



Notice of Extraordinary General Meeting in Samhällsbyggnadsbolaget i Norden AB (publ)

The shareholders of Samhällsbyggnadsbolaget i Norden AB (publ), reg. no. 556981-7660, with its registered office in Stockholms municipality (the “Company” or “SBB”) are hereby summoned to the extraordinary general meeting on Tuesday 23 February 2021.

Due to the extraordinary situation resulting from the covid-19 pandemic, the Company’s extraordinary general meeting will be carried out through advance voting (postal voting) pursuant to temporary legislation. No meeting with the possibility to attend in person or to be represented by a proxy will take place. Hence, the extraordinary general meeting will be held without physical presence.

The Company welcomes all shareholders to exercise their voting rights at the extraordinary general meeting through advance voting according to the procedure set out below. Information on the resolutions passed at the extraordinary general meeting will be published on 23 February 2021, as soon as the result of the voting has been finally confirmed.

In the advance voting form, the shareholders may request that a resolution on one or several of the matters on the proposed agenda below should be deferred to a so-called continued general meeting, which cannot be conducted solely by way of advance voting. Such continued general meeting shall take place if the extraordinary general meeting so resolves or if shareholders with at least one tenth of all shares in the Company so requests.

Preconditions for participation

Shareholders who wish to participate, through advance voting, in the extraordinary general meeting must both be recorded in the share register maintained by Euroclear Sweden AB on Monday 15 February 2021, and notify the Company of their intention to participate in the extraordinary general meeting by casting their advance vote in accordance with the instructions under the heading Advance voting below, so that the advance voting form is received by Euroclear Sweden AB no later than on Monday 22 February 2021. See below for further information about the advance voting.

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee through a bank or a securities institution must temporarily re-register their shares in their own names to be entitled to participate in the extraordinary general meeting. Such registration must be duly effected in the share register maintained by Euroclear Sweden AB on Wednesday 17 February 2021, and the shareholders seeking such re-registration must therefore instruct their nominees well in advance of this date.

Advance voting

The shareholders may only exercise their voting rights at the extraordinary general meeting by voting in advance, so-called postal voting in accordance with section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations.

A special form shall be used for advance voting. The form is available on the Company’s website, www.sbbnorden.se. The advance voting form is considered as the notification of participation to the extraordinary general meeting.

The completed form shall be received by Euroclear (that handles the administration of the forms on behalf of the Company) no later than on 22 February 2021. The completed form shall be sent to Samhällsbyggnadsbolaget i Norden AB (publ), c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden. A completed form may also be submitted electronically and shall, in such case, be sent by e-mail to GeneralMeetingServices@euroclear.com. Shareholders who are natural persons may also cast their advance votes electronically through BankID verification via Euroclear Sweden AB’s website, <https://anmalan.vpc.se/euroclearproxy>. A power of attorney shall be enclosed if the shareholder votes in advance by proxy. The Company provides proxy forms on its website, www.sbbnorden.se. If the shareholder is a legal entity, a registration certificate or a corresponding document for the legal entity shall be enclosed with the form. The shareholder may not provide special instructions or conditions in the voting form. Should this occur, the advance vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are included in the form for advance voting.

Proposed agenda

1. Election of chairman and keeper of the minutes at the extraordinary general meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of one or two person(s) to approve the minutes
5. Determination as to whether the extraordinary general meeting has been duly convened
6. Resolution regarding the introduction of a long-term incentive program
7. Resolution regarding a reduction of the share capital by redemption of preference shares
8. Resolution regarding the adoption of new articles of association

Proposed resolutions

Item 1 – Election of chairman and keeper of the minutes at the extraordinary general meeting

The board of directors has proposed that Jesper Schönbeck, member of the Swedish Bar Association, from Advokatfirman Vinge, or the person appointed by the board of directors if he has an impediment to attend, is elected as chairman of the extraordinary general meeting and that Fredrik Råsberg, member of the Swedish Bar Association, from Wistrand Advokatbyrå, or the person appointed by the board of directors if he has an impediment to attend, is elected keeper of the minutes of the extraordinary general meeting.

Item 2 – Preparation and approval of the voting list

The voting list proposed for approval is the voting list drawn up by the chairman at the extraordinary general meeting on behalf of the Company, based on the general meeting's share register and advance votes received, as verified and recommended by the person(s) approving the minutes.

Item 4 – Election of one or two person(s) to approve the minutes

Marjan Dragicevic, representing Dragfast AB, or the person appointed by the board of directors if he has an impediment to attend, is proposed to be elected to approve the minutes of the extraordinary general meeting together with the chairman. The task of approving the minutes of the extraordinary general meeting also includes verifying the voting list and that the advance votes received are correctly stated in the minutes of the extraordinary general meeting.

Item 6 – Resolution regarding the introduction of a long-term incentive program

The board of directors of the Company proposes that the extraordinary general meeting pass a resolution on the implementation of a long-term incentive program 2021 ("LTIP 2021"). The proposal is divided into the following items.

- A. Resolution regarding issue and approval of transfer of warrants, series 2021:1
- B. Other matters in relation to the LTIP 2021

A. Resolution regarding issue and approval of transfer of warrants, series 2021:1

The board of directors of the Company proposes that the extraordinary general meeting resolves to issue and to transfer warrants in accordance with the following.

A.1 Issue of warrants

The board of directors proposes that the extraordinary general meeting resolve to carry out a private placement in respect of not more than 40,000,000 warrants, entailing an increase in the share capital of not more than SEK 4,000,000 if the private placement is fully taken up.

The resolution shall otherwise be governed by the following terms and conditions:

- The right to subscribe for the warrants, with derogation from the shareholders' pre-emption rights, shall vest in the wholly owned subsidiary SBB Option AB, reg. no. 559062-6262 (the "**Subsidiary**"), with right and obligation to transfer the warrants to employees in the SBB group in accordance with below. The reason for derogation from the shareholders' pre-emption rights is to implement an incentive programme through which employees in the SBB group shall be able to become long-term owners and participate in and work for a positive growth of value of the Company's share for the period that the programme covers, and to ensure that the SBB group can keep and recruit qualified and motivated personnel.
- No oversubscription is allowed.
- The warrants shall be issued to the Subsidiary at no consideration.
- Subscription for the warrants shall take place within two weeks of the date of the resolution to issue warrants. The board of directors shall be entitled to extend the subscription period.
- Each warrant entitles the holder to subscribe for one new class B common share in the Company.
- The warrants may be exercised to subscription for new shares during the period commencing on 1 March 2024, up to and including 31 March 2024.
- The subscription price per share shall correspond to 130 percent of the volume weighted average price according to Nasdaq Stockholm's official price list for the share during the 10 trading days that directly follows 23 February 2021, however, at least SEK 0.1.
- In the event that the subscription price exceeds the quota value of the previous shares, the excess amount (share premium) shall be entered under the free share premium reserve in the Company's balance sheet.
- The shares subscribed for based on the warrants shall carry a right to participate in dividends for the first time on the next record date for dividends, which occurs after subscription is completed.

Other terms and conditions according to the proposed complete terms and conditions for series 2021:1, which are made available in accordance with the description under the heading Documents and further information below.

A.2 Approval of transfer of warrants

The board of directors proposes that the extraordinary general meeting approves the Subsidiary's transfer of warrants series 2021:1 in accordance with the following.

The right to acquire warrants from the Subsidiary shall vest in four categories of participants selected by the board of directors (the "**Participants**") in accordance with the table below.

Categories of Participants	Maximum number of warrants per person
Category A, CEO (max. 1 person)	5,000,000
Category B, Management team (max. 8 persons)	1,500,000
Category C, Regional managers and Key personnel (max. 30 persons)	500,000
Category D, Other key personnel (max. 200 persons)	40,000

The warrants shall be transferred on market terms at a price (premium) which is established based on a calculated market value for the warrants, applying the Black & Scholes valuation model calculated by an independent valuation institute.

The preliminary value is calculated to SEK 1.47 per warrant based on a share price of SEK 28.30, a subscription price per share of SEK 35.75, a term of 3 years, a risk free interest rate of 0.05 percent and a volatility of 24 percent.

The final valuation of the warrants takes place in connection with the Participants' acquisition of the warrants and will be based on market conditions at that

time.

Allotment requires that the warrants can be legally acquired and that, in the board of director's opinion, such acquisition can take place using a reasonable amount of administrative and financial resources.

Application for acquisition of warrants shall be made no later than 23 April 2021. The board of directors is authorized to extend the application period

Payment for allotted warrants shall be made in cash within ten days after application.

Warrants held by the Subsidiary that are not transferred to Participants or that is repurchased from Participants, may be cancelled by the Company through a decision by the board of directors of the Company, following consent from the board of directors of the Subsidiary. The cancellation shall be notified to the Swedish Companies Registration Office.

B. Other matters in relation to the LTIP 2021

Costs

The Participants will acquire the warrants at market value. Thus, the warrants will not entail any personnel costs for the Company. However, the LTIP 2021 will entail certain limited costs in the form of fees to external advisers and administration regarding the program.

Effect on important key ratios

The Company's earnings per share will not be affected by the issue of warrants as the present value of the warrants' exercise price exceeds the current market value of the share at the time of the issue of warrants.

Dilution of existing shares and votes

Based on the number of shares and votes outstanding in the Company, the LTIP 2021 implies, upon exercise of all 40,000,000 warrants, a full dilution corresponding to approximately 2.6 percent of the total number of shares outstanding and approximately 1.1 percent of the total number of votes outstanding in the Company, however, subject to the recalculation of the number of shares that each warrant entitles to subscribe for that may occur as a result of certain issues etc.

Calculation of the market value

The independent valuation institute, Stockholm Corporate Finance AB, makes a calculation of the value of the warrants applying the Black & Scholes valuation model.

Other share-related incentive programmes

The Company has no outstanding incentive programs at the time of the extraordinary general meeting,

Authorizations for the board of directors

The extraordinary general meeting authorizes the board of directors to execute the resolution under section A.2 above. In addition, the board of directors, or a person appointed by the board of directors, shall be authorized to make any minor adjustments to the resolutions above that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

The background and rationale

The board of directors wishes to introduce an incentive program to certain employees in the SBB group in order to help the Company secure and retain the services of such employees. In addition, the incentive program is introduced in order to provide incentives for employees to exert maximum effort for the success of the Company and any affiliate and provide means by which the employees may become owners of the Company and thereby benefit from the increase in value of the Company's share.

Preparation of the proposal

The basis for the LTIP 2021 has been prepared by the board of directors of the Company. The work has been supported by external advisors and has been made in consultation with shareholders. The board of directors has thereafter decided to present this proposal for the extraordinary general meeting. Except for the staff that have prepared the matter upon instruction from the board of directors, no employee that may be a Participant of the program has participated in the preparations of the program's terms.

Majority requirements

The resolution by the extraordinary general meeting regarding the implementation of the LTIP 2021 in accordance with the above requires that shareholders representing not less than nine-tenths of the votes cast as well as the shares represented at the extraordinary general meeting approve the resolution.

Item 7 – Resolution regarding a reduction of the share capital by redemption of preference shares

Pursuant to the Company's articles of association, the general meeting may resolve on reducing the share capital of the Company by way of a redemption of a certain number or all preference shares. The distribution of preference shares to be redeemed shall be proportional to the number of preference shares held by each preference share holder at the time of the resolution of the general meeting on redemption. If the above distribution is not even, the board of directors shall decide on the allocation of excess preference shares to be redeemed.

The amount of redemption for each redeemed preference share shall be an amount calculated in accordance with Article 5 item (ii) under the heading "*Redemption of Preference Shares*" in the articles of association (the valid provision as of the time of this notice and the date of the extraordinary general meeting):

(ii) From 2020-10-05 through 2024-10-05, an amount of SEK 650, together with any Outstanding Sum, plus an amount corresponding to the annual interest rate for the Outstanding Sum due.

However, the amount of redemption for each redeemed preference share shall never be less than the share's quota value.

The Company continuously evaluates potential measures to improve the capital structure of the Company. To redeem the Company's preference shares has been identified as one such measure. In consequence thereof, the board of directors of the Company proposes that the extraordinary general meeting resolves on a reduction of the share capital by redemption of all preference shares, pursuant to the provision of redemption in the articles of association. The amount of redemption is proposed to be SEK 650 per preference share as no outstanding sum is pertinent. In addition, an amount corresponding to the reduction of the share capital is proposed to be allocated to the restricted equity.

As of the date of the notice there are 30,713 outstanding preference shares. If the extraordinary general meeting resolves in accordance with the proposal by the board of directors, the share capital is thus reduced by SEK 3,071.3 (the reduction amount) through redemption of all 30,713 preference shares and a redemption amount of SEK 19,963,450 in total being paid to the holders of the preference shares. In addition, the decision entails that an amount corresponding to the reduction amount is allocated to the restricted equity.

The record date for the redemption of shares is proposed to be 23 April 2021. The CEO, or the person appointed by him, shall also be authorized to make such minor adjustments to this resolution that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Item 8 – Resolution regarding the adoption of new articles of association

The board of directors proposes that the extraordinary general meeting resolves to adopt new articles of association whereby the limits of the share capital and number of shares is amended in accordance with the below.

The board of directors proposes that the existing articles of association is amended so that item 4 hereafter shall have the following wording:

“The share capital shall be not less than SEK 150,000,000 and not more than SEK 600,000,000.”

The board of directors also proposes that the existing articles of association is amended so that the first paragraph of item 5 hereafter shall have the following wording:

“The number of shares shall be not less than 1,500,000,000 and not more than 6,000,000,000.”

The CEO, or the person appointed by him, shall be authorized to make such minor adjustments to this resolution by the extraordinary general meeting that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

For its validity, the resolution requires approval of at least two thirds (2/3) of the shares represented and votes cast at the extraordinary general meeting.

Other information

Number of shares and votes

The total number of shares in the Company is 1,509,394,951 out of which 209,977,491 are class A common shares, 1,119,504,867 class B common shares, 179,881,880 class D common shares and 30,713 preference shares. Each class A common share carry one vote while each class B common share, class D common share and preference share carry 1/10 vote. The total number of votes in the Company is 339,919,237. This information pertains to the circumstances as of the time of the issue of this notice.

The right to receive information

The board of directors and the CEO shall, if any shareholder so requests and the board of directors believes that it can be done without material harm to the Company, provide information regarding circumstances that may affect the assessment of an item on the agenda and the Company's relation to other companies within the group. A request for such information shall be made in writing to Samhällsbyggnadsbolaget i Norden AB (publ), Strandvägen 1, SE-114 51 Stockholm, Sweden, or via e-mail to info@sbbnorden.se, no later than on 13 February 2021. The information will be made available at Samhällsbyggnadsbolaget i Norden AB (publ), Strandvägen 1, SE-114 51 Stockholm, Sweden, and on www.sbbnorden.se, no later than on 18 February 2021. The information will also be sent, within the same period of time, to the shareholder who has requested it and stated its address.

Documents and further information

The board of directors' complete proposals will be available at the Company website, www.sbbnorden.se no later than on 2 February 2021. The documents will also be available at the Company, at the address Samhällsbyggnadsbolaget i Norden AB, Strandvägen 1, SE-114 51 Stockholm, Sweden. Copies of these documents will be sent, free of charge, to shareholders who so request and state their postal address.

Processing of personal data

For information about the processing of personal data with respect to the extraordinary general meeting, see Euroclear Sweden AB's website (www.euroclear.com/dam/ESw/Legal/Privacy-noticebolagsstammor-engelska.pdf).

Stockholm in January 2021

Samhällsbyggnadsbolaget i Norden AB (publ)

The board of directors

For further information, please contact:

Ilija Batljan, CEO and founder of Samhällsbyggnadsbolaget i Norden AB (publ), 070 518 39 67, ilija@sbbnorden.se.

The information was submitted for publication, through the agency of the contact person set out above, on 22 January 2021 at 08:00 CET.

Samhällsbyggnadsbolaget i Norden AB (publ) (SBB) is the Nordic region's leading property company in social infrastructure. The Company's strategy is to long term own and manage social infrastructure properties in the Nordics and rent regulated residential properties in Sweden, and to actively work with property development. Through SBB's commitment and engagement in community participation and social responsibility, municipalities and other stakeholders find the Company an attractive long-term partner. The Company's series B shares (ticker SBB B) and D shares (ticker SBB D) are listed on Nasdaq Stockholm, Large Cap. The Company's preference shares (ticker SBB PREF) are listed on Nasdaq First North Premier Growth Market. Certified Adviser is Erik Penser Bank (contact: certifiedadviser@penser.se / +46 84638300). Further information about SBB is available at www.sbbnorden.se.