fixed supplement corresponding to 48 months of growth in the repurchase price. When exercising an option, SBO pays 50 per cent of the purchase price to UP upon takeover of the property and 50 per cent upon project completion.

During the second quarter, Selvaag Bolig repurchased two land plots from UP for a total sum of NOK 206 million. Further, the group repaid NOK 48.1 million in seller credits (NOK 105.8 million).

Debt related to repurchase agreements and seller credits was NOK 436.9 million (NOK 486.7 million) at 30 June 2024. Of this, NOK 230.3 million was portfolio B (NOK 292.6

million) and NOK 206.6 million was seller credits (NOK 194.1 million).

### 8. Proportional consolidation related to associate companies and joint ventures - pro forma information

Selvaag Bolig executes a number of its housing projects in collaboration with other parties, often on a 50-50 basis. These are recognised in the statement of comprehensive income pursuant to the IFRS using the equity method, where Selvaag Bolig's share of the net result is presented as share of profit/(loss) from associated companies and joint ventures. Selvaag Bolig finds that the share of collaboration projects is increasing and that, in this context, it is relevant to provide information on how the

statement of comprehensive income would have appeared were the equity interest in collaboration projects to be consolidated.

In the table below, the statement of comprehensive income pursuant to the IFRS has been restated to show the proportional consolidation of associated companies and joint ventures in accordance with Selvaag Bolig's equity interest in collaboration projects.

Statement of proportional consolidation	Q2 2024			Q2 2023		
	IFRS	Adj share Assoc/JV gross	Pro forma gross Assoc/JV	IFRS	Adj share Assoc/JV gross	Pro forma gross Assoc/JV
(figures in NOK 1 000)						
Revenues	599 776	356 986	956 762	819 853	1 963	821 816
Other revenues	20 411	1 876	22 287	17 075	2 292	19 367
<b>Total operating revenues</b>	<b>620 187</b>	<b>358 862</b>	<b>979 049</b>	<b>836 928</b>	<b>4 254</b>	<b>841 182</b>
Project expenses	(489 882)	(307 392)	(797 274)	(708 581)	(1 709)	(710 290)
Salaries and personnel costs	(31 629)	(159)	(31 788)	(30 020)	(157)	(30 177)
Depreciation and amortisation	(2 368)	(1 119)	(3 487)	(2 308)	(981)	(3 289)
Other operating expenses	(27 154)	(10 107)	(37 261)	(25 167)	(6 382)	(31 549)
<b>Total operating expenses</b>	<b>(551 033)</b>	<b>(318 777)</b>	<b>(869 810)</b>	<b>(766 076)</b>	<b>(9 228)</b>	<b>(775 304)</b>
Associated companies and joint ventures	27 413	(27 413)	-	(7 170)	7 170	-
Other gains (losses), net	-	-	-	-	-	-
<b>Operating profit</b>	<b>96 567</b>	<b>12 673</b>	<b>109 240</b>	<b>63 682</b>	<b>2 196</b>	<b>65 878</b>
Financial income	7 246	419	7 665	9 354	230	9 584
Financial expenses	(11 929)	(5 132)	(17 061)	(3 314)	(4 448)	(7 762)
<b>Net financial expenses</b>	<b>(4 683)</b>	<b>(4 713)</b>	<b>(9 396)</b>	<b>6 040</b>	<b>(4 218)</b>	<b>1 822</b>
<b>Profit/(loss) before taxes</b>	<b>91 884</b>	<b>7 960</b>	<b>99 844</b>	<b>69 722</b>	<b>(2 022)</b>	<b>67 700</b>
Income taxes	(12 499)	(7 960)	(20 459)	(18 164)	2 022	(16 142)
<b>Net income</b>	<b>79 385</b>	<b>-</b>	<b>79 385</b>	<b>51 558</b>	<b>-</b>	<b>51 558</b>
<b>EBITDA<sup>1</sup></b>	<b>98 935</b>	<b>13 792</b>	<b>112 727</b>	<b>65 990</b>	<b>3 177</b>	<b>69 167</b>
<b>EBITDA margin<sup>1</sup></b>	<b>16.0%</b>	<b>N/A</b>	<b>11.5%</b>	<b>7.9%</b>	<b>N/A</b>	<b>8.2%</b>
<b>EBITDA adj<sup>2</sup></b>	<b>123 691</b>	<b>46 534</b>	<b>170 225</b>	<b>95 430</b>	<b>3 233</b>	<b>98 663</b>
<b>EBITDA margin adj<sup>2</sup></b>	<b>19.9%</b>	<b>N/A</b>	<b>17.4%</b>	<b>11.4%</b>	<b>N/A</b>	<b>11.7%</b>

<sup>1</sup> EBITDA is operating profit before interest, taxes, depreciation, amortisation and other gains (losses).

<sup>2</sup> EBITDA adjusted excludes financial expenses included in project costs. See note 6.

Statement of proportional consolidation

	1H 2024			1H 2023		
	Adj share		Pro forma	Adj share		Pro forma
	IFRS	Assoc./JV gross	Assoc./JV	IFRS	Assoc./JV gross	Assoc./JV
(figures in NOK 1 000)						
Revenues	1 211 040	595 478	1 806 518	1 537 266	50 211	1 587 477
Other revenues	36 888	3 880	40 768	33 837	4 630	38 467
<b>Total operating revenues</b>	<b>1 247 928</b>	<b>599 358</b>	<b>1 847 286</b>	<b>1 571 103</b>	<b>54 840</b>	<b>1 625 943</b>
Project expenses	(1 005 791)	(516 644)	(1 522 435)	(1 288 453)	(55 517)	(1 343 970)
Salaries and personnel costs	(63 912)	(425)	(64 337)	(59 048)	(434)	(59 482)
Depreciation and amortisation	(4 639)	(2 219)	(6 858)	(4 530)	(1 962)	(6 492)
Other operating expenses	(55 688)	(13 732)	(69 420)	(54 032)	(11 391)	(65 423)
<b>Total operating expenses</b>	<b>(1 130 030)</b>	<b>(533 019)</b>	<b>(1 663 049)</b>	<b>(1 406 063)</b>	<b>(69 303)</b>	<b>(1 475 366)</b>
Associated companies and joint ventures	44 269	(44 269)	-	(15 907)	15 907	-
Other gains (losses), net	-	-	-	-	-	-
<b>Operating profit</b>	<b>162 167</b>	<b>22 070</b>	<b>184 237</b>	<b>149 133</b>	<b>1 445</b>	<b>150 578</b>
Financial income	11 544	767	12 311	12 844	677	13 521
Financial expenses	(14 852)	(8 653)	(23 505)	(6 235)	(5 845)	(12 080)
<b>Net financial expenses</b>	<b>(3 308)</b>	<b>(7 886)</b>	<b>(11 194)</b>	<b>6 609</b>	<b>(5 168)</b>	<b>1 441</b>
<b>Profit/(loss) before taxes</b>	<b>158 859</b>	<b>14 184</b>	<b>173 043</b>	<b>155 742</b>	<b>(3 724)</b>	<b>152 019</b>
Income taxes	(23 553)	(14 184)	(37 737)	(38 989)	3 724	(35 265)
<b>Net income</b>	<b>135 306</b>	<b>-</b>	<b>135 306</b>	<b>116 753</b>	<b>-</b>	<b>116 753</b>
<b>EBITDA<sup>1</sup></b>	<b>166 806</b>	<b>24 289</b>	<b>191 095</b>	<b>153 663</b>	<b>3 406</b>	<b>157 069</b>
<b>EBITDA margin<sup>1</sup></b>	<b>13.4%</b>	<b>N/A</b>	<b>10.3%</b>	<b>9.8%</b>	<b>N/A</b>	<b>9.7%</b>
<b>EBITDA adj<sup>2</sup></b>	<b>229 733</b>	<b>74 795</b>	<b>304 528</b>	<b>205 112</b>	<b>5 276</b>	<b>210 388</b>
<b>EBITDA margin adj<sup>2</sup></b>	<b>18.4%</b>	<b>N/A</b>	<b>16.5%</b>	<b>13.1%</b>	<b>N/A</b>	<b>12.9%</b>

<sup>1</sup> EBITDA is operating profit before interest, taxes, depreciation, amortisation and other gains (losses).

<sup>2</sup> EBITDA adjusted excludes financial expenses included in project costs. See note 6.

## 9. Alternative Performance Measures (APMs)

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as endorsed by the EU. In addition, Selvaag Bolig presents several Alternative Performance Measures (APMs). APMs are performance measures not defined in the applicable financial reporting framework of IFRS and are therefore not necessarily comparable or equal to the calculation of similar measures used by other companies. The APMs are reported in addition to, but are not substitutes for, the group's consolidated financial statements, prepared in accordance with IFRS. Below we present an overview of which alternative performance measures that are included in the quarterly report, why they are used and how they are defined:

### EBITDA:

EBITDA is a measure of operating profit before interest, tax, depreciation, amortisation, and other gains (losses).

The basis for the calculation of this are the consolidated financial statements according to IFRS, see the table below. The group presents this because group management believes that EBITDA gives useful additional information about the profitability of the group's operations. EBITDA is used by many companies and is well suited to comparing profitability between companies.

### Adjusted EBITDA:

Adjusted EBITDA is EBITDA, as defined above, less financial expenses which are a part of project costs, see the table below. Since IFRS requires that financial expenses that are capitalised as a part of inventory must be expensed as costs of goods on delivery, adjusted EBITDA is presented to show the profitability of the group's operations before financial expenses. The group presents this because group management believes that adjusted EBITDA provides useful additional information about the underlying profitability of the group's operations.

(figures in NOK 1 000)	Q2 2024	Q2 2023	1H 2024	1H 2023	2023
Operating profit	96 567	63 682	162 167	149 133	300 898
Depreciation and amortisation	2 368	2 308	4 639	4 530	9 231
Other gains (losses), net	-	-	-	-	-
<b>EBITDA</b>	<b>98 935</b>	<b>65 990</b>	<b>166 806</b>	<b>153 663</b>	<b>310 129</b>
Finance expenses <sup>1</sup>	24 756	29 440	62 927	51 449	141 551
<b>EBITDA adjusted</b>	<b>123 691</b>	<b>95 430</b>	<b>229 733</b>	<b>205 112</b>	<b>451 680</b>

<sup>1</sup> See note 6

### EBITDA (percentage of completion, NGAAP):

EBITDA (percentage of completion, NGAAP) is the operating profit before interest, tax, depreciation, amortisation, profits from associated companies and joint ventures and other gains (losses). The basis for this is from the group's segment reporting where the percentage of completion method, which is the completion ratio multiplied by sales ratio, is used, see note 4. The group presents this because group management believes that EBITDA (percentage of completion, NGAAP) gives

important additional information about the underlying value creation trends in the group.

### Net interest-bearing debt:

Net interest-bearing debt is the sum of interest-bearing debt less cash and cash equivalents, see table on page 5. The group presents this because it believes it to be a useful indicator of the group's debt, financial flexibility and capital structure.

## 10. Financial covenants

The collaboration agreement with Urban Property, as described in note 7, includes financial covenants with the following requirements:

- Equity must be greater than NOK 1 500 million.
- Debt ratio must be below 50 per cent. Debt ratio is defined as:  $\text{Net debt} / (\text{Net debt} + \text{equity})$ .
- Net debt / rolling 12-month EBITDA must be below 3.
- Maximum 2.5 year accumulated, unpaid option premium. This consists of three elements multiplied with each other: (Lowest of market value or acquisition price of land plots in UP) times (annual option premium which is 3-month NIBOR + 3.75 per cent) times 2.5.

The calculation of net debt is excluding construction loans and Selvaag Bolig's balance sheet debt related to Portfolio B. At the same time, the accumulated accrued option premium and seller credits are included in the calculation.

On a breach of financial covenants, Selvaag Bolig must receive approval from UP for dividend and other distributions until the covenants once again are met. If there is a breach of covenants after six months, the option premium increases by 25 basis points until the covenants again are met.

Selvaag Bolig ASA has a credit facility agreement of NOK 300 million with DNB, which matures in December 2025. No drawings had been made against this facility at 30 June March 2024. The agreement includes financial covenants with the following requirements:

- The equity ratio must be at least 25 per cent.
- The average sales ratio for units in production must be at least 60 per cent. If the sales ratio is 60-65 per cent, the lender must give its approval for the loan facilities to be drawn on, and the margin increases by 50 basis points.



## Declaration from the board of directors and CEO

We declare, to the best of our knowledge, that the half-year financial statements for the period from 1 January to 30 June 2024 have been prepared in accordance with IAS 34 on interim financial reporting, and that the information in the accounts provides a true and fair picture of the group's assets, liabilities, financial position and overall results.

We further declare, to the best of our knowledge, that the directors' report for the first half year provides a true and fair view of important events in the accounting period and their influence on the half-year accounts, and the principal risk and uncertainty factors facing the business in the next accounting period.

The board of directors for  
Selvaag Bolig ASA  
Oslo 7 August 2024

Olav Hindahl Selvaag  
Chair

Sissel Kragnes  
Director

Patrik Eriksson  
Director

Øystein Thorup  
Director

Tore Myrvold  
Director

Camilla Wahl  
Director

Gisele Marchand  
Director

Sverre Molvik  
CEO

# SELVAAG BOLIG

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**About Selvaag Bolig**

Selvaag Bolig ASA is a residential property developer controlling the entire value chain from acquisition of land to sale of homes. The company has several thousand homes under development at any given time, and focuses on the growth areas in and around Greater Oslo, Bergen, Stavanger, Trondheim and Stockholm. Selvaag Bolig represents a continuation of Selvaag's 75-year history and experience, and offers a broad variety of property types. The company is headquartered at Ullern in Oslo.

[www.selvaagboligasa.no/eng](http://www.selvaagboligasa.no/eng)