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PRESS RELEASE

Stockholm 16 June 2021

Aros Bostad announces outcome of the offering of ordinary shares ahead of first day of trading on Nasdaq First North Growth Market

Aros Bostadsutveckling AB (publ) ("Aros Bostad" or the "Company") today announces the outcome of the initial public offering of the Company's ordinary shares ahead of the listing on Nasdaq First North Growth Market ("the Offering"). The Offering attracted very strong interest from Swedish and international institutional investors and the general public in Sweden. Trading on Nasdaq First North Growth Market commences today on 16 June 2021.

The Offering in brief

- The price per share in the Offering was SEK 56, corresponding to a total market value of the ordinary shares of c. SEK 2,100 million upon completion of the Offering.
- The Offering comprised 6,205,356 ordinary shares, of which 5,357,142 shares are newly issued shares in the Company and 848,214 existing shares offered by LMK Ventures (the "Selling Shareholder").
- In order to cover a potential over-allotment in relation to the Offering, the Company has undertaken to provide DNB Markets with an over-allotment option, pursuant to which up to 930,803 additional shares can be offered (the "**Over-allotment Option**"), corresponding to a maximum of 15 per cent of the number of shares in the Offering.
- Assuming the Over-allotment Option is exercised in full, the value of the Offering will amount to c. SEK 400 million and correspond to c. 19 per cent of the total number of ordinary shares in the Company upon completion of the Offering.
- Rutger Arnhult via M2 Asset Management, Livsförsäkringsbolaget Skandia, ömsesidigt, Skandia Fonder, PriorNilsson Fonder, Bell Rock Capital Management and Cicero Fonder (the "**Cornerstone Investors**") have acquired ordinary shares in the Offering for an amount of c. SEK 280 million.
- The first day of trading on Nasdaq First North Growth Market is today on 16 June 2021. The shares will be traded under the ticker "AROS". Settlement will take place on 18 June 2021.

Magnus Andersson, CEO, comments:

"The great interest shown for the company and offering makes me proud and is yet another testament to Aros Bostad's strong brand, fantastic co-workers and potential in the company. I would like to welcome all our new shareholders on the journey ahead, where we together take the next step in our continued growth."

Johan A. Gustavsson, Chairman and founder, comments:

"The listing today of the ordinary share of Aros Bostad is the result of many years of hard and dedicated work. The listing creates an even stronger platform for expansion and we look forward to continue delivering qualitative homes and healthy returns, to further strengthen our position in the market."

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Stabilisation measures

DNB Markets, a part of DNB Bank ASA, Sweden branch, may, in its role as stabilisation manager in connection with the Offering, conduct transactions in order to maintain the market price for the shares at a level above that which might otherwise prevail in the open market. Such stabilisation transactions may be carried out on Nasdaq First North Growth Market, in the over-the-counter market or otherwise, at any time during the period starting today and ending not later than 16 July 2021 (i.e. after 30 calendar days).

The stabilisation manager has no obligation to undertake any stabilisation measures and there is no assurance that stabilisation measures will be undertaken. Under no circumstances will transactions be conducted at a price higher than the one set in the Offering. The stabilisation manager may utilize the Over-allotment Option to over allot shares in order to facilitate any stabilisation transaction.

Stabilisation transactions, if conducted, may be discontinued at any time without prior notice but must be discontinued no later than within the aforementioned 30-day period. The stabilisation manager must, no later than by the end of the seventh trading day after stabilisation transactions have been undertaken, in accordance with article 5(4) of the Market Abuse Regulation (EU) 596/2014 and the Commission Delegated Regulation (EU) 2016/1052, disclose that stabilisation measures have been undertaken. Within one week of the end of the stabilisation period, the stabilisation manager will disclose whether or not stabilisation measures were undertaken, the date on which stabilisation started, the date on which stabilisation was last carried out as well as the price range within which stabilisation was carried out for each of the dates when stabilisation measures were conducted.

About Aros Bostad

Aros Bostad is a residential developer within the Stockholm area focusing on developing modern, functional and sustainable residential housing in attractive geographical areas, with timeless choices of materials and designs. The Company acquires and develops land into building rights and subsequently into residential housing. With a long-term perspective and responsibility for the entire value chain, Aros Bostad creates a safe deal for home buyers as well as stable returns for the investors. The Company was founded in 2006 and its primary geographical market is the greater Stockholm area and Uppsala. The Company's project portfolio has historically been built up through fund structures in collaboration with institutional investors, as well as through own acquisitions. Aros Bostad has residential development projects in different stages of development corresponding to c. 4,600 units.

Main investors in Aros Bostad's funds is primarily institutional capital from AP1, Varma, SEB Trygg-Liv, SEB Pensionsstiftelse, Östersjöstiftelsen as well as several prominent and financially strong entrepreneurs and investors.

The Company's class A and B preference shares are listed on Nasdaq First North Growth Market.

Advisers

DNB Markets, a part of DNB Bank ASA, Sweden branch, has been appointed as Sole Global Coordinator and Sole Bookrunner, and Baker McKenzie as legal adviser in connection to the Offering.

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Information

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In the United Kingdom, this press release 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**" (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to

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investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This press release does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Company. The information in this press release is only intended to describe the background of the Offering and does not claim to be complete or exhaustive. No assurance is made with respect to the information in the press release as regards its accuracy or completeness. DNB Markets, a part of DNB Bank ASA, Sweden Branch ("**DNB**"), is acting for Aros Bostad in connection with the Offering and not for anyone else. DNB will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Offering or any other matter referred to herein.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. A prospectus has been prepared in connection with the Offering which has been scrutinized and approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) which is the national competent authority in Sweden under the Prospectus Regulation. The prospectus is available on the Company's website and the Swedish Financial Supervisory Authority's website.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the Group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that

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occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq First North Growth Market's rule book for issuers.

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 II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local 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 Company's 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 II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**EU Target Market Assessment**"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**"). Notwithstanding 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 shares in the Company 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.

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 UK MiFIR; 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 the Company.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in the Company and determining appropriate distribution channels.