K-FASTIGHETER COMMENCES LARGEST PROJECT TO DATE – CONSTRUCTING AN ADDITIONAL 192 APARTMENTS IN GOTHENBURG

K-Fast Holding AB has secured building permits for 192 apartments at the Sävenäs 131:13 property in Gothenburg. The company will be initiating detailed planning immediately and tenants are expected to start moving in during the fourth quarter of 2022.

In July 2019, K-Fast Holding AB ("K-Fastigheter"), an active and committed landlord offering attractive homes in southwestern Sweden announced that it was acquiring the Sävenäs 131:13 property, which is located on Smörslottsgatan in Gothenburg. Today, K-Fastigheter has obtained building permits and secured the financial conditions for the project with the signing of contractor agreements. This means that K-Fastigheter is able to commence its largest individual project to date, including construction of the Group's Lateral Low-Rise concept buildings with 192 apartments and a connecting underground garage with 201 parking spaces. The apartments will have a total 12,257 square metres of living space, with a 5,700 square-metre garage. The garage will also be used by tenants of the adjacent Sävenäs 131:12 property that K-Fastigheter already owns and where construction of 103 rental apartments and a shop is already in progress.

Following the completion of Sävenäs 131:12 during the fourth quarter of 2021 and of Sävenäs 131:13 during fourth quarter 2022, K-Fastigheter will be able to offer a total of 295 homes, a commercial space and 201 parking spaces on Smörslottsgatan in Gothenburg. The combined rental value is estimated at approximately SEK 40 million, of which about SEK 28 million is attributable to Sävenäs 131:13. The combined total anticipated project returns amounts to approximately SEK 275 million, of which SEK 193 million is attributable to Sävenäs 131:13, of which SEK 38 million will be reported in connection with the start of the project in first quarter of 2020.

"It is very gratifying that we are now getting started with the Sävenäs 131:13 project, K-Fastigheter's largest individual project to date. Together with the neighbouring property, we will have a large volume at an attractive address. Gothenburg and the Västra Götaland region are areas assessed by K-Fastigheter to offer substantial potential in the future. We recently signed an agreement to acquire land for the construction of 600 homes in Borås and I look forward to further developing K-Fastigheter's property portfolio with additional attractive residential areas in western Sweden," says Jacob Karlsson, CEO of K-Fast Holding AB.

K-Fast Holding AB / Bultvägen 7, SE-281 43 Hässleholm, Sweden / Corp. ID No.: 556827-0390
+(0)10 330 00 69 / info@k-fastigheter.se / k-fastigheter.se

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For further information, please contact:
Jacob Karlsson, CEO,
e-mail: jacob.karlsson@k-fastigheter.se, telephone: +46 738 219 626

Martin Larsson, Deputy CEO/CFO,
e-mail: martin.larsson@k-fastigheter.se, telephone: +46 703 533 160

Anders Antonsson, IR Manager,
e-mail: anders.antonsson@k-fastigheter.se, telephone: +46 709 994 970

This information is such that K-Fast Holding AB is obliged to disclose in accordance with the EU's Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 10:00 a.m. CEST on 31 March 2020.

As a property company, K-Fastigheter's objective is to add value for tenants by creating attractive homes with superior comfort. The Group's operations encompass active property management, project development and proprietary construction operations. To enhance cost efficiency and cut construction times, K-Fastigheter has chosen to work with three concept buildings, developed in-house and constructed for proprietary management. K-Fastigheter provides some 1,700 homes in several locations in the Öresund region, in the province of Småland and in western Sweden, and is assessing new markets as production capacity increases. The Group's property portfolio has a book value of SEK 4.4 billion, with an annual rental value of about SEK 200 million. Since November 2019, the company's class B shares have been traded on Nasdaq Stockholm (ticker: KFAST B). Read more at k-fastigheter.se