

KLÖVERN

Press release
10 November 2020

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Klövern announces terms of the preferential rights issue of approximately SEK 2 billion

On 6 October 2020, the Board of Directors of Klöver AB (publ) ("Klövern" or "the Company") resolved on a fully covered rights issue of approximately SEK 2 billion with preferential rights for existing holders of ordinary shares (the "Preferential Rights Issue"), subject to approval at an Extraordinary General Meeting on 13 November 2020. The Board of Directors has today decided that the following terms shall apply to the issue.

The preferential rights issue in brief

- The purpose of the Preferential Rights Issue is to give the Company headroom for continued value creation through selective acquisitions to the Swedish or international property portfolio, project development of commercial and residential premises, and to give the Company a strengthened balance sheet, lower leverage and thereby increased financial flexibility.
- Shareholders in Klöver have preferential rights, for ordinary share of class A and class B, to subscribe for one (1) new share per four (4) existing shares of class A and class B, respectively.
- The subscription price has been set to SEK 10 per share, which, given that the Preferential Rights Issue is fully subscribed, will provide proceeds of SEK 2,063 million before transaction costs, which are estimated to approximately SEK 35 million.
- The record date for participation in the Preferential Rights Issue is 17 November 2020.
- The subscription period runs from, 19 November 2020, up to and including, 3 December 2020.
- The Preferential Rights Issue is subject to approval at an Extraordinary General Meeting on 13 November 2020.
- The two largest shareholders, of the share capital, Rutger Arnhult (through companies) and Corem Property Group AB (publ), which together represent 33.8 per cent of outstanding ordinary shares and 32.6 per cent of the total number of votes in Klöver¹, have undertaken to subscribe for their respective pro rata shares in the Preferential Rights Issue. In addition, Länsförsäkringar Fastighetsfond and Handelsbanken Fonder, which together represent 11.9

¹ Repurchased own shares do not have voting rights at general meetings and have consequently been excluded from the total number of votes.

per cent of outstanding ordinary shares and 6.7 per cent of the total number of votes in Klöver¹, have expressed their intention to subscribe for their respective pro rata shares in the Preferential Rights Issue.

- The part of the Preferential Rights Issue that is not covered by subscription commitments, is guaranteed by Rutger Arnhult's company M2 Asset Management AB (publ). Thus, the Preferential Rights Issue is fully covered.

Terms of the preferential rights issue

Klövern's existing holders of ordinary shares have preferential rights to subscribe for new ordinary shares in the same class (class A & B respectively) in proportion to the number of ordinary shares that the holder already owns (primary preferential right). Shareholders who on the record date 17 November 2020 are registered as the holder of ordinary shares of class A and class B in the share register kept by Euroclear Sweden for Klöver, have preferential right to subscribe for new ordinary shares in the Preferential Rights Issue in proportion to the number of ordinary shares of class A and class B, respectively, held on the record date. For each ordinary share of class A and class B held on the record date, shareholders will receive one (1) subscription right of class A and class B, respectively. The subscription rights entitle the holder to subscribe for shares with preferential rights, whereby four (4) subscription rights of class A and class B entitle subscription of one (1) new ordinary share of class A and class B respectively.

Ordinary shares that are not subscribed for through primary preferential right will primarily be offered to existing shareholders in Klöver, regardless of whether they own ordinary or preference shares, which have notified their interest to subscribe for new ordinary shares without support from subscription rights (subsidiary preferential right). If ordinary shares offered in this way are not sufficient for the subscription that takes place with subsidiary preferential right, the ordinary shares shall be distributed among the subscribers in proportion to the total number of shares they held in the Company prior thereto, regardless of whether they own ordinary or preference shares. To the extent that this cannot be done, the distribution of shares shall be made by the drawing of lots. Secondly, allotment shall be made to other investors who have subscribed for shares in the Preferential Rights Issue without support of preferential rights and, in the event of oversubscription, pro rata in relation to the number of shares subscribed for and to the extent this cannot be done, by the drawing of lots. Thereafter, allotment shall be made to Rutger Arnhult's company M2 Asset Management AB (publ) in accordance with the guarantee commitment described below.

Provided that the Preferential Rights Issue is fully subscribed, Klöver's share capital will increase by a maximum of SEK 412,518,618, from SEK 1,864,875,960 to not more than SEK 2,277,394,578, by issuance of not more than 206,259,309 new ordinary shares of class A and class B, respectively. If fully subscribed, the Preferential Rights Issue will increase the number of ordinary shares in the Company with 206,259,309 ordinary shares, from 915,993,980 ordinary shares to 1,122,253,289 ordinary shares, which corresponds to a dilution of approximately 18.1 per cent of the total number of shares and 19.8 per cent of the total number of votes¹ in the Company. Shareholders choosing not to participate in the Preferential Rights Issue have the opportunity to fully or partly financially compensate themselves for this dilution by selling their subscription rights.

The new shares in Klöver are issued at a subscription price of SEK 10 per share, regardless of share class. No commission will be charged. Thus, the Preferential Rights Issue will provide Klöver with proceeds up to SEK 2,063 million before deduction of transaction costs, which are estimated to approximately SEK 35 million.

The record date at Euroclear Sweden for determining which holders of ordinary shares that are entitled to receive subscription rights is 17 November 2020. This means that the share will be traded including right to participate in the Preferential Rights Issue up to, and including, 13 November 2020.

¹ Repurchased own shares do not have voting rights at general meetings and have consequently been excluded from the total number of votes.

The subscription period runs from 19 November 2020, up to, and including, 3 December 2020, or until such later date resolved by the Board of Directors. Trading in subscription rights of class A and class B, respectively, takes place on Nasdaq Stockholm from 19 November 2020 up to, and including, 1 December 2020.

The resolution by the Board of Directors on the Preferential Rights Issue is subject to approval by the Extraordinary General Meeting to be held on 13 November 2020. For more information, please see the separate press release regarding the Extraordinary General Meeting which was published on 7 October 2020.

Subscription undertakings and guarantee commitment

Klövern's two largest shareholders, of the share capital, Rutger Arnhult (through companies) and Corem Property Group AB (publ), which together hold and represent 33.8 per cent of outstanding ordinary shares and 32.6 per cent of the total number of votes¹ in Klöver, endorse the resolution on a rights issue and have entered binding subscription commitments for subscription of shares corresponding to their respective pro rata shares in the Preferential Rights Issue. In addition, Länsförsäkringar Fastighetsfond and Handelsbanken Fonder, which together represent 11.9 per cent of outstanding ordinary shares and 6.7 per cent of the total number of votes¹ in Klöver, have expressed their intention to subscribe for their respective pro rata shares in the Preferential Rights Issue. The part of the Preferential Rights Issue that is not covered by subscription commitments is guaranteed by Rutger Arnhult's company M2 Asset Management AB (publ). In the event that the guarantee is utilised, M2 Asset Management AB (publ)'s holdings in Klöver may increase to a maximum of 27.4 per cent of the share capital and 29.2 per cent of all votes in Klöver. Thus, the Preferential Rights Issue is fully covered. A guarantee commission of 1 per cent of the guaranteed amount will be payable to M2 Asset Management AB (publ).

Indicative timetable for the preferential rights issue

13 November 2020	Extraordinary General Meeting to approve the Preferential Rights Issue resolution by the Board of Directors
13 November 2020	Last day of trading in shares including right to participate in the Preferential Rights Issue
16 November 2020	Publication of prospectus
16 November 2020	First day of trading in shares excluding right to participate in the Preferential Rights Issue
17 November 2020	Record date for participation in the Preferential Rights Issue, i.e. holders of ordinary shares who are registered in the share register on this day will receive subscription rights for participation in the Preferential Rights Issue
19 November 2020 – 1 December 2020	Trading in subscription rights
19 November 2020 – 3 December 2020	Subscription period
4 December 2020	Announcement of preliminary outcome of the Preferential Rights Issue

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Financial and legal advisors

Nordea Bank Abp, Swedish branch, Swedbank AB (publ) and Danske Bank A/S, Denmark, Swedish branch are Joint Global Coordinators. Walthon Advokater AB is legal advisor to the Company and Linklaters Advokatbyrå AB is legal advisor to the Joint Global Coordinators in the Preferential Rights Issue.

For additional information, please contact:

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

This information is information that Klövern AB (publ) is obligated to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act (2007:528). The information was submitted, through the agency of the contact persons above, for publication at 08:50 CET on 10 November 2020.

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

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The information, opinions and forward-looking statements included in this press release speak only as of its date and are subject to change without notice.

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