

PRESS RELEASE

April 26, 2017

Report from the Annual General Meeting of Magnolia Bostad AB held on 26 April 2017

Magnolia Bostad AB held its AGM on Wednesday, 26 April 2017. The main resolutions passed at the meeting are shown below.

More detailed information about the contents of the resolutions may be obtained from the complete notice of the AGM and the complete proposals. The notice and complete proposals are available on the Company's website: www.magnoliabostad.se.

Adoption of balance sheets and profit and loss accounts

It was resolved at the meeting to adopt the profit and loss account and balance sheet, as well as the consolidated profit and loss account and consolidated balance sheet for the financial year 2016.

Dividend

In accordance with the Board's proposal, it was resolved at the meeting that a dividend of SEK 1.75 per share would be paid, the record day being Friday, 28 April 2017. Dividends are expected to be paid out by Euroclear Sweden AB on Thursday, 4 May 2017.

Discharge from liability

The meeting discharged the directors and the CEO from liability towards the Company for the financial year 2016.

Directors and auditors

Viveka Ekberg, Fredrik Holmström, Jan Roxendal, Andreas Rutili, Risto Silander and Fredrik Tibell were re-elected to the Board. Fredrik Holmström was re-elected Chairman of the Board.

The registered audit firm Ernst & Young AB was reappointed auditor of the Company.

It was resolved that directors' fees totalling SEK 1,700,000 would be paid for the period until the end of the next AGM, comprising SEK 450,000 for the Chairman of the Board, and SEK 250,000 each for other directors elected at the AGM. It was further resolved that a total fee of SEK 200,000 would be paid to the audit committee, comprising SEK 80,000 for the Chairman of the audit committee, and SEK 60,000 each for other members of the audit committee.

It was further resolved that fees would be payable to the auditor in accordance with approved invoices.

Magnolia Bostad develops efficient, attractive and functional residential properties, including rental apartments, tenant-owned apartments and hotels, in attractive locations primarily in Sweden's growth areas. Our work is based on a holistic approach where the operations are conducted in a manner that promotes long-term, sustainable urban development. Magnolia Bostad's share (MAG) is listed on Nasdaq First North Premier. Erik Penser Bank is the Certified Adviser for the Company. More information is available at www.magnoliabostad.se

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Nomination committee

It was resolved to adopt instructions for the Nomination Committee, to apply until new instructions are decided on, in accordance with the Board's proposal.

Guidelines for remuneration payable to senior executives

It was resolved to adopt guidelines for remuneration payable to senior executives, in accordance with the Board's proposal.

Alteration of the articles of association

It was resolved on alteration of the articles of association, in accordance with the Board's proposal.

Warrant program and transfer of warrants

It was resolved on a warrant program and on approval of transfer of warrants, in accordance with the Board's proposal. The warrant program mainly means the following.

The Company shall issue not more than 350,000 warrants without any consideration to the fully owned subsidiary Magnolia Utveckling AB. The subsidiary shall transfer the warrants to employees within the three categories Executive management, Specialist and Other employees. Each warrant gives a right to subscribe for one new share in the Company.

Subscription for shares in accordance with the terms and conditions may occur during the period from 2 November 2020 up until to 26 April 2022. The Subscription Price per Share shall correspond to either (i) an amount corresponding to 160 % of the weighted average of all transactions in the Company's Shares during December 1, 2017 up and until December 31, 2017 or (ii) an amount corresponding to 160 % of the weighted average of all transactions in the Company's Shares during first 10 trading days after the Company has been listed on Nasdaq OMX, whichever occurs first however, not lower than the quota value of the Share.

The warrants shall be transferred on market terms at a price (premium) that has been determined on the basis of an estimated market value for the warrants by applying the Black-Scholes model. When estimating such market value, the value of a share in the Company, shall be considered to be the average stock-exchange rate of the shares in the Company according to an official stock-exchange list during a period of 10 trading days prior to the transfer. Other than costs for administration, implementation and evaluation of the programme, no other costs are expected to arise in connection to the program.

In addition, the warrants shall be subject to competitive and standard market terms and conditions including a right for the Company or the subsidiary to repurchase the warrants at the then current market value at the time of the repurchase, if the employment of the participant in the Company or a subsidiary would terminate.

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