

The English version of the Articles of Association is an unofficial translation of the Swedish original and in case of any discrepancies between the Swedish version and the English translation, the Swedish version shall prevail.

**ARTICLES OF ASSOCIACION FOR
AKELIUS RESIDENTIAL PROPERTY AB (publ)
Reg. no. 556156-0383**

Adopted at the Annual General Meeting of shareholders on 10 April 2018.

**Articles of
association**

§ 1

Registered name

The registered name of the company is Akelius Residential Property AB. The company is public (publ).

§ 2

Registered office

The Board of Director's registered office shall be in the municipality of Stockholm.

§ 3

Operations

The company shall own and manage real property and carry out other operations consistent therewith.

§ 4

Share capital

The share capital shall be not less than SEK 1,080,000,000 and not more than SEK 4,320,000,000.

§ 5

Shares

1. Number of shares

The number of shares shall be not less than 1,800,000,000 and not more than 7,200,000,000.

2. Classes of shares

Shares may be issued in two different classes: ordinary shares and preference shares. Ordinary shares may be issued up to a number equal to the highest number of shares that may be issued under these articles of association. Not more than 30,000,000 preference shares may be issued.

3. Number of votes

Each ordinary share carries one (1) vote. Each preference share carries one-tenth (1/10) vote.

4. Restrictions on new issue of preference shares and value transfers in certain events

For as long as there are preference shares issued and the Preference Share Ratio (calculated as set out below) exceeds 3/10, it may not be resolved to:

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- (i) issue additional preference shares; or
- (ii) make a value transfer to holders of ordinary shares.

The Preference Share Ratio is calculated as follows:

$$\frac{A \times B}{C}$$

whereas:

A is equal to the redemption price set out in section 6 (iii) below as at the resolution date (including any accrued portion of the Preference Distribution and any Retained Amount and regardless of how long time has passed since the First New Issue);

B is equal to the total number of registered preference shares plus any preference shares that have been resolved to be issued but have not yet been registered, preference shares that may be issued through a conversion or exercise of convertible instruments and warrants then outstanding and preference shares that may be issued under any other financial instrument then outstanding, but less any such preference shares that are held by the company as well as any preference shares that are subject to a redemption resolved by a General Meeting of shareholders or the Board of Directors; and

C is the group's (in which the company is the parent company) equity book value (*Sw. bokfört eget kapital*), as recorded in the most recent interim report presented by the company, less any proposed but not yet resolved or effectuated value transfer under paragraph (ii) above, and any proposed but not yet resolved or effectuated Preference Distribution under section 5 below.

5. Preference share's rights to distribution of profits

If a General Meeting of shareholders resolves on a distribution of profits, the preference shares shall have priority over the ordinary shares as follows.

For each payment, the priority to distribution of profits per preference share (the "Preference Distribution") shall amount to one-fourth of the annual Preference Distribution ("Annual Preference Distribution"). The record dates for such payments are set out below.

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From and including the first payment of a Preference Distribution, the Annual Preference Distribution shall amount to SEK 20 per preference share.

Payment of dividend on preference shares shall be made quarterly in SEK. Record dates for payment shall be 5 February, 5 May, 5 August and 5 November. In the event such day is not a banking day, the record date shall be the closest preceding banking day. Payment of dividend on preference shares shall be made on the third banking day after the record date. A banking day shall be considered to be a day that is not a Sunday, other public holiday, or a day that in relation to payment of promissory notes in Sweden are considered to be equal to a public holiday (such dates are currently Saturday, Midsummer's Eve, Christmas Eve and New Year's Eve).

If no dividend has been paid on preference shares, or if only dividend less than the Preference Dividend has been paid, the preference shares shall, in addition to future Preference Dividend, entitle to receipt of an amount, evenly divided on each preference share, corresponding to the difference between what should have been paid as dividend in accordance with the above and the actual amount paid ("Retained Amount"), before value transfers to holders of ordinary shares can be made. The Retained Amount shall be adjusted upwards with a factor corresponding to an annual interest rate of ten (10) percent, whereby the upward adjustment shall start from the quarterly date on which a part of the dividend payment was made (or should have been made, in the event no dividend was paid at all). Also payment of dividend on the Retained Amount requires that the General Meeting of shareholders resolves on a dividend.

The preference shares shall not otherwise entitle to any right to dividend.

6. Redemption of preference shares

A reduction of the share capital, however not below the minimum capital, can be made by redemption of a certain number of, or all of the preference shares following a resolution of the Board of Directors. When a resolution is passed, an amount corresponding to the reduction amount shall be transferred to the statutory

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reserve if the required funds for this purpose are available.

The distribution of the preference shares that are to be redeemed shall be made pro rata in relation to the number of preference shares that each preference shareholder holds. If such allocation as set out above is not even, the Board of Directors shall resolve on the allocation of the surplus preference shares that are to be redeemed. If the resolution to redeem shares is approved by all holders of preference shares the Board of Directors may, however, freely resolve which preference shares that are to be redeemed.

The redemption price for each redeemed preference share shall be an amount calculated in accordance with the following:

i Until the fifth anniversary of the first new issue of preference shares (the "First New Issue"), an amount corresponding to (i) 125 per cent of the price in SEK that has been paid for each preference share in the First New Issue (the "First Subscription Price") together with (ii) any accrued portion of the Preference Distribution, together with (iii) any Retained Amount adjusted upwards with the annual interest as set out in section 5 above. The redemption price for each redeemed preference share shall however not be less than the quota value of a preference share.

ii From and including the fifth anniversary of the First New Issue up to the tenth anniversary of the First New Issue, an amount corresponding to (i) 115 per cent of the First Subscription Price together with (ii) any accrued portion of the Preference Distribution, together with (iii) any Retained Amount adjusted upwards with the annual interest as set out in section 5 above. The redemption price for each redeemed preference share shall however not be less than the quota value of a preference share.

iii From and including the tenth anniversary of the First New Issue and the period thereafter, an amount corresponding to (i) 110 per cent of the First Subscription Price together with (ii) any accrued portion of the Preference Distribution, together with (iii) any Retained Amount adjusted upwards with the annual interest as set out in section 5 above. The redemption price for each redeemed preference share shall

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however not be less than the quota value of a preference share.

The expression “accrued portion of the Preference Distribution” means accrued Preference Distribution for the period commencing on the day after the most recent record date for a distribution of profits on preference shares up until and including the day the for payment of the redemption price. The number of days shall be calculated on the basis of the actual number of days in relation to 90 days.

7. Dissolution of the company

In the event of the dissolution of the company, preference shares shall have priority over ordinary shares to receive from the company’s assets an amount per preference share corresponding to 125 per cent of the First Subscription Price together with (i) any Retained Amount adjusted upwards with annual interest as set out in section 5 above together with (ii) any accrued portion of the Preference Distribution in accordance with section 6 above, before any distributions are made to the holders of ordinary shares. The preference shares shall not otherwise carry any entitlement to a share of distribution.

8. Recalculation upon certain corporate events

Upon a change of the number of preference shares as a result of a consolidation of shares, share split or another similar corporate event, the amounts that the preference shares carry right to under sections 5–7 in this § 5 shall be recalculated in order to reflect such change.

9. Preferential rights

In the event that the company resolves to, by way of a cash issue or a set-off issue, issue new shares of different classes, the holders of ordinary shares and preference shares shall have preferential rights to subscribe for new shares of the same class *pro rata* to their existing shareholding in that class (primary preferential right). Shares not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (secondary preferential right). If the number of shares offered in this manner is insufficient for subscription based on secondary preferential rights, the shares shall be allocated among the subscribers *pro rata* to their aggregate existing

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shareholding, irrespective of whether such shares are ordinary shares or preference shares. To the extent this is not possible as regards a certain share/certain shares, the allocation shall be made by drawing of lots.

In the event that the company resolves to, by a cash issue or a set-off issue, issue new shares of only one class, the shareholders of that class shall have preferential rights to subscribe for new shares *pro rata* to their existing shareholding in that class (primary preferential right). Shares not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (secondary preferential right). If the number of shares offered in this manner is insufficient for subscription based on secondary preferential rights, the shares shall be allocated among the subscribers *pro rata* to their aggregate existing shareholding, irrespective of whether such shares are ordinary shares or preference shares. To the extent this is not possible as regards a certain share/certain shares, the allocation shall be made by drawing of lots.

In the event that the company resolves to, by a cash issue or a set-off issue, issue new warrants or convertibles, the shareholders shall have preferential rights to the subscription of the new warrants as if the issue related to the shares that may be subscribed for following an exercise of the warrants or, in case of an issue of convertibles, as if the issue related to the shares that the convertibles may be converted into.

What is stipulated above shall not restrict the possibilities for resolving on a cash issue or set-off issue with deviation from the shareholders' preferential rights.

An increase of the share capital by a bonus issue, where new shares are issued, may only occur by an issue of new ordinary shares. In such case, only holders of ordinary shares have preferential rights to such new ordinary shares *pro rata* to their existing holdings of ordinary shares. The above shall not restrict the possibilities for, through a bonus issue, resolving after necessary amendments of these articles of association, on an issue of shares of a new class.

§ 6 The Board of Directors

The Board of Directors shall consist of not less than three and not more than seven members with not more

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than two deputies to be elected for the time up to the end of the first Annual General Meeting of shareholders held after the year that the board member was elected.

**§ 7
Auditors**

The company shall have one or two auditors and an equal number of deputy auditors, or one and not more than two registered accounting firms. Auditor and deputy auditor, as well as the auditor in charge, shall be authorised public accountants.

**§ 8
Notice**

Notice of an Annual General Meeting of shareholders and an Extraordinary General Meeting of shareholders where a matter relating to amendments to the articles of association shall be decided shall be made six weeks before the general meeting at the earliest and four weeks before the general meeting at the latest. Notice of another Extraordinary General Meeting of shareholders shall be made six weeks before the meeting at the earliest and three weeks before the meeting at the latest. Notice of a General Meeting of shareholders shall be made by an announcement in the Official Gazette (Sw. *Post- och Inrikes Tidningar*) and by making the notice available on the company's website. The company shall, at the time of the notice, advertise in *Dagens Nyheter* that notice has been made.

**§ 9
Venue for the
General Meeting of
shareholders**

A General Meeting of shareholders may be held, except where the Board of Directors has its registered office, in the city of Gothenburg (Sw. *Göteborg*).

**§ 10
Annual General
Meeting of
shareholders**

The Annual General Meeting of shareholders shall be held annually within six months from the end of the financial year.

At the Annual General Meeting of shareholders, the following matters shall be addressed:

- 1) Election of a chairman of the meeting.
- 2) Preparation and approval of the voting list.
- 3) Election of one or two persons to verify the minutes.
- 4) Determination whether the meeting has been duly convened.
- 5) Approval of the agenda.

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- 6) Presentation of the annual accounts and the auditors' report and, if applicable, the consolidated annual accounts and consolidated auditors' report.
- 7) Resolutions:
 - a. On adoption of the income statement and balance sheet and, if applicable, the consolidated income statement and the consolidated balance sheet
 - b. On the disposition of the company's profit or loss as shown in the adopted balance sheet
 - c. On discharge of liability of members of the board and the managing director.
- 8) Determination of the fees to be paid to the Board of Directors and the auditors.
- 9) Election of the Board of Directors and, if applicable, auditors and any deputy auditors or firms of registered accountants.
- 10) Other matters that may be brought before the meeting pursuant to the Swedish Companies Act (2005:551) or the Articles of Association.

§ 11
Financial year

The company's financial year shall be calendar year.

§ 12
Participation at a General Meeting of shareholders

To be entitled to participate at the General Meeting of shareholders, a shareholder must give the company notice of intention to attend the meeting and state the number of assistants not later the day stipulated in the notice of the meeting. That day must not be a Sunday, any other public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and must not be earlier than the fifth weekday prior to the General Meeting of shareholders. The number of assistants may not be more than two.

§ 13
Accounting currency

The company shall have the euro as the accounting currency. The share capital shall be determined in euro.

§ 14
Central securities depository registration

The company's shares shall be registered in a central securities depository register pursuant to the Swedish financial instruments accounts act (SFS 1998:1479).