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## **SVEAFASTIGHETER ANNOUNCES PRICE RANGE FOR ITS CONTEMPLATED INITIAL PUBLIC OFFERING ON NASDAQ FIRST NORTH PREMIER GROWTH MARKET**

**Following the announcement of its intention to float on September 24, 2024, Sveafastigheter AB (publ) ("Sveafastigheter" or the "Company"), one of Sweden's largest purely focused residential real estate companies, today announces that Samhällsbyggnadsbolaget i Norden AB (publ) ("SBB") has decided the price range and number of shares to be sold in Sveafastigheter's contemplated initial public offering on Nasdaq First North Premier Growth Market Stockholm ("First North Premier") (the "Listing"). In connection with the Listing, a broadening of the ownership is planned to take place through an offering of existing shares in the Company (the "Offering") and shareholders in SBB will have a priority to acquire shares in the Offering. The Offering, including terms, will be made in, and through, a prospectus which is intended to be published later today.**

Sveafastigheter is a purely focused residential real estate company with an operational focus on owning, actively managing and developing properties across attractive and growing regions in Sweden. The Company owns a strategically located property portfolio of SEK 27.5 billion consisting of approximately 14,500 apartments in standing assets and approximately 7,900 apartments in either ongoing development or project development.

Sveafastigheter's business model enables the Company to capitalize on market dynamics driven by a regulated market and a structural demand for housing. With local in-house property management, Sveafastigheter ensures quality, efficient operations and hands-on management with high-cost control, improving tenant satisfaction and occupancy. Sveafastigheter implements continuous apartment upgrades, through a standardized and efficient process based on each property's distinct conditions, with the goal to improve net operating income and margin, tenant satisfaction and to meet demand. In addition, the Company has an extensive project portfolio comprising of energy-efficient and high-quality properties in strong locations that is anticipated to add SEK 18 billion in new constructions potential.

SBB, through its subsidiary SBB i Norden AB (the “**Selling Shareholder**”), has decided that the price in the Offering is to be set within a range of SEK 39.5–45.5 per share, corresponding to a total market value of the Company of approximately SEK 7.9–9.1 billion. The Selling Shareholder has further determined that the Offering is to in total comprise up to 88.0 million existing shares in Sveafastigheter (including over-allotment), corresponding to approximately 44 percent of the total number of shares in the Company.

**Erik Hävermark, CEO of Sveafastigheter, comments:**

*“Today’s announcement marks an important milestone of our ambition of becoming the leading residential company in Sweden. A listing will create an even clearer profile for our key stakeholders and enable us to capture the full potential of our property portfolio and development pipeline while also benefit from our scale. We are looking forward in welcoming new investors to join Sveafastigheter on our journey forward with a focus on organic growth and profitability.”*

**Peter Wågström, Chairman of the Board of Directors of Sveafastigheter, comments:**

*“Sveafastigheter is very well positioned in a structurally growing market with a strategically focused organization, attractive regional exposure, solid capital structure in combination with potential in the standing asset portfolio and the development of new housing. A listing will offer the management the right conditions to leverage this strong foundation and would thereby mark the beginning of the next phase of Sveafastigheter’s journey.”*

**Leiv Synnes, CEO of SBB, comments:**

*“Upon listing, Sveafastigheter will become one of Sweden’s largest pure-play and publicly traded residential real estate company. Its size creates conditions for efficient and profitable property management. Residential properties are a highly attractive asset class, combining high demand and strong underlying drivers, which results in a low risk profile and the ability to generate steadily growing operating surplus over time. I am very pleased that our shareholders – thanks to the structure of this sale – will benefit from the strengthening of SBB’s balance sheet as a result of the sale, while also being given the option to invest directly in Sveafastigheter, which has not been available in previous divestments by SBB.”*

**Background for the Listing**

Sveafastigheter's vision is to become Sweden's best residential real estate company and a listing is expected, by Sveafastigheter's management team, Board of Directors and SBB, to be a logical and important step in the Company's journey to reach that vision while also broadening the shareholder base of Sveafastigheter. The Board of Directors and the management of Sveafastigheter, together with SBB, believe that the Listing will enhance the operational and financial conditions, while providing increased flexibility through a clearer and strengthened profile with tenants, municipalities, investors, and financial institutions. As a standalone entity, the Company anticipates improved access to attractive Swedish and international long-term financing options, backed by its attractive credit profile. In addition to this, a listing is considered to increase the public knowledge of the Company and its business, which is expected to strengthen the profile of Sveafastigheter as well as increase the attractiveness of the Company as an employer. Sveafastigheter plans to maintain a straightforward capital structure with one share class, granting one vote per share to promote equitable participation among its owners. The Company aims to change listing venue to the Nasdaq Stockholm Main Market within 12 months.

**Commitments to subscribe for shares**

Several members of the management team and the Board of Directors of Sveafastigheter, including Erik Hävermark (CEO), Martina Lous-Christensen (CFO), Ola Svensson (Head of property management), Peter Wågström (Chairman of the Board), Christer Nerlich (Board member) and Per O. Dahlstedt (Board member), have committed to acquire shares in the Listing. In addition, Leiv Synnes, CEO of SBB, has in his capacity of shareholder in SBB committed to apply to acquire shares for SEK 10 million in Sveafastigheter in the priority tranche for SBB's shareholders.

**Advisors**

DNB Markets, a part of DNB Bank ASA, Sweden Branch and Skandinaviska Enskilda Banken AB (publ) are Joint Global Coordinators and Joint Bookrunners. Danske Bank A/S, Danmark, Sverige Filial, Nordea Bank Abp, filial i Sverige and Swedbank AB (publ) are Joint Bookrunners.

The legal advisors to the Company are Advokatfirman Vinge KB with respect to Swedish law, and Milbank LLP with respect to U.S. law. The legal advisors to the Joint Bookrunners are White & Case Advokataktiebolag with respect to Swedish law and White & Case LLP with respect to U.S. law.

Avanza Bank AB (publ) and Nordnet Bank AB (publ) act as Retail Distributors in the Offering.

**For further information, please contact:**

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Erik Hävermark, CEO

Martina Lous-Christensen, CFO

The information was submitted for publication, through the agency of the contact persons set out above, at 07.35 CEST on October 7, 2024.

**About Sveafastigheter**

Sveafastigheter owns, manages, and constructs attractive rental apartments in growth regions across Sweden, with a total property value, including projects, of approximately SEK 27.5bn. Sveafastigheter manages around 14,500 apartments in growth regions, of which approximately 94 percent are located in Sweden's three major metropolitan areas and university cities. Sveafastigheter focuses solely on regulated rental housing, implying a stable and non-cyclical market with low vacancy risk.

Sveafastigheter Bostad was founded in 2014 and acquired by SBB in 2020. In the following year, 2021, SBB and Kåpan Pensioner formed a joint venture and invested in the company Hemvist. In the same year, SBB also acquired a majority of the shares in the residential property company Unobo from Riksbyggen. Sveafastigheter was established in 2024 as an independent company with a portfolio of solely fully owned properties when the residential assets and the related parts of the organisation were separated from SBB, while the joint ventures were dissolved. The establishment of Sveafastigheter as an independent company creates the conditions for more efficient management and profitable organic growth.

With a strong focus on sustainability and local presence, Sveafastigheter has won several awards for its sustainable housing and satisfied tenants. The Company aims to create attractive rental apartments through active in-house property management and an efficient renovation process to maximise profitability and enhance tenant satisfaction. Sveafastigheter primarily undertakes new construction projects in the Stockholm-Mälardalen region as well as selected university cities, with a track record of long-term profitability and reliability in collaboration with municipalities.

**Important information**

This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by the Company in any jurisdiction where such offer or sale would be unlawful.

Any offering of the securities referred to in this announcement will be made by means of a prospectus. This announcement is not a prospectus for the purposes of Regulation (EU) 2017 /1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (together with any related implementing and delegated regulations, the "**Prospectus Regulation**"). Investors should not invest in any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

In any EEA Member State other than Sweden, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

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In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, qualified investors (as defined in the Prospectus Regulation as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018) and who are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). This communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect Sveafastigheter's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Sveafastigheter's business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made.

Each of Sveafastigheter, SBB and each of DNB Markets, a part of DNB Bank ASA, Sweden Branch, Skandinaviska Enskilda Banken AB (publ), Danske Bank A/S, Denmark, Sweden Branch, Nordea Bank Abp, filial i Sverige and Swedbank AB (publ) (together the “**Managers**”) and their respective affiliates as defined under Rule 501(b) of Regulation D of the Securities Act (“**affiliates**”), expressly disclaims any obligation or undertaking to update, review or revise any forward looking statements contained in this announcement whether as a result of new information, future developments or otherwise, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of Sveafastigheter or SBB to proceed with the Offering or any transaction or arrangement referred to herein.

Any offering of the securities referred to in this announcement will be made by means of a prospectus (the “**Prospectus**”). This announcement is not a prospectus for the purposes of the Prospectus Regulation. The information in this announcement is subject to change. Before investing in any securities in the Offering, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus if published. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement shall not form the basis of or constitute any offer or invitation to sell or issue, or any solicitation of any offer to purchase any securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

The timing of the listing may be influenced by a variety of factors which include market conditions. Sveafastigheter may decide not to go ahead with the Offering and there is therefore no guarantee that the listing will occur. You should not base your financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.

Persons considering making investments should consult an authorised person specialising in advising on such investments. This announcement does not form part of or constitute a recommendation concerning any offer. The value of securities can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

None of SBB, the Managers or any of their respective affiliates or any of their or their affiliates’ directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for/or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to Sveafastigheter, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith. Accordingly, each of SBB, the Managers, and any of their respective affiliates and any of their or their affiliates’ directors, officers, employees, advisers or agents

expressly disclaims, to the fullest extent possible, any and all liability whatsoever for any loss howsoever arising from, or in reliance upon, the whole or any part of the contents of this announcement, whether in tort, contract or otherwise which they might otherwise have in respect of this announcement or its contents or otherwise arising in connection therewith.

Each of the Managers is acting exclusively for Sveafastigheter and no one else in connection with the proposed Offering. They will not regard any other person as their respective clients in relation to the proposed Offering and will not be responsible to anyone other than Sveafastigheter for providing the protections afforded to their respective clients, nor for providing advice in relation to the proposed Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, the Managers and any of their respective affiliates, may take up a portion of the shares as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such shares and other securities of Sveafastigheter or related investments in connection with the Offering or otherwise. Accordingly, references in the Prospectus, once published, to the shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by the Managers and any of their respective affiliates acting in such capacity. In addition, the Managers and any of their respective affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which they may from time to time acquire, hold or dispose of shares. None of the Managers nor any of their respective affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

### Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID 2**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID 2; and (c) local implementing measures (together, the "**MiFID 2 Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the shares have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID 2; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID 2 (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares may decline and investors could lose all or part of their investment; the shares offer no guaranteed income and no capital protection; and an investment in the shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result

therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID 2; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares. Each distributor is responsible for undertaking its own target market assessment in respect of the shares and determining appropriate distribution channels.