

The reasoned statement of the board of directors pursuant to Chapter 19 Section 22 of the Swedish Companies Act (2005:551)

With reference to the board of directors' proposal to authorise the board of directors to resolve upon repurchase of own shares, the board of directors hereby submits the following reasoned statement pursuant to Chapter 19 Section 22 of the Swedish Companies Act (2005:551).

Proposal to authorise the board of directors to resolve upon repurchase of own shares

It is stated in the notice to the Annual General Meeting (item 15 on the agenda) that the board of directors proposes that the Annual General Meeting authorises the board of directors to, on one or several occasions for the period until the next Annual General Meeting, resolve on the repurchase of own shares. The maximum number of shares that may be repurchased is such that Neobo's holding at any time does not exceed 10 per cent of all shares in Neobo.

The purpose of the authorisation is to enable an improvement of Neobo's capital structure and to give the board of directors an increased room for manoeuvre in connection with possible acquisitions of properties by facilitating a quick and cost-efficient financing through the transfer of own shares.

Nature, scope and risks of the business

The nature and scope of the business are specified in the articles of association and in the submitted annual reports. The business conducted by the company and the group does not entail any risks other than those that arise, or can be anticipated to arise, within the industry concerned, or those risks that are generally associated with operating a business. Apart from this, no events have occurred which have negatively affected the company's ability to distribute funds to the shareholders. The company's dependency on economic conditions does not deviate from what is otherwise prevalent in the industry concerned.

The financial position of the company and the group

The financial position of the company and the group as of 31 December 2024 is described in the latest submitted annual report. The annual report also specifies which accounting principles that are applied in the valuation of assets, provisions and liabilities.

As of 31 December 2024, the company's equity/asset ratio was 99.8 per cent and the group's equity/asset ratio was 44.5 per cent. Of the parent company's equity as of 31 December 2024, SEK 0 depends on assets and liabilities being valued at fair value in accordance with Chapter 4, Section 14 a of the Swedish Annual Accounts Act.

The proposed authorisation for the board of directors to repurchase own shares would, if utilized in full, mean that SEK 5,297,711,714 will remain of the disposable amount pursuant to Chapter 17, Section 3, first paragraph of the Swedish Companies Act (based on 145,400,737 outstanding shares in Neobo and assuming an average price per share of SEK 15.37, corresponding to the latest price paid for shares in the company on 25 March 2025). The authorisation to the board of directors to repurchase own shares will only be utilized to the extent there is full coverage for the company's restricted equity after the repurchase and only if, by the time of utilization of the authorisation, it is assessed as justifiable in accordance with Chapter 17 Section 3, second and third paragraphs in the Swedish Companies Act.

The proposed authorisation to repurchase own shares does not jeopardize the fulfilment of the investments deemed necessary and does not affect the company's and the group's own liquidity or ability to meet its payment obligations in a timely manner. The company's and the group's liquidity forecasts include preparations to manage variations in the continuous payment obligations, and the company has, including committed lines of credit, access to considerable liquid funds.

The company's and the group's financial position does not give rise to an assessment other than that the company and the group will be able to continue their business and that the company and the group can be expected to satisfy their obligations in the short term and the long term.

The board of directors is of the opinion that the size of the equity as reported in the latest annual report is in reasonable proportion to the scope of the company's business and the risks that are associated with carrying on the business, taking the proposed authorisation to repurchase own shares into account.

The justification of the repurchase authorisation

With reference to the above and to other information that has been brought to the board of directors' attention, the board of directors considers that the company's and the group's financial position entails that the proposed authorisation to the board of directors to resolve on repurchase of own shares is justified in view of the requirements specified in Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act (the precautionary rule), i.e. with reference to the nature, scope and risks of the business place on the size of the company's and the group's equity as well as the company's and the group's consolidation requirements, liquidity and position in general.

Stockholm in March 2025

Neobo Fastigheter AB (publ)

The Board of Directors