

Aros Bostad divests portfolio with rental apartments for ca. SEK 3.6 billion in the largest deal this year

Aros Bostadsutveckling AB (publ) ("Aros Bostad") has divested four residential projects in the Greater Stockholm area, for rental purposes. The buyer is the global real asset investment manager PATRIZIA and the purchase price amounts to ca. SEK 3.6 billion. The divestment provides for securing project revenues, for cash flow being brought forward and for new project starts to be accelerated and optimized in time. The deal also means that almost all projects within Aros Bostad's Fund structures are sold out or divested, which is in line with the strategy to solely develop residential projects as own projects ahead.

The deal comprises a total of 878 apartments in Danderyd, Solna, Täby and Huddinge, corresponding to ca 47 700 sqm (lettable gross area). Originally, the portfolio contained five projects, but Aros Bostad chose to exclude one project due to high customer interest for the apartments as tenant ownerships. None of the four projects in the remaining portfolio have been sales started. Aros Bostad will develop and build all apartments and handover will take place upon completion of each project. The buyer is responsible for the leasing of the apartments.

Magnus Andersson, CEO Aros Bostad:

"We are very satisfied with the deal, which is a good example of our business model's flexibility and how we create shareholder value at low risk. This is not only the largest transaction of the year so far, it also a very good timing for us to shift parts of our project portfolio from tenant ownerships to rental apartments. By divesting these projects as rental apartments we can secure a sales ratio of at least 80% for our ongoing projects, as well as the projects which are planned to be started during 2022, at levels corresponding to sales prices for tenant ownerships over the last year. We are convinced that PATRIZIA with its strong track record and commitment to ESG will be a responsible manager, ensuring these assets are fully sustainable."

Tango, Skierfe and Kane have acted as the seller's advisers during the divestment process.

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

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

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About Aros Bostad

Aros Bostad is a residential developer within the Stockholm area focusing on developing modern, functional and sustainable residential housing in attractive geographical areas, with timeless choices of materials and designs. The Company acquires and develops land into building rights and subsequently into residential housing. With a long-term perspective and responsibility for the entire value chain, Aros Bostad creates a safe deal for home buyers as well as stable returns for the investors.

The Company was founded in 2006 and its primary geographical market is the greater Stockholm area and Uppsala. Aros Bostad had, as per Q1 2022, 34 residential development projects in different stages of development corresponding to ca 4,900 units. Aros Bostad is listed on Nasdaq First North Growth Market. The Certified Adviser for Nasdaq First North Growth Market is Erik Penser Bank. Financial information is to be found at www.arosbostad.se/investerare