

# SBB's core asset, Sveafastigheter, strengthened through structural transaction with KlaraBo

18 May 2026



# Reinforcing Sveafastigheter's present position as the largest listed residential property company

Property value increases 60 percent – from SEK 29.4bn to 47.0bn

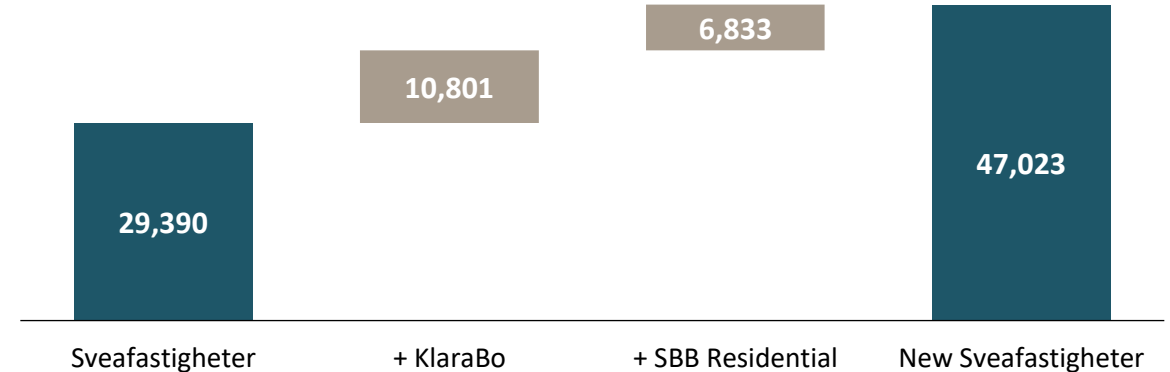
## The transaction combines three strong portfolios

- Sveafastigheter (SEK 29.4bn) – 15,025 apartments
- KlaraBo (SEK 10.8bn) – 7,350 apartments
- SBB Residential (SEK 6.8bn) – 4,136 apartments

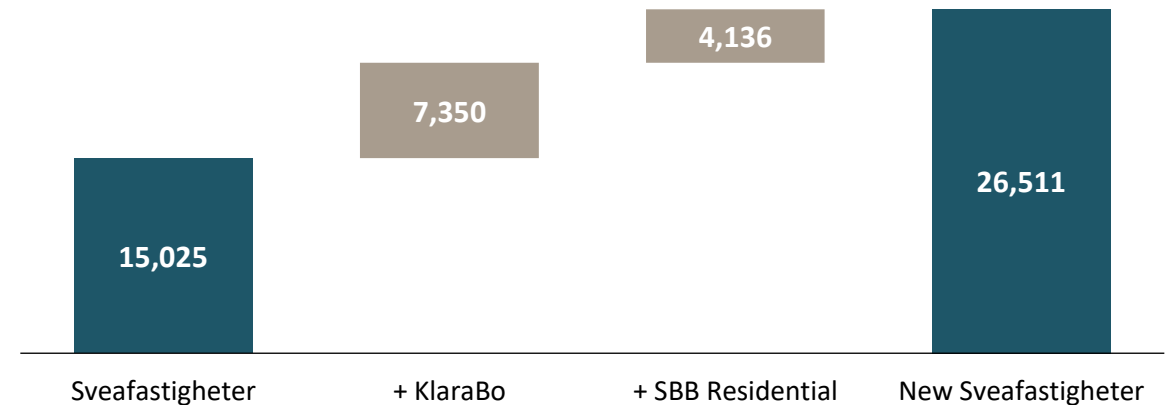
## Scale benefits in the new platform

- More predictable and resilient cash flows, as well as broader diversification and increased share of income-generating residential assets
- Strengthens position with capital markets, lenders and rating agencies
- Meaningful cost synergies

Property value of New Sveafastigheter (SEKm)



Apartments in New Sveafastigheter (#)



# Structural transaction strengthens SBB's core holdings

Sveafastigheter, KlaraBo and SBB Residential combine – a clear step in SBB's active ownership strategy

## Transaction overview

- SBB sells residential assets totaling SEK 6,833m to KlaraBo, of which SBB Residential makes up of 5,860m and assets from SBB Utveckling makes up for the remaining 973m
- Merger between Sveafastigheter and KlaraBo executed at NAV
- Combined property value of SEK 47.0bn, an increase of 60 percent for Sveafastigheter
- Expected closing in September 2026

## Value creation for SBB

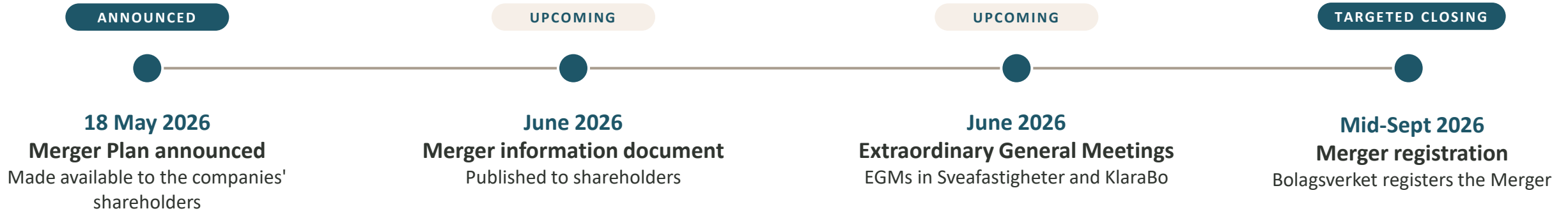
- Earning capacity to common shareholders increases by 20 percent, from SEK 861m to 1,034m
- The share of Core assets increases 10 percentage points, from 71 percent to 81 percent.
- Redemption of Morgan Stanley preference share, book value of SEK 2,414m and 13 percent coupon, will be replaced by new investment grade-rated financing in Sveafastigheter.

## Strategic effects

- Sveafastigheter reinforcing its present position as the largest listed residential property company in Sweden, exceeding the second largest listed residential property company by more than two times in terms of property value.
- Operational and financial synergies of SEK 120m per year – SEK 85m from operational synergies, and SEK 35m from financial synergies
- More resilient, predictable cash flows from larger, diversified residential portfolio with reduced development exposure
- Increased scale unlocks lower funding costs not achievable on a standalone basis
- Increased free float and broader investor appeal
- Strengthened credit profile

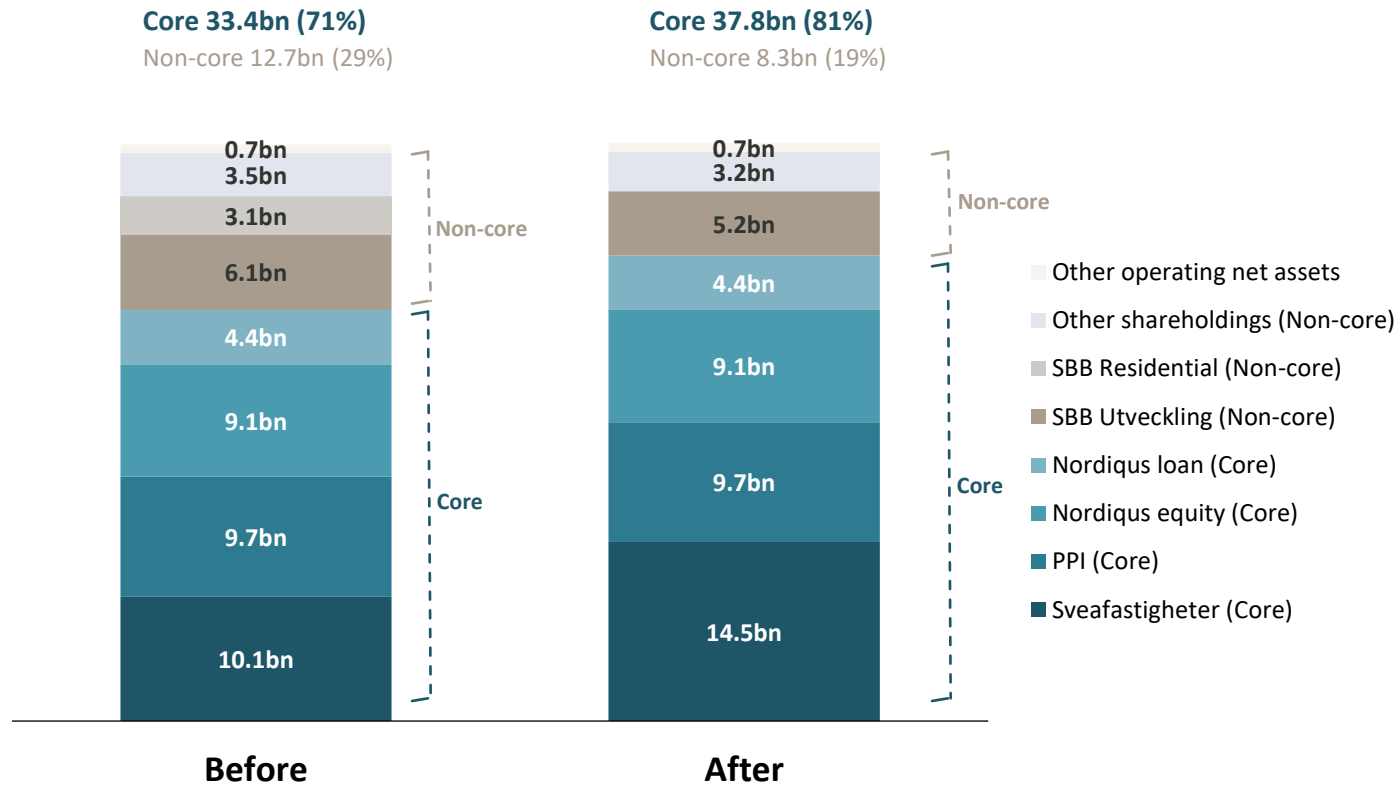
# Timeline

**Targeted completion:** Q3 2026 | **Required approvals:** EGM approval at Sveafastigheter and KlaraBo; merger registration by Bolagsverket



# Core assets increases by 10 percentage points

## Core and Non-core assets – before vs. after the transaction



### Core assets share of portfolio

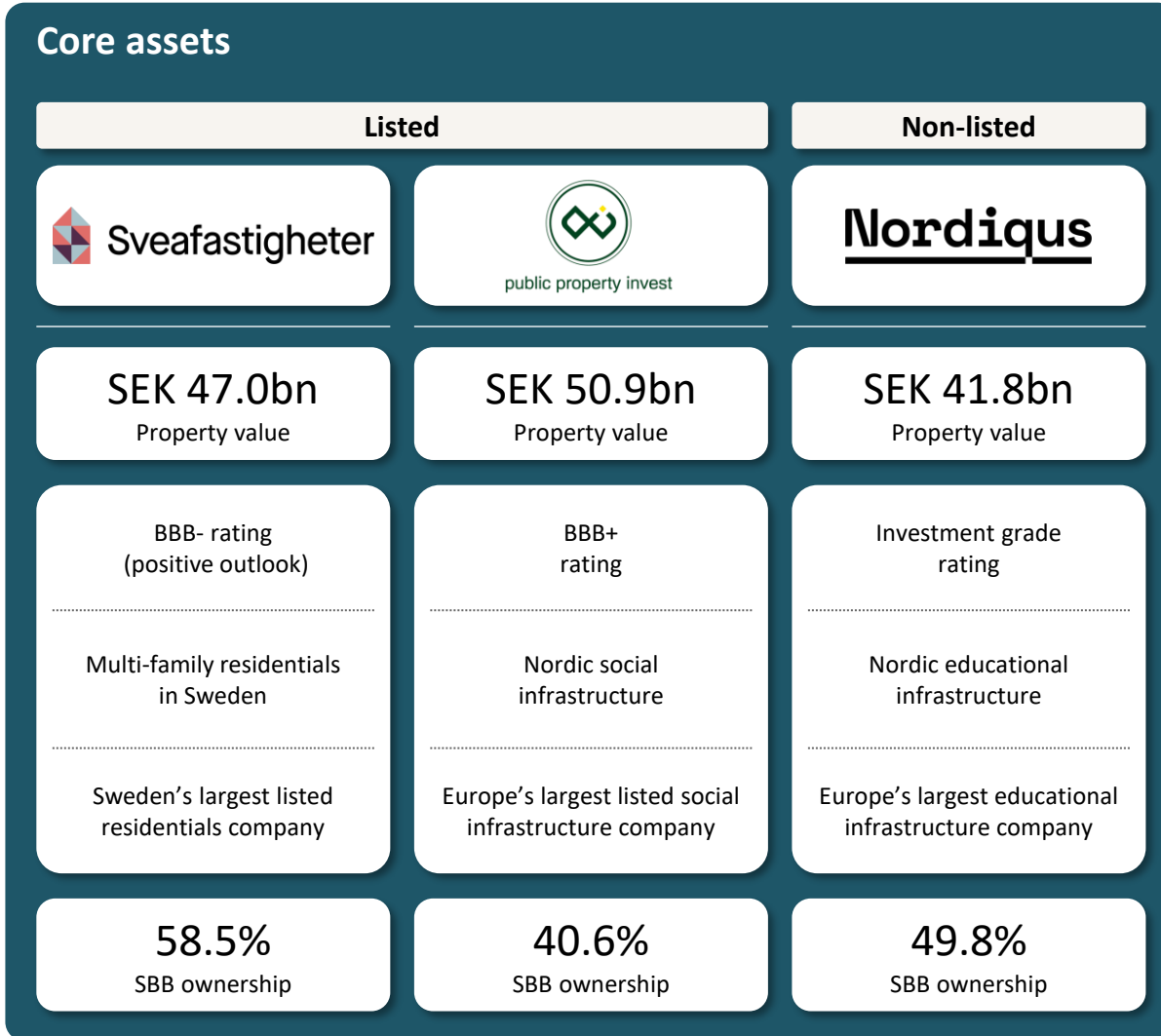
**71%** → **81%**  
Before After

**+10 percentage points**

#### Drivers of the shift

- **Core:**  
Sveafastigheter increases: **+SEK 4.4bn**
- **Non-core:**  
SBB Residential **–SEK 3.1bn**,  
SBB Utveckling **–SEK 1.0bn**,  
Other (KlaraBo) **–SEK 0.3bn**
- Total Assets unchanged at **SEK 46.8bn**

# After transaction, 81 percent in core assets



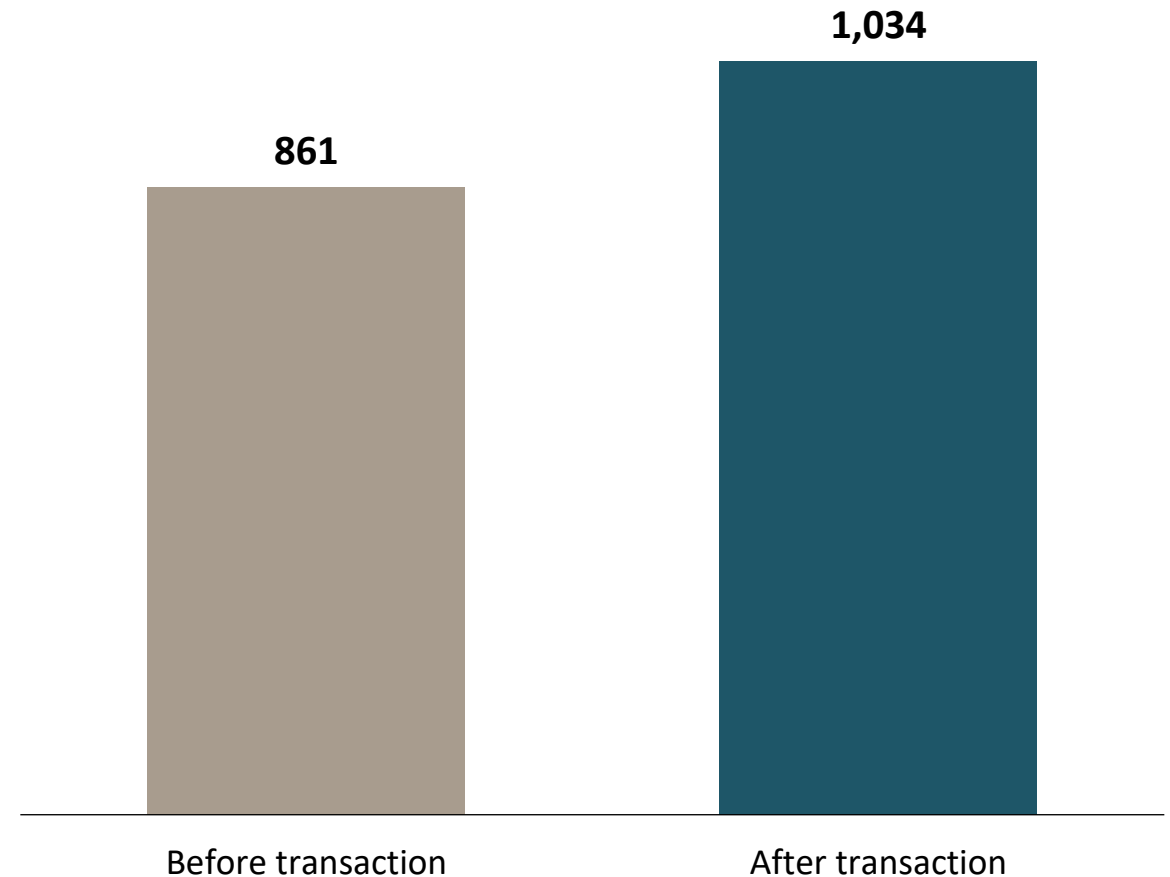
## SBB's earning capacity strengthens by 20%

From SEK 861m to 1,034m – driven by synergies and redemption of the preference share

### Drivers of higher earnings

- Synergies between Sveafastigheter and KlaraBo of SEK 120m per year, 55m related to property admin, 30m to central admin and 35m from financing
- Redemption of Morgan Stanley preference share with 13 percent dividend, replaced with investment grade-rated financing in Sveafastigheter
- New Sveafastigheter platform with higher direct yield and stronger scale benefits

### SBB earning capacity (SEKm) +20%



# Improved earnings capacity, post closing of the transaction

## Underlying earnings capacity

Amounts in SEKm	PPI	Sveafastigheter	Nordiqus	SBB Utveckling	Other holdings / Group-wide <sup>(1)</sup>	Total
Rental income	3,454	2,831	2,571	266	166	9,289
Operating costs	-616	-960	-402	-137	-20	-2,135
Net operating income	2,838	1,871	2,169	130	145	7,154
Total administration	-268	-274	-146	-12	-9	-710
Operating profit/loss	2,570	1,598	2,023	118	136	6,444
Net financial items	-1,065	-764	-919	0	-54	-2,803
Profit/loss before tax	1,505	834	1,104	118	82	3,641
Tax (estimated 10%)	-150	-83	-110	-12	-8	-364
Profit/loss after tax	1,354	751	994	106	74	3,277
SBB's holding	40.63%	58.50%	49.84%	100,00%	36.15%	49.33%
<b>SBB's share of profit/loss from property management after tax</b>	<b>550</b>	<b>439</b>	<b>495</b>	<b>106</b>	<b>27</b>	<b>1,617</b>
Financial expenses in SBB <sup>2)</sup>					-368	-368
Interest, hybrid bonds in SBB					-394	-394
Central administration SBB					-81	-81
Interest income from loans to Nordiqus <sup>3)</sup>			260			260
<b>Earnings attributable to ordinary shareholders in SBB</b>	<b>550</b>	<b>439</b>	<b>756</b>	<b>106</b>	<b>-816</b>	<b>1,034</b>
<b>Earnings attributable to ordinary shareholders in SBB before transaction</b>	<b>550</b>	<b>265</b>	<b>756</b>	<b>132</b>	<b>-841</b>	<b>861</b>
<b>Change in percent</b>	<b>-</b>	<b>+66%</b>	<b>-</b>	<b>-20%</b>	<b>-3%</b>	<b>+20%</b>



Note(s): (1) Other holdings refers to SBB's holdings in Preservium Property AB, One Publicus AB and Origa Care AB, as well as the joint venture with Humana regarding the new elderly care units in Strängnäs (2) Financial expenses for SBB are calculated at nominal amount (SEK 25,867m) multiplied by the average interest rate (1.67 percent) less cash and cash equivalents of SEK 1,579m multiplied by the interest rate (2.38 percent) for the next bond maturity (3) Refers to lending from SBB to the associated company Nordiqus, which matures on January 18, 2029. Calculated as a revaluation on a straight-line basis from carrying amount of the promissory note as of March 31, 2026 of SEK 4,496m to the nominal amount of SEK 5,291m

# SBB strengthens its core holdings through active ownership

1

Focus on three core holdings

- **Focus on three core holdings** — after the transaction, the core assets represent 81% of SBB's gross assets, less cash, an increase of 10 percentage points
- **Clear strategic direction** as all residential assets are consolidated in Sveafastigheter

2

Increased transparency and simplicity

- **One less JV in SBB** once the remaining SEK 5.9bn residential portfolio in the SBB Residential Property JV with Morgan Stanley is divested to KlaraBo.
- **Consolidated residential platform** across SBB, Sveafastigheter and KlaraBo, creating transparency and more efficient capital use

3

Repays expensive debt, lower funding costs

- **Repays the last expensive financing** raised during 2023 and 2024
- **Lower funding costs** and a more robust financial platform going forward

4

Active ownership unlocks value in Sveafastigheter & KlaraBo

- **Active ownership** as the largest capital owner in both Sveafastigheter and KlaraBo, demonstrating value-creating governance in practice
- **Reinforcing Sveafastigheter's position** as a market leader and improves its financial standing, paving the way for future shareholder distributions

5

Higher earnings to common shareholders

- **Earnings to common shareholders improves by 20%** as a direct result of the transaction
- The combined portfolio supports more **predictable and resilient cash flows**

