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P R E S S   R E L E A S E

Hässleholm, Sweden, 29 November 2019

## **FIRST DAY OF TRADING IN K-FASTIGHETER CLASS B SHARES ON NASDAQ STOCKHOLM**

***K-Fast Holding AB (publ) (“K-Fastigheter” or the “Company”) today announces the outcome of the offer to the general public of the Company’s class B shares (the “Offering”) and the listing of the Company’s shares on Nasdaq Stockholm. The Offering has attracted very strong interest from both Swedish and international institutional investors as well as the general public in Sweden.***

### **Summary of the Offering**

- The subscription price per class B share in the Offering was, as previously communicated, SEK 105, corresponding to a total value of K-Fastigheter of approximately SEK 2,650 million before the Offering.
- The Offering, excluding overallotment, comprised 7,500,000 newly issued class B shares corresponding to approximately SEK 788 million.
- Through the Offering, K-Fastigheter has received approximately 6,500 new shareholders.
- In order to cover potential overallotment in relation to the Offering, the Company has committed to, at the request of the Joint Bookrunners, issue up to 1,125,000 additional class B shares to Carnegie corresponding to a maximum of approximately SEK 118 million, in whole or in part for 30 days from the first day of trading on Nasdaq Stockholm (the “Overallotment Option”). The Overallotment Option thus comprises a maximum of 15.0 percent of the total number of class B shares that are encompassed by the Offering.
- Providing that the Overallotment Option is fully exercised, the value of the Offering will amount to approximately SEK 906 million, corresponding to



**K-FASTIGHETER**

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8,625,000 class B shares and approximately 25.5 percent of the total number of shares and 17.6 percent of the total number of votes in the Company after the Offering. The issue of new shares in the Offering will bring the Company total proceeds of SEK 906 million, before deduction of costs related to the Offering.

- A consortium of institutional investors<sup>1</sup> (the “Cornerstone Investors”) have, on the same conditions as other investors, subscribed for 4,047,200 class B shares in the Offering, which corresponds to a total amount of approximately SEK 425 million and approximately 46.9 percent of the Offering provided that the Overallotment Option is fully exercised.
- Trading in the K-Fastigheter share on Nasdaq Stockholm commences today, 29 November 2019 under the symbol (ticker) “KFAST B”.
- After the Offering and excluding overallotment, the Company has 32,763,528 outstanding shares of which 3,750,000 class A shares and 29,013,528 class B shares.
- Trading is conditional until the settlement date, which is expected to be on 3 December 2019.

***Jacob Karlsson, CEO and founder of K-Fastigheter, comments:***

“The first day of trading in our class B shares is an important milestone for K-Fastigheter and I am happy and proud of the great interest we have met, from the general public as well as institutional investors. We are looking forward to continuing to develop our company. I am convinced that K-Fastigheter can continue its strong growth by acquiring attractive building rights that we refine with our own concept houses and by acquiring strategic existing portfolios in selected markets.”

***Erik Selin, chairman of the board of directors of K-Fastigheter, comments:***

“It is very gratifying that so many want to become shareholders of K-Fastigheter. The company's business model is a fantastic engine for achieving the goals we have set and I am looking forward to participating in and contributing to its development for many years to come.”

**About K-Fastigheter**

K-Fastigheter is a rapidly growing residential property company with focus on efficient construction and long-term property management of mainly self-developed residential

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<sup>1</sup> The Second Swedish National Pension Fund, The Fourth Swedish National Pension Fund, Funds managed or advised by Capital Research and Management Company, Celox, Länsförsäkringar Fondförvaltning AB, SEB Investment Management, Swedbank Robur Funds, Handelsbanken Funds and Coeli Absolute European Equity.

properties. K-Fastigheter was founded in December 2010 by the Company's current CEO and principal owner, Jacob Karlsson. The headquarters are located in Hässleholm, Sweden, and the property portfolio is concentrated to locations with high long-term demand of rental properties in the region of Öresund and, to an increasing extent, the western part of Sweden.

The Company's business idea is to, with a high commitment and cost-efficiency, develop, build, manage and assume long-term ownership of the market's most attractive residential rental properties, in terms of condition, standard as well as service. The Company shall offer self-produced and acquired residential properties in the Nordics in areas with high long-term demand for residential properties and commercial premises.

To increase cost-efficiency and shorten construction times, K-Fastigheter has chosen to develop and build three concept houses that are constructed solely for the Company's long-term proprietary ownership and active property management: Low-rise (*Sw. Låghus*), Lateral Low-rise (*Sw. Lamellhus*) and Apartment Block (*Sw. Punkthus*). K-Fastigheter also acquires real estate properties with development and refinement potential or properties on locations where K-Fastigheter wants to establish. Such acquisitions contribute to geographic expansion and increases the efficiency in property management at new locations.

As of 30 September 2019, the property portfolio of K-Fastigheter consisted of 63 real estate properties with 1,562 apartments under property management, 678 apartments under construction and 1,095 apartments under project development. The total lettable area of the apartments under property management amounted to approximately 128,300 sqm. The residential properties was the largest category of the property portfolio, corresponding to approximately 88 percent of the property value, while commercial properties corresponded to approximately 12 percent of the property value.

The total book value of completed investment properties amounted to SEK 3,215.5 million as of 30 September 2019. K-Fastigheter's ambition is to maintain the historically strong growth of the property portfolio and the Company has as a target to increase the number of constructions started self-developed apartments from existing production of 600 apartments per year to 1,000 apartments per year in year 2023. The target is that the growth in the long-term NAV<sup>2</sup> and the profit from property management per share shall increase with at least 20 percent per year in average over an economic cycle. At the end of year 2023, the target is to own and manage at least 5,000 apartments in the Nordic region.

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<sup>2</sup> Including any value transfers.

## **Advisors**

Carnegie Investment Bank AB (publ) is the Sole Global Coordinator and Joint Bookrunner, and Danske Bank A/S, Danmark, Sverige Filial (Swedish Branch) is Joint Bookrunner. Setterwalls Advokatbyrå is the legal advisor for the Company and Roschier Advokatbyrå is the legal advisor to Carnegie and Danske Bank in connection with the Offering and the listing on Nasdaq Stockholm.

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## **IMPORTANT INFORMATION**

Publication, release or distribution of this release can in some jurisdictions be subject to restrictions by law and persons in those jurisdictions where this release has been published or distributed should inform themselves of and follow such legal restrictions. The recipient of this release is responsible only to use this release and information herein in accordance with applicable rules in respective jurisdiction. This release does not contain or constitute an offer, nor an invitation, to acquire or subscribe for shares or other securities in the Company in any jurisdiction, either from the Company or from any others.

A decision to invest in the Offering shall be made upon the knowledge of all publicly available information regarding the Company. The financial advisors have not independently reviewed such information. The information in this release is published only as background information and does not claim to be complete. An investor shall thus not only rely upon the information in this release or its correctness or completeness.

This release is not an offer or invitation to acquire or subscribe for shares or other securities in the United States. The securities that have been mentioned in this release are not allowed to be sold in the United States without registration, or without application of an exception from registration, according to the applicable U.S. Securities Act from 1933 ("Securities Act"), or as a part of a transaction that is not covered by the registration requirements according to the Securities Act. There is no intention to register any shares or securities mentioned herein in the United States or to announce a public offering of such securities in the United States. The information in this release shall not be published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or into Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, Singapore, South Africa, the United States of America or any other jurisdiction in which the release, publication or distribution of this information would be unlawful or where such action is subject to legal restrictions or would demand additional registration or other actions according to Swedish law. Acts in contrary to this instruction can constitute a crime according to applicable securities laws.

A prospectus regarding the Offering described in this release has been published by the Company, and approved and registered by the Swedish Financial Supervisory Authority. This release is however not a prospectus in accordance to the definition in the Prospectus Regulation. Complete information regarding the Offering can only be obtained through the Prospectus.

In the United Kingdom this release, together with other material pertaining the securities described herein, is only distributed and directed to, as an investment or investment activity that is attributable to this document is only available for and will only be able to be used by, "qualified investors" who are (i) persons with



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professional experience of business related to investments falling within the definition of “investment professionals” in Article 19 (5) of the British Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) persons with high net worth as referred to in Article 49 (2)(a)-(d) in the Order (all such persons are together being referred to as “relevant persons”). An investment or an investment activity referred to in this release is only available in the United Kingdom for relevant persons and will only be conducted with relevant persons. Any person who is not a relevant person shall not take any measures based upon this release and shall not rely or act on information contained herein.

#### **FORWARD-LOOKING STATEMENTS**

This release may contain forward-looking statements regarding the Company’s intentions, assessments or expectations regarding the Company’s future results, financial level, liquidity, development, prospects, expected growth, strategies or possibilities and the markets in which the Company operates. Forward-looking statements include all statements that are not historical facts and may be identified by expressions such as “believe”, “expect”, “anticipate”, “intend”, “will”, “can”, “assumes”, “should”, “should be able to” and, in all cases, by negations of the aforementioned expressions. The forward-looking statements in this release are based upon various estimates and assumptions, many of which are based, in turn, upon further assumptions. Even though the Company considers the assumptions reflected in these forward-looking statements to be reasonable, it cannot be guaranteed that they will occur or that they are correct. As these assumptions are based upon assumptions or estimates and are subject to risks and uncertainties, the actual result or outcome may, by many different reasons, be a significant deviation from what is presented in the forward-looking statements. Such risks, uncertainties, eventualities and other significant factors can result in the actual events deviating significantly from the expectation that has explicitly or impliedly been described in this release through the forward-looking statements.

The Company does not guarantee that the assumptions that the forward-looking statements are based upon in this release are correct and that every reader of this release should not relentlessly rely on the forward-looking statements in this release. The information, opinions and forward-looking statements that expressly or impliedly set forth herein are provided only as of the date for this release and may change. Neither the Company nor anyone else undertakes to review, update, confirm or release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this release.

#### **INFORMATION TO DISTRIBUTORS**

For the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) national implementing measures, (together the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the offered shares have been subject to a product approval process, who have established that these shares are: (i) suitable for a target market consisting of non-professional investors and investors who fulfil the criteria for professional clients and eligible counterparties, each as defined in MiFID II, and (ii) suitable for distribution through all distribution channels that has been approved in MiFID II (“Target Market Assessment”).

Irrespective of the Target Market Assessment, distributors should note that: the price of the shares in the Company may decline and investors could lose all or part of their investment; the Company’s shares offer no guaranteed income and no capital protection; and an investment in the Company’s 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.



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The target market assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, purchase, or take any other action whatsoever with respect to the class B shares of K-Fastigheter.

Each distributor is responsible for undertaking its own target market assessment in respect of the class B shares of K-Fastigheter and determining appropriate distribution channels.

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