

KLÖVERN

Invitation to subscribe for shares in Klöver AB (publ)

PLEASE NOTE THAT THE SUBSCRIPTION RIGHTS ARE EXPECTED TO HAVE AN ECONOMIC VALUE

In order not to lose the value of the subscription rights, the holder must either:

- Exercise the subscription rights received and subscribe for new shares no later than on 3 December 2020, or
- Sell the subscription rights received but not exercised no later than 1 December 2020.

Please note that it is also possible to register for subscription of new ordinary shares without subscription rights and that shareholders with nominee-registered holdings with a depository at a bank or other nominee must contact their bank or nominee for instructions on how to subscribe and pay.

DISTRIBUTION OF THIS PROSPECTUS AND SUBSCRIPTION OF NEW SHARES ARE SUBJECT TO LIMITATIONS IN CERTAIN JURISDICTIONS,

see "Important information".

Nordea

Swedbank 

Danske Bank

IMPORTANT INFORMATION

For certain definitions used in this prospectus, see “Definitions” on page 80.

This prospectus has been prepared by reason of the impending rights issue in Klövern AB (publ) (“Klövern” or the “Company”), with a maximum of 206,259,309 new shares issued with preferential rights for existing shareholders (the “**Preferential Rights Issue**”). Nordea Bank Abp, filial i Sverige (“**Nordea**”), Swedbank AB (publ) (“**Swedbank**”) and Danske Bank A/S, Danmark, Sverige Filial (“**Danske Bank**”) are joint global coordinators (“**Joint Global Coordinators**”) in connection with the Preferential Rights Issue.

A separate prospectus in Swedish has been approved by and registered with the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*) (the “**SFSA**”) in accordance with Regulation (EU) 2017/1129 of the European parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Approval and registration by the SFSA does not imply that the SFSA guarantees that the factual information provided herein is correct or complete.

The prospectus and the Offering hereunder are governed by Swedish law. Disputes arising in connection with this prospectus, the Preferential Rights Issue and related legal matters shall be settled exclusively by Swedish courts. No measure has been, or will be, taken by Klövern to allow a public offering in any jurisdiction other than Sweden. Neither the subscription rights in the Preferential Rights Issue, the paid subscribed shares (*Sw. betalda tecknade aktier* – “**BTA**”) nor new shares subscribed in the Preferential Rights Issue have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”). There will be no public offering of securities in the Company in the United States. Securities may not be offered or sold, directly or indirectly, in or into the United States or to persons resident there except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, to a limited number of persons that (i) are qualified institutional buyers as defined in Rule 144A under the Securities Act (“**QIBs**”); and (ii) have executed and delivered an investor letter to Klövern. The registration requirements under the Securities Act are further described under “Information to investors in the United States” below. Neither is the Offering directed to persons in Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, Switzerland or South Africa or any other jurisdiction where participation would require additional prospectuses, registration or measures besides those required by Swedish law. Consequently, the prospectus may not be distributed in any country or jurisdiction in which distribution or the Preferential Rights Issue require such measures or otherwise would be in conflict with applicable regulations. Notification of subscription for shares in violation of the above may be considered void. Recipients of this prospectus are required to inform themselves about, and comply with, such restrictions. Failure to comply with the restrictions described may result in a violation of applicable securities regulations.

Within the European Economic Area (“**EEA**”), no public offering of shares is made in other countries than Sweden. In other member states of the European Union (“**EU**”), such an offering may only be made in accordance with the exemptions under the Prospectus Regulation. In other member states of the EEA which have implemented the Prospectus Regulation in their national legislation, such an offering may only be made in accordance with an applicable exemption in the Prospectus Regulation and/or in accordance with an applicable exemption under a relevant national implementation measure. In other member states of the EEA which have not implemented in their national legislation such an offering may only be made in accordance with an applicable exemption under national law.

Investing in shares is associated with risk (see “Risk factors”). When an investor makes an investment decision, he or she must rely on his or her own analysis of Klövern, including applicable facts and risks. Investors may only rely on the information in this prospectus and any supplements to this prospectus. No person is authorized to provide any information or make any statements other than those made in this prospectus and, should such information or statement nevertheless be provided or be made, it should not be considered to have been approved by Klövern, and Klövern is not responsible for such information or statements. Neither the publication of this prospectus nor any transaction made in respect of it shall be deemed to imply that the information in this prospectus is accurate or applicable at any time other than the date of the publication of this prospectus or that there has been no change in Klövern’s business since this date. If significant changes relating to the information contained in this prospectus occur during the period in which the Offering applies, such changes will be announced in accordance with the provisions on prospectus supplements under the Prospectus Regulation.

The prospectus is available on Klövern’s website, (www.klovern.se) and Swedbank’s website, (www.swedbank.se). The Swedish version of the prospectus will also be made available on the SFSA’s website, (www.fi.se) (the information on the websites is not part of the prospectus). Other information on the Company’s website does not form part of this prospectus, unless the information has been explicitly incorporated into the prospectus by reference.

Information to investors in the United States

No subscription rights, paid subscribed shares or shares issue in Klövern have been, or will be, registered under the Securities Act or with any regulatory authority in any state or other jurisdiction of the United States. Any offer regarding distribution of this prospectus to any person other than the offeree specified by the Company, and those persons, if any, retained to advise such offeree with respect to purchasing shares in the Preferential Rights Issue, is unauthorized. Reproduction or distribution of all or part of the prospectus in the United States is prohibited. The prospectus is personal to each offeree and does not constitute any offer to any other person or to the general public to acquire shares in the Preferential Rights Issue. No subscription rights, paid subscribed shares or new shares in Klövern may be offered, subscribed for, exercised, pledges, sold, resold, allotted, delivered or otherwise transferred, directly or indirectly, in or into the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws in relevant state or other jurisdiction of the United States. The shares are offered outside the United States in accordance with Regulation S of the Securities Act. No offer will be made to the public in the United States. Until 40 days after the commencement of the Offering, any offer or sale of the subscription rights or shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act. The shares covered by the Preferential Rights Issue have not been recommended by any federal or state securities commission or regulatory authority in the United States. Nor have these authorities confirmed that the content of this prospectus is accurate or sufficient. Any representation to the contrary is a criminal offense in the United States.

Presentation of financial information

Some figures in this prospectus, including financial data, have been rounded. Accordingly, figures shown in totals in certain columns may not be an exact arithmetic aggregation of the figures which precede them. Unless otherwise stated, no information in this prospectus has been reviewed or audited.

Information to distributors

Subject to the Product Governing Requirements in: (a) EU Directive 2014/65/EU on Markets in Financial Instruments (“**MiFID II**”), (b) Articles 9 and 10 of the Commission’s Delegated Directive (EU) 2017/593 on the completion of the MiFID II; and (c) Chapter 5 of the Financial Supervisory Authority regulations on securities business, FFFS 2017:12, (combined “**MiFID II’s product governing requirements**”), and without liability for compensation for damages that can lie with a “producer” (in accordance with MiFID II’s product governing requirement), shares, subscription rights and paid subscribed shares have been the subject of a product approval process, where the target market for shares, subscription rights and paid subscribed shares in the Company are (i) non-professional clients and (ii) the investors meeting the requirements for professional clients and the equivalent counterparties, according to MiFID II each (“**Target Market**”), and (iii) suitable for distribution through all distributions channels permitted by MiFID II. Notwithstanding the target market assessment, the distributors should note that: the value of the shares, subscription rights and paid subscribed shares in the Company may decrease and it is not certain that investors get back all or part of the invested amount; the shares, subscription rights and paid subscribed shares in the Company offer no guaranteed revenue and no capital protection, and an investment in the shares, subscription rights and paid subscribed shares in the Company are only suited for investors who do not require a guaranteed revenue or capital protection, which (either alone or together with an appropriate financial or other advisor) is capable of evaluating the benefits and risks of such losses that may occur accordingly. The target market assessment does not affect any of the contractual, legal or regulatory sales restrictions in relation to the Preferential Rights Issue. The target market assessment is not to be considered (a) a suitability or fit assessment in accordance with MiFID II; or (b) a recommendation to any investor or group of investors to invest in, acquire, or take any other action on shares, subscription rights and paid subscribed shares in the Company. Each distributor is responsible for its own target market assessment on shares, subscription rights and paid subscribed shares in the Company and to determine appropriate distribution channels.

Forward-looking statements

This prospectus contains certain forward-looking information that reflects Klövern’s present view of future events, as well as financial and operational development. Words such as “intend”, “assess”, “expect”, “may”, “plan”, “believe”, “estimate” and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking statements. Forward-looking statements are inherently associated with both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements are not a guarantee of future results or development, and actual outcomes may differ materially from those set out in the forward-looking statements. Factors that may cause Klövern’s future results and development to differ from the forward-looking statements include, but are not limited to, those describe in “*Risk factors*”. The forward-looking statements contained in this prospectus apply only as of the date of this prospectus. Klövern does not undertake any obligation to publicly announce any update or change in forward-looking statements as a result of new information, future events or similar circumstances other than as required by applicable laws and regulations.

Business and market data

The prospectus contains market information and industry forecasts from third parties. Although Klövern considers these sources to be reliable and the information has been reproduced correctly in the prospectus, Klövern has not independently verified the information and cannot guarantee the accuracy and completeness of it. The Company has correctly reproduced such third-party information and, as far as the Company’s Board of Directors is aware and can ascertain, no facts have been omitted that would make the reproduced information incorrect or misleading.

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THE OFFER IN BRIEF

Preferential rights

Each ordinary share of class A or class B in Klöver held on the record date entitles the holder to one (1) subscription right of class A and class B, respectively. The subscription rights entitle the holder to subscribe for shares with preferential rights, whereby four (4) subscription rights of class A and class B entitle subscription of one (1) new ordinary share of class A or class B respectively.

Important dates 2020

Record date for participation in the Preferential Rights Issue	17 November 2020
Subscription period	19 November 2020 – 3 December 2020
Trading with subscription rights	19 November 2020 – 1 December 2020
Trading with Paid Subscribed Shares	19 November 2020 – 14 December 2020
Publication of the outcome	4 – 7 December 2020

Subscription price

SEK 10 per ordinary class A and class B share respectively.

Ordinary class A shares

Ticker: KLOV A
 ISIN: SE0006593901
 Subscription right A: KLOV TR A
 ISIN: SE0015195409
 Paid Subscribed Shares A: KLOV BTA A
 ISIN: SE0015195417

Ordinary class B shares

Ticker: KLOV B
 ISIN: SE0006593919
 Subscription right B: KLOV TR B
 ISIN: SE0015195425
 Paid Subscribed Shares B: KLOV BTA B
 ISIN: SE0015195433

Summary

INTRODUCTION AND WARNINGS

This prospectus has been prepared due to a public offering and admission to trading of the ordinary class A shares, ISIN SE0006593901, and ordinary class B shares, ISIN SE0006593919, in Klöver AB (publ) (corporate identity number 556482-5833), LEI-code 549300D4GJAZR1EMIA07, Bredgränd 4, 111 30 Stockholm, on Nasdaq Stockholm. A separate prospectus in Swedish has been approved by and registered with Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (with postal address Box 7821, 103 97 Stockholm, telephone number +46 (0) 8 408 980 00 and website (www.fi.se)) in its capacity as competent authority according to the Prospectus Regulation as of the date of approval of the prospectus. This summary should be considered as an introduction to the prospectus. Every decision to invest in the securities should be based on an assessment of the prospectus as a whole by the investor. An investor may lose all or part of the invested capital. In accordance to national law, if action is brought to court regarding the information in the prospectus, the plaintiff investor may have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability can only be imposed on the persons who have submitted the summary, including the translation of it, but only if the summary is misleading, incorrect or incompatible with the other parts of the prospectus or if it does not, together with other parts of the prospectus, provide key information to assist investors when considering investing in such securities.

KEY INFORMATION ABOUT THE ISSUER

Who is issuer of the securities?

Klöver AB (publ) (corporate identity number 556482-5833) is a Swedish public limited company incorporated in Sweden whose operations are conducted in accordance with Swedish legislation, including the Companies Act (2005: 551) (Sw. *Aktiebolagslagen*) and the Annual Accounts Act (1995: 1554) (Sw. *Årsredovisningslagen*).

The subject of the Company's business is to, directly or indirectly through subsidiaries, acquire, own, manage, develop and sell properties, and conduct operations compatible therewith.

Klöver AB's board is based in Stockholm (municipality).

Major shareholders

The table below shows shareholders in Klöver AB with direct or indirect holdings amounting to at least five (5) per cent of the shares or votes in the Company, as of 30 September 2020. As far as the Company is aware, there is no direct or indirect ownership that can lead to a change of control in the Company.

Shareholder	No. of ordinary class A shares, thousands	No. of ordinary class B shares, thousands	No. of preferential shares, thousands	Amount of capital, %	Amount of votes, % ¹⁾
Rutger Arnhult via companies	12 528	127 419	655	15,1	17,3
Corem Property Group	9 500	129 400	–	14,9	15,3
Gårdarike	31 550	61 475	50	10,0	25,7
Länsförsäkringar Fondförvaltning	–	58 977	–	6,3	4,0
Handelsbanken Fonder	–	49 730	–	5,3	3,4
MAJOR SHAREHOLDERS, TOTAL	53 578	427 001	705	51,6	65,7
Other shareholders	15 781	328 677	15 739	38,6	34,3
TOTAL OUTSTANDING SHARES	69 359	755 678	16 444	90,2	100,0
Repurchased own shares	–	90 957	–	9,8	–
TOTAL REGISTERED SHARES	69 359	846 635	16 444	100,0	100,0

Due to routines at Ålandsbanken and Banque Internationale à Luxembourg, the banks have been registered as owners of some of their customers' Klöver shares in Euroclear's share register. Klöver estimates that the table above correctly shows the company's largest owners.

1) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the calculation of share of votes.

The Board of Directors

The table below shows the members of the Board of Directors in Klöver AB as per the day of the prospectus.

Name	Position
Pia Gideon	Chairman
Rutger Arnhult	Member
Eva Landén	Member
Ulf Ivarsson	Member
Johanna Fagrell Köhler	Member

The Company's Senior Group Management

The table below shows the members of Klöver's Senior Group Management as of the date of this prospectus.

Name	Position
Rutger Arnhult	CEO
Peeter Kinnunen	Transaction Manager
Jens Andersson	Head of Finance
Malin Löveborg	Head of Legal
Susanne Hörnfeldt	Head of Business Support

Auditor

The auditing company Ernst & Young, Box 7850, 103 99, is the Company's auditor, with the authorized auditor Frederic Hävrén as the principal auditor. Fredric Hävrén is a member of FAR.

Key financial information for the issuer

The selected historical financial information below has been derived from Klöver's audited annual reports for the financial year 2019 and 2018, regarding the financial information as per 31 December, and from Klöver's reviewed interim report for the period January – September 2020, regarding the financial information as per 30 September. The annual report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU ("IFRS") and the interim reports have been prepared in accordance with IAS 34 Interim Financial Reporting.

The consolidated income statement in summary

MSEK	2019-12-31	2018-12-31	1 Jan–30 Sep 2020
Total revenue	3,638	3,250	2,457
Operating surplus	2,463	2,170	1,664
Result from property management	1,462	1,344	982
Result from housing development	-164	-59	-61
Result for the period	3,023	3,334	1,301
Result for the period attributable to the parent company's shareholders	3,003	3,345	1,299

The consolidated balance sheet, summarized

MSEK	2019-12-31	2018-12-31	1 Jan–30 Sep 2020
Total assets	57,713	56,462	61,615
Total equity ¹⁾	20 283	18 144	20 622

1) Refers to the Company's total equity

THE GROUP'S CASH FLOW ANALYSIS, SUMMARIZED

MSEK	2019-12-31	2018-12-31	1 Jan–30 Sep 2020
Current operations	768	1,248	720
Investment operations	1,765	-5,324	-3,285
Financing operations	-2,660	4,613	2,762
Cash flow for the period	-127	537	197

Key risk factors specific to the issuer

Presented below are the most material risk factors which are specific to the Company.

Klövern is exposed to risks relating to changes in property valuation

The value of Klöverns properties amounted to SEK 52,377 million as of 31 December 2019, corresponding to 91 per cent of the Group's total assets. During 2019, the change in value of the properties amounted to SEK 2,125 million, corresponding to 4 per cent of the value of the properties in the beginning of the year, or 62 per cent of the earnings before taxes in 2019.

A number of factors such as the geographic and product composition of the portfolio, the customer mix and Klöverns success in managing and developing the properties, is reflected in rental rates, occupancy rates and operating costs, which affect the value of the Group's properties. In addition, the economy as well as the yield requirement, affects the amount and direction of value changes. Negative value growth of the properties will have a negative effect on Klöverns balance sheet and earnings.

Risks relating to property development

All phases of property development are associated with risk and the risks increase depending on the complexity of the project. This applies both to the general execution of the project as well as specific risks such as supplier risk, workplace accidents and the risk that premises are not rented out as planned. There is a risk that development and construction projects are delayed or affected by other unforeseen circumstances, which may have a negative impact on profits from such projects.

Risks relating to property transactions

There is a risk that acquisitions and divestment of properties are delayed or affected by increased or unforeseen costs, that divestment result in lower profits than expected, that acquired properties are valued lower than expected and that future property transactions do not equal the expected positive effects, which may have a negative impact on the Group's balance sheet and operating profit.

Risks relating to liquidity and financing

The Group's operations are primarily financed through equity, loans from credit institutions as well as the capital markets via bonds and certificates. The Group's capital structure entails that financial costs, including interest costs, is the single largest cost item, which for the financial year of 2019 amounted to SEK 861 million. As of 30 September 2020, 76 per cent of the Group's interest-bearing liabilities consisted of loans from banks and credit institutions and loans through bonds and certificates amounted to 24 per cent. The Group's total outstanding interest-bearing liabilities amounted to SEK 34,955 million as of 30 September 2020, which primarily is secured through mortgage deeds in the Group's properties. Furthermore, the Company has issued guarantees for some of these loans, e.g. in the form of parent company guarantees. Should the Company be in breach of financial covenants set out in certain credit agreements, it could lead to such loans being cancelled and due for immediate repayment or the collateral being seized by the credit institution/s. Furthermore, there is a risk that creditors will not extend Klöverns credits at the final maturity dates, that there will not be any alternative credit facilities available or that credits can only be obtained at significantly higher costs, which would have a negative impact on the Group's ability to meet its payment obligations.

Risks relating to Covid-19 and other pandemics

If Klöverns commercial tenants are negatively affected by Covid-19 there is a risk that Klöverns may grant rent reductions and/or temporary discounts, that tenants cancel payments and that Klöverns vacancy rate increases, which may negatively affect Klöverns income, cash-flow, operating profits and balance sheet. There is also a risk that Klöverns operations are negatively affected by decisions or recommendations from authorities, e.g. relating to the Company's ability to distribute dividend.

KEY INFORMATION ABOUT THE SECURITIES**Essential characteristics of the securities**

The Company has issued three share classes; ordinary class A shares, ordinary class B shares and preference shares. The Preferential Rights Issue refers to ordinary class A shares, with ISIN SE0006593901, and ordinary class B shares, with ISIN SE0006593919. Klöverns ordinary class A and class B shares are listed and traded at Nasdaq Stockholm, with ticker names KLOV A and KLOV B.

The shares are denominated in Swedish kronor (SEK). As of the date of the prospectus, the Company's share capital amounts to SEK 1,864,875,960 through 932,437,980 shares, with a quota value of SEK 2.00 per share. All issued shares are fully paid. Through the Preferential Rights Issue, a maximum of 17,339,675 new ordinary class A shares and a maximum of 188,919,634 new ordinary class B shares will be added.

Rights associated with the securities

Each ordinary class A share entitles the holder to one (1) vote at the General Meeting and each ordinary class B share entitles the shareholder to one tenth (1/10) of a vote at the General Meeting. Each shareholder is entitled to vote for all owned and represented shares without restriction.

All ordinary shares have a proportionate right to the Company's profit and surplus in the event of liquidation.

The dividend to holders of ordinary shares are decided by the Annual General Meeting. The right to dividend is entitled to persons who are registered shareholders in the share register kept by Euroclear Sweden on the record date determined by the Annual General Meeting. The right to dividend expires in accordance with normal limitation periods (10 years). In the event of statute of limitation, the Company retains the dividend. There are no restrictions on dividends or special procedures for shareholders resident outside Sweden and payment is made in the same way as for shareholders resident in Sweden. For shareholders that are not domiciled in Sweden, however, Swedish coupon tax is normally levied.

If the Company decides to issue new ordinary shares, unless paid for by other considerations than cash, existing shareholders of ordinary shares are entitled to subscribe for new shares of the same class in relation to the number of shares the shareholders already own (primary preferential right). Shares that are not subscribed with primary preferential right shall be offered to all shareholders (subsidiary preferential right).

Dividend policy

Klövern has adopted a dividend policy stating that the long-term dividend shall amount to at least 50 per cent of the property management result. The dividend to preferential shareholders shall not exceed 30 per cent of the property management result in the long term. When assessing the size of the dividend, the Company's investment alternatives, financial position and capital structure shall be taken into account.

The dividend for ordinary shares for the financial year 2019 has been determined to SEK 0.26 per share (SEK 0.13 and SEK 0.13, respectively, with record dates 30 December 2020 and 31 March 2021). For the financial years 2018 and 2017, the dividend amounted to SEK 0.46 and SEK 0.44 per ordinary share.

Where will the securities be traded?

The shares will be traded on Nasdaq Stockholm. The ticker for ordinary class A shares is KLOV A and the ticker for ordinary class B shares is KLOV B.

Which key risk factors are specific to the securities?

The securities offered in the Preferential Rights Issue are subject to the following specific key risk factors.

The share price can be volatile and the value is dependent on a number of factors

As an investment in shares can decrease in value, there is a risk that an investor will not receive the invested capital. Klöverns shares are listed on Nasdaq Stockholm. During the period of 1 January – 30 September 2020, the lowest and highest price paid for ordinary class A shares was SEK 11.25 and SEK 27.80 and the lowest and highest price paid for ordinary class B shares was SEK 10.92 and SEK 27.58. Thus, the share price may be volatile. A decision to invest in the shares should therefore be preceded by careful analysis.

Klövern AB's largest shareholders can exercise a significant influence on the Company

Klövern has different share classes. Each ordinary class A share entitles to one (1) vote and each ordinary class B share and each preference share entitles to one tenth (1/10) of a vote. The three largest shareholders Rutger Arnhult (through companies), Corem Property Group AB (publ) and Gårdarrike AB were as of 30 September 2020 holders of a total of 40.0 per cent of the capital and 58.3 per cent of the votes¹⁾ and can thus exercise control over Klöverns issues that may be to the detriment of other shareholders.

Risks relating to dilution

Shareholders that will not exercise all or some of their Subscription rights to subscribe for new shares in the Preferential Rights Issue will get reduced in terms of relative holding of Klöverns share capital and voting rights. The dilution for the shareholders choosing not to participate in the Preferential Rights Issue will be approximately 18.1 per cent of the shares and 19.8 per cent of the votes¹⁾.

Subscription commitments and declaration of intent are not secured

Shareholders representing 33.8 per cent of the outstanding ordinary shares and 32.6 per cent of the votes¹⁾ have undertaken to subscribe for their respective pro-rata share in the Preferential Rights Issue. In addition, Länsförsäkringar Fastighetsfond and Handelsbanken Fonder, which together represents 11.9 per cent of the outstanding ordinary shares and 6.7 per cent of the total number of votes in Klöverns¹⁾, have expressed their intention to subscribe for their respective pro rata shares in the Preferential Rights Issue. Subscription commitments and declarations of intent are not secured through bank guarantees, pledge or otherwise. There is a risk that these shareholders do not fulfill their commitments, which could have a negative impact on the execution of the Preferential Rights Issue.

1) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the total number of votes.

Risks related to trading in subscription rights and Paid Subscribed Shares

Persons registered as a holder of ordinary shares in Klöver AB on the record date will receive subscription rights in relation to their existing shareholdings. Subscription rights are expected to have an economic value that the holder only can benefit from if the holder either utilise them to subscribe for new shares no later than 3 December 2020 or sell them no later than 1 December 2020. Unused subscription rights will be removed from the holder's securities account after 1 December 2020, without notification, whereby the holder loses the expected economic value of the subscription rights. Subscription rights and Paid Subscribed Shares will be traded on Nasdaq Stockholm during the period 19 November 2020 up to, and including, 1 December 2020 respectively 19 December 2020 up to, and including, 14 December 2020. The trading in these instruments may be limited and there is a risk that there will not be an active trading in the subscription rights or the Paid Subscribed Shares, that sufficient trading will not be available or that the subscription rights or the Paid Subscribed Shares cannot be traded. Investors risk not being able to realize the value of their subscription rights or Paid Subscribed Shares. Limited liquidity may also create large fluctuations in the market price of subscription rights and/or Paid Subscribed Shares. Consequently, the price for these instruments may be incorrect or misleading.

KEY INFORMATION ABOUT THE PREFERENTIAL RIGHTS ISSUE**On what terms and when can I invest in this security?****General**

On 6 October 2020, The Board of Directors of Klöver AB decided, subject to the approval of the Annual General Meeting, to increase the Company's share capital through a preferential rights issue with preferential rights for Klöver AB's shareholders. The Board of Directors decision on the Preferential Rights Issue was approved at the extraordinary general meeting on 13 November 2020.

The Company's shareholders have preferential right to subscribe for new ordinary class A shares and ordinary class B shares in Klöver AB, respectively, in proportion to the number of ordinary class A shares and ordinary class B shares they hold on the record date (primary preferential right). The record date for determining who is entitled to participate in the Preferential Rights Issue is 17 November 2020. For each ordinary share of class A and class B held on the record date, shareholder will receive on (1) subscription right of class A and class B, respectively. The subscription rights entitle the holder to subscribe for new ordinary class A shares and ordinary class B shares with preferential rights, whereby four (4) subscription rights of class A and class B entitle to subscription of one (1) new ordinary class A share and class B, respectively. Shares that are not subscribed for by shareholders entitled to subscription on the basis of primary preferential right, shall be offered to all shareholders for subscription (subsidiary preferential right).

If the number of shares subscribed for with subsidiary preferential rights is not sufficient, the shares shall be distributed among the subscribers in relation to their previous holdings and, if not possible, the distribution shall be decided by drawing of lots.

In addition, investors are also offered to register their interest in subscribing for new ordinary shares without primary or subsidiary preferential rights (without preferential right).

Lastly, any remaining ordinary shares shall be distributed to the guarantor M2 Asset Management AB (publ).

Subscription of new ordinary shares shall take place from 19 November 2020 up to, and including, 3 December 2020, or a later date determined by the Board of Directors.

Subject the new share registration by the Swedish Companies Registration Office, the shares shall be admitted to trading on Nasdaq Stockholm. The registration at the Swedish Companies Registration Office is expected to be completed around week 50 2020.

Subscription price

The subscription price has been determined to SEK 10 per ordinary class A share and ordinary class B share.

Dilution following the Preferential Rights Issue

At full subscription the Preferential Rights Issue will result in the increase of the Company's total number of ordinary class A shares from 69,358,703 to 86,698,378, class B shares from 846,635,277 to 1,035,554,911, and that the total number of shares increases from 932,437,980 to 1,138,697,289 shares. Each ordinary class A share entitles the shareholder to one (1) vote at the general meeting and each ordinary class B share entitles the shareholder to one tenth (1/10) of a vote. The dilution effect for the shareholders who do not to participate in the Preferential Rights Issue will be approximately 18.1 per cent of the capital and 19.8 per cent of the votes²⁾.

1) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the total number of votes.

2) In determining the maximum number of newly issued shares in the Preferential Rights Issue, it has been taken into account that the Company holds 90,956,740 shares, which do not entitle to participation in the Preferential Rights Issue.

Income and expenses associated with the Preferential Rights Issue.

Upon full subscription in the Preferential Rights Issue, Klöver will receive approximately SEK 2,063 million¹⁾ prior to deduction of costs related to the Preferential Rights Issue, which are estimated to approximately SEK 35 million.

Why is this prospectus prepared?

On 6 October 2020, The Board of Directors of Klöver decided, subject to the approval of the Annual General Meeting, to increase the Company's share capital through a preferential rights issue with preferential rights for Klöver's shareholders. The Board of Directors decision on the Preferential Rights Issue was approved at the extraordinary general meeting on 13 November 2020. The Preferential Rights Issue will increase the Company's share capital by a maximum of SEK 412,518,618, from SEK 1,864,875,960 to a maximum of SEK 2,277,394,578, by issuing a maximum of 206,259,309 new ordinary class A shares and ordinary class B shares. The subscription price has been determined to SEK 10 per ordinary share, regardless of share class, meaning that the proceeds from the Preferential Rights Issue, upon full subscription, is summed up to a total of SEK 2,063 million before cost deductions related to the Preferential Rights Issue.

The Company sees ample opportunities for continued value creation through additional acquisitions to the property portfolio as well as to the refining and development of the building rights portfolio which the Company has built up over a longer period of time. The Preferential Rights Issue is carried out in order to take advantage of these opportunities and at the same time maintain a balance between equity and liabilities. According to the assessment of the Company, a strengthened balance sheet will reduce Klöver's financing costs, which means an increased interest coverage ratio, improved cash flows and increased scope for continued value creation through selective acquisitions, as well as increased opportunities to add further development projects to the portfolio in accordance with the Company's strategy.

The proceeds from the Preferential Rights Issue are intended to be used for the continued execution of the Company's strategy. Consequently, the issue proceeds will be used to:

1. provide the Company with room for continued value creation through selective acquisitions to the Swedish or international property portfolio and project development of commercial and residential premises and housing, and
2. provide the Company with a strengthened balance sheet, lower leverage and increased financial flexibility.

Adjusted for the issue proceeds, Klöver estimates that the leverage had amounted to approximately 50 per cent and the adjusted equity ratio to approximately 43.5 per cent as of 30 September 2020. This can be compared with the Company's target of adjusted long-term equity ratio of at least 40 per cent.

Subscription commitments and issuer guarantee**Subscription commitment and declaration of intent**

Shareholders of 33.8 per cent of all outstanding ordinary shares and 32.6 per cent of the votes in Klöver²⁾ have undertaken to subscribe for their respective pro-rata shares in the Preferential Rights Issue. In addition, shareholders which together represent 11.9 per cent of the outstanding ordinary shares and 6.7 per cent of the total number of votes in Klöver⁵, have expressed their intention to subscribe for their respective pro-rata share in the Preferential Rights Issue. Neither subscription commitment nor declarations of intent are secured by bank guarantees, pledges or otherwise. For further information, see the section "*Subscription commitments and declarations of intent are not secured*" under the section "*Risk factors*" below.

Guarantee commitment

The part of the Preferential Rights Issue that is not covered by the subscription commitments is guaranteed by Rutger Arnhult's company M2 Asset Management AB (publ). For further information, see the sections "*Risks – Unsecured guarantee commitment*" and "*Legal issues and supplementary information – Subscription bond and guarantee commitments in the Preferential Rights Issue*".

Advisors etc.

Nordea Bank Abp, filial i Sverige ("**Nordea**"), Swedbank AB (publ) ("**Swedbank**") and Danske Bank A/S, Danmark, Sverige Filial ("**Danske Bank**") provide financial advice and other services to Klöver. These advisors (as well as companies related to them) are as of the date of the prospectus lenders to Klöver and have provided and may in the future provide various banking, financial, investment, commercial and other services to Klöver for which they have received or may receive compensation. Walthon Advokater AB is a legal advisor to Klöver in connection with the Preferential Rights Issue. Walthon Advokater AB have provided legal advice and may provide additional legal advice to the Company.

1) In determining the maximum number of newly issued shares in the Preferential Rights Issue, it has been taken into account that the Company holds 90,956,740 shares, which do not entitle to participation in the Preferential Rights Issue.

2) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the total number of votes.

Risk factors

Investing in securities involve risk. Potential investors should prior to making an investment decision carefully consider the risk factors deemed to be of importance for Klöver and the future performance of its shares. These include risks attributable to Klöver's operations and industry, legal risks, financial risks, risk related to dividend from Klöver's shares and risks related to the share and the Preferential Rights Issue. Described below are the risk factors, which are currently deemed most material to Klöver. The assessment of the materiality of each risk factor has been determined on the basis of the probability of their occurrence and the expected magnitude of the negative impact if they would materialize. The risk factors that are currently deemed most material are presented first in each category, while subsequent risk factors in the same category are not ranked. The description is made on the basis of information available on the day of this prospectus.

RISK FACTORS ATTRIBUTABLE TO KLÖVERN

Risk factors attributable to Klöver's operations and industry

Klöver is exposed to risks relating to changes in property values

The value of Klöver's properties amounted to SEK 52,377 million as of 31 December 2019, corresponding to 91 per cent of the Group's total assets. During 2019, the change in value of the properties amounted to SEK 2,125 million, corresponding to 4 per cent of the value of the properties in the beginning of the year, or 62 per cent of the earnings before taxes in 2019. A number of factors such as the geographic and product composition of the portfolio, the customer mix and Klöver's success in managing and developing the properties, is reflected in rental rates, occupancy rates and operating costs, which affect the value of the Group's properties. In addition, the economy as well as the yield requirement, affects the amount and direction of value changes. Klöver complies with IFRS and therefore reports the properties at fair value and any changes in the value of the property portfolio are reported in the income statement. If any of the above mentioned risks would materialize, it could have a high negative impact on Klöver's balance sheet, earnings and financial position. Klöver deems the probability of the risk occurring to be low.

Risks relating to rental income and rental development

Rental income from commercial properties is in the long term driven by, among other things, supply and demand. Klöver's rental income is affected by the occupancy rate of the properties, contract rental rates and the tenants' ability to pay rent.

If for any reason occupancy rates and rental rates decrease, it will negatively affect the Group's earnings. The risk of large fluctuations in vacancies and loss of rental income increases the more individually large tenants a real estate company has. As of 31 December 2019, the ten largest

tenants (Ericsson, WSP Sverige, Tele2 Sverige, among others) represented 18.6 per cent of the Group's total value of contracts, where Ericsson, as the single largest tenant, represented 7.4 per cent of the total value of contracts. As of 31 December 2019, the total number of contracts with the ten largest tenants amounted to 168, with varying contract periods but with an average remaining contract period of 5.0 years. There is a risk that the Group's major tenants will not renew or extend their leases at expiration and that the Group is unable to find new tenants, which in the long run could lead to reduced rental income and increased vacancies. The Group's earnings and cash flow will be negatively affected if the tenants cancel their payments or in any other way not fulfil their obligations. The Company deems the probability of the risk occurring to be low. If the risk would materialize, the Company considers the negative impact on the Group's rental income and in turn its earnings to be medium high.

Risks relating to property developments

The operations of the Group also comprise property development projects. All phases of these projects are associated with risk and the risks increase depending on the complexity of the projects. This applies to the over-all execution of the projects as well as supplier risk, workplace accidents and the risk that premises are not rented as planned. As of 30 September 2020, the Group had a total of 372 ongoing property development projects and the total estimated cost at the time amounted to SEK 4,806 million, with a remaining investment cost of SEK 2,040 million. At the same time, the four largest ongoing projects accounted for approximately 44 per cent (SEK 2,114 million) of the total estimated project cost and for approximately 53 per cent (SEK 1,086 million) of the remaining investment costs. Thus there is a concentration risk in relation to the largest projects, which consists of

changes in the local markets, such as supply and demand of tenants, can affect the profitability of these projects, which in turn can have a negative impact on the Group's financial position and profitability as a whole. The Group's goal is for project investments to provide a return on equity of at least 15 per cent and the ability to achieve the goal depends on a number of factors such as the ability to recruit and retain staff with the right skills in project planning, building and architecture, obtaining necessary permits and authority decisions, and to obtain financing for ongoing and new projects on acceptable terms. Furthermore, the profitability of property development projects is affected by changes in market demand, the ability to attract and retain stable tenants with the capability to fulfill their obligations towards the Group, insufficient planning and cost control with subsequent delays, and other factors that can lead to unforeseen costs and in turn decrease the value of the Group's properties. The Company deems the probability of the risk occurring to be high. If the risk would materialize, the Company considers the negative impact on the Group's property costs and on the value of properties under development to be high.

Risks relating to residential buildings

Parts of the Group's operations consist of managing and participating in real estate projects relating to the development and sale of homes. The Group's residential development projects are carried out both under Klöver's own regime, but also through the subsidiary Tobin Properties AB (publ). As of 30 September 2020, residential buildings represented 18 per cent of the Group's total number of building rights with detailed plans.

The Group is affected by both the willingness and ability to pay for housing in the relevant markets. The willingness to pay depends, among other things, on how well the home corresponds to market demand, the activity on the housing market, the general price development for housing and demographic factors such as movements in and out from the relevant regions, and the access to and cost of alternative forms of housing. The ability to pay depends, among other things, pay levels, the employment rate, tax and fee levels and other factors that generally affect households' finances. The ability to pay is also affected by households' ability to make interest deductions and receive loan financing, as well as the interest rate development for mortgages and statutory, or bank applied, rules for maximum borrowing capacity and amortization. If customers' willingness to pay or ability to pay decreases, it will have a negative impact on the Group's earnings from housing development and on the value of the properties affected. The Company deems the probability of changes in the ability and willingness to pay of potential buyers to be medium high. If the risk would materialize, the Company considers the negative impact on the Group's earnings from housing development to be high, but on the Group's overall earnings to be low.

Risks relating to transactions

A part of the Group's business consists of acquiring and divesting properties, which is associated with risk, especially in connection with acquisitions. During the period

1 January – 30 September 2020, the Group acquired properties for a total purchase price of SEK 2,334 million and divested in properties worth SEK 379 million. All investments are associated with uncertainties, such as risk for loss of tenants, unforeseen costs for environmental remediation, reconstruction and management of technical issues. Such uncertainties may result in delays or increased or unexpected transaction costs, or that the value of the acquired property is lower than expected. There is a risk that future acquisitions of businesses or properties do not entail the expected positive effects, which may have a negative impact on the value of the Group's properties and on the Group's costs. Furthermore, there is a risk that the seller in an acquisition is not able to fulfill its guarantees, for example due to financial difficulties, which may affect the Group's ability to receive compensation in the event of breach of contract or indemnity (which may also be limited to a certain time and amount).

When selling properties, there are uncertainties regarding, among other things, the price and the actual possibility of divesting the properties, including the willingness and ability of potential buyers to pay for the properties. In addition, claims may be brought against Klöver due to the sale or the condition of the property sold. If Klöver is unable to sell the properties at favorable prices or if claims are brought against Klöver, it may cause delays in projects as well as increased or unforeseen property and transaction costs.

The Company deems the probability of increased costs and the occurrence of other risks described above to be low. If the risk would materialize, the Company estimates that it would have a medium high negative impact on primarily the Group's earnings from management operations, but also on the value of affected properties (for further information see section "*Klöver is exposed to risk factors relating to changes in the value of properties*" above).

IT security

Klöver is dependent on IT-systems for the operation of important business systems, including those used by administrative and financial functions within the Company. Associated with this, there are a number of underlying risks in the form of, for example, downtime of servers and virus attacks, which could have a major negative impact on the Company's operations. There is also a risk that unauthorized persons breach the Company's IT-system and cause damage to Klöver or the Company's tenants. Digitization creates new business opportunities but can also involve new risk factors, among other things, the handling of personal data. The Company deems the probability of the risk occurring to be low. If the risk would materialize, the Company estimates it would have a high negative impact on the Company.

Risks relating to the Covid-19 pandemic

The outbreak of Covid-19 has had, and will likely continue to have, a major impact on the communities and markets on which Klöver operates. Klöver is primarily affected indirectly when communities lock down in accordance with decisions and/or recommendations from authorities.

As Klöverns tenants are exposed to the effects of the virus outbreak, primarily in the form of reduced sales, Klövern is affected by demands for reduced rental rates and temporary rental discounts, as well as a risk of increased vacancy rates and rental defaults. In the event that Klövern accepts reduced rental rates, grants temporary rental rebates or if the vacancy rate and / or rental defaults increase, it may have a negative effect on Klöverns turnover, cash flow and the valuation of Klöverns property portfolio. Furthermore, there is a risk that Klöverns ability to conduct its business in an efficient or otherwise desirable manner, for example with regards to the ability to pay dividends to the Company's shareholders, is restricted by authority decisions or recommendations due to the ongoing pandemic. Klövern considers the risk of the Company being negatively affected by Covid-19 as high and that it will have a medium high negative impact on Klöverns turnover and cash flow in the short term but a low negative impact on Klöverns turnover and cash flow in the medium term, and a low negative impact on the value of Klöverns property portfolio in both the short and medium term.

Legal risks

Risks relating to tax and changes in tax legislation

The Group's business is affected by the tax rules being in force at any given time. In view of the fact that these rules have historically changed frequently, further changes are expected to take place in the future (possibly with retroactive effect), which may have adverse negative impact on primarily the Group's costs. For example, new rules regarding interest deduction limitation came into force in Sweden on 1 January 2019. The new rules are based on EU Directive 2016/1164 on laying down rules against tax avoidance practices that directly affect the functioning of the internal market. The new rules mean that a company may only deduct a negative net interest (the difference between deductible interest expenses and its interest income) corresponding to a maximum of 30 per cent of the company's taxable EBITDA. In connection with the introduction of the general interest deduction limitation rules, the corporate tax will also be reduced, in a first step to 21.4 per cent (as of 1 January 2019) and in a second step from 21.4 per cent to 20.6 per cent (as of 1 January 2021). The Group's operations are capital intensive and financial expenses, including interest expenses, constitute the largest expense item in the Group's operations (for the financial year 2019, the Group's financial expenses amounted to SEK 861 million). The Group's total interest-bearing liabilities as of 30 September 2020 amounted to SEK 34,955 million and the average interest rate at the same time was 2.4 per cent. Despite the reduction in corporation tax, the new rules may increase the Group's tax burden, which could have a negative impact on the Group's earnings.

The Company deems the probability of the risk occurring to be low. If the risk would materialize, the Company estimates that it would have a medium high negative impact on the Group's financial and tax expenses.

Environmental risks

Property management and property development involves environmental impact and environmental responsibility. According to the Swedish Environmental Code (1998:808), anyone who has carried out activities that have contributed to pollution is liable for remediation of the property. If the operator is unable to carry out or pay for the remediation of a contaminated property, the person who acquired the property, and who at the time of the acquisition knew or should have discovered the contaminants, is liable. As of 30 September 2020, the Group owned 347 properties with 372 ongoing property projects of various types and sizes. This means that claims in certain circumstances may be brought against the Group for remediation or decontamination due to actual or suspected contamination in the soil, water areas or groundwater. If any of the Group's properties is found to be contaminated, it may limit the Group's planned use of the property, result in significant costs for remediation and/or adversely affect the value of the Group's properties. The Company deems the probability of claims and contaminations occurring to be low. If any of the risks would materialize, the Company estimates that it would have a medium high negative impact on the Group's earnings, but also on the value of affected properties (for further information see section "*Klövern is exposed to risk factors relating to changes in the value of properties*" above).

Lawsuits, investigations and proceedings

The Group may become involved in disputes and other legal proceedings or become subject of claims. Legal proceedings can be time consuming and result in unforeseen costs.

Region Uppsala has filed a claim against Klöverns subsidiary Tobin Properties AB (publ) for compensation of approximately SEK 77 million due to a number of property transfer agreements entered into in 2016 having been terminated. The dispute is subject to trial in the district court. There is a risk that Tobin Properties AB (publ) will be required, or accept, to pay all or part of the claim for damages and any related legal costs, which would have a negative impact on the Group's earnings.

Klövern, through Dagon Sverige AB, holds approximately 93.7 per cent of all shares in Tobin Properties AB (publ) and, in its capacity as majority shareholder, has demanded redemption of the minority shareholders' shares. The issue of redemption of shares has been referred to an arbitration tribunal in accordance with Chapter 22 of the Swedish Companies Act. There is a risk that the redemption amount that Klövern is required to pay for the shares in Tobin Properties AB (publ) will be higher than the price that Klövern has claimed to be reasonable.

There is a risk that future disputes have negative outcome, which may result in significant fines and damages. The Company deems the probability of the Group becoming a party to other disputes to be generally low and that the potentially negative impact on the Group's results is low.

Financial risks

Risks relating to liquidity and financing

The Group's operations are primarily financed through equity, loans from credit institutions and the capital markets via bonds and certificates. The Group's capital structure means that financial costs, including interest costs, is the single largest cost item, which for the financial year of 2019 amounted to SEK 861 million.

As of 30 September 2020, the Group's interest-bearing liabilities amounted to SEK 34,955 million, of which 18,228 (equal to 52 per cent) must be renewed or repaid within two years and SEK 10,852 million (corresponding to 31 per cent) must be renewed or repaid within two to five years. At the same time, the Group's unutilized credit facilities amounted to SEK 2,159 million. Since 30 September 2020, SEK 1.5 billion of the above-mentioned amount has matured and been repaid on 2 November 2020, and new credit facilities of SEK 2 billion have been lifted, with final maturity date April 2024.

There is a risk that lenders will not extend Klöver's credits on the final maturity of the credits, that there are no alternative credit facilities available or that credits are obtained at significantly higher costs than at present, which would have a negative impact on the Group's ability to meet its payment obligations. There is also a risk that the Company's current or future credit rating will deteriorate, which may lead to the Company not being able to obtain loans on favorable terms and in turn lead to increased costs for the Company. The Group's ability to refinance outstanding debts is also limited by terms in existing loan agreements, such as requirements for interest coverage ratio and equity ratio.

If the Group, due to insufficient supply on the capital market or for any other reason, is unable to refinance existing loans or obtain additional financing on market terms, it would have a negative impact on the Group's ability to meet its payment obligations. The Company deems the probability of the risk occurring to be low. If the risk would materialize, the Company estimates that it would have a high negative impact on the Group's liquidity and access to cash and cash equivalents.

Risks relating to financial obligations

The Group has received financing from banks and from the capital market. As of 30 September 2020, the Group's interest-bearing liabilities consisted of loans from banks and credit institutions to 76 per cent and loans through bonds and certificates to 24 per cent. The Company has also issued guarantees for some of these loans, for example in the form of the parent company guarantees. Some loan agreements contain financial obligations regarding, e.g. the ownership of the companies that are parties to such loan agreements (change of control provisions) and covenants regarding interest coverage ratio and loan to value ratio. Some of the Group's credit agreements also contain cross default clauses, which means that breach of an obligation under a certain credit agreement may give the right to terminate other credit agreements. Should the Group be in breach of any such financial covenants in certain credit agreements, it could lead to the underlying loans being

accelerated and result in other loan agreements (through cross default provisions) being cancelled for immediate repayment or in the collateral being taken over by the credit institution(s) concerned, which may have a material adverse effect on the Group's operations, lead to increased costs and/or lead to the Group's assets diminishing. Thus, deteriorating market conditions, decreased revenues or increased costs in the Group may render the Company unable to fulfill its obligations, with the consequence that loan agreements can be terminated or mortgage deeds can be claimed. The Company deems the risk of the Group being unable to fulfill its financial commitments to be low. If the risk would materialize, the Company estimates it would have a high negative impact on the size and value of the Group's property portfolio and liquidity.

Risks relating to changes in value of derivatives, interest and currencies

Through its operations, the Group is exposed to various financial risks. Financial risks refer to fluctuations in the Company's earnings and cash flow as a result of changes in, for example, interest rates. Klöver is primarily exposed to liquidity risk, financing risk, interest rate risk and currency risk. As part of risk management, the Group trades in financial derivatives in order to counteract fluctuations. There is a risk that trading in financial derivatives will not develop as the Company expects, which may have a negative effect on the Group's earnings and cash flow.

RISKS RELATING TO THE SHARES AND THE PREFERENTIAL RIGHTS ISSUE

Share market price

Since an investment in shares may increase or decrease in value, there is a risk that the investor does not receive back the invested capital. The price of Klöver's ordinary shares may fall below the subscription price in the Preferential Rights Issue. Anyone subscribing for new shares in the Preferential Rights Issue may in such case make a loss when selling the shares. During the period of 1 January – 30 September 2020, the lowest and highest price paid for ordinary class A shares was SEK 11.25 and SEK 27.80 and the lowest and highest price paid for ordinary class B shares was SEK 10.92 and SEK 27.58. Thus, the share price may be volatile. The development of the share price depends on a number of factors, some of which are company specific and others are attributable to trends in the stock market as a whole. Such factors may also increase the volatility of the share price. A decision to invest in the new shares should therefore be preceded by a careful analysis.

Risks related to shareholders with significant influence

Klöver has different classes of shares. Each ordinary class A share entitles one (1) vote and each ordinary class B share, as well as each preference share, entitles one tenth (1/10) of a vote. The three largest shareholders Rutger Arnhult (through companies), Corem Property Group AB (publ) and Gårdarike AB were on 30 September 2020 holders of a total of 40.0 per cent of the capital and 58.3 per cent of the votes¹⁾. Given that the Preferential Rights Issue is fully subscribed,

1) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the total number of votes.

Rutger Arnhult (through companies) will have ownership of shares amounting to 15.4 per cent of the share capital and 17.3 per cent of the votes¹⁾ in Klöver AB, Corem Property Group AB (publ) will have ownership of shares amounting to 15.2 per cent of the share capital and 15.3 per cent of the votes¹⁾ in Klöver AB and Gårdarrike AB have ownership of shares amounting to 10.2 per cent of the share capital and 25.8 per cent of the votes¹⁾ in Klöver AB. The shareholders may increase their respective holdings in Klöver AB in the event that the Preferential Rights Issue is not fully subscribed. Thus, the major shareholders will also exercise a significant influence over the Company in matters that are subject to approval by the shareholders. Also after the Preferential Rights Issue, there is a risk that the interests of the main shareholders may differ from the interests of other shareholders.

Risks relating to dilution

Shareholders that will not exercise all or some of their Subscription rights to subscribe for new shares in the Preferential Rights Issue will get reduced in terms of relative holding of Klöver's share capital and voting rights, since the total number of shares and votes in the Company will increase at issue of the new shares in the Preferential Rights Issue. At full subscription, the Preferential Rights Issue will increase the number of shares in the Company from 932,437,980 shares to 1,138,697,289 shares. The dilution effect for shareholders choosing not to participate in the Preferential Rights Issue will be approximately 18.1 per cent of the shares and 19.8 per cent of the votes¹⁾.

Trading Subscription rights and Paid Subscribed Shares

Subscription rights and Paid Subscribed Shares will be traded on Nasdaq Stockholm from 19 November 2020 up to, and including, 1 December 2020 and from 19 November 2020 up to, and including, 14 December 2020. The trading in these instruments may be limited and there is a risk that there will not be an active trading in the subscription rights or the Paid Subscribed Shares, that sufficient trading will not be available or that the subscription rights or the Paid Subscribed Shares cannot be traded. If an active trading is established, the price of Subscription rights and Paid Subscribed Shares will be dependent on how the price of Klöver's ordinary class A shares and class B shares develops, and may be subject to greater volatility than that of the mentioned shares. The price of Klöver's ordinary class A shares and class B shares may fall below the subscription price in the Preferential Rights Issue as a result of factors attributable to Klöver as well as a general decline in the stock market.

Subscription commitments and declaration of intent are not secured

Klöver's two largest shareholders; Rutger Arnhult (through companies) and Corem Property Group AB (publ), which hold a total of 33.8 per cent of the number of outstanding ordinary shares and 32.6 per cent of the votes¹⁾ in the Company, have undertaken to subscribe for their respective

pro-rata shares in the Preferential Rights Issue. In addition, Länsförsäkringar Fastighetsfond and Handelsbanken Fonder, which together represent 11.9 per cent of the outstanding ordinary shares and 6.7 per cent of the total number of the votes in Klöver¹⁾, have expressed their intention of subscribing for their respective pro rata shares in the Preferential Rights Issue.

Shareholders representing 45.7 per cent of the number of outstanding ordinary shares and 39.3 per cent of the votes¹⁾ have thus undertaken or expressed intention to subscribe for their respective pro rata shares in the Preferential Rights Issue. Neither the subscription commitment nor declarations of intent are secured by bank guarantees, pledges or in another way. There is a risk that these shareholders do not fulfill their commitments, which could have a negative impact on the execution of the Preferential Rights Issue.

The guarantee commitment is not secured

The part of the Preferential Rights Issue that is not covered by the subscription commitments is guaranteed by Rutger Arnhult's company M2 Asset Management AB (publ). However, the guarantee commitment towards the Company is not secured by pledges, blocked funds or other similar arrangements to ensure that the issue payment from the Preferential Rights Issue will be supplied to the Company. There is a risk that the guarantee undertaking provided in the Rights Issue will not be fulfilled, which could have a negative effect on the implementation of the Preferential Rights Issue.

Investors with a reference currency other than Swedish kronor will be subject to certain currency risks if they invest in the shares.

The Company's shares are traded in Swedish kronor and all dividends attributable to the shares will be paid out in Swedish kronor. Investors who have a reference currency other than Swedish kronor may be adversely affected by a decrease in the value of Swedish kronor in relation to each investor's reference currency. In addition, such investors may incur additional transaction costs for exchanging Swedish kronor for another currency.

Shareholders in the United States and other countries outside Sweden may not be able to exercise preferential rights to participate in issues or repurchase offers

Under Swedish law, shareholders have preferential right in certain issues of shares, unless these rights are waived by a resolution at the shareholders' general meeting, or by Klöver's board if the shares are issued on the basis of an authorization to the board according to which the board is entitled to deviate from the preferential rights. However, securities legislation in certain jurisdictions may restrict Klöver's ability to permit shareholders from such jurisdictions to exercise their preferential rights in any potential future issues. Shareholders in the United States, as well as in some other countries, may not be able to exercise their preferential right to participate in share issues or repurchase offers, including offers below market value, unless Klöver resolves to comply with local requirements and, as regards

1) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the total number of votes.

the United States, if there is a *registration statement* pursuant to the Securities Act pertaining to these rights or if an exemption from the registration duty is applicable. In such cases, holdings attributable to shareholders whose legal domicile is in countries other than Sweden may be diluted, potentially without such dilution being offset by compensation received for subscription rights. At the time of any future issues of shares that are subject to preferential rights or a repurchase offer, Klövernt intends, as appropriate, to evaluate the cost and potential liabilities associated with fulfilment of local requirements, possibly including any *registration statement* to be filed in the United States, and to evaluate the indirect benefits for Klövernt to enable shareholders from countries other than Sweden to exercise their preferential rights to the shares or participate in repurchase offers, as appropriate, as well as possible other factors deemed appropriate at that time, and thereafter intends to resolve whether or not Klövernt will fulfil meet local requirements, including filing a *registration statement* in the United States. There is a risk that local requirements will not be fulfilled or that a *registration statement* will not be filed in the United States to enable these shareholders to exercise their preferential rights or to participate in a repurchase offer.

It may be difficult for shareholders outside Sweden to bring legal action against as well as enforce foreign judgements against the Company.

The rights of the Company's shareholders are governed by the Articles of Association and by Swedish law. These rights may differ from rights of shareholders in non-Swedish companies. Most of the Company's assets are located in Sweden. As a result, it may be costly and time-consuming for shareholders outside Sweden to initiate proceedings or to enforce foreign judgements against the Company or its board members.

Invitation to subscribe for shares in Klöver



Invitation to subscribe for shares in Klöver

On 6 October 2020, Klöver's Board of Directors resolved, subject to the approval of the Annual General Meeting, to increase the Company's share capital through a Rights Issue with preferential rights for Klöver's shareholders. The Board of Directors' decision on the Preferential Rights Issue was approved at the Extraordinary General Meeting on 13 November 2020.

Provided that the Preferential Rights Issue is fully subscribed, Klöver's share capital will increase by a maximum of SEK 412,518,618, from SEK 1,864,875,960 to not more than SEK 2,277,394,578, by issuance of not more than 206,259,309 new ordinary shares of class A and class B, respectively. Klöver's existing holders of ordinary shares have preferential rights to subscribe for new ordinary shares in the same class (class A & B respectively) in proportion to the number of ordinary shares that the holder already owns (primary preferential right) on the record date¹⁾. Shareholders who on the record date 17 November 2020 are registered as the holder of ordinary shares of class A and class B in the share register kept by Euroclear Sweden for Klöver, have preferential right to subscribe for new ordinary shares in the Preferential Rights Issue in proportion to the number of ordinary shares of class A and class B, respectively, held on the record date. For each ordinary share of class A and class B held on the record date, shareholders will receive one (1) subscription right of class A and class B, respectively. The subscription rights entitle the holder to subscribe for shares with preferential rights, whereby four (4) subscription rights of class A and class B entitle subscription of one (1) new ordinary class A share and class B respectively.

Ordinary shares that are not subscribed for through primary preferential right will primarily be offered to existing shareholders in Klöver, regardless of whether they own ordinary or preference shares, which have notified their interest to subscribe for new ordinary shares without support from subscription rights (subsidiary preferential right). If ordinary shares offered in this way are not sufficient for the subscription that takes place with subsidiary preferential right, the ordinary shares shall be distributed among the subscribers in proportion to the total number of shares they held in the Company prior thereto, regardless of whether they own ordinary or preference shares. To the extent that this cannot be done, the distribution of shares shall be made by the drawing of lots. Secondly, allotment shall be made to other investors who have subscribed for shares in the Preferential Rights Issue without support of preferential rights and, in the event of oversubscription, pro rata in relation to the number of shares subscribed for and to the extent this cannot be done, by the drawing of lots. Thereafter, allotment shall be made to Rutger Arnhult's company M2 Asset Management AB (publ) in accordance with the guarantee commitment described below. Subscription of new ordinary class A shares and ordinary class B shares shall take place during the period from 19 November 2020 up to, and including, 3 December 2020, or the later date determined by the Board of Directors and otherwise in accordance with the instructions presented in the section "*Terms and Conditions*".

The subscription price has been set at SEK 10 per ordinary share, regardless of the type of ordinary share, which means that the Preferential rights Issue, in the event of full subscription, will provide Klöver with total proceeds of approximately SEK 2,063 million before deduction for costs related to the Preferential Rights Issue, which are estimated to approximately SEK 35 million. Upon full subscription in the Preferential Rights Issue, the number of ordinary shares in Klöver will increase by 206,259,309 ordinary shares, from 915,993,980 ordinary shares to 1,122,253,289 ordinary shares, which corresponds to a dilution of approximately 18.1 per cent of the total number of shares and 19.8 per cent of the number of votes in the Company²⁾. The new ordinary shares will carry the same rights as existing ordinary class A shares and ordinary class B shares, respectively.

SUBSCRIPTION UNDERTAKINGS AND GUARANTEE COMMITMENTS

Klöver's two largest shareholders, of the share capital, Rutger Arnhult (through companies) and Corem Property Group AB (publ), which together hold and represent 33.8 per cent of outstanding ordinary shares and 32.6 per cent of the total number of votes²⁾ in Klöver, endorse the resolution on a rights issue and have entered binding subscription commitments for subscription of shares corresponding to their respective pro rata shares in the Preferential Rights Issue. In addition, Länsförsäkringar Fastighetsfond and Handelsbanken Fonder, which together represent

1) Repurchased shares do not entitle to subscription rights. Klöver do not participate in the offer.

2) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the total number of votes.

11.9 per cent of outstanding ordinary shares and 6.7 per cent of the total number of votes in Klöver¹⁾, have expressed their intention to subscribe for their respective pro rata shares in the Preferential Rights Issue. The part of the Preferential Rights Issue that is not covered by subscription commitments is guaranteed by Rutger Arnhult's company M2 Asset Management AB (publ). In the event that the guarantee is utilized, M2 Asset Management AB (publ)'s holdings in Klöver may increase to a maximum of 27.4 per cent of the share capital and 29.2 per cent of all votes in Klöver. Thus, the Preferential Rights Issue is fully covered. A guarantee commission of 1.0 per cent of the guaranteed amount will be payable to M2 Asset Management AB (publ).

Stockholm 16 November 2020

Klöver AB (publ)
The Board of Directors

1) Repurchased shares do not entitle to subscription rights. Klöver do not participate in the offer.

Background and reasons

Klövern is a growth-orientated real estate company with the vision to create attractive and sustainable environments for future enterprise, individuals and society through the business concept of offering attractive premises with closeness and commitment and actively contributing to the urban development in growth regions. In recent years, Klöver has exhibited strong growth with solid net moving in and an improved operating margin, while at the same time working actively to streamline the property portfolio, both geographically and in terms of products.

Klövern sees ample opportunities for continued value creation through additional acquisitions to the property portfolio as well as refinement and development of the building rights portfolio which the Company has built up over a longer period of time. In order to capture these opportunities and at the same time maintain a balance between shareholders' equity and debt, Klöver's Board of Directors has decided to, on the basis of the authorization given at the extraordinary general meeting on 13 November 2020, to carry out a fully covered rights issue of ordinary shares with preferential rights for existing holders of ordinary share, with total proceeds of approximately SEK 2 billion.

"Klövern has a remarkably interesting project pipeline with a mix of community service properties, offices and residential properties. In order to enable optimal development and expansion of this pipeline, a strong capital base is required. Improved financial strength also safeguards the Company's opportunities to maintain competitive financing terms for new sustainable projects and selective acquisitions. In this context, the Preferential Rights Issue is a positive and important prerequisite for potential further improvement of the current credit rating further.", says Klöver's CEO Rutger Arnhult.

USE OF THE ISSUE PROCEEDS

If fully subscribed, the Preferential Rights Issue will provide Klöver with SEK 2,063 millions before deduction of transaction costs, which are estimated to amount to approximately SEK 35 million (including compensation for the issue guarantee). The proceeds from the Preferential Rights Issue are intended to be used to continue to execute on Klöver's strategy.

Consequently, the net issue proceeds will be used to provide the Company with headroom for continued value creation, through selective acquisitions to the Swedish or international property portfolio as well as project development of commercial and residential premises, and to give the Company a strengthened balance sheet, lower leverage and thereby increased financial flexibility.

According to Klöver's assessment, a strengthened balance sheet will reduce the Company's financing costs, which entails an increased interest coverage ratio, improved cash flows and increased opportunities for future value creation through complementary acquisitions as well as increased opportunities to add additional development projects to the portfolio, in line with the Company's strategy.

Adjusted for the proceeds from the Rights Issue, Klöver estimates that the leverage would have amounted to approximately 50 per cent and the adjusted equity ratio to approximately 43.5 per cent as of 30 September 2020. This can be compared with the Company's target of an adjusted equity ratio of at least 40 per cent in the long-term

The Board of Directors in Klöver is responsible for the content of this Prospectus. According to the Board of Directors' knowledge, the information provided in the Prospectus corresponds to the facts and no information that could probably affect its signification has been omitted.

Stockholm 16 November 2020

Klövern AB (publ)
The Board of Directors

Terms and conditions

PREFERENTIAL RIGHT AND SUBSCRIPTION RIGHTS

Klöverns existing shareholders of class A shares with ISIN code SE0006593901 and class B shares with ISIN code SE0006593919 registered in the share register of Klöver, kept by Euroclear Sweden, on the record date 17 November 2020, have preferential right to subscribe for new ordinary shares in the Preferential Rights Issue in proportion to the number of ordinary class A shares and class B, respectively, held on the record date (primary preferential rights). For each ordinary share of class A and class B held on the record date, shareholders will receive one (1) subscription right of class A and class B, respectively. The subscription rights entitle the holder to subscribe for shares with preferential rights, whereby four (4) subscription rights of class A and class B entitle subscription of one (1) new ordinary share of class A and class B respectively. New ordinary shares that are not subscribed with primary preferential rights are offered to all shareholders for subscription (subsidiary preferential rights).

Shareholders who choose not to participate in the Preferential Rights Issue will have their holdings diluted by approximately 18.1 per cent of the total number of shares and 19.8 per cent of the total number of votes¹⁾ in the Company provided that the Preferential Rights Issue is fully subscribed.

SUBSCRIPTION PRICE

The new ordinary shares in Klöver are issued at a subscription price of SEK 10 per share, regardless of share class. No commission will be charged.

RECORD DATE

Record date at Euroclear Sweden for establishing which ordinary shareholders that have preferential rights and accordingly are entitled to receive subscription rights in the Preferential Rights Issue is 17 November 2020. The ordinary shares were traded excluding the right to participate in the Preferential Rights Issue from 16 November 2020. The last day for trading including the right to participate in the Preferential Rights Issue, was 13 November 2020.

SUBSCRIPTION PERIOD

The subscription period runs from 19 November 2020, up to, and including, 3 December 2020. The Board of Directors have the right to extend the subscription period. Any extensions will be announced by the Company in a press release as soon as possible after such decision has been made and no later than on 3 December 2020. The Company's press releases are available on the Company's website (www.klovern.se)

TRADING IN SUBSCRIPTION RIGHTS

Trading in subscription rights of class A and class B, respectively, takes place on Nasdaq Stockholm during the period from 19 November 2020 up to, and including, 1 December 2020 under the tickers KLOV TR A and KLOV TR B, respectively. The ISIN code for the subscription rights is SE0015195409 for class A and SE0015195425 for class B. Swedbank and other securities institutions with required licenses are at the service of brokering the purchase and sale of subscription rights. If a shareholder does not use their subscription rights by payment no later than 3 December 2020 or does not sell their subscription rights no later than 1 December 2020, such shareholder's unused subscription rights will lapse without value and the holder will not receive any compensation.

LISTING OF THE NEW ORDINARY SHARES

The new ordinary shares will be admitted to trading on Nasdaq Stockholm in connection with the implementation of the Preferential Rights Issue. Trading in new ordinary shares subscribed with support of subscription rights is expected to begin around 18 December 2020.

RIGHT TO DIVIDEND

The new ordinary shares carry the right to a dividend for the first time on the record date for dividends that falls immediately after the new ordinary shares have been registered with the Swedish Companies Registration Office and after the ordinary shares have been entered in the share register at Euroclear Sweden.

PUBLICATION OF THE OUTCOME OF THE PREFERENTIAL RIGHTS ISSUE

The subscription result in the Preferential Rights Issue will be published by a press release from Klöver around 7 December 2020.

ISSUE STATEMENT

Directly registered shareholder

CEO-letter, "How to subscribe", "Q&A" and pre-printed issue statement with attached bankgiro slip are sent to directly registered shareholders and representatives of shareholders who on the record date are registered in the share register of ordinary shares maintained by Euroclear Sweden on behalf of Klöver, with the exception of those residing in certain unauthorized jurisdictions, below. The issue statement shows, among other things, the number of subscription rights received and the total number of new ordinary shares that can be subscribed for. Security notice for registration of subscription rights on security account is not sent out. Shareholders who are included in the list of mortgagees and guardians specially kept in connection with the share register do not receive an issue statement but are notified separately.

1) Repurchased own shares do not have voting rights at general meetings and have consequently been excluded from the total number of votes.

Nominee-registered shareholder

Shareholders whose holdings are nominee-registered with a bank or other nominee do not receive an information letter or issue report. Subscription and payment shall instead take place in accordance with instructions from the respective trustee.

Shareholders in certain unauthorized jurisdictions

Allocation of subscription rights and issue of new ordinary shares in the usage of subscription rights to persons resident or citizens of countries outside the EEA may be affected by securities legislation in these countries. Because of this, with some possible exceptions, shareholders who have their existing ordinary shares directly registered in securities accounts and have registered addresses in the United States, Australia, Hong Kong, Canada, Japan, New Zealand, South Africa, Switzerland and Singapore will not obtain CEO-letter, "How to subscribe", "Q&A" and pre-printed issue statement with attached bankgiro slip. The same applies to shareholders in other jurisdictions whose participation presupposes additional prospectuses or registration or other measures than those that follow from Swedish law. Such shareholders will also not receive any subscription rights on their respective securities accounts. The subscription rights that would otherwise have been registered for these shareholders will be sold and the sales revenue minus costs will be paid to the shareholders concerned. Amounts under SEK 100 will not be paid.

SUBSCRIPTION OF NEW ORDINARY SHARES WITH SUBSCRIPTION RIGHTS (PRIMARY PREFERENTIAL RIGHT)

Subscription of new ordinary shares with primary preferential rights through usage of subscription rights shall be made through simultaneous cash payment of exact amount during the period from 19 December 2020 to 3 December 2020. After the end of the subscription period, unused subscription rights will become invalid and will, without notification from Euroclear Sweden, be booked out of the holder's securities account. In order not to lose the value of the subscription rights received, the holder must either:

- use the subscription rights and subscribe for new ordinary shares no later than 3 December 2020; or
- sell the subscription rights that have not been used no later than 1 December 2020.

A subscription of new ordinary shares with primary preferential rights is irrevocable and shareholders may not revoke or modify a subscription of new ordinary shares.

Directly registered shareholders resident in Sweden

Subscription of new ordinary shares with subscription rights is made by cash payment, using either the pre-printed bankgiro slip or the relevant application form, with simultaneous payment according to one of the following alternatives:

- Bankgiro slip is used if all subscription rights according to the issue statement from Euroclear Sweden is to be used; or

- The application form is used if subscription rights have been purchased, sold or transferred from another securities account or if for any other reasons a different number of subscription rights than those stated in the pre-printed issue statement are to be used for subscription. Payment for subscribed new ordinary shares must be made at the same time as the submission of the application form. Registration form can be obtained from Swedbank (www.swedbank.se/prospekt) or Klöver AB (www.klovern.se).

Payment of exact amount must be received by Swedbank no later than 3 December 2020.

Directly registered shareholders who are not residents of Sweden

Subscribed directly registered shareholders who are not residents of Sweden and who are not subject to the restrictions described in "*Shareholders in certain unauthorized jurisdictions*" and who cannot use the pre-printed bankgiro slip can pay in Swedish kronor (SEK) through a bank outside of Sweden in accordance with the following::

Klöver AB (publ)
c/o Swedbank Emissioner C66
SE-105 34 Stockholm, Sweden
SWIFT: SWEDSESS
IBAN-number: SE2780000890117046291741
Account name: Klöver AB

At payment, the subscriber's name, address, security account number and the reference "Klöver" must be provided. Application form and payment must be received by Swedbank, Emissioner C66, SE-105 34 Stockholm, Sweden no later than 3 December 2020.

United States

The subscription rights, new shares and Paid Subscribed Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. The subscription rights, new shares and Paid Subscribed Shares are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. Any offering of the subscription rights, new shares and Paid Subscribed Shares to be made in the United States will be made only to a limited number of existing shareholders who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) pursuant to an exemption from registration under the Securities Act in a transaction not involving any public offering and who have executed and returned an investor letter to the Company.

Accordingly, subject to certain limited exceptions, this document will not be sent to, and no subscription rights will be credited to, any shareholder with a registered address in the United States. In addition, the Company and the Joint Global Coordinators reserve the right to reject any instruction sent by or on behalf of any Euroclear account holder with a registered address in the United States in respect of the subscription rights, new shares and Paid Subscribed Shares. Any recipient of this document in the United States is hereby notified that this document has been furnished to it on a confidential basis and is not to be reproduced, retransmitted or otherwise redistributed, in whole or in part, under any circumstances. Furthermore, recipients are authorized to use it solely for the purpose of considering a purchase of the subscription rights and new shares in the Rights Issue and may not disclose any of the contents of this document or use any information herein for any other purpose. This document is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the subscription rights and new shares. Any recipient of this document agrees to the foregoing by accepting delivery of this document.

Until 40 days after the commencement of the Preferential Rights Issue, any offer or sale of the subscription rights, new shares and Paid Subscribed Shares within the United States by any dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act.

The subscription rights, new shares and Paid Subscribed Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the subscription rights, new shares and Paid Subscribed Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense in the United States.

Each person to which subscription rights, new shares and Paid Subscribed Shares are distributed, offered or sold in the United States, by accepting delivery of this prospectus or by its subscription for subscription rights, new shares and Paid Subscribed Shares, will be deemed to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing for subscription rights, new shares and Paid Subscribed Shares, as the case may be, that:

- it is an existing shareholder and a “qualified institutional buyer” as defined in Rule 144A under the Securities Act that has executed and returned an investor letter to the Company; and
- the subscription rights, new shares and BTAs have not been offered to it by the Company by means of any form of “general solicitation” or “general advertising” (within the meaning of Regulation D under the Securities Act).

Each person to which subscription rights, new shares and Paid Subscribed Shares are distributed, offered or sold outside the United States will be deemed by its subscription for, or purchase of, the subscription rights, new shares and Paid Subscribed Shares to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing for or purchasing the subscription rights, new shares and Paid Subscribed Shares, as the case may be, that:

- it is acquiring the subscription rights, new shares and Paid Subscribed Shares from the Company or the Joint Global Coordinators in an “offshore transaction” as defined in Regulation S under the Securities Act; and
- the subscription rights, new shares and Paid Subscribed Shares have not been offered to it by the Company or the Joint Global Coordinators by means of any “directed selling efforts” as defined in Regulation S under the Securities Act.

Nominee-registered shareholders

Shareholder whose holdings are nominee-registered and who wish to subscribe for new ordinary shares with subsidiary preferential rights and without preferential rights (i.e. without subscription rights) can register for subscription in accordance with instructions from the respective nominee.

Paid Subscribed Shares (Sw. “BTA”)

After subscription and payment of ordinary shares subscribed with subscription rights have been made, Euroclear Sweden will send out a security notice as confirmation that the Paid Subscribed Shares has been booked into the subscriber’s account. The new ordinary shares subscribed with subscription rights will be booked as Paid Subscribed Shares in the account until registration of the Preferential Rights Issues has been made at the Swedish Companies Registration Office. Registration of ordinary shares subscribed with subscription rights is expected to take place at the Swedish Companies Registration Office around 9 December 2020. Thereafter, Paid Subscribed Shares will be rebooked to ordinary share, which is expected to take place around 18 December 2020. No security notice will be sent in connection with this booking.

Trading with Paid Subscribed Shares

Paid Subscribed Shares regarding new ordinary shares subscribed with subscription rights will be admitted to trading on Nasdaq Stockholm. Trading with Paid Subscribed Shares regarding ordinary shares subscribed with subscription rights is expected to take place on Nasdaq Stockholm from 19 November 2020 up to, and including, 14 December 2020. Swedbank and other securities institutions are at service of brokering of purchase and sale of Paid Subscribed Shares subscribed with subscription rights.

SUBSCRIPTION OF ORDINARY SHARES WITHOUT THE SUPPORT OF SUBSCRIPTION RIGHTS (SUBSIDIARY PREFERENTIAL RIGHTS AND WITHOUT PREFERENTIAL RIGHTS.)

Directly registered shareholders

Notification of subscription for new ordinary shares with subsidiary preferential rights and without preferential rights (i.e. without the support of subscription rights) must be made on the application form intended for this purpose. Incomplete or incorrectly completed application form may be disregarded. Please note that the registration is binding. Only one application per person may be submitted. If several application forms are submitted, only the application form that first came to Swedbank will be considered.

Registration form can be obtained from Swedbank (www.swedbank.se/prospekt) or Klövern (www.klovern.se). The application form must be sent to Swedbank, Emissioner C66, SE-105 34 Stockholm, Sweden and be received by Swedbank no later than 3 December 2020.

Nominee-registered shareholders

Shareholders whose holdings are nominee-registered and who wish to subscribe for new ordinary shares with subsidiary preferential rights and without preferential rights (i.e. without the support of subscription rights) can register for subscription in accordance with instructions from the respective nominee.

IMPORTANT INFORMATION WHEN SUBSCRIBING FOR ORDINARY SHARES WITHOUT SUBSCRIPTION RIGHTS

Requirement on NID-code for natural persons

National ID or National Client Identifier (NID-code) is a global identification code for private individuals. According to Directive (EU) 2014/65 of the European Parliament and of the Council ("MIFID II"), all natural persons have a NID-code from 3 January 2018 and this code needs to be entered in order to carry out a securities transaction. If such a code is not stated, Swedbank may be prevented from performing the transaction for the natural person in question. If you only have Swedish citizenship, your NID-code consists of the designation "SE" followed by your social security number. If you have several or something other than Swedish citizenship, your NID-code can be another type of number. For more information on how to obtain NID-code, contact your bank branch. Remember to find out your NID-code in good time as the number needs to be stated on the registration form.

Requirement on LEI-code for legal entities

Legal Entity Identifier (LEI) is a global identification code for legal entities. According to MiFID II, as of January 3, 2018, legal entities need to have a LEI-code to be able to make a security transaction. If such a code does not exist, Swedbank may not perform the transaction for the legal entity in question. Subscribers who need to obtain a LEI-code to be able to subscribe for ordinary shares in the Company can turn to one of the suppliers on the market. Remember to apply for registration of a LEI-code in good

time as the code needs to be stated in the application form. Via this link you will find approved institutions for the global LEI system: (www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations). More information about the LEI requirements can be found on Swedbank's website (www.swedbank.se/privat/spara-och-placera/mifid/lei) and Finansinspektionen's website (www.fi.se).

Allocation of subscription without subscription rights

In the event that not all new ordinary shares have been subscribed for on the basis of subscription rights (primary preferential rights), the Company's Board of Directors shall decide on the allocation of ordinary shares subscribed without subscription rights (subsidiary preferential rights and without preferential rights) within the maximum issue.

Thereby, ordinary shares that are not subscribed with primary preferential rights shall primarily be offered to all shareholders for subscription (subsidiary preferential rights). However, if the ordinary shares offered are not sufficient for the subscription that takes place with subsidiary preferential rights, the ordinary shares shall be distributed among the subscribers in relation to the total number of shares they own in the Company on the record date, regardless of whether the shares are ordinary shares or preference shares, by drawing lots.

In the alternative, if all ordinary shares are not allotted as above, allotment shall be made to persons who have expressed an interest in subscribing for ordinary shares without preferential rights and, in the event of oversubscription, in relation to the number of ordinary shares stated in the respective subscription notification, and, to the extent not can be done, by drawing lots. Finally, the remaining ordinary shares will be allotted the issue guarantor M2 Asset Management AB (publ).

As confirmation of the allotment of new ordinary shares subscribed for without subscription rights (subsidiary preferential rights and without preferential rights), a settlement note will be sent to subscribers around 8 December 2020. No notice will be sent to subscribers who have not received an allotment. Subscribed and allotted new ordinary shares must be paid for in cash within two banking days, in accordance with the instructions on the settlement note sent to the subscriber. After payment of subscribed and allotted new ordinary shares has taken place, and the new ordinary shares have been registered with the Swedish Companies Registration Office, Euroclear Sweden will send out a notice confirming the registration of the new ordinary shares in the subscriber's security account. No paid subscription will be booked into the subscriber's security account, but the subscriber will receive ordinary shares immediately. Registration of ordinary shares subscribed for with subsidiary preferential rights and without preferential rights is expected to take place at the Swedish Companies Registration Office around 17 December 2020. Registration of ordinary shares in securities accounts is expected to take place around 18 December 2020. Nominee-registered shareholders receive notification of allotment and payment in accordance with the respective nominee's routines.

Additional information and processing of personal data

The Company does not have the right to cancel the offer according to this prospectus. In the event that an excessive amount is paid by a subscriber for the new ordinary shares, Klöver will arrange for the excess amount to be repaid. No interest will be paid for the excess amount. A subscription of new ordinary shares, with or without subscription rights, is irrevocable and the subscriber may not cancel or modify a subscription of new ordinary shares. Incomplete or incorrectly completed application forms may be submitted without consideration. If the subscription payment is paid late, insufficient or paid incorrectly, notification of subscription may be submitted without consideration or subscription may be made with a lower amount. Paid payment/settlement that has not been engaged will in that case be repaid.

Swedbank is a so-called issue institution for the Preferential Rights Issue, which means that Swedbank assists the Company with certain administrative services related to the Preferential Rights Issue. The fact that Swedbank is an issue institution does not in itself mean that Swedbank considers the subscriber to be a customer of Swedbank. The subscriber is considered for the investment only as a customer at Swedbank if Swedbank has provided advice to the subscriber about the investment or otherwise has contacted the subscriber individually regarding the investment or if the subscriber has an existing customer relationship with the bank. The consequence of Swedbank not considering the subscriber as a customer for the investment is that the rules on investor protection in the Securities Market Act (2007: 528) will not be applied to the investment. This means, among other things, that neither so-called customer categorization nor so-called suitability assessment will take place regarding the placement. However, the subscriber is responsible for ensuring that he has sufficient experience and knowledge to understand the risks associated with the investment.

Anyone who subscribes to the Preferential Rights Issue will submit personal information to Swedbank. Personal data provided to companies in the Swedbank Group will be processed in computer systems to the extent necessary to provide services and administer customer engagement in the group. Personal data obtained from other than the customer to whom the processing relates may also be processed. It may also happen that personal data is processed in computer systems at companies and organizations with which companies in the Swedbank Group cooperate. For information about Swedbank and savings banks' processing of personal data, please see the website or contact the customer center or office for Swedbank and the relevant savings bank. Swedbank may obtain address information through an automatic data run at Euroclear Sweden.

If you have any questions regarding the Preferential Rights Issue, please contact your bank or trustee, or Klöver's IR: Lars Norrby, telephone +46 (0)76-777 38 00, Email: lars.norrby@klovern.se.

HOW TO SUBSCRIBE

TERMS AND CONDITIONS

For each existing ordinary share (regardless of class) in Klövern, you receive one (1) subscription right. For ordinary shares of class A, you receive subscription rights of class A and for ordinary shares of class B, you receive subscription rights of class B. Four (4) subscription rights gives the right to subscribe for one (1) new ordinary share with primary preferential rights (subscription rights of class A give the right to subscribe for ordinary class A share and subscription rights of class B give the right to subscribe for ordinary class B share). Subscription can also take place without subscription rights, i.e. with subsidiary preferential rights or without preferential rights. Note that payment shall be made in the exact amount.

Subscription price	Record day	Subscription time	Trading with subscription rights
SEK 10 per ordinary share (regardless of share class)	17 November 2020	19 November 2020 – 3 December 2020	19 November 2020 – 1 December 2020

SUBSCRIPTION OF ORDINARY SHARES WITH THE SUPPORT OF SUBSCRIPTION RIGHTS (PRIMARY PREFERENTIAL RIGHTS)

1. You are being assigned subscription rights

For each ordinary share, regardless of share class, in Klövern that you hold on 17 November 2020 you receive one (1) subscription right



2. How to use you subscription rights

4 subscription rights + SEK 10 gives 1 new ordinary share in Klövern



3. Are you a directly registered shareholder of ordinary shares or do you have ordinary shares with a nominee?

You have a securities account (Sw. <i>VP-konto</i>) (i.e. you are directly registered) and live in Sweden.	→	If you exercise all subscription rights, use the pre-printed payment slip sent to you from Euroclear Sweden.
You have a securities account (Sw. <i>VP-konto</i>) (i.e. you are directly registered) and live abroad ¹⁾	→	If you have bought, sold or transferred subscription rights to/from your securities account, fill in the application form for subscription with subscription rights. The application form can be obtained from Swedbank (website: (www).swedbank.se/prospekt) and from Klövern (website: (www).klovern.se/om-klovern/-investor-relations/prospect-aktieemissioner/). Payment is made in accordance with the instructions on the registration form.
You have a securities account (Sw. <i>VP-konto</i>) (i.e. you are directly registered) and live abroad ¹⁾	→	See above. Payment is made in accordance with the instructions under “ <i>Directly registered shareholders who are not residents of Sweden</i> ” in the section “ <i>Terms and Conditions</i> ” in the prospectus.
You have a custody account (i.e. nominee-registered shareholder)	→	If you have your ordinary shares in Klövern in one or more custody accounts with a bank or financial institution, you will receive information from your nominees about the number of subscription rights. Follow the instructions you receive from your nominee.

SUBSCRIPTION OF ORDINARY SHARES WITHOUT SUBSCRIPTION RIGHTS (SUBSIDIARY PREFERENTIAL RIGHT²⁾)

You have securities account	→	Use the application form for subscription without subscription rights. The application form can be ordered from Swedbank (website: (www).swedbank.se/prospekt) and from Klövern (website: (www).klovern.se/om-klovern/-investor-relations/prospect-aktieemissioner/).
You have a custody account (i.e. nominee-registered shareholders)	→	Subscription and payment must be made through the respective trustee. Follow the instructions you receive from your nominees.

Note that some nominees may have a shorter application period. Check the instructions from each nominee.

1) Note that special rules apply to shareholders resident in the United States and certain other jurisdictions. See “*Shareholders in Certain Unauthorized Jurisdictions*” in the “*Terms and Conditions*” section.

2) Any allocation will be made in accordance with what is stated in “*Allocation for subscription without subscription rights (subsidiary preferential rights and without preferential rights)*” in the section “*Terms and Condition*”.

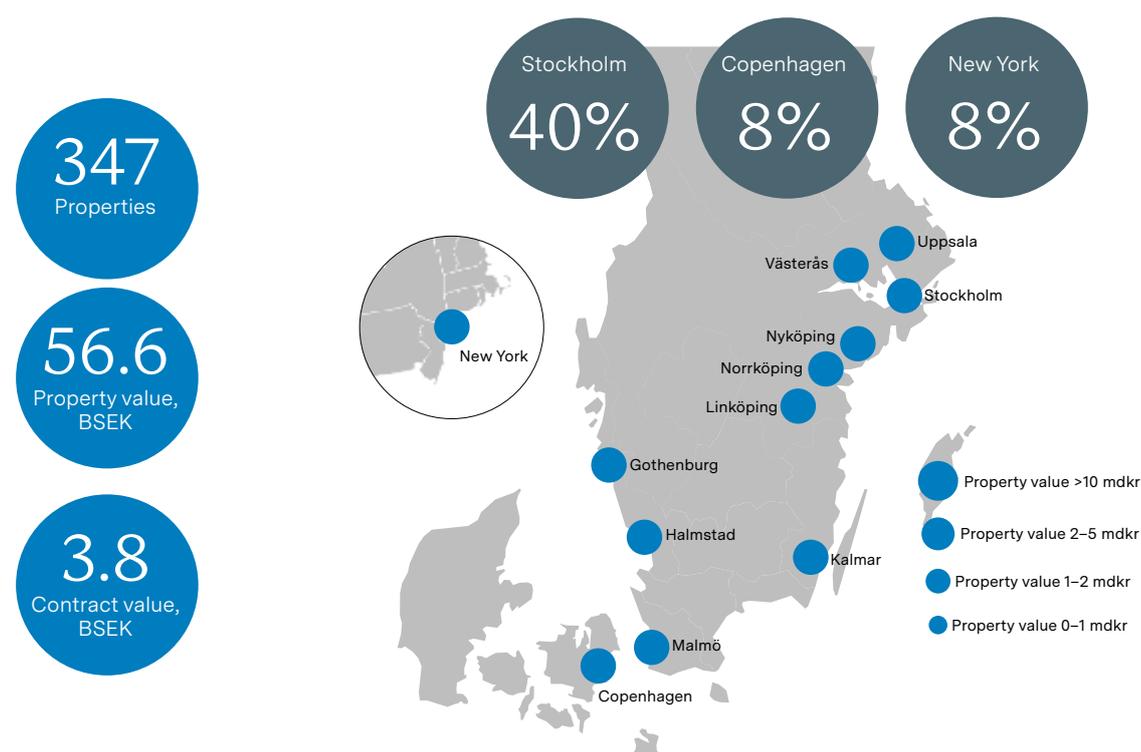
Business Description



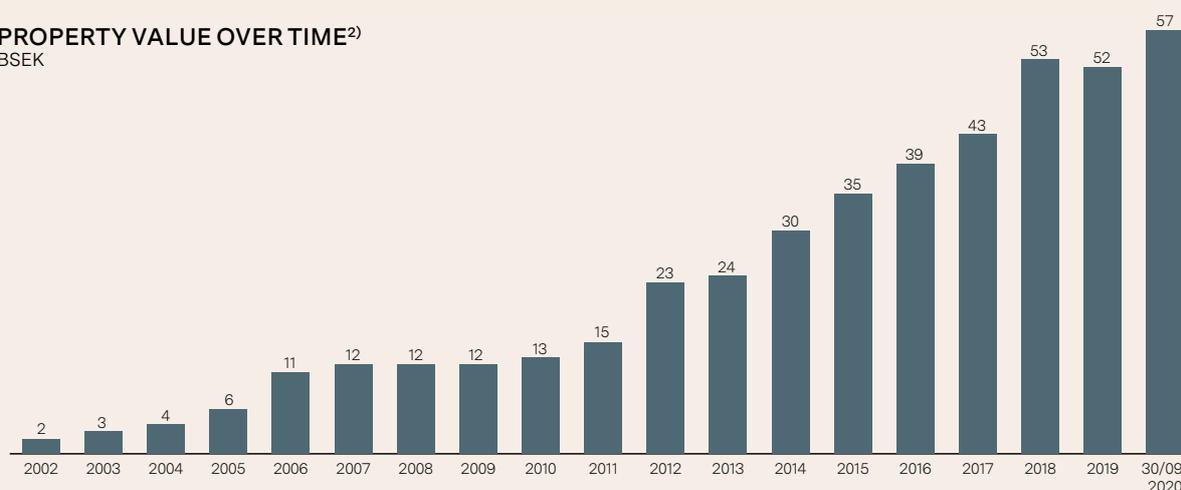
Business Description

This is Klöver

Klövern is one of Sweden's largest listed real estate companies, mainly focusing on commercial properties. The property portfolio as of 30 September 2020 is presented below and to the right.¹⁾



PROPERTY VALUE OVER TIME²⁾
BSEK



1) The values are derived from the Group's unaudited financial interim report for the third quarter of 2020.

2) Property value as of 31 December of each year unless stated otherwise. The property value as of 31 December of each year are derived from the Group's audited annual reports. The property value as of 30 September 2020 is derived from the Group's unaudited interim report for the third quarter of 2020, which is incorporated in the prospectus by reference.

HISTORY

January–September 2020

During the first nine months of 2020, Klöver took possession of 6 properties for a total purchase price of SEK 2,334 million, including a property on Park Avenue in New York. During the same period, 3 properties were vacated for a price of SEK 379 million. The property value amounted to SEK 56,619 million as of 30 September.

2019

During the year, Klöver acquired three properties for SEK 959 million and sold 86 properties for SEK 5,029 million. Klöver acquired one additional property in New York while the entire portfolio in Karlstad, consisting of 42 properties, was divested. Furthermore, a contract was signed to acquire a large office property in Copenhagen with estimated transfer of possession in 2021. Property value: SEK 52,377 million as of 31 December.

2018

Klöver acquired 38 properties for SEK 8,056 million, including seven properties in Copenhagen and two properties in New York. 17 properties were divested for SEK 2,464 million, including the portfolio in Härnösand, Sollefteå and Falun. Tobin Properties and Agora were consolidated in Klöver. Property value: SEK 52,713 million as of 31 December.

2017

Klöver acquired 27 properties for SEK 2,116 million and divested 54 properties for SEK 1,796 million. Among other properties, the divestments included the whole portfolio in Borås and Karlskrona. Furthermore, a contract was signed to acquire a property in Denmark, with transfer of possession in 2018. Property value: SEK 42,961 million as of 31 December.

2016

Klöver acquired 32 properties for SEK 1,484 million and divested 15 properties for SEK 630 million. The largest transaction was the acquisition of 28 properties in Malmö and Lund. Klöver announced that it intended to expand its property portfolio with residential projects. Property value: SEK 39,234 million as of 31 December.

2015

During the year Klöver acquired 19 properties for SEK 2,732 million. The largest acquisition was Aprikosen 2, more known by the name Solna Gate. The lettable area encompassed 35,200 sq.m. and consisted mainly of office space. In total, 14 properties were sold for a total of SEK 546 million. Property value: SEK 35,032 million as of 31 December.

2014

Klöver acquired 19 properties during the year for a total of SEK 4,452 million. Among other properties, Klöver acquired and took possession of Globen City, encompassing almost 115,000 sq.m. During the year, Klöver launched its business

center operations under the brand name of First Office. The self-storage operations were also launched under a separate brand name: Big Pink. During 2014, 13 properties were divested for a total of SEK 531 million. Property value: SEK 30,208 million as of 31 December.

2013

Klöver took possession of 23 properties for a total of SEK 1,020 million, including a large logistics unit at Jordbro, south of Stockholm, with a lettable area of 28,000 sq.m. and two office properties in Gothenburg, encompassing 9,800 sq.m. Klöver also communicated that it intends to conceptualize the office hotels under the common name "First Office". The streamlining of properties continued during the year and Klöver sold a total of 12 properties for SEK 387 million. Property value: SEK 24,059 million as of 31 December.

2012

Rutger Arnhult took over as CEO in January 2012. Klöver acquired a total of 137 properties for SEK 7,459 million, of which 124 were through the acquisition of Dagon. With the purchase of Dagon, Klöver became established in new expansive markets, including Öresund and Gothenburg. Eleven properties were divested for a total of SEK 543 million. Property value: SEK 22,624 million as of 31 December.

2011

Klöver acquired eight properties for SEK 315 million and divested five properties for a total of SEK 48 million. At the beginning of December, a public offer was made to purchase all shares in Dagon AB (publ). Gustaf Hermelin resigned as CEO at the end of the year. Property value: SEK 14,880 million as of 31 December.

2010

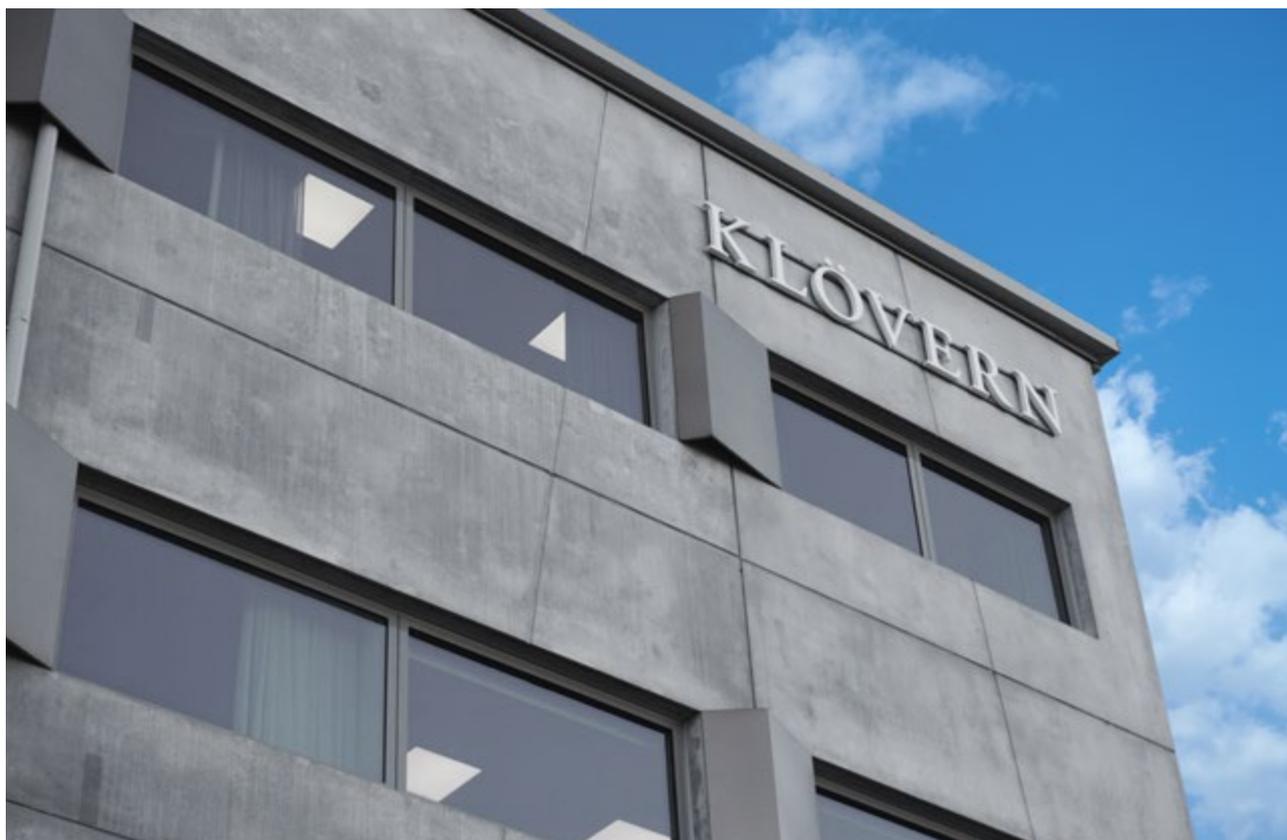
Klöver acquired a large portfolio of 37 properties with a total area of 157,000 sq.m. Of the properties, 31 are located in Linköping, four in Norrköping and two in Örebro. The purchase price was SEK 1,055 million. Klöver sold a total of nine properties at a value of SEK 368 million. Property value: SEK 13,493 million as of 31 December.

2009

Kistamässan was completed and the groundbreaking was done for the adjacent Victoria Tower. Klöver divested four properties in Karlstad, Linköping and Nyköping for SEK 162 million and acquired five properties in Borås, Kista and Nyköping, as well as 17 site leaseholds in Karlstad for a total of SEK 179 million. Property value: SEK 12,032 million as of 31 December.

2008

Kistamässan opened in early September. Three properties in Karlstad, Kista and Nyköping were divested for SEK 327 million. Three properties were acquired in Kista for a total of SEK 135 million. Property value: SEK 11,895 million as of 31 December.



First Office opened a brand new business centre in 2019 at the property Järnvägen 3, known as Halmstad Gate.

2007

Klövern signed an agreement to construct the new Kista-mässan and renegotiated and entered into new leases with Ericsson for around 50,000 sq.m. The Kalmar and Eskilstuna units and an additional 12 properties were divested for SEK 1,236 million. Acquisitions of a total of 47 properties in, inter alia, Karlstad, Västerås and Nyköping for SEK 989 million. Property value: SEK 12,154 million as of 31 December.

2006

Klövern's investment in Science and Business Parks was reinforced by acquisition of Pfizer's head office in Uppsala for SEK 235 million. In June, seven properties were acquired in Nyköping for SEK 245 million and 46 properties in Kista and Täby for over SEK 4 billion. Property value: SEK 10,701 million as of 31 December.

2005

A total of 36 properties were divested for SEK 557 million. Klövern acquired properties, mainly in Linköping and Norrköping for SEK 1,700 million. Property value: SEK 5,968 million as of 31 December.

2004

Klövern became established in Borås through acquisition of properties for SEK 210 million. During the year, establishment also took place in Västerås through acquisition of a total of 41 properties with a value of SEK 1 billion. Divestment of a total of 20 properties for SEK 307 million. Property value: SEK 4,193 million as of 31 December.

2003

Klövern was listed on the stock exchange's O-list. Properties were acquired in Kalmar, Karlstad, Linköping, Norrköping, Örebro and Kumla for SEK 1,107 million. During the year, 15 properties were divested at unprioritized locations for SEK 185 million. Property value: SEK 2,890 million as of 31 December.

2002

The former IT company Adcore's business was split up and Adcore AB's name was changed to Klövern AB with the focus on real estate. Klövern acquired its first portfolio consisting of Postfastigheter for SEK 1.3 billion. During the year, properties were acquired in Nyköping and Norrköping. Property value: SEK 1,876 million as of 31 December.

BUSINESS CONCEPT, GOALS AND STRATEGY

Vision

Klövern creates attractive and sustainable environments for future enterprise, individuals and society.

By being an active participant in creating secure, stimulating and sustainable working and living environments, Klöver can contribute to innovative urban development.

Business concept

Klövern shall, with closeness and commitment, offer attractive premises and actively contribute to urban development in growth regions.

The premises and housing developed and provided by Klöver shall be adapted to the customers' wishes and needs in a proactive, responsive and sustainable way. Premises shall be provided, and customers treated, with closeness and commitment. The closeness and commitment that Klöver seeks to provide can only be achieved with the company's own locally-based staff. By having locally based staff at all prioritized locations, Klöver ensures that all tenants, small and large, receive the best possible service and treatment.

The property portfolio shall be focused on selected growth regions. An expanding business sector and an increasing population are common features for growth regions.

It is important for Klöver to be a large property owner as it enables Klöver to offer flexible office solutions, both in terms of size and in the form of tailored-made areas. In recent years, various concepts for letting of office space have received a lot of attention. The concepts are sometimes called "co-working" and sometimes simply "office hotels". More flexible offices and workplaces are a consequence of a changing labor market with everything from teleworking (Sw. *distansarbete*) to so-called gig economics. Klöver conducts its business within co-working / office hotels under its own brand "First Office". Klöver's ambition is to always be one step ahead when it comes to helping Klöver's customers to create an optimal workplace.

Effective financing is a prerequisite for fully realizing the business concept. Klöver works in a structured manner with financing and uses a palette of instruments, such as bonds and commercial paper in addition to conventional bank loans. Leverage and the mix of financial instruments shall contribute to good increase in value for the shareholders at the same time as always ensuring financial stability is ensured at all time.

Business model

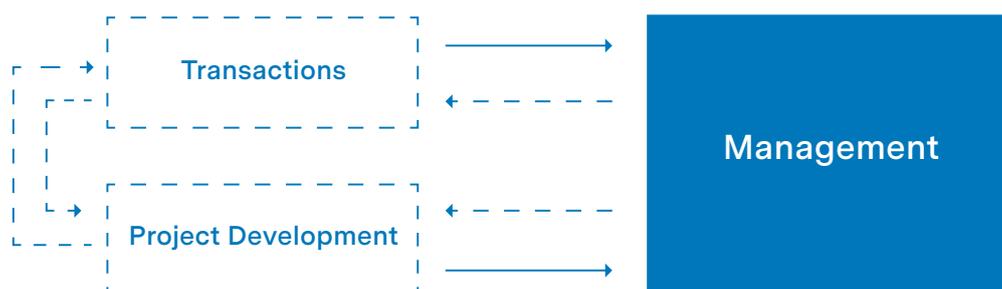
The central point of Klöver's business model is the management of the Company's properties. Management is to be done in-house to ensure high quality in everything from customer service to energy optimization.

Through transactions, additional properties are added to the portfolio at the growth locations that the Company has chosen to focus on. Through transactions, additional scale benefits are achieved in property management at the same time as the ability to offer a diversified mix of attractive premises is improved. By divestment of properties with a lower geographic priority, and properties which are fully developed from Klöver's perspective, it is endeavored to continuously concentrate and optimize the portfolio.

Another natural part of Klöver's business is acquisitions and divestments of building rights and properties in different project phases, including among other things projects within residential development, which is conducted in the business area "Project Development Sweden" (Sw. *Projektutveckling Sverige*), which was created in 2019.

Within residential development Klöver is working with a number of project, which are in various stages of development, but common for them all is that they aim to create opportunities for future construction of housing in Klöver's existing property portfolio. Through its project development, Klöver will contribute to increased construction of housing at the Company's prioritized locations. As of 30 September 2020, the Company assessed that in the long-run, there may be room for construction of as many as 11,000 apartments within the existing portfolio in Stockholm, Uppsala, Västerås, Nyköping and others. In addition, there are around 1,400 planned dwellings where construction has not yet started in Tobin Properties. The pace and extent of future expansion are partly dependent on the volume of detailed development plans for housing related building rights that are created going forward and the development of the housing market. Alternative ways of exercising the value of building rights provide great flexibility in terms of investment volume and the balance between risk and value creation.

Project development of commercial premises has, in line with the company's strategy, expanded in recent years. In this way, additional properties are added to the portfolio under management. Project development includes everything from creation of completely new buildings, including residential buildings, to improvement of existing premises in connection with a change of tenant.



GOALS AND STRATEGY

Klövern's overall objective is to generate good value growth for the shareholders in a long-term, sustainable way. To achieve this, a number of targets have been specified within the area of Finance, Property Management, Transactions & Projects and from a Social perspective.

In addition to these targets, a number of sustainability goals have also been selected in the areas of economic,

environmental and from a social perspective. All of these targets, like the Company's vision and business concept, are key parts of the strategy and business plan adopted by the board once a year. Klöver's long-term financial targets haven't changed in relation to the targets communicated at the beginning of the year, except for a minor wording adjustment related to the Company's target of the level of adjusted long term equity ratio.

FOCUS AREA	STRATEGY	TARGETS
FINANCE	<ul style="list-style-type: none"> The interest rate risk shall be limited by hedging a certain share of the credit portfolio The refinancing risk should be limited by a spread of credit maturities and creditors Bank borrowing should be complemented by alternative forms of finance 	<ul style="list-style-type: none"> Return on equity shall in the long term amount to at least 10 per cent The dividend to the shareholders shall in the long term amount to at least 50 per cent of the profit from property management The dividend to preference shareholders shall in the long term not exceed 30 per cent of the profit from property management The adjusted equity ratio shall in the long term be a minimum of 40 per cent The interest coverage ratio shall be at least 2.0 The period of tied-up capital shall be at least 2.0 years The period of fixed interest shall be at least 2.0 years
PROPERTY MANAGEMENT	<ul style="list-style-type: none"> Management shall be done by Klöver's own personnel and with local commitment Administrative efficiency shall be enhanced by focusing on improving the operating margin Focused letting work shall increase the economic occupancy rate Customer surveys shall be made and serve as the basis for improved customer care The impact on the environment shall be continuously reduced by low energy consumption, an increased proportion of renewable energy and increased efficiency in use of resources A common effort to achieve sustainable work places shall be a key part of the dialogue with new and existing tenants 	<ul style="list-style-type: none"> Net moving-in shall amount to at least 1 per cent of the rental value per year The operating margin shall amount to at least 65 per cent The economic occupancy rate shall amount to at least 90 per cent The Satisfied Customer Index (NKI) shall amount to at least 75 By 2022, all energy used in Klöver's buildings shall originate from renewable sources By 2022, at least 60% of Klöver's properties shall have energy consumption lower than 100 kWh/sq.m By 2025, the equivalent of 5 per cent of electricity consumption shall be self-produced and come from renewable sources The number of suppliers shall be reduced by 10 per cent per year
TRANSACTIONS & PROJECTS	<ul style="list-style-type: none"> Acquisitions and divestments shall be focused on geographic concentration with a view to attaining a strengthened market position and creating effective management in prioritized markets Projects with the highest return shall be prioritized Value is to be created by development and making use of building rights or through new production projects for own management or for divestment 	<ul style="list-style-type: none"> Acquired investment properties shall have on average a long-term yield of at least 5 per cent per year Project investments shall give a return on equity of at least 15 per cent
SOCIAL	<p><i>External</i></p> <ul style="list-style-type: none"> Klövern develops properties in a sustainable and innovative way to create attractive urban districts with a long-term value development There shall be close collaboration with prioritized schools and a systematic approach to dealing with trainees, students looking for essay topics as well as those looking for a job at Klöver <p><i>Internal</i></p> <ul style="list-style-type: none"> Annual development interviews shall be held with individual goals linked to the level of remuneration Staff shall have internal career path opportunities, be able to develop and move forward into new roles within the company Systematic annual follow-up staff surveys shall be held at management level with an action plan towards set goals 	<ul style="list-style-type: none"> Sustainability frameworks shall be produced for all urban development projects Klövern's suppliers shall work in accordance with Klöver's Code of Conduct for suppliers Klövern shall have committed and business-driven staff who live up to the Company's values and are good ambassadors Klövern shall provide a sound and safe work environment where everyone feels well



The property Kopparhammaren 2 in Norrköping is environmentally certified according to Miljöbyggnad Guld and Silver.

SUSTAINABILITY

For Klöver, being a sustainable company is self-evident. In addition to extensive sustainability efforts, Klöver wants to take social responsibility for its personnel and all the people in and around Klöver's properties. Klöver are convinced that sustainability is a prerequisite for successful business operations, attractive properties, satisfied customers and committed personnel. Through sustainability, Klöver creates value.

Sustainability shall run as a common thread throughout Klöver's operations. This is manifested, among other things, in the environmental classification of buildings and the signing of green leases. The properties' energy and electricity use are important aspects in Klöver's sustainability efforts for which clear objectives have been set. A strategic approach makes it possible to run operations responsibly and at the same time handle sustainability-related challenges and opportunities. Responsibilities are clearly defined in the organization through policies, guidelines, overarching goals and detailed action plans.

Among other things, Klöver's sustainability policy is conducted in light of the Company's application of the UN's Global Compact Principles and the principle of prudence in all aspects of its operations. National and international standards are apparent support for Klöver's sustainability efforts.

Environment

Klöver is part of a sustainable future. Through high requirements and ambition, Klöver creates sustainable solutions for future enterprise, individuals and society.

Profitability and financial stability

Klöver's overall objective is to generate good value growth for the shareholders in a way which is sustainable in the long-run. Good profitability is a prerequisite for being able to invest in sustainability with full, which in turn can contribute to the Company's profitability in a virtuous cycle.

Social

Klöver takes responsibility for sustainability in its capacity as employer, company and community participant. This includes the creation of conditions for all personnel to prevent occupational injuries and ill health, and for seeing how people's differences and complementary expertise contribute to an innovative corporate culture.

ORGANIZATION AND EMPLOYEES

Values

Klövern's values consist of three parts, driving force, closeness and commitment. Driving force stands for creativity, curiosity and daring to try new things. Closeness stands for Klöverns way of working carefully together with customers and colleagues. Commitment means going the extra mile and contributing to a good atmosphere, but also taking great personal responsibility for the commercial operation. The Company's values are core parts of to the business concept and are reflected in Klöverns code of conduct and sustainability policy.

Committed staff

Committed and business-driven staff are Klöverns most important asset. The company, together with its employees, wants to create a corporate culture that employees appreciate and feel proud of – this strengthens Klöverns brand both as an employer and a real estate company.

As of 30 September 2020, the number of employees in Klöverns amounted to 272, of which 45 per cent were women, with an average age of 44 years.

EMPLOYEES

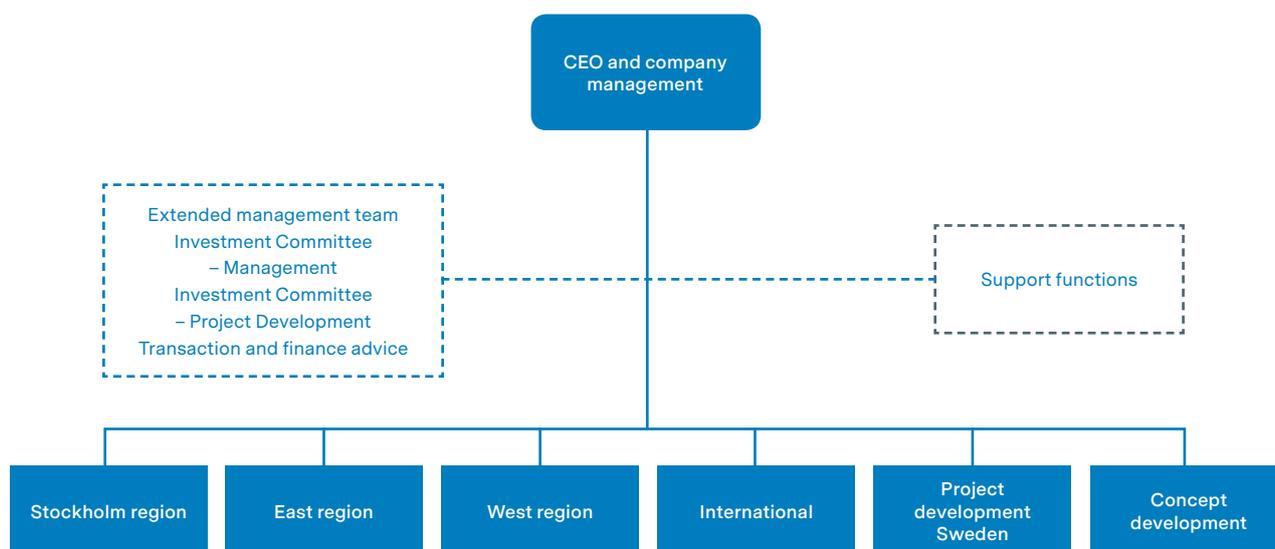
	30/09/2020	2019	2018	2017
Employees at the end of the period, number	272	247	248	244
Proportion of women	45%	43%	42%	42%
Average age, years	44	44	43	43

Working environment

It is important that Klöverns employees feel that they work in a safe and secure work environment. There is a clearly established work environment policy with guidelines for how the organization should work. At the beginning of 2019, the project Work Environment 2.0 was initiated with the intention of further improving Klöverns efforts and ultimately ensuring that everyone within Klöverns properties have a safe and healthy working environment. The project includes updating routines and instructions, training and also focus on a changed culture where the employees act in such a way that it creates a good safety culture and work environment.

Organization

Klövern's business model means closeness to customers through locally based personnel at 12 geographical business units in three Swedish regions and international operations based in Copenhagen (which is a separate business unit) and New York. Since 1 January 2020, Project Development Sweden and Concept Development are also included in the organizational structure, as these parts have become increasingly important for operations.



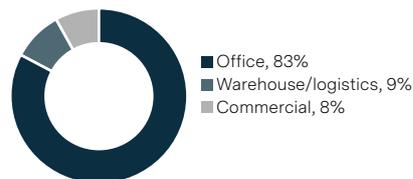
Organisation from 1 January 2020

PROPERTY PORTFOLIO

Description of property portfolio

As of 30 September 2020, Klöver owned 347 properties – excluding Tobin Properties’ properties, which are classified as current properties – with a total lettable area of 2,550 thousand square meters, and a total property value of 56,619 million SEK. Of the lettable area, 2,242 thousand square meters were related to investment properties and 308 thousand square meters related to development. The rental value, i.e. the rental income if all premises were rented out, amounted to approximately SEK 3,822 million. The property portfolio is focused on growth regions and as of 30 September 2020, the Stockholm region (Stockholm, Västerås, Uppsala) stood for 54 per cent of the rental value, the East region (Linköping, Norrköping, Nyköping, Kalmar) for 21 per cent, the West region (Gothenburg, Malmö, Halmstad) for 19 per cent and International (Copenhagen, New York) for 5 per cent. Furthermore, in terms of products the Company's property portfolio is focused on office properties and per 30 September 2020, office properties¹⁾ accounted for 83 per cent of the property value, warehouse/logistics for 9 per cent and commercial properties for 8 per cent.

PROPERTY VALUE, TYPE OF PREMISES, %



RENTAL VALUE PER REGION, %



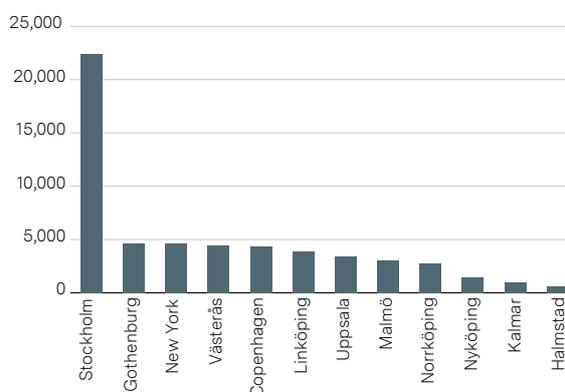
RENTAL AREA PER REGION, %



KLÖVERN'S CURRENT REAL ESTATE PORTFOLIO

	30/09/2020
Lettable area, thousand sq.m.	2,550
Fair value properties, MSEK	56,619
Yield requirement, %	5.3
Economic occupancy rate, %	88%
Area occupancy rate, %	79%
Rental value per lettable area SEK/sqm	1,499
	2020
MSEK	Jan–Sep
Revenue	2,457
Property related costs	793
Operating surplus	1,664

PROPERTY VALUE PER CITY, PER 30 SEPTEMBER 2020, MSEK



INCOME STATEMENT ITEMS AND INVESTMENT PER ORGANIZATIONAL UNIT AND PROPERTY SEGMENT

	Income, MSEK	Property costs, MSEK	Operating surplus, MSEK	Operating margin %	Investments, MSEK
	2020 Jan–Sep	2020 Jan–Sep	2020 Jan–Sep	2020 Jan–Sep	2020 Jan–Sep
Region Stockholm	1,306	-449	857	66	413
Region West	534	-163	371	69	330
Region East	462	-154	308	67	222
International	155	-27	128	83	745
<i>of which</i>					
Investment	2,277	-693	1,584	70	757
Development	180	-100	80	44	953
Total	2,457	-793	1,664	68	1,710

1) Including education/healthcare/miscellaneous

KEY FIGURES PER ORGANIZATIONAL UNIT AND PROPERTY SEGMENT

	Fair value MSEK	Yield requirements %	Area sqm (thousands)	Rental value MSEK	Ec. occupancy rate %
	2020-09-30	2020-09-30	2020-09-30	2020-09-30	2020-09-30
Region Stockholm	30,244	5.1	1,118	2,067	87
Region West	9,128	6.3	728	820	89
Region East	8,273	6.2	611	739	87
International	8,974	4.0	93	196	96
<i>of which</i>					
Property Management	47,424	5.4	2,242	3,480	90
Development	9,195	4.6	308	342	67
Total	56,619	5.3	2,550	3,822	88

TENANTS AND CONTRACT STRUCTURE

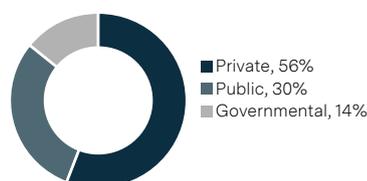
Klövern's total rental value as of 30 September 2020 amounted to SEK 3,822 million and the average remaining lease term was 3.5 years where 17 per cent of the leases, measured as share of contract value, are due in the coming twelve months. Klöver'n has a diversified customer base across a wide spectrum of industries and customer segments where private companies accounted for 56 per cent, listed companies for 30 per cent and the public sector for 14 per cent of the contract value as of 30 September.

Of the approximately 6,900 lease contracts, approximately 26 per cent had an annual contract value of less than SEK 1 million, approximately 24 per cent had an annual contract value between 1–3 million SEK and about 50 per cent had a contract value exceeding SEK 3 million. In total, Klöver'n has approximately 4,100 tenants where the largest tenant is Ericsson whose total contract value as of 30 September 2020 amounted to SEK 258 million, equal to 8 per cent of Klöver'n's total contract value. The 10 largest customers' contract value as of 30 September 2020 amounted to SEK 620 million, equal to 19 per cent of Klöver'n's total contract value, and the average remaining contract period for these were 5.1 years.

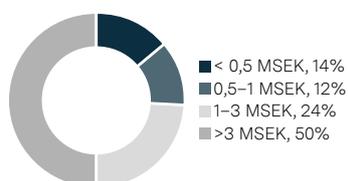


The property Blåfjäll 1 in Kista, acquired in 2019.

CONTRACT VALUE PER CUSTOMER CATEGORY, MSEK



VALUE-SEGMENTED LEASES, MSEK



KLÖVERN'S TEN LARGEST TENANTS AS OF 30 SEPTEMBER 2020

Tenant	Contract value, MSEK	Part of total contract value, %	Average remaining contract period, years	Number of contracts	Area, Thousand sq.m.
Ericsson	258	8	3,2	25	129
Tele2 Sverige	73	2	7,2	33	24
WSP Sverige	57	2	4,7	12	22
Codan	42	1	1,5	1	19
Copenhagen Business School	41	1	8,2	1	19
CGI Sverige	35	1	2,6	19	17
Region Östergötland	32	1	6,9	15	20
Arbetsförmedlingen	29	1	2,5	21	14
ECDC	28	1	12,4	1	9
Elite Hotels	25	1	16,4	2	10
Total	620	19	5,1	130	283

Covid-19

Klövern has observed a limited impact from Covid-19 on its operations. As of September 30, 2020, SEK 10 million in rental discounts had been granted in total, of which SEK 1 million in the third quarter. Reserved and confirmed customer losses, which affects property costs, amounted to SEK 22 million up to September 30, of which SEK 1 million relates to the third quarter. This can be compared with revenues of SEK 2,457 million during the first nine months of 2020.

To help the tenants most affected by the pandemic, Klövern has a continuous dialogue with these customers, which for example, has led to changes from quarterly to monthly payments in some cases. Out of the announced rental income for the fourth quarter of 2020, 76 per cent is paid quarterly in advance, while 24 per cent is expected to be paid monthly in advance. This can be compared to 22 per cent monthly payments for the corresponding period last year for the comparable portfolio, i.e. properties owned throughout 2019 and 2020. Adjusted for the tenants who pay monthly, Klövern's received, or assessed as secure, rental payments the fourth quarter amounted to a total of 98 per cent of all invoiced rents. For the corresponding period in 2019, 99 per cent of the rents had been received.

During the second and third quarters of 2020, net-moving-in amounted to SEK -14 million and SEK -46 million, respectively. In addition to already known relocations, the net-moving-in has been affected by relocations related to the pandemic. The single largest explanation for the negative net moving-in in the third quarter is a relocation from a hotel. However, as of October 2020, the hotel has resumed its operations. Klövern experiences that demand in the rental and transaction market is increasing at the same time as the financing conditions are improving.

In addition, the Company deems its exposure to the industries which have faced the greatest challenges from the pandemic as limited. According to Klövern's assessment, the hotel, restaurant and fairs sectors, which accounted for

6 per cent of the contract value as of September 30, 2020, have experienced the largest challenges by the pandemic. Klövern also believes that the Company benefits from its contractual rental income and diversified tenant mix, where the majority of tenants have managed to face the ongoing pandemic without too severe consequences.

Project development

Klövern's project development operations is focused on developing attractive surroundings through modern, efficient workplaces, educational premises and housing. In the project development operations, the Company focuses on new production, development and refinement of existing properties as well as leasing of vacant space. Investments in existing properties are often made in conjunction with letting of vacant areas in order to modernize and refine the premises and thereby increase the rental value. In connection with these refinements, energy-saving measures are often implemented in order to create sustainable urban environments and increase the value of the properties through improved cash flows. During the period from 1 January to the end of September 2020, SEK 1 710 million was invested in development of both commercial and residential properties. As of 30 September 2020, a total of 372 projects were ongoing with a total calculated investment of SEK 4,806 million and a remaining investment of 2,040 million SEK.

Residential projects

Klövern works with a large number of residential projects. The portfolio also includes several residential projects, which are planned but not yet under construction, that provides the opportunity for Klövern to build additional housing within the existing property portfolio in the future.



Drawing of the project property 28&7 in New York.

KLÖVERN'S LARGEST ONGOING COMMERCIAL PROJECT AS OF 30 SEPTEMBER 2020

City	Property	Project Type	Contractor	Largest tenant, moving-in year / quarter	Project area sqm	Fair value MSEK	Estimated investment MSEK	Remaining investment MSEK	Increase in rental value MSEK	Estimated completed year / quarter
New York	1245 Broadway ¹⁾	Office	Triton Construction	–	16,700	1,054	1,148	573	170	21Q2
New York	322–326 7th Ave ¹⁾	Office	Triton Construction	–	7,800	710	582	278	74	22Q1
Örebro	Olaus Petri 3:234	Hotel/office	Peab	Scandic Hotels, 21Q4	8,638	110	274	200	22	22Q1
Linköping	Morellen 1	Office	Åhlin & Ekroth	Trafikverket 21Q2	3,687	108	110	35	9	21Q2
Total					36,825	1,982	2,114	1,086	275	

1) Klövern, which owns 100 per cent of the project, has entered into a profit-sharing agreement with the partner GDS NY, entitling GDS NY to 10 per cent of any project profit.

TOBIN PROPERTIES LARGEST ONGOING RESIDENTIAL PROJECT AS OF 30 SEPTEMBER 2020

City	Location	Project name	Ownership share, %	Detailed plan/ No detailed plan	No. of units	Sold units	Share of sold units, %	Area, sq.m.	Sales start, year	Estimated completed, year
Stockholm	Sundbyberg	Rio	100.0	Zoning	173	156	90	8,700	2017	2020
Stockholm	Nacka	Vyn	100.0	Zoning	96	61	64	7,500	2016	2021
Stockholm	Roslags-Näsby	Unum	30.0	Zoning	148	126	85	5,000	2017	2019
Total					417	343	82	21,200		

TOBIN PROPERTIES AND KLÖVERN'S LARGEST PLANNED RESIDENTIAL PROJECT AS OF 30 SEPTEMBER 2020

City	Location	Project name	Ownership share, %	Detailed plan/ No detailed plan	No. of units	Sold units	Share of sold units, %	Area, sq.m.	Sales start, year	Estimated completed, year
Tobin Properties										
Stockholm	Tyresö	Golfbäcken 1	44.4	No detailed plan	167	–	–	10,300	2021	2024
Stockholm	Tyresö	Golfbäcken 2	44.4	No detailed plan	150	–	–	9,700	2022	2025
Stockholm	Nacka	Nacka Strand 1	100.0	Detailed plan	240	–	–	15,100	2021/2022	2022/2024
Stockholm	Nacka	Nacka Strand 2 ¹⁾	100.0	Detailed plan	160	–	–	11,500	2025	2028/2029
Stockholm	Nacka	Nacka Strand 3	100.0	Detailed plan	160	–	–	11,600	2024	2028
Stockholm	Sundbyberg	Slaktaren 1 ¹⁾	100.0	No Zoning	60	–	–	3,200	2022	2024
Stockholm	Sundbyberg	Slaktaren 2 ²⁾	100.0	–	–	–	–	–	–	–
Stockholm	Lidingö	Torsvik ¹⁾	75.0	Detailed plan	46	–	–	3,700	2021	2023
Stockholm	Liljeholmen	Marievik ¹⁾	100.0	No detailed plan	300	–	–	17,000	2022	2024/2026
Stockholm	Nacka	Orminge ¹⁾	100.0	No detailed plan	150	–	–	10,000	–	–
Sum					1 433			92 100		

City	Location	Project name	Ownership share, %	Detailed plan/ No detailed plan	No. of units	Sold units	Share of sold units, %	Area, sq.m.	Sales start, year	Expected completion, year
Klövern										
Västerås	Västerås	Öster Mälarstrand ¹⁾	100.0	No detailed plan	1 150	–	–	74,100	2022	2034
Stockholm	Kista	Kista Square ¹⁾	49.9	No detailed plan	1 000	–	–	20,500	2021	2027
Stockholm	Kista	Myvatten/Dalvik ¹⁾	100.0	Detailed plan	700	–	–	39,800	2021	2031
Nyköping	Nyköping	Spelhagen ^{1), 3)}	100.0	No detailed plan	470	–	–	34,900	2021	2033
Uppsala	Uppsala	Kungstorget ¹⁾	100.0	No detailed plan	450	–	–	31,200	2023	2027
Västerås	Västerås	Mälarporten ¹⁾	100.0	No detailed plan	420	–	–	28,900	2021	2036
Stockholm	Danderyd	Timmerhuggaren ¹⁾	100,0	No detailed plan	300	–	–	19,000	2022	2029
Västerås	Västerås	Kopparlunden Syd ¹⁾	100,0	No detailed plan	150	–	–	13,300	2021	2028
Total					6,640			261,700		
Grand total					6,073			353,800		

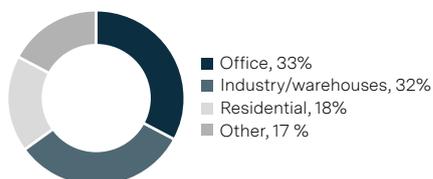
1) Includes property that generates net operating income during housing development.

2) Land allocation is missing.

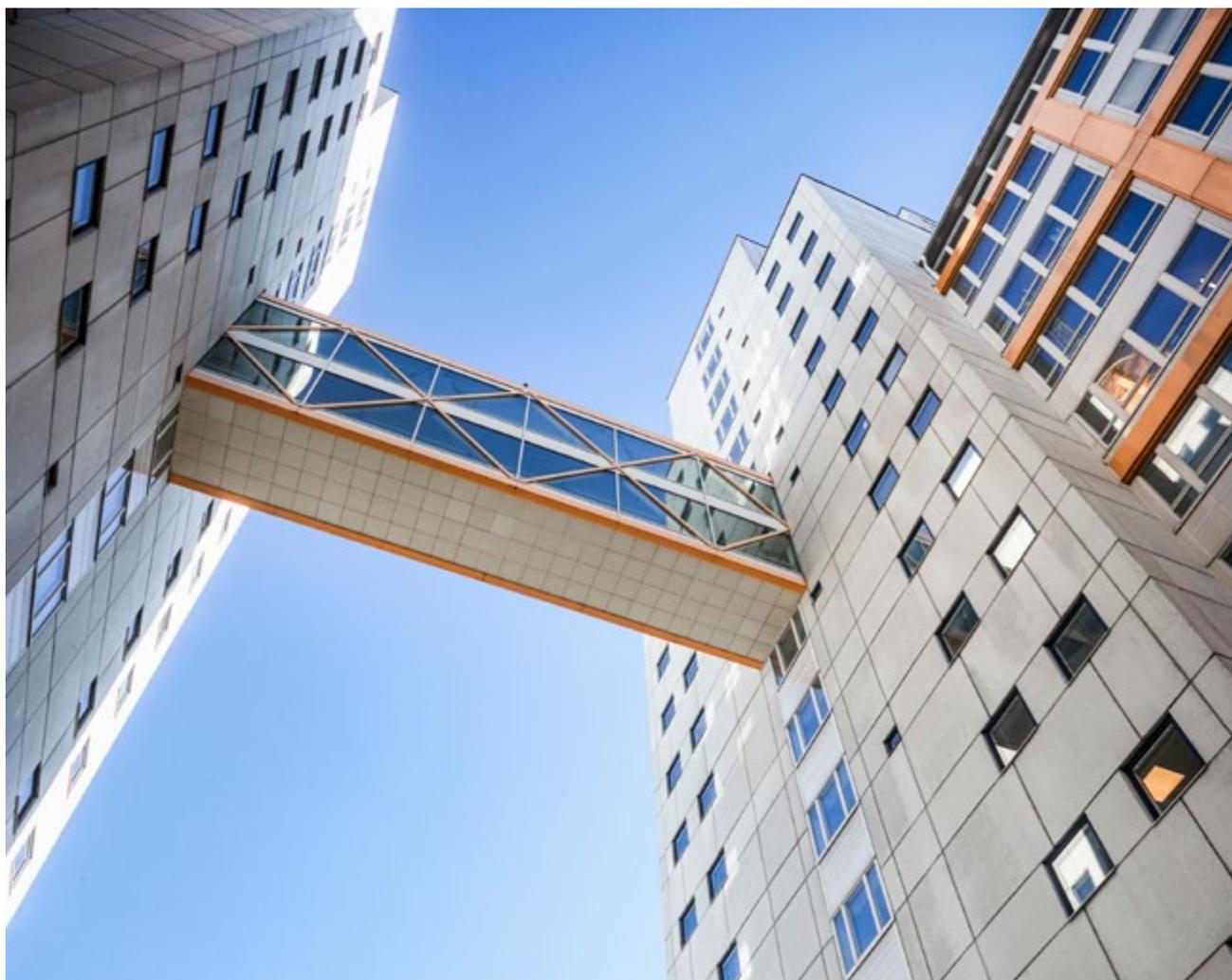
3) Local plan includes, among other things, the property Spelhagen 1: 7

Building rights

Klövern is continuously working with the development of the Company's portfolio of building rights, partly by developing existing building rights but also by creating new ones. As a result of this, Klöverner currently has building rights according to local plans (detailed plan) and/or assessed building rights¹⁾ at all prioritized locations in Sweden. Building rights with detailed plans and assessed building rights, excluding Tobin Properties, amounted to a total of 1,922 thousand square meters as of 30 September 2020, both for commercial and residential properties and were valued at SEK 1,735 million. Of these, 450 thousand square meters were building rights with detailed plans, of which approximately one third consists of offices and almost one third consists of warehouses / logistics properties.



1) Assessed building rights refers to building rights that can be created within a current property based on what is stated in general plans and surrounding local plans, given the property's nature and location



The property Arenan 3 in Stockholm adjacent to Globen.

Transactions

During the period January to September 2020, Klöver took possession of 6 properties for a total purchase price of SEK 2,334 million. During the same period, Klöver transferred possession of three properties for a total of SEK 379 million.

Transactions during January – October 2020:

- On 17 January, Klöver transferred possession of the divested part of the property Fyrislund 6:6 in Uppsala with an underlying property value of SEK 258 million.
- On 30 January, Klöver took possession of two development properties in Linköping. The acquisition was made at an underlying property value of SEK 345 million.
- In February, Klöver announced that all the shares in a co-op, which owns a 14-storey residential building in Manhattan, had been acquired. The total purchase price amounted to USD 184 million. The building, encompassing around 8,300 sqm, has the address 417 Park Avenue.
- On 1 July, Klöver divested two properties in Västerås for a total underlying property value of SEK 116 million.
- In September, Klöver took possession of a small property in New York, as a complement to the existing property in the area. It is located next door to Klöver's project property on 118 10th Avenue, in order to further improve the development opportunities for that project.
- On 1 October, Klöver took possession of a site leasehold to a property in Gothenburg with a lettable area of 1,745 sqm. The same day Klöver took possession of almost 33,000 sq.m. of land at Fyrislund in Uppsala as a link in the future development of Uppsala Business Park.

Presentation of financial information



Presentation of financial information

GENERAL

The following selected historical financial information for the financial years 2019 and 2018 is derived from the Company's annual reports for 2019 and 2018 respectively. The annual reports have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the EU and has been audited by Klöverns auditor, Ernst & Young Aktiebolag, in accordance with what is stated in their auditor's report incorporated in the prospectus by reference (see "*Documents incorporated by reference*" in the section "*Legal questions and supplementary information*"). The selected historical financial information for the Group for the period 1 January – 30 September 2020 and 2019, which is reproduced below, is extracted from the Company's interim report for the financial periods 1 January – 30 September 2020, including comparative figures for the equivalent period in 2019, which has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen* (1995:1554)). The reviewed, but not audited, interim report has been reviewed by the Company's auditor in accordance with the reviewed report incorporated into the prospectus by reference (see "*Documents incorporated by reference*" in the section "*Legal questions and supplementary information*"). Klöverns financial reports for the financial year 2019, 2018 and for the period 1 January – 30 September 2020, including comparative figures for the equivalent period in 2019, are incorporated into the Prospectus by reference (see "*Documents incorporated by reference*" in the section "*Legal questions and supplementary information*").

ACCOUNTING POLICIES

This interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34, Interim Financial Statements and, in the case of the parent company, in accordance with the Annual Accounts Act. The accounting policies applied in this interim report are in essential parts those described in Note 1 of Klöverns annual report for 2019. As from 2020, Klövern consolidates projects with tenant-owners' associations in the Group and reports income in accordance with the completed contract method instead of the percentage of completion method. The change follows a decision by the Swedish financial supervisory authority (Sw. *Finansinspektionen*) on the application of

IFRS 10 Consolidated Financial Statements. This entails a change in the time at which project income and project expenses are recognized. Income for transferring a residential project to a tenant-owners' association is reported when control passes to the final purchaser of the tenant-owned housing. The changed accounting policy has not had any significant effect on Klöverns income statement and balance sheet. The changed application has in accordance with IAS 8 been adjusted retroactively for comparative figures in later annual reports and interim reports. Historical key figures have not been recalculated as there is no significant difference for the Group.

IAS 20 Accounting for Government Grants and Disclosures of Government Assistance has been applied for government assistance in the form of compensation for reduced rents that are expected to be received. Government assistance is reported when there is reasonable assurance that the company will comply with the conditions attached to the grants and the grants will with reasonable assurance be obtained. The assistance is reported within Income in Profit from property management in the same period as the reduced rental income. During the period January–September 2020, SEK 10 million in the form of government assistance has been reported. Otherwise, the accounting policies of the Group and the parent company are unchanged compared with the 2019 annual report.

The following information should be read in conjunction with the Company's financial statements, including notes, which are incorporated into the prospectus by reference.

SELECTED INFORMATION FROM THE CONSOLIDATED INCOME STATEMENT

Selected information from the consolidated income statement, MSEK	2020-09-30 9 months Jan-Sep (Unaudited)	2019-09-30 9 months Jan-Sep (Unaudited)	2019-12-31 12 months Jan-Dec (Audited)	2018-12-31 12 months Jan-Dec (Audited)
Income	2,457	2,738	3,638	3,250
Property costs	-793	-844	-1,175	-1,080
Operating surplus	1,664	1,894	2,463	2,170
Central administration	-103	-106	-159	-126
Net financial items	-579	-639	-799	-700
Costs relating to rights of use	-	-	-44	-
Profit from property management	982	1,149	1,462	1,344
Income, residential development	22	10	0	123
Costs, residential development	-66	-115	-173	-160
Net financial items, residential development	-17	10	9	-22
Profit from residential development	-61	-95	-164	-59
Share in earnings of associated companies	11	8	17	7
Revaluation, transition from associated company to subsidiary	-	-	-	22
Changes in value, properties	818	1,097	2,125	2,309
Changes in value, derivatives	-80	-29	-14	67
Changes in value, financial assets	-9	14	13	25
Impairment of goodwill	-	-4	-6	-27
Profit before tax	1,661	2,140	3,433	3,688
Tax on profit for the year	-360	-441	-410	-354
NET PROFIT FOR THE YEAR	1,301	1,699	3,023	3,334
Attributable to:				
Parent company shareholders	1,299	1,688	3,003	3,345
Holdings without controlling influence	2	11	20	-11
OTHER COMPREHENSIVE INCOME				
Comprehensive income for the period	1,068	1,879	3,023	3,334
<i>Items which may be or have been reversed in the income statement for the period</i>				
Translation difference regarding international operations	-233	180	33	63
COMPREHENSIVE INCOME FOR THE PERIOD	1,068	1,879	3,056	3,397
Attributable to:				
Parent company shareholders	1,066	1,868	3,036	3,408
Holdings without controlling influence	2	11	20	-11
	1,068	1,879	3,056	3,397
Earnings per ordinary share, SEK	-	-	3.15	3.50

SELECTED INFORMATION FROM THE CONSOLIDATED BALANCE SHEET

Selected information from the consolidated balance sheet, MSEK	2020-09-30 (Unaudited)	2019-09-30 (Unaudited)	2019-12-31 (Audited)	2018-12-31 (Audited)
ASSETS				
Goodwill	148	151	148	155
Investment properties	56,619	54,153	52,377	52 713
Right of use assets	732	691	733	–
Machinery and equipment	53	39	28	27
Participation rights in associated companies	424	66	414	217
Financial assets at fair value through statement of income	128	144	145	74
Properties classified as current assets	1,112	953	650	444
Other receivables	1,750	2,916	2,769	2 256
Liquid funds	649	427	449	576
TOTAL ASSETS	61,615	59,540	57,713	56 462
SHAREHOLDERS' EQUITY AND LIABILITIES				
Equity attributable to the parent company's shareholders	20,504	18,936	20,152	17 972
Equity attributable to holdings without controlling influence	118	136	131	172
Other provisions	48	–	48	–
Deferred tax liability	3,565	3,306	3,220	2 884
Interest-bearing liabilities	34,836	33,657	31,515	33,688
Derivatives	135	86	65	85
Right of use liabilities	732	691	733	–
Accounts payable	114	88	247	270
Other liabilities	617	1 706	680	486
Accrued expenses and prepaid income	946	935	970	905
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	61,615	59,540	57,713	56,462

SELECTED INFORMATION FROM THE CONSOLIDATED CASH FLOW STATEMENT

Selected information from the consolidated cash flow statement, MSEK	2020-09-30 9 months Jan-Sep (Unaudited)	2019-09-30 9 months Jan-Sep (Unaudited)	2019-12-31 12 months Jan-Dec (Audited)	2018-12-31 12 months Jan-Dec (Audited)
Cash flow from current operations before change in working capital	892	1,015	1,328	1,376
Cash flow from current operations	720	430	768	1,248
Cash flow from investment operations	–3,285	–247	1,765	–5,324
Cash flow from financing operations	2,762	–334	–2,660	4,613
Cash flow for the period	197	–151	–127	537
Liquid funds at the beginning of the period	449	576	576	39
Liquid funds at the end of the period	649	425	449	576

SELECTED KEY FIGURES

This prospectus contains certain key figures that are not defined in accordance with IFRS (so-called alternative key figures). The Company believes that these key figures provide investors, securities analysts and other stakeholders with significant additional information about the Company's earnings development and financial position. As not all companies calculate these and other alternative key figures in the same way, Klöver's alternative key figures are not necessarily comparable with similar measures presented by other companies and have certain limitations as an analytics tool. They should therefore not be considered separately from, or as a substitute for, the Group's financial information

that has been prepared in accordance with IFRS. The alternative key figures for the period January – December have been extracted from Klöver's audited annual reports for the financial year 2019 and 2018. The alternative key figures for the period January – September have been extracted from Klöver's reviewed interim report for the period 1 January – 30 September 2020 including comparative figures for the equivalent period in 2019.

For definitions and justification of the reason for using the alternative key figures, see "*Definitions of selected key figures – Alternative key figures*". For reconciliation tables for the alternative key figures, see "*Reconciliation of alternative key figures*".

Selected key figures	2020-09-30 9 months Jan-Sep	2019-09-30 9 months Jan-Sep	2019-12-31 12 months Jan-Dec	2018-12-31 12 months Jan-Dec
Property				
Number of properties	347	395	343	426
Lettable area, thousands sq.m.	2,550	2,848	2,542	2,969
Rental value, MSEK	3,822	4,116	3,819	4,063
Rental value per lettable area, SEK/sq.m.	1,499	1,445	1,502	1,368
Fair value properties, MSEK	56,619	54,153	52,377	52,713
Yield requirement valuation, %	5.3	5.6	5.4	5.7
Operating margin, %	68	69	68	67
Occupancy rate, economic, %	88	90	90	89
Occupancy rate, area, %	79	82	81	81
Average lease term, years	3.5	3.6	3.6	3.5
Financial				
Return on equity, %	6.3	9.1	15.9	21.2
Equity ratio, %	33.3	32.0	34.9	31.8
Equity ratio, adjusted, %	40.2	39.6	43.5	37.4
Leverage, %	53	53	50	56
Leverage secured, %	40	36	34	42
Interest coverage ratio	2.6	2.7	2.6	2.7
Average interest, %	2.4	2.2	2.3	2.3
Average period of fixed interest, years	3.1	2.3	2.5	2.9
Average period of tied-up capital, years	4.1	4.1	4.1	4.3
Interest-bearing liabilities, MSEK	34,955	33,757	31,630	33,688
Share				
Equity per ordinary share, SEK	17.62	15.86	17.19	14.54
NRV per ordinary share, SEK	22.10	19.98	21.17	18.13
Equity per preference share, SEK	283.92	283.92	283.92	283.92
Profit from property management per ordinary share, SEK	0.82	1.02	1.28	1.16
Earnings per ordinary share, SEK	1.20	1.68	3.15	3.50
Share price ordinary share A at end of period, SEK	16.50	18.05	22.90	10.15
Share price ordinary share B at end of period, SEK	16.54	18.37	22.98	10.28
Share price preference share at end of period, SEK	338.00	361.50	373.00	307.00
Market capitalization at end of period, MSEK	20,706	22,748	27,177	14,455
Total no. of registered ordinary shares at end of period, million	916.0	916.0	916.0	916.0
Total no. of outstanding ordinary shares at end of period, million	825.0	825.0	825.0	825.8
Total no. of registered preference shares at end of period, million	16.4	16.4	16.4	16.4
Total no. of outstanding preference shares at end of period, million	16.4	16.4	16.4	16.4
Dividend per ordinary share, SEK	-	-	0.26	0.46
Dividend per preference share, SEK	-	-	20.00	20.00
Dividend in relation to profit from property management, %	-	-	37	53
Dividend preference shares in relation to profit from property management, %	-	-	22	24

DEFINITIONS OF SELECTED KEY FIGURES

Alternative key figures (properties)**Rental value**

Contract value plus assessed market rent for area not let.

Yield requirement

The required yield of property valuations on the residual value.

Operating margin

Operating surplus in relation to income.

Occupancy rate, economic

Contract value in relation to rental value.

Occupancy rate, area-based

Let area in relation to total lettable area.

Alternative key figures (finance)**Return on equity**

Net profit (after tax) in relation to average equity¹⁾. Measure of return on shareholders' equity.

Equity ratio

Equity¹⁾ in relation to total assets. Measure of the Group's financial risk.

Equity ratio, adjusted

Equity¹⁾ adjusted for the value of derivatives, goodwill, repurchased shares (based on the share price at the end of the respective period) and deferred tax liabilities exceeding 5 per cent of the difference between tax value and fair value of the properties in relation to total assets adjusted for goodwill and right-of-use assets. Measure of the Group's financial risk.

Leverage²⁾

Interest-bearing liabilities after deduction of the market value of listed shareholdings and liquid funds in relation to total assets. Measure of the Group's financial risk.

Leverage, secured

Interest-bearing liabilities with secured financing in properties after deduction of the market value of listed shareholdings and liquid funds in relation to total assets. Measure of the Group's financial risk.

Interest coverage ratio

Profit from property management plus earnings from residential development excluding financial costs³⁾ in relation to financial costs³⁾. Measure of the Group's ability to pay financial costs.

Equity ratio

Equity in relation to total assets. Measure of the Group's financial risk.

Average interest

Weighted average contracted interest rate for all loans in the debt portfolio at the end of the period. Measure of the Group's financing costs.

Average period of fixed interest

A weighted average of the remaining fixed interest period regarding interest-bearing liabilities. Measure of the Group's financial risk.

Average period of tied-up capital

A weighted average of the remaining capital tied-up period regarding interest-bearing liabilities. Measure of the Group's liquidity risk.

Alternative key figures (share)**Equity per ordinary share**

Equity¹⁾ after deduction of equity attributable to preference shares and hybrid bonds in relation to the number of outstanding ordinary shares.

NRV per ordinary share⁴⁾

Equity¹⁾ after deduction for equity attributable to preference shares and hybrid bonds adding back derivatives and deferred tax liability in relation to the number of outstanding ordinary shares.

Equity per preference share⁵⁾

The preference share's average issue price.

Profit from property management per ordinary share⁶⁾

Profit from property management, after deduction of dividend on preference shares and interest on hybrid bonds, in relation to average number of outstanding ordinary shares.

Earnings per ordinary share²⁾

Net profit, after deduction of dividend on preference shares and interest on hybrid bonds, in relation to average number of outstanding ordinary shares.

1) Equity attributable to the parent company's shareholders.

2) The definition of the key figure was changed in connection with the 2019 year-end report. Previously, the denominator in the calculation has been the fair value of the properties. Historical figures have been adjusted in line with the new definition.

3) Excluding site leasehold expenses

4) The name of the key figure NAV has been changed to NRV in connection with the interim report for January–September 2020. The calculation of the key figure was adjusted in connection with the year-end report 2019 due to a change in the definition of equity per preference share. Historical figures have been adjusted in line with the new definition.

5) The definition of the key figure was changed in connection with the 2019 year-end report. Previously, the key figure has been based on the share price of the preference share at the end of each period. Historical figures have been adjusted in line with the new definition.

6) The definition of the key figure was changed in connection with the interim report for January–June 2020. Historical figures have been adjusted in line with the new definition

RECONCILIATION OF ALTERNATIVE KEY FIGURES

The table below presents how the alternative key figures have been calculated.

Selected key figures	2020-09-30 9 months Jan-Sep	2019-09-30 9 months Jan-Sep	2019-12-31 12 months Jan-Dec	2018-12-31 12 months Jan-Dec
Net profit (after tax) attributable to the parent company's shareholders	1,299	1,688	3,003	3,345
Average equity attributable to the parent company's shareholders	20,493	18,516	18,843	15,811
Return on equity, %	6.3	9.1	15.9	21.2
Equity attributable to the parent company's shareholders	20,504	19,058	20,152	17,972
Total assets	61,615	59,631	57,713	56,462
Equity ratio, %	33.3	32.0	34.9	31.8
Equity attributable to the parent company's shareholders	20,504	19,058	20,152	17,972
Derivatives	-135	-86	-65	-85
Goodwill	148	151	148	155
Rights of use assets	732	698	733	-
Repurchased shares	1,504	1,671	2,090	927
Tax value	30,197	27,171	25,215	27,916
Acquired temporary difference properties	8,116	7,735	7,929	8,002
Fair value properties	56,619	54,153	52,377	52,713
Total assets	61,615	59,631	57,713	56,462
Equity, adjusted	24,418	23,261	24,750	21,031
Total assets, adjusted	60,735	58,788	56,832	56,306
Equity ratio, adjusted, %	40.2	39.6	43.5	37.4
Interest-bearing liabilities	34,955	33,757	31,630	33,688
Market value of listed shareholdings (incl repurchased shares)	-1,589	-1,768	-2,185	-1,342
Liquid funds	-649	-425	-449	-576
Total assets	61,615	59,631	57,713	56,462
Leverage, %	53	53	50	56
Interest-bearing liabilities with collateral in properties	27,115	23,955	22,208	25,543
Market value of listed shareholdings (incl repurchased shares)	-1,589	-1,768	-2,185	-1,342
Liquid funds	-649	-425	-449	-576
Total assets	61,615	59,631	57,713	56,462
Leverage, secured, %	40	36	34	42
Profit from property management plus profit from residential development	921	1,054	1,298	1,285
Financial costs	580	622	818	743
Interest coverage ratio	2.6	2.7	2.6	2.7
Equity attributable to the parent company's shareholders	20,504	19,058	20,152	17,972
Derivatives	135	86	65	85
Deferred tax liabilities	3,565	3,306	3,220	2,884
Equity attributable to preference shareholders	-4,669	-4,669	-4,669	-4,669
Hybrid bond	-1,300	-1,300	-1,300	-1,300
No. of outstanding ordinary shares at end of period, million	825.0	825.0	825.0	825.8
NRV per ordinary share, SEK	22.10	19.98	21.17	18.13
Profit from property management	982	1,149	1,462	1,344
Dividend per preference share	-247	-247	-329	-329
Interest hybrid bonds	-61	-59	-78	-30
Average no. of outstanding ordinary shares, million	825.0	824.8	824.9	852.4
Profit from property management per ordinary share, SEK	0.82	1.02	1.28	1.16

Capital structure and other financial information

The tables in this section presents the Company's capitalization and indebtedness at group level as of 30 September 2020. See the section "*Share capital and ownership*" for further information on Klöver's share capital and shares. The tables in this section should be read in conjunction with the section "*Presentation of financial and other information*" and Klöver's financial reports, with accompanying notes, incorporated by reference, see "*Documents incorporated by reference*" in the section "*Legal questions and supplementary information*".

CAPITALIZATION

Klöver's capitalization and indebtedness as of 30 September 2020 is presented in the tables below.

EQUITY AND INDEBTEDNESS

EQUITY AND INDEBTEDNESS, MSEK	2019-09-30
Total short-term liabilities	9,517
With guarantee	–
With collateral	4,877
Unsecured credits	4,640
Total long-term liabilities	25,438
With guarantee	–
With collateral	22,238
Unsecured credits	3,200
Total equity	20,504
Share capital	1,865
Other contributed capital	5,633
Retained earnings incl net profit for the period	13,006

NET INDEBTEDNESS

INDEBTEDNESS, SEK	2019-09-30
(A) Cash	649
(B) Other liquid funds	2,113
(C) Easily realizable securities	1,588
(D) Total liquidity (A)+(B)+(C)	4,350
(E) Long-term financial receivables	–
(F) Short-term bank loans	4,711
(G) Short-term portion of long-term liabilities	166
(H) Other short-term liabilities	4,640
(I) Total short-term liabilities (F)+(G)+(H)	9,517
(J) Net short-term indebtedness (I)-(E)-(D)	5,167
(K) Long-term bank loans	21,788
(L) Issued bonds	3,650
(M) Other long-term liabilities	–
(N) Long-term indebtedness (K)+(L)+(M)	25,438
(O) Net indebtedness (J)+(N)	30,605

ASSETS PLEDGED

The Company's pledged assets refer to collateral for bank loans and secured bonds.

CONTINGENCIES

The parent company's financial guarantee agreements consists mainly of guarantees in favor of subsidiaries. A contingency is reported when there is a possible undertaking that derives from events that have occurred and whose existence is confirmed only by one or more uncertain future events or when there is an undertaking that is not reported as a liability or a provision due to it not being probable that an outflow of resources will be required.

STATEMENT ON WORKING CAPITAL

Klöver's Board of Directors assesses that the Company's existing working capital is not sufficient for the Company's needs for the coming twelve-month period. Working capital in this context is defined as the Company's access to cash and cash equivalents but excluding loan financing. The Company finances its operations with equity and through bank loans, bonds and corporate certificates. The Company's total loan maturity during the coming twelve-month period amounts to SEK 7,851 million. The Company intends to refinance a majority of these by extending existing banking facilities and/or by raising new loans on the capital market as existing loans fall due for payment.

SIGNIFICANT FINANCIAL EVENTS SINCE 30 SEPTEMBER 2020

On 9 October 2020, Klöver announced that the Company had issued senior unsecured green bonds of SEK 2 billion under the Company's newly established MTN program. The bonds have a maturity of 3.5 years and a variable interest rate of 3 months STIBOR plus 325 basis points and final maturity 16 April 2024.

Klöver announced on 6 October 2020 that the board had decided on the Preferential Rights Issue, subject to approval at an extraordinary general meeting on November 13, 2020.

Except for the above, there have been no significant changes in the Group's financial position or position in the market since the publication of the last financial report.

SIGNIFICANT INVESTMENTS SINCE 31 DECEMBER 2019

Investments in existing properties are often made in connection with new leases with the purpose of adapting and modernizing premises and thereby increasing the rental value. During the period January – September 2020, SEK 1,710 million was invested. As of 30 September 2020, a total of 372 projects were ongoing with remaining investments of SEK 2,040 million. The total estimated expenditure for the projects amounted to SEK 4,806 million. The ongoing projects are expected to have a major positive effect on net moving-in numbers over the next two years.

The Kopparhusen-project in Norrköping and the new city library in Kalmar were both completed, as planned, during the second quarter. Other major ongoing commercial projects are progressing according to plan. The two ongoing projects in New York, 1245 Broadway and 28 & 7 (322–326 7th Ave), are continuously planned to be completed in the second quarter of 2021 and the first quarter of 2022, respectively. As of the second quarter of 2020, interest expenses attributable to projects in New York will be capitalized

In total, project development, including the development of building rights, contributed to increases in value of properties of SEK 246 million during the first three quarters of 2020.

SIGNIFICANT TRENDS

Several macroeconomic indicators show a recovery in the economy compared with the second quarter of 2020. Klöver is experiencing an increasing demand in the rental and transaction market compared with the first half of the year as well as improved financing conditions in the capital market. The development of the pandemic in Europe in the coming weeks may affect the pace of the economic recovery.

Except for what is described above and in the sections “*Risk factors*” and “*Business overview*”, as of the day of the prospectus, there are no trends, uncertainties, potential receivables or other requirements, commitments or events known to the Company that can be expected to have a significant impact on Klöver's business prospects during the current financial year.

FUTURE PROSPECTS

Despite the economic slowdown indicated by macro statistics in the end of 2019, and which accelerated in the second quarter of 2020, the market conditions in the real estate industry are still relatively favorable. Klöver's tenants have in general been affected to a relatively small extent by the pandemic. A limited part of the customer base, not least in the hotel, restaurant and fairs sector, has for natural reasons faced greater challenges. Klöver maintains a very close dialogue with the tenants who requested some form of rent relief and assessments are being made in each particular case whether there are prerequisites, for, for example, discounts and deferral to pay rent. The fact that the market is recovering is noted through increasing demand in the rental and transaction market and through improving financing conditions in the capital market. It is also noted that Klöver's tenants are largely back in their offices again, although the recent increase in Covid-19 infection rates may have a negative effect on the ongoing recovery.

Board of directors, senior executives and auditors

THE BOARD OF DIRECTORS

According to Klöver AB's Articles of Association, the Board of Directors shall consist of minimum four and maximum eight members and no deputies, elected by the shareholders at the Annual General Meeting. The Board of Directors currently consists of five Board members. All Board members

were elected at the Annual General Meeting of 2020 for the period up until the end of the Annual General Meeting of 2021.

The table below shows the Board members, their position, when they were first elected and whether they are considered independent in relation to the Company and/or in relation to the Company's major shareholders.

Name	Position	Elected	Independent in relation to the Company and to the company management	Independent in relation to the Company's major shareholders
Pia Gideon	Chairman	2013	Yes	Yes
Rutger Arnhult	Member	2009	No	No
Eva Landén	Member	2011	No	No
Johanna Fagrell Köhler	Member	2018	Yes	Yes
Ulf Ivarsson	Member	2018	Yes	Yes



PIA GIDEON (born 1954)

Position: Chairman of the Board, elected to the Board in 2013 and Chairman since 2016.

Shareholding in Klöver AB: 31 500 ordinary class B shares as of 30 September 2020, including direct and indirect as well as own and related parties' holdings.

Education/experience: Master of Business Administration (Sw. *civilekonom*) and Executive Training at Columbia University. Experience from company management and Board work for many years in both state owned as well as privately held and publicly listed companies.

Other ongoing assignments/positions: Pia Gideon is currently board member of Apoteket AB, Gideon & Partners AB, Metria AB and (chairman of the Board of Qlucore AB and the non-profit association ActionAid International Sweden.

Previous assignments/positions (last five years): Pia Gideon has previously been a Board member of Simris Alg AB (publ), Svevia AB (publ), ScandBook Holding AB, ABINKL Proact IT Group AB and MD International AB.

Independent in relation to the Company and the company management. Independent in relation to the Company's major shareholders.



RUTGER ARNHULT (born 1967)

Position: CEO, elected to the Board in 2009, CEO since 2012.

Shareholding in Klöver AB: 12 528 484 ordinary class A shares, 127,419,499 ordinary class B shares and 655 284 preference shares as of 30 September 2020, through companies, directly and indirectly, and own and related parties' holdings.

Education/experience: Master of Business Administration (Sw. *civilekonom*) with 20 years of experience from business management and experience from the real estate industry and as a financial analyst.

Other ongoing assignments/positions: Rutger Arnhult is currently Chairman of the Board of M2 Asset Management AB, Kloster Invest AB and Carolus Retail AB. Rutger is also a Board member of A Group of Retail Assets Sweden AB (publ), Corem Property Group AB (publ), Tobin Properties AB (publ), Suburban Properties Stockholm AB, Kanholmsfjärdens Marina Holding AB, Arnhammar Fastighets AB and Läst Holding AB.

Previous assignments/positions (last five years): Rutger Arnhult has previously been a Board member of Devyser Holding AB, Tribona AB and Initia Property Partners AB.

Dependent in relation to the Company and the company management. Dependent in relation to the Company's major shareholders.



EVA LANDÉN (born 1965)

Position: Board member, elected to the Board in 2011.

Shareholding in Klöver AB: No holdings as of 30 September 2020.

Education/experience: Master of Business Administration with experience from company management and board work.

Other ongoing assignments/positions: Eva Landén is currently CEO of Corem Property Group AB (publ) and Chairman of the Board of Specialfastigheter Sverige AB.

Previous assignments/positions (last five years): Eva Landén has previously been a Board member and deputy CEO of Corem Property Group AB (publ).

Dependent in relation to the Company and the company management. Dependent in relation to the Company's major shareholders.

**ULF IVARSSON** (born 1961)

Position: Board member, elected to the Board in 2018.

Shareholding in Klöver AB: No holdings as of 30 September 2020.

Education/experience: Master of Business Administration.

Other ongoing assignments/positions: Ulf Ivarsson is currently Chairman of the Board of Aktiebolaget Stratio, FlexQube AB (publ), Negotium Curago Göteborg AB, Playground TV AB, SmartHome4U Sweden AB and Syntegra Invest AB. Ulf is also a Board member of Exsultat Aktiebolag including subsidiaries, and Post-Process Technologies, Inc.

Previous assignments/positions (last five years): Ulf Ivarsson has previously been Chairman of the Board of SERNEKE Group AB (publ), Relevant Innovation RLA AB, and Arccore AB. Ulf has also been Board member of Idrottsföreningen Kamraterna Göteborg, Vårdväskan AB and Bokus AB and deputy Board member in Appello Systems AB.

Independent in relation to the Company and the company management. Independent in relation to the Company's major shareholders.

**JOHANNA FAGRELL KÖHLER** (born 1966)

Position: Board member, elected to the Board in 2018.

Shareholding in Klöver AB: No holdings as of 30 September 2020.

Education/experience: Master of Business Administration (Sw. *civilekonom*) with over 19 years of experience in board work in listed and unlisted companies.

Other ongoing assignments/positions: Johanna Fagrell Köhler is the CEO and Chairman of the Board of ClayPort AB and the CEO and Board member of Creuna AB. Johanna is also Board member of S-GROUP Holding AB and G5 Entertainment AB (publ).

Previous assignments/positions (last five years): Johanna Fagrell Köhler has previously been external CEO of Mobiento Group AB. Johanna has also been Chairman of the Board of Glimr AB, Independent Hotel Group AB, 2progres OBM AB, FSport Aktiebolag and PricewaterhouseCoopers Information Technology Services Sweden AB. Johanna has been a Board member of Julia Holding Aktiebolag, Engaging Care Sweden AB, HiQ International AB, Åkesson & Curry AB, Hotelhunters AB, Butikskonsult Kumla AB, Hotelhunters AB and SWEDMA Aktiebolag.

Independent in relation to the Company and the company management. Independent in relation to the Company's major shareholders.

SENIOR GROUP MANAGEMENT

Klövern AB's Senior Group Management consists of five people. Information regarding their current position, education, experience, ongoing assignments and previous assignments during the past five years, as well as shareholdings in Klövern AB are listed below. Assignments in subsidiaries have been excluded.

Name	Position	Employed at Klövern since
Rutger Arnhult	CEO	2012
Peeter Kinnunen	Transaction Manager	2012
Jens Andersson	Head of Finance	2013
Malin Löveborg	Head of Legal	2017
Susanne Hörnfeldt	Head of Business Support	2014



RUTGER ARNHULT

CEO, see above under "The Board".



PEETER KINNUNEN (born 1973)

Position: Transaction Manager, employed since 2012.

Shareholding in Klövern AB: 119 568 ordinary class B shares and 1 685 preference shares, including direct and indirect as well as own and related parties' holdings as of 30 September 2020.

Education/experience: Master of Science in Engineering with experience as COO at Vanir Asset Management during 2010–2012 and Head of Transaction & Analysis Kungsleden AB during 2007–2010.

Other ongoing assignments/positions: Peeter Kinnunen is currently a Board member of Ebbenvig AB.

Previous assignments/positions (last five years): Peeter Kinnunen has previously been Board member of Aktiebolaget Eesti Maja – Estniska Huset.



JENS ANDERSSON (born 1973)

Position: Head of Finance, employed since 2013.

Shareholding in Klövern AB: 67 000 ordinary class A shares and 107 000 ordinary class B shares including direct and indirect as well as own and related parties' holdings as of 30 September 2020.

Education/experience: Master of Business Administration (Sw. *civilekonom*) with experience as project manager at Catella Corporate Finance during 2012–2013, as CFO at Vanir Asset Management during 2010–2012 and as Senior Vice President Aareal Bank during 2001–2010.

Other ongoing assignments/positions: Jens Andersson is currently chairman of the Board of Bostadsrättsföreningen Fältprästen 1, Board member of Malmö Gjutaren Förvaltning AB, Trummelsberg Förvaltning AB, Pardes Holding AB, First Floor AB and deputy Board member of Kista Square Garden Förvaltning AB and Fyrsidan Holding AB.

Previous assignments/positions (last five years): Jens Andersson has previously been Board member of Crownridge AB and the Housing Association Storskär.

**MALIN LÖVEBORG** (born 1978)

Position: Head of Legal, employed since 2017.

Shareholding in Klöver AB: No holdings as of 30 September 2020.

Education/experience: Law degree from Stockholm University with experience as an assistant lawyer and lawyer at Setterwalls Advokatbyrå during 2007–2017 and assistant lawyer at Hamilton Advokatbyrå during 2005–2007.

Other current assignments/positions: None.

Previous assignments/positions (last five years): None.

**SUSANNE HÖRNFELDT** (born 1969)

Position: Head of Business Support, employed since 2014.

Shareholding in Klöver AB: No holdings as of 30 September 2020.

Education/experience: Master of Science in Engineering with experience as consultant and partner in Newsec during 2001–2014.

Other ongoing assignments/positions: Susanne Hörnfeldt is currently a board member of Årila Golf AB.

Previous assignments/positions (last five years): None.

OTHER INFORMATION REGARDING BOARD OF DIRECTORS AND GROUP MANAGEMENT

Rutger Arnhult was a Board member of Initia Property Partners AB from 3 June 2010 until 15 September 2017. On 5 August 2017, the company was put into liquidation and on 14 December 2018, the liquidation ended. Ulf Ivarsson was Chairman of the Board of Relevant Innovation RLA AB during the period December 2003 until 20 July 2016, after which he was deputy Board member of the company until 1 November 2016. Relevant Innovation RLA AB was declared bankrupt on 19 December 2016 and the bankruptcy ended on 21 July 2017. On 28 January 2015, Ulf Ivarsson took over as Deputy Board Member of Appello Systems AB. The company was thereafter declared bankrupt and the bankruptcy ended on 25 January 2016.

In addition to what is stated above, none of the Company's Board members or the Senior Group Management members have, during the past five years (i) been convicted in any fraud-related cases, (ii) been a deputy in a company that has been declared bankrupt, been liquidated or undergone a corporate reorganization, (iii) bound by and/or have been subject to penalties for breaches by regulatory or supervisory authorities (including recognized professional associations) or (iv) been prohibited by court from being a member of a company's administrative, management or supervisory body or from exercising leading or overall functions of an issuer.

There are no family ties between any Board members or any Senior Group Management members.

There are no conflicts of interest between the Board members' and the group's Senior Management team members' commitments to the Company and their private

interests and/or other commitments. Rutger Arnhult, Board member and CEO of Klöver, is, however, the owner of the M2 Group and is partly owner of Wästbygg AB through companies in the M2 Group. Klöver has ongoing contractual relationships with Wästbygg AB regarding construction projects. Wästbygg AB is also a tenant to Klöver, with an annual contract value of SEK 2 million. Klöver has also signed a lease agreement for leasing from the M2 Group with an annual contract value of SEK 1 million. Furthermore, Klöver's Chairman of the Board Pia Gideon has been a Board member of Svevia AB (publ) and is a Board member of Metria AB and Apoteket AB. Klöver has entered into rental agreements with Apoteket AB, Metria AB and Svevia AB (publ). In the autumn of 2017, Klöver also purchased services from Svevia AB (publ), mainly snow plowing.

All Board members and Senior Group Management members can be reached at the Company's address, Bredgränd 4, 111 30 Stockholm.

AUDITORS

According to Klöver's Articles of Association, the Company shall have one or two auditors and the equal number of deputies or one or two registered auditing companies. The auditor of Klöver is appointed annually by the Annual General Meeting. The Company's auditor since 2014 is Ernst & Young Aktiebolag, which at the Annual General Meeting of 2020 was re-elected until the end of the Annual General Meeting of 2021. The principal auditor of the Company is Fredric Hävrén (born 1971). Fredric Hävrén is an authorized auditor and a member of FAR. Ernst & Young Aktiebolag's address is Box 7850, 103 99 Stockholm.

Share capital and ownership

SHARE INFORMATION

According to Klöver's Articles of Association, the share capital shall amount to a minimum of SEK 1,600,000,000 and amount to a maximum of SEK 6,400,000,000, divided into a minimum of 800,000,000 and a maximum of 3,200,000,000 shares. There are three types of shares issued by the Company; ordinary class A shares, ordinary class B shares and preference shares. At the time of this Prospectus, the Company's registered share capital amounts to SEK 1,864,875,960, distributed between 932,437,980 shares, of which 69,358,703 ordinary class A shares, 846,635,277 ordinary class B shares and 16,444,000 preference shares, with a quota value of SEK 2.00 per share.

The shares in Klöver are issued in accordance with Swedish law, are fully paid and denominated in SEK. The shares are not subject to any trade restrictions. As far as the Board of Directors is aware, there are no shareholder agreements or other agreements between the Company's shareholders to exercise joint influence over the Company. As far as the Board of Directors is aware, there are no other agreements or similar that may lead to a change in control of the Company. The shareholders' rights can only be changed in the manner specified in the Swedish Companies Act and in the Articles of Association.

THE PREFERENTIAL RIGHTS ISSUE

The Preferential Rights Issue will, upon full subscription, result in an increase in the number of shares from 932,437,980 shares to a maximum of 1,138,697,289 shares, which corresponds to an increase of approximately 22 per cent.

Dilution

For those shareholders who refrain from subscribing shares in the Preferential Rights Issue, a dilution effect arises of a total of at most 206,259,309 new shares, corresponding to approximately 18.1 per cent of the total number of shares and 19.8 per cent of the total number of votes in the Company¹⁾ and the Preferential Rights Issue.

The table below shows the net asset value (*Sw. substansvärde*) per share before and after the impending new share issue, respectively, based on equity as of 30 September 2020, and the maximum number of shares that may be issued in the impending new share issue. The subscription price in the new share issue is SEK 10.

	Before the Preferential Rights Issue	After the Preferential Rights Issue
Equity ¹⁾ , mkr	20,622	22,685 ²⁾
Number of shares	932,437,980.00	1,138,697,289
Net asset value per share, SEK	22.1	19.9

1) Refers to total equity

2) Refers to the Group's equity as of 30 September 2020, increased by the proceeds for the Preferential Rights Issue before deduction for issue costs.

1) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the total number of votes.

CERTAIN RIGHTS LINKED TO THE SHARES

Annual General Meeting

Notice to General Meeting shall be advertised advance in the official gazette (*Sw. Post- och Inrikes Tidningar*), and by keeping the notice available on the Company's website. Information that summons has been issued shall be advertised in Svenska Dagbladet. Shareholders who are entered in the share register no later than six Banking Days before the General Meeting and has notified the Company as specified in the summons are entitled to participate at the General Meeting.

Voting rights

Ordinary class A share entitles to one (1) vote on a General Meeting and each ordinary class B share entitles to one tenth (1/10) of a vote at the General Meeting. Each shareholder is entitled to vote for all shares owned and represented by him without restriction in voting rights.

Right to dividend and surplus in the event of liquidation

If the Company is liquidated, the preference shares entitles the holder to receive SEK 400 per preference share from the Company's retained assets and any outstanding amount calculated in the manner set out in the Articles of Association, before distribution is made to owners of the ordinary shares. The preference shares shall otherwise not entail any right to distribution. Ordinary class A shares and ordinary class B shares have equal rights to the Company's profit and surplus in the event of liquidation.

Preference shares have priority over ordinary shares to an annual dividend of SEK twenty (20) per share with a quarterly payment of SEK 5.00 per share, as specified in the Articles of Association. The right to receive dividend applies to those who hold preference shares on the last weekday of June, September and December, respectively, the year of the Annual General Meeting and in March of the year following the Annual General Meeting. If no dividend is paid to preference shareholders, or if a dividend of less than SEK twenty (20) is paid for one or more years, the preference shares shall entail the right to receive the outstanding amount calculated in accordance with the Articles of Association, before dividend on ordinary shares is paid. The preference shares shall otherwise not entitle a right to dividend.

Dividend to owners of ordinary class A shares and ordinary class B shares is determined by the Annual General Meeting. The right to dividend accrues to the person registered as shareholder in the share register kept by Euroclear Sweden on the record date as determined by the Annual General Meeting.

Dividend may only be distributed if the Company, after distribution of dividend, has coverage for its restricted equity and if the dividend appears justifiable with regard to (i) the requirements of the business, the size of the operations and risks relative to the Company's equity, and (ii) the

Company's and the Group's consolidation needs, liquidity needs and general soundness (the "precautionary rule"). In general, the General Meeting may not resolve to distribute dividend of a higher amount than have been proposed or approved by the Board of Directors.

The right to dividend expires in accordance with normal limitation periods (10 years). Dividend that becomes statute barred accrues to the Company. There are no restrictions on dividends or special procedures for shareholders resident outside of Sweden. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments are made to such shareholders in the same way as for shareholders resident in Sweden. Shareholders not liable to pay tax in Sweden are, however, normally subject to Swedish withholding tax. See the section "*Certain tax issues*" below for more information regarding capital gains tax.

Preferential right to new shares etc.

If the Company issues new shares, warrants or convertibles in the event of a cash issue or a set-off issue, shareholders generally have preferential right to subscribe for such securities in relation to the number of shares held prior to the issue. The statutes set forth in the Articles of Association does not limit the Company's ability to issue new shares, warrants or convertibles in accordance with the Swedish Companies Act with deviation from the shareholders' preferential rights.

Redemption and conversion reservations

Owners of ordinary class A shares shall have the right to request that an ordinary class A share is converted into an ordinary class B share. The request for conversion, which must be in writing and state the number of shares to be converted if the request does not cover the entire holding, must be made to the Company's Board of Directors. The request must be received by the Board of Directors during January or July, respectively, and must be immediately notified by the Board of Directors for registration at the Swedish Companies registration Office. The conversion is completed when the registration has taken place and notification in the share register has been made.

Preference shares in the Company are covered by redemption reservations in the Articles of Association. Reduction of the share capital through redemption of preference shares may take place following a decision by the General Meeting in accordance with the statutes prescribed in the Articles of Association.

Information on public takeovers and redemption of minority shares

The shares in Klöver AB are not subject to any public takeover bid. Nor have there been any public takeover bids for Klöver AB's shares during the current or previous year.

According to the Swedish Stock market Takeover Bids Act (*Sw. lag (2006:451) om offentliga uppköpserbudanden på aktiemarknaden*), anyone who does not hold shares, or holds shares representing less than 30 per cent of the voting rights for all shares in a Swedish limited liability company whose shares are admitted to trading on a regulated market, and which through acquisition of shares in such company,

alone or together with related parties, reaches holding of at least 30 per cent of the voting rights, must immediately announce the size of the shareholdings in the company and within four weeks thereafter submit a public takeover bid for all outstanding shares in the company (mandatory bid).

A shareholder, directly or through subsidiaries, holds more than 90 per cent of all shares in a Swedish limited liability company has the right to redeem the remaining shares in the company. Owners of the remaining shares have a corresponding right to have their shares redeemed by the majority owner. The procedure for such redemption of minority shares is regulated in detail in the Swedish Companies Act.

Trading in ordinary class A shares

Ordinary shares of class A are admitted to trading on Nasdaq Stockholm, with the shortening "KLOV A". The ISIN code for the ordinary shares of class A is SE0006593901.

Trading in ordinary class B shares

Ordinary shares of class B are admitted to trading on Nasdaq Stockholm, with the shortening "KLOV B". The ISIN code for the ordinary shares of class A is SE0006593919.

Dividend policy and dividend for the financial year 2019

Klöver AB has adopted a dividend policy that the long-term dividend shall amount to at least 50 per cent of the result from the property management. Dividend to preference shareholders shall not exceed 30 per cent of the result from property management long term. When assessing the size of the dividend, the Company's investment options, financial position and capital structure shall be taken into account.

Dividend per ordinary share for the financial year 2019 has been resolved at SEK 0.26 per share (SEK 0.13 and SEK 0.13, respectively, with record dates 30 December 2020 and 31 March 2021). For the financial years 2018 and 2017, the dividend amounted to SEK 0.46 and SEK 0.44 per ordinary share, respectively.

STRUCTURE OF OWNERSHIP

As of 30 September 2020, Klöver AB had approximately 60,900 shareholders. The table below shows Klöver's shareholders with direct or indirect holdings of at least five per cent of the shares or votes in the Company as of 30 September 2020. These shareholders can exercise a significant influence on the Company. As far as the Company is aware, there is no direct or indirect ownership that can lead to a change in control of the Company.

Name	Number of ordinary shares A, thousands	Number of ordinary shares B, thousands	Number of preference shares, thousands	Share of capital, %	Share of votes, % ¹⁾
Rutger Arnhult through companies	12,528	127,419	655	15.1	17.3
Corem Property Group	9,500	129,400	–	14.9	15.3
Gårdarike	31,550	61,475	50	10.0	25.7
Länsförsäkringar fondförvaltning	–	58,977	–	6.3	4.0
Handelsbanken Fonder	–	49,730	–	5.3	3.4
SUM MAJOR SHAREHOLDERS	53,578	427,001	705	51.6	65.7
Other shareholders	15,781	328,677	15,739	38.6	34.3
SUM OUTSTANDING SHARES	69,359	755,678	16,444	90.2	100.0
Repurchased shares	–	90,957	–	9.8	–
TOTAL NUMBER OF REGISTERED SHARES	69,359	846,635	16,444	100.0	100.0

Due to routines at Ålandsbanken and Banque Internationale à Luxembourg, the banks have been registered as owners of some of their customers' Klöver shares in Euroclear's share register. Klöver estimates that the table above gives a correctly shows the company's largest owners.

1) Repurchased shares cannot be represented at the General Meeting.

In Sweden, the lowest limit for notifiable holdings (Sw. "*flaggning*") is five per cent of all shares or votes.

CENTRAL SECURITIES DEPOSITORY

The Company's shares are registered in a reconciliation register in accordance with the Swedish Act on central securities depositories and accounting of financial instruments (Sw. *lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*). The register is kept by Euroclear Sweden (Box 191, 101 23 Stockholm). The shares are registered in person. No share certificates have been issued or will be issued for new shares. The ISIN code for ordinary class A shares is SE0006593901 and the ISIN cod for ordinary class B shares is SE0006593919.

AUTHORISATIONS

The Annual General Meeting held on 24 April 2020, authorized the Board of Directors to, within the framework of the current Articles of Association, with or without deviation from the shareholders' preferential rights, on one or more occasions during the period until the next Annual General Meeting, resolve on an increase in the Company's share capital through rights issue of ordinary class A shares and/or ordinary class B shares and/or preference shares as follows.

Rights issues with the support of the authorization may be made of as many shares as in total correspond to an increase in the share capital of a maximum of ten (10) per cent, based on the total share capital in the Company at the time of the 2020 Annual General Meeting. The number of shares of each share class that may be issued with support of the authorization may, however, amount to a maximum of ten (10) per cent of the share capital related to ordinary class A shares, ordinary class B shares

and preference shares, respectively, issued at the time of the 2020 Annual General Meeting.

The purpose of the authorization with possibility to deviate from the shareholders' preferential rights is to enable the possibility to resolve on a rights issue in order to acquire properties or shares in property owning entities and for the purpose of capitalizing the Company prior to such acquisitions. It shall be possible to subscribe for the newly issued shares with cash, in kind, with the right of set-off or on terms as specified in Chapter 2 Section 5 of the Swedish Companies Act. A rights issue with deviation from the shareholders' preferential rights, shall be offered at market price. However, in the event of rights issues of preference shares and/or ordinary class B shares with deviation from the shareholders' preferential rights, and that are subscribed for in cash, a market discount may be granted. In the case of preferential rights issues, a market issue discount shall be granted.

The authorization has not been utilized as of the date of this prospectus.

OPTIONS PROGRAM 2020

The 2020 Annual General Meeting has resolved on introducing a cash-settled synthetic option program for Klöver's senior executives, including the CEO, and key employees in the Company, related to the price development of Klöver's ordinary class B shares ("Option Program"). The 2020 Option Program is expected to increase commitment and increase motivation for the program's participants. In addition, the Option Program 2020 is expected to link with the interests of the participants and shareholders in the long term. Option Program 2020 has been prepared together

with external advisors and is intended to include a maximum of 30 current and future senior executives and key employees within Klöver. The term of the Option Program is at least three years. The Company's maximum cost for the Option Program 2020 is estimated to SEK 75 million. Other costs for the Option Program 2020 are remuneration to external advisors and administration of the program. As the options in the Option Program 2020 are synthetic, this program does not lead to any dilution for the shareholders.

Legal questions and supplementary information

INFORMATION ABOUT THE PROSPECTUS

A separate prospectus in Swedish has been approved by and registered with the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) ("SFSA") as competent authority in accordance with Regulation (EU) 2017/1129 (Prospectus Regulation). The prospectus is a secondary issuance prospectus in accordance with Article 14 of Regulation (EU) 2017/1129. SFSA approves the prospectus only in so that it meets the requirements for completeness, comprehensibility and consistency set out in Regulation (EU) 2017/1129. This approval should not be construed as any kind of support for the issuer or the quality of the securities referred to in the prospectus. Investors should make their own assessment of whether it is appropriate to invest in these securities.

The prospectus is valid for twelve months after the approval of the prospectus. The obligation to publish supplements to the prospectus due to significant new circumstances, factual errors or material errors is no longer applicable when the shares in Klöver AB have been admitted to trading on Nasdaq Stockholm.

GENERAL COMPANY AND GROUP INFORMATION

The company name, as well as commercial name, is Klöver AB (publ). Klöver's organization number is 556482-5833 and the Board of Directors is based in Stockholm municipality. Klöver was founded on January 10, 1994 and registered in the Companies Register on February 4, 1994. The Company is a Swedish public limited liability company (Sw. *aktiebolag*) regulated by the Swedish Companies Act (2005: 551). The Klöver's LEI code is 549300D4GJAZR1EMIA07. Klöver's website is (www.klovern.se). Information available on the website does not form part of this prospectus.

The company's business object shall be to, directly or indirectly through subsidiaries, acquire, own, manage, develop and sell properties, as well as to conduct operations related hereto.

GROUP STRUCTURE AND SUBSIDIARIES

Klöver is the parent company in the Group, which consists of approximately 280 legal units (excluding the Tobin Properties group which is owned to 93.7 per cent) in Sweden, Denmark and USA. Each subsidiary in turn owns property owning companies. The Group structure as of the date of this prospectus is shown in the table below. The table only shows Klöver's 28 directly wholly owned subsidiaries.

Subsidiaries/Org.no/Residence	Subsidiaries/Org.no/Residence
Klöver Ström AB, 556603-1067, Nyköping	Klöver Gerhard AB, 556634-5723, Nyköping
Klöver Komp Ström AB, 556688-5256, Nyköping	Klöver Helmut AB, 556634-5731, Nyköping
Klöver Adam AB, 556594-9699, Nyköping	Klöver Ingmar AB, 556634-6598, Nyköping
Klöver Komp Adam AB, 556643-6647, Nyköping	Klöver Linus AB, 556896-7409, Nyköping
Klöver Barkenlund AB, 556554-8772, Nyköping	Klöver Lovisa AB, 559068-5334, Nyköping
Klöver Bobby AB, 556594-9780, Nyköping	Klöver Verner AB, 556896-7474, Nyköping
Klöver Komp Bobby AB, 556678-9938, Nyköping	Klöver Signe AB, 559171-8779, Nyköping
Klöver Dante AB, 556594-9830, Nyköping	Klöver Tage AB, 559171-8761, Nyköping
Klöver Efraim AB, 556594-9855, Nyköping	Klöver Johan AB, 559101-2116, Nyköping
Klöver Ett AB, 556610-3106, Nyköping	Klöver Mari AB, 556944-2196, Nyköping
Klöver Frippe AB, 556634-5657, Nyköping	Klöver Valdemar AB, 559003-2446, Nyköping
Klöver Komp Ett AB, 556613-4085, Nyköping	Klöver Gabriella AB, 556983-7544, Nyköping
Klöver Karl AB, 556708-7985, Nyköping	Klöver Alfred AB, 556922-4255, Nyköping
Dagon AB, 556431-0067, Nyköping	Klöver CPH AB, 559042-7562, Nyköping

MATERIAL CONTRACTS

Klövern has not entered into any material agreements besides its ordinary course of business during the past two years. Neither has Klövern entered into other agreements containing provisions according to which the Group has an obligation or right that is essential to the Group as a whole as of the date of this prospectus.

LEGAL PROCEEDINGS AND DISPUTES

In April 2020, Region Uppsala filed a lawsuit against Tobin Properties AB (publ), a non-wholly owned subsidiary of Klövern, due to several property transfer agreement entered into between the parties in 2016. As Tobin Properties AB ceded to access the properties on the access date, Region Uppsala, after some discussions, decided to terminate the agreement. Two years later, Region Uppsala sold the relevant properties to another buyer at a price lower than what was agreed with Tobin Properties AB. The damage claim from Region Uppsala refers to compensation for lost profits and expenses of a total amount of approximately SEK 77 million. Tobin Properties AB (publ) disputes the claim, but it cannot be confirmed that the final outcome may not have a negative impact on the Group's earnings and cash flow.

Klövern, through Dagon Sverige AB, holds 93.7 per cent of all shares in Tobin Properties AB (publ) and has, in its capacity as majority shareholder, invoked redemption of the shareholders' minority shares. The process of redeeming the shares is subject to arbitration proceedings in accordance with Chapter 22 of the Swedish Companies Act.

Except for the above proceedings, Klövern is not, and has not been, party to any governmental proceedings, legal proceedings or arbitration proceedings (including proceedings which have not yet been settled or which, in Klövern's knowledge, are likely to be initiated) during the last twelve months, which may or has recently had significant effects on the Company and / or the Group's financial position or profitability. See "*Risks related to disputes*" in the above section "*Risk factors*".

TRANSACTIONS WITH RELATED PARTIES

Below transactions have occurred between Klövern and to Klövern related parties since 31 December 2019 until the date of the prospectus. All of which have been made at market terms.

Rutger Arnhult, CEO of Klövern and member of the Board, owner of the M2 Group which holds ownership in Wästbygg AB. Wästbygg and Klövern have entered into a construction contract regarding the project Nacka Strand 1, including 60 residential apartments, amounting to a total contract value of SEK 115.3 million. Furthermore, Klövern has entered into a rental agreement with Wästbygg AB, with an annual contract value of SEK 2 million.

Klövern AB has entered into a rental agreement with the M2 Group, with an annual contract value of SEK 1 million.

Pia Gideon is a Board member of Apoteket AB and Chairman of the Board of Klövern. Klövern's rental agreements with Apoteket AB amount to an annual contract value of SEK 4 million.

Johanna Fagrell Köhler is the CEO of Creuna AB and a member of Klövern's Board. During 2019 and the beginning of 2020, Creuna AB invoiced Klövern a total of SEK 0.25 million.

SUBSCRIPTION COMMITMENTS AND GUARANTEE COMMITMENT IN THE PREFERENTIAL RIGHTS ISSUE

Klövern's two largest shareholders; Rutger Arnhult (through companies) and Corem Property Group AB (publ), which hold a total of 33.8 per cent of the number of outstanding ordinary shares and 32.6 per cent of the votes¹⁾ in the Company, have undertaken to subscribe for their respective pro-rata shares in the Preferential Rights Issue. In addition, Länsförsäkringar Fastighetsfond and Handelsbanken Fonder, which together represent 11.9 per cent of outstanding ordinary shares and 6.7 per cent of the total number of votes¹ in Klövern, have expressed their intention to subscribe for their respective pro rata shares in the Preferential Rights Issue. Shareholders representing 45.7 per cent of the number of outstanding ordinary shares and 39.3 per cent of the votes²¹ have thus undertaken or expressed intention to subscribe for their respective pro rata shares in the Preferential Rights Issue. Neither the subscription commitment nor declarations of intent are secured by bank guarantees, pledges or otherwise.

The part of the Preferential Rights Issue that is not covered by the subscription commitments is guaranteed by Rutger Arnhult's company M2 Asset Management AB (publ), corporate identity number 556559-3349, with address Bredgränd 4, 111 30 Stockholm. The guarantee commitment from M2 Asset Management AB (publ) was signed by both parties on 6 October 2020. A guarantee compensation of 1.0 per cent of the maximum guarantee commitment minus the amount corresponding to given subscription commitment, is paid in connection with the guarantee commitment.

Non-secured commitments

Neither a guarantee commitment, subscription commitments or declaration of intent are secured through bank guarantees, pledges or otherwise. Consequently, there is a risk that one or more affected parties will not be able to fulfil their respective commitments in whole or in part. See also "*Subscription commitments and declarations of intent are not secured*" and "*Unsecured guarantee commitment*" under the section "*Risk factors*".

Total commitments

Existing subscription commitments and guarantee commitments are summarized to SEK 2,063 million, equal to 100 per cent of the Preferential Rights Issue

1) Repurchased shares cannot be represented at the General Meeting and have therefore been excluded from the total number of votes.

REGULATORY DISCLOSURES

Below follow is a short summary of disclosed information under regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 regarding market abuse (the Market Abuse Regulation) over the last 12 months which, according to the Company, is

Financial reports

- Year-end report for the period 1 January – 31 December 2019, published on 12 February 2020.
- Annual report and sustainability report for the period 1 January – 31 December 2019, published on 20 March 2020.
- Interim report for the period 1 January 2020 – 31 March 2020, published on 24 April 2020.
- Interim report for the period 1 January – 30 June 2020, published on 14 July 2020.
- Interim report for the period 1 January – 30 September 2020, published on 21 October 2020.

Information regarding property divestments

Klövern announced on 21 October 2019 that Klövern has sold 42 properties in Karlstad for SEK 2 610 million. The divestment concerned all of Klövern's properties in Karlstad and was made with purpose to consolidate Klövern's property portfolio to fewer geographical locations.

Information concerning property acquisitions

Klövern announced on February 18, 2020 that Klövern had acquired all the shares in a condominium association in New York, USA which owns a 14-story residential building in Manhattan with the address 417 Park Avenue, at the corner of Park Avenue and East 55th street.

Information concerning dividends

On 26 March 2020, Klövern published the Board's adjusted proposal for dividend for the financial year 2019. Due to uncertainty regarding the economic development caused by the spread of the coronavirus, the Board of Klövern decided to adjust the proposed dividend. The new proposal entailed a dividend for the financial year 2019 of a total of SEK 0.26 per ordinary share, to be paid on two occasions of SEK 0.13 each, and a dividend per preference share of a total of SEK 20.00 to be paid on four occasions of SEK 5.00 each. Record dates for dividends from ordinary shares are 30 December 2020 and 31 March 2021. Record dates for dividends from preference shares are 30 June 2020, 30 September 2020, 30 December 2020 and 31 March 2021. The previous proposal, which was communicated in the year-end report 2019, and published on 12 February 2020, contained a dividend of a total of SEK 0.50 per ordinary share to be paid on four occasions of SEK 0.12, SEK 0.12, SEK 0.13 and SEK 0.13, respectively, and a dividend of SEK 20.00 per preference share to be paid on four occasions of SEK 5.00 each.

Information concerning financing

On 28 April 2020, Klövern announced a voluntary repurchase offer of outstanding secured SEK bonds with ISIN SE0010546747, which were issued under the Company's MTN program established in 2017. The offer referred to a cash consideration up to a nominal amount of SEK 400 million at a price of 100 per cent of the nominal amount.

Klövern announced on May 4, 2020 that the Company had completed the previously announced repurchase of SEK 400 million of the Company's senior secured SEK bonds with ISIN SE0010546747. After the repurchase offer was finalized, the repurchased bonds were canceled.

Klövern announced on 19 May 2020 that during the second quarter of 2020, the Company refinanced SEK 5.0 billion in existing bank loans and secured bonds and received new loans and credit decisions regarding new loans of a total of SEK 3.8 billion. The new loans were intended, i.a. to repay a bond loan of SEK 750 million in June 2020.

Klövern announced on 10 June 2020 that Klövern had received a BBB-rating with stable prospects from Scope Ratings.

Klövern announced on 6 October 2020 that the Board of Directors had resolved on the Preferential Rights Issue, subject to the Extraordinary General Meeting's approval on 13 November 2020.

Klövern announced on 7 October 2020 that the Company intends to investigate the possibility of issuing new green senior unsecured SEK-bonds. In connection with the issue of the new bonds, Klövern offered holders of the Company's outstanding unsecured bonds with variable interest rates and outstanding volumes of SEK 1,500 million to participate as the Company repurchases all bonds for cash consideration at a price of 100.20 per cent of the nominal amount.

On 9 October 2020, Klövern announced that the Company had issued senior unsecured green bonds of SEK 2 billion under the Company's newly established MTN program. The bonds have a maturity of 3.5 years and a variable interest rate of 3 months STIBOR plus 325 basis points with a final maturity on 16 April 2024. Klövern intends to apply for admission to trading of the New Bonds on Nasdaq Stockholm's corporate bond list for sustainable bonds.

IMPORTANT INFORMATION REGARDING TAXATION

The tax legislation in the investor's home country and in Sweden can affect any income received from shares in Klövern. Capital gains tax and regulations on capital losses due to sales of securities are subject to specific factors for each shareholder. Special tax rules apply to certain types of investment. Each holder of shares and subscription rights should therefore consult a tax adviser to obtain information on the specific consequences that may arise in the individual investment case, including the applicability and effect of foreign tax rules and tax treaties.

ADVISORS ETC.

Klövern's financial advisers in regarding the Preferential rights Issue are Nordea Bank Abp, filial i Sverige, Swedbank AB (publ) ("Swedbank") and Danske Bank A / S, Denmark, Sverige filial ("Danske Bank"). Nordea, Swedbank and Danske Bank (as well as companies related to Nordea, Swedbank and Danske Bank) are per the date of this prospectus lenders to the Company and have from time to time provided, and may in the future provide, various banking, financial, investment, commercial and other services, within the framework of day-to-day operations to Klöver for which they have received, and may receive, compensation. Linklaters Advokatbyrå AB is legal advisor to Nordea, Swedbank and Danske Bank in connection with the Preferential Rights Issue.

Walthon Advokater AB is Klöver's legal advisor regarding the Preferential Rights Issue. Walthon Advokater AB also provides other legal services to Klöver for which they have received and may receive compensation.

TRANSACTION COSTS

The company's costs attributable to the Preferential Rights Issue are estimated to approximately SEK 35 million. Such costs are primarily attributable to costs for financial advisors, legal advisors, and other costs related to marketing materials and other presentations.

DOCUMENTS INCORPORATED BY REFERENCE

The following accounts are incorporated into the prospectus by reference. The documents that are incorporated by reference are available on the Company's website <https://www.klovern.se/sv/om-klovern/investor-relations/finansiella-rapporter/>.

- Klöver's audited annual report for the financial year 2019, where reference is made to the group's income statement on page 94, the group's balance sheet on page 95, the group's change in equity on page 96, the group's cash flow statement on page 97, notes on pages 102–125 and the auditor's report on pages 128–131.
- Klöver's audited annual report for the financial year 2018, where reference is made to the group's income statement on page 84, the group's balance sheet on page 85, the group's change in equity on page 86, the group's cash flow statement on page 87, notes on pages 92–111 and the auditor's report on pages 114–116.
- Klöver's unaudited interim report for the period 1 January – 30 September 2020, where reference is made to the group's Income Statement on page 14, the group's Balance Sheet on page 15, the group's change in equity on page 15, and the group's cash flow analysis on page 16.
- Klöver's unaudited interim report for the period 1 January – 30 September 2020, including comparative financial numbers for the equivalent period 2019, where reference is made to the group's Income Statement on page 16, the group's Balance Sheet on page 17, the group's change in equity on page 17, the group's cash flow analysis on page 18, and the auditor's review report on page 20.

DOCUMENTS AVAILABLE FOR INSPECTION

Klövern's financial reports, Bye-Laws and registration certificate are available in electronic form on the Company's website (www.klovern.se) (the information on the Company's website does not form part of the prospectus unless the information has been incorporated by reference in the prospectus) and at the Company's visit address Spelhagsvägen 13, 611 31 Nyköping.

Property valuation reports

The property valuation reports concerning the Company's property portfolio, which have been incorporated in this prospectus, have been issued at the request of the Company, by independent expert real estate appraisers. There have been no significant changes since the valuation reports were issued. The valuation reports are presented on the following pages.

The valuation reports have been issued by Cushman & Wakefield Sweden AB with address: Regeringsgatan 59, 103 59 Stockholm and Savills Sweden AB with address: Regeringsgatan 48, 111 56 Stockholm, as regards properties located in Sweden, and Newsec Advice AB, with address: Stureplan 3, P.O Box 7795, 103 96 Stockholm, as regards properties located in Sweden and Denmark. The properties located in the USA have been valued by Newmark Knight Frank Valuation & Advisory, LLC with address: 125 Park Avenue, New York, NY 10017, USA. All real estate appraisers have agreed that the valuation reports may be included in the prospectus. The information in the valuation reports below have been reproduced accurately and no information has been omitted in a way that could make the reproduced information incorrect or misleading.

Klövern's valuation of its properties as of 30 September 2020 amounts to SEK 56,619 million. The corresponding value according to the valuation reports amount to SEK 54,425 million¹⁾, i.e. a deviation of 3.9 per cent in relation to Klöverns valuation. A substantial part of the properties have been valued at an earlier date than the date of the prospectus. Investments and changes in the value are therefore not always reflected in the valuation report. Property appraisal are generally subject to an uncertainty interval of approximately 5–10 per cent, i.e. the uncertainty that exists in the assumptions and calculations made in connection with the appraisals. It is Klöverns assessment that the mentioned deviation is within this uncertainty interval.

1) Adjusted according to the following exchange rates as of 30 September 2020: SEK/DKK 1.415594 and SEK/USD 8.9883.

Valuation report Cushman & Wakefield



Regeringsgatan 59
103 59 Stockholm, Sweden
Tel +46 (0)8 671 34 00
cushmanwakefield.com

VALUATION REPORT

Cushman & Wakefield has been instructed by Klöver AB to estimate the market value of 204 valuation objects. 178 objects are held freehold and 26 objects are held leasehold. All properties are located in Sweden. The main uses of the properties are office, retail and light industry but the portfolio also includes residential and hotel properties.

Date of valuation is set at 31 December 2019 for 41 objects, 31 March 2020 for 85 objects, 30 June 2020 for 29 objects and 30 September 2020 for 49 objects. The total lettable area is 1 558 593 sq.m. 4 968 sq.m. are residential and 1 553 625 sq.m. are commercial area.

The valuations have been prepared in accordance with suitable sections of Valuation Practice Statements ('VPS'), part of RICS Valuation - Global Standards 2020 ('Red Book') and is issued by the Royal Institution of Chartered Surveyors (RICS), the International Valuation Standard Committee (IVSC) as well as the standards in European Valuation Standards 2020 (EVS 2020), issued by The European Group of Valuers' Associations ('TEGoVA')

We understand that our valuation report is required for inclusion in a Prospectus which is to be published by Klöver AB for a public offering of shares. In accordance with the RICS Valuation - Professional Standards, we have made certain disclosures in connection with this valuation instruction and our relationship with Klöver, see page 2.

All objects have been inspected by representatives from Cushman & Wakefield between 2017 and 2020.

We confirm that we have sufficient current local and national knowledge of the particular property markets involved, and have the skills and understanding to undertake the valuation competently. The valuations have been carried out by valuers qualified for the purpose and acting as external valuer.

We have made various assumptions as to tenure, letting, town planning etc. If any of the information or assumptions on which the valuation is based is found to be incorrect, the valuation figures might also be incorrect and should be reconsidered.

The market values for the 204 valuation objects (at the valuation date 31 December 2019 for 41 objects, at the valuation date 31 March 2020 for 85 objects, at the valuation date 30 June 2020 for 29 objects and at the valuation date 30 September 2020 for 49 objects) have been estimated at:

Sum Market Value: SEK 33,633,400,000
(SEK Thirty-three billion Six hundred and Thirty-three million Four hundred thousand)

Stockholm 2020-10-16
Cushman & Wakefield Sweden AB

Annika Engströmer, MRICS
Authorised Valuer by Samhällsbyggarna

Sven-Erik Hugosson, MRICS
Authorised Valuer by Samhällsbyggarna

Valuation report Cushman & Wakefield



- We are responsible for this Valuation Report and accept responsibility for the information contained in this Valuation Report and confirm that to the best of our knowledge (having taken all considerable care to ensure that such is the case), the information contained in this Valuation Report is in accordance with the facts and contains no omissions likely to affect its import. The Valuation Report complies with paragraph 128 to 130 of the ESMA update of CESR's recommendations for consistent implementation the European Commission Regulation No. 809/2004 implementing the Prospectus Directive.
- This report is for the use only of the party to whom it is addressed for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents save as set out above. No reliance may be placed upon the contents of the Valuation Report by any party for any purpose other than in connection with the purpose of the valuation.

Valuation report Cushman & Wakefield



Valuation objects	Municipality
Ackordet 10	Linköping
Amor 1	Linköping
Antennen 15, 16, 23 och 24	Linköping
Antennen 5 och 6	Linköping
Antennen 9	Linköping
Beridaren 12	Linköping
Brevduvan 17	Linköping
Brevduvan 20	Linköping
Brevduvan 21	Linköping
Bromsaren 4	Linköping
Bävern 13	Linköping
Bävern 2	Linköping
Dahlia 18	Linköping
Elefanten 17	Linköping
Galgen 3	Linköping
Ganymeden 7	Linköping
Garvaren 9	Linköping
Glasberget 1	Linköping
Glasbiten 1	Linköping
Glasbiten 7	Linköping
Glasblåsaren 7	Linköping
Guvernören 13	Linköping
Gymnasten 2	Linköping
Gården 1	Linköping
Idégivaren 1	Linköping
Idéläran 1, del av, D11	Linköping
Idéläran 1, del av, T2	Linköping
Idéläran 1, del av, T6	Linköping
Idéskaparen 2	Linköping
Idéskissen 1	Linköping
Idétävlingen 4, del av	Linköping
Idétävlingen 4, T8 del av (f.d. 2)	Linköping
Kvarnen 4	Linköping
Magasinet 1	Linköping
Magneten 2 och Megafonen 4	Linköping
Mekanikern 22, 24	Linköping
Morellen 1, Mekanikern 18	Linköping
Oboisten 2	Linköping
Paletten 1	Linköping
Tannefors 1:89 och 1:90	Linköping
Basfiolen 9	Norrköping
Bommen 6	Norrköping
Bronsen 2	Norrköping
Diket 10	Norrköping

Valuation report Cushman & Wakefield



Gryt 21	Norrköping
Järnet 5	Norrköping
Kabeln 1	Norrköping
Kondensatorn 1 (fd Reläet 9)	Norrköping
Kopparhammaren 2	Norrköping
Kopparhammaren 7	Norrköping
Kopparhusen Bommen 6, Nyproduktion	Norrköping
Kopparn 10	Norrköping
Kvarnholmen 4	Norrköping
Malmen 5	Norrköping
Malmen 8	Norrköping
Omformaren 7, del av (f.d. 5)	Norrköping
Omformaren 7, del av (f.d. 6)	Norrköping
Omformaren 7, del av (f.d. 7)	Norrköping
Platinan 1	Norrköping
Regulatorn 3	Norrköping
Ritsaren 10	Norrköping
Rotfjärilen 1	Norrköping
Silvret 2	Norrköping
Slakthuset 14	Norrköping
Statorn 10	Norrköping
Stjärnan 15 och 16	Norrköping
Stålet 3	Norrköping
Svärdet 8	Norrköping
Vävstolen 8 (del av Kopparhammaren 2)	Norrköping
Ana 11, del av, KLMN	Nyköping
Ana 11, del av, R6	Nyköping
Ana 12	Nyköping
Ana 13	Nyköping
Bagaren 20	Nyköping
Biografen 19	Nyköping
Brandholmen 1:9	Nyköping
Brädgården 3	Nyköping
Fabrikatet 1, 4 och 5	Nyköping
Fors 11	Nyköping
Furan 2	Nyköping
Glödlampan 16	Nyköping
Glödlampan 17	Nyköping
Gripen 1	Nyköping
Jarlen 1	Nyköping
Klädeshandlaren 15	Nyköping
Kungshagen 1:6	Nyköping
Lansen 13	Nyköping
Mjölklaskan 8	Nyköping
Nyköpings Bruk 1	Nyköping

Valuation report Cushman & Wakefield



Nyköpings Bruk 7	Nyköping
Skölden 2	Nyköping
Spelhagen 1:7	Nyköping
Spänten 7	Nyköping
Standard 17, del av (f.d. 16)	Nyköping
Standard 17, del av (f.d. 17)	Nyköping
Stensötan 5	Nyköping
Säven 4	Nyköping
Aprikosen 2	Solna
Hilton 3	Solna
Startboxen 3	Solna
Alptanäs 2	Stockholm
Alptanäs 3	Stockholm
Arenan 2 (Globen shopping)	Stockholm
Arenan 2 (Kontor)	Stockholm
Arenan 2 P1 (plan 1)	Stockholm
Arenan 3	Stockholm
Arenan 6	Stockholm
Arenan 6 P2	Stockholm
Arenan 8	Stockholm
Blåfjäll 1	Stockholm
Borg 1	Stockholm
Borg 2	Stockholm
Borg 3	Stockholm
Borg 4	Stockholm
Borg 6	Stockholm
Borgarfjord 4	Stockholm
Geysir 1	Stockholm
Geysir 2	Stockholm
Gullfoss 3	Stockholm
Gullfoss 5	Stockholm
Helgafjäll 1 Hus 2	Stockholm
Helgafjäll 2 Hus 3	Stockholm
Helgafjäll 2 Hus 4	Stockholm
Helgafjäll 3	Stockholm
Helgafjäll 4	Stockholm
Helgafjäll 5	Stockholm
Helgafjäll 7	Stockholm
Isafjord 1 (Dalvik/Myvatten)	Stockholm
Isafjord 4	Stockholm
Isafjord 5	Stockholm
Isafjord 6 (Actic)	Stockholm
Isafjord 7 (Markparkering)	Stockholm
Isafjord 8 (Tele 2)	Stockholm
Knarrarnäs 3, inkl samf.garage	Stockholm

Valuation report Cushman & Wakefield



Knarrarnäs 4, inkl samf.garage	Stockholm
Knarrarnäs 9, inkl samf.garage	Stockholm
Lidarände 1	Stockholm
Orgelpipan 4	Stockholm
Röros 1	Stockholm
Singeln 13	Stockholm
Skaftå 1	Stockholm
Skogsparkering	Stockholm
Kannringen 1	Täby
Kannringen 2	Täby
Kardborren 13	Täby
Linjalen 60	Täby
Linjalen 61	Täby
Linjalen 65	Täby
Linjalen 66	Täby
Linjalen 7	Täby
Linjalen 8	Täby
Lodet 2	Täby
Mätstången 2	Täby
Roslags-Näsby 24:44, 24:45, 25:7, 25:8	Täby
Smygvinkeln 10	Täby
Smygvinkeln 11	Täby
Smygvinkeln 12	Täby
Smygvinkeln 9	Täby
Svänghjulet 1	Täby
Svänghjulet 2	Täby
Svänghjulet 3	Täby
Tryckaren 3	Täby
Ventilen 1	Täby
Växellådan 1	Täby
Växellådan 3	Täby
Åkerby 10	Täby
Fyrislund 6:6, fd 6:8 GE	Uppsala
Fyrislund 6:6, Hus 51	Uppsala
Fyrislund 6:6, ICA	Uppsala
Fyrislund 6:6, Kontor	Uppsala
Fyrislund 6:6, Labb	Uppsala
Fyrislund 6:6, Mark	Uppsala
Fyrislund 6:6, Övrigt	Uppsala
Kungsängen 10:1, 10:2	Uppsala
Kungsängen 24:3	Uppsala
Kungsängen 29:1	Uppsala
Kungsängen 37:13	Uppsala
Bogserbåten 1	Västerås
Finnslätten 2	Västerås

Valuation report Newsec Advice


Newsec Advice AB

Stureplan 3
P.O Box 7795
SE-103 96 Stockholm
Tel +46 8 454 40 00
Fax +46 8 454 40 01
VAT SE 556305-7008

Valuation report concerning market value assessment**Purpose and client**

Newsec Advice AB ("Newsec") has been instructed by Klöver AB, through Susanne Hörnfeldt, to carry out market value assessments for the below listed 14 properties in Sweden (grouped as 11 valuation units) and 7 properties in Denmark, with the date of valuation set as June 30th, 2020. The valuations were carried out in June 2020. The valuations refer to the individual properties and any potential portfolio premiums/discounts have not been considered. For this valuation assignment, the attached appendix "General Terms and Conditions for Valuation Reports" applies.

The valuation aims to assess the market value of the properties, meaning the most likely price for a sale on an open and free real estate market at a given specific time.

The properties subject to valuation

The total value of the properties amounts to 2,093,300 TSEK and 3,095,300 TDKK, respectively. All properties are freehold. Of the 14 properties in Sweden, all have been inspected in 2019. The 7 properties in Denmark have been inspected in 2018 and 2019.

PROPERTY LIST SWEDEN

Property	Municipality	Valuation date
Bromsen 3, 4, Spindeln 13,14	Borås	2020-06-30
Carolus 32	Malmö	2020-06-30
Innerstaden 1:152	Malmö	2020-06-30
Lennart 17	Västerås	2020-06-30
Loke 24	Västerås	2020-06-30
Mats 5	Västerås	2020-06-30
Termiten 1	Borås	2020-06-30
Vampyren 9	Eskilstuna	2020-06-30
Vestalen 10	Eskilstuna	2020-06-30
Aldermannen 25	Kalmar	2020-06-30
Vestalen 8	Eskilstuna	2020-06-30

PROPERTY LIST DENMARK

Property	Location	Valuation date
Amerika Plads	2100 København Ø	2020-06-30
Codanhus	1850 Frederiksberg C	2020-06-30
Fairway	2300 København S	2020-06-30
G4S	2620 Albertslund	2020-06-30
IBM	2840 Holte	2020-06-30
Porcelænshaven	2000 Frederikberg	2020-06-30
Sundhedshuset	2720 Vanløse	2020-06-30

Financial statement

Information concerning the current rental terms has primarily been retrieved from the rental charge list. In cases where the rents been deemed to deviate from the general market rent, they have been adjusted at the end of the contract period. Owing to the size, characteristics and location of the properties, the long-term vacancy and rental risk varies.

Costs for operational and ongoing maintenance as well as allocation for routine maintenance have been assessed by means of statistics, information from Klöver AB, contract information and comparisons to similar properties. Costs for operations and maintenance are assessed to follow the general inflation development during the cash flow period.

Valuation report Newsec Advice



Valuation assessment

The basis for all market value assessments are analyses of previously sold properties in combination with knowledge of the actors' views of different types of properties, their way of reasoning as well as knowledge regarding market-based rental levels etc.

The value of the properties has been appraised with support from a market-adapted cash flow model in which simulations using the expected future incomes and costs (10 years or longer) are used to analyze the market's expectations for the property subject to valuation. The yield used in the calculation stems from sales of similar properties. Factors of great importance in choosing the hurdle rate are the assessment of the property's future rental development, changes in value, potential to improve the property as well as the property's maintenance condition and need for investment.

Valuation standards

The valuations have been prepared in accordance with the IVS and RICS valuation standards. This valuation report meets the requirements of items 128-130 in the ESMA update of CESR's recommendations for a consistent implementation of the European Commission's Regulation no 809/2004 regarding implementation of the prospectus directive.

Definitions and value concepts are in line with the International Valuation Standards 2017 (IVS 2017), established by the International Valuation Standard Council (IVCS). The market value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion.

The valuations have been carried out by valuers qualified for the assignment who have acted as external valuers. We consider ourselves to have good knowledge of the property market and the relevant market segments, and thus the competencies required to carry out the valuations.

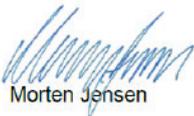
The report is only to be used by the party for whom it has been carried out, for the aforementioned specific purposes, and no responsibility will be accepted from a third party for the entirety or parts of its contents.

Final assessment

According to the value assessment reported in each property's calculation, we assess the total market value, as of June 30th 2020 to be **2,093,300,000 SEK (two billion ninety-three million three hundred thousand SEK)** and **3,095,300,000 DKK (three billion ninety-five million three hundred thousand DKK)** respectively.

Stockholm October 30th 2020

Newsec Advice AB



Morten Jensen
Head of Advisory Denmark
MRICS Registered Valuer



Annika Drotz
MRICS, Av Samhällsbyggarna
auktoriserad fastighetsvärderare

Valuation report Savills

VALUATION

On behalf of Klöver AB, at the request of Susanne Hörnfeldt, Savills Sweden AB has conducted a market valuation of a number of properties belonging to Klöver. Concerned properties are listed in Appendix 1. Valuation dates are Q4 2019, Q1 2020, Q2 2020 och Q3 2020. Each property has been valued on one occasion during the period Q4 2019--Q3 2020.

The properties included in this certificate comprise 117 properties of which 97 are freehold and 20 are leasehold.

Valuation date	Market value (SEK)	No of properties	Whereof leasehold
2019-01-01	3,290,200,000	34	9
2020-04-01	3,760,600,000	38	7
2020-07-01	1,437,000,000	27	4
2020-10-01	1,406,400,000	18	0
Total	9,894,200,000	117	20

The valuation is based on a cash flow analysis meaning that the property values are based on the present value of projected cash flows as well as the residual value during a cash flow period of five years, yet with consideration for leases with lease term exceeding the period of five years. The assumptions regarding the future cash flows are based on an analysis of:

- Current and historical rents and costs
- The market / local area's future development
- Property conditions and position in each market segment
- Existing relevant lease conditions
- Market rental terms when the lease expires
- Operation and maintenance costs of similar properties in comparison with the costs in the actual properties

Based on the analysis, the resulting net operating income during the cash flow period and the residual value at the end of the cash flow period has been discounted with an estimated discount rate. The value affecting parameters used in the valuations corresponds to Savills interpretation of how investors and other market participants think and operate. The assignment has been carried out in accordance with international valuation standards (IVS) and RICS instructions ("Red Book").

Upon request, we hereby certify that according to the assessments made by Savills Sweden AB the market value of the above properties is rounded **SEK 9,894,200,000 (Nine billion eight hundred ninetyfour million and two hundred thousand Swedish kronor)** per the valuation dates specified above.

Stockholm October 13, 2020

Savills Sweden AB



Karin Zakariasson

Head of Valuation, MRICS

AUKTORISERAD
FASTIGHETSVÄRDERARE



SAMHÄLLSBYGGARNA



Sven-Arne Larsson

AUKTORISERAD
FASTIGHETSVÄRDERARE



SAMHÄLLSBYGGARNA



Valuation report Savills

Appendix 1

Q4 2019		
Property	Municipality	Area sqm
Inom Vallgraven 15:2	Göteborg	4,340
Majorna 219:7	Göteborg	15,699
Majorna 220:4	Göteborg	5,749
Majorna 220:5	Göteborg	4,410
Nordstaden 18:3, 18:4	Göteborg	2,271
Annedal 9	Lund	1,296
Traktorn 4	Lund	14,001
Trumlan 1	Lund	2,517
Välten 4	Lund	3,100
Välten 5	Lund	3,645
Årdret 12	Lund	2,049
Betongen 11	Malmö	4,909
Brandnåvan 1	Malmö	272
Brandnåvan 2	Malmö	2,822
Flygfyren 1	Malmö	12,148
Flygledaren 3	Malmö	1,597
Flygvärdinnan 4	Malmö	9,258
Höjdrodret 3	Malmö	1,344
Murman 11	Malmö	8,442
Murman 7	Malmö	6,510
Murman 8	Malmö	7,198
Nejlikebuketten 4	Malmö	6,543
Nejlikebuketten 6	Malmö	1,750
Skevrodret 1	Malmö	1,982
Stapelbädden 2	Malmö	4,492
Stapelbädden 4	Malmö	8,035
Stillman 40	Malmö	1,753
Svedjenåvan 3	Malmö	4,905
Svedjenåvan 4	Malmö	0
Vårbuketten 3	Malmö	3,317
Gastuben 3	Möndal	5,990
Spinnaren 5	Möndal	0
Violen 1	Möndal	956
Malten 1	Sollentuna	13,863
		167,163



Valuation report Savills

Q1 2020		
Property	Municipality	Area sqm
Timmerhuggaren 2	Danderyd	10,628
Gamlestaden 39:13	Göteborg	13,565
Sävenäs 169:1	Göteborg	7,648
Sävenäs 170:13	Göteborg	2,089
Sävenäs 170:14	Göteborg	5,459
Ellipsen 5	Huddinge	2,800
Rektangeln 3	Huddinge	3,131
Valen 2	Huddinge	4,480
Apotekaren 20	Kalmar	1,871
Fredriksdal 1	Kalmar	3,150
Guldfisken 2	Kalmar	3,848
Gumsen 31	Kalmar	24,930
Koljan 24	Kalmar	5,743
Korpen 18	Kalmar	3,811
Korpen 20	Kalmar	6,274
Lärlingen 5	Kalmar	4,574
Matrosen 1	Kalmar	2,259
Mästaren 28	Kalmar	1,348
Tennjytaren 1	Kalmar	1,588
Kvartsen 6	Lund	5,010
Fältsippan 8	Malmö	3,975
Krukskärvan 9	Malmö	2,680
Kullen 1	Malmö	85,421
Stigglädret 10	Malmö	2,985
Sufflören 4	Malmö	5,313
Tränsbattet 2	Malmö	3,615
Ventilen 4	Malmö	2,392
Västerbotten 11	Malmö	14,785
Västerbotten 9	Malmö	20,367
Travbanan 2	Möndal	13,208
Travbanan 3	Möndal	15,646
Väskan 2	Möndal	2,284
Ugglum 1:76	Partille	4,482
Ekplantan 1	Sollentuna	2,600
Donnarvet 11	Stockholm	3,673
Stenmjölet 1	Stockholm	5,179
Stenmjölet 2	Stockholm	4,824
Boländerna 33:2	Uppsala	18,880
		326,514



Valuation report Savills

Q2 2020		
Property	Municipality	Area sqm
Sunnanå 12:26	Burlöv	0
Sävenås 170:12, 170:17	Göteborg	4,062
Sävenås 67:4	Göteborg	2,336
Tuve 86:2	Göteborg	5,301
Tynnered 1:15	Göteborg	2,600
Eketånga 24:37	Halmstad	1,718
Eketånga 24:49	Halmstad	5,324
Eketånga 5:417	Halmstad	3,552
Fotbollen 17	Halmstad	480
Fregatten 7	Halmstad	1,517
Halmstad 2:25 & 2:28	Halmstad	14,780
Halmstad 2:49	Halmstad	3,025
Orkanen 1	Halmstad	1,406
Orkanen 2	Halmstad	1,300
Ostkupan 3	Halmstad	12,629
Elefanten 3	Kalmar	8,495
Gumsen 41	Kalmar	2,042
Rybsen 1	Kalmar	1,112
Timotejen 1	Kalmar	1,552
Dragör 1	Malmö	2,358
Flygfyren 3	Malmö	5,162
Stockrosen 2	Mölndal	3,039
Mellby 3:198	Partille	2,576
Ugglum 7:117	Partille	3,320
Ugglum 9:242	Partille	16,076
Johannelund 7	Stockholm	22,134
Stenen 1	Stockholm	11,353
		139,249



Valuation report Savills

Q3 2020		
Property	Municipality	Area sqm
Gamlestaden 39:14	Göteborg	880
Kallebäck 17:1	Göteborg	20,370
Järnvägen 3	Halmstad	5,504
Slåttern 2	Halmstad	3,616
Förstugan 1	Huddinge	1,600
Öislanda 1:255	Lerum	4,801
Hårddisken 3	Mölnadal	3,274
Mejramen 1	Mölnadal	15,114
Pottegården 2	Mölnadal	1,800
Pottegården 4	Mölnadal	4,930
Stockrosen 7	Mölnadal	4,767
Törnrosen 4	Mölnadal	3,460
Ängsviolen 1	Mölnadal	5,548
Mellby 5:120	Partille	5,092
Partille 4:2, 4:25	Partille	2,843
Ugglum 8:37	Partille	3,667
Ugglum 8:92	Partille	5,920
Ugglum 9:243	Partille	0
		93,186



Valuation report Newmark Knight Frank Valuation & Advisory, LLC



November 3, 2020

Mr. Jens Andersson
 Chief Financial Officer (CFO)
 Klöver AB
 Bredgränd 4
 Stockholm, 11130, Sweden

RE: Appraisal of Four Proposed Class A Office Buildings located throughout Manhattan prepared by Newmark Knight Frank Valuation & Advisory, LLC (herein "Firm" or "NKF")

NKF Job No.: 20-0123370-1

Dear Mr. Anderson:

Newmark Knight Frank – Valuation & Advisory has prepared an appraisal of the market value of the referenced properties presented in the following Appraisal Report. Below is a highlight and overview of each individual property that encompasses the subject portfolio that is the subject of this appraisal. The properties were inspected by NKF on October 22, 2020 and October 23, 2020.

Summary of the Subject Property

The proposed office buildings are located throughout the Midtown and Midtown South Office submarkets of Manhattan. An overview of the four respective buildings have been further outlined below:

- ❖ **28&7 (205 West 28th Street)** consists of a 12-story, plus lower level, boutique Class A office building that is currently under construction and is proposed to be completed in October 2021. The property will feature 7,200 square feet of retail space and 93,270 square feet of office space comprising 100,470 square feet of net rentable area, upon completion. The office space will offer prospective tenants with unique amenities such as state of the art construction, usable rooftop terrace space.
- ❖ **1241-1245 Broadway** represents the leasehold interest in a 21-story, plus lower level, boutique Class A office building that is currently under construction and is proposed to be completed in April 2021. The property will feature 7,901 square feet of retail space and 181,345 square feet of office space comprising 100,470 square feet of net rentable area, upon completion.
- ❖ **118 Tenth Avenue** represents the leasehold interest in a proposed 10-story boutique Class A office building that has not started construction. The proposed completion date for the property is during first quarter of 2023. The property will feature 8,164 square feet of retail space and 133,654 square feet of office space comprising 141,850 square feet of net rentable area, upon completion. The development has been

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Valuation report Newmark Knight Frank Valuation & Advisory, LLC

November 3, 2020
Mr. Jens Andersson

assembled by acquiring air rights from an adjacent property and through the Special West Chelsea Highline Transfer corridor.

- ❖ **417 Park Avenue** represents an existing residential cooperative building that is currently in the process of being demolished by the developer as vacant possession was realized in August 2020. The site is located within the Park Avenue subarea of the Midtown East Rezoning District which will allow a floor area ratio of 25.0 times the lot area through the acquisition of air rights from an identified landmark site within the district. This appraisal assumes that the air rights have been massed on the site and the necessary acquisition and demolition costs have been considered within our estimated market value.

Except for 417 Park Avenue, the As Is market values were determined utilizing the Discounted Cash Flow methodology. The cash flows commence on the respective completion dates for 28&7, 1241-1245 Broadway and 118 Tenth Avenue. Thereafter, the outstanding costs and the associated discounting from the date of completion and the As Is date of value were utilized to estimate the market values reported herein. 417 Park Avenue has utilized comparable land sales in order to determine the market value.

COVID-19 Pandemic

The COVID-19 Pandemic has had a significant impact on the economy and, by extension, real estate markets. Commercial real estate is transforming and adapting with some similarities and some differences to previous crises. As the Pandemic has progressed, there has been greater clarity about the effects through metric and transactional data as well as market participant information and expectations. Although transactional data is hard to come by, month over month sales volumes are turning positive – they are just still significantly depressed as evidenced by 2nd Quarter U.S. sales volume decreasing 68% from the same period last year according to Real Capital Analytics. Available data and analyses are contained within this appraisal report and are a foundation to the appraisal.

Klövern AB Manhattan Office Portfolio



Valuation report Newmark Knight Frank Valuation & Advisory, LLC

November 3, 2020
Mr. Jens Andersson

Based on the analysis contained in the following report, the opinion of value for the subject is:

Value Conclusions			
Appraisal Premise	Interest Appraised	As Is Date of Value	As Is Value Conclusion
205 West 28th Street (28&7)	Fee Simple	10/22/2020	\$80,000,000
1241-1245 Broadway	Leasehold	10/22/2020	\$105,000,000
118 Tenth Avenue	Leasehold	10/22/2020	\$82,000,000
417 Park Avenue	Fee Simple	10/23/2020	\$225,000,000
Total Portfolio Valuation			\$492,000,000

Compiled by NKF

Extraordinary Assumptions

An extraordinary assumption is defined in USPAP as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

1. We have been provided with limited property information regarding the proposed improvements for the four development sites. We have utilized the information provided by the ownership to determine the market value for the subject property upon completion of the improvements into Class A office buildings. The ownership has indicated that construction of the proposed developments will be completed during the course of: the second quarter of 2021 for 1241-1245 Broadway; the fourth Quarter of 2021 for 28&7; and the first quarter 2023 for 118 Tenth Avenue. We assume the timely and workmanlike completion of the proposed projects, which will be commensurate with similar excellent quality Class A office buildings in the marketplace. 417 Park Avenue was valued as vacant land so the proposed improvements are not pertinent in order to estimate the subject's market value.
2. The client has provided an assemblage and massing study which outlines the as of right floor area for 417 Park Avenue, along with the acquisition of air rights that will allow the property to maximize the floor area ratio (FAR) permitted by the adopted Midtown East Rezoning text of 25.0 times the lot area as-of-right: i.e. without receiving approval of their Uniform Land Use Review Procedure (ULURP) by the City of New York. That said, this analysis assumes that the ownership successfully receives approval of their ULURP by the City of New York to allow for the massing proposed by the developer. The ULURP should be approved as it has received initial support from relevant stakeholders. In the event the information provided were to be amended, we reserve the right to change our market value indications as this will have a result on the reported values.
3. The client has provided an assemblage and massing study which outlines the as of right floor area for 116 and 118 Tenth Avenue, along with the acquisition of air rights that will allow the property to maximize the zoning envelope allowable by the Special West Chelsea Zoning District. This analysis assumes that the ownership completes its site assemblage by acquiring the remaining 30,510 square feet from the West Chelsea Affordable Housing Fund. In the event the information provided were to be amended, we reserve the right to change our market value indications as this will have a result on the reported values.
4. Based on our conversations with the developer, there is \$7.5 million in planned demolition costs for 417 Park Avenue which we have utilized in order to estimate market value reported herein for 417 Park Avenue.

The use of these extraordinary assumptions might have affected assignment results.

Klövern AB Manhattan Office Portfolio



Valuation report Newmark Knight Frank Valuation & Advisory, LLC

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Hypothetical Conditions

A hypothetical condition is defined in USPAP as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for analysis. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

1. None

Client Reliance Statement

This report was prepared in order to be used in a prospectus under Regulation (EU) 2017/1129 of The European Parliament and of the Council.

The appraisal was developed based on, and this report has been prepared in conformance with the Client's appraisal requirements, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

Market Value is described in USPAP as "a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership, or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal."

The opinions of value expressed in this report are based on estimates and forecasts that are prospective in nature and subject to considerable risk and uncertainty. Events may occur that could cause the performance of the property to differ materially from our estimates, such as changes in the economy, interest rates, capitalization rates, financial strength of tenants, and behavior of investors, lenders, and consumers. Additionally, our opinions and forecasts are based partly on data obtained from interviews and third-party sources, which are not always completely reliable. Although we are of the opinion that our findings are reasonable based on available evidence, we are not responsible for the effects of future occurrences that cannot reasonably be foreseen at this time.

Klövern AB Manhattan Office Portfolio



Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of New York.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, Raymond Cirz, MAI, CRE, FRICS has completed the continuing education program for Designated Members of the Appraisal Institute.
12. As of the date of this report, Douglas Larson has completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.
13. Significant real property appraisal assistance was provided by Justin Larkin and Jon Spierer who have not signed this certification. The assistance of Justin Larkin and Jon Spierer consisted of conducting research on the market, subject property, and transactions involving comparable properties, performing certain appraisal analyses, and assisting in report writing, all under the supervision of the person(s) signing this report.
13. Significant real property appraisal assistance was provided by Justin Larkin and Jon Spierer who have not signed this certification. The assistance of Justin Larkin and Jon Spierer consisted of conducting research on the market, subject property, and transactions involving comparable properties, performing certain appraisal analyses, and assisting in report writing, all under the supervision of the person(s) signing this report.
14. Within this report, "Newmark Knight Frank", "NKF Valuation & Advisory", "NKF, Inc.", and similar forms of reference refer only to the appraiser(s) who have signed this certification and any persons noted above as having provided significant real property appraisal assistance to the persons signing this report.



Certification

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15. Douglas Larson has not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Charles Looney has not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Raymond Cirz, MAI, CRE, FRICS has not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.



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Definitions

“**Company**” or “**Klövern**” means Klöver AB (publ), reg. no. 556482-5833.

“**Paid Subscribed Shares**” means shares that have been paid for and booked into the subscriber’s securities account prior to the Preferential Rights Issue having been registered with the Swedish Companies Registration Office.

“**Offer**” means the offer to subscribe for newly issued shares in the Company as stated in the prospectus.

“**Euroclear Sweden**” means Euroclear Sweden AB.

“**Preferential Rights Issue**” means the issue of new shares with preferential rights for Klöver’s shareholders as stated in the prospectus.

“**IAS**” means International Accounting Standards.

“**IFRS**” means International Financial Reporting Standards.

“**Group**” means the company group in which Klöver is the parent company.

“**Nasdaq Stockholm**” means Nasdaq Stockholm AB, reg. no. 556420-8394, or the regulated market Nasdaq Stockholm, depending on the context.

“**Prospectus Regulation**” means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 regarding prospectuses which will be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71EC.

“**SEK**” means Swedish kronor.

“**USD**” means United States dollar.

“**MSEK**” means SEK millions.

“**Securities account**” means the securities account at Euroclear Sweden according to the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479), in which (i) an owner of securities is directly registered as the holder of securities or (ii) an owner’s securities holdings are nominee-registered in the name of the owner.

Addresses

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