

Press release
8 March 2021

Heimstaden convenes the Annual General Meeting and proposes *inter alia* a new board composition, share split and authorisation to issue preference shares

Heimstaden AB (“Heimstaden” or the “Company”) convenes the Annual General Meeting and proposes *inter alia* a new board composition, a 10:1 share split and an authorisation for the Board of Directors to resolve on new issues of up to 4 million preference shares, corresponding to 40 million preference shares after the share split. The Annual General Meeting is scheduled to be held on 8 April 2021 and notice of the Annual General Meeting will be published in a separate press release today.

New Board Composition

Heimstaden’s current Board of Directors is comprised of Ivar Tollefsen, as Chairman, Patrik Hall, Magnus Nordholm and John Giverholt. Ivar Tollefsen will remain as Chairman and John Giverholt will remain as a member of the board. Magnus Nordholm and Patrik Hall are not proposed for re-election.

It is proposed that the Board of Directors shall consist of four members and the two new members that are proposed to be elected are:

- Vibeke Krag
- Fredrik Reinfeldt

Vibeke Krag is a qualified professional with broad CEO and board experience from large corporations within finance, insurance and energy. She currently serves on the Board of Directors of several companies, including Gjensidige Forsikring ASA (2018-), Nykredit A/S (2017-) and the Danish Competition and Consumer Authority (2015-). From 2010 to 2014 she held the position of CEO at Codan Forsikring A/S. She has an LLM from the University of Copenhagen.

Fredrik Reinfeldt is an experienced politician and business professional who led the Swedish Moderate Party for 12 years (2003-2015) and served eight years as Prime Minister of Sweden (2006-2014). He currently holds positions as Chairman of Centrum for AMP (2019-) and Political Advisor to Nordic Capital. He also has experience as Chairman of Extractive Industries Transparency Initiative (2016-2019), Senior Advisor to Bank of America Merrill Lynch (2016-2020) and member of the Board of Directors of Max Matthiessen AB (2016-2020). He has a Master of Business Administration from Stockholm University.

The new members will bring substantial competence and experience to the Board of Directors and contribute to Heimstaden’s continued development going forward.

Share split

The Company currently has 15,547,750 outstanding shares, of which 13,204,000 are ordinary shares and 2,343,750 are preference shares. Following the 10:1 share split, the Company will have 155,477,500 outstanding shares, of which 132,040,000 will be ordinary shares and 23,437,500 will be preference shares. The purpose of the proposed 10:1 share split is to create prerequisites for improved liquidity in the Company’s preference shares. In connection with the share split, technical amendments to the Articles of Association are proposed. The annual preference share dividend is adjusted from SEK 20.00 to SEK 2.00 per preference share and the redemption amount and preference shares’ right to distribution proceeds in the event of the dissolution of the Company are adjusted from SEK 375 to SEK 37.50 per preference share for the period up to 1 June 2025 and, from SEK 330 to SEK 33.00 per preference share for the period from and including 1 June 2025. The adjustments do not entail any changes to the rights of the preference shares.

Preference shareholders do not need to take any action to participate in the share split as it will be performed automatically after the Annual General Meeting has passed the necessary resolutions, these resolutions have been registered with the Swedish Companies Registration Office and changes have been carried out in the Euroclear system. The Annual General Meeting is proposed to authorise the Board of Directors to determine the record date for the share split. After the record date has been determined, further information on the dates for the last day of trading in the preference shares and commencement of trading in the split preference shares will be announced.

Share issue authorisation

Heimstaden assesses that conditions for continued growth through investments in residential properties in line with the Company's long-term strategy are good. The purpose of the proposal to authorise new issues of preference shares is to be in a position to offer existing and new shareholders in Heimstaden an opportunity to subscribe for new preference shares at such time when investment opportunities arise for Heimstaden, directly as well as indirectly through Heimstaden Bostad AB (publ). The proposal relates to issues of preference shares with or without preferential rights for existing preference shareholders.

Together, the share split and the authorisation to issue new preference shares, serve to optimise the share- and capital structure of Heimstaden.

Dividend resolution

Lastly, it is proposed that the Annual General Meeting resolves upon dividends on the preference shares in accordance with the Articles of Association corresponding to SEK 20 per preference share (or SEK 2 per preference share after the proposed share split) to be paid out quarterly. The dividends on the existing preference shares will amount to a total dividend of SEK 46,875,000. The dividends on any preference shares that may be issued based on the authorisation to issue new preference shares in accordance with the provisions of the Articles of Association, will amount to a total dividend of SEK 80,000,000 (if the authorisation were to be exercised to issue the maximum amount of preference shares possible and provided that they are issued in their entirety prior to the first record date after the Annual General Meeting). It is also proposed that the Annual General Meeting resolves to distribute dividends, amounting to a total dividend of SEK 1,000 million, to holders of ordinary shares, approximately SEK 75.73 per share (prior to the proposed share split). The Board of Directors shall be authorised to determine the record date for the dividend on the ordinary shares.

For more information, please contact:

Patrik Hall, CEO	+46 705-85 99 56	patrik.hall@heimstaden.com
Arve Regland, CFO	+47 47 90 77 00	arve.regland@heimstaden.com

Heimstaden is a leading residential real estate company in Europe, with a focus on acquiring, developing and managing housing and premises. Through our values Care, Dare and Share, we create value for our owners and friendly homes for our customers. Heimstaden has about 110,000 apartments and a property value of approximately SEK 170 billion. Heimstaden's preference share is listed on Nasdaq First North. The head office is in Malmö. Certified Adviser is Erik Penser Bank aktiebolag, +46 8-463 83 00 and certifiedadviser@penser.se. For more information, visit www.heimstaden.com

This information is such information that Heimstaden AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the agency of the above contact persons, for publication on 8 March 2021 at 08:00 CET.

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