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## **Serneke resolves on a fully guaranteed rights issue of approximately SEK 170 million supported by Svolder, Provobis and Ernström**

**The Board of Directors of Serneke has on 17 December 2020, with the support of the authorisation from the Annual General Meeting on 5 May 2020, resolved on a new issue of series B shares with preferential rights for existing shareholders of approximately SEK 170 million (the "Rights Issue").**

### **The rights issue in brief**

- Shareholders in Serneke have preferential right to subscribe for one (1) new share of series B per seven (7) existing shares of series A or series B. The record date is on 28 December 2020. The Rights Issue comprises a maximum of 3,204,780 series B shares
- The subscription price has been set to SEK 53 per share, which amounts to an issue proceeds of approximately SEK 170 million before transaction costs
- The Rights Issue is fully guaranteed, through subscription and guarantee undertakings, by a group of new and existing shareholders, including Svolder and the senior management of the Company as well as Provobis and Ernström, which will become new shareholders of Serneke
- The issue proceeds enable Serneke to operate the business with more flexibility with conditions for long-term development with profitable growth and stability
- The subscription period runs from 30 December 2020 through 13 January 2021
- Trading in subscription rights of series B will take place on Nasdaq Stockholm during the period from 30 December 2020 through 11 January 2020
- The subscribed shares by Fastighets AB Balder in the directed share issue announced previously today do not entitle to participation with preferential right in the Rights Issue

### **Ola Serneke, CEO of Serneke Group**

"During the last year we have worked hard and dedicated to introduce a new phase of Serneke's history. We are changing our focus from strong growth to, on the first hand, a business with priority on improved profit and stability. The now resolved rights issue gives us additional opportunities to fulfil the long-term goal to build an even stronger Serneke for the future and to take advantage of value creating investment opportunities."

### **Background and rationale**

Serneke is a contracting and project development group with comprehensive solutions within buildings, civil engineering and project development. Since the company was founded in 2002 it has developed from being a local contracting company into a nation-wide contracting group with a strong portfolio within project development. Historically, Serneke has prioritized growth over profitability, which has resulted in the company's current strong market position in Sweden with the opportunity to win procurements for desirable projects and in the long run also impact the



development of the society. Serneke is a well-positioned company today and has therefore during the last year changed the focus to make the business more effective. A re-organisation was performed in the beginning of 2020 and during the year Serneke has also adopted a new business plan with focus on profitability and stability. The market is still attractive for the company and at the end of the third quarter 2020 Serneke had an order book of approximately SEK 10.6 billion and an extensive development portfolio.

Serneke receives more flexibility to operate the business through the Rights Issue with conditions for long-term development with profitable growth and stability. The company intends to use the net issue proceed to finance the current operation and to take advantage of investment opportunities within the project development operation.

### **Terms of the Rights Issue**

Those who are registered shareholders in Serneke on the record date on 28 December 2020, receive one (1) subscription right for each series A share or series B share. The subscription rights of series B grant the holder a preferential right to subscribe for new shares, whereby seven (7) subscription rights of series B entitle the shareholder to subscribe for one (1) new share of series B. In addition, investors are offered the possibility to subscribe for shares without subscription rights of series B.

For shares not subscribed for by subscription rights of series B (first priority preferential right), shall be offered to all shareholders for subscription (second priority preferential right). At transfer of a subscription right, the second priority preferential rights are also transferred to the new holder. In addition, investors will be invited to submit their interest in subscribing for new shares without preferential right.

Serneke's share capital will be increased by a maximum of SEK 320,478 through the Rights Issue, from the existing SEK 2,324,845.20 to a maximum of SEK 2,645,323.20, by new issue of a maximum of 3,204,780 new series B shares. After the new issue, the total number of shares in Serneke will amount to a maximum of 26,453,232 shares, whereof 5,210,000 series A shares and 21,243,232 series B shares.

The new shares are issued to SEK 53 per new share. Consequently, the Rights Issue will contribute an issue proceeds to Serneke of approximately SEK 170 million before transaction costs. In total, the transaction costs, including guarantee commission, amounts to approximately SEK 3.5 million, corresponding to approximately 2.1 per cent of the issue proceeds.

The record date for determining who are entitled to receive subscription rights of series B is 28 December 2020. The shares will therefore be traded with the right to receive subscription rights of series B to and including 22 December 2020.

The subscription period runs from 30 December 2020 through 13 January 2021, or the later date resolved by the Board of Directors. Trading in subscription rights of series B will take place on Nasdaq Stockholm during the period from 30 December 2020 through 11 January 2021 and the trading in paid-up subscribed shares of series B (Sw: *betalda tecknade aktier*) will take place on Nasdaq Stockholm during the period from 30 December 2020 until the Rights Issue is registered with the Swedish Companies Registration Office (Sw: *Bolagsverket*) and the paid-up subscribed shares are converted to series B shares.

Shareholders who choose not to participate in the Rights Issue will, assuming that the Rights Issue is fully subscribed, have their shareholdings diluted by approximately 11 per cent<sup>1,2</sup>, but are able to financially compensate for this dilution by selling their subscription rights of series B.

The Board of Directors' resolution on the new issue has been resolved with the support of the authorisation from the Annual General Meeting on 5 May 2020.

### Subscription and guarantee undertakings

Serneke's five largest shareholders, Ola Serneke (by company), Lommen Holding AB, Christer Larsson (by company), Daniel Åstenius (by company) and Vision Group AB, together representing 56 percent of the total number of outstanding shares, have undertaken to subscribe for 15 percent of the issue proceed and to transfer their remaining subscription rights of series B to a group of existing and new shareholders.

Svolder AB and the senior management of the company, together representing 8 percent of Serneke's outstanding shares, have undertaken to subscribe for their respective pro-rata share in the new issue.

In addition, Svolder AB and certain of the senior management of the Company and members of the Board of Directors, together with Provobis (through the wholly-owned subsidiary Novobis AB) and Ernström (through Ernström Finans AB) which will become new shareholders of Serneke, have undertaken to subscribe for all the transferred subscription rights of series B from Serneke's largest shareholders. In total, all the subscription undertakings represent approximately 64 percent of the issue proceed.

The part of the Rights Issue that is not covered by subscription undertakings, representing 36 percent of the issue proceed, is guaranteed by Svolder, Provobis and Ernström.

The Rights Issue is thereby fully covered by subscription and guarantee undertakings.

### Preliminary timetable

The below timetable for the Rights Issue is preliminary and may be adjusted.

<b>22 December 2020</b>	Last day of trading in series B shares including right to participate in the Rights Issue
<b>23 December 2020</b>	First day of trading in series B shares excluding right to participate in the Rights Issue
<b>28 December 2020</b>	Record date for participation in the Rights Issue, i.e. holders of shares who are registered in the share register on this date will receive subscription rights of series B for participation in the Rights Issue with preferential right
<b>28 December 2020</b>	Estimated date for publication of the prospectus
<b>30 December 2020 – 11 January 2021</b>	Trading in subscription rights of series B
<b>30 December 2020 – 13 January 2021</b>	Subscription period

<sup>1</sup> With regards to 2,300,000 newly issued series B shares to Fastighets AB Balder.

<sup>2</sup> Excluding repurchased own shares of series B. The total number of outstanding shares in Serneke is 23,248,452, of which the Company holds 814,987, which do not entitle to participation in the Rights Issue.

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**18 January 2021**Estimated date for publication of final results of the Rights Issue

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**Advisers**

In connection with the Rights Issue, Serneke has appointed Setterwalls Advokatbyrå as legal adviser.

**For more information, please contact:**

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This information is information that Serneke 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 08:35 CET on 17 December, 2020.

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*Serneke is a rapidly growing corporate group active in contracting and project development. The Group was founded in 2002 and today has income of nearly SEK 6.7 billion and approximately 1,200 employees, organized into three business areas: Serneke Sweden, Serneke Invest and Serneke International. Through novel thinking, the Company drives development and creates more effective and more innovative solutions for responsible construction. The Company builds and develops housing, commercial buildings, industrial facilities, public buildings, roads and civil engineering projects, and other infrastructure. The company's customers consist of both public and commercial clients. The Company's Swedish units operate nationwide and are organized into five regions: South, West, East, Central and North, and are headquartered in Gothenburg. The Company's Series B shares (SRNKE) have been listed on the Nasdaq Stockholm exchange since November 2016.*

*Further information about Serneke Group AB is available at [www.serneke.se](http://www.serneke.se)*

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This press release is not an offer or invitation to acquire or subscribe for shares or other securities in the United States. The securities that have been mentioned in this release are not allowed to be sold in the United States without registration, or without application of an exception from registration, according to the applicable U.S. Securities Act from 1933 ("Securities Act"), or as a part of a transaction that is not covered by the registration requirements according to the Securities Act. There is no intention to register any shares or securities mentioned herein in the United States or to announce a public offering of such securities in the United States. The



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A prospectus regarding the Rights Issue described in this press release will be published by the Company on or about 28 December 2020. The prospectus will be approved and registered by the Swedish Financial Supervisory Authority (Sw: *Finansinspektionen*) and be published on <https://www.serneke.se/>. The upcoming approval of the prospectus by the Swedish Financial Supervisory Authority shall not be regarded as an approval of the shares. This release is however not a prospectus in accordance to the definition in the Prospectus Regulation. In order for investors to fully understand the potential risks and benefits associated with a decision to participate in the Rights Issue, any investment decision should only be made based on the information in the prospectus. Thus, investors are encouraged to review the prospectus in its entirety. In accordance with article 2 k of the Prospectus Regulation this press release constitutes an advertisement. Serneke has not authorized any offer to the public of shares or rights in any other member state of the EEA than Sweden. 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 shares. An investment decision to acquire or subscribe for shares in the Rights Issue shall only be made based on publicly available information.

To the extent this press release contains forward-looking statements, such statements does not constitute facts and are characterized by words such as "shall", "expect", "believe" "assess", "intend", "estimate" and similar expressions. Such statements reflects Serneke's intentions, views or present expectations or assumptions. Such forward-looking statements are based on Serneke's current plans, estimates and projections, which have been made to the best of Serneke's ability. However, Serneke does not assert that these statements will be correct in the future. Forward-looking statements are associated with risks and uncertainties which are difficult to predict and which generally cannot be affected by Serneke. It should be contemplated that actual events or outcomes may differ materially from what is included or expressed in such forward-looking statements.