

This Base Prospectus was approved by the Swedish Financial Supervisory Authority on 15 May 2025. This Base Prospectus is valid for twelve months after the date of approval. The obligation to supplement this base prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Base Prospectus is no longer valid.



# Sveafastigheter

## Sveafastigheter AB (publ)

Medium Term Note Programme

15 May 2025

**Arranger**

**Swedbank** 

**Dealers**

**Swedbank** 

**Nordea**

**S|E|B**

## Information to investors

This base prospectus (the "**Base Prospectus**") relates to the programme for continuous issuance by Sveafastigheter AB (publ), Reg. No. 559449-4329 (the "**Issuer**" or "**Sveafastigheter**") of medium term notes in Swedish kronor or euro with a tenor of minimum one (1) year and a nominal amount which may not be lower than EUR 100,000 (or the corresponding amount in SEK) (the "**MTN**").

This Base Prospectus has been prepared in accordance with Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**") and the delegated act (EU) 2019/980. The Base Prospectus constitutes a base prospectus pursuant to article 8 of the Prospectus Regulation. Swedish law is applicable to the Base Prospectus and any dispute arising out of or in connection with the Base Prospectus shall be subject to Swedish law and exclusively to the jurisdiction of Swedish courts. The Base Prospectus shall be read together with the documents which have been incorporated by reference (see "Information about the Issuer – Documents incorporated by reference") and any supplements to the Base Prospectus. Except for what is stated in the auditor's report, which has been incorporated to this Base Prospectus by reference, or is otherwise explicitly stated, no information in this Base Prospectus has been reviewed or revised by the Issuer's auditor. The numbers in this Base Prospectus has, in some cases, been rounded, why certain tables may not amount to the correct sum.

This Base Prospectus does not constitute an offer to purchase Loans and may not be distributed in any jurisdiction where such distribution would require any additional prospectus, registration or measures other than those required under Swedish law, or otherwise would conflict with regulations in such jurisdiction. Persons into whose possession this Base Prospectus may come are required to inform themselves about and comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. Subject to certain exemptions, the MTN may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. No MTN has been, and no MTN will be, registered under the United States Securities Act of 1933.

This Base Prospectus is dated 15 May 2025. Distribution of the Base Prospectus does not entail that the information provided herein is relevant for any other date than the date of this Base Prospectus or that the business of the Issuer, result or financial situation has been unchanged since this date.

In respect of each issue of MTN, each Issuing Dealer will undertake a target market assessment in respect of such MTN and determine the appropriate channels for distribution for such MTN. Any person subsequently offering, selling or recommending such MTN (a "**distributor**") should take into consideration the target market assessment. However, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of such MTN (either by adopting or refining the target market assessment) and determining the appropriate distribution channels. For the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), a determination will be made in relation to each issue as to whether any Issuing Dealer participating in the issue of MTN is a manufacturer in respect of such MTN. The Dealers nor any of their respective affiliates that do not participate in an issue will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Each potential investor should consider whether the MTN is an appropriate investment given the particular circumstances of that investor. In particular, every investor should (i) have sufficient knowledge and experience to be able to adequately evaluate the MTN and the information set out in this Base Prospectus and any supplements hereto, (ii) have access to, and knowledge of, appropriate analytical tools in order to, in the context of its own financial situation, be able to evaluate an investment in the MTN and the effect of such investment on the portfolio of such investor, (iii) have sufficient financial means and liquidity to carry the risks associated with an investment in the MTN, including where the nominal amount and/or interest payments may be made in different currencies or where the currency of the principal amount or interest deviates from the currency of the investor, (iv) fully understand the terms and conditions of a MTN and be familiar with relevant indices and financial markets, and (v) be capable of evaluating (itself or with the assistance of financial advisors) possible scenarios for economical, interest rate related or other factors that may affect the investment and the ability of the investor to carry the relevant risks.

The Base Prospectus contains certain forward-looking statements that reflect the Issuer's current views or expectations with respect to future events and financial and operational performance. The words "intend", "estimate", "expect", "may", "plan", "anticipate" or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Although the Issuer believes that these statements are based on reasonable assumptions and expectations, the Issuer cannot give any assurances that such statements will materialise. Because these forward-looking statements involve known and unknown risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statement. Factors that could cause the Issuer's actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in "Risk factors". The forward-looking statements included in this Base Prospectus apply only to the date of the Base Prospectus. The Issuer undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. Any subsequent forward-looking information that can be ascribed to the Issuer or persons acting on the Issuer behalf is subject to the reservations in or referred to in this section.

## Table of contents

<b>1</b>	<b>Description of the Issuer's MTN Programme .....</b>	<b>4</b>
<b>2</b>	<b>Risk Factors .....</b>	<b>10</b>
<b>3</b>	<b>Responsibility for the Base Prospectus .....</b>	<b>35</b>
<b>4</b>	<b>Product description .....</b>	<b>36</b>
<b>5</b>	<b>Terms and Conditions .....</b>	<b>38</b>
<b>6</b>	<b>Form of Final Terms .....</b>	<b>62</b>
<b>7</b>	<b>Information about the Issuer .....</b>	<b>67</b>
<b>8</b>	<b>Definitions .....</b>	<b>83</b>
<b>9</b>	<b>Addresses .....</b>	<b>85</b>

## 1 Description of the Issuer's MTN Programme

This MTN Programme constitutes a framework under which the Issuer intends to raise Loans in SEK or EUR with a tenor of not less than one (1) year of a maximum outstanding nominal amount at any time of SEK 8 billion or the equivalent in EUR. The Board of Directors resolved to establish the MTN Programme and this Base Prospectus on 12 May 2025.

The Terms and Conditions shall apply for all Loans raised under this MTN Programme. In addition, for each Loan, supplementary Final Terms are established. The Final Terms and the Terms and Conditions together constitute the complete terms for the relevant Loan. The nominal amount and the applicable method for calculating interest is regulated in the Final Terms. The Final Terms will be available on the Issuer's website, [www.sveafastigheter.se](http://www.sveafastigheter.se), and may also be obtained free of charge from the Issuer.

Offers to purchase or otherwise acquire MTN under this MTN Programme are not directed to persons whose participation require any additional prospectus, registration or additional measures other than those which follow from Swedish law for offer(s) made in Sweden. The Base Prospectus and the Final Terms may not be distributed to, or within, any country where such distribution demands further registration or additional measures other than those which follow from Swedish law or is against the law or other regulations. Purchases or other acquisitions of MTN issued under this Base Prospectus in contrary to the above may be deemed null and void.

### 1.1 General

Each Loan is represented by MTN of denominations of not less than EUR 100,000, or a value of SEK equivalent to EUR 100,000, or whole multiples thereof.

The Issuer may issue Loans bearing a fixed interest rate, floating interest rate or without interest (Zero Coupon Loans). The determination of the Interest Rate of each Loan is performed by the Calculation Agent. The holders of MTN represent themselves in capacity as Noteholders towards the Issuer and are consequently not represented by a certain organisation or counsel which has been appointed in advance.

### 1.2 The Green Framework

The Issuer has established a framework for green financing (a so-called green bond framework as amended, updated and/or replaced from time to time) which is available on the Issuer's website [www.sveafastigheter.se](http://www.sveafastigheter.se) (the "**Green Framework**"), where any updates to the Green Framework will also be made available. The Green Framework enables the Issuer to issue Loans under a MTN programme as green bonds ("**Green Bonds**") (as defined in the Final Terms), meaning that the proceeds from any issuance may solely be used for financing of the projects covered by the Green Framework.

The Green Framework has been developed in line with the industry standard Green Bond Principles 2021, including the updated Appendix 1 of June 2022, set by the International Capital Markets Association (ICMA). The Green Framework is aligned with the Green Bond Principles 2021 and their four components and key recommendations including:

- i. Use of Proceeds;
- ii. Process for Asset Evaluation and Selection;

- iii. Management of Proceeds;
- iv. Reporting; and
- v. External Review.

The Green Framework is applicable for the issuance of Green Bonds (including private placements). Below is a non-extensive summary of the Green Framework and the criteria which will be used to determine how the proceeds are allocated for sustainable purposes.

#### 1.2.1 *Use of Proceeds*

An amount equivalent to the net proceeds from Sveafastigheter's Green Bonds shall be used to finance or re-finance, in whole or in part, a portfolio of assets ("**Green Assets**"). Green Assets aim to support the transition towards a low-carbon future, as well as comply with Eligibility Criteria detailed in the Green Framework. Certain Green Assets may also have social co-benefits. Green Assets may include fixed assets, capital expenditures (CapEx), and/or operational expenditures (OpEx). The Eligibility Criteria consider, on a best effort basis, the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**") technical screening criteria for substantial contribution to climate change mitigation.

#### Eligibility Criteria

##### 1. *Construction of New Buildings:* Buildings which have or will have upon completion:

- Primary Energy Demand (PED) at least 10% lower than the threshold set for Nearly Zero-Energy Building (NZEB) according to national building regulations
- Minimum environmental certification of Miljöbyggnad Silver
- Additional criteria for all buildings, the building undergoes a material physical climate risk and vulnerability assessment
- Additional criteria for buildings larger than 5,000 sqm: the building undergoes testing for air-tightness and thermal integrity and the lifecycle Global Warming Potential (GWP) of the building resulting from the construction has been calculated for each stage in the life cycle

##### 2. *Acquisition and Ownership of Buildings:*

- Buildings with Energy Performance Certificate (EPC) of class A or that have a PED within the top 15% of the national or regional building stock; or
- Minimum environmental certification of Miljöbyggnad Silver
- Additional criteria for all buildings, the building undergoes a material physical climate risk and vulnerability assessment

##### 3. *Major Renovations:*

- Primary energy savings of at least 30% within a maximum of three years and validated through an EPC upon completion of the renovation
- Additional criteria for all buildings, the building undergoes a material physical climate risk and vulnerability assessment

4. *Building Energy Efficiency*: Installation, replacement, and maintenance of energy efficient measures including:

- Energy efficiency equipment associated with insulation, energy efficient windows, doors or lights and heating, ventilation and low water and energy equipment
- Charging stations for electric vehicles
- Instruments and devices for measuring, regulation and controlling energy performance of buildings associated with zoned and smart thermostats, sensing equipment, management and light control systems, smart meters and facade and roofing elements with solar shading
- Renewable energy technologies, on-site associated to solar photovoltaic systems, water panels, electric heat pumps, wind turbines, transpired collectors, energy storage as well as heat exchangers/recovery systems

#### 1.2.2 *Process for Asset Evaluation and Selection*

Sveafastigheter has established a Green Bond Committee (the “**GBC**”) with responsibility for governing the evaluation and selection of the Green Assets. The GBC consists of members from the Treasury, Technical Management, and Sustainability teams. Other internal representatives with specific expertise may be invited when deemed necessary. The GBC will meet at least on an annual basis.

#### 1.2.3 *Management of Proceeds*

Sveafastigheter’s Treasury team will manage the allocation of an amount equivalent to the net proceeds from Green Bonds to Green Assets on an aggregated basis (portfolio approach). To manage this process, Sveafastigheter will use an internal tracking spreadsheet, which will be reviewed at least annually by the Treasury team. Sveafastigheter will commit to, on a best-effort basis, allocate the net proceeds from the Green Bonds to Green Projects within 12 months from the issuance date of each Green Bond. Pending full allocation of an amount equal to the net proceeds of outstanding Green Bonds, the unallocated proceeds will be held in the liquidity reserves and managed as such, and will exclude any investments in activities listed in under Exclusion Criteria in the Green Framework.

#### 1.2.4 *Reporting*

Sveafastigheter commits to annually publish an allocation and impact report, until full allocation or in the event of any material developments. The report will be published on its website at [www.sveafastigheter.se](http://www.sveafastigheter.se). Sveafastigheter aims to report on quantitative impact indicators where reasonable and relevant data is available. The information may be provided on an aggregated portfolio basis because of confidentiality agreements, or numerous Green Assets limiting the amount of detail that can be made available.

### 1.2.5 *External Review*

Sveafastigheter has appointed Morningstar Sustainalytics to provide a Second Party Opinion on the Green Framework, to confirm alignment with the ICMA 2021 Green Bond Principles. The Second Party Opinion is available on Sveafastigheter's website at [www.sveafastigheter.se](http://www.sveafastigheter.se). Additionally, Sveafastigheter will request on an annual basis, until full allocation or in the event of any material developments, an assurance report to verify whether an amount equal to the net proceeds from Green Bonds have been allocated to Green Assets, provided by an external review provider. The assurance report is available on Sveafastigheter's website at [www.sveafastigheter.se](http://www.sveafastigheter.se).

## 1.3 **Form of securities and identification**

MTN issued under this MTN Programme are debt obligations issued in dematerialised form and are connected to Euroclear Sweden's account-based-system, which is why no physical securities are issued. The International Securities Identification Number (ISIN) is specified in the Final Terms of the respective Loan. MTN are freely transferable.

## 1.4 **Admission to trading on a regulated market**

The Issuer may submit an application for registration of certain Loans to Nasdaq Stockholm or another regulated market as set out in the Final Terms. The relevant regulated market will, upon receipt of the application, make its own assessment and then admit or reject that MTN are registered.

## 1.5 **Tax**

Certain tax issues regarding Noteholders are summarised below. The summary is based upon current law in force and is intended only as general information. The summary does not address situations where MTN are held on an investment savings account (Sw. *Investeringssparkonto*) or the regulation as regards the obligation to make income statements, for, e.g., payers of interest. Noteholders should consult an independent tax advisor as regards Swedish and other tax consequences (including the applicability and effect of tax agreements) as a result of acquisitions, holdings and disposals of MTN depending on their specific circumstances.

### 1.5.1 *Noteholders not resident in Sweden*

Payments of any principal amount or any amount that is considered to be of interest for Swedish tax purposes to the Noteholder should not be subject to Swedish income tax provided that such Noteholder (i) is not resident in Sweden for Swedish tax purposes and (ii) does not have a permanent establishment in Sweden with which the MTN are effectively connected.

However, provided that the value of or the return on the MTN relates to securities taxed as shares, private individuals who have been residents of Sweden for tax purposes due to a habitual abode or continuous stay in Sweden at any time during the calendar year of disposal or redemption or the ten calendar years preceding the year of disposal or redemption, may be liable for capital gains taxation in Sweden upon disposal or redemption of such MTN. In a number of cases though, the applicability of this rule is limited by the applicable tax treaty for the avoidance of double taxation.

Swedish withholding tax, or Swedish tax deduction, is normally not imposed on payments of any principal or any amount that is considered to be interest for Swedish

tax purposes except in relation to certain payments of interest (and other distributions on MTN) to a private individual (or the estate of a deceased individual) who is (or was) resident in Sweden for tax purposes (see “*Noteholders resident in Sweden*” below).

#### **1.5.2** *Noteholders resident in Sweden*

In general, for Swedish corporations and private individuals (and estates of deceased individuals) with residence in Sweden for Swedish tax purposes, all capital income (for example, income that is considered to be interest for Swedish tax purposes and capital gains on MTN) will be taxable. Specific tax consequences may be applicable to certain categories of corporations, for example investment firms or life insurance companies. Moreover, specific tax consequences may be applicable if, and to the extent that, a Noteholder realises a capital loss as well as in relation to exchange rate loss and exchange rate gains.

If amounts that are deemed as interest for Swedish tax purposes are paid by Euroclear Sweden or by a legal entity domiciled in Sweden (including a Swedish branch), or a clearing institution in another country within EES, to a private individual (or an estate of a deceased individual) with unlimited tax liability in Sweden, Swedish preliminary taxes are normally withheld by Euroclear Sweden or by the legal entity on such payments. Swedish preliminary taxes should normally also be withheld on other returns on MTN (but not capital gains), if the return is paid out together with such a payment of interest referred to above.

#### **1.6** **Costs**

The Issuer is responsible for all costs associated with the admission to trading of MTN, such as the costs of producing prospectus, admission to trading on a regulated market, other documentation, fees to Euroclear Sweden etc.

#### **1.7** **Status**

Loans constitute an unsecured bond with equal right to payment (*pari passu*) as the Issuer's other unsubordinated and unsecured payment obligation, except such obligations preferred by law.

#### **1.8** **Sales, price, interest etc.**

Sales will take place through the Dealers receiving issue and sale instructions from the Issuer. In connection with the instructions, the price of the MTN is set, which may be over, under or corresponding to the Nominal Amount. As the MTN under this MTN Programme can be issued continuously for a long period of time, it is not possible to state a uniform sales price or otherwise a fixed price for the MTN. Purchase and sales of MTN will be conducted on the marketplace on which the instruments, as the case may be, are admitted. Payments for and delivery of the MTN is made by the relevant Dealer through Euroclear Sweden's system.

The market price of MTN is floating and may be affected by, for example, the current interest rates for similar placements with corresponding tenors.

The returns of an MTN are a function of the price of which the MTN can be purchased, the relevant applicable interest rate of the MTN and any brokerage or other costs for the purchase of an MTN.



## **1.9 Governing law**

MTN are issued in accordance with the laws of Sweden. Disputes concerning the Terms and Conditions shall be settled by Swedish courts. The Stockholm District Court (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

## **1.10 Responsibility**

Each investor shall, subject to its financial situation, determine the suitability of an investment in MTN issued by the Issuer. In particular, each investor should:

- i. have sufficient knowledge and experience to make a meaningful evaluation of the Terms and Conditions and the Final Terms of the respective MTN. The investor should evaluate the merits and risks of investing in MTN on the basis of the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- ii. have access to, and knowledge of, appropriate analytical tools to evaluate an investment in the MTN and the impact an investment in the relevant MTN may have on its overall portfolio;
- iii. have sufficient financial resources and liquidity to bear all of the risks of an investment in MTN, including interest and foreign exchange risks;
- iv. have thorough understanding of how any relevant index, MTN and financial operates; and
- v. be able to evaluate (either alone or with help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

## 2 Risk Factors

*This section contains the risk factors and significant circumstances considered to be material to Sveafastigheter's business and future development. The risk factors relate to Sveafastigheter's business, industry and markets, and further include operational risks, legal risks, regulatory risks, financial risks as well as risk factors related to the MTN. The assessment of the materiality of each risk factor is based on the probability of its occurrence and the expected magnitude of its adverse effect. In accordance with Prospectus Regulation, the risk factors mentioned below are limited to risks which are specific to the Issuer and/or to the securities and which are material for taking an informed investment decision.*

*The description below is based on information available as of the date of the Base Prospectus. The risk factors that are currently considered to be the most material are presented first in each category and the subsequent risk factors are presented in no particular order.*

*The risks and uncertainties described below could have a material adverse effect on Sveafastigheter's business, financial position and/or results of operations.*

### 2.1 Risks related to Sveafastigheter's industry and market

#### 2.1.1 Sveafastigheter is subject to risks related to interest rates

Interest rates have a particularly significant influence on the Group, as they affect the overall demand for real estate, the Group's financing cost and the value of the Group's properties. For example, in 2022 and 2023, inflation increased in many countries globally, including Sweden, which led to a significant increase in central bank interest rates following a period of low or negative interest rates in Sweden. During the same period, the Swedish Central Bank (Sw. *Sveriges Riksbank*) increased its policy rate from 0.00 percent in the beginning of 2022 to 4.00 percent by the end of 2023. In 2024, however, the Swedish Central Bank deviated from its previous course of policy rate by deciding to lower the key interest rate policy rate on several occasions.<sup>1</sup> Although inflation levels have come down and central bank rates appear to have stabilised and/or be subject to reductions, it cannot be ruled out that interest rates stay at higher levels for extended periods of time or increase. The Group has a particular exposure to rising interest rates and inflation as its property portfolio consists entirely of residential properties<sup>2</sup> for which, except for certain of the Issuer's commercial premises, rent-setting mechanisms are regulated by law and negotiated with the Swedish Tenants Association (Sw. *Hyresgästföreningen*) annually. The general rent-setting mechanism (called the 'value-of-use' method) for determining rent levels in Sweden typically takes factors such as consumer price index and increased property owners' interest expenses into account, but the rent level determination is based on a totality of factors and, though the Issuer has not experienced this historically over longer time periods, there is no guarantee that the aforementioned factors will be fully accounted for (or at all) in any of the Issuer's future rent negotiations. If Sveafastigheter does not succeed in fully compensating for rising interest rates and inflation by increasing its rent levels it may have an adverse effect on the Group's results of operations.

The increase in interest rates during 2022 and 2023 had also a negative impact on valuations of residential properties in Sweden and any future increase in interest rates

<sup>1</sup> The Swedish Central Bank, <https://www.riksbank.se/sv/statistik/rantor-och-valutakurser/styrranta-in--och-utlaningsranta/>.

<sup>2</sup> Defined as properties with more than 50 percent of rental value from residential properties.

may require Sveafastigheter to recognise losses due to market value adjustments. Such losses would result in a corresponding decrease in the value of Sveafastigheter's properties as recognised on its balance sheet and increase Sveafastigheter's loan-to-value ratio. Further, increases in interest rates generally may cause investor demand for residential properties to decrease and could also have an adverse effect on the ability of potential buyers to finance property acquisitions in the event that Sveafastigheter were to sell a property. An increase in interest rate levels could also lead to a breach of financial covenants in the Group's financing agreements, which in turn could lead to Sveafastigheter being required to repay loans prematurely (see further section "*– Risks related to Sveafastigheter's financing arrangements and financial information in the Base Prospectus – Sveafastigheter's operations are partly financed by incurring debt, which entails certain risks, including risks related to financial covenants and refinancing risks*").

The materialisation of any of these risks could have a material adverse effect on Sveafastigheter's business, financial position and/or results of operations.

**2.1.2** *Sveafastigheter's profit and profitability may be subject to regional variations in Sveafastigheter's real estate portfolio and demographic trends in Sveafastigheter's markets*

Sveafastigheter's properties are located in different regions in Sweden, such as Stockholm-Mälardalen, university cities, Malmö-Öresund and Greater Gothenburg. Both between and within these regions, regional variations and trends can lead to significant differences in the real estate and rental markets in terms of economic conditions, supply and demand levels and returns on real estate investments as well as demographic trends. Although Sveafastigheter has historically benefited from demographic trends and income growth in the regions in which the Company operates, there can be no assurances that the economy or the demographic trends will continue to develop favourably in Sveafastigheter's regions. If, for example, the income growth in any of Sveafastigheter's regions decreases significantly due to local economic conditions, such as a decline in job opportunities in or in proximity to a specific region, or if the infrastructure of the regions would change, for example in relation to commuting opportunities, demand for rental apartments and the total rent levels in that region could decrease. A current example is Northvolt's bankruptcy filing in 2025. As the Company's portfolio in Skellefteå as of 31 March 2025 corresponded to approximately 8% of the property portfolio under management, the bankruptcy, if the outcome of the same means fewer jobs, could result in rising vacancy rates in the area, which would be expected to have an adverse effect on property valuations in the area.

Furthermore, approximately 93 percent of Sveafastigheter's project development portfolio was located in the Stockholm-Mälardalen region as of 31 March 2025 and, as such, the region is expected over time to become the Group's main region in terms of property value, increasing the geographical focus of Sveafastigheter's property portfolio and, consequently the exposure to any developments in the Stockholm-Mälardalen region. Sveafastigheter may not be able to react in a timely manner to adverse developments in one or more of its focus regions, and the municipalities' real estate markets may be more illiquid than other municipalities' real estate markets, resulting in difficulties for conducting property sales (see further section "*– Sveafastigheter is exposed to the risk that it, when needed, may be unable to sell portions of its portfolio on favourable terms or at all*"). This could result in a situation where Sveafastigheter has a large property portfolio in, and significant investments tied to, regions where economic conditions could develop unfavourably, which could then affect the Group's occupancy rates and rent levels, and, in turn, adversely affect

the Group's rental income as well as its overall business, financial position and results of operations.

**2.1.3** *Sveafastigheter is exposed to risks associated with macroeconomic factors and political risks*

The Company's business is affected by, in addition to what has been mentioned in the previous sections, general macroeconomic factors such as economic trends, economic growth, current and geopolitical events and trade policies. Examples of events that have led, or may lead, to significant market disruptions, lower economic growth and increased inflation pressures are the Russian military invasion of Ukraine, tensions in the Middle East and the introduction of, and announcements concerning, increased tariffs by President Donald Trump's administration. The real estate market, in which Sveafastigheter operates, may as a result be affected by, among other things, higher electricity prices, operating costs and a generally hesitant financing market and deteriorating financing terms. Furthermore, substantially increased tariffs and escalating trade conflicts may risk increasing the price of imported goods, which in turn could lead to increased inflation. Should such a scenario materialise, there is a risk that central banks may raise interest rates in order to combat inflation, which could lead to increased financing costs for real estate companies and a subdued demand for properties, see also the section '*Sveafastigheter is subject to risks related to interest rates*' for further information. In addition, Sveafastigheter is developing new residential properties and the Company's ability to carry out financially profitable property development projects risks being affected by increased tariffs, higher prices and rising inflation, as construction costs would increase if the price of imported raw materials and materials becomes more expensive.

Should any of the above risks materialise, it could have a material adverse effect on Sveafastigheter's overall business, financial position and/or results of operations.

**2.1.4** *Property valuations are to a certain extent subjective and may incorrectly reflect the values of Sveafastigheter's properties*

Sveafastigheter's properties are reported at fair value on Sveafastigheter's balance sheet with unrealised changes in value reported on the income statement. Sveafastigheter reports its property holdings at fair value in accordance with Sveafastigheter's accounting and valuation principles.

Property valuations represent the opinion of the independent valuer and the assumptions underlying the reports are tested as is customary. Property valuations are therefore to some extent subjective and are based on a number of assumptions that may not prove to be accurate. Such assumptions include property specific assumptions regarding rent levels<sup>3</sup>, occupancy rates, operating expenses, environmental liabilities in relation to building rights as well as market specific assumptions regarding macroeconomic developments, general economic trends, regional economic development, employment rates, salary levels, production rates of new construction, changes in infrastructure and inflation and interest rates in Sweden. It cannot be excluded that the underlying assumptions in past or future valuations of the properties may prove to be incorrect. Consequently, there is a risk that the valuations do not accurately reflect the value of the Group's properties or the prices at which the properties can be disposed. Moreover, the valuation methods that are currently generally accepted and that were used for the purpose of developing valuation reports of the Group's portfolio may in hindsight be determined to be

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<sup>3</sup> Based on the Group's actual rental flows and how the Group expects these to develop over time.

unsuitable. The uncertainty range for individual properties is normally within an interval +/- 5-10 percent, and should be seen as a measure of the uncertainty in the assumptions made. In a less liquid market, however, the range may be greater. As an example, for the Issuer, an uncertainty interval of +/- 5 percent translates to a value interval of +/- SEK 1,245 million, corresponding to SEK 23,6626-26,152 million in relation to the Issuer's standing assets as of 31 March 2025.

If the assumptions underlying the valuation of properties prove to be incorrect, and/or if the Issuer were to be unable to divest its properties at their reported fair value, this could have a material adverse effect on the Issuer's financial position, profitability and the overall valuation of the Group.

**2.1.5** *Sveafastigheter is exposed to the risk that it, when needed, may be unable to sell portions of its portfolio on favourable terms or at all*

Sveafastigheter may need to liquidate parts of its portfolio on short notice, such as to raise working capital or to repay outstanding debt, and there is a risk that Sveafastigheter in such a situation may not be able to sell any portion of its property portfolio on favourable terms or at all. In an urgent sale or a sale during a market downturn, the shortfall between the sales price for the property or property portfolio and the price at which Sveafastigheter would normally receive in the event of a sale of the same property or portfolio could be considerable. Furthermore, a small part of Sveafastigheter's property portfolio is located in municipalities whose property markets may be more illiquid than those of other municipalities, which may result in the price Sveafastigheter receives for properties in a more illiquid market being lower than expected or that the property cannot be sold at all. The above-mentioned differences in actual and expected sales price could furthermore mean that the Group breaches the terms of financing agreements entered into (see also section " - Risks related to Sveafastigheter's financing arrangements and financial information in the Base Prospectus – Sveafastigheter's operations are partly financed by incurring debt, which entails certain risks, including risks related to financial covenants and refinancing risks") In addition, Sveafastigheter may face further difficulty in disposing of its properties due to covenants and pledges limiting asset disposals in Sveafastigheter's financing agreements. These restrictions could complicate or delay any proposed sale of properties.

Any of the abovementioned factors may lead to Sveafastigheter being forced to sell properties at a price lower than anticipated, which could have a material adverse effect on Sveafastigheter's financial position and results of operations.

**2.1.6** *Competition for residential properties and suitable building rights in attractive locations in Sweden is high and Sveafastigheter may fail to compete successfully for such properties and building rights*

Sveafastigheter is a real estate company that owns, actively manages and develops residential properties. There are other companies that compete for the same assets and properties as Sveafastigheter. The competition comes in particular from other real estate companies with a focus on residential properties such as Wallenstam AB (publ), K-Fast Holding AB (publ), Fastighets AB Balder (publ), Heimstaden AB (publ), Neobo Fastigheter AB (publ) (within listed real estate companies), Stena Fastigheter AB, Victoriahem AB, Einar Mattsson AB and Rikshem AB (publ) (within non-listed real estate companies) as well as public housing real estate companies that operate in the same regions as Sveafastigheter.

Vacancy rates for residential properties in Sweden have historically been, and continue to be, low<sup>4</sup> due to lack of housing and, hence, competition for new locations is high, including undeveloped land for new construction (e.g., through land allocations and acquisitions of building rights). A prerequisite for Sveafastigheter to be able to construct new buildings is to obtain building rights and land allocations, *i.e.*, building rights that are attractive in terms of price in relation to the project's expected costs and established profitability requirements, as well as geographical location. The competition for building rights is particularly challenging in attractive locations with limited availability, such as the Stockholm-Mälardalen region. In relation to land allocation procedures, the developer that wins a land allocation normally has the exclusive right, for a certain period of time and under certain conditions, to negotiate with the municipality on the use of the land that has been allocated to the developer. In land allocation procedures and other municipal or private tenders that are announced, the Group normally competes with several other participants.

The Issuer's competitors for land allocations and building rights may have the ability to compete more effectively through, for example, greater financial resources, better capacity to withstand market downturns, higher acceptance of lower yield requirements, as well as better opportunities to obtain more attractive financing and react more quickly to changes in local markets.

If the Group is unable to compete successfully by, for example, not succeeding in acquiring building rights, or obtaining or extending land allocations on terms acceptable to the Group, it may adversely affect the Group's rent levels and vacancy rates and, ultimately, it could have a material adverse effect on the Group's business, profit and financial position.

#### *2.1.7 Sveafastigheter may fail to attract tenants in relation to new construction developments*

During new construction developments it is important for the Issuer to focus on the appeal of the property to prospective future tenants, which includes factors such as the size, quality of the apartment, location and access to public transportation, amenities and Sveafastigheter's reputation. It may be difficult to attract tenants for new properties due to a number of reasons, including higher rent levels for new construction due to the possibility to implement so-called presumption rents during the first 15 years to, among other things, cover building costs. Moreover, essential services such as developed public transport and road infrastructure as well as schools and preschools may have less or no access or still be under construction. In addition, Sveafastigheter's ability to attract tenants is dependent on the Issuer's ability to anticipate and adapt to current and future trends and needs in the housing market.

Although Sveafastigheter can manage vacancies by offering short-term discounts to potential tenants, such discounts may not be sufficient. If Sveafastigheter is unable to successfully attract tenants to its new construction developments, it may adversely affect economic occupancy rates and rental income from the new construction development, which in turn may affect the profitability of the development project, which could have a material adverse effect on the Group's business, financial position and results of operations.

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<sup>4</sup> Statistics Sweden, statistical database. The data includes residential apartments on the market, however, special housing, meaning residences permanently reserved for certain well-defined groups (such as elderly care homes, group homes, or student housing) are not included.

## **2.2 Risks related to Sveafastigheter's operations**

### **2.2.1 *Sveafastigheter may fail to achieve its financial and operational targets***

The Group has adopted a number of financial targets including, among other things, that the surplus ratio shall exceed 70 percent within the next five years, the growth in long-term net asset value (NAV) shall, over a business cycle, annually amount to at least 12 percent per share, the loan-to-value ratio shall, over time, be between 40-50 percent, depending on prevailing market conditions, that the net debt to EBITDA ratio shall not exceed 15x and that the interest coverage ratio shall exceed 1.50x. In addition, the Group has adopted operational targets, including starting construction of at least 600-800 apartments and obtaining land allocation agreements for new construction of at least 800 apartments annually over the next five years. There is a risk that the Group may fail to achieve the Group's targets, or expectations in respect to its financial targets. There is also a risk that the Group will fail to successfully implement its intended strategic actions or achieve established operational targets or may not be able to realise all or part of the benefits expected from its current plans or other future initiatives. No assurance can be given that the implementation of the Group's strategy and/or the achievement of its financial or operational targets will be successful under current or future market conditions. The Group's approach may also be modified and altered from time to time. It is therefore possible that the approach adopted to implement its strategy and achieve its financial and operational targets in the future may be different from that presently expected to be used.

Furthermore, the Group's ability to achieve certain of its operational targets is dependent on several factors, including its relationships with municipalities and the Group's ability to identify suitable acquisitions of building rights and obtain the necessary financing. If the Group's relationships with municipalities change in such a way that, for example, the Group is no longer able to implement its property projects or if the necessary financing cannot be obtained or on terms acceptable to the Group, the Group risks not to achieve its operational and financial targets.

If the Group is unable to achieve its financial and/or operational targets, this could have a material adverse effect on the Group's business and operating profit.

### **2.2.2 *Sveafastigheter operates in a regulated market, which affects Sveafastigheters' ability to increase rents***

The Swedish residential rental market is regulated, meaning that the rents for tenants do not follow market pricing. Rents are generally subject to annual negotiations with the Swedish Tenants Association (Sw. *Hyresgästföreningen*) and, generally, the value-of-use method (Sw. *bruksvärdesprincipen*) is applied to determine rent, meaning that the rent shall correspond to the assessed value-of-use of the apartment, which aims to ensure that rent levels do not increase too rapidly and remain at reasonable levels. Using the value-of-use method, rent levels are set based on an assessment that aims to determine how tenants value the characteristics of any such apartment, and hence, the subjective opinions and different needs of individuals do not affect the assessed value-of-use. The Swedish rent regulation entails that the rent levels in Sweden can both be higher or lower than a household's ability and willingness to pay for the corresponding residential unit in an unregulated market. However, exceptions regarding rent levels apply for new constructions, where the property owner of a newly built residential property may charge a higher rent (called "presumption rent") than the comparable value-of-use assessed rent for the first 15 years of the life of a new

premises, which functions to offset construction and/or investment costs relating to the project.

Due to the regulated market, Sveafastigheter is not able to raise its rent levels for its properties at its own discretion, and the Group's rent levels are only increased annually, with the exception of upgrades, other investments that add value-of-use to the apartment or the property and/or value-of-use-tests completed during the year. While increased property owners' expenses, such as increases in interest rates, may be considered in the calculation of value-of-use rents, the calculation is based on a totality of factors, and Sveafastigheter alone does not have the ability to unilaterally raise rents. Accordingly, should Sveafastigheter's expenses increase during any given year, the Group may not be able to compensate for such increased expenses by correspondingly increasing its rent levels. This may be the case if, for example, the Group's funding costs on existing or new loans increases due to rising market interest rates, or for any other reason, before rent increases which take into account the increase in markets interest rates is implemented.

Once 15 years have passed, and the property owner's right to determine rent for a new development using the presumption rent method has lapsed, the rent of the property shall subsequently be determined using the value-of-use method. However, as the system for presumption rents was first introduced in 2006 and subsequently amended in 2013, the application beyond the 15-year period is uncertain as there is a lack of established practice and precedent guiding how rents should be adjusted when rents should switch from the presumption rent method to the value-of-use method. Even though the intention is that the rent level using the presumption rent method shall be corresponding to the rent level using the value-of-use method at the end of the 15-year period, it cannot be ruled out that the presumptive rents set exceed the rent of the flats under the utility value method.

If one or more of the risks mentioned above were to materialise, it could have a material adverse effect on Sveafastigheter's rental income and ability to meet its financial and operational targets.

### **2.2.3** *Unfavourable developments affecting Sveafastigheter's economic occupancy rate could reduce Sveafastigheter's rental income and profitability*

Sveafastigheter's rental income and profitability are affected by its economic occupancy rate. Sveafastigheter's economic occupancy has been 94.3 percent and 94.6 percent in 2023 and 2024. Although the Swedish residential property market has historically been characterised by a shortage of housing and low vacancy levels, there can be no assurances that Sveafastigheter will be able to maintain its economic occupancy rate at historical levels in the future or increase it. The economic occupancy rate is affected by several factors, including rent levels, tenant turnover, the level of housing supply, housing demand in any given area, as well as standard of the properties and the level of marketing for available apartments. If Sveafastigheter's economic occupancy rate were to decrease, its total revenue would decrease, while its maintenance and financing costs would remain relatively constant, thereby adversely affecting its profitability.

Sveafastigheter's property management, among other things, aims to enhance Sveafastigheter's focus on improving economic occupancy through marketing and various types of community involvement, however, such efforts to maintain and improve Sveafastigheter's economic occupancy may be ineffective or prove to be an inefficient use of resources. Sveafastigheter's economic occupancy rate is also



affected by the Issuer's ability to attract prospective tenants to its completed new constructions (see further section "*– Risks related to Sveafastigheter's industry and market – Sveafastigheter may fail to attract tenants in relation to new construction developments*"). If the conditions, location and other characteristics of Sveafastigheter's property portfolio do not correspond to the demand, or if the demand decreases, this could materially affect Sveafastigheter's ability to maintain or increase its economic occupancy rate, which, in turn, would have a material adverse effect on Sveafastigheter's results of operations and its ability to meet its financial and operational targets.

#### 2.2.4 *The Group is subject to risks related to its property development projects*

One of Sveafastigheter's business areas is property development projects in the form of new construction in Sweden. As of 31 March 2025, the Issuer's project development portfolio contained approximately 6,266 apartments, of which approximately 908 were ongoing construction and 5,358<sup>5</sup> were non-started projects, with an estimated property value at completion of SEK 18.2 billion (SEK 2.2 billion for ongoing construction and SEK 16.0 billion for non-started projects)<sup>6</sup> as well as building rights corresponding to approximately 344,000 square meters, of which 132,000 square meter have gained legal force. Due to the size of the portfolio of property development projects, it is important that such projects can be carried out with financial profitability in line with the Issuer's financial and operational targets (for more information, see section "*– Sveafastigheter may fail to achieve its financial and operational targets*"). Sveafastigheter's ability to carry out financially profitable property development projects is dependent on a number of factors, such as its ability to procure construction contracts for the implementation of the projects on terms acceptable to the Group, sourcing attractive projects and financing of projects (including whether creditors allow final placement of any building credits), whether the projects sufficiently meet market demand, whether demand or rents in general change, lack of planning, analysis and cost control, the financial standing of the contractors and suppliers it uses (see further section "*– Sveafastigheter is exposed to risks relating to unfavourable contractual terms, quality of work and weakened financial standing by contractors and suppliers*"), incorrect assumptions regarding soil contamination, technical deficiencies in constructions (such as hidden faults), changes in taxes and fees as well as other factors, such as macroeconomic factors and political uncertainties, that may lead to delays or increased or unforeseen costs in the projects or that projects cannot be completed (in a timely manner or at all), which could result in balance sheet impairments and the Issuer not being able to achieve its financial and operational targets.

Furthermore, the Group's ability to carry out property development projects in a financially profitable way is dependent on the Group succeeding in obtaining the necessary authority permits or decisions, for example, regarding the adoption of zoning plans. There is a risk that zoning plans related to the Group's projects will not be adopted by the relevant municipality, or that the Group will not receive a final decision on a zoning plan within the time period anticipated by the Group. The processes for adopting a zoning plan and subsequently granting a building permit is carried out under municipal auspices in accordance with the Swedish Planning and Building Act (Sw. *plan- och bygglagen (2010:900)*). As the processes are public procedures, concerned parties (such as neighbouring property owners and others with a legitimate interest) are allowed to submit their opinions on the proposed residential development and concerned parties also have the right to appeal municipal decisions

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<sup>5</sup> Excluding 1,300 condominiums.

<sup>6</sup> Based on external valuations made as of 31 March 2025, excluding condominiums.

such as granting a zoning plan or building permit. Appeals from property owners may, for example, lead to delays in the planning process, changes in estimated construction volumes and that the Group's planned construction starts are postponed, or that zoning plans and/or building rights cannot be adopted or granted at all, meaning that the value of the relevant projects will be less than estimated, which could adversely affect the Group's financial position. In addition, within project development, Sveafastigheter is dependent on the ability to start construction within the stipulated timetable in order to retain the land allocation according to commitments made to the municipalities. Should Sveafastigheter be unable to meet those commitments for any reason, it would present a reputational risk, as well as a financial risk relating to Sveafastigheter being unable to achieve its financial and operational targets as well as potential balance sheet impairment.

If one or more of the above factors were to develop adversely or if any of the risks described above were to materialise, it could have a material adverse effect on the Group's business, results of operations and financial position.

#### *2.2.5 Sveafastigheter's property upgrades may not be as successful as estimated*

Sveafastigheter regularly engages in ongoing upgrades and energy efficiency improvements across its property portfolio, which are aimed at enhancing net operating income, surplus ratio, and tenant satisfaction. The Issuer estimates that the number of apartments in its current property portfolio with upgrade potential amounts to approximately 3,500. Based on the apartments that are eligible<sup>7</sup> for upgrade, Sveafastigheter estimates the potential upgrades could lead to an annual rent increase of approximately SEK 350–500<sup>8</sup> per square meter depending on the scope of the upgrade, a reduction of maintenance costs by SEK 25–30<sup>9</sup> per square meter, and an average yield on cost of approximately seven percent. While these activities are designed to improve the financial result and operational efficiency of the Group, they also introduce a number of risks that could adversely affect the Group's business and financial position. For example, the process of renovating properties is subject to the risk of cost overruns and unexpected delays. These risks may be realised due to a variety of factors, including but not limited to, increases in the cost of materials, labor shortages, unforeseen structural issues, and delays in obtaining necessary permits or approvals, which in turn could significantly delay the upgrade process as well as increase the costs associated with the upgrade projects, and thereby reducing the anticipated yield on cost and potentially impacting the Group's financial performance.

Property upgrades function as events that allow property owners to increase rents based on the value-of-use method after an upgrade is concluded. When a tenant gives notice to terminate its lease, the apartment is inspected and, depending on the condition of the apartment, the rent level and the rental market, a decision is made by the Issuer whether to conduct an upgrade of the apartment or not. Generally, the Issuer and the Swedish Tenants Association agree on new rent levels for the completed, upgraded apartment, prior to the commencement of any refurbishing works, which gives the Issuer visibility on the allowed post upgrade rent increase. However, the Issuer's ability to achieve the estimated rent increases of approximately SEK 350–500 per square meter is contingent on successful negotiations with Swedish Tenants Association, whose outcomes may be uncertain and can be influenced by a variety of

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<sup>7</sup> The apartments eligible for upgrade are built before the year 1990 with a rent level below SEK 1,250 per square meter (excluding Avesta portfolio).

<sup>8</sup> Based on the Issuer's historical levels of apartment upgrades.

<sup>9</sup> Based on the Issuer's historical levels of cost savings and the Issuer's estimations of what the alternative cost would have been for (i) normal maintenance after a tenant moves out and (ii) normal maintenance that a tenant may require for the apartment to be habitable.

external factors that are beyond the Issuer's direct control, such as general economic conditions. Furthermore, while the Issuer estimates a reduction in maintenance costs by SEK 25–30 per square meter as a result of the upgrades, actual savings may differ materially from this estimate. The projected cost savings are based on estimates and may not materialise as expected if, for example, the energy efficiency improvements do not perform as anticipated or if other maintenance issues arise that were not addressed by the upgrades.

If any of the risks described above were to materialise, it could entail that the Issuer cannot execute on its upgrade strategy or that the upgrade strategy is not carried out in line with its expected profitability, which in turn may have a material adverse effect on the Group's reputation, business, results of operations and financial position.

#### *2.2.6 Increased operating and maintenance costs may have an adverse effect on Sveafastigheter*

Sveafastigheter's property costs include operating and maintenance costs. Operating costs consist mainly of costs that are rate-based, such as costs for property electricity, cleaning, water and heating. Sveafastigheter's operating and maintenance costs totalled SEK 478 million in 2024 and SEK 422 million in 2023. Operating and maintenance costs may increase due to, among other things, inflation, which is beyond Sveafastigheter's control, and Sveafastigheter's operating and maintenance costs may increase more than Sveafastigheter currently anticipates. The Group is also particularly exposed to cost increases due to rising inflation, as Sveafastigheter's main source of income is derived from residential properties, for which rents do not necessarily increase at the same rate as inflation levels. To the extent that any increases in Sveafastigheter's operating and maintenance costs are not compensated through rent increases through the annual negotiations with the Swedish Tenants Association, Sveafastigheter's business, financial position and profit may be adversely affected. Damage and defects on properties can affect Sveafastigheter adversely, lead to increased costs and damage Sveafastigheter's reputation.

All properties owned by Sveafastigheter will require some level of ongoing repair and maintenance in the future and repairs and maintenance are carried out continuously. Regular property maintenance aims to maintain the standard of the property in the long term, which is necessary in order to maintain the market value of and rent levels of the properties in Sveafastigheter's portfolio. However, the amount of required maintenance and repair work may increase, for example, as a result of changes to energy efficiency regulations or other requirements imposed on residential properties or as a result of damage caused by tenants or other parties. If some maintenance needs are not identified or resolved in time and as a result the level of maintenance is left insufficient, this may lead to decreases in the market value of such properties, and Sveafastigheter may also need to reduce the rent levels in these properties due to a lower value-of-use. To the extent that any cost increases are not compensated through rent increases through the annual negotiations with the Swedish Tenants Association, Sveafastigheter's business, financial position and profit may be adversely affected.

Operating in the real estate sector also entails technical risks. Technical risks refer to the risks associated with the technical operation of properties, such as the risk of construction faults, actual faults, other hidden defects or deficiencies, damage (caused, for example, by fire or other natural forces, or by tenants) and contaminants. Sveafastigheter has insurance coverage that covers certain technical risks such as fire and other natural forces. However, there is a risk that this insurance coverage is insufficient, either because the insured amount does not cover the damages or

because the damage is not covered by the insurance. There is also a risk that insurance premiums will increase in the future. If technical problems arise, these can thus lead to a substantial increase in costs for Sveafastigheter.

Sveafastigheter has furthermore entered into construction contracts with contractors, including new construction of residential properties. In construction contracts, the contractor normally provides time-limited warranties for the performance of the contract. There is a risk that these warranties do not fully, or sufficiently, cover all defects that may arise or that the defects are not detected in time or at all. Furthermore, there is a risk that a warranty cannot be enforced because the contractor is insolvent or because the contractor is otherwise unwilling to remedy the defect. There is also a risk that Sveafastigheter cannot invoke a warranty without additional costs, for example in the form of legal advice. There is thus a risk that any warranties cannot be fulfilled or that they can only be fulfilled with associated costs. If a deficiency is not remedied under applicable warranties, for whatever reason, it may have an adverse effect on Sveafastigheter's business, financial position and results of operations.

In addition, a real estate company's reputation is particularly important in relation to new and existing tenants. If Sveafastigheter fails to adequately respond to technical or maintenance-related problems, Sveafastigheter's reputation may be affected adversely, which in turn may lead to difficulties in retaining existing tenants or attracting new tenants. If Sveafastigheter's reputation is adversely affected or Sveafastigheter's costs increase due to technical damages, this can lead to a loss of rental income and/or lost growth opportunities.

#### *2.2.7 Sveafastigheter may have to repay investment and energy subsidies*

The Group has historically received investment and energy subsidies in connection with new construction developments. As an example, the Group has as of 31 March 2025 in total received approximately SEK 348 million in investment and energy subsidies. If the Group's applications have been incorrect, for example, due to that they have based information submitted therein on incorrect assumptions and prerequisites, the Group may be liable to repay such subsidies. For more information on risks related to damage and defects to properties, see *inter alia* the section "*Increased operating and maintenance costs may have an adverse effect on Sveafastigheter*". Faults and defects in properties may cause the Issuer to become liable for repayment as a result of not being able to achieve energy efficiency targets, which were a requirement for receiving the subsidies. In the event that the Group becomes liable to repay subsidies, irrespective of the reason, or if subsidies granted are not distributed, it could have a material adverse effect on the Group's results of operations and financial position.

#### *2.2.8 Sveafastigheter is exposed to risks relating to unfavourable contractual terms, quality of work and weakened financial standing by contractors and suppliers*

Sveafastigheter relies on long-term contracts with its key contractors and suppliers to carry out certain services and tasks relating to, among other things, new construction, maintenance as well as repair and modernisation work of residential properties. By relying on contractors and suppliers, Sveafastigheter is exposed to a number of risks relating to these third-parties. For example, Sveafastigheter may not be able to enter into agreements with its contractors and suppliers on acceptable terms or, which the Issuer has experienced historically, the contractors and suppliers may experience financial or other difficulties, for example relating to a shortage of labour, industrial disputes and insolvency situations, which may affect their ability to provide services.

The quality of the work carried out by the contractors and suppliers may be inadequate and may result in defects despite Sveafastigheter's efforts to ensure quality. Further, although Sveafastigheter aims to ensure the quality of the work performed by its contractors and suppliers, using contractors and suppliers may subject Sveafastigheter to cost overruns (such as an unexpected increase of labour and material costs), delays with contractors in completing work, delays in acquiring the necessary work permits as well as weak quality of work and errors.

Sveafastigheter strives to mitigate risks related to external contractors and suppliers by performing certain central services and tasks, such as project and property management, as well as continuously monitoring the performance of its key contractors and suppliers, through in-house personnel. Moreover, Sveafastigheter seeks to avoid dependence on individual service providers to secure the continuity of services provided by contractors and suppliers by regularly identifying more than one eligible service provider for each outsourced task. However, there can be no assurances that eligible service providers will be available when needed, and replacing existing service providers may be difficult and costly. Any of these risks may affect Sveafastigheter's ability to provide services to its tenants, conclude its projects on time and within budget and result in additional costs for Sveafastigheter and thereby, have a material adverse effect on Sveafastigheter's business, financial condition, results of operations and future prospects.

**2.2.9** *Sveafastigheter's success, future operations and the implementation of its strategy is depend on its ability to attract, motivate and retain key individuals*

Sveafastigheter's Executive Management consist of individuals who have many years of experience in areas such as property management, property acquisitions, property development projects and financing. Being able to attract, motivate and retain qualified employees and Executive Management is important for Sveafastigheter's success, future operations and business plan. In order to attract, motivate and retain certain key individuals, Sveafastigheter may be required to increase compensation to such individuals, resulting in additional expenses. If a number of employees leave Sveafastigheter, for whatever reason, or if Sveafastigheter does not succeed in attracting, retaining and motivating new employees when needed, there is a risk that Sveafastigheter cannot conduct its business as planned or to achieve its operational and financial targets (see further section “– Sveafastigheter may fail to achieve its financial and operational targets”). This risk is particularly accentuated in relation to Sveafastigheter's Executive Management. If one or more risks related to Sveafastigheter's ability to attract, motivate and retain key individuals and employees were to materialise, it could have a material adverse effect on Sveafastigheter's business and financial position.

**2.2.10** *Sveafastigheter may fail to achieve its sustainability ambitions and meet ESG standards or requirements set out by authorities, investors and other stakeholders*

In recent years, authorities, investors and other stakeholders have placed increasing demands related to environmental, social and governance (“ESG”). In February 2025, Sveafastigheter's board of directors set sustainability goals that the entire property portfolio should be climate-adapted and able to withstand climate risks by 2030, that zero serious personal injuries and zero fatalities should occur at Sveafastigheter's facilities and that Sveafastigheter's residential areas should be perceived as safer than the industry average. However, there is a risk that the Group may fail to achieve the Group's goal and/or expectations. Furthermore, there is a risk that the Group will fail to successfully implement its intended strategic actions or achieve established

sustainability goals or may not be able to realise all or part of the benefits expected from its current plans or other future initiatives. In addition, investors may expect that the Group should implement new or different standards or targets related to ESG. For example, Sveafastigheter may be required to further reduce the Group's carbon footprint through reduced carbon emissions, reduced use of environmentally hazardous chemicals or more energy-efficient new construction. These external expectations on Sveafastigheter can be driven or reinforced by new disruptive business models, such as new technologies, new work processes and changed pricing models, in the markets where the Group operate. It may also be driven by new legislation (see further section “– *Legal, regulatory and corporate governance risks – Sveafastigheter's operations are exposed to environmental risks and must comply with various health, safety and environmental regulations and these may adversely affect Sveafastigheter's operations and future earnings*”), including such legislation coming from the EU in the form of directives and regulations. Examples of such legislation from the EU include the Energy Performance of Buildings Directive and the Corporate Sustainability Reporting Directive. Furthermore, climate change, environmental degradation, social issues and other ESG factors can pose challenges for buildings, tenants and/or society at large and as such the operations of Sveafastigheter. As a result, the Group may be required to consider stricter ESG ambitions or standards, for example in order for investors and lenders to want to invest, or increase their investments, in Sveafastigheter. If Sveafastigheter fails to effectively manage requirements in relation to ESG responsibilities or fails to achieve its sustainability ambitions, confidence in Sveafastigheter and its business and/or its access to capital may deteriorate. Compliance with ESG-related requirements may also place increased demands on Sveafastigheter's business, with increased costs as result, which could have an adverse effect on Sveafastigheter's financial position and operation profit.

## 2.3 Risks related to Sveafastigheter's financing arrangements

### 2.3.1 *Sveafastigheter's operations are partly financed by incurring debt, which entails certain risks, including risks related to financial covenants and refinancing risks*

Sveafastigheter's financing arrangements consists of bank loans of SEK 10,527, (with an credit facility of SEK 1,000 million) with Nordic commercial banks and bonds of SEK 1,616 million. The maturity structure of the aforementioned financing arrangements is SEK 108 million in 2025, SEK 2,798 million in 2026 (including the credit facility of SEK 1,000 million), SEK 9,602 million in 2027 and SEK 261 million in 2028. The financing arrangements contain financial covenants (including covenants on interest coverage ratio and loan-to-value ratio) that, in unfavourable market conditions, could have particularly negative consequences for the Group, including but not limited to the following:

- Sveafastigheter's financial and operational flexibility in planning for, or adapting to, changes in its business or industry could be limited,
- Sveafastigheter's ability to fund capital expenditures on existing properties could be limited as Sveafastigheter may be forced to use part of its cash flow from operating activities to amortise and/or pay interest expenses attributable to debt financing,
- Sveafastigheter's ability to pursue business opportunities, make acquisitions and/or commence planned building constructions in line with its operational targets may be limited,

- Sveafastigheter's ability to incur additional credit or to secure any future credit could be limited, and
- Sveafastigheter may have a competitive disadvantage compared to those of its competitors that have less debt.

Although the Issuer is of the opinion that it, or other companies in the Group, currently has sufficient room against its financial covenants, there is no guarantee that a breach of the aforementioned covenants will not take place in the future due to, for example, unfavourable market conditions or other unforeseen reasons. If Sveafastigheter or other companies in the Group would be in breach of one or more financial or other covenants in a financing agreement, this could lead to the financing becoming due for immediate repayment ahead of schedule, or that collateral is realised. If a financing becomes due for immediate repayment ahead of schedule it may, in accordance with cross default provisions, result in other obligations becoming due for repayment ahead of schedule as well. Cancellation of one or more financing raised by the Issuer or other companies in the Group, or realisation of pledged collateral, could have a material adverse effect on Sveafastigheter's liquidity, financial position, profit and prospects.

Sveafastigheter is exposed to credit risks relating to its financial operations. Such credit risks arise in connection with, among other things, investments of Sveafastigheter's cash or cash equivalents, entering into interest rate hedging agreements and long-term and short-term credit agreements. If Sveafastigheter's financial counterparties, do not fulfil their obligations towards Sveafastigheter, their defaults could have a material adverse effect on Sveafastigheter's financial position and results of operations.

Furthermore, the Group is dependent on being able to obtain new financing when existing debt falls due. Sveafastigheter's ability to obtain such financing depends on its business, prospects and market conditions. There is a risk that the Group will be unable to secure financing at favourable rates or at all, due to, for example, the loans in the future may need to be obtained at significantly higher costs, that lenders may choose not to extend the Group's loans at maturity or there may not be alternative credit facilities at the Group's disposal. Additionally, the Group has, and may in the future continue to, raise debt by accessing the capital markets. Capital markets are affected by general market conditions and the Group is therefore exposed to the potential effects of adverse market conditions such as interest rate fluctuations and inflation which may affect the Group's ability to access capital markets. For example, Sveafastigheter may not be able to issue bonds under this MTN Programme on favourable terms. A general downturn in the general economic climate or disruptions in the capital and credit markets could further lead to Sveafastigheter's access to financing being limited and Sveafastigheter's ability to refinance its credits disappearing. For example, the Russian military invasion of Ukraine, tensions in the Middle East and the imposition of, and announcement of, increased tariffs by President Donald Trump's administration have led to significant market disruptions, including significant volatility in international credit and capital markets and deteriorating financing conditions, which have led to, and may continue to lead to, material adverse effects on the Group's business through its operations. If Sveafastigheter in the future either fails to obtain the necessary financing or does not have sufficient liquidity to fulfil its obligations or the ability to refinance its debts or can only refinance its debts at significantly increased costs or on terms unfavourable to Sveafastigheter, it may have a material adverse effect on Sveafastigheter's business and financial position, which in turn could affect the Group's ability to repay debts as they fall due.

### 2.3.2 *Sveafastigheter's access to capital is affected by the developments in the global financial markets*

The Swedish real estate market is affected by developments in the global financial markets. During 2022 and 2023, the global economy was adversely affected by increased inflation in large parts of the world, including Sweden, which led to an increase in central bank interest rates to combat inflation, and, consequently, reduced demand for properties due to less attractive financing options. A slower than anticipated lowering of interest rates could also prolong the period of reduced demand for properties, as financing would remain less attractive for a longer duration than market participants might expect. Moreover, it is not excluded that further rate raises may be implemented (see further section “– *Risks related to Sveafastigheter's industry and market – Property valuations are to a certain extent subjective and may incorrectly reflect the values of Sveafastigheter's properties*”). There is also a risk that higher inflation and/or higher interest rates may cause disruptions in the global financial market and/or have an adverse effect on the credit ratings of participants, such as Sveafastigheter. Concerns about credit risk, including sovereign credit risk, have increased globally, in particular with the presence of significant sovereign debts and/or fiscal deficits in a number of European countries and the United States and the introduction of global trade restrictive measures such as tariffs. This has raised concerns regarding the financial condition of financial institutions and other companies located in these countries, companies with direct or indirect exposure to these countries, and/or companies whose banks, customers, service providers, financiers and/or suppliers have direct or indirect exposure to these countries. Defaults, or a significant downgrading of credit ratings, of one or more sovereigns or global financial institutions, could cause severe stress in the financial system generally and could adversely affect the markets in which the Group operates and the businesses and economic condition and prospects of the Group's counterparties or customers, directly or indirectly, in ways that are difficult to predict.

Negative developments in the global financial markets could limit the Group's access to the capital it requires to finance its operations on attractive terms and could have a material adverse effect on the Group's financial position and operating profit.

### 2.3.3 *Fluctuations in interest rate levels may increase the costs of financing*

Sveafastigheter's operations are financed through equity and debt financing from credit institutions and public debt markets. The Issuer's interest expenses for such debt financing are one of Sveafastigheter's largest cost items. In addition to the level of interest-bearing liabilities, interest expenses are mainly affected by the level of current market interest rates and credit institutions' margins.

Even if Sveafastigheter to some extent uses interest rate derivatives in the form of interest rate swaps to manage interest rate risk, in the long term, changes in interest rates can have a material effect on Sveafastigheter's profit and cash flows. Before 2022, interest rates in Sweden and in the EU have had a material effect on the residential real estate market leading to high valuations for residential properties. These rates were raised in 2022 from 0.00 per cent to 4.00 per cent at the end of 2023. In 2024, however, the Riksbank deviated from the previous trend of raising the policy rate by deciding on several occasions to lower the policy rate.<sup>10</sup> Although the policy rate has come down and central bank rates appear to have stabilised and/or be subject to reduction, it cannot be ruled out that interest rates remain at current levels for extended periods or increase. Any increases in interest rates could lead to a breach

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<sup>10</sup> The Swedish Riksbank, <https://www.riksbank.se/sv/statistik/rantor-och-valutakurser/styrranta-in--och-utlaningsranta/>.



of financial covenants in the Group's financing agreements, which in turn could lead to Sveafastigheter being required to repay loans prematurely (see further section "*Sveafastigheter's operations are partly financed by incurring debt, which entails certain risks, including risks related to financial covenants and refinancing risks*"). Any changes in inflation and interest rates may therefore affect the market value of the Group's properties. Materialisation of any of the above risks could have a material adverse effect on the Group's business, financial position, profit and prospects.

#### 2.3.4 *Some of the Group's agreements may be affected by changes of control of the Group*

Some of the Group's financing agreements contain certain provisions that may be triggered by a change of control of the Group. Under the Group's financing agreements, a change in ownership occurs in the event if, amongst other things, any person, or group of persons acting in concert (directly or indirectly) takes control over 30 percent (or 50 percent in relation to the Group's bond loans) or more of the shares and/or votes in the Issuer. Furthermore, one of the credit agreements has a provision stating that a mandatory repayment is triggered if (i) Samhällsbyggnadsbolaget i Norden AB (publ):s ("**SBB**") shareholding (direct or indirect) in the Issuer falls below 50 percent and (ii) SBB thereafter acquires or otherwise regains direct or indirect control over 50 percent or more of the shares and/or votes in the Issuer. In the event of such a future change of control, certain rights of the counterparty or obligations of the Group could be triggered and come into force, which may affect the Group's future financing. If the Group's financing is affected, which could indirectly affect the Group's ownership of properties, this could have a material adverse effect on the Group's business, financial position, operating profit and prospects.

#### 2.3.5 *A downgrade of Sveafastigheter's current or future credit rating could lead to increased borrowing costs and affect access to capital markets*

In order to finance property acquisitions, the Group is dependent on having access to the capital markets and the Group's cost of borrowing will be affected by its credit rating. In the second quarter of 2025, Sveafastigheter has, in accordance with the Company's expectation, received an expected initial long-term credit rating from Fitch Ratings Limited of BBB-(EXP) with a Positive Outlook. The final rating is contingent upon the receipt of final MTN documentation conforming to information already reviewed by Fitch Ratings Limited and a Loan being issued under the MTN programme. Third party rating agencies may also assign ratings on their own initiative to measure the Group's ability to repay its debts and these are based on criteria set by the agencies themselves. The Group's credit ratings are reviewed periodically and may be lowered or withdrawn.

Credit rating agencies base their ratings on a variety of factors, most of which are company-specific. However, some factors are related to the general economic situation beyond the Group's control. The Group cannot predict what actions the rating agencies will take, or what actions will need to be taken in response to those agencies' actions. Any downgrade or withdrawal of the Group's credit rating would increase the Group's cost of borrowing and affect its flexibility and competitiveness. Changes in the methodology and criteria used by the rating agencies may result in rating downgrades that do not reflect changes in the general economic environment or the Group's financial position.

## 2.4 Legal, regulatory and corporate governance risks

### 2.4.1 *The Group may fail to comply with applicable regulations and risks being involved in legal and administrative proceedings*

The Group operates in Sweden, and it must comply with various requirements set out in a number of laws, codes, acts and regulations including, among other things, zoning regulations, building standards and safety regulations. The Group's business is regulated by, among other things, the Swedish Environmental Code (Sw. *Miljöbalken* (1998:808)) and the Swedish Planning and Building Act (Sw. *plan-och bygglagen* (2010:900)). Failure to comply with the Swedish Environmental Code could result in environmental sanction charges, that amount to a minimum of SEK 1 thousand and maximum of SEK 1 million, while a violation of the Swedish Planning and Building Act could prohibit the continuation of building work on the Group's properties, the imposition of fees or the removal of any additions made in the course of an upgrade done without the necessary permits.

On 9 October 2023, the Swedish government presented a legislative proposal (SOU 2023:55) which, if adopted, would introduce a permit procedure for the acquisition of residential properties by municipalities, aimed at preventing malpractice and disreputable ownership of residential properties. Though the scope of the legislative proposal as well as its practical consequences remains uncertain at this stage, if the legislative proposal were to be implemented in its current form, it could lead to increased risks of delays and uncertainties in residential property transactions, as well as additional administrative burdens for Sveafastigheter. There is also a risk of inconsistent application of the law across different municipalities in Sweden, which could further complicate Sveafastigheter's future compliance efforts and operational planning.

New acts and regulations, or a change in the application of existing legislation that the Group must take into account in its operations, or changes that affect the operations of the Group's tenants, may adversely affect the Group's business, financial position, operating profit and prospects. In addition, there is a risk that the Group's interpretation of existing codes, acts and regulations is incorrect, or that the accepted interpretation of these codes may change in the future. Furthermore, the procedures set up by the Group to comply with such codes, acts and regulations may be incomplete or inadequate, which could cause the Group to incur increased costs or face the risk of material fines or penalties. The Group also risks becoming involved in legal or administrative proceedings, which could result in significant claims for damages or other demands for payment, including claims for damages from customers or competitors for breaches of competition law.

It is inherently difficult to predict the outcome of legal, regulatory and other adversarial proceedings or claims and if the outcome of any ongoing or future legal or administrative proceeding turns out to be negative for the Group, this could have a material adverse effect on the Group's financial position and operating profit. The Issuer has applied to register (i) the figurative trademark comprising the Issuer's logotype and the word "SVEAFASTIGHETER" and (ii) the wordmark "SVEAFASTIGHETER" with the European Union Intellectual Property Office ("EUIPO"), however, an external party has formally opposed to these applications. Although the Issuer assesses that it has sufficient existing protection for the Issuer's business due to, *inter alia*, the registration of its company name, Sveafastigheter AB (publ), such objection proceedings with the EUIPO could result in, Sveafastigheter being unable to register the aforementioned trademark and wordmark, either by way

of entire or partial refusal, which may entail that the Issuer has no, or a more limited, registered protection in the EU (including Sweden) for the aforementioned trademark and wordmark (even though its existing protection would not be lost), and that the Issuer may have less favourable chances to defend its existing intellectual property rights for that reason going forward. The Issuer believes that the practical impact of a denial of its registration application would be that Sveafastigheter would not have exclusivity to the rights for which it has applied going forward. The Issuer assesses that such negative outcomes are unlikely, and any such decision by the EUIPO to refuse or partially refuse the registration(s) would be appealable. The Group also has a number of ongoing legal proceedings with a contractor regarding, among other things, the cancellation of construction contracts for certain projects in Eskilstuna and better rights to shares in some of the Company's underlying subsidiaries and related issues. The Issuer's view is that the contractor unlawfully, by producing incorrect company documents, replaced the Group's representatives in six subsidiaries and instead registered itself as a representative in order to unlawfully attempt to gain control over the subsidiaries in question and the properties owned by the companies. The Issuer is also of the opinion that the Group was entitled to cancel construction contracts entered into with the contractor relating to certain projects in Eskilstuna. Although the Issuer believes that a negative outcome in any of the current proceedings is unlikely, there could be negative effects on the Issuer's financial position and/or profitability if the counterparty is wholly or partially successful in one or more of its claims.

The Group may become involved in additional disputes or claims. Such disputes may involve, among other things, contractual issues, warranty claims, construction-related issues, environmental issues and intellectual property rights. The conduct of litigation may result in, among other things, costs associated with settlements and awards of damages and other liabilities that may be imposed on the Group. A dispute that is lost or otherwise protracted could result in significant costs for the Group and disrupt normal operations. The consequences of these risks are that it could have a material adverse effect on the Group's business, profit or financial position.

#### **2.4.2** *Sveafastigheter operates in a regulated market, which could be subject to change due to political decision making or new regulations*

The Swedish residential rental market is regulated, meaning that the rents for tenants do not follow market pricing, and aims to ensure that rent levels do not increase too rapidly and remain at reasonable levels for the benefit of tenants (see further section *"Risks related to Sveafastigheter's operations – Sveafastigheter operates in a regulated market, which affects Sveafastigheters' ability to increase rents"*). In the event that there were to be a change in this system, or a switch to another system, due to, for example, political decisions or new regulations, this could pose a significant risk to residential property companies. While such changes may allow residential property companies to charge higher rents, there is also a risk that rent levels could be lowered due to unfavourable developments in, among other things, the general economy, economic vacancy rates or demographic trends in Sweden. This may lead to less predictable rental developments, which may result in more volatile rental income for the residential property companies and impair the Issuer's ability to forecast and manage cash flows effectively.

Furthermore, an increase in rent could precipitate payment difficulties among tenants, leading to higher tenant turnover rates. This scenario could incur additional costs for residential real estate companies due to the need for more frequent tenant searches and potential loss of income during vacancy periods. Additionally, the prospect of

increased profitability may attract new entrants to the market, intensifying competition among residential real estate companies. This heightened competition could manifest in a competition to attract and retain tenants, potentially driving down rent levels. Moreover, an increase in the supply of properties due to more competitors entering the market, or greater new constructions generally, could lead to lower valuations of properties generally. The combined effect of these factors, if any should materialise, could adversely impact the Group's rent levels and property values, and in turn adversely affect the Group's rental income as well as its overall business, financial position and results of operations.

**2.4.3** *Sveafastigheter's operations are exposed to environmental risks and must comply with various health, safety and environmental regulations and these may adversely affect Sveafastigheter's operations and future earnings*

Sveafastigheter's operations are exposed to environmental risks and Sveafastigheter is subject to environmental regulations that may impose liability if Sveafastigheter fails to comply. Although Sveafastigheter conducts inspections in connection with the acquisition of individual properties, there is a risk that environmental regulations were not complied with. Under current environmental legislation in Sweden, an operator that has contributed to the contamination of a property is also liable for its remediation. If the operator cannot carry out or pay for remediation of the property, the party who acquired the property and who, at the time of acquisition, knew about or ought to have known about the contamination, is liable for the remediation. This means that under certain circumstances, Sveafastigheter may be ordered to restore the property to a state that is compliant with environmental legislation. This may involve soil decontamination or remediation in respect of the presence of, or suspicion of the presence of, contaminants in the soil, catchment areas or groundwater. The cost to Sveafastigheter of investigation, removal, or remediation may be substantial and therefore such orders may adversely affect Sveafastigheter's profit, cash flow and financial position. Furthermore, any future changes to the laws, regulations and requirements from authorities in the environmental sector could result in increased costs for Sveafastigheter with respect to sanitation or remediation regarding held or future acquired properties.

Sveafastigheter is subject to further regulation in areas such as occupational health and safety, the handling of asbestos and asbestos removal, as well as acts and regulations limiting emissions of greenhouse gases such as through energy and electricity consumption. These regulations may change and additional regulations may be introduced. Non-compliance with such acts and regulations may result in Sveafastigheter being forced to pay fees, fines or be subject to enforcement measures. Sveafastigheter may also in some cases be subject to, sometimes significant, restrictions on the operations of Sveafastigheter.

Furthermore, contaminants may also be detected on properties and in buildings, in particular during upgrade processes. The discovery of any contaminants or residual pollution in connection with the lease or sale of a property could trigger claims for rent reductions, price reductions, damages or lease terminations. Measures to remove such contaminants or remediate any pollution can be required as part of Sveafastigheter's ongoing operations and may, depending on the extent of the contamination, involve considerable costs and have a material adverse effect on Sveafastigheter's profit.

**2.4.4** *Sveafastigheter's tax situation may deteriorate as a result of tax-related decisions and changes in taxation legislation*

The Group operates through a number of subsidiaries in Sweden. The handling of tax issues within Sveafastigheter is based on interpretations of current, relevant, taxation legislation and other taxation regulations and decisions by the Swedish Tax Agency (Sw. *Skatteverket*). Furthermore, Sveafastigheter regularly obtains advice from independent tax advisers on these matters. From time to time, Sveafastigheter and its subsidiaries are subject to tax audits and reviews. There is a risk that tax audits or reviews will result in the imposition of additional taxes, for example in relation to intra-group transactions and previously finalised acquisitions, mergers, demergers and reorganisations of companies, hired consultants and deductions of interest expenses.

Furthermore, the Group engages consultants through consultancy agreements. Should such consultants, due to the terms and conditions of the consultancy agreements or circumstances related to the performance of the consultancy assignment, be considered as de facto employees, the Group may be required to pay social security contributions to the Swedish Tax Agency and provide employment benefits to such consultants. Further, such consultants would be subject to labour protection legislation. In addition, the Group may also be denied deductions for input VAT on consultancy fees paid to such consultants and be subject to tax penalties of up to 20 percent of the incorrectly deducted VAT.

If Sveafastigheter's interpretations or application of taxation legislation and/or other taxation regulations, if the Swedish Tax Agency is successful in making negative adjustments to the tax payable for a business unit within Sveafastigheter, or if applicable laws, agreements, regulations or interpretations thereof or the administrative practice in relation thereto are changed, including changes with retroactive effect, Sveafastigheter's past and current handling of tax issues may be questioned. If the Swedish Tax Agency is successful in their claims, this could lead to an increased tax expense (including a tax surcharge and interest) which could have a material adverse effect on Sveafastigheter's profit.

**2.4.5** *Sveafastigheter's compliance with the EU General Data Protection Regulation may be inadequate, which may adversely affect Sveafastigheter's business and financial position*

Sveafastigheter processes a variety of personal data, primarily including the data of its current tenants and employees both in electronic and physical form. Sveafastigheter also processes the data of relatives of its employees, applicants for apartments or employment, and investors. This personal data is mainly processed for the purpose of entering into and executing lease agreements or in order to execute employment agreements. Sveafastigheter has been affected by a few personal data breaches during the previous three years, which have been reported to the Swedish Authority for Privacy Protection (Sw. *Integritetsskyddsmyndigheten*) ("**IMY**"). IMY has decided to terminate these incidents without any action. The European Union's ("**EU**") General Data Protection Regulation 2016/679/EU ("**GDPR**") which objective is to harmonise EU laws on personal data and facilitate the flows of data across EU as well as to ensure that personal data enjoys a high standard of protection everywhere in the EU. The GDPR includes requirements for the handling of personal data. If Sveafastigheter's systems that house personal data are hacked, if Sveafastigheter has shortcomings in its processing of personal data or otherwise fails to comply with the GDPR, Sveafastigheter could be subject to substantial monetary fines which could have a material adverse effect on Sveafastigheter's business and financial position.

The Swedish Authority for Privacy Protection can impose an administrative sanction fine on a company that violates GDPR rules. The fine can amount to at most EUR 20 million or four percent of the Group's total global turnover of the preceding financial year, depending on which is higher. For less severe violations the fine can at most be EUR 10 million or two percent of the Issuer's total global turnover for the preceding financial year, whichever is the highest.

## **2.5 Risks associated with issued MTN**

### **2.5.1 *Currency risks***

The Issuer may issue MTNs denominated in SEK or EUR. An investment in MTNs denominated in a currency other than the investor's functional or home currency involves currency risk. This includes, without limitation, the risk of exchange rate fluctuations, including devaluation or revaluation, and the risk of the introduction of, or amendments to, applicable foreign exchange controls or regulations. An appreciation of the investor's functional currency relative to the currency in which the MTNs are denominated may reduce the value of the investment when measured in the investor's own currency. Furthermore, exchange controls or other regulatory restrictions may be imposed by competent authorities, which could affect the ability to convert or transfer currency. As a result, investors may receive a lower return, a reduced redemption amount, or no return or redemption amount.

### **2.5.2 *Interest risks***

#### **MTNs with floating interest rate**

MTNs issued with a floating interest rate are normally issued as FRNs (Floating Rate Notes). The coupon is calculated on the basis of an interest rate corresponding to the Base Rate plus the Margin, where the Base Rate is adjusted before each Interest Period whilst the Margin is fixed throughout the term. If the Base Rate, for example, is constituted of STIBOR 3 months, it is the market's perception of the development of the 3-month interest rates, in connection with the Margin, that constitutes the basis for calculating the market value of the placement. A changed expectation in the market regarding at what level the Base Rate will be set at when determining the interest rate in the future will, hence, risk lowering the market value on MTNs with a floating rate.

#### **MTNs with fixed interest rate**

Investments in notes with fixed interest rate involve a risk that the market price of the MTNs may be negatively affected as a result of changes in the market interest rates. Generally, longer term of the securities means a higher risk.

#### **MTNs with zero coupon**

MTNs with zero coupon bears no interest and may be issued at a discount, par or premium. The price is normally determined by the market interest rate level. When there is a positive market interest rate, the MTNs with zero coupon are normally issued at a discount. The market value of such MTNs may be adversely affected by changes in the market interest rate level. If the market interest rate level increases in relation to the level at the issue date, the market value of zero coupon MTNs will typically decrease. Hence, there is a risk that changes in the market interest rate will result in Noteholders losing all or a significant part of their investment in such MTNs. MTNs issued at a discount or premium tend to fluctuate more as a result of a change in the market interest rate than MTNs issued at par.

### 2.5.3 *The Benchmark Regulation*

The process for how EURIBOR, STIBOR and other reference rates are determined has been subject to the attention of the legislator. This has resulted in several legislative measures. The most extensive initiative in this area is the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the “**Benchmark Regulation**”) which entered into force 1 January 2018 and regulates the provision of benchmarks, reporting of input data for benchmarks and the usage of benchmarks within the EU. There is a risk that the Benchmark Regulation can affect how certain benchmarks are determined and developed. Further, the increased administration, and the regulatory requirements in connection therewith, can result in certain actors no longer wanting to participate in the determination process regarding benchmark rates, or that certain benchmark rates are no longer published.

For MTN that are issued with floating rate, the interest rate is determined, pursuant to the Terms and Conditions, on the basis of a reference rate, either STIBOR or EURIBOR. STIBOR is a so-called critical benchmark in Sweden and is therefore registered on the list of critical benchmarks held by the European Commission. The provisions regarding critical benchmarks contain extensive requirements with respect to control, supervision, documentation and transparency for the benchmark administrator. On the date of this Base Prospectus, the Swedish Financial Benchmark Facility AB (“**SFBF**”), a wholly-owned subsidiary of Financial Benchmarks Sweden, part of the Swedish Bankers Association (Sw. *Svenska Bankföreningen*), administrates STIBOR. Since 21 April 2023, SFBF is authorised by the Swedish Financial Supervisory Authority to act as administrator of STIBOR in accordance with the Benchmark Regulation and is included in the register provided by the European Securities and Markets Authority (ESMA) pursuant to Article 36 of the Benchmark Regulation. On the date of this Base Prospectus, the European Money Market Institute (“**EMMI**”) is the authorised administrator of EURIBOR and EMMI is included in the register provided by the European Securities and Markets Authority (ESMA) pursuant to Article 36 of the Benchmark Regulation. If STIBOR or EURIBOR at a certain point in time cannot be determined, or if a Base Rate Event or Base Rate Event Announcement (as defined in the Terms and Conditions) occurs, there are alternative measures to determine the applicable reference rate used to calculate the interest rate. However, there is a risk that such alternative measures are not as beneficial to the Noteholders. Further, there is a risk that the challenges in connection with determining an alternative reference rate for the interest rate of a certain MTN can result in time consuming discussions and/or disputes which may have negative effects for the Issuer and/or Noteholders.

### 2.5.4 *Market risks and maturity risks*

There is a risk that changes in the general interest rate environment may negatively affect the value of an MTN. Market risks vary between different MTNs depending on their loan structure and maturity. The risk associated with an investment in an MTN increases with the length of the MTN’s maturity. This is due, in part, to the fact that interest rate and credit risks in an MTN with a longer maturity are more difficult to assess than for an MTN with a shorter maturity. In addition, market risk increases with the maturity of the MTN, as fluctuations in the MTN’s market value are greater for an MTN with a longer maturity than for one with a shorter maturity.

### 2.5.5 *Risks associated with Green Bonds*

The Issuer may, in accordance with the Final Terms for MTN, issue Green Bonds pursuant to the criteria set out by the Issuer's Green Framework, which outlines the framework for Green Bonds. There is a risk that MTN, pursuant to these criteria, do not fit into the requirements, preferences or specific investment mandates of an investor, and an investor is therefore responsible for obtaining up-to-date information on the principles and risks for Green Bonds.

The Green Framework as well as market practice can develop after a certain Issue Date, which can result in more beneficial terms for issues thereafter or more strict requirements for the Issuer.

In June 2020, the Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investment) was published. The Taxonomy Regulation entered fully into force on 1 January 2023 and introduces stricter rules for the assessment of sustainable financial products and activities. In addition to the Taxonomy Regulation, Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 (the "**EUGB Regulation**") was adopted concerning European green bonds and voluntary disclosure for bonds marketed as environmentally sustainable and for sustainability-linked bonds. The EUGB Regulation aims to create a voluntary EU standard for green bonds.

The Taxonomy Regulation and the EUGB Regulation provide the basis for identifying and classifying environmentally sustainable investments and may entail a stricter assessment of which financial instruments are allowed to be marketed as "green" products. If the Issuer fails to comply with the Taxonomy Regulation and/or the EUGB Regulation, for example with regard to information requirements or fulfilment of environmental criteria, this may result in restrictions on the Issuer's ability to advertise MTNs as a green product.

Although the Issuer shall utilise an amount equivalent to the net proceeds of the funds contributed from the Green Bonds in accordance with its Green Framework, there is a risk that circumstances beyond the control of the Issuer may affect the evaluation and selection of assets or the handling of the proceeds of the issue may not be carried out as intended. Furthermore, there is a risk that circumstances beyond the control of the Issuer will lead to the Green Projects not being implemented on time (or at all) or with the results originally expected by the Issuer. These circumstances may for example, be related to the general economic situation and the global credit market, credit risks in the Issuer's positions or liquidity and funding risks (see risk factors above). Such events do not entail an event of default. Thus, in such cases, Noteholders do not have the right to prepayment or repurchase of Green Bonds or other compensation.

There is also a risk that an amount corresponding to the net proceeds of a Green Bond is not used to finance one or more Green Projects due to a temporary absence of Green Projects or that the maturity of a Green Bond does not fully overlap with one or more Green Projects. Such circumstances do not entail an event of default. Thus, in such cases, Noteholders do not have the right to prepayment or repurchase of Green Bonds or other compensation.

Should the Issuer fail to use the net proceeds from the Green Bonds in accordance with its Green Framework in respect of a certain Loan or should a certain Loan no longer be classified as a green bond due to the Taxonomy Regulation and/or the EUGB Regulation or for any other reason, it does not entail an event of default under



such Loan. In such cases, Noteholders do not have the right to prepayment or repurchase of a Green Bond or other compensation. Consequently, there is also a risk that investors are in breach of internal policies or investment mandates.

The Issuer assesses that the probability of the above occurring cannot be estimated. The Issuer assesses that the expected negative effect on MTNs if the above occurs is low. The Issuer's overall assessment is that the above constitutes a low risk for an investment in MTNs.

#### **2.5.6**     *Liquidity risks*

The Issuer will apply for registration of MTN on Nasdaq Stockholm or another regulated market in accordance with the respective Final Terms for MTN. MTNs are generally subject to few transactions on the secondary market. There is a risk that the planned secondary market for MTN will not develop, be maintained or be liquid (i.e. that there will not be a large enough supply of MTN or large enough demand for MTN on the market). Noteholders is therefore at risk of not being able to sell its MTN at the desired time or to the price which would result in the return comparable to similar market positions which have an existing and functioning secondary market. The lack of liquidity on the market can thus have a negative effect on the market value of the MTN.

#### **2.5.7**     *Noteholders' Meeting and lack of Noteholders' representative*

The Calculation Agent shall, in accordance with the Terms and Conditions, amongst other things, call noteholders' meetings. Except for this meeting, the investors do not have a representative that represents them in respect of the MTN. Therefore, each individual investor can take measures on its own in respect of the MTN, which could affect all investors. An example of such a measure is an application for bankruptcy of the Issuer. There is therefore a risk that one investor can take measures in respect of the MTN which are not desired for other investors and which may affect the market value of MTN negatively.

In addition to the above, it is noted that certain majorities of Noteholders can make all investors legally bound by certain decisions, including those investors which have voted against the relevant majority. This may mean that measures taken by the majority, in such cases, can affect the Noteholders' rights in respect of the MTN in a way which is not desired for certain noteholders.

#### **2.5.8**     *Structural subordination*

As the Issuer's business is mainly conducted through the Issuer's subsidiaries, the Issuer is dependent on its subsidiaries to generate profits and cash flow and to fulfil its obligations under the MTNs. Noteholders of the MTNs are structurally subordinated to the creditors of the Issuer's subsidiaries, which means that creditors with claims in the Issuer's subsidiaries are entitled to payment from such subsidiary before the Issuer. The subsidiaries are legally distinct entities separate from the Issuer and have no obligation to settle or fulfil the obligations of the Issuer, except to the extent provided for in any pledge agreements entered into by the subsidiaries. If a subsidiary has entered into liquidation, reorganisation or bankruptcy, there is a risk that the Issuer and its assets may be affected by the actions of creditors with claims against that subsidiary. The liquidation, reorganisation or bankruptcy of the subsidiaries may adversely affect the Issuer's financial position and may have an adverse effect on the Issuer's ability to meet its obligations to the Noteholders.

**2.5.9** *Noteholders lack security in the assets of the Issuer and the Issuer can pledge assets as security and incur other debt*

Noteholders which hold MTN lack security in the assets of the Issuer, and will, in case of the Issuer's insolvency, be a creditor without priority. The secured creditors of the Issuer will have a right to payment from secured assets before creditors without priority (including creditors which hold MTN). The Issuer has undertaken not to pledge assets as security for other Market Loans. There are otherwise no limitations on the Issuer's possibility to incur new debt or to pledge assets as security. There is therefore a risk in case of insolvency of the Issuer for creditors that hold MTN that the Issuer incurs further debt or pledges assets as security to other creditors which have a right to payment with higher priority than the claim of the holder of the MTN.

**2.5.10** *Voluntary redemption*

The Terms and Conditions include a possibility for the Issuer to, in certain situations, redeem Loans prior to the Maturity Date, resulting in that the market value of MTNs in general is not expected to increase significantly over the price to which it can be redeemed. This can apply also before a redemption period. In case of voluntary redemption, there is a risk that an investor cannot re-invest the proceeds from the redemption at an effective interest rate which is as high as the interest rate of the relevant MTN.

Further, there is a risk that the Issuer elects to exercise its right to voluntary redemption at a time when the market value of MTNs is higher than the redemption value. This can affect the possibility of an investor to re-invest the proceeds from the redemption on the same terms as the redeemed MTN. Investors cannot expect a Loan to be redeemed prior to the Maturity Date but must be prepared for repayment on the Maturity Date.

**2.5.11** *Sveafastigheter's combined financial statements do not necessarily give a true and fair view of Sveafastigheter as of the date of the Base Prospectus*

Sveafastigheter's combined financial statements for the financial year ended 31 December 2023 (and incorporated by reference in this Base Prospectus) do not necessarily give a true and fair view of what Sveafastigheter's results of operations and financial position would have been had Sveafastigheter operated as a stand-alone company, with the business that Sveafastigheter conducts as of the date of the Base Prospectus. Sveafastigheter in its current form has not constituted a separate group during the financial year ended 31 December 2023. Overall, there is a risk that Sveafastigheter's above-mentioned financial information (incorporated by reference in this Base Prospectus) does not necessarily give a true and fair or complete view of Sveafastigheter as of the date of the Base Prospectus and should not be used as a basis for conclusions about Sveafastigheter's future financial position and performance.

### **3 Responsibility for the Base Prospectus**

The board of directors of the Issuer is responsible for the Base Prospectus and, to the best of the knowledge of the board of directors of the Group, the information provided in this Base Prospectus is in accordance with the facts and with applicable rules and regulations and the Base Prospectus makes no omission likely to affect its import. While the Issuer is the primary source of company-specific data contained in this Base Prospectus, information from third parties, such as Morningstar Sustainalytics, the Swedish Riksbank and Statistics Sweden, has also been included. Such information has, to the best of the Issuer's knowledge, been accurately reproduced, and no facts have been omitted that would render the reproduced information inaccurate or misleading. The Dealers have not verified the information provided in this Base Prospectus.

The Base Prospectus has been approved by the Swedish Financial Supervisory Authority as competent authority under the Prospectus Regulation. The Swedish Financial Supervisory Authority only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation (EU) 2017/1129. The Swedish Financial Supervisory Authority's approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Stockholm, 15 May 2025

**Sveafastigheter AB (publ)**

*The board of directors of the Group*

## **4 Product description**

Below follows a description of constructions and terms which appear in the Terms and Conditions and which are applicable upon issuance of MTN under this MTN Programme. The construction of each Loan is set out in the Final Terms, which are applicable together with the Terms and Conditions applicable to the MTN Programme from time to time. For a description of the below definitions, see the Terms and Conditions on pages 38-60.

### **4.1 Basis for calculation of interest**

For MTN issued under the MTN Programme, the relevant basis for calculation of interest on a particular Loan is calculated and, where applicable, accrues in accordance with the Final Terms. Under the MTN Programme and pursuant to section 6 of the Terms and Conditions, there is a possibility to issue Loans with any of the basis for calculation of interest described below. When calculating the interest period under which the interest shall accrue, different day count fractions are used depending on the basis for calculation of interest.

#### **4.1.1 *Day Count Fractions***

For Loans with fixed interest rate, the Day Count Fraction "30/360" is used, meaning that the calculation is on a year with 360 days consisting of twelve months of 30 days each and, in the event of a partial month, the actual number of days which have passed in the month.

For Loans with floating interest rate, the Day Count Fraction "Actual/360" is used, meaning that the calculation is based on the actual number of days in the relevant period divided by 360.

Which of these Day Count Fractions that are to be used to calculate the Interest Period for each relevant Loan will be set out in the applicable Final Terms.

#### **4.1.2 *Loans with fixed interest rate***

If a Loan is specified as a Loan with fixed interest rate, the Loan shall bear interest at the Interest Rate from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date.

For Loans with a fixed interest rate, accrued interest shall be paid in arrears on each Interest Payment Date and is calculated using the Day Count Fraction 30/360.

#### **4.1.3 *Loans with floating interest rate***

If a Loan is specified as a Loan with floating interest rate, the Loan shall bear interest from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date. The interest rate for each Interest Period is calculated by the Calculation Agent on each Interest Determination Date and consists of the Base Rate plus the Margin for the same period, adjusted for the application of section 7 (*Replacement of Base Rate*) in the Terms and Conditions.

The Base Rate is the reference rate specified in the Final Terms or such other Successor Base Rate, which as a result of a Base Rate Event or a Base Rate Event Announcement, succeeds the original Base Rate. The original Base Rate will usually refer to STIBOR for loans in SEK and EURIBOR for loans in EUR. Interpolation of

reference rate means that the reference rate is determined by two known variables as set out in the Final Terms.

If the interest rate cannot be determined on the Interest Determination Date due to an obstacle referred to in section 7.2 of the Terms and Conditions, the Loan shall continue to bear interest at the rate applicable for the immediately preceding Interest Period. Once the obstacle is removed, the Calculation Agent shall calculate a new Base Rate to apply from the second Business Day after the calculation date until the end of the current Interest Period.

Accrued interest shall be paid in arrears on each Interest Payment Date and is calculated using the Day Count Fraction Actual/360 or such other basis for calculation as applies to the relevant Base Rate.

#### *4.1.4 Zero coupon*

Zero Coupon Loans do not bear interest.

#### *4.1.5 Benchmark rates*

Interest payable for MTN issued under the MTN Programme may be calculated by reference to certain benchmarks, STIBOR and EURIBOR, as defined in the Terms and Conditions. STIBOR is provided by SFBF and EURIBOR is provided by the European Money Market Institute.

Since 21 April 2023, SFBF is authorised by the Swedish Financial Supervisory Authority to act as administrator of STIBOR in accordance with the Benchmark Regulation and is included in the register provided by the European Securities and Markets Authority (ESMA) pursuant to Article 36 of the Benchmark Regulation. The European Money Market Institute was registered 2 July 2019 as administrator under Article 36 of the Benchmark Regulation.

#### *4.1.6 Redemption*

An MTN is due for payment at its nominal amount on the Maturity Date, as set out in the Final Terms

If the Final Terms contain a provision granting the Issuer the right to redeem the relevant Loan early, the Issuer has the right to redeem all, but not some, of the MTN relating to a particular Loan early on the day or days and at the price specified in the Final Terms for such Loan (including accrued interest), provided it is compliant with applicable law. For early redemption under section 9.7 of the Terms and Conditions to occur, the Noteholders must be notified in accordance with section 15 (*Notices*) at least ten (10) Business Days but no more than forty (40) Business Days before the day of early redemption.

## 5 Terms and Conditions

These terms and conditions ("**Terms and Conditions**") shall apply to loans issued by Sveafastigheter AB (publ) (Reg. No. 559449-4329) (the "**Issuer**") on the capital market under this MTN Programme ("**MTN Programme**"). The Issuer may in accordance with the MTN programme issue notes in SEK and EUR with varying maturities, however not less than one year, commonly referred to as medium term notes ("**MTN**").

### 1. DEFINITIONS

#### 1.1 In addition to the definitions set forth above, in these Terms and Conditions:

**"Account Operator"** means a bank or other party duly authorised to operate as an account operator (Sw. *kontoförande institut*) pursuant to the Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) and through which a Noteholder has opened a Securities Account in respect of its MTN;

**"Adjusted Loan Amount"** means the total outstanding Nominal Amount of MTN in respect of a particular Loan less the Aggregate Nominal Amount of the MTN held by a Group Company, irrespective of whether such Group Company is directly registered as owner of such MTN;

**"Arranger"** means Swedbank AB (publ) or any other Dealer replacing Swedbank AB (publ) as Arranger;

**"Base Rate"** means in regard to Loans with Floating Rate, the base rate STIBOR or EURIBOR as described in the Final Terms or any reference rate replacing STIBOR or EURIBOR in accordance with section 7 (*Replacement of Base Rate*);

**"Business Day"** means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

**"Calculation Agent"** means (i) in the case where a Loan has been issued by two or more Issuing Dealers, the Issuing Dealer appointed by the Issuer to be responsible for certain administrative duties related to the Loan as outlined in the Final Terms; and (ii) in the case a Loan has been issued by only one Issuing Dealer, that Issuing Dealer;

**"Consolidated Total Assets"** means the consolidated book value of the Group's total assets according to the latest financial report;

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest:

- (a) if "30/360" is specified in the applicable Final Terms, the amount shall be calculated based on a year with 360 days consisting of twelve months of 30 days each and, in the event of a partial month, the actual number of days which have passed in the month; and

- (b) if "Actual/360" is specified in the applicable Final Terms, the amount shall be calculated using the actual number of days in the relevant period divided by 360.

**"Dealers"** means Swedbank AB (publ) and any other dealer authorized by Euroclear Sweden to process and register issuances in Euroclear Sweden's system that gets appointed from time to time by the Issuer in respect of the MTN Programme according to section 13.4, however only as long as such dealer has not resigned as a dealer;

**"EBITDA"** means, without duplication, the consolidated profit before taxes of the Group from ordinary activities according to the most recent annual or interim, as the case may be, consolidated financial statements or financial report (as applicable) of the Group, adjusted for:

- (a) depreciations;
- (b) impairments;
- (c) expenses for property sales, acquisitions and restructuring costs;
- (d) interest expenses and similar items;
- (e) interest income and similar items;
- (f) change in value (realised and/or unrealised) of properties or any other assets;
- (g) profit and loss from joint ventures and associated companies;
- (h) exchange rate differences that are included in the profit before taxes;
- (i) change in value of derivative instruments;
- (j) results from early repayment of loans; and
- (k) non-recurring or exceptional items, in each case as specified in the most recent annual or interim, as the case may be, consolidated financial statements or financial report (as applicable) of the Group;

in each case as specified in the most recent annual or interim, as the case may be, consolidated financial statements or financial report (as applicable) of the Group;

**"EUR"** means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union (EMU);

**"EURIBOR"** means:

- (a) the applicable percentage rate per annum for EUR and for a period comparable to the relevant Interest Period, as displayed on Refinitiv's screen EURIBOR01 (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. (Brussels time) on the Interest Determination Date;
- (b) if no rate as described in paragraph (a) above is available for the relevant Interest Period, the rate determined by the Calculation Agent by interpolation between the two closest rates displayed on Refinitiv screen EURIBOR01 (or any replacement thereof) as of or around 11.00 a.m. (Brussels time) on the Interest Determination Date for EUR;
- (c) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Calculation Agent at its request quoted by the

- European Reference Banks for deposits of EUR 10,000,000 for the relevant Interest Period; or
- (d) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Calculation Agent best reflects the interest rate for deposits in EUR offered for the relevant Interest Period;

**"Euroclear Sweden"** means Euroclear Sweden AB (Reg. No. 556112-8074);

**"European Reference Banks"** means four major commercial banks which, at the current time, are quoting EURIBOR and are appointed by the Calculation Agent;

**"Final Terms"** means the final terms established for a specific Loan under this MTN Programme in accordance with Appendix 1 (*Form of Final Terms*);

**"Financial Indebtedness"** means with respect to any person at any date of determination (without duplication) any indebtedness of such person, including:

- (a) all indebtedness of such person for borrowed money in whatever form;
- (b) any amounts raised by such person evidenced by bonds, debentures, notes, loan stock or other similar instruments;
- (c) any amounts raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (d) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (e) the amount of any liability in respect of leases or hire purchase contracts (excluding the amount of any liability in respect of leasehold properties) which would, in



- accordance with applicable law and generally accepted accounting principles applicable to the Group, be treated as finance or capital leases; or
- (f) the amount of any liability in respect of any purchase price of property, assets or services the payment of which is deferred for a period in excess of 90 days,

and in all cases only if and to the extent the relevant amount is recorded as "indebtedness" in accordance with IFRS;

**"Green Framework"** means the Issuer's Green Framework that is in effect on the date of issuance, which is available on the Issuer's website;

**"Group"** means the corporate group of which the Issuer is the parent company (where the terms corporate group and parent company have the meanings as defined in the Swedish Companies Act (Sw. *aktiebolagslag* (2005:551) (as amended from time to time));

**"Group Company"** means any and all legal entities which from time to time are part of the Group, including the Issuer's consolidated subsidiaries;

**"Incurrence Test"** means that the Interest Coverage Ratio is equal to or higher than 1.50:1 and/or the Net Loan to Value does not exceed 55 percent;

**"Interest Commencement Date"** means the date specified in the Final Terms (if applicable) begins to accrue;

**"Interest Coverage Ratio"** means the ratio of EBITDA to the Net Finance Charges;

**"Issuing Dealer"**, means, the Dealer(s) specified in the applicable Final Terms;

**"Loan"** means each Loan, comprising of one or more MTN, which the Issuer undertakes under this MTN Programme;

**"Loan Terms"** means, for a particular Loan, these Terms and Conditions and the applicable Final Terms for such Loan;

**"Market Loan"** means bonds, notes or other debt securities (however defined and including securities issued as MTN or in accordance with other market loan programmes), which are or may be, quoted, listed, traded or otherwise admitted to trading on a Regulated Market (as defined in Directive 2014/65/EU on markets in financial instruments);

**"Maturity Date"** means, in accordance with the Final Terms, the date when MTN shall be repaid;

**"MTN"** means a unilateral debt instrument in the Nominal Amount which has been registered in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag* (1998:1479) *om värdepapperscentraler och kontoföring av finansiella instrument*) and is part of a Loan issued by the Issuer under this MTN Programme;

**"Net Loan to Value"** means (i) the aggregate of the total Financial Indebtedness (on a consolidated basis) of the Group (less cash and cash equivalents and listed shares and bonds (unless issued by the Issuer)) and any guarantee and/or indemnity in respect of any Financial Indebtedness (except for any guarantee and/or indemnity in respect of any

Financial Indebtedness that the Issuer has directly or indirectly accounted for in its consolidated financial statements) divided by (ii) Consolidated Total Assets;

**"Net Finance Charges"** means the net amount calculated as the number set out under the heading "Interest expenses and similar items" (or equivalent items) in the most recent annual or interim, as the case may be, consolidated financial statements or financial report (as applicable) of the Group excluding any interest on listed shares, bonds held by the Issuer on its own book, subordinated debt, any one-off financing charges not being deemed as interest costs pursuant to the Group's accounting principles and any financing charges relating to any on-going projects which are capitalised and added to the acquisition value (Sw. *anskaffningsvärde*) of any property in accordance with the Group's accounting principles from which is deducted the numbers set out under the headings "Interest income and similar items" payable to any Group Company and any interest income relating to cash and cash equivalents in the most recent annual or interim, as the case may be, consolidated financial statements or financial report of the Group;

**"Nominal Amount"** means the amount of each MTN as stated in the Final Terms (less any repaid amount);

**"Noteholder"** means the person who is registered on a Securities Account as direct registered owner or nominee with respect to an MTN;

**"Noteholders' Meeting"** means a meeting of the Noteholders as described in section 12 (*Noteholders' Meeting*);

**"Preference Shares"** means any preference shares (Sw. *preferensaktier*) issued by the Issuer from time to time;

**"Programme Amount"** is the programme amount which the Issuer and the Dealers agree on from time to time;

**"Record Date"** means the fifth (5) Business Day (or another Business Day prior to the relevant day which is market practice on the Swedish bond market), prior to (i) the payment date for interest or principal in accordance with the Loan Terms; or (ii) another day on which payment is to be made to Noteholders; (iii) the date of the Noteholders' Meeting; (iv) dispatch of notice; or (v) another relevant date;

**"Reference Banks"** means Nordea Bank Abp, filial i Sverige, Skandinaviska Enskilda Banken AB (publ), Svenska Handelsbanken AB (publ) and Swedbank AB (publ);

**"Regulated Market"** means any regulated market as defined in Directive 2014/65/EU on markets in financial instruments;

**"Repurchase Date"** means a day specified in section 9.3 and 9.4.

**"Securities Account"** means the account for dematerialised securities maintained by Euroclear Sweden pursuant to the Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) in which (i) an owner of any securities is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee;

**"SEK"** means the official currency of Sweden;

**"STIBOR"** means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Swedish Financial Benchmark Facility AB (or any person replacing it as administrator) for Swedish Kronor and for a period comparable to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Interest Determination Date;
  - (b) if no rate as described in paragraph (a) above is available for the relevant Interest Period, the rate determined by the Calculation Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Interest Determination Date for Swedish Kronor;
  - (c) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Calculation Agent at its request quoted by the Reference Banks for deposits of SEK 100,000,000 for the relevant Interest Period; or
  - (d) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Calculation Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant Interest Period.
- 1.2** Further definitions, including Interest Rate, Interest Structure, Interest Determination Date, Interest Payment Date(s), Interest Period and Margin are provided in the Final Terms, where applicable.
- 1.3** The definitions specified in these Terms and Conditions shall also apply to the Final Terms.
- 1.4** When determining whether a specified limit in SEK has been reached or exceeded, an amount in another currency shall be calculated based on the exchange rate applicable on the Business Day immediately preceding the relevant point in time and which is published on Refinitiv's screen "SEKFIX=" (or through another system or another screen which replaces it) or, if such rate is not published, the calculation should use the rate for SEK against the relevant currency on the aforementioned day, as published by the Swedish Central Bank on its website (<http://www.riksbank.se>).
- 1.5** Unless a contrary indication appears, any reference in these Terms and Conditions to a "person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof, or any other entity, whether or not having a separate legal personality.

## **2. ISSUANCE OF LOANS**

- 2.1** The Issuer may issue MTN, denominated in SEK or in EUR, with a maturity of at least one

year under this MTN Programme. MTN may be issued in multiple tranches under a Loan without the approval of any Noteholder provided that the conditions of such tranches are identical except for Settlement Date, Aggregate Nominal Amount, Issue Price per MTN and Issuing Dealer.

- 2.2 By subscribing to MTN, each initial Noteholder approves that its MTN will possess the rights and be subject to the conditions outlined in the Loan Terms and will be governed by its provisions. By acquiring MTN, each new Noteholder confirms such approval.
- 2.3 The Issuer undertakes to make payments in respect of issued MTN and to otherwise comply with the Loan Terms for the Loans issued under this MTN Programme.
- 2.4 If the Issuer wishes to issue MTN under this MTN Programme, the Issuer shall enter into a separate agreement for this purpose with one or more Dealers which shall be the Issuing Dealer(s) for such Loan.
- 2.5 Final Terms shall be established in relation to each Loan which together with these Terms and Conditions shall constitute the complete Loan Terms for the Loan.

### **3. REGISTRATION OF MTN**

- 3.1 MTN shall be registered in a Securities Account on behalf of each Noteholder and, accordingly, no physical securities will be issued. Any request regarding the registration of MTN should be directed to an Account Operator.
- 3.2 Any person who has acquired the right to receive payment under a MTN through a mandate, a pledge, the provisions of the Parental Code (Sw. *föräldrabalken*), conditions in a will or gift deed, or otherwise, must register their right to receive payment in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).
- 3.3 The Calculation Agent is entitled to obtain information from Euroclear Sweden regarding the contents of Euroclear Sweden's debt register for a MTN in order to fulfill its duties in accordance with these Terms and Conditions. The Calculation Agent shall not be responsible for the content of such extracts or otherwise be liable for determining who is a Noteholder.

### **4. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER**

- 4.1 If someone other than the Noteholder wishes to exercise the Noteholder's rights under the Loan Terms or vote at a Noteholders' meeting, that person must be able to present a power of attorney or other authorization document issued by the Noteholder, or a chain of such powers of attorney and/or authorization documents from the Noteholder.
- 4.2 A Noteholder, or another person exercising the Noteholder's rights pursuant to section 4.1, may authorize one or more individuals to represent the Noteholder with respect to certain or all MTN held by the Noteholder. Each such authorized individual may act independently.

### **5. PAYMENTS**

- 5.1** MTN become due for payment at their Nominal Amount on the Maturity Date. If the Maturity Date falls on a day which is not a Business Day, the Loan will be repaid on the next Business Day. Interest, as specified in section 6 (Interest), is payable on the relevant Interest Payment Date.
- 5.2** Payment for MTN issued in SEK shall be made in SEK and for MTN issued in EUR shall be made in EUR and paid to the person registered as the Noteholder on the Record Date for each payment date, or to any other person registered with Euroclear Sweden as entitled to receive such payment. If the recipient's Securities Account cannot handle the relevant currency, conversion will be carried out in accordance with Euroclear Sweden's terms and conditions.
- 5.3** If a Noteholder has registered, through the Account Operator, that principal or interest shall be deposited into a certain bank account, such deposit shall be affected by Euroclear Sweden on the relevant payment date.
- 5.4** If Euroclear Sweden is unable to make payments as previously described due to delays on the part of the Issuer or other obstacles, the Issuer shall ensure that the amount is paid as soon as the obstacle is removed. In such cases, interest shall accrue in accordance with section 8.1.
- 5.5** If the Issuer is unable to fulfil a payment obligation through Euroclear Sweden due to an obstacle affecting Euroclear Sweden, the Issuer shall be entitled to postpone the payment obligation until the obstacle has been removed. In such cases, interest shall be payable in accordance with section 8.2.
- 5.6** If it is discovered that the recipient of an amount under this section 5 was not entitled to receive it, the Issuer and Euroclear Sweden shall nevertheless be considered to have fulfilled their obligations in this regard. However, this does not apply if the Issuer or Euroclear Sweden knew that the amount was given to someone who was not entitled to receive it or if the Issuer or Euroclear Sweden failed to exercise normal care.

## **6. INTEREST**

- 6.1** For Loans on which interest accrues, interest shall be calculated on the Nominal Amount, unless otherwise stated in the Loan Terms.
- 6.2** Interest on a particular Loan is calculated and, where applicable, accrues in accordance with the Final Terms. The Final Terms shall specify the relevant Interest Structure according to one of the following options:

(a) Fixed Rate

If a Loan is specified as a Loan with a Fixed Rate, the Loan shall bear interest on its Nominal Amount at the Interest Rate from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date.

Interest is calculated according to the Day Count Fraction specified in the Final Terms.

(b) Floating Rate (FRN)

If a Loan is specified as a Loan with Floating Rate, the Loan shall bear interest on its Nominal Amount from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date. The interest rate for each Interest Period is calculated by the Calculation Agent on each Interest Determination Date and consists of the Base Rate plus the Margin for the same period, adjusted for the application of section 7 (*Replacement of Base Rate*).

If the interest rate cannot be determined on the Interest Determination Date due to an obstacle referred to in section 16.1, the Loan shall continue to bear interest at the rate applicable for the immediately preceding Interest Period. Once the obstacle is removed, the Calculation Agent shall calculate a new interest rate to apply from the second Business Day after the calculation date until the end of the current Interest Period.

Interest is calculated according to the Day Count Fraction specified in the Final Terms.

(c) Zero Coupon

If the Loan is specified as a Zero Coupon it bears no interest. Zero Coupon Loans may be issued at a discount or premium and redeemed at an amount per MTN corresponding to the Nominal Amount or a portion thereof.

- 6.3** Accrued interest is payable, where applicable, in arrears on the relevant Interest Payment Date.
- 6.4** If the Interest Payment Date for a Fixed Rate Loan falls on a day that is not a Business Day, the interest will be paid on the next Business Day. However, interest is calculated and accrues only up to and including the Interest Payment Date.
- 6.5** If the Interest Payment Date for a Loan with a Floating Rate is not a Business Day, the next Business Day shall be the Interest Payment Date provided that such Business Day does not fall in a new calendar month. In that case, the Interest Payment Date shall be considered the preceding Business Day. Interest is calculated and accrues up to (and including) the respective Interest Payment Date.

**7. REPLACEMENT OF BASE RATE**

- 7.1** If a Base Rate Event as described in section 7.2 below has occurred, the Issuer shall, in consultation with the Calculation Agent, initiate the procedure to, as soon as reasonably possible, determine a Successor Base Rate, Adjustment Spread, as well as initiate the procedure to determine upon necessary administrative, technical and operative amendments to the Loan Terms in order to apply, calculate and finally decide the applicable Base Rate. The Calculation Agent is not obligated to participate in such consultation or determination as described above. Should the Calculation Agent not participate in such consultation or determination, the Issuer shall, at the Issuer's expense, as soon as possible appoint an Independent Adviser to initiate the procedure to, as soon as reasonably possible, determine upon the mentioned. Provided that the Successor Base Rate, the Adjustment Spread and other amendments have been finally decided no later than prior to

the relevant Interest Determination Date in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of Euroclear Sweden and any calculations methods applicable to such Successor Base Rate.

**7.2** A base rate event is an event where one or more of the following events occur ("**Base Rate Event**") which means:

- (a) the Base Rate (for the relevant Interest Period of the relevant Loan) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period of the relevant Loan) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period of the relevant Loan) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period of the relevant Loan) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Calculation Agent to calculate any payments due to be made to any Noteholder using the applicable Base Rate (for the relevant Interest Period of the relevant Loan) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period of the relevant Loan);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*), or in respect of EURIBOR, from the equivalent entity with insolvency or resolution powers over the Base Rate Administrator, containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

**7.3** Upon a Base Rate Event Announcement, the Issuer may (but are not obligated to), if it is possible at such time to determine the Successor Base Rate, Adjustment Spread and other amendments, in consultation with the Calculation Agent or through the appointment of an Independent Adviser, initiate the procedure as described in section 7.1 above to finally decide the Successor Base Rate, the Adjustment Spread and other amendments, in order to change to the Successor Base Rate at an earlier time.

**7.4** If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been

finally decided at the latest prior to the relevant Interest Determination Date or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of Euroclear Sweden, cannot be applied in relation to the relevant Interest Determination Date, the interest applicable to the next succeeding Interest Period shall be:

- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
- (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the interest determined for the immediately preceding Interest Period.

The provisions set out in this section are applicable on subsequent Interest Periods, provided that all relevant measures have been carried out regarding the application of and the adjustments described in this section 7 prior to every such subsequent Interest Determination Date, but without success.

**7.5** Prior to the Successor Base Rate, Adjustment Spread and any other amendments becoming effective, the Issuer shall promptly, following the final decision by the Issuer in consultation with the Calculation Agent or the Independent Adviser of any Successor Base Rate, Adjustment Spread and any other amendments, give notice thereof to the Noteholders and Euroclear Sweden in accordance with section 15 (*Notices*). The notice shall also include information about the effective date of the amendments. If the MTN are admitted to trading on a Regulated Market, the Issuer shall also give notice of the amendments to the relevant stock exchange.

**7.6** The Independent Adviser and the Calculation Agent that carries out measures in accordance with this section 7 shall not be liable whatsoever for any damage or loss caused by any determination, action taken or omitted by it in conjunction with the determination and final decision of the Successor Base Rate, Adjustment Spread and any amendments thereto to the Loan Terms, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser and the Calculation Agent shall never be responsible for indirect or consequential loss.

**7.7** In this section 7 the following definitions have the meaning described below:

**"Adjustment Spread"** means a spread or a formula or methodology for calculating a spread to be applied to a Successor Base Rate and that is:

- (i) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or
- (ii) if (i) is not applicable, the adjustment spread that the Issuer in consultation with the Calculation Agent or the Independent Adviser determines is reasonable to use in order to eliminate, to the extent possible, any transfer of economic value from one party to another as a result of a replacement of the Base Rate and is customarily applied in comparable debt capital market transactions.

**"Base Rate Administrator"** means Swedish Financial Benchmark Facility AB (SFBF) in



relation to STIBOR and European Money Markets Institute (EMMI) in relation to EURIBOR or any person replacing it as administrator of the Base Rate.

**"Base Rate Event Announcement"** means a public statement or published information as set out in section 7.2 (b) to 7.2 (e) that any event or circumstance specified therein will occur.

**"Independent Adviser"** means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

**"Relevant Nominating Body"** means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Council (Sw. *Finansiella stabilitetsrådet*) or any part thereof.

**"Successor Base Rate"** means:

- (i) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as MTN, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or
- (ii) if there is no such rate as described in paragraph (i), such other rate as the Issuer in consultation with the Calculation Agent or the Independent Adviser determines is most comparable to the Base Rate.

For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply *mutatis mutandis* to such new Successor Base Rate.

## **8. DEFAULT INTEREST**

- 8.1** In the event of a payment delay, default interest shall accrue on the overdue amount from the payment date until the day payment is made. This interest rate shall be the average of one-week's STIBOR for MTN issued in SEK or EURIBOR for MTN issued in EUR during the period of delay, plus two percentage points. STIBOR or EURIBOR shall be denominated on the first Business Day of each calendar week during which the period of the delay. However, default interest under this section 8.1 for Loans accruing interest shall never be lower than the rate applicable to the relevant Loan on the relevant payment date, plus two percentage points. Default interest shall not be capitalized.
- 8.2** If the delay is due to an obstacle affecting the Dealers or Euroclear Sweden, default interest shall accrue at a rate corresponding to (i) for interest-bearing Loans, the rate applicable to the relevant Loan on the relevant payment date, or (ii) for Loans that do not bears interest, the average of the one-week STIBOR or EURIBOR during the period of the delay (with STIBOR or EURIBOR being denominated on the first Business Day of each calendar week during the period of the delay).

## **9. REPURCHASE AND EARLY REDEMPTION**

- 9.1** The Issuer may repurchase MTN at any time, provided it is compliant with applicable law. MTN owned by the Issuer may also, at the Issuer's discretion, be retained, transferred, or redeemed. MTNs held by the Issuer may not be cancelled by the Issuer except for (i) any MTNs repurchased pursuant to this paragraph 9.1, or (ii) MTNs redeemed pursuant to paragraph 9.7 below if such a redemption relates to a specific Loan in full.
- 9.2** Each Noteholder has the right to demand repurchase of all or some of its MTN if:
- (a) the shares of the Issuer cease to be listed on Nasdaq First North Growth Market (unless such shares are in connection with such de-listing listed on another multilateral trading facility or Regulated Market); or
  - (b) an event or series of events occurs that leads to a natural or legal person (other than Samhällsbyggnadsbolaget i Norden AB (publ), Reg. No. 556981-7660 or any person, directly or indirectly controlled by it), alone or together with related parties as referred to in the Swedish Act on Public Takeover Offers on the Stock Market (*Sw. lag (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*), directly or indirectly, at any time:
    - (i) acquires more than 50 percent of the shares or votes in the Issuer; or
    - (ii) through agreement or otherwise alone (or together with such related parties as mentioned above) has the ability to appoint a majority of the Issuer's board members.
- 9.3** The Issuer is obliged to notify the Noteholders as soon as it becomes aware of a change of ownership as per section 9.2 through a press release, on the Issuer's website, and in accordance with section 15 (*Notices*). The notice shall include instructions on how a Noteholder wishing to have MTN repurchased should proceed and specify the Maturity Date.
- 9.4** The Repurchase Date shall occur no earlier than 20 and no later than 40 Business Days after the notice of the ownership change is deemed to have been received by the recipient according to section 15.3 to the Noteholders in accordance with section 9.3. If the Repurchase Date is not a Business Day, the next Business Day shall be considered the Repurchase Date.
- 9.5** If the right to repurchase exists, the Issuer shall, upon the Noteholder's request, repurchase the relevant MTN on the Repurchase Date at the price per MTN that would be repaid on the final Redemption Date, together with accrued interest (if any). For MTNs that are Zero Coupon Loans, an amount per MTN calculated in accordance with section 11.5 shall instead be paid.
- 9.6** Notice from a Noteholder regarding the request for repurchase of MTN must be submitted to the Issuer no later than 10 Business Days before the Repurchase Date.
- 9.7** If the Final Terms contain a provision granting the Issuer the right to redeem the relevant Loan prior to its Maturity Date, the Issuer has the right to redeem all, but not some, of the MTN relating to a particular Loan early on the day or days and at the price specified in

the Final Terms for such Loan (including accrued interest (if any)), provided it is compliant with applicable law. For early redemption under this section 9.7 to occur, the Noteholders must be notified in accordance with section 15 (*Notices*) at least ten (10) Business Days but no more than forty (40) Business Days before the day of early redemption.

## **10. UNDERTAKINGS**

### **10.1 Status of the Loan**

The Issuer shall ensure that its payment obligations under the Loan rank, at least, *pari passu* with the Issuer's other unsubordinated and unsecured payment obligation, except such obligations preferred by law.

### **10.2 The Issuer's operations and assets**

As long as any MTN is outstanding, the Issuer undertakes not to materially change the nature of the Group's operation or sell or otherwise divest any assets, if such divestment has a material adverse effect on the Issuer's ability to fulfil its payment obligations to the Noteholders.

### **10.3 Programme Amount**

The Issuer may not issue additional MTN under the MTN Programme if the aggregated Nominal Amount of the MTN outstanding under this MTN Programme, including the MTN intended to be issued, exceeds the Programme Amount on the day the agreement regarding the issuance of MTN is made between the Issuer and the Issuing Dealer(s).

### **10.4 Negative Pledge**

The Issuer undertakes, as long as any MTN is outstanding:

- a) not to provide security or cause any other party to provide security, whether in the form of a contingent liability (Sw. *ansvarsförbindelse*) or otherwise, for any Market Loan that has been or may be taken out by the Issuer;
- b) not itself provide security for Market Loans, in any form other than through a contingent liability (which in turn may not be secured), that have been or may be taken out by anyone other than the Issuer; and
- c) to ensure that Group Companies, other than the Issuer, when taking up Market Loans, comply with the provisions applicable to the Issuer under paragraphs a) - b) above, however, with the exception that Group Companies may provide contingent liabilities for other Group Companies' Market Loans and allow the Issuer and other Group Companies to provide contingent liabilities (which in turn may not be secured) for the Market Loan taken up.

### **10.5 Distributions**

10.5.1 Except as explicitly permitted pursuant to section 10.5.2, the Issuer shall not (and shall procure that no other Group Company will):

- (a) pay any dividends in respect of its shares;
- (b) repurchase or redeem any of its own shares;
- (c) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders;
- (d) repay any loans granted by its direct or indirect shareholders or pay interest thereon; or
- (e) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the Issuer's, or its subsidiaries', direct or indirect shareholders or any legal or natural person affiliated with such direct and indirect shareholders, (paragraphs (a) to (e) above are together and individually referred to as a "**Restricted Payment**").

10.5.2 Notwithstanding section 10.5.1, a Restricted Payment may be made:

- (a) if made by a Group Company to another Group Company, provided that, if such payment is made by a subsidiary which is not directly or indirectly wholly-owned by the Issuer, it is made on a pro rata basis;
- (b) if made by the Issuer:
  - (i) if such Restricted Payment is made in respect of any Preference Shares (whether it be in respect of interest/dividend (in which ever form) or principal);
  - (ii) if such Restricted Payment is made by reason of a claim pursuant to the Swedish Companies Act (Sw. *aktiebolagslagen* (2005:551)) by shareholder(s) owning not less than ten (10.00) per cent. of the shares in the Issuer; or
  - (iii) if (i) the Incurrence Test is met, calculated on a pro forma basis including the relevant Restricted Payment;

provided that, in the case of a Restricted Payment referenced in section 10.5.1 above only, (i) the board members of the Issuer shall consist of no more than two (2) members who are not independent of Samhällsbyggnadsbolaget i Norden AB (publ), and (ii) the majority of the board members in the Issuer shall, at all times, be independent of Samhällsbyggnadsbolaget i Norden AB (publ), as determined by the Issuer's reasonable assessment in accordance with the independence criteria outlined in paragraph 4.5 of the Swedish Corporate Governance Code, in order for the Restricted Payment to be permitted.

- (c) by way of group contributions (Sw. *koncernbidrag*), provided that no cash or other

funds are transferred from the Group Company as a result thereof (i.e. the group contributions are merely accounting measures) and provided that such distribution is subsequently converted into a shareholder's contribution (Sw. *aktieägartillskott*) as soon as possible, in each case provided that such Restricted Payment is permitted by law and that no acceleration of Loans is continuing or would occur as a result of such Restricted Payment.

#### **10.6 Admission to trading on a Regulated Market**

The Issuer (itself or the Issuing Dealer on its behalf) undertakes to apply for admission to trading on the relevant Regulated Market for Loans which according to the Final Terms shall be admitted to trading on a Regulated Market and to use its best effort to ensure that the Loans remains listed as long as the relevant Loan is outstanding, however not longer than as permitted under applicable laws and regulations of the relevant Regulated Market and Euroclear Sweden.

#### **10.7 Governing law etc.**

The Issuer undertakes to comply in all material respects with prevailing rules and instructions by Swedish or relevant foreign governmental authorities, central bank, or other public authorities or Regulated Markets on which the MTN have been admitted to trading.

#### **10.8 Availability of Loan Terms**

The Issuer undertakes to keep the prevailing version of these Terms and Conditions and the Final Terms for all outstanding Loans which are admitted to trading on a Regulated Market available on its website.

### **11. ACCELERATION OF LOANS**

**11.1** The Calculation Agent shall declare in writing that the relevant Loan, together with accrued interest (if any), is due for immediate payment or at the time determined by the Calculation Agent or the Noteholders' Meeting (as applicable), if any circumstance specified in section 11.2 has occurred and if:

- (i) so requested by a requisite majority of Noteholders under a Loan at a Noteholders Meeting; or
- (ii) so requested in writing by Noteholders who, at the time of the request, represent not less than one-fifth of the Adjusted Loan Amount. Noteholders must provide proof that they are Noteholders on the relevant Business Day when making the request. A request for termination can only be made by a Noteholder who alone represents one-tenth of the total outstanding Nominal Amount or jointly by Noteholders who together represent one-tenth of the total outstanding Nominal Amount on the relevant Business Day.

**11.2** Loans may only be declared due and payable in accordance with section 11.1 if:

- a) the Issuer fails to make timely payment of principal or interest regarding the relevant

Loan under this MTN programme, unless the delay (i) is a result of a technical or administrative error; and (ii) does not continue for more than five (5) Business Days;

- b) the Issuer, other than stated in paragraph (a) above or in the section Green Bond in the Final Terms, fails to fulfil its obligations under the Loan Terms regarding the relevant Loan under this MTN Programme and, where correction is possible, the Issuer receives a written request for correction of the Calculation Agent, Issuing Dealer or Noteholders and where such correction has not occurred within twenty (20) Business Days;
- c) (i) any Group Company, regarding another loan, fail to make timely payment or within the applicable grace period and such loan, as a consequence thereof, has been terminated for early redemption, or if there is no termination clause or the missed payment would constitute the final payment, if the payment delay lasts 15 Business Days, provided that the sum of outstanding debt under the relevant loans amounts to at least SEK fifty million (50,000,000) (or the equivalent value in another currency) and provided that it does not apply to indebtedness owed to a Group Company
- d) any Group Company fails, within 15 Business Days from the day such company receives a legitimate claim, to make performance under any guarantee or surety which such company has provided for the financial obligations of a third party, provided that the total legitimate claims not satisfied within such time amount to not less than SEK fifty million (50,000,000) (or an equivalent value in another currency);
- e) assets owned by a Group Company with a value in excess of SEK thirty million (30,000,000) (or an equivalent value in another currency) are seized or becomes subject of similar foreign proceedings and such seizure or other foreign proceedings are not accelerated within 60 Business Days from the date of the seizure decision or the decision regarding similar foreign proceedings;
- f) any Group Company applies for, or admits an application for, company reorganization according to the Swedish Companies Reorganization Act (*Sw. lag (2022:964) om företagsrekonstruktion*) or similar proceedings;
- g) an event of bankruptcy of the Issuer occurs;
- h) an event of voluntary liquidation of the Issuer, or involuntary liquidation of any Group Company, occurs; or
- i) a circumstance occurs which entails that the Issuer is replaced as the debtor under a relevant Loan by another party and such decision has not been approved by the Noteholders in accordance with section 12.9,

The term "loan" as used in paragraph c) above also includes overdraft accounts (*SW: kredit i räkning*) and sums which are not received as a loan, but which must be paid on the basis of a debt security obviously intended for public trading.

- 11.3** The Calculation Agent may not declare the relevant Loan, together with any interest, due for payment in accordance with this section 11 with reference to a termination provision if

a Noteholders' Meeting has resolved that the relevant circumstances shall not give rise (temporary or preliminary) to a termination pursuant to this section 11.

**11.4** The Issuer shall be obligated to immediately notify the Issuing Dealer and the Noteholders in accordance with section 15 (*Notices*) in the event any termination provision in section 11.2 becomes applicable. In the absence of such notice, neither the Calculation Agent nor the Issuing Dealer, irrespective of actual knowledge, shall be deemed to be aware of a termination provision. Neither the Calculation Agent nor the Issuing Dealer are obligated itself to monitor whether the provisions of acceleration exist according to section 11.2.

**11.5** Upon redemption of Loans following termination in accordance with section 11.1:

- a) interest-bearing Loans shall be redeemed at an amount per MTN which together with accrued interest, would have been redeemed on the final Maturity Date; and
- b) non-interest-bearing Loans shall be redeemed at an amount per MTN determined by the following formula as per the date of termination of the Loan:

$$\frac{\text{Nominal Amount}}{(1 + r)^t}$$

r = the ask rate quoted by the Calculation Agent for Swedish government bonds with an outstanding term to maturity corresponding to the remaining terms of the relevant Loan. In the absent of such ask rate, the bid rate shall be used instead, as reduced by a market bid/ask spread, expressed in percentage points. The calculation shall be based on the closing quotation.

t = the remaining term for the relevant Loan, expressed in the Day Count Fraction Actual/360 for MTN denominated in SEK or EUR.

## **12. NOTEHOLDERS' MEETING**

**12.1** The Calculation Agent may and shall, at the request of another Issuing Dealer, the Issuer or Noteholders who, at the time of the request, represent at least one-tenth of the Adjusted Loan Amount under a specific Loan (such request can only be made by Noteholders registered in the debt register maintained by Euroclear Sweden for MTN on the Business Day immediately following the day the request was received by the Calculation Agent and must, if made by several Noteholders, be made jointly), convene a Noteholders' Meeting for the Noteholders under the relevant Loan.

**12.2** The Calculation Agent shall convene a Noteholders' Meeting by sending notice of this to each Noteholder, the Issuer, and Issuing Dealer within five (5) Business Days from the date when a request was received from the Issuer, Noteholders, or the Issuing Dealer in accordance with section 12.1 (or such later date as necessary for technical or administrative reasons).

**12.3** The Calculation Agent may refrain from convening a Noteholders' Meeting if (i) the proposed decision must be approved by any party in addition to the Noteholders and this

party has notified the Calculation Agent that such approval will not be given, or (ii) the proposed decision is not compatible with governing law.

- 12.4** The notice of the meeting described in section 12.2 shall include (i) time for the meeting, (ii) place for the meeting, (iii) the agenda of the meeting (including each request of decision by the Noteholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be decided on at the Noteholders' Meeting. If it is required that Noteholders notify their intention to attend the Noteholders' Meeting, such requirement shall be stated in the notice.
- 12.5** The Noteholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from when the notice is deemed to have been received by the recipient according to point 15.3. A Noteholders' Meeting for multiple Loans under the MTN Programme may be held at the same time.
- 12.6** Without deviating from provisions of these Terms and Conditions, the Calculation Agent may prescribe such further provisions regarding the notice and conduct of the Noteholders' Meeting as it considers appropriate. Such provisions may include, among other things, the possibility of Noteholders voting without attending the meeting in person or that electronic voting or a written voting procedure shall be used.
- 12.7** Only a person who is or has been provided with a power of attorney in accordance with section 4 (*Right to act on behalf of a Noteholder*) by someone who is a Noteholder on the Record Date for the Noteholders' Meeting, may exercise voting rights at such Noteholders' Meeting, provided that the relevant MTN is covered by the Adjusted Loan Amount. The Calculation Agent may attend the Noteholders' Meeting and shall ensure that an extract from the debt register maintained by Euroclear Sweden on the Record Date for the Noteholders' Meeting, is available at the Noteholders' Meeting.
- 12.8** The Noteholder and the Calculation Agent, and their respective representatives or advisors, are entitled to participate at the Noteholders' Meeting. The Noteholders' Meeting may decide that another person may attend. Representatives shall submit a duly issued power of attorney to be approved by the chairperson of the Noteholders' Meeting. The Noteholders' Meeting shall commence with the appointment of a chairperson, a secretary to take the minutes, and persons to attest the minutes. The chairperson shall prepare a list of Noteholders that are present and entitled to vote at the meeting, with information on the proportion of the Adjusted Loan Amount that is held by each respective Noteholder (the "**Voting Register**"). The Voting Register shall thereafter be approved by the Noteholders' Meeting. When applying these provisions, Noteholders who have provided their vote through electronic voting, ballot paper or the equivalent shall be deemed to present at the Noteholders' Meeting. Only those who were Noteholders or representatives for such Noteholders on the Record Date of the Noteholders' Meeting, and who are covered by the Adjusted Loan Amount, are entitled to vote and shall be included in the Voting Register. The Issuer shall be granted access to relevant voting calculations and the basis for these. The minutes shall be completed as soon as possible and made available to Noteholders, the Issuer, and the Calculation Agent.
- 12.9** Decisions on the following matters requires the consent of Noteholders representing at



least ninety (90) per cent. of the Adjusted Loan Amount of which Noteholders are voting under the relevant Loan at the Noteholders' Meeting:

- (a) amendment of the Maturity Date, reduction of Nominal Amount, amendment of the terms relating to interest or amount to be repaid (other than in accordance with the Loan Terms, including what follows from the application of section 7 (*Replacement of Base Rate*)) or amendment in the specified Currency of the Loan;
- (b) amendment to the terms for the Noteholders' Meeting according to this section 12;
- (c) a substitution of debtor; and
- (d) a mandatory exchange of MTN for other securities.

**12.10** Matters that are not covered by section 12.9 require the approval of Noteholders representing more than fifty (50) per cent. of the part of the Adjusted Loan Amount for which Noteholders are voting under the relevant Loan at the Noteholders' Meeting. This includes, but is not limited to, amendments and waivers of rights related to the Loan Terms that do not require a higher majority (other than amendments according to section 13 (*Change of terms etc.*)) and early redemption of Loans.

**12.11** A Noteholders' Meeting is quorate if Noteholders representing at least fifty (50) per cent. of the Adjusted Loan Amount under the relevant Loan in respect of a matter in section 12.9, and otherwise twenty (20) per cent. of the Adjusted Loan Amount under the relevant Loan, are attending at the meeting in person or via telephone (or by a representative with a power of attorney).

**12.12** If a Noteholders' Meeting has not met the necessary quorum requirements, the Calculation Agent shall convene a new Noteholders' Meeting (in accordance with section 12.2) provided that the relevant proposal has not been withdrawn by the party or parties that initiated the Noteholders' Meeting. The quorum requirement in section 12.11 shall not apply at such new Noteholders' Meeting. If the Noteholders' Meeting has met the quorum requirements for some but not all matters which are to be decided on the Noteholders' Meeting, decisions shall be made on the matters for which a quorum exists, and other matters shall be referred to a new Noteholders' Meeting.

**12.13** A decision at a Noteholders' Meeting that extends obligations or limits rights of the Issuer, an Issuing Dealer or the Calculation Agent under the Loan Terms shall also require approval of the concerned party.

**12.14** A Noteholder that holds more than one MTN does not have to vote for all the MTN it holds and does not have to vote in the same manner for all the MTN it holds.

**12.15** The Issuer may not, directly or indirectly, pay or contribute to the payment of any compensation to any Noteholder to obtain their consent under the Loan Terms unless such compensation is offered to all Noteholders who give consent at the relevant Noteholders' Meeting.

**12.16** A decision made at a Noteholders' Meeting is binding on all Noteholders under the relevant

Loan, irrespective of whether they attended the Noteholders' Meeting. Noteholders shall not be liable for any losses that the decision causes to other Noteholders.

- 12.17** The Calculation Agent's reasonable costs and expenses occasioned by a Noteholders' Meeting, including reasonable payment to the Calculation Agent, shall be paid by the Issuer.
- 12.18** At the request of the Calculation Agent, the Issuer shall without delay provide the Calculation Agent a certificate stating the total Nominal Amount for MTN held by Group Companies on the relevant Record Date prior to a Noteholders' Meeting, irrespective of whether such Group Company is directly registered as the owner of MTN. The Calculation Agent shall not be responsible for the content of such certificate or otherwise be responsible for determining whether a MTN is owned by a Group Company.
- 12.19** Noteholders under the relevant Loan shall be notified, without delay, of any and all decisions made at a Noteholders' Meeting through a press release published on the Issuer's website and in accordance with section 15 (*Notices*). At the request of a Noteholder, the Calculation Agent shall provide the Noteholders the minutes of the relevant Noteholders' Meeting. However, failure to notify the Noteholders as stated above in this section does not affect the validity of the decision.

### **13. CHANGE OF TERMS ETC.**

- 13.1** The Issuer and the Dealers may agree on adjustments to correct any clear and obvious errors in these Terms and Conditions and changes and amendments required by law, court order or other official decision.
- 13.2** The Issuer and the Calculation Agent may agree on adjustments to correct any clear and obvious errors in the Final Terms of certain Loans and changes and amendments required by law, court order or other official decision.
- 13.3** The Issuer and the Dealers may agree to increase or decrease the Programme Amount.
- 13.4** The Issuer and the Arranger or the Independent Adviser may, without the approval of the Noteholders, agree on and execute amendments to the Loan Terms in accordance with what is described in section 7 (*Replacement of Base Rate*) and such amendments will be binding on those covered by the Loan Terms.
- 13.5** Engagement of a new Dealer to the MTN Programme may be made through an agreement between the Issuer, the dealer in question and the other Dealers. A Dealer may withdraw as such, provided that the Calculation Agent for a specific Loan may not withdraw unless a new Calculation Agent is appointed in its place for such Loan.
- 13.6** Amendments or waivers of the Loan Terms in cases other than those specified in clauses 13.1 to 13.5 shall be made by decision at a Noteholders' Meeting as described in section 12 (*Noteholders' Meeting*).
- 13.7** A decision on an amendment to the terms shall also include a decision on when the amendment will take effect. The Issuer shall ensure that the updated Terms and

Conditions are sent to Euroclear Sweden and promptly published on the Issuer's website.

- 13.8** Amendments or waivers of the Loan Terms in accordance with this section 13 shall be promptly communicated by the Issuer to the Noteholders in accordance with section 15 (*Notices*) and published on the Issuer's website

## **14. PRESCRIPTION**

- 14.1** Claims for the repayment of principal shall be prescribed ten (10) years after the Maturity Date. Claims for the payment of interest shall be prescribed three (3) years after the relevant Interest Payment Date. Upon prescription, the Issuer shall be entitled to keep the funds that has been reserved for such payments.
- 14.2** If a period of limitation is tolled, a new limitation period of ten (10) years will commence for claims in respect of principal and three (3) years for claims in respect of interest amounts, in both cases calculated from the day of the tolling of the limitation period, as such date is determined pursuant to the provisions of the Swedish Limitations Act (Sw: *preskriptionslagen (1981:130)*).

## **15. NOTICES**

- 15.1** Notices shall be given to the Noteholders of the relevant Loan at the address registered with Euroclear Sweden on the Record Date prior to dispatch. A notice to the Noteholders shall also be published through a press release and published on the Issuer's website.
- 15.2** Notices to the Issuer or Dealers shall be provided at the address registered with the Swedish Companies Registration Office (Sw: *Bolagsverket*) on the Business Day prior to dispatch.
- 15.3** A notice to the Issuer or Noteholders in accordance with the Loan Terms that is sent by normal mail to the stated address shall be deemed to have been received by the recipient on the third Business Day after dispatch and notice sent by courier shall be deemed to have been received by the recipient when delivered to the specified address.
- 15.4** In the event a notice is not sent correctly to a certain Noteholder the effectiveness of notice to other Noteholders shall be unaffected.

## **16. LIMITATION OF LIABILITY, ETC.**

- 16.1** With regard to the obligations imposed on the Dealers and the Calculation Agent, liability cannot be claimed for damages caused by Swedish or foreign legal provisions, Swedish or foreign government actions, acts of war, strikes, blockades, boycotts, lockouts, pandemics, or other similar circumstances. The reservation concerning strikes, blockades, boycotts, and lockouts applies even if the relevant Dealer or Calculation Agent is itself subject to or engages in such conflict measures.
- 16.2** Losses arising in other cases shall not be compensated by a Dealer or Calculation Agent if the relevant Dealer or Calculation Agent has exercised due care. In no circumstance shall compensation be paid for indirect losses.

**16.3** Should a Dealer or a Calculation Agent not be able to fulfil its obligations due to any circumstance set out in section 16.1, such actions may be postponed until the obstacle has been ceased.

**16.4** The above provisions apply insofar as not otherwise stipulated by the Act on Central Securities Depositories and the Accounting of Financial Instruments (Sw: *lag (1998:1479) om värdepapperscentraler och om kontoföring av finansiella instrument*).

## **17. GOVERNING LAW AND JURISDICTION**

**17.1** This Loan Terms and any other non-contractual obligations arising out of or in connection with the Loan Terms shall be governed by Swedish law.

**17.2** Disputes shall be settled by Swedish courts. Stockholm District Court (Sw: *Stockholms tingsrätt*) shall be the court of first instance.

We hereby confirm that the above Terms and Conditions are binding upon us.

Stockholm 14 May 2025

SVEAFASTIGHETER AB (PUBL)

## 6 Form of Final Terms

### SVEAFSTIGHETER AB (PUBL)

#### Final Terms Loan No [•]

#### under the MTN Programme of Sveafastigheter AB (publ) (the "Issuer")

The Loan shall be subject to Terms and Conditions dated [ ] 2025 and the Final Terms set out below. Definitions not defined in these Final Terms shall have the meaning described in the Terms and Conditions or otherwise in the Issuer's Base Prospectus, approved and registered with the Swedish Financial Supervisory Authority on [•], including any, from time to time, published supplemental prospectuses (the "**Base Prospectus**") prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**").

This document constitutes the Final Terms for the Loans and has been prepared in accordance with the Prospectus Regulation. Complete information about the Issuer and the Loan can only be obtained by reading the Final Terms together with the Base Prospectus.

The Base Prospectus and any supplemental prospectuses are available on the Issuer's website ([www.sveafastigheter.se](http://www.sveafastigheter.se)) and may also be requested free of charge from the Issuer's headquarter.

[[These Final Terms replace the Final Terms dated [*insert date*], whereupon the Aggregate Nominal Amount has been increased from [SEK]/[EUR] [*amount in numbers*] to [SEK]/[EUR] [*amount in numbers*].]

#### GENERAL

1. **Series Number:** [•]
  - (i) Tranche Number: [•]
2. **Aggregate Nominal Amount:**
  - (i) Series: [•]
  - (ii) Tranche 1: [•]
  - [(iii) Tranche 2: [•]]
3. **Issue Price per MTN:**
  - (i) Tranche 1: [•] per cent. Of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
4. **Currency:** [Swedish kronor ("SEK")]/[Euro ("EUR")]
5. **Nominal Amount:** [SEK]/[EUR] [•] (*the amount may not be less than EUR 100,000 or corresponding amount in SEK*)
6. **Issue Date:** [•]

7. **Interest Commencement Date:** [•]
8. **Settlement Date:**
- (i) Tranche 1: [•]
9. **Maturity Date:** [•]
10. **Interest Structure:** [Fixed Rate]  
[STIBOR/EURIBOR FRN (Floating Rate Notes)]  
[Zero Coupon]
11. **The amount on which interest shall be calculated:** [Nominal Amount]/ [•] (*the amount may not be less than EUR 100,000 or corresponding amount in SEK*)

#### PROVISIONS RELATING TO INTEREST PAYABLE

12. **Fixed Rate Provisions:** [Applicable]/[Not Applicable]  
(*If not applicable, delete the remaining paragraphs of this section*)
- (i) Interest Rate: [•] per cent per annum
- (ii) Interest Period: The time from [•] to [•] (the first Interest Period) and thereafter each time period of approximately [•] months ending on an Interest Payment Date.
- (iii) Interest Date(s): Payment [•] in each year, first time [•] and last time [•], however if such a day is not a Business Day, interest will not be paid until the following Business Day.  
(*N.B. This will need to be amended in the case of long or short coupons*)
- (iv) Day Count Fraction: [(30/360)]
- (v) Risk Factors: In accordance with the risk factor titled ["Interest Rate Risk – Fixed Rate"] in the Base Prospectus
13. **Floating Rate Provision (FRN):** [Applicable]/[Not Applicable]  
(*If not applicable, delete the remaining paragraphs of this section*)
- (i) Base Rate: [•] month(s) [STIBOR]/[EURIBOR]  
[The Base Rate for the first interest period shall be calculated using linear interpolation between [•] month(s) [STIBOR]/[EURIBOR] and [•] month(s) [STIBOR/EURIBOR]]
- (ii) Margin: [+/-] [•] per cent per annum, of the nominal amount

(iii)	Interest Determination Date:	[The second/[•]] Business Day prior to the first day of each Interest Period, beginning on [•]
(iv)	Interest Period:	The time from [•] to and including [•] (the first Interest Period), and thereafter each period of approximately [•] months ending on an Interest Payment Date.
(v)	Interest Payment Date(s)	[•], [•], [•] and [•] in each year, first time [•] up to including the Maturity Date, however if such day is not a Business Day, the Interest Payment Date shall be deemed to be the next Business Day, provided that such Business Day does not occur in a new calendar month, in which case the Interest Payment Date shall be deemed to be the previous Business Day. The Interest will be calculated and payable up to and including each relevant Interest Payment Date.
(vi)	Day Count Fraction:	[(Actual/360)]
(vii)	Risk Factors:	In accordance with the risk factor titled ["Interest rate Risk – Floating Rate"] in the Base Prospectus
14.	<b>Zero Coupon:</b>	[Applicable]/[Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this section)</i>
(i)	Terms for Loans without Interest:	[Not Applicable]/[Specify details]
(ii)	Risk Factors:	In accordance with the risk factor titled ["Interest rate Risk – Zero Coupon"] in the Base Prospectus

## REPAYMENT

15.	<b>Redemption/Payment Basis:</b>	[•] % of the Nominal Amount
16.	<b>Call Option:</b>	[Issuer Call]/[Not Applicable] <i>(If not applicable, delete the remaining paragraphs of this section)</i>
(i)	Provisions in relation to voluntary redemption	[The Issuer may redeem the MTN prior to the Maturity Date in accordance with section 9.7 of the Terms and Conditions on [•] [and each Interest Payment Date thereafter] at [•] per cent of the nominal amount]

## OTHER INFORMATION

17.	<b>Green Bonds:</b>	[Applicable]/[Not Applicable]
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	(i) Risk Factors:	In accordance with the risk factor titled ["Risks associated with Green Bonds"] in the Base Prospectus  (See further section 24 below for use of proceeds)
18.	<b>Issuing Dealer</b>	[•]
16.	<b>Calculation Agent:</b>	[•]
17.	<b>Admission to trading:</b>	An application in relation to admission to trading will be submitted to [Nasdaq Stockholm]/[specify other regulated market]/[Not Applicable]  (If not applicable, delete the remaining paragraphs of this section)
	(i) Estimate of total expenses related to admission to trading:	SEK [•]
	(ii) Total numbers of securities admitted to trading:	[•]
	(iii) The earliest date on which the securities will be admitted to trading:	[•]
18.	<b>ISIN:</b>	[•]
19.	<b>Issue rating:</b>	[Not Applicable]/[Specify]
20.	<b>Date of approval for the issue:</b>	[According to the Base Prospectus]/[Specify]
21.	<b>Third party information:</b>	Information from third parties in these Final Terms has been accurately reproduced and, as far as the Issuer is aware and can ascertain from information published by this third party, no facts have been omitted in a way that would make the reproduced information inaccurate or misleading]/[Not Applicable]

- |     |  |  |
|-----|--|--|
| 22. | <b>Interests of natural and legal persons involved in the issue:</b> | <p>[Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the offer has an interest material to the offer]/[Not Applicable]/[Specify]</p> <p><i>(If applicable, describe the interests of any natural or legal persons involved in the issue, that might be of significance to the Issue, including possible conflicts of interest)</i></p> |
| 23. | <b>Estimated net proceeds:</b>                                       | [SEK]/[EUR] [•] less customary transaction costs and fees  |
| 24. | <b>Use of the proceeds:</b>  | [General business purposes]/[In accordance with the Green Bond Framework]/[Specify]  |

The Issuer hereby confirms that it has disclosed all material events that has occurred after the date of the Base Prospectus, that could affect the market's assessment of the Issuer.

The Issuer further confirms that the above Final Terms are applicable to Loan, together with the Terms and Conditions and undertakes to repay the Loan and to, where applicable, pay interest in accordance herewith.

[Stockholm] [Date]

SVEAFASTIGHETER AB (PUBL)

## **7 Information about the Issuer**

### **7.1 Description of the Issuer**

Sveafastigheter AB (publ), with registration number 559449-4329, is a public limited liability company (Sw. *publikt aktiebolag*) incorporated in Sweden on 29 August 2023 under the laws of Sweden. The Issuer's business is conducted in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). The Issuer was registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 21 September 2023. The Issuer is situated in Stockholm, Sweden. The Issuer's postal address is Box 4034, SE-203 11 Malmö, Sweden, and the telephone number of its office is +46 (0)200-22 72 00. The Legal Entity Identifier (LEI) Code of the Issuer is 636700W1VM86O2G2AA36.

The Issuer's website is [www.sveafastigheter.se](http://www.sveafastigheter.se). The information on the Issuer's website does not form part of this Base Prospectus unless such information is incorporated by reference into this Base Prospectus.

Pursuant to the Issuer's articles of association, the purpose of the company is to directly or indirectly, own, manage and develop real property and/or shares, along with activities related to such operations. Further, the Issuer's share capital may not be less than SEK 500,000 and not more than SEK 2,000,000, and the number of shares may not be less than 150,000,000 and not more than 600,000,000.

### **7.2 Main business**

#### **7.2.1 Overview**

Sveafastigheter operates in the rent-regulated Swedish residential market with a focus on long-term management and development of residential properties in Sweden. The Issuer aims to operate in areas with long-term growth opportunities with a focus on cost-effectiveness, creating the basis for affordability and sustainability with a long-term ownership focus. The Issuer has its properties and property management operations in growth regions across Sweden, with a focus on university cities and the Stockholm-Mälardalen, Malmö-Öresund and Greater Gothenburg regions.

In addition, Sveafastigheter is also engaged in the development of new residential properties with a primary focus on the Stockholm-Mälardalen region where long-term fundamentals, including population and income growth, are supportive for new constructions. The Issuer is active within areas of property development, including land allocation and acquisition, project development and construction project management, and the Issuer has an active ongoing construction portfolio and project development portfolio.

As of 31 March 2025, the Issuer had a property value, including standing assets and new constructions (book value), that corresponded to SEK 28.2 billion. As of the same date, the portfolio consisted of standing assets that corresponded to SEK 24.9 billion, properties classified as ongoing construction that corresponded to SEK 1.1 billion, and project development and building rights that corresponded to SEK 2.2 billion.

Sveafastigheter's mission is to manage and develop homes for more people, where current and future generations can thrive and feel safe. The Issuer's business concept is to own, actively manage and build attractive rental housing in growth regions in Sweden with a focus on tenant satisfaction, the Issuer's profitability and local community involvement and strong sustainability work. Sveafastigheter's vision is to

be Sweden's best residential real estate company, meaning (i) Sweden's most satisfied tenants, (ii) the industry's best and most satisfied employees, (iii) Sweden's most sustainable properties, (iv) stakeholders' first choice and (v) the industry's most attractive company to invest in.

### 7.2.2 History

Below is a summary of the important events in Sveafastigheter's history and development.

<b>2014</b>	<ul style="list-style-type: none"> <li>- Sveafastigheter Bostad is founded.</li> <li>- Sveafastigheter receives its first land allocation "Focken" in Västerås.</li> </ul>
<b>2016</b>	<ul style="list-style-type: none"> <li>- Samhällsbyggnadsbolaget i Norden AB is founded.</li> </ul>
<b>2017</b>	<ul style="list-style-type: none"> <li>- Sveafastigheter completes the development of "Focken" in Västerås.</li> </ul>
<b>2020</b>	<ul style="list-style-type: none"> <li>- SBB acquires the housing developer Sveafastigheter.</li> </ul>
<b>2021</b>	<ul style="list-style-type: none"> <li>- SBB and Kåpan Pensioner form a joint venture and invests in Hemvist.</li> <li>- SBB acquired 70 percent of the shares in the residential real estate company Unobo from Riksbyggen.</li> </ul>
<b>2023</b>	<ul style="list-style-type: none"> <li>- SBB decides after a strategic review to present a decentralised group structure, whereby the business is divided into three business units: <i>Education</i>, <i>Community</i>, and <i>Residential</i>. It is also announced that an initial public offering is planned for the property portfolio relating to the <i>Residential</i> business units.</li> </ul>
<b>2024</b>	<ul style="list-style-type: none"> <li>- Sveafastigheter was formed by separating residential assets and the related part of the organisation from SBB as well as SBB's joint ventures Unobo and Hemvist.</li> <li>- The Issuer's shares are listed on Nasdaq First North Premier Growth Market.</li> </ul>

### 7.2.3 Business Areas

Sveafastigheter's business can be divided into the following areas.

#### Property management

Sveafastigheter focuses on long-term in-house property management with a local presence where customer relations are an important part of the Issuer's strategy. The technical management and general maintenance (which does not include larger refurbishments) of Sveafastigheter's properties is carried out by the Issuer's own staff in the respective regions. Sveafastigheter concentrates its property portfolio to locations with existing local and in-house property management, which ensures economies of scale and efficient operations.

Sveafastigheter operates on the principle that a fair rent level should be achieved, where rents are accurate and fair in the property portfolio compared to comparable properties in the market. However, there are apartments that have different rents despite having the same standard and location. In such a scenario, Sveafastigheter can conduct a value-of-use test. The Issuer continuously evaluates potential rent increases through value-of-use tests to align the rent levels of rental properties in its portfolio with the broader market.

Sveafastigheter's works systematically to upgrade apartments within its existing property portfolio, with the goal to improve net operating income due to increased rental levels as a consequence of a higher value-of-use evaluation, as well as tenant satisfaction, which in the long term may lead to increased property values and cash flows. The property management organisation continuously evaluates the portfolio in

order to have good foresight on where possible upgrades should take place, including a data-driven approach and framework agreements in place with local entrepreneurs that are trained and familiar with the Sveafastigheter concept. Sveafastigheter operates with a long-term ownership perspective, placing significant focus on its tenants to ensure that upgrades meet the demand of potential new tenants.

#### New constructions

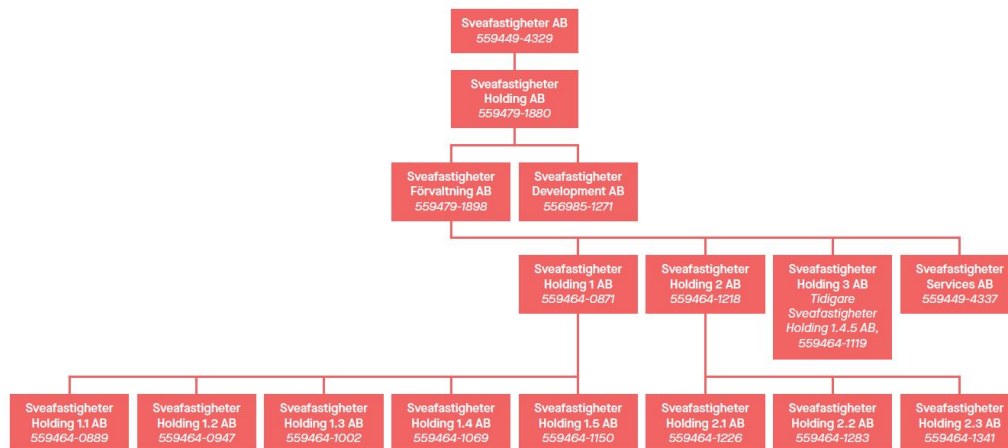
Sveafastigheter's new constructions consist of ongoing construction, project development and the creation of building rights. The portfolio of new construction is located in areas with strong fundamentals and primarily focused on the Stockholm-Mälardalen region as well as selected university cities, and approximately 100 percent of the property value of the portfolio at completion located in these areas. In total, the new construction portfolio is expected to add an additional property value of SEK 18.2 billion and approximately 6,266 new apartments when completed.

Sveafastigheter is committed to developing modern, high-quality housing, with a particular focus on municipalities experiencing population growth, high employment rates, and stable rental markets. The new construction efforts are characterised by a focus on environmental, social, and economic sustainability. The Group uses environmentally friendly materials of high-quality and integrates modern energy solutions such as solar panels and other environmentally friendly solutions for long-term management.

The Issuer uses a structured process and has an established platform for new construction projects. Sveafastigheter works actively to establish efficient processes for handling building permit applications and other permit processes. Efficient administrative processes help to shorten lead times for projects as a whole. While the main focus is on building rental apartments, Sveafastigheter also has the capacity to develop condominiums, which diversifies the portfolio and meets various market needs.

### **7.3 Organisation and ownership structure**

The Issuer is the parent of the Group, which, in addition to the Issuer, comprises of several subsidiaries, all of which are established in Sweden, and wholly owned, directly or indirectly, by Sveafastigheter. As the Issuer's operations are partially conducted through its subsidiaries, the Issuer is dependent on its subsidiaries to generate profit and cashflow as well as to meet its obligations under the MTN Programme. The following chart illustrates the key companies within the Group as of the date of the Base Prospectus.



As of 31 March 2025, taking into account changes known to the Issuer thereafter, the Issuer's major shareholders, whose holdings exceed five per cent of the number of shares and votes in the Issuer, are SBB (through SBB i Norden AB), which through a shareholding of 123,405,838 shares controls approximately 61.7 per cent of the votes and number of shares in the Issuer. As far as the Issuer is aware, the Issuer is not directly or indirectly controlled by any individual shareholder or group of shareholders other than SBB.

To ensure that such control is not abused, in its decision making and administration, the Issuer follow the provisions of applicable law and relevant regulations, *inter alia*, the Swedish Companies Act and Swedish code for corporate governance, see further section "Corporate Governance". As far as the Issuer is aware, there are currently no agreements or equivalent that may later lead to changes in the control of the Issuer.

## 7.4 Credit Rating

Fitch Ratings Limited has announced an expected first-time long-term issuer default rating of 'BBB-(EXP)' with a Positive Outlook for Sveafastigheter. The final rating is contingent upon the receipt of final MTN documentation conforming to information already reviewed by Fitch Ratings Limited and a Loan being issued under the MTN programme. The credit rating of the MTNs will be specified in the Final Terms (if any).

## 7.5 Corporate Governance

Sveafastigheter is a Swedish public limited liability company which applies the Swedish code for corporate governance (the "**Code**"). The Code applies to all Swedish companies with shares listed on a regulated market in Sweden and to Swedish companies whose shares are listed on Nasdaq First North Premier Growth Market. Companies that apply the Code do not have to comply with all rules in the Code as the Code itself allows for deviation from the rules, provided that such potential deviations and the chosen alternative solution are reported and the reasons for this explained in the corporate governance report (according to the so-called "comply or explain principle").

According to the Swedish Companies Act, the General Meeting is the Issuer's ultimate decision-making body. At the General Meeting, the shareholders exercise their voting rights in key issues, such as the adoption of income statements and balance sheets, appropriation of the Issuer's results, discharge from liability of members of the Board of Directors and the CEO, election of members of the Board of Directors and auditors and remuneration to the Board of Directors and the auditors. The Board of Directors is

the second-highest decision-making body of the Issuer after the General Meeting. According to the Swedish Companies Act, the Board of Directors is responsible for the organisation of the Issuer and the management of the Issuer's affairs, which means that the Board of Directors is responsible for, among other things, setting targets and strategies, securing routines and systems for evaluation of set targets, continuously assessing the financial condition and profits as well as evaluating the operating management.

According to the Issuer's Articles of Association, the members of the Board of Directors elected by the General Meeting shall be not less than three and not more than ten members with no deputy members. Currently, the Issuer's Board of Directors consists of six ordinary members elected by the General Meeting, who are presented in section "*Board of Directors*".

The CEO is subordinated to the Board of Directors and is responsible for the everyday management and operations of the Issuer. The division of work between the Board of Directors and the CEO is set out in the rules of procedure for the Board of Directors and the CEO's instructions. The CEO and Executive Management are presented in section "*Executive Management*".

#### 7.5.1 *Audit Committee*

Sveafastigheter has an audit committee consisting of two members: Christer Nerlich and Jenny Wärmé. The Audit Committee shall, without it affecting the responsibilities and tasks of the Board of Directors, *inter alia*, monitor the Issuer's financial reporting, monitor the efficiency of the Issuer's internal controls, internal auditing and risk management, keep informed of the auditing of the annual report and the combined accounts, review and monitor the impartiality and independence of the auditors and pay close attention to whether the auditors are providing other services besides audit services for the Issuer, and assist in the preparation of proposals for the General Meeting's resolution on election of auditors.

#### 7.5.2 *Remuneration Committee*

The Board of Directors of Sveafastigheter carries out the duties of the Remuneration Committee in their entirety. The Board of Directors' duties in this respect consist of making decisions about remuneration principles, remuneration and other terms of employment for the Executive Management team. In addition, the Board of Directors' is to monitor and evaluate the variable remuneration programmes for the Executive Management that are current or have been completed during the year as well as the Issuer's current remuneration structures and levels.

### 7.6 **Board of Directors**

Sveafastigheter's Board of Directors consists of six ordinary members, including the chairperson of the board, without deputy board members, all of whom are elected for the period up until the end of the Annual General Meeting in 2026. The table below shows the members of the Board of Directors, when they were first elected to the Board of Directors and whether they are considered to be independent of the Issuer and/or major shareholders.

Name	Position	Member since	Independent of	
			The Issuer and Executive Management	Major shareholders

Peter Wågström	Chairman of the Board	2024	Yes	Yes
Christer Nerlich	Board member	2024	Yes	Yes
Jenny Wärmé	Board member	2024	Yes	Yes
Per O Dahlstedt	Board member	2024	Yes	Yes
Sanja Batljan	Board member	2024	Yes	No
Peder Johnson	Board member	2024	Yes	Yes

## PETER WÅGSTRÖM

*Born in 1964. Chairman of the Board since 2024*

**Education:** Civil Engineering, Surveying, KTH Royal Institute of Technology. IMD Business School.

**Other current positions:** Partner of Hembygden Bostäder AB.

Chairman of the Board and CEO of the own company Arrecta AB.

Chairman of the Board of Arlandastad Group AB (publ), Brunkeberg Systems AB, Brunkeberg Systems Inc, Brunkeberg Systems IP AB and Brunkeberg Systems USA Inc.

Board member of MVB Holding AB.

Member of the Royal Institutions of Charters Surveyors (RICS) Advisory Board for Sweden and Novedo AB's Investment Committee.

**Previous positions (last five years):** Chairman of the Board of Assentio AB, Bonava Industry AB, Clear Real Estate Holding 1 AB, Fastighetsaktiebolaget Arrendet 1, Fastighetsaktiebolaget Älvsjö Quarters, Fastighetsbolaget Järnhyttan AB, Jordägaren i Sigtuna Holding AB, Järnhyttan Holding AB, New Real Estate Sweden Holding AB, New Real Estate Sweden Bygg AB, New Real Estate Sweden Utveckling AB, NRES Holding Telefon AB, Penta Construction Group AB, Tallkronans Parkering AB, Volabo Fastigheter AB, Volabo Holding AB and Wirba AB.

Board member of Arlandastad Group AB (publ), Tredje AP-fonden, Eastnine AB (publ), Neobo Fastigheter AB (publ), Niam AB, Niam Holding AB, Enviser Tech AB, Gelba Partner AB, Maria Ludvigsson Invest AB and SSM Holding AB.

CEO of New Real Estate Sweden Utveckling AB.

**Shareholding in the Issuer:** Peter Wågström holds 25,000 shares in the Issuer.



## CHRISTER NERLICH

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*Born in 1961. Board member since 2024*

**Education:** Bachelor of Science in Business Administration and Economics, Uppsala University.

**Other current assignments:** Board member of Akademiska Hus AB (publ) and Nerlich Consulting AB.

**Previous assignments (last five years):** Chairman of the Board and board member of several subsidiaries of Vasakronan group.

CFO of Vasakronan AB (publ).

**Shareholding in the Issuer:** Christer Nerlich holds 10,000 shares in the Issuer.

## JENNY WÄRMÉ

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*Born in 1978. Board member since 2024*

**Education:** Master of Laws (LLM), Stockholm University.

**Other current assignments:** Board member of Jywfym AB and Slättö Strawberry JV AB.

Deputy board member of BB5 SPV C8 AB, Pansjonas AB, Yard Holding AB, Yard Barkaby 1 Fastighets AB, Yard Barkaby 2 Fastighets AB, Yard Barkaby 3 Fastighets AB and several subsidiaries of F. Holmström Fastigheter AB.

Partner, Head of Legal & Compliance of Slättö Förvaltning AB.

**Previous assignments (last five years):** Board member of Amasten Fastighets AB (publ), Nyfosa AB, Stendörren Fastigheter AB, Tre Kronor Property Investment AB, LSTH Handelsfastigheter 4 AB, PropCap Advisory Sweden AB, SLÄTTÖ CORE NYAB 18 AB and SLÄTTÖ CORE NYAB 19 AB.

Deputy board member of SLÄTTÖ CORE NYAB 16 AB, SLÄTTÖ CORE NYAB 17 AB, Yard Barkarby Fastighets AB, Yard Eskilstuna Fastighets AB, Yard Eskilstuna Holding AB, Yard Eskilstuna Parkering AB, Yard Holding 2 AB, Yard Holding 3 AB, Yard Järfälla Holding AB, Yard Luleå Fastighets AB, Yard Luleå Holding AB, Yard Luleå Parkering AB, Yard Valfisken Fastighets AB, Yard Valfisken Holding AB, Yard Örebro Fastighets AB, Yard Örebro Holding AB, Yard Örebro Parkering Fastighets AB, Yard Östersund Holding AB and Yard Östersund Söder Fastighets AB.

Partner, Head of Legal & Corporate Affairs of Hembla AB (formerly D. Carnegie & Co AB).

**Shareholding in the Issuer:** Jenny Wärmé holds 4,000 shares in the Issuer.

## PER O DAHLSTEDT

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*Born in 1953. Board member since 2024*

**Education:** Master of Science in Business Administration, Stockholm University.

**Other current positions:** Board member of Fondex AB and TEAL Capital AB.

**Previous positions (last five years):** -

**Shareholding in the Issuer:** Per O Dahlstedt holds 7,000 shares in the Issuer.

## SANJA BATLJAN

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*Born in 1967. Board member since 2024*

**Education:** Master of Science in Business and Economics, the University of Mostar, Bosnia and Herzegovina. Executive Master of Finance, Svenska Managementgruppen.

**Other current assignments:** Chairman of the Board of Ilija Batljan Invest AB (publ).

Board member of Kameo Investment Platform AB and OrganoWood AB.

Deputy board member of Missing in action AB and OSI Beauty AB.

Auditor of Föreningen Folkets Hus u.p.a.

**Previous assignments (last five years):** Board member and Chairman of Audit Committee of Logistea AB.

CEO of AB Nynäshamnsbostäder, Knutpunktshuset AB and Tegeltraven Holding AB.

CFO of AB Nynäshamnsbostäder.

**Shareholding in the Issuer:** Sanja Batljan holds 40,000 shares in the Issuer.

## PEDER JOHNSON

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*Born in 1957. Board member since 2024*

**Education:** Studies in mathematics and law, Uppsala University.

**Other current assignments:** Founder of Stendörren Fastigheter AB (publ).

Partner, board member and CEO of Rossekraft Aktiebolag.

Partner and board member of Fastighets AB Märta, Märta Investment AB, Strandeken Fastigheter AB and Vamlingbo Prästgården AB.

Chairman of the Board of Harg-Oppeby Bostäder AB, Harg-Oppeby Bostäder nr 2 AB, Harg-Oppeby Fastigheter Holding AB, Museum Lars Jonsson AB and Storsudrets Fastighetsutveckling AB.

Board member of Kulturhantverkarakademin AB, Fastighets AB Märta, Märta Investment AB, Pejogim Holding AB, Pejogim Investment AB, Stiftelsen Södermanlands - Nerikes nation Studentbostäder, Vamlingbo Ladugårdar AB and Vamlingbo Ladugårdar Drift AB.

Board advisor to TEAL Capital AB.

Deputy board member of Johan Magnusson Fine Wine AB and Wineprofiler JM AB.

**Previous assignments (last five years):** Co-founder of D. Carnegie & Co.

Board member of Fastighetsaktiebolaget Fattighuset and Johan Magnusson Fine Wine AB.

**Shareholding in the Issuer:** Peder Johnson holds 9,998 shares in the Issuer.

## 7.7 Executive Management

Information about the members of the Issuer's Executive Management team is listed below.

## ERIK HÄVERMARK

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*Born in 1979. CEO since 2024*

**Education:** Bachelor of Science in Business and Economics, Uppsala University. Bachelor of Science in Construction Engineering, Uppsala University.

**Other current assignments:** Board member of Bacchus JV 2 AB, Nacka 5 AB, Nacka 6 AB, Nacka 8 AB, Nacka 9 AB, Nacka 11 AB, Nacka dotter 14 AB, Notarien Eskilstuna AB, Notarien Eskilstuna Holding AB, Odalen Humana Upphandling 1 AB, SBB Idrott för alla AB and ViBoGård AB.

Deputy board member of Haga Mölnlycke 3 AB, Haga Mölnlycke BR AB, Haga Mölnlycke Holding AB, Haga Mölnlycke ÄBO AB, Järven 4 Fastigheter AB, Magsam Holding 1 AB, Magsam Holding AB, Mölnlyckes Haga Utvecklings AB, Orminge Fastighetsutveckling 1 AB, Orminge Fastighetsutveckling AB, Unobo Hästhandlaren AB, ViBoGård projekt Strängnäs AB, ViBoGård projekt Vadstena AB, Väsjön Fastighetsutveckling 1 AB, Väsjön Fastighetsutveckling AB and Väsjön Fastighetsutveckling Parkering AB.

**Previous assignments (last five years):** Head of Project Development of SBB. Head of Project and Property Development of Rikshem. Business Development Manager at Veidekke. Manager at JM AB. Project Manager at NCC.

Chairman of the Board of Klangsågen Mark AB.

Board member of Bacchus JV 2 AB, Haga Mölnlycke 3 AB, Haga Mölnlycke BR AB, Haga Mölnlycke Holding AB, Haga Mölnlycke ÄBO AB, Hub Park Pottholmen AB, Mölnlyckes Haga Utvecklings AB, Nacka 5 AB, Nacka 6 AB, Nacka 9 AB, Nacka 11 AB, Nacka dotter 14 AB, Odalen Humana Upphandling 1 AB, SBB Idrott för alla AB, Stockholmsutsikt Holding AB, Stockholmsutsikt utveckling projekt AB, Svenska Stadsbyggen Development AB, ViBoGård AB and several subsidiaries within Unobo group.

Deputy board member of Haga Mölnlycke 3 AB, Haga Mölnlycke BR AB, Haga Mölnlycke Holding AB, Haga Mölnlycke ÄBO AB, Helsingborgshem Fyra AB, Helsingborgshem Förvaltning Fyra AB, Järven 4 Fastigheter AB, Mölnlyckes Haga Utvecklings AB, Orminge Fastighetsutveckling 1 AB, Orminge Fastighetsutveckling AB, ViBoGård projekt Strängnäs AB, ViBoGård projekt Vadstena AB, Väsjön Fastighetsutveckling 1 AB, Väsjön Fastighetsutveckling AB and Väsjön Fastighetsutveckling Parkering AB.

**Shareholding in the Issuer:** Erik Hävermark holds 40,000 shares in the Issuer.

## **OLA SVENSSON**

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*Born in 1972. Head of Property Management since 2024*

**Education:** Master of Business Administration, Akelius University.

**Other current assignments:** Board member in several subsidiaries within the Group.

**Previous assignments (last five years):** COO of Victoriahem AB (formerly Victoria Park AB).

Regional Manager at SBB South and Country Manager Denmark.

Board member of several subsidiaries within Victoriahem AB (formerly Victoria Park AB).

Member of the Malmö Rental Board.

**Shareholding in the Issuer:** Ola Svensson holds 21,473 shares in the Issuer.

## **LOVISA SÖRENSON**

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*Born in 1994. Head of Transactions since 2024*

**Education:** Civil Engineering, Real Estate and Construction Management, KTH Royal Institute of Technology.

**Other current assignments:** Board member in several subsidiaries within the Group.

**Previous assignments (last five years):** Deputy and Acting Head of Transactions at Samhällsbyggnadsbolaget i Norden AB. Analyst at Möller & Partners AB.

**Shareholding in the Issuer:** Lovisa Sörensson holds 11,600 shares in the Issuer.

## **7.8 Other information on the Board of Directors and Executive Management**

In accordance with the Company's announcement on 14 April 2025, Sveafastigheter has appointed Stina Carlson as its new CFO. She will assume her new position on 1 September 2025 and will be part of Sveafastigheter's management team.

There are no family ties between any members of the Board of Directors or Executive Management.

There are no conflicts of interest or potential conflicts of interest between the obligations of members of the Board of Directors and Executive Management of the Issuer and their private interests and/or other undertakings.

All members of the Board of Directors and the Executive Management are available at the Issuer's address, Olof Palmes gata 13A, SE-111 37 Stockholm, Sweden.

## **7.9 Auditor**

Ernst & Young AB has been the Issuer's auditor since 2023 and was, at the Annual General Meeting 2025, re-elected until the end of the Annual General Meeting 2026. Jonas Svensson (born 1968) is the auditor in charge. Jonas Svensson is an authorised public accountant and a member of FAR (professional institute for authorised public accountants). Ernst & Young AB's office address is Box 7850 SE-103 99 Stockholm. Ernst & Young AB has been auditor throughout the entire period which the historical financial information in this Base Prospectus covers and has audited Sveafastigheter's audited consolidated annual financial statements for the financial year ended 31 December 2024 and the Issuer's combined financial statements for the financial years ended 31 December 2023, respectively, and reviewed the Issuer's consolidated interim financial statements for the three-month period ended 31 March 2025.

## **7.10 Advisors**

Advokatfirman Vinge KB is the Issuer's legal advisor in connection with the establishment of the Base Prospectus. In its capacity as Dealer, Swedbank provides, amongst other things, financial advice. Vinge and the Dealers may provide additional advice and other financing services than in respect of the MTN Programme. As compensation for the advisor's work in connection with the establishment of the Base Prospectus the advisors will, subject to certain reservations, be reimbursed by the Issuer for the costs incurred by them.

## **7.11 Information on trends and material changes in the Issuer's financial situation**

There have been no recent events specific to the Issuer that could have a material impact on the solvency of the Issuer. Furthermore, there have been no material negative changes in the prospects of the Group since the publication of the Group's audited annual report for 2024, nor have there been any significant changes in the Group's financial performance or financial position since the end of the last financial period and up to the date of this Base Prospectus.

## **7.12 Material agreements**

No material agreements or contracts not entered into in the ordinary course of the Issuer's business and which may entail that a right is conferred, or an obligation is imposed a company within the Group that may have a material impact on the Issuer's ability to meet its obligations and commitments towards the Noteholders have been concluded.

## **7.13 Disputes, arbitration and other legal proceedings**

The Swedish Tax Agency has initiated a written proceeding regarding tax deductions of approximately SEK 89 million made by one of the Issuer's subsidiaries in respect of costs attributable to repair and maintenance in its 2022 income tax return. If the tax deduction is denied by the Swedish Tax Agency, it may result in additional corporate income tax payable of approximately SEK 18 million in respect of the financial year 2022. As a result, the costs are likely be deductible going forward, but rather than being deductible in full during one financial year, the costs will be added to the taxable base value of the building and deducted during the economic lifespan of the building. In addition to the tax cost added back, if the subsidiary's disclosure of the aforementioned

tax deduction is not considered sufficient by the Swedish Tax Agency, tax surcharges of approximately SEK 1.8 million<sup>11</sup> may be levied.

Furthermore, the Issuer has applied to register (i) the figurative trademark comprising the Issuer's logotype and the word "SVEAFASTIGHETER" and (ii) the wordmark "SVEAFASTIGHETER" with the EUIPO, however, an external party has formally opposed to this application. Although the Issuer assesses that it has sufficient existing protection for the Issuer's business due to, *inter alia*, the registration of its company name, Sveafastigheter AB (publ), such objection proceedings with the EUIPO could result in, Sveafastigheter being unable to register the aforementioned trademark and wordmark, either by way of entire or partial refusal, which may entail that the Issuer has no, or a more limited, registered protection in the EU (including Sweden) for the aforementioned trademark and wordmark (even though its existing protection would not be lost), and that the Issuer may have less favourable chances to defend its existing intellectual property rights for that reason going forward. The Issuer believes that the practical impact of a denial of its registration application would be that Sveafastigheter would not have exclusivity to the rights for which it has applied going forward. The Issuer assesses that such negative outcomes are unlikely, and any such decision by the EUIPO to refuse or partially refuse the registration(s) would be appealable. This assessment is based on the fact that, as a result of the objections, the Issuer has limited its application to certain property-related services only, which the Issuer believes excludes the risk of confusion and may result in the external party withdrawing the objections. The Issuer has previously been successful with such restrictions in similar trade mark applications in Norway, which could strengthen the Issuer's arguments both in a formal opposition procedure at the EUIPO and in the continued settlement negotiations between the Issuer and the external party. The Issuer does not consider that the restriction of the service listings will have negative consequences for the Issuer's business.

Furthermore, the Issuer's registered EU trademark consisting of a water lily and the word 'SVEAFASTIGHETER' is the subject of a formal application for cancellation based on alleged non-use over the past five years. However, the Issuer has filed proof of use of the EU trade mark with the EUIPO. However, the Issuer is not currently using the EU trademark in its business, which makes it to some extent difficult to prove. At the same time, the absence of use of the EU trade mark in the Issuer's business limits the risks associated with the cancellation application and the Issuer has indicated that there would be limited consequences for the Issuer's business if the EU trademark were ultimately cancelled.

The Group has a number of ongoing legal proceedings with a contractor regarding, among other things, cancellation of construction contracts relating to certain projects in Eskilstuna and better rights to shares in some of the Company's underlying subsidiaries and related issues. The Issuer's view is that the contractor unlawfully, by producing incorrect company documents, replaced the Group's representatives in six subsidiaries and instead registered itself as a representative in order to unlawfully attempt to gain control over the subsidiaries in question and the properties owned by the companies. The Issuer is also of the opinion that the Group was entitled to cancel construction contracts entered into with the contractor relating to certain projects in Eskilstuna. Although the Issuer believes that a negative outcome in any of the current proceedings is unlikely, there could be negative effects on the Issuer's financial

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<sup>11</sup> The Issuer assesses that the tax surcharges will likely be capped to ten percent as a consequence of the potential error being an accrual error.

position and/or profitability if the counterparty is wholly or partially successful in one or more of its claims.

Other than what is set out above, the Group has not been part to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware) that recently had or could have material effects on the Issuer's financial position or profitability during the last twelve months.

#### **7.14 Preliminary date for listing, market and costs related to listing**

The Issuer will file the application for registration of specific MTN with Nasdaq Stockholm or another regulated market pursuant to the Final Terms.

#### **7.15 Documents available for inspection**

Copies of the Issuer's articles of association and certificate of registration are available in paper form under office hours throughout the period of validity of the Base Prospectus at the Issuer's head office located at Olof Palmes gata 13A, SE-111 37 Stockholm, Sweden. Furthermore, copies of all documents incorporated into this Base Prospectus by reference are available in paper form under office hours throughout the period of validity of this Base Prospectus at the Issuer's head office located at Olof Palmes gata 13A, SE-111 37 Stockholm, Sweden as well as electronically at [www.sveafastigheter.se](http://www.sveafastigheter.se).

#### **7.16 Documents incorporated by reference**

The following documents are incorporated in the Base Prospectus by reference. The documents have previously been published.



Information	Source
Combined income statement (p. F-9), combined statement of comprehensive income (p. F-9), combined balance sheet (p. F-10), combined statement of changes in equity (p. F-11), combined cash flow statement (p. F-12), notes (p. F-13-F-34) and auditor's report (p. F-35).	The audited combined financial statements for the financial year ended 31 December 2023  <a href="https://corporate.sveafastigheter.se/sv/wp-content/uploads/sites/4/2024/10/Sveafastigheter-AB-publ-Prospekt-7-oktober-2024.pdf">https://corporate.sveafastigheter.se/sv/wp-content/uploads/sites/4/2024/10/Sveafastigheter-AB-publ-Prospekt-7-oktober-2024.pdf</a>
Consolidated income statement (p. 71), consolidated statement of comprehensive income (p. 72), consolidated balance sheet (p. 73-74), consolidated statement of changes in equity (p. 75), consolidated cash flow statement (p. 76), notes (p. 79-106) and auditor's report (p. 124-126).	The annual report and consolidated financial statements for the financial year ended 31 December 2024  <a href="https://corporate.sveafastigheter.se/sv/wp-content/uploads/sites/4/2021/10/sveafastigheter-ar-2024.pdf">https://corporate.sveafastigheter.se/sv/wp-content/uploads/sites/4/2021/10/sveafastigheter-ar-2024.pdf</a>
Consolidated income statement (p. 15), consolidated statement of comprehensive income (p. 15), consolidated balance sheet (p. 17), consolidated statement of changes in equity (p. 19), consolidated cash flow statement (p. 20) and other information (p. 22).	The unaudited interim consolidated financial statements for the three-month period ended 31 March 2025  <a href="https://storage.mfn.se/a/sveafastigheter/e3cdbfa1-1412-460f-9aa1-2d33b16d2395/sveafastigheter-2025-q1-svensk-b.pdf">https://storage.mfn.se/a/sveafastigheter/e3cdbfa1-1412-460f-9aa1-2d33b16d2395/sveafastigheter-2025-q1-svensk-b.pdf</a>

### Incorporation of future financial information

Sveafastigheter is not obligated to disclose any supplements pursuant to Article 23.1 of the Prospectus Regulation for new annual or interim financial information disclosed during the validity period of the Base Prospectus. By reference, each consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement, notes and auditor's report (as applicable) in Sveafastigheter's interim reports for the periods 1 January – 30 June 2025, 1 January – 30 September 2025, 1

January – 31 March 2026, the year-end report for the financial year ended 31 December 2025, and the audited combined financial statements for the financial year ended 31 December 2025, are incorporated. These will be made available in electronic form on Sveafastigheter's website (<https://corporate.sveafastigheter.se/sv/investerare/rapporter-och-presentationer/>) during the validity period of the Base Prospectus. The new financial information will be published on the dates specified in Sveafastigheter's financial calendar, available on Sveafastigheter's website (<https://corporate.sveafastigheter.se/sv/investerare/finansiell-kalender/>), or on such other date as may be announced through a press release. Only the combined financial statements for the financial year ended 31 December 2025 must be audited by Sveafastigheter's auditor, and the other new financial information may therefore not be subject to audit or limited review by the auditor.

The parts of the documents listed above that have not been incorporated by reference are not deemed relevant for investors in MTN. In addition to the information incorporated in the Base Prospectus by reference, information on the Issuer's website or any other specified website is not part of the Base Prospectus and has not been examined or approved by the competent authority.

#### **7.17 Audit of the annual historical information**

The consolidated financial statements of the Issuer for the financial years 2023 and 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with the Swedish Annual Reports Act (Sw. *Årsredovisningslag (1995:1554)*). IFRS also includes International Accounting Standards (IAS) and interpretations to the standards named IFRIC and SIC. In addition to the Annual Reports Act and IFRS, the Issuer applies the Supplementary Accounting Rules for Groups (Sw. *Rådet för finansiell rapporterings rekommendation RFR 1, Kompletterande redovisningsregler för koncerner*).

The financial information set out in the combined financial statements for 2023 and consolidated financial statements for 2024 has been reviewed by Jonas Svensson as auditor in charge.

The audit of the financial statements has been conducted in accordance with generally accepted auditing standards in Sweden and the audit reports have been issued without qualification. Except for what is stated in the auditor's report, which has been incorporated in this Base Prospectus by reference, or what is otherwise expressly stated, no information in this Base Prospectus has been reviewed by the Issuer's auditor. Financial data in this Base Prospectus that have not been audited by the Issuer's auditor stem from internal accounting and reporting systems.

## 8 Definitions

<b>Base Prospectus</b>	means this base prospectus, including all documents incorporated hereto by reference.
<b>Calculation Agent</b>	means (i) in the case where a Loan has been issued by two or more Issuing Dealers, the Issuing Dealer appointed by the Issuer to be responsible for certain administrative duties related to Loan as outlined in the Final Terms; and (ii) in the case a Loan has been issued by only one Issuing Dealer, that Issuing Dealer.
<b>Dealers</b>	means Swedbank AB (publ) and any other dealer authorized by Euroclear Sweden to process and register issues in the Euroclear Sweden system that gets appointed from time to time by the Issuer in respect of the MTN Programme according to section 13.4 of the Terms and Conditions, however only as long as such dealer has not resigned as a dealer.
<b>Swedish Companies Act</b>	means the Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i> ).
<b>EUR</b>	means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union (EMU).
<b>Euroclear Sweden</b>	means Euroclear Sweden AB, a private limited liability company with reg. no. 556112-8074.
<b>Final Terms</b>	means the final terms which are entered into for a certain Loan in accordance with the appendix to the Terms and Conditions ( <i>Form of Final Terms</i> ).
<b>Green Bond</b>	means an MTN which constitutes a Green Bond pursuant to the Final Terms.
<b>Green Framework</b>	means the framework for green financing (a so-called green bond framework) dated April 2025 which enables the Issuer to issue MTN under a MTN programme as green bonds.
<b>Green Projects</b>	means the project categories an amount equal to the net proceeds of the Green Bonds will finance or refinance.
<b>Group</b>	means Sveafastigheter AB (publ) together with its subsidiaries.
<b>Interest Rate</b>	means the interest rate set out in the final terms under the MTN programme.
<b>ISIN</b>	means the international number for identification of securities retrieved from Euroclear Sweden.
<b>Issuer</b>	means Sveafastigheter AB (publ) with reg. no. 559449-4329.
<b>Issuing Dealer</b>	means, the Dealer(s) specified in the applicable Final Terms.
<b>Loan</b>	means each Loan, comprising of one or more MTN, which the Issuer raises under this MTN Programme.
<b>Maturity date</b>	means, in accordance with the Final Terms, the date when MTN shall be repaid.
<b>MTN</b>	means a unilateral debt instrument in the Nominal Amount which has been registered in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i> ) and is part of a Loan issued by the Issuer under this MTN Programme.

<b><i>MTN Programme</i></b>	means the programme for MTN which Swedbank (as Dealer) and the Issuer has agreed on or about the date hereof.
<b><i>Nasdaq Stockholm</i></b>	means Nasdaq Stockholm AB, a limited liability company with reg. no. 556420-8394.
<b><i>SEK</i></b>	means the official currency of Sweden.
<b><i>Terms and Conditions</i></b>	means the terms and conditions established in respect of Loans issued by the Issuer on the Swedish capital market under a programme through issuing notes with a maturity of at least one year.

## 9 Addresses

### ISSUER

Sveafastigheter AB (publ)  
Olof Palmes gata 13A  
SE-111 37 Stockholm, Sweden  
+46 (0)200-22 72 00  
[www.sveafastigheter.se](http://www.sveafastigheter.se)

### LEGAL ADVISOR TO THE ISSUER

Advokatfirman Vinge KB  
Smålandsgatan 20  
Box 1703  
SE-111 87 Stockholm, Sweden  
+46 (0)10-614 30 00  
[www.vinge.se](http://www.vinge.se)

### CENTRAL SECURITIES DEPOSITORY

Euroclear Sweden AB  
Klarabergsviadukten 63  
Box 191,  
SE-101 23 Stockholm, Sweden  
+46 (0)8-402 90 00  
[www.euroclear.eu](http://www.euroclear.eu)

### ARRANGERS AND DEALERS

Swedbank AB (publ)  
Corporates & Institutions  
SE-105 34 Stockholm, Sweden  
+46 (0)8-700 99 85  
[www.swedbank.se](http://www.swedbank.se)

Skandinaviska Enskilda Banken AB (publ)  
Corporate & Investment Banking  
Kungsträdgårdsgatan 8  
SE-106 40 Stockholm, Sweden  
08-506 232 19  
08-506 230 61  
[www.seb.se](http://www.seb.se)

Nordea Bank Abp  
Nordea Markets  
Smålandsgatan 17  
105 71 Stockholm  
08-407 90 85  
08-407 91 11  
08-407 92 03  
[www.nordeamarkets.com/sv](http://www.nordeamarkets.com/sv)