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## Diös announces intention to carry out a directed new share issue of up to SEK 800 million

Diös Fastigheter AB (publ) ("Diös" or the "Company") hereby announces its intention to carry out a directed new share issue of up to SEK 800 million, which is intended to be resolved upon by the Board of Directors based on the authorization granted by the extra general meeting on 13 April 2021 (the "New Share Issue"). The New Share Issue will be directed to Swedish and international institutional investors. Diös has mandated Danske Bank A/S, Danmark, Sverige Filial ("Danske Bank") to evaluate the conditions for the New Share Issue through an accelerated bookbuilding procedure. AB Persson Invest, Erik Paulsson & Bolag and Nordstjernan, the three largest shareholders in Diös, which jointly currently holds approximately 36.0 percent of the outstanding capital and votes in the Company, have committed to subscribe for their pro rata share in the New Share Issue, provided that certain customary conditions are fulfilled.

Diös is a real estate company, with an active acquisition strategy, that owns and develops commercial and residential properties in 10 prioritised growth cities in northern Sweden. On 30 November 2021 Diös announced, through a separate press release, to acquire five centrally located properties comprising approximately 40,000 sq.m in Skellefteå (the "Properties") as a part of Diös growth journey, which further strengthens the Company's current property portfolio in Skellefteå. Proceeds received from the New Share Issue is intended to further strengthen the Company's financial position for continued growth through value-adding investments in current property portfolio and be used to carry out further acquisitions of properties with the right profile in the right locations with a focus on commercial and residential properties, in accordance with the Company's business plan and strategy.

The subscription price for the shares in the New Share Issue will be determined through a bookbuilding procedure, which will commence immediately following the publication of this press release and is expected to be completed before commencement of trading on Nasdaq Stockholm on 2 December 2021. The bookbuilding procedure may, at the discretion of the Company, be shortened or extended and may be cancelled at any time.

The reasons for the deviation from the shareholders' preferential rights is that Diös wants to strengthen its financial position in order to retain sufficient financial flexibility for continued growth in accordance with the Company's business plan and strategy after the latest acquisition. The Board of Directors intends to strengthen the Company's financial position by carrying out a directed issue, instead of a rights issue with preferential rights for existing shareholders, as the identified need for additional capital is too limited to motivate the costs of a rights issue with preferential rights as these would be high in relation to the capital raised, and because the time required for carrying out a rights issue with preferential rights is longer and may potentially lead to the Company missing out on potential acquisition

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opportunities. In addition, the Board of Directors considers it to be positive to increase Diös' institutional ownership base, which is also deemed to be positive for the liquidity of the share.

The Board of Directors' overall assessment is thus that the reasons for carrying out the New Share Issue this way outweighs the principal rule that new share issues shall be carried out with preferential rights for existing shareholders and that a new share issue with deviation from the shareholders' preferential rights is in the interest of the Company and all the shareholders.

In connection with the New Share Issue, the Company has, subject to customary exceptions, agreed to not propose or take actions that entail an increase in the share capital before the publication of the Company's Q1 interim report expected to be published on 28 April 2022, without the consent of Danske Bank.

In addition, the Company's Board of Directors and senior management, that currently owns shares in the Company, have agreed to not sell or otherwise dispose of any shares in the Company before the publication of the Company's Q1 interim report expected to be published on 28 April 2022, subject to customary exceptions and given that the New Share Issue is executed, without the consent of Danske Bank.

## Advisers

In connection with the New Share Issue, the Company has retained Danske Bank as Sole Global Coordinator and Bookrunner and Baker & McKenzie Advokatbyrå KB as legal adviser.

## For further information, please contact:

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## Important information

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This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision in connection with the New Share Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by Danske Bank. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Danske Bank is acting for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

This announcement does not constitute a recommendation concerning any investor's option with respect to the New Share Issue. Each investor or prospective investor should conduct his, her or its own investigation, analysis and evaluation of the business and data described in this announcement and publicly available information. The price and value of securities can go down as well as up. Past performance is not a guide to future performance.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the United States or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus for purposes of Prospectus Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 and its delegated and implemented regulations (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of securities in any EEA Member State and no

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prospectus has been or will be prepared in connection with the New Share Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

### **Forward-looking statements**

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq Stockholm's rule book for issuers.

### **Information to distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in

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Diös have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "EU Target Market Assessment"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "UK Target Market Assessment" and, together with the EU Target Market Assessment, the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Diös may decline and investors could lose all or part of their investment; the shares in Diös's offer no guaranteed income and no capital protection; and an investment in the shares in Diös is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the New Share Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Sole Global Coordinator and Bookrunner will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Diös.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Diös and determining appropriate distribution channels.

*This is a translation of the Swedish version of the press release. In case of discrepancies, the Swedish wording shall prevail.*