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NASDAQ STOCKHOLM'S

DECISION

21 January 2022

DISCIPLINARY COMMITTEE

2022:01

Nasdaq Stockholm

LSTH Svenska Handelsfastigheter AB

DECISION

The Disciplinary Committee orders LSTH Svenska Handelsfastigheter AB to pay a fine to Nasdaq Stockholm in the amount of SEK 1,500,000.

Motion

LSTH Svenska Handelsfastigheter AB ("Svenska Handelsfastigheter" or the "Company") has bonds admitted to trading on Nasdaq Stockholm (the "Exchange"). The Company has signed an undertaking to comply with the Exchange's Rule Book for issuers of such instruments in force from time to time, which, at the time in question, was Nasdaq Stockholm's Rule Book for Issuers of Fixed Income Instruments (the "Rule Book").

The Exchange has argued that the Company violated section II.3 of the takeover rules for certain trading platforms issued by the Swedish Corporate Governance Board (the "Takeover Rules") and thereby violated generally acceptable behaviour in the Swedish securities market and, consequently, the Rule Book.

Svenska Handelsfastigheter disputes that the company has violated the Takeover Rules and the Rule Book.

Reasons for the decision

The Rule Book

Section 4 of the Rule Book provides for the imposition of a disciplinary sanction on an issuer that fails to comply with generally acceptable behaviour in the securities market.

Considerations

On 28 September 2021, as a result of a petition submitted by Nasdaq Stockholm, the Swedish Securities Council published a ruling (AMN 2021:43) regarding the public takeover offer that the Company announced on 13 April 2021 to the shareholders of Tre Kronor Property Investment AB. In the ruling, the Swedish Securities Council found that Svenska Handelsfastigheter's bid press release did not contain the information regarding an irrevocable undertaking as required under section II.3 of the Takeover Rules.

The Exchange has argued: As found by the Swedish Securities Council, the Company has violated section II.3 of the Takeover Rules in connection with its takeover offer to the shareholders of Tre Kronor. The Takeover Rules Are an expression of generally accepted behavior on the Swedish stock market. Through the violation in question, the Company has thus simultaneously violated generally accepted behavior on the Swedish stock market, and consequently also the Rule Book.

The Company has argued: In its handling of the matter at hand until the date of the Swedish Securities Council's ruling (2021:43), the Exchange has not, at any time, expressed any opinion of its own regarding the interpretation of section II.3 of the Takeover Rules. This was not done in the original questions to the Company, nor was it done in connection with the petition to the Swedish Securities Council. As the Exchange refrained from submitting any comments of its own to the Swedish Securities Council, the Council decided to treat the matter as a pure question of interpretation. The Company's position on the interpretation of the relevant provision of the Takeover Rules was based on its good faith interpretation of section II.3. In the Company's view, there was no uncertainty as to the application and interpretation of the provision and consequently no need to consult the Council. It was not until the Swedish Securities Council's ruling that the divergent, correct interpretation was established.

The *Disciplinary Committee notes* that it appears from Ruling 2021:43 of the Swedish Securities Council that the Company's bid press release of 13 April 2021 was not worded in accordance with section II.3 of the Takeover Rules. The Company has thus violated generally accepted behavior on the stock market and, consequently, the Rule Book. The fact that the Company's violation was due to its interpretation of the Takeover Rules does not affect the Committee's assessment. The Disciplinary Committee considers the violation to be serious, which is why a fine will be imposed as a penalty. The Disciplinary Committee sets the fine at SEK 1,500,000.

On behalf of the Disciplinary Committee,

A handwritten signature in blue ink, appearing to be 'P. Asp', with a large loop at the beginning and a stylized end.

Petter Asp

Justice Petter Asp, MBA Ragnar Boman, *advokat* Patrik Marcellius, company director Anders Oscarsson, and *advokat* Erik Sjöman, participated in the decision of the Committee.

Secretary: Erik Lidman, J.D.