

KLÖVERN

Press release

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Klövern and ALM Equity develop 1,000 apartments in Kista Square Garden

Klövern and ALM Equity have signed an agreement in order to jointly develop the property Skalholt 1 in the central part of Kista. The ambition is to contribute to the realization of a vibrant city neighborhood that accommodates housing and workplaces as well as culture, cafés, restaurants and local services.

The agreement entails the creation of a joint venture which is the holder of the site leasehold to the property Skalholt 1. Klöverns ownership interest in the jointly owned company will be 49.9 per cent. ALM Equity and Klöverns will jointly run the implementation of the project Kista Square Garden on the site leasehold in close cooperation with the City of Stockholm. According to the current development plan, the total investment volume is estimated to be around SEK 800 million.

"The project is a natural investment in line with Tobin Properties' and Klöverns ambitions in urban development", says Rutger Arnhult, CEO of Klöverns.

Skalholt 1 currently includes an office building with underground garage. ALM Equity has for a long time worked on developing the zoning plan in order to enable a conversion of the building's office space into residential units. The development of the site leasehold to the property, which is subsequently planned to be purchased from the City of Stockholm, is expected to mean an extension of the building's gross area from approximately 56,000 sq.m. to around 70,000 sq.m. In total, the project is estimated to result in around 1,000 small apartments as well as commercial space in the form of offices, retail, restaurants and garage. The intention is to create ownership apartments (Swedish: *ägarlägenheter*) for joint management, but condominiums and/or rental apartments are feasible alternatives. The zoning plan also permits that the apartments are used as corporate apartments and that parts of the building are converted to a hotel.

Klövern acquires its ownership interest in the jointly owned company for SEK 355 million, based on an underlying property value of SEK 750 million.

Klövern AB (publ)

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Klövern is a real estate company committed to working closely with customers to offer them attractive premises in growth regions. Klöverns is listed on Nasdaq Stockholm. For further information, see www.klovern.se.

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This is a translation of the original Swedish language press release. In the event of discrepancies, the original Swedish wording shall prevail.