



Press Release

11 November 2025 17:45:00 CET

SBB HAS ENTERED INTO THREE AGREEMENTS WITH PUBLIC PROPERTY INVEST ASA REGARDING THE TRANSFER OF SBB'S COMMUNITY PORTFOLIO AT A VALUE OF SEK 32 BILLION AND WILL CONVENE AN EXTRAORDINARY GENERAL MEETING

Samhällsbyggnadsbolaget i Norden AB ("SBB" or the "Company") has entered into three agreements involving the transfer of three wholly owned subsidiaries (directly or indirectly), collectively referred to as "SocialCo". Through this transfer, SBB will indirectly divest the community portfolio. One of the subsidiaries involved is indirectly owned by Samhällsbyggnadsbolaget i Norden Holding AB ("SBB Holding") (the "SBB Holding Subsidiary"). The SocialCo entities will be transferred to Public Property Invest ASA ("PPI"), a Norwegian real estate company listed on the Oslo Stock Exchange which is a related party to SBB. As part of the transaction, SBB will acquire shares in PPI through an in-kind contribution. A portion of the non-voting shares received through the in-kind contribution will subsequently be transferred to the related party APG Invest AS ("APG"). The "Transaction" below refers to the transfer of SocialCo to PPI, the acquisition of shares in PPI through an in-kind contribution, and the transfer of a portion of the non-voting shares acquired to APG.

With this Transaction, SBB's strategy of transformation by creating three distinct segments across Education, Residential, and now Community assets via PPI is completed. All three respective strategies benefit from critical mass being the leader in their field and with an appropriate cost of capital and investment grade ratings.

The Transaction creates significant strategic and operational benefits driving value creation; there are identifiable costs and financial synergies with PPI becoming a unique standing player driving growth synergies. In addition, the Transaction drives material leverage reduction by 2 percentage points resulting in SBB's loan-to-value ratio ("LTV") to decrease to 57 per cent. The Transaction will also generate more than SEK 11bn of net cash proceeds for the Company which SBB will deploy in most value accretive way.

The Transaction will make PPI the # 1 listed European Social Infrastructure player with NOK 53bn of assets and strong balance sheet primed for growth.

SBB's ownership interest in PPI corresponds to 33.54 per cent of the shares and votes prior to the Transaction. After completion of all parts of the Transaction and the intended subsequent offering in PPI (as set out below), SBB's ownership interest in PPI will amount to 39.99 per cent of the shares, corresponding to 33.34 per cent of the votes, assuming that the intended subsequent offering is fully subscribed.



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APG is a Norwegian real estate company whose parent company, Aker ASA, is listed on the Oslo Stock Exchange. APG holds shares in SBB corresponding to 8.63 per cent of the shares and 28.76 per cent of the votes in SBB. APG is also one of the largest shareholders in PPI, with a holding corresponding to 24.58 per cent of the shares and votes prior to the Transaction. After completion of all parts of the Transaction and the intended subsequent offering in PPI, APG's ownership interest in PPI will amount to 33.32 per cent of the shares, corresponding to 23.28 per cent of the votes.

The business of SocialCo consists of (i) consolidated properties and (ii) non-consolidated properties within SBB Social Facilities AB and SBB Infrastructure AB.

SBB will through the Transaction indirectly transfer approximately 740 community properties across Sweden, Norway, Denmark and Finland of which 590 are held by SBB Holding.

Transaction details and use of proceeds

The agreed underlying property value is approximately SEK 32 bn, of which SEK 29 bn relates to the transaction entered into by SBB Holding and SEK 3 bn relates to the transaction entered into by SBB. SBB's proceeds from this transaction will partly be used by SBB to, among other things, redeem all outstanding bonds by exercising its contractual rights under the respective bond terms for the following ISINs: XS2049823680, XS2114871945, XS2271332285, and XS2346224806. In addition, SBB will launch a tender offer to repurchase all outstanding bonds at par in relation to the bond with ISIN XS2111589219. The bond with ISIN XS2275409824 will be settled at maturity.

SBB Holding will apply its share of the proceeds to repay debt financing within the SBB Holding Group, reinvest in PPI through an in-kind contribution on the terms specified below (the "**Reinvestment**"), and to repurchase bonds issued by SBB Holding Group. In addition, SBB and SBB Holding may use the proceeds for value accretive growth measures.

As part of the Reinvestment, SBB Holding will acquire 369,317,325 non-voting shares in PPI at a price not exceeding NOK 23 per share, as well as 77,541,478 shares carrying voting rights. In connection with the Reinvestment, SBB Holding will transfer 182,353,200 non-voting shares to APG. The proceeds from that transfer will consist of (i) NOK 4,103,955,941 and (ii) 3,920,333 ordinary shares in PPI. The cash proceeds from this transfer will be used to repay secured debt financing or bonds issued within the SBB Holding Group. In addition, SBB Holding may use the cash proceeds for value accretive growth measures.

The Transaction is subject to approval by an extraordinary general meeting of SBB, which will be convened separately. Furthermore, the Transaction is subject to approval of several resolutions by an extraordinary general meeting of PPI and, for the introduction of non-voting shares, an amendment to the articles of association of PPI.



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Under the terms of the Transaction agreements, and subject to customary regulatory and shareholder approvals, PPI will acquire SocialCo. The Transaction value represents approximately 8 per cent below the last reported Gross Asset Value ("GAV") for the transferred assets, amounting to approximately SEK 35 bn and 32 bn as of 30 September 2025, respectively. The purchase prices have been determined following arm's length commercial negotiations. The fairness of the agreed amounts is supported by (i) a fairness opinion issued by the independent adviser KPMG, obtained by the Board of Directors of SBB in relation to the Transaction, and (ii) a separate fairness opinion from KPMG, obtained by the Board of Directors of SBB Holding solely in respect of the transfer of the SBB Holding subsidiary to PPI.

Related party transactions

Given the size of SBB's shareholding in PPI, the latter is considered to be an associated company of SBB. SBB and PPI are therefore also considered to be related parties within the meaning of Chapter 16a of the Swedish Companies Act. Due to the size of APG's shareholding in SBB, SBB and APG are also considered to be related parties under Chapter 16a of the Swedish Companies Act.

Both SBB's transfer of shares in SocialCo to PPI and SBB's (through SBB Holding) transfer of non-voting shares in PPI to APG constitute material transactions with related parties covered by Chapter 16a of the Swedish Companies Act and therefore require the approval of the Company's general meeting. Given that these transactions are interdependent, the Board of Directors has decided that the matter of the general meeting's approval shall be considered jointly as one decision, which thus comprises the following parts (items 1-2).

1. The transfer of the Company's shares in SocialCo to PPI, which includes the sale of the vast majority of the wholly owned community property companies in the SBB Group. The total agreed property value of the property companies that are thereby divested through the transfer of all shares in SocialCo amounts to approximately SEK 32 bn.
2. The transfer of the Company's non-voting shares in PPI, which would have been obtained as a result of the Reinvestment, to APG. The purchase price for the transferred non-voting shares in PPI would amount to NOK 4,194,123,600, of which NOK 4,103,955,941 will be paid in cash and the remaining amount (corresponding to NOK 90,167,659) in 3,920,333 ordinary shares in PPI.

SBB completes final step in strategic plan

This Transaction marks the final phase of the SBB's previously communicated strategic plan. Following the successful separation of the education and residential portfolios, this Transaction completes the re-structuring of the Company's holdings into distinct business segments with all its assets in dedicated proven scalable platforms with strong management teams and supported by access to investment grade funding and better access to potential equity financing. The Transaction strengthens SBB's financial position by reducing leverage, extending its debt runway, and providing greater financial flexibility to optimize the performance, value and growth of its remaining portfolios.



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SBB will be a leading and resilient business positioned for future growth. Benefiting factors include unique positioning provided by AAA rated tenant base, long term demographic trends, platform of scale with exposure to leading brands and diversified corporate structure across sectors and countries. Remaining debt will be at very attractive levels with bonds maturing in 2028 / 2029 with average coupon of 1.35 per cent.

Shareholders will retain exposure through SBB's continued ownership in PPI. The enlarged PPI platform will also enable access to financing at more attractive terms, supported by lower risk profile and increased scale, unlocking financial synergies for the platform. Additional operating synergies are expected from the reduction of administrative expenses, driving cash flow uplift over time. Stronger and more resilient cash flows from a diversified tenant base create consolidation potential in a market valued at approximately SEK 3,400 bn.

Strategically, the Transaction is pivotal for SBB, significantly de-risking the balance sheet and simplifying the structure, while increasing its ownership in the enlarged PPI and retaining the position as the largest shareholder. This positions the Company with an investment grade-aligned core and improved credit re-rating potential.

"This is an important milestone in the execution of our long-term strategy. By segmenting our assets into education, residential, and community properties, we create clearer business structures, improve operational focus, and enhance transparency for investors and partners. The proceeds from this divestment enable us to manage our debt profile efficiently, strengthen our financial stability, and benefit from a more favorable funding environment, allowing time for the value accretion of our assets." Says Leiv Synnes, CEO of SBB.

"This transaction represents a significant step in maximizing value for all shareholders by contributing to a more stable and sustainable SBB. I am particularly pleased with the commitment shown by Aker ASA throughout this process. Their strong support and strategic foresight has been instrumental in securing a robust solution for our social infrastructure properties, and their support has greatly strengthened our ability to carry out this transaction successfully." Says Lennart Sten, Chairman of the Board of SBB.

Estimated Financial Impact on SBB

- The Transaction is expected to generate operating synergies of SEK 100mn p.a.
- SBB's share of SEK 96mn of financial synergies p.a. assuming pro forma cost of debt upon refinancing will 130bps vs. SBB SocialCo current one.
- Pro forma LTV of SBB will be reduced by 2 percentage points to 57 per cent from 59 per cent (as of Q3 2025).
- SEK 11bn of net proceeds generated.
- Access to capital to be enhanced by lowering financial risk, increasing transparency, simplified corporate structure, improved cash flow which will give benefits when funding other investments, such as SBB Residential Property AB.



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Creating a leading Nordic social infrastructure platform

The Transaction transforms PPI into the largest listed social-infrastructure platform (NOK 53bn) in Europe with increased regional diversification. PPI gains immediate expansion into Sweden (53 per cent of the combined GAV), significantly broadening its presence across municipalities and public tenants. Combining the two portfolios provides depth across community, healthcare (52 per cent of the combined GAV) and essential public-service sectors.

With scale comes a materially stronger balance sheet and improved capital markets access positioning the business to benefit from long-term demographic demand for social infrastructure. The enlarged platform supports a more diversified asset base, enhances credit profile, and enables PPI to access debt on more attractive terms. The Transaction is executed at a compelling valuation, and better financing terms relative to the standalone business.

PPI has announced its intention to redomicile to Sweden and apply for a primary listing on the Nasdaq Stockholm stock exchange, while maintaining a secondary listing on Euronext Oslo Børs.

Timeline

The Transaction is conditional upon among other things the approval of shareholders in SBB and PPI respectively, at their respective Extraordinary General Meetings (each, an "EGM"), which are currently expected to be held in Q4 2025 and to be announced separately.

The closing of the Transaction is expected to be completed in the last quarter of 2025 or first quarter of 2026.

The preparation of the proposal

The proposal has been prepared by the Company's board of directors after negotiations conducted with the assistance of external advisors. Board members Kjell Inge Røkke and Øyvind Eriksen have not participated in the SBB board's preparation or proposal regarding the Transactions due to their positions as majority owner and chairman of the board of Aker ASA and CEO of Aker ASA, respectively. In addition, board member Ilija Batljan, in view of his role as senior executive at PPI, has not participated in the board's preparation of the matter or proposal for a decision.

Citigroup Global Markets Europe AG and Goldman Sachs Bank Europe SE, Sweden Bankfilial are acting as joint financial advisors to SBB on the Transaction.

The law firm CMS Wistrand has acted as legal advisor to SBB on matters of Swedish law in connection with the Transaction, while the law firm Selmer has acted as legal advisor to SBB on matters of Norwegian law.

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Svalner Atlas has acted as tax advisor to SBB in connection with the Transaction.

Contacts**For further information, please contact:**

Helena Lindahl, Treasury Director & IR ir@sbbnorden.se, press@sbbnorden.se

About Us

Samhällsbyggnadsbolaget i Norden AB (publ) (SBB) is one of the Nordic region's leading property company in social infrastructure. The Company's strategy is to long term own and manage social infrastructure properties in the Nordics and rent regulated residential properties in Sweden, and to actively work with property development. Through SBB's commitment and engagement in community participation and social responsibility, municipalities and other stakeholders find the Company an attractive long-term partner. The Company's series B shares (ticker SBB B) and D shares (ticker SBB D) are listed on Nasdaq Stockholm. Further information about SBB is available at www.sbbnorden.se.

This information is information that Samhällsbyggnadsbolaget i Norden AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-11-11 17:45 CET.