



Press release

Stockholm, July 17, 2017 (18:00 CET)

SSM establishes JV with Partners Group to develop projects worth 7.6 SEK billion

SSM Holding AB (publ) has established a joint venture with Partners Group, the global private markets investment managers. The cooperation includes the Tellus Towers, Järla Station and Metronomen projects. The combined value of the projects upon completion is estimated at approximately 7.6 SEK billion with a planned period of completion of five years from the date of agreement. The cooperation confirms SSM's explicit joint venture strategy while further strengthening the SSM Group's financing capacity. The joint venture has been established through the formation of a new holding company held 50 percent by SSM and 50 percent by Partners Group on behalf of its clients. The transaction will have a positive net effect of about 108 MSEK on SSM's liquidity and an impact of about 106 MSEK on profits for the Q3 2017.

SSM has today entered into a joint venture agreement with Partners Group (www.partnersgroup.com). The joint venture has been established through the formation of a new holding company held 50 percent by SSM and 50 percent by Partners Group on behalf of its clients ("the JV-company"). The JV Company and its wholly-owned subsidiaries have entered into an agreement with SSM to (i) acquire all of the shares in SSM's wholly-owned subsidiaries that hold the Tellus Towers and Järla Station projects ("the Subsidiaries"), (ii) acquire the design-build contract and the accrued contract revenue for the Metronomen project (the "Design-build Contract") and (iii) transfer promissory notes for receivables for the Metronomen housing cooperative directly to Partners Group. In total, the joint venture covers approximately 1,700 building rights with a combined estimated value of about 7.6 SEK billion upon completion. The estimated period of completion is five years from the date of agreement.

The subsidiaries and the ongoing design-build contract for the Metronomen project will be transferred for a purchase price of 85 MSEK which corresponds to equity, incurred project development costs and accrued contract revenues. The transfer of promissory notes for receivables for the Metronomen housing cooperative to Partners Group will be carried out for a purchase price of 258 MSEK. An additional purchase price of a maximum of 550 MSEK may be applied when the Tellus Towers project's detailed development plan is approved and specific milestones have been reached. The positive net effect on the SSM Group's liquidity amounts to approximately 108 MSEK on the possession date. The impact on SSM's profits for the third quarter 2017 amounts to about 106 MSEK.

The possession date shall be within ten days of the date of agreement.

- We are very happy to have entered into an agreement with Partners Group. The joint venture with Partners Group means that we can secure financing capacity to complete Tellus Towers while realizing our explicit joint venture strategy to run approximately half of our projects on a joint venture basis within the framework of different types of cooperation, says Mattias Roos, President & CEO of SSM.

SSM conducts an active joint venture strategy that strives for an equal distribution of projects run as joint ventures and by SSM alone. SSM also participates in joint ventures to acquire building rights as well as to maintain a desired level of risk within the Group. In addition to the joint venture with Partners Group, SSM currently has joint venture agreements with Alecta, Profi Fastigheter, Studentbacken and Libu Invest. After the transaction with Partners Group, 3,350 building rights of SSM's current 6,100 building rights will be covered by joint venture agreements.

About SSM Holding AB (publ)

SSM produces functionally smart and affordable homes with attractive common areas, close to public transport and the city center for the company's target group — the urbanites of tomorrow. The company envisions a housing market that is accessible to as many people as possible and aspires to produce 60 percent cooperative apartments, 30 percent rental units and 10 percent student housing. SSM is the leading property developer in its niche within the Greater Stockholm area and in July 2017, the company had approximately 6,100 building permits in its portfolio. SSM was listed on Nasdaq Stockholm (Mid-Cap) April 6, 2017 www.ssmlivinggroup.se



Impacted projects in brief

Metronomen

The Metronomen (Telefonplan) project includes 188 cooperative apartments with a total floor area of approximately 7,600 square meters. Most of the apartments are smart, space-efficient one- and two-room units with a balcony. There is also shared space in the form of a rooftop terrace. The project is located in a vibrant urban area that is currently being developed extensively in cooperation with the Konstfack University College of Arts, Crafts and Design and the Hyper Island college among others, both of which are contributing innovation and creativity to the development. Metronomen has a sales rate of 97.3 percent and production started during the third quarter 2016. Access is expected from the second quarter 2019.

Järla Station

The Järla Station (Nacka) project includes 319 cooperative apartments covering a total floor area of approximately 15,300 square meters. The majority of the units will be smart, space-efficient one- and two-room apartments and there are plans for half of the apartments to have a balcony. Planned shared spaces include rooftop terraces, outdoor patios, bike workshops and more. The project has an attractive location with a fantastic view of the Järla Sjö lake, close to shopping, services and vast recreational areas as well as good public transport via the Saltjöbanan light rail line. The expansion of Stockholm's subway system to Nacka means that in the future, there will also be subway connections. The sale of apartments at Järla Station will start during the fall 2017 and production will commence in 2018. Access is expected from 2020.

Tellus Towers

The buildings in the Tellus Towers (Telefonplan) project will be among the highest residential buildings in northern Europe and will include two skyscrapers of 78 and 58 stories respectively with more than 1,200 homes of which 370 will be rental units, corresponding to a total floor area of approximately 52,000 square meters. The buildings, which also include a seven-story multi-dwelling unit, have been designed by prize-winning architect Gert Wingårdh and modeled on Chinese architect Gary Chang's concept of using and maximizing smaller spaces. In addition to stores, cafés and grocery stores, the skyscrapers will offer a restaurant, sky bar, spa and rooftop swimming pools. The project is currently awaiting approval and the sales and production starts are planned for 2018 with access expected from the beginning of 2021. The project will be run through a number of partnerships.

This information is information that SSM Holding AB (publ) 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 below, at 18:00 CET on July 17, 2017.

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