

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE SUCH ACTION WOULD BE UNLAWFUL.

# AB | SAGAX

PRESS RELEASE no 28, 2023

Stockholm, 13 November 2023

## SAGAX COMPLETES A DIRECTED ISSUE OF 10 MILLION COMMON SHARES OF CLASS B RAISING SEK 2.1 BILLION

The Board of Directors of AB Sagax (publ) ("**Sagax**" or the "**Company**") has, based on the authorization granted by the annual general meeting on 9 May 2023, and in accordance with the Company's press release earlier today, resolved on a directed issue of 10,000,000 common shares of Class B (the "**Share issue**"). Through the Share issue, Sagax will raise SEK 2,120 million before issue costs. The subscription price has been set to SEK 212 per share through an accelerated book building procedure. The subscription price corresponds to a discount of 3.6 percent in relation to the volume weighted average share price the last 10 trading days and 6.2 percent in relation to the closing price on 13 November 2023 on Nasdaq Stockholm. The Share issue was subscribed by Swedish and international professional and institutional investors.

Sagax is a property company focusing on commercial properties primarily within the warehouse and light industrial segment. Sagax invests mainly in properties with stable cash flows located in European metropolitan areas. Historically, Sagax has expanded via small and medium-sized transactions. During the period 2020 to 2022, Sagax invested SEK 13.6 billion through 138 separate transactions. During 2023, Sagax has invested SEK 5.4 billion through 31 separate transactions in 7 countries.

Sagax believes that the Company's investment strategy will continue to contribute to the growth of the profit from property management per share, which on average has been 21 percent per year during the past 5 years, and that the current market environment could present additional attractive investment opportunities for Sagax shareholders. At the same time, Sagax appreciates that external risk levels are elevated and that financial markets are volatile. Therefore, the Company is committed to maintain a conservative capital structure and a strong liquidity position while taking advantage of investment opportunities deemed value-creating for the shareholders.

It is the Board of Directors' assessment that the Share issue would result in higher profit from property management, cash flow, and net asset value per share after the proceeds from the Share issue have been invested. In light of this, the Company has carried out the Share issue.

The Board of Directors has carefully considered the possibility to raise capital through a rights issue and makes the assessment that there are currently several reasons why it is more beneficial for the shareholders to raise capital through a directed share issue. A rights issue could have a negative impact on the Company, for example it would entail higher costs for the Company and take significantly longer time to carry out, which, especially in the current market conditions, would involve an exposure to potential market volatility. Furthermore, the Company wishes to expand and strengthen its base of institutional shareholders, with the aim of strengthening the liquidity of the Company's share. The Board

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE SUCH ACTION WOULD BE UNLAWFUL.**

of Directors' assessment is thus that an issue of shares with deviation from the shareholders' preferential rights is the most suitable alternative.

The subscription price and the number of new common shares of Class B was determined through an accelerated book building procedure conducted by ABG Sundal Collier AB and J.P. Morgan SE (jointly, the "Joint Bookrunners"). By establishing the subscription price through an accelerated book building procedure to professional and institutional investors, it is the assessment of the Board of Directors that the subscription price accurately reflects current market conditions and demand. The Board of Directors therefore makes the assessment that the subscription price has been determined in such a way that market terms have been ensured.

The Share issue increases the total number of shares in Sagax by 10,000,000, from 456,595,984 to 466,595,984, divided between 26,540,334 Class A common shares, 313,794,321 Class B common shares and 126,261,329 Class D common shares, the total number of votes increases by 1,000,000, from 69,545,899 to 70,545,899 and the share capital increases by SEK 17,500,000, from SEK 799,042,972 to SEK 816,542,972, which leads to a dilution effect of 2.14 percent based on the total number of shares in Sagax after the Share issue and 1.42 percent based on the total number of votes in Sagax after the Share issue.

**Lock-up**

The Company has undertaken not to, during a period of 90 calendar days after the settlement date of the Share issue, without the consent of the Joint Bookrunners, propose or issue further shares, with certain customary exceptions.

Furthermore, the Company's board members and senior executives have undertaken not to, with certain exceptions, without the consent of the Joint Bookrunners, sell or in other ways dispose of their shares in the Company for a period of 90 calendar days following settlement of the Share issue.

**Advisors**

ABG Sundal Collier AB and J.P. Morgan SE act as Joint Global Coordinators and Joint Bookrunners in connection with the Share issue. Cirio Advokatbyrå AB acts as legal advisor to the Company and Baker & McKenzie Advokatbyrå KB as legal advisor to the Joint Global Coordinators and Joint Bookrunners.

**For further information, please contact CEO David Mindus, tel +46 8 545 83 540.**

**About AB Sagax**

*AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industry segment. Sagax's property holdings per 30 September 2023 amounted to 4,170,000 square metres, distributed over 811 properties. AB Sagax (publ) is listed on Nasdaq Stockholm, Large Cap. More information is available at [www.sagax.se](http://www.sagax.se).*

This constitutes information that AB Sagax (publ) is legally obliged to publish under the EU's Market Abuse Regulation. The information was released for publication, through the agency of the contact person above, on 13 November 2023 at 11.45 p.m (CET).

**IMPORTANT INFORMATION**

*This press release and the information herein is not for publication, release or distribution, in whole or in part, directly or indirectly, in or into the United States, Australia, Canada, Japan or South Africa or any other state or jurisdiction in which publication, release or distribution would be unlawful or where such action would require additional prospectuses, filings or other measures in addition to those required under Swedish law.*

*This press release is for informational purposes only and does not constitute an offer to sell or issue, or the solicitation of an offer to buy or acquire, or subscribe for, any of the securities mentioned herein*

*(collectively, the "Securities") or any other financial instruments in Sagax. Offers will not be made to, and subscriptions will not be approved from, subscribers or persons acting on behalf of subscribers, in any jurisdiction where applications for such subscription would contravene applicable laws or regulations, or would require prospectuses, filings, or other measures in addition to those required under Swedish law. Measures in violation of the restrictions may constitute a breach of relevant securities laws.*

*None of the Securities have been or will be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction in the United States, and may not be offered, pledged, sold, delivered or otherwise transferred, directly or indirectly, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable other securities laws. There will not be any public offering of any of the Securities in the United States.*

*In the United Kingdom, this press release is directed only at, and communicated only to, persons who are qualified investors within the meaning of article 2(e) of the Prospectus Regulation (2017/1129) who are (i) persons who fall within the definition of "investment professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), or (ii) persons who fall within article 49(2)(a) to (d) of the Order, or (iii) persons to whom it may otherwise be lawfully communicated (all such persons referred to in (i), (ii) and (iii) above together being referred to as "Relevant Persons"). This press release must not be acted on or relied on by persons in the UK who are not Relevant Persons.*

*This press release does not constitute an investment recommendation. The price and value of securities and any income from them can go down as well as up and you could lose your entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.*

*This press release contains forward-looking statements that reflect Sagax's current view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "estimate" and other expressions involving indications or predictions regarding future development or trends, not based on historical facts, identify forward-looking statements and reflect Sagax's beliefs and expectations and involve a number of risks, uncertainties and assumptions which could cause actual events and performance to differ materially from any expected future events or performance expressed or implied by the forward-looking statement. The information contained in this press release is subject to change without notice and, except as required by applicable law, Sagax does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it and nor does it intend to. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.*

*In order to comply with the product governance requirements contained in: (a) Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as consolidated, ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593, which complements MiFID II; and (c) national implementing measures (together, the "MiFID II Product Governance Requirements") and to disclaim any extra-contractual, intra-contractual or other liability to which any "manufacturer" (within the meaning of the MiFID II Product Governance Requirements) may otherwise be subject, the shares of Sagax have been subject to a product approval process, which has determined that those shares are: (i) suitable for a target market consisting of retail investors and investors meeting the criteria of professional clients and eligible counterparties, as defined in MiFID II (the "Positive Target Market"); and (ii) suitable for distribution through all distribution channels permitted under MiFID II. Distributors should note that: the price of the Sagax shares may fall and investors may lose all or part of their investment; the Sagax shares are not subject to any guarantee of return or capital protection; and an investment in the Sagax shares is only suitable for investors who are not in need of a guaranteed return or capital protection and who (alone or with the assistance of an appropriate financial or other adviser) are capable of evaluating the merits and risks of such investment and have sufficient resources to bear the losses that may result from such investment. Conversely, an investment in the shares of Sagax is not suitable for investors who need full capital protection or full repayment of the amount invested, cannot bear any risk or who require a guaranteed or predictable return (the*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE SUCH ACTION WOULD BE UNLAWFUL.**

*"Negative Target Market", and together with the Positive Target Market, the "Target Market"). The Target Market assessment is without prejudice to any other requirements regarding contractual, legal or regulatory sales restrictions in relation to the Share issue. Furthermore, it should be noted that notwithstanding the Target Market assessment, the Managers will only provide 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 II; 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 in Sagax. Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Sagax and determining appropriate distribution channels.*