



## Clarification on allegations from Viceroy

Viceroy claims that Samhällsbyggnadsbolaget i Norden AB (publ) ("SBB") has SEK 14bn liabilities outside of its balance sheet, which is incorrect and misleading. The SEK 14bn of acquired debt is included in the balance sheet and there are no other liabilities outside of the balance sheet. All liabilities including liabilities in acquired companies have been confirmed by audit statements from banks and audited by EY. For further details on the audit, please read the auditor's report in the annual report 2021 on page 116-119.

To clarify note 26 in the annual report in relation to the claims from Viceroy, the purpose of the note is to clarify that the debt does not have a direct impact on the cash flow statement but has been added indirectly through the acquisition of a subsidiary. For acquired subsidiaries, SBB applies the industry standard, where acquired subsidiaries are reported on their respective rows in the cash flow statement instead of making a net reporting of all items as a single item.

In the cash flow statement, SBB has chosen to present the acquisition of properties gross. Therefore, the company present the acquisition value of the properties as an outflow in investing activities and the part of the loan that is raised externally in connection with the acquisition that corresponds to the purchase is presented as an inflow in financing activities. The liabilities that exist in the acquired company are presented as a positive item in financing activities. SBB consider this presentation format to be in accordance with IAS 7 "Cash Flow Statement" and provides a true and fair view of the transaction, which has also been confirmed by external accounting experts. This presentation format means that the cash flow from financing activities will be in line with the total change in Group debt. This is also clearly highlighted in note 26, where the increased indebtedness from acquired subsidiaries is clearly stated. Therefore, it is directly incorrect to claim that SBB would report anything off the balance sheet.

An example is the acquisition of Offentliga hus. SBB reported the acquired bonds as SBB debt. In note 26 they are specified as acquired bonds of SEK 1,230 million (the only company acquired in 2021 with the bonds is Offentliga hus). Then, in the financial section of SBB's quarterly reports and annual report, SBB reported Offentliga hus' bonds as part of SBB's debt.

### **For further information, please contact:**

Ilija Batljan, CEO and Founder of Samhällsbyggnadsbolaget i Norden AB, [ilija@sbbnorden.se](mailto:ilija@sbbnorden.se)

*Samhällsbyggnadsbolaget i Norden AB (publ) (SBB) is the Nordic region's leading property company in social infrastructure. The Company's strategy is to long term own and manage social infrastructure properties in the Nordics and rent regulated residential properties in Sweden, and to actively work with property development. Through SBB's commitment and engagement in community participation and social responsibility, municipalities and other stakeholders find the Company an attractive long-term partner. The Company's series B shares (ticker SBB B) and D shares (ticker SBB D) are listed on Nasdaq Stockholm, Large Cap. Further information about SBB is available at [www.sbbnorden.se](http://www.sbbnorden.se).*