

AB | SAGAX

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SAGAX ACQUIRES 37 PROPERTIES FOR SEK 1,410 M AND SIGNS LETTER OF INTENT FOR JOINT VENTURE

Sagax has today signed an agreement to acquire 37 properties in Sweden for SEK 1,410 M. The acquisition will take place by acquiring three property-owning companies. Closing is expected to take place on 1 September 2020.

The properties will be acquired from Stark Group, which will lease all of the premises through its subsidiary Beijer Byggmaterial AB. Stark Group is one of the leading retailers of building materials in Northern Europe with sales of more than SEK 43 billion and 10,000 employees.

The annual rental value amounts to SEK 85 M. The lease terms are 3-15 years, with an average lease term of 7 years. The tenant has a unilateral right to extend the initial lease term by an additional 15 years.

The properties encompass 560,000 square metres of land and have been developed with industrial buildings surrounded by parking spaces. The lettable area amounts to 203,000 square metres, of which 64% comprises warehouse premises, 27% building supplier premises and 9% office premises. Most of the properties are situated in university and regional towns (76% of the investment), concentrated to Stockholm, Uppsala and the Mälardalen region (32%) and northern Sweden (30%).

Letter of Intent for joint venture

Sagax and NP3 Fastigheter AB ("NP3") have today signed a Letter of Intent entailing that NP3 is offered to acquire 50% of the shares of the property-owning companies that Sagax is to acquire in accordance with the above. NP3 has a strong presence in northern Sweden. One of the purposes of the joint venture structure is to be able to offer local service to the tenants. Sagax has been a shareholder of NP3 since 2016 and owns 20% of the votes.

For further information, please contact CEO David Mindus, tel +46 8 545 83 540.

About AB Sagax

AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industry segment. Sagax's property holdings at 30 June 2020 amounted to 3,321,000 square metres, distributed between 657 properties. AB Sagax (publ) is listed on Nasdaq Stockholm, Large Cap. More information is available at www.sagax.se.

This constitutes information that Sagax (publ) is legally obliged to publish under the EU's Market Abuse Regulation. The information was released for publication, through the agency of the contact person above, on 31 August 2020 at 2:30 p.m. CEST.