

## **Aros Bostad completes the acquisition of above 1,500 building rights from ALM Equity and becomes one of the largest residential developers in Greater Stockholm**

**Aros Bostadsutveckling AB (publ) ("Aros Bostad") has signed a binding agreement regarding acquisition of 1,505 building rights from ALM Equity, in line with the letter of intent which was communicated in May 2022. After the acquisition, Aros Bostad's project portfolio amounts to 6,541 building rights with 14 projects under construction. Thereby, the company becomes one of the largest residential developers in the Greater Stockholm area. The purchase price of SEK 1,465 billion is paid through a non cash issue, after which ALM Equity becomes new major owner of Aros Bostad.**

The ALM Equity building rights portfolio, corresponding to 34 project opportunities with a total of ca 180,000 sqm gross area (sw. BTA) at different development stages, complements Aros Bostad's existing building rights portfolio in both geography and product. The acquisition adds seven new markets to Aros Bostad's building rights portfolio, which after the purchase comprises 19 municipalities within the Greater Stockholm area. 119 of the additional building rights are under construction, split on five development projects. 35 percent of the building rights have gained approved zoning plan and the estimate is that another 300 residential units are ready for construction start during the coming year.

The acquisition price for the building rights portfolio is SEK 1,465 billion, corresponding to 35 percent ownership of the enlarged company. Payment will be conducted in two steps, through a non cash issue of 9,942,470 common shares to a price of SEK 60 per share corresponding to ca 17 percent of the share capital and a non cash issue of 2,953,161 preference shares to a price of SEK 86 per share, plus 5,126,923 convertible shares which are to be converted to common shares during 2023 at the calculated time of access. Thereafter, the purchase price will be paid for the 5,126,924 convertible shares which are to be converted during 2024 at handover of a few of the projects when the prerequisites for the purchase are completed. ALM Equity has agreed to sell shares over time, with start at the time of access, to improve the liquidity of Aros Bostad's shares.

As part of the agreement, around ten of the employees who have worked with the projects at ALM Equity will join Aros Bostad. The agreement is conditioned by required authorisations, decision at Shareholder meeting of Aros Bostad and investor approvals. Access is planned to the end of the third quarter.

### **Magnus Andersson, CEO Aros Bostad:**

*"The acquisition is in line with the business plan goals to broaden the geography and increase the number of building rights for detached and terraced houses, which is a product with continued demand and shorter completion times compared to apartment buildings. Aros Bostad has conducted a large expansion over the last years and the ambition is to continue our journey of growth with maintained strong result, now from the position as one of the largest residential developers in the Greater Stockholm area. We are looking forward to welcome new competent colleagues, as well as a new highly experienced major owner to our business."*

### **Joakim Alm, CEO ALM Equity:**

*"The agreement with Aros Bostad adds another listed company to ALM Equity's holdings. Aros Bostad has historically been successful and with the additional building rights portfolio, along with ALM Equity as active owner, there is great opportunity for continued growth. We look forward to being an*

*engaged and responsible owner, contributing to the further development and growth of Aros Bostad.”*

Born Advokater and Catella has acted as adviser throughout the business deal.

*The Certified Adviser for Nasdaq First North Growth Market is Erik Penser Bank. Financial information in English at <https://arostad.se/investerare/in-english/>*

This information is information that Aros Bostad is obliged to make public pursuant to the EU Market Abuse Regulation (EU 596/2014). The information in this press release has been made public through the agency of the responsible person set out above for publication at the time stated the Company's news distributor, Cision, at the publication of this press release.

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**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. Aros Bostad had, as per Q1 2022, 34 residential development projects in different stages of development corresponding to ca 4,900 units. Aros Bostad is listed on Nasdaq First North Growth Market. The Certified Adviser for Nasdaq First North Growth Market is Erik Penser Bank. Financial information is to be found at [www.arostad.se/investerare](http://www.arostad.se/investerare)