

Heimstaden

Minutes no ____ of meeting of the board of directors of Heimstaden AB, reg. no. 556670-0455 ("the Company") held on 7 July 2021

Participating Directors: Ivar Tollefson (Chairman) (item 1, 3 and 4)

Vibeke Krag

Fredrik Reinfeldt

John Giverholt

Other participants: Patrik Hall (CEO)

Christian Fladeland (co-CIO)

Andreas S. Oulie (board secretary)

Attachments uploaded in Admincontrol Board Portal

Item 1 Opening of the meeting, approval of agenda and keeper of minutes

Ivar Tollefson started the meeting at 09:00 via Teams. Enough board members were present, and the meeting was declared duly convened with Andreas S. Oulie keeping the minutes of the meeting and that the minutes should be verified by all directors.

The draft agenda was approved.

Item 2 Acquisition of Heimstaden ehf. from Fredensborg ICE

Due to a conflict of interest, the chairman was disqualified from taking part in this agenda item and stepped out of the meeting. As John Giverholt is a board member in Fredensborg AS, the board discussed his independence and concluded that he is impartial and can take part in this agenda item.

Christian Fladeland presented the proposed acquisition of the Icelandic company Heimstaden ehf. from Fredensborg ICE ehf., which is a wholly owned subsidiary of Fredensborg AS and ultimately controlled by Ivar Tollefson.

The board discussed the proposed acquisition, addressing i.a. financial and political risk.

The board of directors unanimously* concluded to:

1. approve the board of directors' statement for the Transaction, including a fairness opinion for the Transaction prepared by PricewaterhouseCoopers ehf., corresponding to the requirements in accordance with Chapter 16 a, Section 7, second paragraph of the Swedish Companies Act (Appendix 1);
2. approve the Transaction and once the Transaction had been carried out around 12 July 2021 to publish a press release concerning the Transaction, and to publish the board of directors' statement, (Appendix 1);
3. authorise each of Magnus Nordholm, Arve Regland and Christian Fladeland to take any measures necessary or appropriate in order to execute the above resolutions, including to sign the purchase agreement.

* Excluding the chairman that did not vote on this matter.



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Item 3 Refinancing and issuance of guarantee from Heimstaden AB

In connection with the Transaction, Heimstaden ehf. will carry out a refinancing which includes i.a. Heimstaden AB issuing a parent company guarantee to guarantee the full and punctual payment of three loan agreements, issued by Heimstaden ehf., as borrower, towards AF HEIM slhf., as lender, in relation to the purchase of Heimstaden ehf. and three bond issuances (HEIMA001646, HEIMA071225 and HEIMA 071248). The guarantee shall not be higher than 14,000,000,000 ISK.

The board of directors unanimously concluded to:

1. issue a parent company guarantee as presented;
2. authorise the general counsel of Heimstaden ehf., Erlendur Kristjansson, ID number 230784-8179, the full power of attorney to sign a guarantee on behalf of Heimstaden and to take any measures necessary or appropriate in order to execute the above resolutions, including to make the necessary amendments to finalise the parent company guarantee.

Item 4 Other items

No other items were raised and the meeting ended at 09:35.

Minutes kept by

Chairman

Director

Andreas S. Oulie

Ivar Tollefsen

Vibeke Krag

Director

Director

Fredrik Reinfeldt

John Giverholt



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Bilaga 1 / Appendix 1

The English text is an unofficial translation of the Swedish original. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

Styrelsens redogörelse för förväret av Heimstaden ehf. <i>Bakgrund</i> Eftersom bolaget är noterat på Nasdaq First North Growth Market är bolaget skyldigt att följa god sed på aktiemarknaden. Av Aktiemarknadsnämndens uttalande AMN 2019:25 följer att god sed på aktiemarknaden kräver att en ordning som i allt väsentligt motsvarar 16 a kap. aktiebolagslagen (2005:551) ("ABL") tillämpas vid vissa transaktioner, bl.a. innehållande att vissa närliggande transaktioner ska godkännas på bolagsstämma i det noterade bolaget. Den transaktion som beskrivs under nästföljande rubrik är en sådan transaktion som ett sådant förvarande enligt god sed på aktiemarknaden ska tillämpas på. Heimstaden har inför den transaktion med Fredensborg AS som beskrivs nedan lämnat in en framställan till Aktiemarknadsnämnden, huvudsakligen avseende den beslutsordning som ska tillämpas. I stället för att en eventuell transaktion ska godkännas av en bolagsstämma i Heimstaden har Aktiemarknadsnämnden i uttalandet 2020:51 uttalat att det är förenligt med god sed på aktiemarknaden att ett beslut om en eventuell transaktion fattas av Heimstadens styrelse, förutsatt att Heimstaden i samband med transaktionen offentliggör en redogörelse över förväret i enlighet med 16 a kap. 7 § andra stycket ABL, inklusive en av oberoende	<i>The board of directors' statement in relation to the acquisition of Heimstaden ehf.</i> <i>Background</i> As the company is listed on Nasdaq First North Growth Market, the company is obliged to comply with best practice on the stock market. In accordance with the statement AMN 2019:25 made by the Swedish Securities Council (Sw. Aktiemarknadsnämnden), best practice on the stock market requires that a procedure, which in all material respects corresponds to Chapter 16 a of the Swedish Companies Act (2005:551), (Sw. aktiebolagslagen) is applied to certain transactions, inter alia meaning that some related party transactions must be approved by the general meeting of the listed company. The transaction described under the following heading is such a transaction to which such a procedure in accordance with best practice on the stock market is to be applied. Prior to the transaction with Fredensborg AS, which is described below, Heimstaden has submitted an application to the Swedish Securities Council, mainly concerning the decision-making procedure to be applied. Instead of a potential transaction being approved by the general meeting of Heimstaden, the Swedish Securities Council has in the statement 2020:51 stated that a resolution on a potential transaction made by the board of directors of Heimstaden is in compliance with best practice on the stock market, provided that Heimstaden, in
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expertis upprättad så kallad fairness opinion avseende det aktuella värdet på den förvärvade tillgången.	<i>conjunction with the transaction, publishes a statement of the acquisition in accordance with Chapter 16 a, Section 7, second paragraph of the Swedish Companies Act, including a so-called fairness opinion prepared by an independent expert regarding the value of the acquired asset.</i>
<i>Redogörelse för förvärvet</i> Heimstaden avser att förvärva ett fastighetsbestånd på Island bestående av cirka 1 650 lägenheter genom förvärv av det isländska bolaget Heimstaden ehf. Säljare i transaktionen är Fredensborg ICE ehf., vilket är ett helägt dotterbolag till Fredensborg AS. Fredensborg AS, som innehar cirka 70,8 procent av kapitalet och cirka 96 procent av rösterna i Heimstaden, kontrolleras av Heimstadens styrelseordförande Ivar Tollefsen. Köpeskillingen uppgår till 24 886 335 000 ISK och förvärvet kommer att genomföras med tillträde den 12. juli 2021. Ytterligare information om förvärvet framgår i det pressmeddelande som bolaget denna dag har offentliggjort avseende förvärvet.	<i>Description of the acquisition</i> <i>Heimstaden intends to acquire a property portfolio in Iceland consisting of approximately 1,650 apartments through an acquisition of the Icelandic company Heimstaden ehf. The seller in the transaction is Fredensborg ICE ehf., which is a wholly owned subsidiary of Fredensborg AS. Fredensborg AS, which holds approximately 70.8 per cent of the share capital and approximately 96 per cent of the votes in Heimstaden, is controlled by Ivar Tollefsen, the chairman of the board of directors. The purchase price amounts to 24,886,335,000 ISK and closing of the acquisition will occur on 12 July 2021. For further information about the acquisition, see the press release that the company on this day has published regarding the acquisition.</i>
Bolagets styrelse har inhämtat en fairness opinion över förvärvet som finns tillgänglig på bolagets hemsida.	<i>The board of directors of the company has obtained a fairness opinion regarding the acquisition that is available on the company's website.</i>

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