

Serneke acquires NREP's stake in Karlastaden Holding AB

Serneke Group AB (publ) acquires all NREP's shares in Karlastaden Holding AB. The project now enters a new phase with focus on production and continued development, which creates a need for simplified governance and faster decision-making processes.

In 2016 Serneke together with NREP established Karlastaden Holding AB with the intention to plan, construct and develop Karlastaden, a new district in Gothenburg with Karlatornet in the centre. The district is constructed in an expansive area of Lindholmen, in the midst of a cluster for research, education and innovation within new technology, with an international character and appeal.

Karlastaden Holding AB has successfully carried out a complex foundation in accordance with the initial plan and entered into a long-term agreement with the leading hotel chain Choice Hotels. In total, 477 of the 594 apartments in Karlatornet are sold.

Now, the project enters a new phase with production and continued development, resulting in an increased need for simplified governance and faster decision-making processes.

"Karlastaden is Sweden's most exciting urban development project and creates a new silhouette in Gothenburg. Together with NREP we have laid the foundation for a new area which allows Gothenburg to grow, but as the project has entered a new phase where planning transcends into construction, Serneke has been given the opportunity to acquire NREP's stake in the project. This enables Serneke to continue controlling, as well as driving the project forward and account for the completion of the project", says Ola Serneke, CEO, Serneke Group.

"Karlastaden is a very large and complex project, requiring a lot of time and resources. Through the divestment of our shares in Karlastaden Holding AB, we are able to free up a lot of capacity for other projects. By the disposal of our shares to Serneke, we contribute to a smoother coordination and execution of the project going forward", says Rickard S. Dahlberg, partner at NREP.

As a result of the acquisition, Serneke now controls a total of 240,000 square metres construction rights for business offices, housing and commerce in what will become a new district of Gothenburg.

The acquisition of all NREP's shares in Karlastaden Holding AB, which consist of 50% of the total number of shares, amounts to a consideration of MSEK 600, to be paid by the time of admittance.

Karlastaden Holding AB will be consolidated into Serneke Group AB effective December 2018.

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This information is information that Serneke is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the contact person above, on December 28, 2018, at 11.30 (CET).

Serneke is a rapidly growing corporate group active in construction, civil engineering, project development and property management. The Group was founded in 2002 and today has income of about SEK 6 billion and more than 1,000 employees. Through novel thinking, the Company drives development and creates more effective and more innovative solutions for responsible construction. The Company builds and develops housing, commercial buildings, industrial facilities, public buildings, roads and civil engineering projects, and other infrastructure. The Company's customers are public and commercial clients, and operations are focused on the three metropolitan regions in Sweden, Gothenburg (Region West), Stockholm (Region East) and Malmö (Region South). Serneke has its headquarters in Gothenburg and offices in Stockholm, Malmö, Alingsås, Borås, Eskilstuna, Halmstad, Helsingborg, Jönköping, Skövde, Strömstad, Trollhättan, Uppsala, Varberg and Växjö. The Company's Series B shares (SRNKE) have been listed on the Nasdaq Stockholm exchange since November 2016.

Further information about Serneke Group AB is available at www.serneke.se