



From: Smallville AB (publ) ("**The Company**")

Subject: Information from the Issuer

Date: 17 November 2022

**Information to bondholders –  
SE0012230209 (SEK), SE0012230217 (EUR) & NO0012450602 (NOK)**

As everyone has been made aware, we live in rapidly changing times with great challenges. This of course also effects the Company, its projects and financial position in a major way.

Interest (listed) rates have increased from ca 1,5% to 4,3%. Energy prices are due to double this winter. Production costs have increased by 10-20%, most new projects have been halted. During the year sales of new developments has almost come to a standstill. Resells in the secondary market has decreased by over 50% and available units for sale has doubled. House prices have gone down more than 10% so far, experts believe prices will continue to fall. Nasdaq OMX real estate index (SX35GI) has declined 55% this year. Even tougher times are expected ahead.

So far eight (8 out of 28) homes in Mariefred phase 1 have been completed and happy customers have moved in, production progresses according to plan. Sales in next phase is very slow due to market situation (only 2 out of 24 sold). The monthly General progress/status report for October 2022 is available on the website.

The Company's liquidity position does not allow it to make the interest payment scheduled for November 20<sup>th</sup> 2022 as well as the deferred interest payment from August 2022. This is due to delays in sales of properties.

A new Written procedure will be sent out as soon as possible to mitigate the situation.

**For further information, please see [www.lilleby.se](http://www.lilleby.se) or contact:**

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**About Smallville AB (publ.)**

The group's main focus is ecologically sustainable production of affordable housing as well as various types of community properties such as preschools and care homes within the Lilleby concept. Projects and concept development are carried out in-house, while construction is carried out through turnkey contracts.

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