

Invitation to subscribe for shares in Rejlers AB (publ)

As a shareholder in Rejlers AB (publ) you will receive subscription rights. Please note that the subscription rights are expected to have an economic value.

In order not to lose the value of the subscription rights, holders must either:

- exercise the subscription rights received and subscribe for new shares no later than 31 March 2017; or
- sell the subscription rights received, but not exercised, no later than 29 March 2017.

Please note that shareholders with nominee-registered shareholdings (i.e. with a bank depository or securities issuer) subscribe for new shares through their nominees.

Please also note that it is possible to subscribe for a larger amount of new shares than the number for which subscriptions rights have been received.

The distribution of this prospectus is subject to restrictions in certain jurisdictions, see "Important information to investors" in the prospectus.

Important information to investors

This document is a translation of a Swedish prospectus. The prospectus in Swedish ("the Prospectus") and this English translation have been prepared in connection with the Offer to subscribe for shares in Rejlers AB (publ). For definitions of certain terms used in the Prospectus, refer to the sections *Certain definitions and terms below* and *Glossary*.

Preparation and registration of the Prospectus

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Finansinspektionen) in accordance with the provisions in Chapter 2, Sections 25 and 26, of the Financial Instruments Trading Act (1991:980). Neither the approval nor the registration means that the Swedish Financial Supervisory Authority guarantees that different factual information in the Prospectus is accurate or complete. This English translation of the Prospectus has not been approved by or registered with any regulatory authority. The Prospectus is available on the Company's website, www.rejlers.com, Carnegie's website, www.carnegie.se, and the Swedish Financial Supervisory Authority's website, www.fi.se. The Prospectus has been prepared in a Swedish version and an English translation. In case of any discrepancy between this English translation and the Prospectus (in Swedish), the Prospectus (in Swedish) shall prevail. The distribution of this Prospectus, this English translation and participation in the Offer is subject to restrictions by law and other rules in certain jurisdictions. Rejlers has not taken and will not take any steps to allow an offer to the public in any jurisdiction other than Sweden. The Offer is not directed at people resident in the United States (including its territories and provinces, every state in the U.S. and the District of Columbia (the "U.S.")). Canada, Australia, Japan, Hong Kong, Switzerland, New Zealand, Singapore or South Africa or any other jurisdiction where participation would require additional prospectuses, registration or measures other than what is required pursuant to Swedish law.

The Prospectus, this English translation and other documents concerning the Offer may consequently not be distributed in or to the aforementioned countries or any other country or jurisdiction where distribution or the Offer require such measures or otherwise violates applicable rules. Subscription for shares and acquisition of securities in violation of the above limitations may be null and void. People who receive copies of the Prospectus and this English translation must ensure that they comply with such restrictions. Actions in violation of the restrictions may constitute a violation of applicable securities legislation.

An investment in securities is associated with certain risks (see the section *Risk factors*). When investors make an investment decision, they have to rely on their own assessment of Rejlers and the Offer, including the current state of affairs and risks. Prior to an investment decision, potential investors should engage their own professional advisers and carefully evaluate and consider the investment decision. Investors may only rely on the information in the Prospectus and potential supplements to the Prospectus. Nobody is authorised to provide any other information or make statements other than those contained in the Prospectus. If this were to happen nonetheless, such information or such statements shall not be considered to have been approved by Rejlers and Rejlers is not responsible for such information or such statements. Neither the publication nor distribution of the Prospectus and this English translation, or any transactions made due to the Offer, are to be considered to mean that the information in the Prospectus is correct and applicable at any point in time other than the date of its publication or that there has been no change in Rejlers' operations after the aforementioned date. If significant changes to the information in the Prospectus occur, such changes will be published according to the provisions on supplements to prospectuses in the Financial Instruments Trading Act.

Information to investors in the U.S.

No subscription rights, paid subscribed shares/interim shares or shares issued by Rejlers ("Securities") have been registered or will be registered according to the United States Securities Act from 1933 (the "U.S. Securities Act") in force from time to time or the securities legislation in any state or other jurisdiction in the U.S. and they may not be exercised, offered, sold, resold, delivered or otherwise transferred, directly or indirectly, in or to the U.S., except in accordance with an applicable exemption from the registration requirements in the U.S. Securities Act and in accordance with applicable securities legislation in the relevant state or other jurisdiction in the U.S. The Securities are offered outside the U.S. with the support of Regulation S under the U.S. Securities Act.

No offer will be made to the public in the U.S. An offer of Securities in the U.S. will be made by the issuer and will be made only to a limited number of investors who are both existing shareholders in Rejlers and Qualified Institutional Buyers (according to the definition in Rule 144A under the U.S. Securities Act) in accordance with an exemption from the registration requirements of the U.S. Securities Act, on condition that they have signed and sent a so-called investor letter to Rejlers. Investors in the U.S. who are not Qualified Institutional Buyers may thus not participate in the Offer, exercise Subscription Rights or subscribe for New Shares. Carnegie will not carry out any transactions or cause or attempt to cause any purchase or sale of any Securities in or to the U.S. in connection with the Offer.

The Securities have neither been approved nor rejected by the U.S. Securities and Exchange Commission ("SEC"), any state securities authority or any other authority in the U.S. Nor has any such authority assessed or made a statement on the Offer under the Prospectus or the correctness and reliability of the Prospectus and this English translation. To assert the contrary is a criminal offense in the U.S.

Information to investors in the EEA

Within the European Economic Area ("EEA"), no offer of Securities is made to the public in countries other than Sweden. In other member states in the EEA, which have implemented Directive 2003/71/EC of the European Parliament and of the Council ("the Prospectus Directive"), an offer of Securities can only be made in accordance with exemptions in the Prospectus Directive and any relevant implementation measure (including measures for the implementation of Directive 2010/73/EC of the European Parliament and of the Council).

Future-oriented information

The Prospectus contains future-looking statements and assumptions about future market conditions, operations and earnings. These statements are in several sections and include statements regarding the Company's current intentions, assessments and expectations. The words "believe", "intend", "assess", "expect", "foresee", "plan" or similar expressions indicate some of these future-looking statements. Other such statements are identified based on the context in question. Actual events and earnings outcomes may differ considerably from that presented by such statements as a result of risks and other factors that the Company's operations are affected by. Such factors are compiled under the section *Risk factors*.

Segment and market information

This Prospectus contains segment and market information attributable to Rejlers' operations and the markets in which Rejlers is active. Unless otherwise stated, such information is based on the Company's analysis of several different sources, including trade publications and reports. Trade publications and reports usually state that the information in them has been obtained from sources deemed to be reliable, but that the accuracy and completeness of the information cannot be guaranteed. The Company has not independently verified, and therefore cannot guarantee the accuracy of the segment and market information contained in this Prospectus and obtained from or originating from these trade publications or reports. By its nature, segment and market information is forward-looking, subject to uncertainty and does not necessarily reflect actual market conditions. Such information is based on market research, which in turn is based on selection and subjective assessments, including assessments of what kind of services and transactions should be included in the relevant market, both by those who conduct the research and the respondents. At some places in the Prospectus, Rejlers' position in the market is described. This information is based on the Company's sales in relation to the Company's assessment of the relevant markets' size and the competitors' sales. Such information that comes from a third party has been accurately reproduced and insofar as the Company can be aware of and ascertain, through comparison with other information published by the third party concerned, no information has been omitted in a manner that would make the reproduced information incorrect or misleading. Carnegie does not take any responsibility for the accuracy of any segment or market information included in this Prospectus.

Presentation of financial information

Certain financial information in the Prospectus has been rounded off, which is why some tables do not sum correctly.

Certain definitions and terms

"Rejlers", "the Company" or "the Group" refers to Rejlers AB (publ), corp. reg. no. 556349-8426, the corporate group of which Rejlers AB (publ) is the parent company or a subsidiary of the Group, depending on the context. "Carnegie" refers to Carnegie Investment Bank AB (publ), "Euroclear" refers to Euroclear Sweden AB, corp. reg. no. 556112-8074. "Nasdaq Stockholm" refers to the regulated market Nasdaq Stockholm or Nasdaq Stockholm AB, depending on the context.

"The Offer" refers to the offer to subscribe for shares in the Company as detailed by the Prospectus and "the Rights Issue" refers to the issue of shares in the Company in accordance with the Offer. "The Prospectus" refers to the Prospectus (in Swedish). "New Share(s)" refer to one or more shares issued by Rejlers in connection with the impending Rights Issue and "Subscription Right(s)" refer to one or more subscription rights in the impending Rights Issue. Reference to "SEK" refers to Swedish kronor, reference to "NOK" refers to Norwegian kronor and reference to "EUR" refers to euros.

Financial adviser

Carnegie is the financial adviser to the Company and the issuing house in the Offer. As all information in the Prospectus originates from the Company, Carnegie disclaims all liability in relation to existing or future shareholders in the Company and with regard to other direct or indirect financial consequences as a result of investment or other decisions that are based in part or in whole on information in the Prospectus.

Disputes

Any disputes arising out of the Offer, the contents of the Prospectus and this English translation and associated legal relations shall be settled by Swedish courts. The Prospectus, this English translation and the Offer shall be governed exclusively by Swedish substantive law.

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The Rights Issue in brief

Preferential rights

A person registered on the record date on 15 March 2017 as a shareholder in Rejlers will be granted one (1) class A Subscription Right for each class A share held and one (1) class B Subscription Right for each class B share held in Rejlers. The Subscription Right grant the holder a preferential right to subscribe for New Shares, whereby five (5) class A Subscription Rights entitle the holder to subscribe for two (2) New Shares of class A and five (5) class B Subscription Rights entitle the holder to subscribe for two (2) New Shares of class B.

Subscription price

SEK 39 per share

Record date for the right to participate in the Rights Issue

15 March 2017

Subscription period

17 March 2017 – 31 March 2017

Trading in Subscription Rights

17 March 2017 – 29 March 2017

Trading in paid subscribed shares 1 of class B (BTA 1 B)

17 March 2017 – 5 April 2017

ISIN-codes

Class A shares	SE0000123655
Class B shares	SE0000123671
Class A Subscription Rights	SE0009697279
Class B Subscription Rights	SE0009697303
Paid subscribed shares 1 of class A	SE0009697287
Paid subscribed shares 2 of class A	SE0009697295
Paid subscribed shares 1 of class B	SE0009697311
Paid subscribed shares 2 of class B	SE0009697329

Financial calendar

Annual General Meeting 2017	24 April 2017
Interim report, January–March 2017	9 May 2017
Interim report, January–June 2017	19 July 2017

Summary

Prospectus summaries consist of information requirements listed point by point. The points are numbered in sections A – E (A.1 – E.7). The summary in this Prospectus contains all the points required in a summary for the relevant type of securities and issuer. However, as certain points are not applicable to all types of prospectus, there may be gaps in the numbering of the points. Even if the inclusion of a point in the summary is required for the relevant type of securities and issuer, it is possible that no relevant information is available for the point. In such case, the information has been replaced with a brief description of the point and the words “not applicable”.

Section A – Introduction and warnings

A.1	Introduction and warnings	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have prepared the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Consent to use of the Prospectus	Not applicable. Financial intermediaries are not entitled to use the Prospectus for subsequent resale or final placement of securities.

Section B – Issuer

B.1	Name and trade name	The name of the Company (and its trade name) is Rejlers AB (publ), corporate reg. no. 556349-8426
B.2	Registered office and legal form	The Board of Directors has its registered office in Stockholm Municipality, Sweden. The Company is a Swedish public limited liability company founded in Sweden and regulated by the Swedish Companies Act (2005:551).
B.3	Principal activities	<p>Rejlers is a Nordic Group offering technical consulting services and IT solutions to customers in the areas of Building and properties, Energy, ICT/Telecom and digital solutions for the energy and infrastructure sector. The Company's domestic markets are Sweden, Finland and Norway. The Group consists of the business segments Rejlers Sweden, Rejlers Finland, Rejlers Norway and Rejlers Embriq:</p> <ul style="list-style-type: none">- Rejlers' Swedish operation is the Group's largest with over 1,100 employees spread across about 40 offices. The Company offers technical consulting services to customers in the areas of building and properties, energy, industry and infrastructure. The range of services includes automation, electrical power, installation, railway, mechanics, process and construction, as well as telecommunications.- Rejlers' Finnish operation has more than 500 employees spread across 18 locations. The Company offers consulting services within architecture, automation, energy, mechanics, environmental engineering and plumbing. The Company also offers turnkey deliveries to customers in the areas of construction and real estate, energy, industry and infrastructure.- Rejlers' Norwegian operation has more than 250 employees spread across 22 locations. The Company offers competence within electrical power, electrical safety, energy declaration, installation, railway and telecom to customers in the areas of construction and real estate, energy and infrastructure.- Rejlers' operation within information technology is concentrated in the segment Rejlers Embriq, and includes IT services and products primarily within the energy sector. The business has approximately 175 employees and is present in ten locations in the Nordic region.

With more than 2,000 consultants at approximately 80 locations in Sweden, Finland and Norway, Rejlers carries out more than 15,000 customer orders every year. In 2016, the Group's turnover was SEK 2,341 million. Rejlers Sweden accounted for about 52 per cent of the total turnover in 2016, Rejlers Finland accounted for about 16 per cent, Rejlers Norway accounted for about 14 per cent and Rejlers Embriq accounted for the remaining approximately 18 per cent.

B.4a	Trends	<p>Rejlers Sweden has been affected by a lower demand in certain parts of industry and in 2015, a transition of the operation began by a reduction of the industry section and an expansion in the segments of energy, construction, infrastructure and IT. The coverage rate as a whole increased in the second half of 2016, which is an effect of measures taken and intensified sales activities, and Rejlers Sweden sees indications that this trend will continue in 2017. Demand for the Company's services remains strong and shows no signs of weakening in 2017.</p> <p>In 2016, Rejlers Finland was negatively impacted by weak coverage in the industry sector and delays of large building projects. Efficiency improvements were conducted in the industry sector in the first quarter of 2016 and showed positive effect on profitability as early as the second quarter. The market situation has generally developed positively in Finland in recent months except in some parts of the industrial operations. This, together with changes in the labour legislation as of 1 January 2017 with the implication that working hours were extended, is expected to have a positive effect on the profitability of Rejlers Finland in the coming year.</p> <p>Rejlers Norway developed well in terms of sales in 2016, but with a weak profitability as a result of high start-up costs in a number of major projects and a weak development mainly in the railway and ICT/Telecom area. The Company initiated a programme of measures at the beginning of 2016, which intensified in the fourth quarter. The demand for Rejlers' services in the building and construction area and the energy area increased during 2016. This, together with a renegotiation of an important ICT/Telecom agreement at the beginning of 2017, is expected to have a significant effect on profitability in the upcoming year.</p> <p>Rejlers Embriq showed strong growth in 2016 and with its high market share in Norway has a good foundation for further development in the Nordic countries. Profitability is expected to remain at single-digit margins in the upcoming year, as a result of continued high rate of hardware sales. Rejlers is now conducting a strategic initiative in the digitisation of infrastructure and the smart handling of large amounts of data through the development of digital solutions in the energy sector, which together with the launch of Connected Stores in the third quarter of 2016 is expected to drive continued strong demand for Rejlers Embriq in the next few years.</p>
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B.5 Group The Group comprises of the parent company, Rejlers AB (publ) and 14 directly and indirectly owned subsidiaries, twelve (12) of which are operational, in Sweden, Finland and Norway.

B.6 Major shareholders In Sweden, the lowest limit for a duty to disclose holdings is five (5) per cent of all shares or of the number of votes for all shares. Below is a list of Rejlers' shareholders with a holding corresponding to at least five (5) per cent of the shares or votes as per 28 February 2017 and any known subsequent changes.

Shareholders	Class A shares	Class B shares	% of capital	% of votes
Peter Rejler	911,250	2,500	7.1	37.7
Jan Rejler (directly and through company)	262,500	382,450	5.0	12.4
Lannebo Fonder	–	1,606,225	12.4	6.6
Nordea Investments Funds	–	1,322,762	10.2	5.5
Didner & Gerge Fonder	–	1,201,291	9.3	5.0
Lisa Rejler	9,375	777,000	6.1	3.6
Swedbank Robur Fonder	–	859,906	6.7	3.6
Martina Rejler	9,375	696,250	5.5	3.3
Total ten largest shareholders	1,242,500	7,893,384	70.7	84.0
Other shareholders	8,750	3,777,087	29.3	16.0
Totalt	1,251,250	11,670,471	100.00	100.00

To the best of Rejlers' board of directors' knowledge, there are no shareholder agreements or other agreements between Rejlers' shareholders for the purpose of joint influence over the Company. To the best of Rejlers' board of directors' knowledge, there are further no agreements or equivalent arrangements that may lead to a change in the control of the Company.

B.7 Selected historical financial information

Below, the Company's selected historical financial information for the financial years 2013–2015 is presented, which was obtained from Rejlers audited annual reports for the periods in question. The information is prepared in accordance with IFRS, as adopted by the EU, and audited by Rejlers' auditors. The information regarding the 2016 financial year is gathered from Rejlers year-end report for the full year 2016, which was prepared in accordance with IAS 34, but not audited by Rejlers auditors.

This section contains some alternative performance measures that are not defined in accordance with IFRS as measures of financial performance, but are used by Rejlers' management to monitor the underlying performance of the operation and business. The Company's opinion is also that these key figures are used to a large extent by investors, securities analysts and other stakeholders as complementary measurements of earning trends.

Summary of consolidated income statement

SEK million	2016 Unaudited	2015 Audited	2014 Audited	2013 Audited
Income	2,341.4	1,875.5	1,711.5	1,464.7
Personnel expenses	-1,453.7	-1,280.1	-1,192.0	-1,004.1
Other external expenses	-816.4	-493.0	-440.6	-370.8
Depreciation and impairment	-44.2	-32.2	-29.3	-23.2
Participations in associated companies	0.4	0.8	-1.0	-0.6
Operating profit	27.5	71.0	48.6	66.0
Net financial income/expense	-5.3	0.8	-3.7	-2.3
Profit/loss after net financial items	22.2	71.8	44.9	63.7
Tax	-8.2	-20.6	-11.0	-13.0
Profit for the period	14.0	51.2	33.9	50.7
Attributable to				
Parent company's shareholders	13.3	51.2	33.9	50.7
Shareholders without a controlling influence	0.7	-0.1	0.0	0.0

B.7 Selected historical financial information
– continued.

Summary of consolidated balance sheet

SEK million	31 Dec 2016 Unaudited	31 Dec 2015 Audited	31 Dec 2014 Audited	31 Dec 2013 Audited
ASSETS				
Non-current assets				
Goodwill	432.6	395.4	262.6	248.6
Other intangible assets	121.8	99.8	65.1	54.9
Tangible assets	37.5	36.2	31.5	30.5
Financial assets	8.2	8.7	4.6	35.2
Deferred tax	39.4	40.0	18.3	1.1
Total non-current assets	639.5	580.1	382.1	370.3
Current receivables	656.0	569.0	471.5	455.1
Cash and cash equivalents	64.9	108.8	89.8	49.0
Total current assets	720.9	677.8	561.3	504.1
TOTAL ASSETS	1,360.4	1,257.9	943.4	874.4
Equity				
Equity without controlling influence	16.0	8.3	0.2	0.1
Total equity	552.2	524.8	441.6	355.6
Pension provisions	20.7	25.0	43.6	0
Interest-bearing non-current liabilities	155.0	177.5	67.5	103.9
Other non-current liabilities	50.9	55.4	44.0	42.9
Total non-current liabilities	226.6	257.9	155.1	146.8
Interest-bearing current liabilities	133.4	103.2	39.4	99.8
Other current liabilities	448.2	372.0	307.3	272.2
Total current liabilities	581.6	475.2	346.7	372.0
TOTAL LIABILITIES AND EQUITY	1,360.4	1,257.9	943.4	874.3

Summary of consolidated cash flow statement

SEK million	2016 Unaudited	2015 Audited	2014 Audited	2013 Audited
Cash flow from operating activities before change in working capital and paid tax	70.5	82.5	85.9	95.6
Tax paid	-21.0	-9.6	-21.3	-33.5
Change in working capital	-8.3	-31.0	3.6	-42.1
Cash flow from operating activities	41.2	41.9	68.2	20.0
Cash flow from investing activities	-71.5	-239.6	7.1	-84.1
Cash flow from financing activities	-19.9	221.9	-36.6	75.0
Cash flow for the period	-50.2	24.2	38.7	10.9
Cash and cash equivalents at start of period	108.8	89.8	49.0	38.7
Exchange rate differences in cash and cash equivalents	6.3	-5.2	2.1	-0.6
Cash and cash equivalents at end of period	64.9	108.8	89.8	49.0

B.7 Selected historical financial information
– continued.

Key figures

	2016 Unaudited	2015 Unaudited	2014 Unaudited	2013 Unaudited
IFRS key figures				
Earnings per share before and after dilution, SEK	1.03	4.15	2.78	4.45
Average number of shares	12,921,721	12,346,379	12,200,899	11,381,173
Number of shares at end of period	12,921,721	12,921,721	12,321,721	11,421,721
Alternative performance measures				
Operating margin, %	1.2	3.8	2.8	4.5
Operating profit per full-time employee, SEK thousand	14	40	29	43
Equity/assets ratio, %	39.4	41.0	46.8	40.7
Equity per share at the end of the period	41.50	39.97	35.83	31.13
Net debt, SEK million	244.2	196.9	60.7	154.7
Net debt/EBITDA rolling 12 months	3.4	1.9	0.8	1.7
Profit margin, %	0.9	3.8	2.6	4.4
Return on equity, %	4.2	10.6	11.3	18.5
Return on capital employed, %	4.1	11.1	9.0	14.3
Quick ratio (excluding unused credit), %	124	177	162	136
Debt/equity ratio, times	0.6	0.6	0.3	0.6
Interest coverage ratio, times	3	11	7	11
Disposable funds, SEK million	114.9	164.3	149.8	58.9
Investments, SEK million	73.1	239.4	-6.3	84.7
Organic and acquired growth, %	10	13	4	6
Growth adjusted for exchange rate effects, %	6	17	6	11
Operational key figures				
Billable hours ratio, %	73.0	75.0	75.3	74.7
Sales per full-time employee, SEK thousand	1,208	1,046	1,022	953
Number of working days, number	251	249	248	249
Number of full-time employees, number	1,939	1,793	1,674	1,537
Number of employees at end of period, number	2,027	2,082	1,742	1,664

B.7 Selected historical financial information
– continued.

Key figures	Definition	Motivation
Earnings per share before and after dilution, SEK	Earnings after tax divided by average number of shares.	–
Average number of shares	The parent company's weighted average number of shares for the financial year.	–
Number of shares at end of period	The parent company's number of shares at the end of the financial year.	–
Operating margin	Operating profit divided by net sales.	Relevant to assess Rejlers efficiency and value creation.
Operating profit per full-time employee	Operating profit divided by the number of full-time employees.	A measure to show efficiency per full-time employee.
Equity/assets ratio	Total equity attributable to parent company shareholders divided by total assets.	Relevant for assessing Rejlers' possibilities of meeting its financial commitments.
Equity per share at the end of the period	Total equity attributable to parent company shareholders divided by the number of shares at the end of the period.	A measure for describing the size of the equity that belongs to the shareholders in the parent company.
Net debt	Current and non-current interest-bearing liabilities (i.e. bank loans and finance leases) and pension provisions less cash and cash equivalents.	A measure to show Rejlers' total indebtedness.
Net debt/EBITDA rolling 12 months	Net indebtedness divided by EBITDA for the past 12-month period.	Relevant for showing financial risk and for the follow-up of the level of Rejlers' indebtedness.
Profit margin, %	Profit before tax divided by net sales.	Relevant to assess Rejlers efficiency and value creation.
Return on equity, %	Profit before tax divided by average equity attributable to parent company shareholders.	Relevant to assess the return generated on the equity that shareholders have invested in the Company.
Return on capital employed, %	Operating profit plus financial income divided by average capital employed.	Relevant to assess the return generated on the capital that shareholders and lenders have made available.
Quick ratio (excluding unused credit), %	Total current assets divided by total current liabilities (excluding unutilised credit).	Indicates Rejlers' short-term payment capacity.
Debt/equity ratio, times	Interest-bearing liabilities divided by equity attributable to parent company shareholders.	Relevant to describing Rejlers' financial risk.
Interest coverage ratio, times	Operating profit plus financial income divided by financial expenses.	Indicates Rejlers' ability to cover its financial expenses.
Disposable funds	Cash and cash equivalents plus credit and unutilised portion of revolving credit facility.	Indicates Rejlers' short term liquidity.
Investments	Acquired tangible and intangible assets and acquired subsidiaries and operations.	Indicates Rejlers' investments.
Organic and acquired growth	The change in net sales for the current quarter or financial period compared with the same period the previous year considering what was generated internally (organically) and what was added through acquisitions (acquired).	Relevant for showing how Rejlers' growth is taking place.
Growth adjusted for exchange rate effects	Change in net sales for the current quarter or financial period compared with the same period the previous year, in the respective country's currency.	A measure that shows underlying growth in local currency.
Billable hours ratio	Charged time divided by attendance time.	–
Sales per full-time employee	Net sales per full-time employee.	–
Number of working days	Number of working days in the parent company.	–
Number of full-time employees	Total time divided by standard time.	–
Number of employees at end of period	Number of employees at the end of the financial year.	–

Significant changes since 31 December 2016

On 5 January 2017, a credit facility of SEK 50 million, which was entered into with SEB on 14 November 2016 was repaid. Rejlers' board of directors decided on 8 February 2017, subject to the General Meeting's subsequent approval, to increase the Company's share capital through a new share issue of approximately SEK 202 million with preferential rights for Rejlers' shareholders. The board of directors' decision was approved at an Extraordinary General Meeting on 13 March 2017.

Otherwise, no significant changes have occurred in Rejlers' financial position or position on the market.

Significant changes during the period that the historical financial information covers

In February 2014, Rejlers carried out a directed share issue of 900 000 shares of class B to funds managed by Nordea Fonder AB. In April 2014, Peter Rejler assumed the position as managing director of Rejlers. In March 2015, Rejlers acquired 100 per cent of the shares in Energy Business Sweden AB. In October 2015, Rejlers signed an agreement to acquire approximately 88.5 per cent of the shares in the Norwegian IT company Embriq AS from the Hafslund group. Through an agreement between Embriq and Rejlers, Rejlers were issued additional shares in Embriq in December 2015, and Rejlers today owns approximately 90.5 per cent of the shares in the company. In November 2015, Rejlers acquired 100 per cent of the shares in Orbion Consulting AB Sverige from Relacom Management AB. In December 2015, Rejlers carried out a directed share issue of 600 000 shares of class B to Swedish and international institutional investors.

Apart from the information above, no other significant changes took place during the period covered by the historical financial information.

B.8	Selected pro forma financial information	Not applicable. The Prospectus does not contain pro forma financial information.
B.9	Profit forecast	Not applicable. The Prospectus contains no profit forecast or calculation of expected profit.
B.10	Audit remarks	Not applicable. There are no audit remarks in the annual reports included in the historical financial information.
B.11	Insufficient working capital	Not applicable. Rejlers estimates that the working capital is adequate for the relevant requirements during the coming twelve-month period.

Section C – Securities

C.1	Securities offered	Class A shares in Rejlers (ISIN code SE0000123655) and class B shares in Rejlers (ISIN code SE0000123671). Only New Shares of class B will be traded on Nasdaq Stockholm.
C.2	Denomination	The shares are denominated in SEK.
C.3	Number of shares in the issuer	As at the date of this Prospectus, the Company's registered share capital amounts to SEK 25,843,442, divided into 12,921,721 shares, of which 1,251,250 are shares of class A and 11,670,471 are shares of class B. All shares are fully paid up. Each share has a quota value of SEK 2.
C.4	Rights associated with the securities	<p>At General Meetings, each class B share carries one (1) vote and each class A share carries ten (10) votes. If the Company decides to issue new class A and class B shares through a cash issue or offset issue, the holder of class A and class B shares shall have a preferential right to subscribe for new shares of the same share class in relation to the number of shares the holder owned before. If the Company decides to issue shares of only class A or class B through a cash issue or offset issue, all shareholders, regardless whether their shares are of class A or B, shall have a preferential right to subscribe for new shares in relation to the number of shares they owned before.</p> <p>All shares carry equal rights to the proceeds of a distribution of the Company's assets and potential surplus in the event of liquidation. Class A shares are subject to a share conversion clause under the Articles of Association.</p> <p>A resolution on dividend is passed by the Annual General Meeting and dividend is paid via Euroclear. Shareholders who are registered in the share register kept by Euroclear on the record date, which is fixed by the Annual General Meeting, are entitled to receive a dividend.</p>
C.5	Restrictions on free transferability	Share of class A and class B are freely transferable.
C.6	Admission for trading	The Company's shares of class B are traded on Nasdaq Stockholm. The New Shares of class B will also be traded on Nasdaq Stockholm.
C.7	Dividend policy	According to the dividend policy adopted by the board of directors, the Company's objective is in the long term to pay a dividend corresponding to 50 per cent of the profit after tax, which enables significant reinvestments in the operations. Upon the approval of dividends, Rejlers takes into consideration investment needs and other factors that the Company's board of directors considers to be of significance.

Section D – Risks

D.1	Principal risks related to the issuer or the industry	Ownership of shares is associated with taking risks. Before an investment decision is made, it is important to carefully analyse the risk factors considered to be significant to the Company and its shares' future value. A number of factors outside the Company's control may have a negative impact on Rejlers' operations, financial position and performance. A number of risk factors are described below that are considered to be of special significance to Rejlers' future development. The below presentation of risk factors does not claim to be complete, nor are the risks ranked by degree of significance.
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Sensitivity to economic fluctuations

Rejlers operates in Sweden, Finland and Norway and is thus dependent upon short-term economic circumstances in these markets. Rejlers is also dependent on the general economic situation in the countries in which the Company conducts business, which in turn is affected e.g. by political decisions, interest levels, unemployment, inflation, taxes and other factors. Demand for Rejlers' services is sensitive to economic fluctuations, while the Company has a relatively large base of fixed costs. If Rejlers does not succeed in counteracting economic fluctuations by creating stability in the revenues and reducing its costs, this may have a negative impact on Rejlers' operations, financial position and performance.

Sales to publicly financed operations

A significant part of Rejlers' sales are made to publicly financed operations in Sweden, Finland and Norway. There is a risk that the purchasing power of Rejlers' publicly financed customers decreases as a result of public austerity programmes or political decisions. There is also a risk that Rejlers' customers in the public sector decide to reduce current or future investments in infrastructure projects or in other areas within which Rejlers offers services. In addition to this, there is a risk that Rejlers' publicly financed customers change the methods through which the customers procure services in the areas in which Rejlers competes. If there are changes in the investment willingness or procurement methods at Rejlers' publicly financed customers, there is a risk that Rejlers cannot maintain the current level of work for public customers, which could have a negative impact on Rejlers' operations, financial position and performance.

Employee expertise

Rejlers' possibility of implementing projects and obtaining new assignments is highly dependent on the Company's ability to attract, develop, retain and motivate key personnel, such as engineers, consultants and project managers. There is significant competition for engineers and consultants who possess the expertise necessary to be able to carry out the services Rejlers offers. If Rejlers fails to attract new, knowledgeable personnel or to retain and motivate competent, existing personnel, it may lead to it becoming more difficult for the Company to obtain assignments and provide services of the quality the customers expect. Deficiencies in competence development may also lead to a degradation in the implementation quality of the services to the Company's customers. Altogether, these factors may have a negative impact on Rejlers' operations, financial position and performance.

D.1 Principal risks related to the issuer or the industry – <i>continued</i> .	<p>Ability to provide the Group's employees with assignments</p> <p>Rejlers' largest expense is comprised of salaries and benefits for the Group's employees. The Group's profitability is accordingly dependent on the Company maintaining adequate utilisation of the workforce. Rejlers' ability to provide the employees with assignments is in turn dependent on the Company's ability to forecast the need for manpower and to recruit personnel according to the expected demand, and the Company's ability to attract assignments. If Rejlers does not fully utilise the Company's employees, it has a negative effect on the Company's profit margins. If Rejlers over-utilises the Company's employees they may, however, lose commitment, which can lead to a higher number of resignations. An inability to adequately manage the utilisation of the Company's employees can generally have a negative effect on Rejlers' operations, financial position and performance.</p> <p>Competition</p> <p>Rejlers is active in markets subject to competition. The Company's future competitive opportunities depend on its total qualification and acting to new market needs. Rejlers competes with both smaller local actors and larger international companies. Some of Rejlers' current or future competitors may have greater resources than Rejlers and use them to gain market share to the detriment of Rejlers. Rejlers may thereby be forced to make cost-intensive restructuring measures or price reductions to adapt to the new competitive situation, which may have a negative impact on Rejlers' operations, financial position and performance.</p> <p>Disruptions in service implementation</p> <p>There is a risk that Rejlers may be affected by various kinds of disruptions in the implementation of services. These disruptions may be due to <i>e.g.</i> strikes or other labour market conflicts, technical disruptions, weather conditions, geographic conditions, fires, natural disasters, data infringement, terror activities or disruptions in some stage of the service implementation process. Such events may have negative consequences in the form of direct damage to property, or in the form of outages that impede the possibility for Rejlers to meet commitments to its customers. Disruptions are also accompanied by a risk that Rejlers' customers choose service providers other than Rejlers in the future.</p> <p>Risks related to estimates of costs and time spent in the implementation of projects</p> <p>In its operations, Rejlers depends on the Company correctly being able to estimate costs and time required for the implementation of projects and contracts. If calculations or estimates of revenues, costs, risks and time required for the implementation of projects or contracts prove to be incorrect or if the circumstances change, a lower financial performance than expected, or a loss, may arise for such projects or contracts. The Company may also incur costs due to a higher complexity in projects, delays, inefficiency, judgement errors, price increases or due to additional costs incurred by subcontractors. In addition to this, Rejlers may be affected by costs imposed on the Company if it does not meet agreed delivery times. Projects may be delayed due to pressure from the public, an inability to obtain financing, weather conditions, material shortages, changes in the scope of the project, industrial accidents, environmental risks, work disruptions and other factors.</p> <p>Liability in the implementation of services</p> <p>Rejlers may be subject to damage claims and other claims if the services Rejlers performs are, or are alleged to be, incorrectly or inadequately performed or cause, or alleged to have caused, personal injury or property damage. If a service has been performed in an incorrect or inadequate manner, Rejlers may be forced to remedy this. In such a situation, there is a risk that Rejlers may not have a counterclaim against its own suppliers to obtain compensation for the costs that this has caused Rejlers. In addition to this, there is a risk that the liability claim, and other costs related thereto, are not fully covered by Rejlers' insurance coverage. Liability claims, warranty claims and similar claims may consequently negatively affect Rejlers' operations, financial position and performance.</p> <p>Acquisitions and divestments</p> <p>A part of Rejlers' growth strategy is to grow through strategic acquisitions. However, there is a risk that Rejlers will not be able to identify suitable target acquisitions or carry out strategic acquisitions due to competition with other buyers or a lack of financing. This may lead to a decline in growth for Rejlers. Rejlers may incur significant acquisition and administration expenses and costs for restructuring or other costs in connection with acquisitions. There is a risk that Rejlers will not be able to successfully integrate operations acquired or that they will not perform as expected after integration. Acquisitions may also expose Rejlers to unknown obligations and undertakings. In addition to this, past and future divestments of operations may expose Rejlers to risks derived from conditions of the transaction of the relevant operation, such as guarantees, indemnities and pledges in favor of the buyer in relation to the divested operation.</p>
D.3 Principal risks related to the securities	<p>All securities investments are subject to risks. Such risks may cause the Company's stock price to fall significantly and investors may lose all or part of their investment. The main risks related to the share and the Rights Issue includes <i>inter alia</i>:</p> <p>Share ownership</p> <p>Investing in shares always entails the taking of risk. Since an investment in shares can increase or decrease in value, there is a risk that an investor will not be able to recoup the whole amount of capital invested. The development of a listed share depends on company-specific factors and factors that concern the capital market in its entirety. Such factors may also increase the volatility of the share price.</p> <p>Future dividends depend on several factors</p> <p>Rejlers' dividend policy is to pay a dividend in the long term, corresponding to 50 percent of the Company's profit after tax. The size of any future dividends is, however, dependent on the Company's future profit, financial position, cash flows, operating capital requirements, planned and potential acquisitions and other factors. There are no guarantees that Rejlers in the future will be able to pay dividends to shareholders every financial year.</p> <p>Dilution of shareholdings</p> <p>The Rights Issue will entail a dilution of the shareholdings for shareholders who choose not to exercise their right to subscribe for New Shares in the Rights Issue or who for some reason cannot participate in the Rights Issue. Shareholders who do not participate in the Rights Issue can sell the Subscription Rights allocated to the shareholder and thereby obtain some compensation. If a shareholder chooses to sell its unutilised Subscription Rights, there is a risk that the compensation the shareholder receives for the Subscription Rights in the market does not correspond to the financial dilution in the shareholder's ownership in Rejlers after the Rights Issue is completed.</p>

Section E – Offer

E.1	Issue amount and issue expenses	If fully subscribed for, the Rights Issue is expected to raise approximately SEK 202 million for Rejlers (before issue expenses). Rejlers' total expenses for the Rights Issue are calculated to be approximately SEK 9 million. Such expenses are primarily attributable to expenses for financial advice, auditors, legal advice, etc.
E.2a	Motive and use of the issue proceeds	<p>In order to accelerate the ongoing transition process and strengthen the Company's financial position and operational flexibility, the board of directors of Rejlers resolved on 8 February 2017, subject to the General Meeting's subsequent approval, to increase the Company's share capital through a rights issue with preferential rights for the shareholders of Rejlers. The board's decision was approved at an Extraordinary General Meeting on March 13, 2017.</p> <p>Assuming that the Rights Issue is fully subscribed, the gross issue proceeds will amount to approximately SEK 202 million. Rejlers' issue costs, including fees to advisors and other transaction costs, are expected to amount to approximately SEK 9 million.</p> <p>The net issue proceeds of the Rights Issue, amounting to approximately SEK 193 million, will initially be used to strengthen Rejlers' balance sheet through the repayment of current liabilities of SEK 50 million. The remaining share of the issue proceeds will be used to strengthen Rejlers' cash position, thereby making possible strategic acquisitions as well as certain structural changes.</p>
E.3	Terms and conditions of the Offer	<p>The Company's shareholders have a preferential right to subscribe for New Shares in the issue in proportion to the number of shares they hold in the Company on the record date. The record date to determine which shareholders are entitled to subscribe for the New Shares is 15 March 2017. For each existing class A share held on the record date, one (1) class A Subscription Right is granted, and for each existing class B share held on the record date, one (1) class B Subscription Right is granted. The Subscription Rights grant the holder a preferential right to subscribe for New Shares, whereby five (5) class A and class B Subscription Rights, respectively, entitle the holder to subscribe for two (2) New Shares of class A and class B, respectively. New Shares may be subscribed for without Subscription Rights. If not all of the New Shares are subscribed for with the support of Subscription Rights, the board of directors shall, within the framework of the maximum amount of the Rights Issue, make a decision on the allotment of New Shares subscribed for without the support of Subscription Right.</p> <p>Subscription will take place from 17 March 2017 to 31 March 2017, both dates inclusive, or any later date determined by the board of directors. The subscription price has been set at SEK 39 per New Share, regardless of share class.</p>
E.4	Interests of importance to the offer	Carnegie is acting as financial advisor to Rejlers and issuing agent in connection with the Rights Issue. Carnegie (and companies closely related to Carnegie) have provided and may, in the future, provide various banking, financial, investment, commercial and other services to Rejlers for which they have received and may receive remuneration.
E.5	Seller of the securities and lock up agreements	Not applicable. The Rights Issue is not subject to any lock-up agreements.
E.6	Dilution effect	The Rights Issue of shares in classes A and B will, if fully subscribed for, result in the number of class A and B shares in the Company increasing from 12,921,721 shares to 18,090,409 shares, equivalent to an increase of approximately 40 per cent. For the shareholders who refrain from subscribing for New Shares in the Rights Issue, there will be a dilutive effect equivalent to maximum approximately 29 per cent of the share capital and approximately 29 per cent of the votes in Rejlers after the Rights Issue. The dilutive effect has been calculated as the maximum number of shares and votes that may be issued, divided by the maximum total number of shares and votes in the Company after the Rights Issue.
E.7	Expenses charged to investors	Not applicable. The Company will not charge investors any fees or taxes.

Risk factors

Ownership of shares is associated with taking risks. Before an investment decision is made, it is important to carefully analyse the risk factors considered to be significant to the Company and its shares' future value. A number of factors outside Rejlers' control may have a negative impact on the Company's operations, financial position and performance or entail that the value of the Company's shares decreases, as well as multiple factors the effect of which Rejlers can affect through its actions. There are risks both with regard to circumstances that are attributable to Rejlers and those that do not have any direct connection to Rejlers. A number of risk factors are described below that are considered to be of special significance to Rejlers' future development. The below presentation of risk factors does not claim to be complete, nor are the risks ranked by degree of significance. In addition to this section, investors shall also take into consideration the other information provided in this Prospectus. Additional risks that are not currently known to the Company, or that the Company currently considers insignificant, may become materially significant to Rejlers' operations, financial position and performance. The risks and uncertainty factors stated below can individually or together have a negative material impact on Rejlers' operations, financial position and performance. They may also mean that the shares in Rejlers decrease in value, which could lead to Rejlers' shareholders losing all or part of their invested capital.

Industry and operational risks

Risks related to the business operations and macroeconomic factors

Changes in the general economy affect the market for Rejlers' services. A weaker economy, with less purchasing power and greater need for savings among Rejlers' customers, may therefore have a negative impact on the Company's operations and financial performance. Rejlers' operations and financial performance are dependent on its customers having adequate resources to buy the Company's services. The customers may in the future reduce or postpone purchases of Rejlers' services due to difficulties in obtaining credits or financial instability in the market in general. If the global financial conditions or the financial conditions in key markets weaken, Rejlers' operations, financial position and performance may be negatively impacted.

Sensitivity to economic fluctuations

Rejlers operates in Sweden, Finland and Norway and is thus dependent upon short-term economic circumstances in these markets. Rejlers is also dependent on the general economic situation in the countries in which the Company conducts business, which in turn is affected *e.g.* by political decisions, interest levels, unemployment, inflation, taxes and other factors. Demand for Rejlers' services is sensitive to economic fluctuations, while the Company has a relatively large base of fixed costs. If Rejlers does not succeed in counteracting economic fluctuations by creating stability in its revenues and reducing its costs, this may have a negative impact on Rejlers' operations, financial position and performance.

Sales to publicly financed operations

A significant part of Rejlers' sales is made to publicly financed operations in Sweden, Finland and Norway. There is a risk that the purchasing power of Rejlers' publicly financed customers decreases as a result of public austerity programmes or political decisions. There is also a risk that Rejlers' customers in the public sector decide to reduce current or future investments in infrastructure projects or in other areas within which Rejlers offers services. In addition to this, there is a risk that Rejlers' publicly financed customers change the methods through which the customers procure services in the areas in which Rejlers competes. If there are changes in the investment willingness or procurement methods at Rejlers' publicly financed customers, there is a risk that Rejlers cannot maintain the current level of work for public customers, which could have a negative impact on Rejlers' operations, financial position and performance.

Employee expertise

Rejlers' possibility of implementing projects and obtaining new assignments is highly dependent on the Company's ability to attract, develop, retain and motivate key personnel, such as qualified engineers, consultants and project managers.

The employees' expertise and ability to convert knowledge into optimal solutions for the Company's customers make up the core of the Group's operations. There is significant competition for engineers and consultants who possess the expertise necessary to be able to carry out the services Rejlers offers. The competition for manpower is expected to be high in the future as well, and may further increase on the long term. In addition to this, it should be noted that so-called non-solicitation restrictions do not normally exist in the Company's customer contracts, and that there is consequently a risk that Rejlers' customers recruit the Company's staff.

If Rejlers fails to attract new, knowledgeable personnel or to retain and motivate competent, existing personnel, it may lead to it becoming more difficult for the Company to obtain assignments and provide services of the quality the customers expect. Deficiencies in competence development may also lead to a degradation in the implementation quality of the services to the Company's customers. Altogether, these factors may have a negative impact on Rejlers' operations, financial position and performance.

Ability to provide the Group's employees with assignments

Rejlers' largest expense is comprised of salaries and benefits for the Group's employees. The Group's profitability is accordingly dependent on the Company maintaining adequate utilisation of the workforce. Rejlers' ability to provide the employees with assignments is in turn dependent on the Company's ability to forecast the need for manpower and to recruit personnel according to the expected demand, and the Company's ability to attract assignments.

Utilisation of the Company's employees is also affected by the Company's ability to move employees from projects completed or delayed to new assignments, to handle dropout in the business and to match the expertise of the Company's employees to the customers' needs and expectations. If Rejlers does not fully utilise the Company's employees, it has a negative effect on the Company's profit margins. If Rejlers over-utilises the Company's employees they may, however, lose commitment, which can lead to a higher number of resignations. An inability to adequately manage the utilisation of the Company's employees can generally have a negative effect on Rejlers' operations, financial position and performance.

Competition

Rejlers is active in markets subject to competition. The Company's future competitive opportunities depend on its total qualification and acting to new market needs. Rejlers competes with both smaller local actors and larger international companies. Some of Rejlers' current or future competitors may have greater resources than Rejlers and use them to gain market share to the detriment of Rejlers. Rejlers may thereby be forced to make cost-intensive restructuring measures or price reductions to adapt to the new competitive situation, which may have a negative impact on Rejlers' operations, financial position and performance.

IT and control systems

Rejlers' operations are dependent on the Company's employees having regular, uninterrupted access to IT-based tools, systems and communication platforms. IT systems are generally sensitive to damage or disruptions caused by computer viruses, flooding, fires, power failures, human error or similar events.

IT systems may also be subject to sabotage, vandalism or problems caused by deficient maintenance. IT attacks, faults and damage to IT systems, operating disruptions, incorrect or deficient deliveries of IT services from the Company's suppliers, faults or delays in future implementations of new IT systems or higher fees than expected in IT investments may have a negative effect on Rejlers' operations, financial position and performance.

There is also a risk that operational disruptions, IT attacks or prolonged outages in Rejlers' IT and control systems lead to lower confidence in Rejlers, resulting in worse competitiveness and a worse position on the market, which may have a negative effect on Rejlers' operations, financial position and performance.

International operations

Part of Rejlers' operations are currently conducted outside Sweden, and the Company may further expand the foreign operations in the future. At the same time that a continued international expansion entails opportunities, risks also arise related to, in addition to what is otherwise stated in this section, compliance to local laws, potentially longer payment cycles, difficulties in getting paid for accounts receivable and higher risks of bad debt losses, among other things. These circumstances may have a negative impact on Rejlers' operations, financial position and performance.

Disruptions in service implementation

There is a risk that Rejlers may be affected by various kinds of disruptions in the implementation of services. These disruptions may be due to strikes or other labour market conflicts, technical disruptions, weather conditions, geographic conditions, fires, natural disasters, data infringement, terror activities or disruptions in some stage of the service implementation process. Such events may have negative consequences in the form of direct damage to property, or in the form of outages that impede the possibility for Rejlers to meet commitments to its customers or otherwise negatively affect Rejlers' operations. Disruptions are also accompanied by a risk that the Company's customers choose other service providers than Rejlers in the future. In summary, outages or disruptions in the implementation of services may negatively impact Rejlers' operations, financial position and performance.

Reputation

If Rejlers, the Company's suppliers or the Company's other business partners do not meet set requirements concerning quality, working conditions for employees, the environment and social responsibility, it may damage Rejlers' reputation and thereby have a negative impact on Rejlers' operations, financial position and performance.

Technical development

Rejlers is exposed to the risk that the Company cannot implement new technologies or adapt its service offering and its business model in time to be able to utilise the benefits of new or existing technology. There is also a risk that new technology may in the future make Rejlers' services

less competitive and harder to sell, or that the Company will be exposed to competition from new actors due to the technical development. Every such condition may have a negative impact on Rejlers' operations, financial position and performance.

The costs associated with keeping up with the service and technology development may be high and are affected by factors that lie outside Rejlers' control in part or in whole. The level and timing of future operating costs and capital requirements may also materially deviate from current estimates. An inability to finance these costs may have a negative impact on Rejlers' operations, financial position and performance.

Price risk

Since Rejlers is active in an open market where prices on various services constantly fluctuate, there is a risk of lower profitability if the Company cannot manage cost increases in a desirable manner and the Company's costs increase at a faster pace than the revenues, which may have a negative impact on Rejlers' operations, financial position and performance.

Handling of confidential information

Rejlers' operations include the handling of sensitive and confidential information. The information management system belonging to Rejlers or other companies with which Rejlers has a business relationship with may be vulnerable to security violations (including IT crime), vandalism, computer viruses, incorrectly placed or lost data, automated or human error or other similar events. Every disclosure of confidential information may harm Rejlers' reputation, and may therefore have a negative impact on Rejlers' operations, financial position and performance.

Risks related to estimates of costs and time spent in the implementation of projects

In its operations, Rejlers depends on the Company accurately being able to estimate costs and time required for the implementation of projects and contracts. If calculations or estimates of revenues, costs, risks and time required for the implementation of projects or contracts prove to be incorrect or if the circumstances change, a lower financial performance than expected, or a loss, may arise for such projects or contracts.

The Company may also incur costs due to a higher complexity in projects, delays, inefficiency, judgement errors, price increases or due to additional costs incurred by subcontractors. Rejlers may in such a case only have limited possibilities to transfer price increases to the Company's customers. In addition to this, Rejlers may be affected by additional costs if the Company does not meet agreed delivery times. Projects may be delayed due to pressure from the public, an inability to obtain financing, weather conditions, material shortages, changes in the scope of the project, industrial accidents, environmental risks, work disruptions and other factors. The aforementioned risks increase if the agreement pertains to a large or complex project. Altogether, these factors may have a negative impact on Rejlers' operations, financial position and performance.

Liability in the implementation of services

Rejlers may be subject to damage claims and other claims if the services Rejlers performs are, or are alleged to be, incorrectly or inadequately performed or cause, or alleged to have caused, personal injury or property damage. Personal injury or property damage caused by incorrectly or inadequately performed services that do not correspond to adequate quality standards may have a negative effect on Rejlers' reputation, operations, financial position and performance. If a service has been performed in an incorrect or inadequate manner, Rejlers may be forced to remedy this. In such a situation, there is a risk that Rejlers does not have a counterclaim against its own suppliers to obtain compensation for the costs that this has caused Rejlers. In addition to this, there is a risk that the liability claim, and other costs related thereto, are not fully covered by Rejlers' insurance coverage. Liability claims, warranty claims and similar claims may consequently negatively affect Rejlers' operations, financial position and performance.

Compliance with rules and laws

In its operations, Rejlers is dependent on the Company and the Company's employees, contractors and cooperation partners respecting and complying with applicable laws and regulations. Improper or fraudulent actions and violation of or non-compliance with applicable laws and regulations may have a negative effect on Rejlers' operations and reputation. Such action may, by way of example, comprise failure to follow the rules for public procurement, competition laws and regulations, rules on the protection of confidential information, rules on a prohibition against bribery and other types of corruption, rules that affect the pricing of labour and other costs in government contracts, rules on lobbying activities, rules regarding the internal control over financial reporting, environmental law and other applicable laws and regulations.

Improper actions or violation of, or failure to comply with, applicable rules and laws can damage Rejlers' operations and reputation and have a negative impact on revenues and earnings as a result of administrative, civil and/or criminal law sanctions and penalties.

Changes in laws and government regulations can furthermore mean higher demands and changed conditions, or a move towards a stricter government use of laws and regulations, which may require further investments and lead to increased costs and other commitments for Rejlers. Laws and other regulations in the jurisdictions where Rejlers is active can also impose barriers to intra-Group transactions, *i.e.* by limiting the ways in which dividends or other transfer of funds to other Group companies can be made.

Adaptions of Rejlers business and services to comply with applicable laws and other regulations can cause costs that negatively impact Rejlers' business, financial condition and performance. Furthermore, there is a risk that new or amended laws or other regulations, which may be difficult to predict and may have to be implemented within a narrow timeframe, can have negative impact on Rejlers' business, financial condition and performance.

Labour disputes

Any labour disputes in various countries where Rejlers operate or will operate could damage relationships between customers and partners, with financial compensation as a result, which can have a negative impact on Rejlers' business, financial condition and performance.

Supplier dependence

In its operations, Rejlers engages subcontractors and business partners to be able to carry out its work. On a general level, Rejlers is not dependent on any subcontractor, but the Company may in individual projects be dependent on one or more subcontractors. Insofar as subcontractors or business partners cannot be engaged at a reasonable cost, or if the fee for such a subcontractor or business partner exceeds expected levels, Rejlers' ability to complete a project on time or with the expected profit may be degraded. In addition, Rejlers may need to engage services from other suppliers and at a higher price if a subcontractor or business partner for some reason cannot deliver in accordance with contracts entered into. Incorrect, delayed or unrealised deliveries from suppliers may accordingly have negative consequences for the Company's operations, with higher costs, operating disruptions and lost credibility among customers as a result, which in turn may entail a decreased or unrealised sale and thereby negatively impact the Company's operations, financial position and performance.

Insurance coverage

For Rejlers' operations, it is important that Rejlers can procure necessary and adequate insurance coverage at a reasonable cost. Rejlers has general insurance, liability insurance and project insurance, which include coverage for faults and deficiencies. However, there is a risk that Rejlers' existing insurance coverage does not suffice for possible future needs, and that Rejlers may in the future not maintain the existing insurance coverage at a reasonable cost or at all. In addition, the coverage that Rejlers receives through the insurance policies may be limited due to amount limits and required premium payment, or limited so that the entire amount lost is not compensated by the insurance company.

With regard to losses covered by Rejlers' insurance policies, it may be difficult and time-consuming to obtain compensation from the respective insurance companies. There is accordingly a risk that Rejlers' insurance coverage does not cover all potential losses, regardless of cause, or that relevant insurance coverage is not always available at an acceptable cost, which could have a negative impact on Rejlers' financial position and performance. In addition, regardless of the Company's insurance coverage, claims against Rejlers may result in an increase in the premiums Rejlers pays according to its insurance agreements. Significant increases in insurance premiums may have a negative impact on Rejlers' operations, financial position and performance.

Acquisitions and divestments

A part of Rejlers' growth strategy is to grow through strategic acquisitions. However, there is a risk that Rejlers will not be able to identify suitable target acquisitions or carry out strategic acquisitions due to, by way of example, competition with other buyers or a lack of financing. This may lead to a lower level of growth for Rejlers. Growth through acquisitions also constitutes a risk in that there may be difficulties integrating new operations and employees. Rejlers may incur significant acquisition and administration expenses and costs for restructuring or other costs in connection with acquisitions. There is a risk that Rejlers will not be able to successfully integrate operations acquired or that they will not perform as expected after integration. There is also a risk that integration and synergy effects of acquisitions may take longer than expected. If any of these circumstances occurs, it may negatively affect Rejlers' operations, financial position and performance.

In acquisitions of other companies, there is a risk that the due diligence done by the Company does not contain all the information necessary to make the right decision from both a financial and legal perspective. There is also a risk that the acquired benefits of a certain acquisition are not fully or partially realised. Future acquisitions may also lead to incurring liabilities and contingent liabilities and amortisation costs related to intangible assets. This may have a negative impact on Rejlers' operations, financial position and performance.

Acquisitions may also expose Rejlers to unknown obligations. In connection with acquisitions, besides all assets, the acquired company's liabilities are also usually acquired. There is a risk that not all potential liabilities or obligations were able to be identified before the acquisition or that the seller, in those cases where the Company has obtained warranties, lacks a financial capacity to compensate Rejlers in the event of a breach of warranty. If Rejlers does not succeed in obtaining compensation for such liabilities or obligations, this may negatively impact Rejlers' operations, financial position and performance.

Divestments made and future divestments of operations may expose Rejlers to risks that, among other things, result from the conditions of the transfer of the operations concerned, such as guarantees, claims reimbursements and commitments for the benefit of the buyer with regard to the divested operations. If any of these risks related to implemented or future divestments were to materialise, it may have a negative impact on Rejlers' operations, financial position and performance.

Future acquisitions may be dependent on Rejlers obtaining external financing, such as through bank loans. Rejlers may also choose to carry out new share issues or use its own shares to finance acquisitions in part or in whole. If acquisitions are financed through share issues, it entails a dilution of the holdings of existing shareholder. There is a risk that Rejlers will not be able to finance desired acquisitions. The acquisition possibility may also be limited by conditions in loan agreements. It is further possible that the seller of potential acquisition objects will not be willing to accept shares in Rejlers as part of the consideration. If the available cash and cash equivalents are not adequate and if Rejlers cannot use its own shares as means of payment, the possibility of future expansion through acquisitions may be limited or impeded.

Goodwill

Rejlers' intangible assets are mainly comprised of goodwill. Goodwill arises when operations are acquired over book value. If operations underperform in relation to the assumptions that were made at the valuation, a goodwill risk arises. If Rejlers' valuation of the acquired operations were to prove incorrect, Rejlers needs to write down the goodwill value, which may have negative impact on Rejlers' financial position and performance. Goodwill is impairment tested annually, or more often if required, whereby book value is compared with estimated value in use based on discounted future cash flows. If future tests indicate a decrease in the value of goodwill and therefore lead to impairment losses, this may have a negative impact on Rejlers' financial position and performance.

Part-owned subsidiaries

Rejlers Embriq AS, CMN-Service Oy and Mirakelbolaget AB are not, directly or indirectly, wholly-owned subsidiaries of Rejlers, but rather one or more other shareholders hold shares in the respective company, as presented in greater detail in the section *Legal issues and additional information*. For some of these companies, Rejlers has entered a shareholder agreement or a similar agreement with the minority shareholder or the owners, through which the shareholders' mutual relationship is regulated. If no shareholder agreement exists, Rejlers need to rely on laws and regulations.

In Norway, Finland and Sweden, which are the countries concerned, there are rules on the right of compulsory redemption of the minority with at least 90 per cent ownership, but the redemption process is generally time and cost intensive. At a lower per centage ownership, there is no possibility for the compulsory redemption of the minority, which is a limitation if ownership of all shares is strived for.

Under certain circumstances, minority rights may, by law, mean that Rejlers cannot exercise such control over the subsidiary, as would be desirable *e.g.* in order to convert its operations due to new market conditions or to acquire new capital. There is thereby a risk that the relevant subsidiary's operations, financial position and performance are negatively affected by this, which can in turn have a negative effect on Rejlers' financial position and performance.

Shareholder agreements and similar agreements may be difficult to enforce, and there is a risk that one or more provisions in these agreements can be considered invalid by local courts or authorities. Altogether, these factors may have a negative impact on the Company's operations, financial position and performance.

Intellectual property rights

Rejlers holds a number of brands, pattern protections and other intellectual property rights and may acquire and develop its own and shared intellectual property rights in the future. There is a risk that Rejlers will not be able to maintain granted trademarks and other intellectual property rights or that future registration applications will not be granted. If Rejlers does not succeed in protecting and maintaining its intellectual property rights, it can negatively affect Rejlers' operations, financial position and performance. Rejlers is also dependent on know-how in its operations. There is a risk that the Company's competitors develop corresponding know-how or that Rejlers does not succeed in effectively protecting its know-how, which could negatively impact Rejlers' operations and profitability. In addition, there is a risk that Rejlers commits, or is alleged to have committed, violation of others' intellectual property rights, which can entail costs to either defend against or settle a dispute concerning violation. In the event that Rejlers has violated another party's intellectual property rights, demands may arise that Rejlers shall develop alternatives or purchase licences. If these risks materialise it could negatively impact Rejlers' operations, financial position and performance.

Disputes

Within the scope of normal business activities, Rejlers may be involved in disputes and be at risk of becoming subject to civil law claims in legal processes concerning, by way of example, agreements and deficiencies in the delivery

of services. In addition to this, Rejlers (or executives, managers, employees or connected parties) may be subject to criminal investigations and regulatory investigations and processes. Disputes, claims, investigations and legal processes of this kind may be time-consuming, disrupt normal operations, involve large amounts, negatively affect customer relationships and entail both administrative and legal sanctions and actions with significant costs. If such disputes, claims, investigations and legal processes occur and Rejlers is held responsible, there is a risk that the claims are not fully covered by Rejlers' insurance coverage. Future disputes, claims, investigations and processes can negatively impact Rejlers' operations, financial position and performance. Exposure to disputes, fines and other orders issued by relevant authorities may also negatively affect Rejlers' reputation even if the financial effects are not necessarily significant.

Estimation and assessments of financial items

There is a risk that certain balance sheet items and items not contained in the balance sheet that must be evaluated with different degrees of subjectivity, such as goodwill, contract portfolios, pensions, legal exposure, risk reserves and deferred tax, have not been correctly evaluated. This may result in an incorrect presentation of the financial position, which can negatively impact Rejlers' financial position and performance.

Tax risks

Rejlers conducts operations in multiple countries. The operations and any intra-Group transactions are conducted and carried out in accordance with the Company's interpretation and understanding of applicable tax laws, tax treaties and other relevant regulations and requirements from concerned tax authorities. However, it may turn out that Rejlers' interpretation and understanding of these laws, agreements and other regulations are not correct in every respect. The tax authorities in the countries in which Rejlers conducts operations may make further assessments or make decisions that differ from Rejlers' understanding and interpretation of relevant laws and regulations. Rejlers' tax position, both for earlier, current and future years, may change as a result of decisions made by concerned tax authorities or as a result of changed laws, tax treaties and other regulations. Such decisions or changes, which may possibly apply retroactively, may have a negative material impact on Rejlers' financial position and performance.

Financing risk

There is a risk that the Company does not have access to financing at a given point in time, or that the financing can only be obtained at unfavourable terms for Rejlers. The Company may need further financial resources, *e.g.* to refinance loans or other financing agreements that expire and to enable strategic acquisitions or otherwise achieve strategic objectives. There is a risk that such financial resources cannot be obtained at terms favourable for Rejlers. Access to additional financing is affected by multiple factors, such as market conditions, the general supply of financing and Rejlers' financial situation and credit rating. Disruptions and uncertainty in the capital and credit market can also limit access to the capital required to conduct operations. Difficulties in raising financing may have a negative impact on Rejlers' operations, financial position and performance. It is also possible that the Company in the future may violate financial commitments in credit and borrowing agreements due to *e.g.* the general economy and market disruptions, which could have a negative material impact on Rejlers' operations, financial position and performance.

Liquidity risk

Rejlers is exposed to liquidity risk. Rejlers continuously monitors the Company's cash flow through forecasts which are based on assumptions and expectations that may prove to be incorrect. In addition to this, there is a risk that unforeseen circumstances, such as significant degradations of economic conditions or defaulted payments from major customers, which cannot effectively be weighed into these forecasts, negatively impact the cash flow.

There is a risk that Rejlers, due to insufficient cash and cash equivalents, cannot fully meet its payment commitments when they become due, or that Rejlers can only meet its payment commitments at terms unfavourable for the Company. An inability to maintain adequate liquidity may force Rejlers to increase its indebtedness, possibly against a higher interest rate, which may affect the Company's operations and ability to obtain further capital and financing. If Rejlers fails to maintain adequate cash flows and obtain necessary capital in the future, this may negatively impact Rejlers' operations, financial position and performance.

Interest rate risk

There is a risk that interest rate changes have a negative effect on Rejlers' cash flow or the fair value of the Company's assets and liabilities. Rejlers is also subject to changes in interest rates through its financing agreements with variable interest. As at 31 December 2016, Rejlers had around SEK 288.4 million in outstanding loans under its credit facilities with variable interest. The Company is consequently sensitive to interest rate fluctuations.

The interest rate is affected by a number of factors that lie outside Rejlers' control, including the interest rate policies of governments and national banks in the geographic markets where Rejlers conducts business. An increase in interest rates would mean that the Company's interest rate commitments would increase, which can have a negative material impact on Rejlers' operations, financial position and performance.

Credit risk

There is a risk that Rejlers in the future is affected by large credit losses as a result of one or more customers of the Company not being able to pay their debts to the Company. If this occur it would have a negative effect on Rejlers' operations, financial position and performance.

Currency risk

Rejlers is exposed to currency risks, in part through continuous business transactions in various currencies and in part through the Company having business in different currencies. These risks can be divided into transaction risks and translation risk. Transaction risk refers to the risk of exchange-rate losses in continuous business transactions in foreign currencies, such as an account receivable held in a foreign currency decreasing in value due to an exchange rate change in that currency. Rejlers is exposed to transaction risk since the Company conducts part of its operations outside Sweden. Translation risk refers to the risk that the value in SEK of assets and liabilities in foreign currencies fluctuates due to changes in exchange rates. Rejlers is exposed to translation risk in the translation risk of the income statements and balance sheets of foreign subsidiaries to the Group's reporting currency (Swedish krona).

As a result of a part of Rejlers' earnings being located outside Sweden, the effects of exchange rate fluctuations may be relatively significant. There is a risk that the measures taken by the Company to minimise the currency risks are not sufficient and that changes in exchange rates therefore may have a negative impact on Rejlers' operations, financial position and performance

Risks related to the Rights Issue and the shares

Share ownership

Investing in shares always entails taking risk. Since an investment in shares can increase or decrease in value, there is a risk that an investor will not be able to recoup the whole amount of capital invested. The development of a listed share depends on company-specific factors and factors that concern the capital market in its entirety. Such factors may also increase the volatility of the share price. It is impossible for an individual company to control all of the factors that may affect its share price, which is why every investment decision concerning shares should be preceded by a careful analysis.

Major sales

The price of Rejlers' share may drop if extensive sales of shares in the Company occur or are expected to occur, especially sales by major shareholders, board members or senior executives. Sales of larger blocks of shares by other owners can also have a negative impact on the market price of the shares and can make it difficult for the other shareholders to sell shares in Rejlers at a certain point in time and at a price they find appropriate.

Future dividends depend on several factors

The New Shares entitle the holder to dividend for the first time on the record date for dividend that occurs closest after the shares have been entered into Rejlers' share register. Future dividends will be proposed by Rejlers' board of directors. Rejlers' dividend policy is to pay a dividend in the long term, corresponding to 50 per cent of the Company's profit after tax. The size of any future dividends is, however, dependent on the Company's future profit, financial position, cash flows, operating capital requirements, planned and potential acquisitions and other factors. There is a risk that Rejlers in the future will not be able to pay dividends to shareholders in the Company every financial year in accordance with the Company's dividend policy.

Trade in Subscription Rights

There is a risk that an active trade in Subscription Rights concerning class B shares will not develop on Nasdaq Stockholm or that adequate liquidity will not be available during the subscription period at the point in time that such securities are traded.

Preferential rights for shareholders in certain jurisdictions

If the Company issues new shares through a cash issue, the current shareholders normally have a preferential right to subscribe for new shares unless the shareholders approve that a deviation from the preferential right takes place through a resolution at the General Meeting. Shareholders in certain other countries may, however, be subject to restrictions that prevent them from participating in such rights issues, or participation is otherwise impeded or limited. For example, shareholders in the U.S. may be prevented from exercising such preferential rights if the shares or subscription rights are not registered in accordance with the U.S. Securities Act and if no exemption from the registration requirements is applicable. Shareholders in other countries outside Sweden may be similarly affected if the subscription rights or the new shares are not registered or approved by competent authorities in these countries. Rejlers has no obligation to apply for registration in accordance with the U.S. Securities Act or apply for corresponding approval or relevant exemptions under the legislation in any other country outside Sweden with regard to such subscription rights and shares. Applying for registration or corresponding approval or relevant exemptions may be impractical and costly. Insofar as Rejlers' shareholders in countries outside Sweden cannot exercise their rights to subscribe for new shares in possible rights issues, their proportional ownership in the Company will decrease.

Dilution of shareholdings

The Rights Issue will entail a dilution of the shareholdings for shareholders who choose not to exercise their right to subscribe for New Shares in the Rights Issue or who for some reason cannot participate in the Rights Issue. Shareholders who do not participate in the Rights Issue can sell the Subscription Rights allocated to the shareholder and thereby obtain some compensation. If a shareholder chooses to sell its unutilised Subscription Rights, there is a risk that the compensation the shareholder receives for the Subscription Rights in the market does not correspond to the financial dilution in the shareholder's ownership in Rejlers after the Rights Issue is completed. Potential future new share issues may also lead to a dilution

in the holding for shareholders, for example if a new share issue is carried out without a preferential right for existing shareholders. Since the point in time and conditions for potential future new share issues will depend on Rejlers' situation and the general market conditions at that time, the Company cannot foresee or estimate amounts, dates or other conditions for such new share issues. Rejlers' shareholders accordingly bear the risk of any future new share issues that may reduce the price of the Rejlers' share and/or dilute their holdings in the Company.

Currency effects for shareholders outside Sweden

The shares in Rejlers are only listed in SEK and any future profit dividends will be paid in SEK. If SEK decreases in value against foreign currencies, it may entail negative consequences for the valuation of foreign investors' holdings in Rejlers and possible profit dividends that are received. Foreign investors may also be affected by transaction costs to exchange SEK to another currency.

Invitation to subscribe for New Shares in Rejlers

With the aim of accelerating the on-going transition work and strengthening the Company's financial position and operational flexibility, the board of directors of Rejlers decided on 8 February 2017, subject to the General Meeting's subsequent approval, to increase the Company's share capital through a new share issue with preferential rights for Rejlers' shareholders. The board of directors' decision was approved at an Extraordinary General Meeting on 13 March 2017. The Company has a leading position, strong profitability and significant potential in the areas of Building and property, Energy, ICT/Telecom, Infrastructure, IT solutions and parts of Industry. The Rights Issue means that the Company can accelerate the on-going transition work, strengthen the Company's financial position, secure and strengthen its market position in the Nordic region in the aforementioned areas and implement selective strategic acquisitions.

The Rights Issue will increase the Company's share capital by a maximum of SEK 10,337,376, from the current SEK 25,843,442 to a maximum of SEK 36,180,818, through the new issue of a maximum of 5,168,688 New Shares, of which a maximum of 500,500 New Shares of class A and a maximum of 4,668,188 New Shares of class B. The Company's shareholders have a preferential right to subscribe for New Shares in Rejlers in proportion to the number of shares they own in the Company on the record date. The record date for determination of which shareholders are entitled to subscribe for the New Shares is 15 March 2017.

For every existing class A share held on the record date, one (1) Subscription Right of class A are received and for every existing class B share held on the record date, one (1) Subscription Right of class B are received. The Subscription Rights entitle the holder to subscribe for New Shares with preferential rights, whereby five (5) Subscription Rights of class A and class B, respectively, give a right to subscribe for two (2) New Shares of class A and New Shares of class B, respectively. Subscription for New Shares can also take place without support of Subscription Rights. If all New Shares are not subscribed for with support of Subscription Rights, the board of directors shall, within the scope of the Rights Issues' maximum amount, decide on the allocation of New Shares subscribed for without support of Subscription Rights in accordance with that stated in the section *Terms and conditions*.

Subscription shall take place as of 17 March 2017 to the end of 31 March 2017, or such a later date that the board of directors decides, and otherwise in accordance with the instructions found in the section *Terms and conditions*.

The subscription price has been set at SEK 39 per New Share, regardless of share class, which means that the Rights Issue, upon full subscription, will infuse Rejlers with a total of approximately SEK 202 million.¹ The New Shares shall entail the same right as the current shares of class A and class B, respectively, in the Company.

In accordance with the terms in this Prospectus, the shareholders of Rejlers are hereby invited to subscribe for New Shares in Rejlers with preferential rights.

Stockholm 14 March 2017

Rejlers AB (publ)

The board of directors

¹ From the issue amount of approximately SEK 202 million, deductions will be made for issue expenses that are estimated to amount to approximately SEK 9 million. After deductions for issue expenses, the Company is estimated to be infused with approximately SEK 193 million.

Background and reasons

Rejlers is a Nordic group offering technical consultancy services within the customer segments of Building, Energy, Industry, Infrastructure and ICT/Telecom. With more than 2,000 consultants in approximately 80 locations throughout Sweden, Finland and Norway, Rejlers carries out more than 15,000 client assignments every year.

Since the end of 2015, the Company has noticed a clear divergence in the development of its business within the different customer segments. The customer segments Building, Energy and ICT/Telecom have shown strong growth and an underlying profitability in line with the Company's expectations and plans, although profitability levels were in some cases affected by temporary factors in 2016, such as project delays within Building in Sweden and efficiency difficulties in ICT/Telecom-assignments in Norway. Within the Industry sector, the general pricing pressure is a contributing factor to Rejlers' decreasing profitability.

In order to respond to the effects of the changing market environment in certain customer segments and the consequent deteriorating profitability, a transformation of the business was implemented already in 2015 through the implementation of a number of efficiency initiatives and liquidation and divestment of unprofitable areas. Rejlers has also increased the focus on the digitalisation of processes and overall IT-solutions, primarily to the energy and infrastructure market, areas that are considered to have large potential. Even if the transformation has begun to yield results, and the utilization ratio rate has increased since the summer of 2016, additional measures are necessary if the Company is to achieve the financial target of an operating margin of 8 per cent over time and achieve the growth objective 2020-3030-4040, that is, in 2020, Rejlers will have sales of SEK 4,040 million and 3,030 employees. Through the net proceeds from the offering, combined with Rejlers' strong cash flow, the Company is expected to be debt-free on a net debt basis, which allows Rejlers to accelerate the ongoing transformation process and thereby increase the Company's operational flexibility and ability to act in selected areas with significant potential. Rejlers is thereby expected to faster be able to strengthen its market position, continue to grow, organically as well as through selective acquisitions, and improve its profitability.

Rejlers continues to increase sales, both organically and through acquisitions, but the profitability level remains below the Company's financial target. Even if Rejlers intends to continue to focus on the customer segments Building, Energy and ICT/Telecom, Infrastructure, IT-solutions as well as parts of Industry, interesting development and acquisition opportunities are believed to exist within all segments. The Company's recently completed acquisitions, Embriq in Norway and Orbion in Sweden, have been integrated well and are delivering according to or better than planned. The Company's management and Board of Directors intend to carefully evaluate and consider all opportunities to strengthen the Company's position, improve its profitability as well as maximise shareholder value.

Assuming that the Rights Issue is fully subscribed, the gross issue proceeds will amount to approximately SEK 202 million. Rejlers' issue costs, including fees to advisors and other transaction costs, are expected to amount to approximately SEK 9 million.

The net issue proceeds of the Rights Issue, amounting to approximately SEK 193 million, will initially be used to strengthen Rejlers' balance sheet through the repayment of current liabilities of SEK 50 million. The remaining share of the issue proceeds will be used to strengthen Rejlers' cash position, thereby making possible strategic acquisitions as well as certain structural changes.

The board of directors of Rejlers is solely responsible for the content of the Prospectus. The board of directors hereby provides its assurance that all reasonable precautions have been made to ensure, to the best of the board of directors' knowledge, that the information in the Prospectus complies with actual circumstances and that nothing has been omitted that could influence its meaning.

Stockholm 14 March 2017

Rejlers AB (publ)

The board of directors

Terms and conditions

Preferential rights and Subscription Rights

Those parties registered as shareholders in the share register maintained by Euroclear for Rejlers on 15 March 2017 have preferential rights to subscribe for New Shares of the same share class in relation to the number of shares held by the shareholder on the record date.

Those parties who are registered as shareholders of the Company on the record date will receive one (1) Subscription Right of class A for each share of class A held and one (1) Subscription Right of class B for each share of class B held. Five (5) Subscription Rights of class A, respectively class B, entitle the holder to subscribe for two (2) New Shares of class A, respectively class B.

The shareholdings of shareholders who choose not to participate in the Rights Issue and subscribe for shares will be diluted by about 29 per cent in relation to the number of shares outstanding and about 29 per cent in relation to the number of votes.

Subscription price

The New Shares will be issued at a subscription price of SEK 39 per share, regardless of share class. No commission will be charged.

Record date

The record date at Euroclear for determining who is entitled to receive Subscription Rights in the Rights Issue is 15 March 2017. The Company's shares were traded together with Subscription Rights until 13 March 2017. The Company's shares were traded excluding Subscription Rights in the Rights Issue from 14 March 2017.

Subscription period

Subscription for New Shares by exercising Subscription Rights will be carried out through payment during 17 March 2017 through 31 March 2017. During this period, it is also possible to apply to subscribe for shares without exercising Subscription Rights. The board of directors of the Company reserves the right to extend the subscription period, which if it becomes relevant will be announced by the Company in a press release no later than 31 March 2017. The press release will be available on Rejlers' website, www.rejlers.com.

Issue statement

Directly registered shareholders

A pre-printed issue statement with an attached payment form will be sent to shareholders, or representatives of shareholders, in the Company who, on the record date of 15 March 2017, are registered in the share register maintained by Euroclear on behalf of the Company. The pre-printed issue statement sets forth, inter alia, the number of Subscription Rights received and the full number of shares that may be subscribed for. No separate securities notification will be issued regarding the registration of Subscription Rights in shareholders' securities accounts. Those parties included in the separate list of pledge holders and trustees maintained in connection with the share register will not receive any issue statement and will be informed separately.

Nominee registered holdings

Shareholders whose holdings of shares in the Company are nominee-registered at a bank or other nominee will not receive an issue statement from Euroclear. Instead, application for subscription and payment should be completed in accordance with the instructions from the respective nominee.

Shareholders resident in certain unauthorized jurisdictions

The allotment of Subscription Rights and the issue of New Shares through the exercise of the Subscription Rights to persons who are resident outside of Sweden may be affected by securities legislation in such countries; please refer to the section "*Important information to investors*". Consequently, subject to certain exceptions, shareholders whose existing shares are directly registered in a securities account and whose registered address is in Australia, Hong Kong, Switzerland, Japan, Canada, New Zealand, Singapore, South Africa or the USA will not receive any Subscription Rights to their respective securities accounts or be allowed to subscribe for New Shares. Nor will they receive any Subscription Rights in their respective securities accounts. Subscription Rights that would have been registered to such shareholders will be sold and the sales proceeds, less a deduction for costs, will be paid to such shareholders, however, amounts less than SEK 100 will not be paid out.

Trading in Subscription Rights

Subscription Rights of class B will be traded on Nasdaq Stockholm between 17 March 2017 and 29 March 2017. Carnegie and other securities institutions with the requisite licenses will provide brokerage services in connection with the purchase and sale of Subscription Rights. The ISIN code for the Subscription Rights of class B is SE0009697303. When transferring Subscription Rights, the primary preferential right as well as the secondary preferential right is transferred to the new holder of the Subscription Right.

Subscription for New Shares under the Subscription Rights

Subscription for New Shares under the Subscription Rights is carried out through payment from 17 March 2017 until 31 March 2017. Upon expiry of the subscription period, unexercised Subscription Rights will lapse and become worthless. After 31 March 2017, unexercised Subscription Rights will be removed from shareholders' securities accounts, without notice from Euroclear.

To ensure that the value of the Subscription Rights to subscribe for New Shares is not lost, the shareholder must either:

- exercise the Subscription Rights to subscribe for New Shares no later than 31 March 2017, or according to instructions received from the respective trustee; or
- sell the Subscription Rights that have not been exercised no later than 29 March 2017.

Subscription of New Shares with support of the Subscription Rights is irrevocable and the subscriber may not reclaim or change such subscription of New Shares.

Directly registered shareholders resident in Sweden

Subscription for New Shares under the Subscription Rights is carried out through cash payment, either by use of the pre-printed payment form or a separate application form, with concurrent payment in accordance with one of the following options:

- the payment form is to be used if all Subscription Rights in the issue statement from Euroclear are to be exercised. No additions or changes may be made to the payment form, and
- the application form named "Subscription of shares with Subscription Rights" is to be used if Subscription Rights have been purchased, sold or transferred from another securities account, or if, for some other reason,

the number of Subscription Rights to be exercised for subscription of New Shares differs from the number on the pre-printed issue statement. Payment for the subscribed shares must be made concurrent to submitting the completed application form, which can be carried out in the same way as for other bankgiro payments, for example through an internet bank, by giro transfer or at a bank branch office. The number of the securities account that holds the Subscription Rights must be stated together with the payment.

Application forms in accordance with the above may be ordered from Carnegie during office hours by telephone: +46 8 5886 94 83 or downloaded from Carnegie's website www.carnegie.se. Application forms and payments must be received by Carnegie no later than 5:00 p.m. on 31 March 2017.

Directly registered shareholders not resident in Sweden who are eligible to subscribe of New Shares with Subscription Rights

Directly registered shareholders who are eligible to subscribe for New Shares with Subscription Rights and who are not resident in Sweden, and who are not subject to the restrictions described above under "Shareholders resident in certain unauthorized jurisdictions" and who cannot use the pre-printed payment form, can pay in SEK through a foreign bank in accordance with the instructions below:

Carnegie Investment Bank AB (publ)
Transaction Support
SE-103 38 Stockholm,
Sweden
SWIFT address: ESSESESS
IBAN: SE385000000052211000363
Bank account number: 52211000363

Upon payment, the subscriber's name, address, securities account number and the reference number on the issue statement must be stated. The final day for payment to be received is 31 March 2017.

If the subscription pertains to another number of shares than that stated in the issue statement, the following form should be used instead: "*Application form for subscription of shares with Subscription Rights*", which can be ordered from Carnegie during office hours by calling: +46 8 5886 94 83. Payment is to be made in accordance with the instructions above: however, the reference number from the application form must be stated. Application forms (in accordance with the above address) and payments must be received by Carnegie no later than 5:00 p.m. on 31 March 2017.

Nominee-registered subscribers

Nominee-registered shareholders who wish to subscribe for New Shares with Subscription Rights must apply to subscribe for shares in accordance with the instructions from their respective nominee or nominees.

Paid subscribed shares

After payment and subscription, Euroclear will distribute a securities notification confirming the registration of the paid subscribed shares (Sw. *betalda tecknade aktier*, "BTAs") in the securities account.

New Shares will be registered as BTAs (BTA 1) in the securities account until such time as the Rights Issue has been registered with the Swedish Companies Registration Office (or if sub-registrations are utilized for BTA 1). Following the first sub-registration at the Swedish Companies Registration Office, BTA 1 converts to ordinary shares, which are registered in the

shareholders' securities accounts on or around 13 April 2017 without any separate notification from Euroclear. A second series of BTAs (BTA 2) will be issued for subscriptions made at a point in time that entailed that the New Shares subscribed for could not be included in the first sub-registration. After registration with the Swedish Companies Registration Office, BTA 2 will be re-registered by Euroclear. No securities notification will be issued in connection with this re-registration. Holders of nominee-registered depository accounts will receive BTAs in accordance with the procedures of the respective nominee. BTA 1 for shares of class B will be admitted for trading on Nasdaq Stockholm from 17 March 2017 to 5 April 2017. Carnegie and other securities institutions with the requisite licenses will provide brokerage services in connection with the purchase and sale of BTAs. The ISIN code for BTA 1 for shares of class B is SE0009697311.

Subscription for New Shares without Subscription Rights

The New Shares may also be subscribed for without Subscription Rights.

Directly registered shareholders and others

Application for subscription for New Shares without Subscription Rights must be made on the special application form "*Subscription without Subscription Rights*". More than one application may be submitted; however, only the most recently dated application will be considered. Application forms may be obtained from any of Carnegie's offices in Sweden or downloaded from Carnegie's website www.carnegie.se as well as from Rejlers' website www.rejlers.com. The application form may either be sent by post to Carnegie Investment Bank AB, Transaction Support, SE-103 38 Stockholm or be handed in at one of Carnegie's offices in Sweden. The application form must be received by Carnegie no later than 5 p.m. on 31 March 2017.

Nominee-registered shareholders

Holders of depository accounts and who wish to subscribe for New Shares without Subscription Rights must apply to subscribe in accordance with the instructions from their nominee or nominees, who will also process allotment notifications and other questions.

Allotment of New Shares subscribed for without Subscription Rights

If all of the New Shares are not subscribed for with Subscription Rights, the board of directors will, within the framework of the Rights Issue's maximum amount, decide on allotment of New Shares without Subscription Rights.

Allotment will then be made in the following order:

- firstly, allotment shall be made to those who have applied for subscription and subscribed for New Shares with Subscription Rights, regardless of whether the subscriber was a shareholder on the record date or not, and in case of over-subscription, the allotment shall be made in relation to the number of Subscription Rights each one has exercised for subscription of New Shares and, insofar this is not possible, by drawing of lots; and
- secondly, allotment shall be made to others who have applied for subscription without Subscription Rights and, in case of over-subscription, the allotment shall be made in relation to the number of New shares specified in each subscription application and, insofar this is not possible, by drawing of lots.

On or around 5 April 2017, a settlement note will be sent to the subscriber as confirmation of the allotment of New Shares subscribed for without Subscription Rights. Shareholders whose holdings are nominee-registered will receive confirmation of the allotment in accordance with the procedure of the respective nominee. No confirmation will be sent to subscribers who received no allotment. Payment for subscribed and allotted New Shares is

to be made in cash in accordance with the instructions on the settlement note sent to the subscriber.

After payment, Euroclear will distribute a payment notice as confirmation that BTAs subscribed for without Subscription Rights have been registered to the securities account. The New Shares subscribed for are entered as BTA 2 in the securities account until they have been registered with the Swedish Companies Registration Office. Such shares are expected to be registered with the Swedish Companies Registration Office on or around 25 April 2017. No securities notification will be issued in connection with this re-registration. The ISIN code for BTA 2 for shares of class A that have been subscribed for without Subscription Rights is SE0009697295 and the ISIN code for BTA 2 for shares of class B that have been subscribed for without Subscription Rights is SE0009697329. BTA 2 will not be admitted for trading on Nasdaq Stockholm.

Trading in New Shares

The Company's issued shares of class B are traded on Nasdaq Stockholm. After the Swedish Companies Registration Office has registered the Rights Issue, the New Shares of class B will be admitted for trading on Nasdaq Stockholm. Such trade regarding New Shares of class B, which have been converted from BTA 1, is expected to commence on or around 13 April 2017. Trading in New Shares of class B that have been converted from BTA 2 is expected to commence on or around 26 April 2017.

Right to dividend on shares

Dividends are paid following a resolution by the annual general meeting of shareholders. Payment of dividends will be administered by Euroclear or, for nominee-registered shareholdings, in accordance with the procedures of the respective nominee. Entitlement to receive a dividend is limited to shareholders registered in the share register maintained by Euroclear on the record date. The New Shares carry the right to participate in the distribution of dividends for the first time on the dividend record date that occurs immediately following the registration of the New Shares with the Swedish Companies Registration Office.

Voting rights

Shares of class A entitle the holder to ten (10) votes and shares of class B entitle the holder to one (1) vote.

Irrevocable subscription

The Company is not entitled to revoke the Rights Issue. Subscription of New Shares, with or without Subscription Rights, is irrevocable and the subscriber may not withdraw or change a subscription for New Shares, unless otherwise stated in this Prospectus or applicable law.

Announcement of the outcome of the Rights issue

The outcome of the Rights Issue is expected to be announced on or around 5 April 2017 through a press release from the Company.

Information about the processing of personal data

Parties who subscribe for, or apply to subscribe for, New Shares will submit personal data to Carnegie. Personal data submitted to Carnegie will be processed in computer systems to the extent required to administer the Rights Issue. Personal data obtained from parties other than the party in question may also be processed. The personal data may also be processed in the computer systems of companies with which Carnegie collaborates. Information pertaining to the processing of personal data can be obtained from Carnegie, which also accepts requests for the correction of personal data.

Other information

Carnegie is the issuing institution in connection with the Rights Issue. The fact that Carnegie is the issuing institution does not imply that Carnegie views any party that applies to subscribe under the Rights Issue as a customer of Carnegie. In the event that a larger amount than necessary has been paid by a subscriber for New Shares, Rejlers will arrange for the excess amount to be refunded. No interest will be paid on excess amounts. Incomplete or incorrectly completed application forms may be disregarded. Furthermore, if the subscription payment is made too late, is insufficient or is paid incorrectly, the subscription application may be disregarded entirely or allotment may be for a lower amount, in which case, any excess amount will be refunded. No interest will be paid on any such excess amount.

Taxation

For information pertaining to taxation, please refer to the section "*Certain tax issues in Sweden*".

Market and operating environment

This Prospectus contains certain market and industry information that comes from third parties. Even if the information has been correctly reproduced and the Company considers the sources to be reliable, the Company has not independently verified the information, which is why its accuracy and completeness cannot be guaranteed. However, insofar as Rejlers is aware and can ascertain through comparison with other information published by these sources, no information has been omitted in a manner that could make the reproduced information incorrect or misleading. The information in this section includes estimates with regard to future market development and other so-called future-looking information. Future-looking information does not constitute any guarantee of future earnings or development and actual events and earnings outcomes may differ considerably from what is presented by such statements.

Technology consultancy sector

With more than 2,000 technology consultants and employees, Rejlers is one of the Nordic region's major technology consultancies specialised in Building and property, Energy, Industry, ICT/Telecom and digital solutions for the energy and infrastructure sector. Technology consultancies play, in many respects, a central role in the development of industries and social structures in general. As consulting experts and project managers, they often come in at an early stage of an investment cycle and are involved in everything from prestudies, analyses, system development, construction, infrastructure projects, energy and IT solutions and in both customer and production oriented efficiency enhancements of processes and the development of new offerings. With a holistic perspective, technical consultants actively contribute to the creation of sustainable solutions and innovations for new construction, renovation, maintenance, monitoring, manufacturing and control through quality systems built on current and future systems and production platforms.

Nordic economy

Demand for technical consultants and IT services in the Nordic region continued to be strong in 2016 despite a bewildering year with a British decision to leave the EU, the U.S. Presidential election and signs of impending lower growth in Sweden. However, according to IMF forecasts, the Swedish and Nordic economy is not expected to be affected to any greater degree by the news of Brexit even if greater political uncertainty is to be expected.

The Swedish economy is strong with a GDP growth of 4.1 per cent in 2015, which is expected to gradually slow to 3.1 per cent in 2016 and 1.9 per cent in 2017, according to Almega's latest forecast.¹ It is primarily investments in the building and service operations and household and public sector consumption that are expected to contribute to the GDP growth this year and next, even if the rate of growth of these parts of the GDP will be lower than before.² Technical consulting, industrial consulting and the architecture field are growing in Sweden, with strong markets in the segments of infrastructure, construction, energy and industry.³

The Norwegian economy is characterised by more challenging conditions, but low interest rates and high public expenditure are contributing to keeping the activity level up in the Norwegian economy. Falling oil

prices and lower investments in the oil sector have led to low economic growth in the past two years. The most recent IMF forecast indicates a continued weak GDP growth of 1.1 per cent in 2016, up from 1.0 per cent in 2015. In 2017, an anticipated recovery will begin with a growth of 1.7 per cent, supported by rising oil prices and a slowing rate of decrease in the oil investments. Increased public sector investments in infrastructure, roads and railways, energy and telecommunications together with a generally good activity in the construction sector creates good conditions for the technical consulting industry, according to STD.⁴

After three years of recession, the Finnish economy began to grow weakly. However, according to the IMF, the recovery is expected to be subdued with a GDP growth of 0.9 per cent in 2016 and 1.1 per cent in 2017. According to STD, it is mainly the building and civil engineering sector that grew fast in 2016, followed by the engineering industry, the IT sector and the consulting services sector.⁵ In the second half of 2016, industrial production also increased with support in growing order books, while major investments are expected in the construction industry, the forestry industry and the bio industry, as well as in transport infrastructure. The consulting industry is growing faster than the Finnish economy as a whole and a surplus of consultants has turned into a shortage in certain areas.⁶

Rejlers' market segment

In the construction and property sector, Rejlers continues to see major investments mainly in residential and commercial property, but also larger investments in infrastructure are expected to drive demand for technical consulting services. The energy sector is being driven forward by more stringent environmental requirements with an ever larger proportion of energy sources as a result, which sets entirely new demands on both production equipment and the electrical grids. This is difficult to handle without also utilising the technical know-how that the technical consulting firms possess. The market situation for Nordic industrial consultants is split with a weak development in such areas as mechanics and processes, while investments in automation are increasing. Industrial automation is currently an important part of production for greater efficiency and to meet the requirements on price and performance where technical consulting services have considerable demand.

¹ Branschöversikten 2016 (the "Sector Review 2016") is published by the Swedish Federation of Consulting Engineers and Architects (STD), and can be ordered on their website, www.std.se.

² Sector Review 2016.

³ Sector Review 2016.

⁴ Sector Review 2016.

⁵ Sector Review 2016.

⁶ Sector Review 2016.

Buildings and properties

The building and construction engineering sector have grown strongly in Sweden, primarily driven by housing investments. Construction investments as a whole increased by eight (8) per cent in 2015 and are expected to end up at a growth of around nine (9) per cent in 2016, according to STD.⁷ In 2017, the increases are forecast to slow somewhat, but are nonetheless expected to increase by around three (3) per cent.⁸ The housing investments will continue to be behind most of the expected increases with an anticipated growth of six (6) per cent. Among other things, it is tax increases and loan principal repayment requirements that may dampen housing investments in the next year.

There is a continued strong development of the construction sector in Norway as a whole with a continuous growth from 2011. The industry forecasts stable to slightly increased activity in 2016 and 2017. This growth is driven by housing construction, at the same time that the public sector is investing huge sums in the technical improvement of hospitals, schools and cultural buildings. A good investment level is also expected to be maintained in the municipal sector, which altogether indicates a continued good development in the next few years.⁹

In Finland, it is above all the construction sector that is driving the growth of the country's economy with housing construction in strong growth of around eight (8) per cent in 2015 after several years' decline.¹⁰ The Bank of Finland forecasts continued strong growth in housing construction until 2019 at the same time that an extensive programme of renovations will maintain the investment level in the sector in the future.¹¹

Energy

In general, the Nordic energy market is facing major investments and greater demand for technical consulting services. Comprehensive initiatives are under way in the distribution of renewable energy and in areas where new security and production standards are driving advances.

According to STD, the Swedish market is showing a positive net confidence¹² for both the power and energy industry.¹³

Development and investment in the Norwegian energy sector is the market area that shows the highest growth. Modernisation of production facilities, investments in new forms of energy, and infrastructure for electrical cables, distribution and energy exports are expected to double from 2015 to 2018.¹⁴

Industry

No matter what industry, continual investments are necessary to increase production, quality and profitability. Swedish industry's investments in machinery and equipment increased by eleven (11) per cent in 2015. The investments are expected to increase by around ten (10) per cent in 2016, to then slow and grow by 1-2 per cent in 2017.¹⁵ It is first and foremost the mining industry and the food industry that are decreasing investments, which contributes to the overall decrease for the industry. In spite of this, the Swedish industrial consulting market is strong, which reflects the important role that the industrial consultants play for the long-term development of the industry's products and competitiveness.

The Finnish industrial consulting industry has begun to focus on direct export markets, especially in areas such as ship building and the petrochemical industry. The market conditions for the Finnish export industry now look better for the coming year after a number of worse years. In the second half of 2016, Finnish industry production increased, which together with growing order books and several planned major investments in the forestry and bio industry are increasing demand for industrial consultants.

Norwegian industrial production declined by 4.2 per cent from November 2015 to November 2016, according to Statistisk Sentralbyrå. Machinery and equipment, together with the repair and installation of machinery contributed the most to this decline.

Infrastructure

Functioning infrastructure is a prerequisite for a society's development. Both for people's mobility and for industry's competitiveness.

The infrastructure investments increased in total in Sweden in 2016, driven by increased private investments while the public sector investment level declined somewhat as a result of the lower railway investments.¹⁶ However, next year increased road construction and more railway maintenance are expected to increase public sector investments. Considering these infrastructure investments and the large need for continued investments in the coming year, the weakly increasing trend should continue for some time, with some minor fluctuations, according to STD.¹⁷

The Norwegian infrastructure market is expected to show increased activity in 2016, 2017 and 2018, according to STD.¹⁸ Investments in this market are expected to increase by eleven (11) per cent in 2016 and another five (5) per cent per year until 2019.¹⁹ This is supported by significant funds being invested in renewing the infrastructure, mainly in terms of roads, railways, energy grids and telecommunications.²⁰ Development and maintenance of infrastructure in Norway is largely controlled by public financing and is implemented as a part of making the country more competitive and less dependent on the oil and gas industry.

In Finland, investments in infrastructure were at a stable level and were mainly concentrated to growth cities. For 2016, 2017 and 2018, government infrastructure investments have expanded with extra investments for a total value of approximately EUR 2.6 billion for construction and maintenance of the road and railway network. This decision has dramatically changed the situation in the market.²¹

Market trends

Today's society is becoming more complex in pace with the progress of on-going digitisation and growing globalisation and urbanisation. The rapid development is creating changed conditions for the future and demands increasing technical and analytical know-how, as well as insight and knowledge in business logics, paradigm shifts and information systems. Automation in the industry and higher requirements on more efficient energy consumption are other examples of clear trends. Together with the customers increasingly focusing on their core business, this is driving demand for qualified engineering and IT services. This development has been under way for a long time and is driving the technical consulting industry forward. Here, the technical consulting firms have a key role to play in the creation of the smart and innovative society, but must at the same time also occasionally be able to handle challenges, such as greater competition, consolidation, a weak price trend and a shortage of expertise.

Globalisation and urbanisation

The migration to cities and major urban areas demands new housing and associated infrastructure that allows society to function. This cannot be handled without utilising technical and architectural know-how in urban development and planning. Political awareness of this is steadily growing and the interest in including engineering and architectural firms in studies and planning work is continuously increasing.²² Consulting firms like Rejlers are well aware of these challenges, but also well prepared to find solutions to the problems that others cannot handle.

⁷ Sector Review 2016.

⁸ Sector Review 2016.

⁹ Sector Review 2016.

¹⁰ Sector Review 2016.

¹¹ Bank of Finland Bulletin 5/2016, Economic outlook, published 27 January 2017.

¹² The net confidence total is the net figure between positive and negative companies with regard to the expectations of the order trend.

¹³ Investeringsignalen Oktober 2016 is published by the Swedish Federation of Consulting Engineers and Architects (STD), and can be ordered on their website, www.std.se.

¹⁴ Sector Review 2016.

¹⁵ Sector Review 2016.

¹⁶ Sector Review 2016.

¹⁷ Sector Review 2016.

¹⁸ Sector Review 2016.

¹⁹ Sector Review 2016.

²⁰ Sector Review 2016.

²¹ Sector Review 2016.

²² Sector Review 2016.

Digitisation

Digitisation is driving the development of society and business in the entire value chain from automation in the industry to more efficient distribution and business transactions and communication. Mobility, the Internet of Things and the accelerating growth of digital information and data are in turn driving digitisation like other technical development and new business models. Information management is no longer only about analysis and management of large amounts of data, Big data, but rather also about using the information to control and optimise, which increases the demand for technology and IT consultants like Rejlers.

Environmental and climate consideration

Electricity and energy form the actual grounds of our modern society at the same time that the requirements are growing for greater environmental and climate consideration in production. The energy sector is facing sweeping change with a shift towards renewable sources of energy, which will set entirely new demands on both production systems and electric grids. There is also a political desire for greater control and freedom of action for electricity customers, which demands continued development towards smart grids²³, an area where Rejlers is well positioned through the acquisition of Rejlers Embriq.

Competitive situation

As civil projects become more complex and demand more expert knowledge, the technical and IT consulting firms are expected to become broader and deeper in their offering. This can lead to new constellations where companies and organisations are tied together in various ways and can offer increasingly complex products or to global players entering the Nordic market that want to grow and extend over as many markets as possible. Another possibility is that new competitors in the form of niche companies with expert know-how in new technology or with new innovations grow forth and create new market conditions, which also drives the consolidation trend.²⁴

Consolidation

In recent years, the technical consulting industry has been characterised by and continues to be characterised by consolidation. Through acquisitions, larger and more international players have grown and can offer an increasing breadth of specialist expertise and are able to handle larger assignments and more complex projects. Consolidation in the industry continued in 2016 although at a somewhat calmer pace, according to STD.²⁵

Price trend and billing ratio

The price trend in the industry has been weak for several years, but a tendency to improvement took place in 2015 and 2016. However, it is going slowly and large parts of the industry are experiencing price pressure, above all in public procurement. STD notes indications of a price situation in recovery, but sees the weak price trend as one of the industry's major challenges in the future.²⁶

STD notes that the billing ratio among the listed companies continues to increase and expect the weakly increasing trend to continue in the next few years.²⁷ According to STD's statistics, the billing ratio was an average of 74.7 per cent in 2013, to increase to 75.8 per cent in 2014 and 75.9 per cent in 2015. In the first half of 2016, it decreased slightly to 75.6 per cent, but is expected to increase again in the second half of the year.²⁸

Shortage of expertise

As demand for advanced consulting services increases, it will be increasingly important to find the right employees. The education system has not kept up with development and the number of graduates has not increased in pace with demand despite the industry's cooperation with universities with regard to the level of education and expertise. The shortage of expertise is most tangible for technical consultants in construction, civil engineering and installation, but exists in all areas both among recent graduates, but perhaps mainly among experienced consultants. The shortage of expertise is currently one of the industry's greatest challenges, which on the long-term can affect personnel turnover and drive up salary costs.²⁹

²³ Minutes II:6 kept at government meeting on 17 December 2015.

²⁴ Sector Review 2016.

²⁵ Sector Review 2016.

²⁶ Sector Review 2016.

²⁷ Sector Review 2016.

²⁸ Sector Review 2016.

²⁹ Sector Review 2016.

Business description

Introduction

Rejlers is a Nordic company that offers qualified technical consulting services and IT services to customers in the sectors Building and property, Energy, ICT/Telecom and digital solutions for energy and infrastructure. Rejlers puts together groups of consultants with different competencies who collaborate in projects with everything from prestudies and planning to design, construction, project engineering, project management, implementation and programming. Competencies are coordinated within various areas of technology to perform large and more complex multidisciplinary assignments. The life cycle perspective and sustainability are an integrated and natural part of Rejlers' offering. The Company helps its customers improve efficiency and reduce environmental impact. With more than 2,000 consultants at around 80 locations in Sweden, Finland and Norway, Rejlers carries out more than 15,000 customer assignments every year. Rejlers domestic markets comprise Sweden, Finland and Norway, with the rest of the Nordic region and the Baltic area as growth markets. As Rejlers has a strategy of following its customers in the markets in which they are active, and a part of Rejlers' customer base operates in international markets, a minor part of Rejlers' assignments take place abroad.

History and important events

Rejlers was founded in Småland in 1942 and has been active as a technical consultancy since. The Company has had electric and energy technology as a unifying theme in various ways over the years. In everything from main grids to nuclear power, energy management and electronics. Over time Rejlers has expanded its operations to new areas of expertise, such as automation, mechanics, construction, transport infrastructure, telecom and IT.

The Company's operations have largely followed the development of Sweden as an industrial nation. The Company was initially active in the expansion of the electrical power networks in Sweden, and the Company's employees later participated in the industrialisation and the large-scale housing programmes. In the 1990s and 2000s, railways and telecom were added as areas of operation. In the 2010s, environmental engineering is also being developed as a specific area of expertise. In the 2000s, Rejlers expanded geographically, both organically and through acquisitions, and today also has operations in Finland and Norway.

In 2015, two major acquisitions were made in the energy and telecom sector, Embriq in Norway and Orbion in Sweden. Embriq offers comprehensive IT solutions, mainly in the energy sector, while Orbion is active in telecom and offers solutions for mobile and fixed networks close to the operators.

Three minor acquisitions were made in Finland in 2016: Insplacon and JS-Verköt, which add expertise main in the ICT area, but also in electrical power and project management, as well as CMN-Service, which adds new expertise in over building and bridge and tunnel constructions for railways.

The Company was initially led by the founder Gunnar Rejler, who since the beginning has handed the reigns over to his son and then grandson, Jan Rejler and Peter Rejler. The Company has the nature of a family business even though ownership was broadened through a stock exchange listing in 2003. The Rejlers class B share is listed on Nasdaq Stockholm. The Rejler family owns approximately 57 per cent of the votes and 25 per cent of the capital. Notable among other major shareholders are Lannebo Fonder, Nordea Investment Funds, Didner & Gerge Fonder and Swedbank Robur.

Financial goals

Rejlers' financial targets since 2014 are that the Company should have a growth in sales of around 15 per cent per year. The number of employees should grow by 10 per cent, which enables the growth target of 2020 - 3030 - 4040. This means that by 2020 the Company should have at least

3030 employees with sales of at least SEK 4,040 million.

One of Rejlers' financial targets from 2015 is to have an operating margin of at least 8 per cent over time. Rejlers also has the target of having a stable development where the Company's equity/assets ratio should exceed 30 per cent.

Rejlers long term dividend policy is for around 50 per cent of the Company's earnings after tax to be paid out as dividends to the shareholders.

Rejlers' service offering

Rejlers offers technical consulting services and IT solutions to customers in the sectors Building and property, Energy, ICT/Telecom, Infrastructure, Industry and digital solutions for energy and infrastructure.

Buildings and properties

Rejlers' offering targets both new production and renovation of, for example, business premises, schools, offices, hospitals, hotels, sports facilities, homes and industries. The Company is also present at an early stage when new areas will be developed. Rejlers has the ambition of creating buildings that meet high standards of comfort, energy savings, monitoring, individualisation and profitability by combining well-tryed methods with innovation solutions for such customers as Skanska, Stockholms Hamnar (the Ports of Stockholm) and Serneke. The assignments include everything from architecture to building construction and project management to planning. Rejlers is present as consultants in the various phases of a project and also helps our customers check and inspect completed properties.

Rejlers has a broad range of services in everything from electricity, telecom, heating, ventilation and sanitation project engineering to controls and communication technology. A growing area is building automation and various kinds of smart solutions for reducing energy consumption in properties. Rejlers also has assignments in power supply and lighting and creates alarm system and fire prevention solutions.

In 2016, more than 260 employees worked with services in Building and property.

New projects in 2016:

- Rejlers signed a framework agreement with the housing developer JM Norge in the third quarter. The framework agreement comprises consulting services for current construction projects and the agreement includes energy advice and consulting services in electrical engineering for both low and high voltage.
- In the third quarter, Rejlers was commissioned by Karlstad to establish system documents concerning electricity, telecoms and hotel lifts when the tallest skyscraper in the Nordic region will be built in Gothenburg.
- In the fourth quarter, Rejlers won several projects in the Aviapolis commercial zone in the Helsinki region.
- Rejlers has been engaged by Finavia and Skanska for assignments concerning project engineering of electrical, telecom and security systems in office buildings and hotels.

Energy

Rejlers offers services at every level of the energy supply chain from production through distribution to consumption. Many assignments involve modernising and streamlining existing installations for energy companies and existing nuclear power and hydroelectric power installations. Notable among the customers are Hafslund, Statnett and Svenska Kraftnät. The Company has extensive experience of developing solutions for how new power sources can be tied together as a functioning and effective network and has expertise in the area of renewable energy, such as wind power, wave power and solar energy.

Rejlers has broad expertise in design, production, automation, preparation

and analysis of electricity distribution grids and transformer stations and actively participates in the digitisation of modern electric grids by also designing, developing and managing IT solutions for the energy market. One example is smart electrical power networks, Smart Grids, that are intelligent systems where the supply and demand of electricity is managed and balanced in a sustainable, reliable and cost effective manner.

Rejlers Embriq, which is reported as a separate business segment, provides IT based system solutions to energy companies and retailing customers throughout the Nordic region with a high level of expertise in development and delivery of communication systems for Smart Grids and other transaction intensive information and control systems with extreme requirements on quality and safety. Rejlers Embriq also offers various kinds of energy measurement services, where data on energy consumption is gathered, analysed and presented, which can lead to large energy savings, reduced emissions and thereby a better climate. Also refer to information on the Rejlers Embriq business segment below.

In 2016, around 520 employees worked with services for Energy.

New projects in 2016:

- In the third quarter, Rejlers signed a large contract with Hafslund to digitise electrical safety inspection in Oslo. The assignment will be carried out in collaboration with El-Tilsynet AS. The contract will run for two years, with the option of a further two years, and is worth approximately NOK 60 million.
- Rejlers was engaged in the fourth quarter by Svenska Kraftnät for power grid project planning in the Stockholm area with the aim of strengthening the power supply in the region.
- Rejlers Energiprojekt was engaged in the fourth quarter to carry out an energy service project for Karlshamnsbostäder AB. Rejlers is a turnkey contractor with assignments to improve the technical status and enhance energy use.

Industry

Rejlers has a long tradition of industrial projects throughout the Nordic region and offers technical solutions and systems in automation, process and mechanical engineering to enhance efficiency, automate and develop industrial processes and their products for greater productivity, quality and profitability. The Company has broad expertise in the disciplines of automation, processes and mechanics and comprises the entire flow, from planning, concept formulation and analysis to project management, design, implementation, deployment and maintenance. Rejlers also conducts innovation and development work to help customers develop new products and systems adapted for digital integration.

Rejlers has extensive experience in industries, such as mining, paper and pulp, and in nuclear power production and the steel and engineering industry. The Company also works with customers in the manufacturing industry, in the sectors food, pharmaceuticals, automotive and offshore.

In 2016, around 600 employees worked with services for Industry:

- In the first quarter, Rejlers signed an agreement with Yaskawa, one of the world's leading suppliers of industrial robots, with regard to the renovation of a welding robot facility. Rejlers has turnkey responsibility for the programming of all control panels and PLCs.
- Rejlers was engaged in the second quarter for a turnkey project concerning a new workstation for Scania. The assignment involves designing and installing a new workstation for the truck manufacturer's primer painting line at the factory in Oskarshamn.
- In the fourth quarter, Rejlers was commissioned by Bellmer Vaahto to supply machinery and equipment for the Papeleira Coreboard mill in Portugal.

Infrastructure

A well-conceived transport infrastructure generates growth for society. Rejlers has broad expertise in the transport infrastructure area with regard to modernisation and planning of, for example, roads, bridges, tunnels, railways, airports and ports. The majority of the Company's assignment are in the railway sector and comprise everything from total project commitments with project management responsibility and prestudies to project engineering of facilities for rail, electrical, telecom, signal and safety systems.

Road and tunnel projects in the big city regions involve technically complex systems for control and monitoring *e.g.* traffic flows or ventilation systems in tunnels. Rejlers also plans and project engineers lighting in tunnels, on bridges and along roads. As a part of the offering, various kinds of environmental services are also provided in conjunction with planned civil engineering projects.

In 2016, around 150 employees worked with services for Infrastructure:

New projects in 2016:

- In the third quarter, Rejlers signed an agreement with the Finnish Transport Agency with regard to planning and construction responsibility and installation monitoring when a new transformer centre for rail traffic will be built.
- In the third quarter, Rejlers was commissioned by the Swedish Transport Administration to project engineer system documentation for four traffic centres.
- In the fourth quarter, Rejlers signed agreements with the Stockholms Hamnar for the largest port construction in Sweden in 100 years. Stockholms Hamnar is building a new commercial port in Norvik outside Nynäshamn and Rejlers is responsible for the detailed project engineering of ducting, telecom and security and lighting and power supply.

ICT/Telecom

The telecom sector is currently undergoing a journey of change where systems and infrastructure should be capable of handling, managing and analysing large amounts of data, which in turn drives demand for greater capacity and rapid technical development.

Rejlers provides a broad range of technical and legal consulting services in network infrastructure, communication and information security, such as network planning, network design, optimisation and project engineering of backbone, fibre and mobile networks. The Company is also engaged for investigation and project management assignments, risk and vulnerability analyses, risk management and construction inspections and works to support the Company's customers in large procurements.

Rejlers' offers function undertakings with turnkey responsibility for all or part of the customer's process flow, such as handling placements for the major operators, management of infrastructure, requirement management and technical manuals. The Company also has large assignments for government authorities in the security field.

In 2016, nearly 400 employees worked with services in ICT/Telecom.

New projects in 2016:

- In the first quarter, Rejlers Embriq signed an agreement with L&T Infotech on the delivery of IT services in infrastructure for Elkjøp in Norway. The agreement is worth around NOK 60 million and comprises infrastructure as a service, "IaaS".
- In the fourth quarter, Rejlers signed a framework agreement with Statnett for project management, project engineering and follow up in the establishment of an ICT platform for fibre and radio networks.
- In the fourth quarter, Rejlers Embriq entered into an agreement with

Nettalliansen for the delivery of IT operating services for more than 47 energy companies throughout Norway. Rejlers Embriq is responsible for establishing and providing comprehensive operations and integration support.

Business segment

Rejlers' operations are divided into four business segments: Rejlers Sweden, Rejlers Finland, Rejlers Norway and Rejlers Embriq, to thereby benefit from and strengthen the cooperation between different areas of expertise. The Company's offering is directed at both the private and public sector.

Rejlers Sweden

Rejlers' Swedish operations are the Company's largest with more than 1,100 employees distributed over some 40 offices and accounted for around 52 per cent of total sales in 2016. Rejlers offers technical consultancy services to customers within the construction, buildings, energy, industry and infrastructure sectors. In Sweden, Rejlers has offices in some 40 locations. The range of services includes automation, electric power, installation, railways, mechanics, processing and plant as well as telecommunications.

Rejlers Finland

Rejlers' Finnish operations have more than 500 employees distributed over 18 locations and accounted for around 16 per cent of total sales in 2016. The Company offers consultancy services in the fields of architecture, automation, energy, mechanics, environmental technology, heating, ventilation and sanitation, as well as turnkey deliveries to customers in the construction and property, energy, industry and infrastructure sectors.

In 2015, the electricity grid company Carunas' operations in project management were acquired, which strengthens the Company's position as a technical consultant in the electricity distribution field in Finland. Energy companies and electricity distributors have a great need of total solutions and process outsourcing, which increases demand for our assignments.

In 2016, the Finnish Inplacon and JS-Verköt were acquired, which adds expertise mainly in the ICT area, as well as in electrical power and project management. To add new expertise and breadth in the infrastructure field, CMN-Service was also acquired, and is specialised in over building and bridges and tunnel constructions for railways.

Rejlers Norway

Rejlers' Norwegian operations have more than 250 employees distributed over 22 locations and accounted for around 14 per cent of total sales in 2016. The Company offers expertise in electrical power, electrical safety, energy declarations, installation, railway and telecom to customers in building and property, energy and infrastructure.

In 2015, several major contracts were extended, including TeliaSonera and Agder Energi. A significant new agreement was also signed with Nor-kring AS, which is Norway's largest supplier of land based radio services and digital television services.

Rejlers Embriq

Rejlers' operations in information technology are gathered in the Rejlers Embriq segment and includes IT services and products mainly in the energy field. The operation enjoys equal status with the other segments, but acts Group wide. This also includes traditional IT services, cloud services and an advanced and modern centre for managing customers' IT environments. The operation has around 175 employees and is located in ten places in the Nordic region. This segment accounted for approximately 18 per cent of the Company's total sales in 2016.

Through the acquisition of Embriq conditions were created for the new segment Rejlers Embriq, which also includes the operations in Rejlers Energitjänster and Rejlers ComIT. The base is comprised of the acquired Embriq, which designs, develops and manages IT solutions in the operating areas of Consulting, Operations and Software. The emphasis is on the energy sector with IT services and products aimed at customers within electricity trading and distribution. But there are also state and municipal customers with projects that entail far-reaching investments within the field of energy savings.

Organisation

Rejlers' operation is divided into four business segments, Rejlers Sweden, Rejlers Finland, Rejlers Norway and Rejlers Embriq. The Parent Company, Rejlers AB, provides central functions, such as internal communication, Group wide IT and finance. The business segments are driven as individual subsidiaries with their own management, management groups and support functions, such as HR, sales and finance. The business segments are then divided into several regional and local offices with their own earnings and budget responsibility.

Employees

Rejlers has more than 2,000 employees spread over around 85 locations in Sweden, Finland and Norway. The number of employees in the Group at the end of the respective year is presented by segment.

Segment	2016	2015	2014	2013
Sweden	1,090	1,173	998	1,023
Finland	526	482	434	441
Norway	244	239	247	131
Embriq	156	179	55	57
Parent Company	11	9	8	12
Total	2,027	2,082	1,742	1,664

SALES BY GEOGRAPHIC AREA/SECTOR ¹

SEK million	2016		2015		2014		2013	
	Sales	%	Sales	%	Sales	%	Sales	%
Sweden	1,226.2	52.4	1,099.0	58.6	1,059.4	61.9	976.6	66.7
Norway	335.6	14.3	298.5	15.9	305.5	17.8	151.9	10.4
Finland	389.4	16.6	336.4	17.9	293.2	17.1	283.2	19.3
Embriq	417.1	17.8	151.3	8.1	70.8	4.1	56.0	3.8
Intra-group and eliminations	-26.9	-1.1	-9.7	-0.5	-17.4	-1.0	-3	-0.2
Total	2,341.4	100.0	1,875.5	100.0	1,711.5	100.0	1,464.7	100.0

¹ The financial figures in this table for 2013-2015 are based on Rejlers' annual reports for the years 2013-2015. The financial figures for 2016 are based on Rejlers' year-end report for 2016, which has not been reviewed or audited by the Company's auditor.

Selected historical financial information

Below, the Company's selected historical financial information for the financial years 2013–2015 is presented, which was obtained from Rejlers audited annual reports for the periods in question. The information is prepared in accordance with IFRS, as adopted by the EU, and audited by Rejlers' auditors. The information regarding the 2016 financial year is gathered from Rejlers year-end report for the full year 2016, which was prepared in accordance with IAS 34, but not audited by Rejlers auditors. No other information in the Prospectus has been audited or reviewed by the Company's auditors.

This section contains some alternative performance measures that are not defined in accordance with IFRS as measures of financial performance, but are used by Rejlers' management to monitor the underlying performance of the operation and business. The Company's opinion is also that these key figures are used to a large extent by investors, securities analysts and other stakeholders as complementary measurements of earning trends.

The compilation below should be read together with the annual reports for 2013–2015 and the year-end report for 2016, which are incorporated in the Prospectus by reference and constitute a part of this Prospectus. All reports are available on Rejlers' website, www.rejlers.com.

Summary of consolidated income statement

SEK million	2016 Unaudited	2015 Audited	2014 Audited	2013 Audited
Income	2,341.4	1,875.5	1,711.5	1,464.7
Personnel expenses	-1,453.7	-1,280.1	-1,192.0	-1,004.1
Other external expenses	-816.4	-493.0	-440.6	-370.8
Depreciation and impairment	-44.2	-32.2	-29.3	-23.2
Participations in associated companies	0.4	0.8	-1.0	-0.6
Operating profit	27.5	71.0	48.6	66.0
Net financial income/expense	-5.3	0.8	-3.7	-2.3
Profit/loss after net financial items	22.2	71.8	44.9	63.7
Tax	-8.2	-20.6	-11.0	-13.0
Profit for the period	14.0	51.2	33.9	50.7
Attributable to				
Parent company's shareholders	13.3	51.2	33.9	50.7
Shareholders without a controlling influence	0.7	-0.1	0.0	0.0

Summary of consolidated balance sheet

SEK million	31 Dec 2016 Unaudited	31 Dec 2015 Audited	31 Dec 2014 Audited	31 Dec 2013 Audited
ASSETS				
Non-current assets				
Goodwill	432.6	395.4	262.6	248.6
Other intangible assets	121.8	99.8	65.1	54.9
Tangible assets	37.5	36.2	31.5	30.5
Financial assets	8.2	8.7	4.6	35.2
Deferred tax	39.4	40.0	18.3	1.1
Total non-current assets	639.5	580.1	382.1	370.3
Current receivables	656.0	569.0	471.5	455.1
Cash and cash equivalents	64.9	108.8	89.8	49.0
Total current assets	720.9	677.8	561.3	504.1
TOTAL ASSETS	1,360.4	1,257.9	943.4	874.4
Equity	536.2	516.5	441.4	355.5
Equity without controlling influence	16.0	8.3	0.2	0.1
Total equity	552.2	524.8	441.6	355.6
Pension provisions	20.7	25.0	43.6	0
Interest-bearing non-current liabilities	155.0	177.5	67.5	103.9
Other non-current liabilities	50.9	55.4	44.0	42.9
Total non-current liabilities	226.6	257.9	155.1	146.8
Interest-bearing current liabilities	133.4	103.2	39.4	99.8
Other current liabilities	448.2	372.0	307.3	272.2
Total current liabilities	581.6	475.2	346.7	372.0
TOTAL LIABILITIES AND EQUITY	1,360.4	1,257.9	943.4	874.3

Summary of consolidated cash flow statement

SEK million	2016 Unaudited	2015 Audited	2014 Audited	2013 Audited
Cash flow from operating activities before change in working capital and paid tax	70.5	82.5	85.9	95.6
Tax paid	-21.0	-9.6	-21.3	-33.5
Change in working capital	-8.3	-31.0	3.6	-42.1
Cash flow from operating activities	41.2	41.9	68.2	20.0
Cash flow from investing activities	-71.5	-239.6	7.1	-84.1
Cash flow from financing activities	-19.9	221.9	-36.6	75.0
Cash flow for the period	-50.2	24.2	38.7	10.9
Cash and cash equivalents at start of period	108.8	89.8	49.0	38.7
Exchange rate differences in cash and cash equivalents	6.3	-5.2	2.1	-0.6
Cash and cash equivalents at end of period	64.9	108.8	89.8	49.0

Financial information by segment

	2016	2015	2014	2013
SEK million	Unaudited	Audited	Audited	Audited
SALES				
Sweden	1,226.2	1,099.0	1,059.4	1,032.6
Finland	389.4	336.4	293.2	283.2
Norway	335.6	298.5	305.5	151.9
Embriq	417.1	151.3	70.8	–
Intra-group	-26.9	-9.7	-17.4	-3.0
Total	2,341.4	1,875.5	1,711.5	1,464.7
SEK million	Unaudited	Audited	Audited	Audited
OPERATING PROFIT				
Sweden	28.0	51.4	59.9	68.5
Finland	15.0	18.9	14.2	11.1
Norway	-13.3	3.5	-25.6	16.9
Embriq	15.6	9.3	15.3	–
Intra-group	-17.8	-12.1	-14.3	-30.5
Total	27.5	71.0	48.6	66.0
%	Unaudited	Audited	Audited	Audited
OPERATING MARGIN				
Sweden	2.3	4.7	5.7	6.6
Finland	3.9	5.6	4.8	3.9
Norway	-4.0	1.2	-8.4	11.1
Embriq	3.7	6.1	21.6	–
Intra-group	–	–	–	–
Total	1.2	3.8	2.8	4.5

Key figures

	2016	2015	2014	2013
	Unaudited	Unaudited	Unaudited	Unaudited
IFRS key figures				
Earnings per share before and after dilution, SEK	1.03	4.15	2.78	4.45
Average number of shares	12,921,721	12,346,379	12,200,899	11,381,173
Number of shares at end of period	12,921,721	12,921,721	12,321,721	11,421,721
Alternative performance measures				
Operating margin, %	1.2	3.8	2.8	4.5
Operating profit per full-time employee, SEK thousand	14	40	29	43
Equity/assets ratio, %	39.4	41.0	46.8	40.7
Equity per share at the end of the period	41.50	39.97	35.83	31.13
Net debt, SEK million	244.2	196.9	60.7	154.7
Net debt/EBITDA rolling 12 months	3.4	1.9	0.8	1.7
Profit margin, %	0.9	3.8	2.6	4.4
Return on equity, %	4.2	10.6	11.3	18.5
Return on capital employed, %	4.1	11.1	9.0	14.3
Quick ratio (excluding unused credit), %	124	177	162	136
Debt/equity ratio, times	0.6	0.6	0.3	0.6
Interest coverage ratio, times	3	11	7	11
Disposable funds, SEK million	114.9	164.3	149.8	58.9
Investments, SEK million	73.1	239.4	-6.3	84.7
Organic and acquired growth, %	10	13	4	6
Growth adjusted for exchange rate effects, %	6	17	6	11
Operational key figures				
Billable hours ratio, %	73.0	75.0	75.3	74.7
Sales per full-time employee, SEK thousand	1,208	1,046	1,022	953
Number of working days, number	251	249	248	249
Number of full-time employees, number	1,939	1,793	1,674	1,537
Number of employees at end of period, number	2,027	2,082	1,742	1,664

Definition of key figures

Key figures	Definition	Motivation
Earnings per share before and after dilution, SEK	Earnings after tax divided by average number of shares.	–
Average number of shares	The parent company's weighted average number of shares for the financial year.	–
Number of shares at end of period	The parent company's number of shares at the end of the financial year.	–
Operating margin	Operating profit divided by net sales.	Relevant to assess Rejlers efficiency and value creation.
Operating profit per full-time employee	Operating profit divided by the number of full-time employees.	A measure to show efficiency per full-time employee.
Equity/assets ratio	Total equity attributable to parent company shareholders divided by total assets.	Relevant for assessing Rejlers' possibilities of meeting its financial commitments.
Equity per share at the end of the period	Total equity attributable to parent company shareholders divided by the number of shares at the end of the period.	A measure for describing the size of the equity that belongs to the shareholders in the parent company.
Net debt	Current and non-current interest-bearing liabilities (i.e. bank loans and finance leases) and pension provisions less cash and cash equivalents.	A measure to show Rejlers' total indebtedness.
Net debt/EBITDA rolling 12 months	Net indebtedness divided by EBITDA for the past 12-month period.	Relevant for showing financial risk and for the follow-up of the level of Rejlers' indebtedness.
Profit margin, %	Profit before tax divided by net sales.	Relevant to assess Rejlers efficiency and value creation.
Return on equity, %	Profit before tax divided by average equity attributable to parent company shareholders.	Relevant to assess the return generated on the equity that shareholders have invested in the Company.
Return on capital employed, %	Operating profit plus financial income divided by average capital employed.	Relevant to assess the return generated on the capital that shareholders and lenders have made available.
Quick ratio (excluding unused credit), %	Total current assets divided by total current liabilities (excluding unutilised credit).	Indicates Rejlers' short-term payment capacity.
Debt/equity ratio, times	Interest-bearing liabilities divided by equity attributable to parent company shareholders.	Relevant to describing Rejlers' financial risk.
Interest coverage ratio, times	Operating profit plus financial income divided by financial expenses.	Indicates Rejlers' ability to cover its financial expenses.
Disposable funds	Cash and cash equivalents plus credit and unutilised portion of revolving credit facility.	Indicates Rejlers' short term liquidity.
Investments	Acquired tangible and intangible assets and acquired subsidiaries and operations.	Indicates Rejlers' investments.
Organic and acquired growth	The change in net sales for the current quarter or financial period compared with the same period the previous year considering what was generated internally (organically) and what was added through acquisitions (acquired).	Relevant for showing how Rejlers' growth is taking place.
Growth adjusted for exchange rate effects	Change in net sales for the current quarter or financial period compared with the same period the previous year, in the respective country's currency.	A measure that shows underlying growth in local currency.
Billable hours ratio	Charged time divided by attendance time.	–
Sales per full-time employee	Net sales per full-time employee.	–
Number of working days	Number of working days in the parent company.	–
Number of full-time employees	Total time divided by standard time.	–
Number of employees at end of period	Number of employees at the end of the financial year.	–

	2016	2015	2014	2013
Operating margin				
Operating profit, SEK million	27.5	71.0	48.6	66.0
Net sales, SEK million	2,341	1,872	1,709	1,463
Operating margin, %	1.2	3.8	2.8	4.5
Operating profit per full-time employee				
Operating profit, SEK million	27.5	71.0	48.6	66.0
Number of full-time employees, number	1,939	1,793	1,690	1,537
Operating profit per full-time employee, SEK thousand	14	40	29	43
Equity/assets ratio				
Equity attributable to parent company shareholders, SEK million	536.2	516.5	441.4	355.5
Total assets, SEK million	1,360.4	1,257.9	943.4	874.4
Equity/assets ratio, %	39.4	41.0	46.8	40.7
Equity per share				
Equity attributable to parent company shareholders, SEK million	536.2	516.5	441.4	355.5
Number of shares at the end of the period, number	12,921,721	12,921,721	12,321,721	11,421,721
Equity per share at the end of the period, SEK	41.50	39.97	35.83	31.12
Net debt				
Non-current liabilities to credit institutions, SEK million	155.0	177.5	67.5	103.9
Current liabilities to credit institutions, SEK million	133.4	103.2	39.4	99.8
Pension provisions, SEK million	20.7	25.0	43.6	0.0
Cash and cash equivalents, SEK million	-64.9	-108.8	-89.8	-49.0
Net debt, SEK million	244.2	196.9	60.7	154.7
Net debt/EBITDA rolling 12 months				
Operating profit, SEK million	27.5	71.0	48.6	66.0
Depreciation and impairments on tangible and intangible assets, SEK million	44.2	32.2	29.3	23.2
EBITDA	71.7	103.2	77.9	89.2
Net debt/EBITDA rolling 12 months	3.4	1.9	0.8	1.7
Profit margin				
Profit before tax, SEK million	22.2	71.8	44.9	63.7
Net sales, SEK million	2,341.4	1,872.4	1,708.6	1,463.2
Profit margin, %	0.9	3.8	2.6	4.4
Return on equity				
Profit before tax, SEK million	22.2	71.8	44.9	63.6
Equity attributable to parent company shareholders, SEK million	536.2	516.5	441.4	355.5
Average equity attributable to parent company shareholders, SEK million	526.4	479.0	398.5	344.8
Return on equity, %	4.2	15.0	11.3	18.5
Return on capital employed				
Operating profit, SEK million	27.5	71.0	48.6	66.0
Financial income, SEK million	7.1	8.1	3.5	3.8
Operating profit plus financial income, SEK million	34.6	79.1	52.1	69.8
Total equity, SEK million	552.2	524.8	441.6	355.6
Non-current liabilities to credit institutions, SEK million	155.0	177.5	67.5	103.9
Current liabilities to credit institutions, SEK million	133.4	103.2	39.4	99.8
Pension provisions, SEK million	20.7	25.0	43.6	0.0
Capital employed, SEK million	861.3	830.5	592.1	559.3
Average capital employed, SEK million	845.9	711.3	575.7	495.0
Return on capital employed, %	4.1	11.1	9.0	14.1

	2016	2015	2014	2013
Quick ratio				
Total current assets, SEK million	720.9	677.8	561.3	504.1
Total current liabilities, SEK million	581.6	475.2	346.8	372.0
Quick ratio (excluding unused credit), %	124	143	162	136
Debt/equity ratio				
Non-current liabilities to credit institutions, SEK million	155.0	177.5	67.5	103.9
Current liabilities to credit institutions, SEK million	133.4	103.2	39.4	99.8
Pension provisions, SEK million	20.7	25.0	43.6	0.0
Interest-bearing liabilities, SEK million	309.1	305.7	150.5	203.7
Equity attributable to parent company shareholders, SEK million	536.2	516.5	441.4	355.5
Debt/equity ratio, times	0.6	0.6	0.3	0.6
Interest coverage ratio				
Operating profit, SEK million	27.5	71.0	48.6	66.0
Financial income, SEK million	7.1	8.1	3.5	3.8
Operating profit plus financial income, SEK million	34.6	79.1	52.1	69.8
Financial expenses, SEK million	12.4	7.3	7.2	6.1
Interest coverage ratio, times	3	11	7	11
Disposable funds				
Unused credit, SEK million	50.0	50.0	60.0	9.9
Unused portion of revolving credit facility, SEK million	-	5.5	-	-
Cash and cash equivalents, SEK million	64.9	108.8	89.8	49.0
Disposable funds, SEK million	114.9	164.3	149.8	58.9
Investments				
Acquisition of tangible assets, SEK million	9.8	9.5	10.1	4.7
Acquisition of intangible assets, SEK million	33.8	4.0	1.4	10.6
Acquisition of operations after deduction of cash acquired, SEK million	29.5	225.9	-17.8	69.4
Investments, SEK million	73.1	239.4	-6.3	84.7
Organic and acquired growth				
This year's sales growth, SEK million	466.9	163.8	245.4	134.8
of which acquired sales, SEK million	418.7	142.9	235.4	126.2
of which organic sales, SEK million	48.2	20.9	10.0	8.6
Organic growth, %	10	13	4	6
Growth adjusted for currency effects				
This year's sales growth excluding currency effects, SEK million	446.6	171.4	251.1	141.8
of which acquired sales, SEK million	418.7	142.9	235.4	126.2
of which organic sales, SEK million	27.9	28.5	15.7	15.6
Organic growth excluding currency effects, %	6	17	6	11

Comments on financial development

Comparison between 2016 and 2015

Figures in parentheses refer to the corresponding period in the previous year.

Net sales

In 2016, consolidated net sales amounted to SEK 2,341.4 million (1,875.5), which corresponds to a growth of 25 per cent of which 3 per cent was organic, as an effect of the year's restructuring. Of the total sales increase of SEK 465.9 million, SEK 418.7 million was acquired.

Operating profit

The consolidated operating profit amounted to SEK 27.5 million, a decrease by 61 per cent compared with the previous year's operating profit of SEK 71.0 million. The operating margin thereby amounted to 1.2 per cent compared to 3.8 per cent in the preceding year. Restructuring costs in Sweden of SEK 21.5 million were charged to the operating profit for the year compared to SEK (-) million in 2015, and is attributable to cut-backs in unprofitable parts of the industrial operations in Rejlers Sweden.

Rejlers Sweden

In 2016, net sales amounted to SEK 1,226.2 million, compared with SEK 1,099.0 million in the preceding year. Of the growth of SEK 127.2 million (corresponding to 12 per cent), SEK 131.7 million or a growth of 11.7 per cent was related to acquisitions, which means that the organic growth amounted to SEK -4.5 million (corresponding to -0.4 per cent).

Operating profit declined from SEK 51.4 million to SEK 28.0 million, which means an earnings growth of -45 per cent and an operating margin for the year of 2.3 per cent (4.7).

The year was affected by low demand in some parts of the industry and is attributable to the rapid slowing of the nuclear power industry, savings programmes in the mining industry and tough price pressure in manufacturing industries. This negatively impacted Rejlers Sweden and as a result, Rejlers initiated a programme of measures at the beginning of the year and a transition of the industrial operations. Unprofitable parts, mainly in mechanical engineering and processes, have been wound up or cut back. The coverage rate increased in the second half of the year, which is an effect of steps taken.

Rejlers Finland

In 2016, net sales amounted to SEK 389.4 million, compared with SEK 336.4 million in the preceding year. Of the growth of SEK 53.0 million (corresponding to 16 per cent), SEK 38.6 million or a growth of 11.5 per cent was related to acquisitions, which means that the organic growth amounted to SEK 14.4 million (corresponding to 4.3 per cent).¹

Operating profit declined from SEK 18.9 million to SEK 15.0 million, which means an earnings growth of -21.0 per cent and an operating margin for the year of 3.9 per cent (5.6).

Sales and the earnings trend were negatively impacted, mainly as a result of weak coverage in the industry sector and delays of large building projects. An adaptation to prevailing market conditions was done in the form of temporary lay-offs, a more efficient organisation and a better customer structure. At the same time, Rejlers notes an increased demand for services in energy production and energy management.

Rejlers Norway

In 2016, net sales amounted to SEK 335.6 million, compared with SEK 298.5 million in the preceding year. Of the growth of SEK 37.1 million (corresponding to 12.4 per cent), SEK 0.0 million or a growth of 0 per cent was related to acquisitions, which means that the organic growth amounted to SEK 37.1 million (corresponding to 12.0 per cent).²

Operating profit declined from SEK 3.5 million to a loss of SEK 13.3 million, which means an earnings growth of -480 per cent and an operating margin for the year of -4.0 per cent (1.2).

Rejlers Norway reports a clearly worse development than expected, due to a low coverage rate and efficiency problems with high start-up costs in the ICT and railway area. Measures in the form of efficiency improvements to the organisation and cost savings were carried out during the year and Rejlers renegotiated an important ICT agreement at the beginning of 2017, which will have a positive effect on earnings in the future.

Rejlers Embrig

In 2016, net sales amounted to SEK 417.1 million, compared with SEK 151.3 million in the preceding year. Of the growth of SEK 265.8 million (corresponding to 175.7 per cent), SEK 248.4 million or a growth of 164.2 per cent was related to acquisitions, which means that the organic growth amounted to SEK 17.4 million (corresponding to 11.5 per cent).³

Operating profit increased from SEK 9.3 million to SEK 15.6 million, which means an earnings growth of 68.0 per cent and an operating margin for the year of 3.7 per cent (6.1).

Sales and earnings showed a strong growth and were in line with plan, while the operating margin declined somewhat. The lower margin is mainly attributable to the installation of hardware, which initially has a negative impact.

Profit after financial items

The Group's profit after financial items decreased by -69.0 per cent to SEK 22.2 million (71.8), corresponding to a profit margin of 0.9 per cent (3.8). Net financial items for the Group amounted to an expense of SEK -5.3 million (0.8). At the end of 2016, interest-bearing liabilities for the Group amounted to SEK 288.4 million compared with SEK 280.7 million at the beginning of 2016. The average interest rate during the year amounted to 1.5 per cent (1.1). The net financial items also include exchange-rate gains and losses.

Tax

The tax expense amounted to SEK 8.2 million (20.6), corresponding to a tax rate of 36.9 per cent (28.7). The lower tax expense is mainly attributable to lower earnings, while the higher tax rate was impacted by restructuring of the operations.

Equity/assets ratio and return

The Group's equity/assets ratio at the end of the year was 39.4 per cent (41.0). Equity amounted to SEK 536.2 million (516.5).

In 2016, return on equity amounted to 4.2 per cent (10.6). Return on average capital employed amounted to 4.2 per cent (11.7).

Investments

In 2016, the Group's acquisitions of operations and companies amounted to SEK 29.5 million (226.5). Investments in intangible assets and property, plant and equipment amounted to SEK 43.6 million (13.5).

¹ Adjusted for exchange rate effects, the organic growth was SEK -9.3 million.

² Adjusted for exchange rate effects, the organic growth was SEK 37.0 million.

³ Adjusted for exchange rate effects, the organic growth was SEK 5.3 million.

Cash flow from operating activities and financial position

Cash flow from operating activities before changes in working capital totalled SEK 49.5 million (73.4). Cash flow after changes in working capital amounted to SEK 41.2 million (42.5). Available cash and cash equivalents for the Group at the end of the year amounted to SEK 64.9 million compared to SEK 108.8 million at the beginning of the year. The cash flow change is a result of the reorganisation measures conducted in Sweden during the fourth quarter of 2016, a larger proportion of fixed price contracts with fixed payment terms based on delivery, and development projects mainly in the Embrig segment which have been activated.

Comparison between 2015 and 2014

Figures in parentheses refer to the corresponding period in the previous year.

Net sales

In 2015, consolidated net sales amounted to SEK 1,875.5 million (1,711.5), which corresponds to a growth of 9.6 per cent of which 7.4 per cent was organic. The growth is attributable to a better development of the billing ratio and the acquisitions of mainly Orbion Consulting AB in the Swedish segment and Embrig AS in the Rejlers Embrig segment. Of the total sales increase of SEK 164 million, SEK 142.9 million was acquired.

Operating profit

In 2015, the consolidated operating profit amounted to SEK 71.0 million, an increase of 46.0 per cent compared with the previous year's operating profit of SEK 48.6 million. The operating margin amounted to 3.8 per cent (2.8). The operating profit includes non-recurring items, including integration of acquisitions through a decrease of the billing ratio and the dissolution of project reserves. Acquisition expenses of SEK 2.1 million were charged to operating profit for the year compared with SEK 0.3 million in 2014, which were recognised as other external expenses in the consolidated income statement.

Rejlers Sweden

In 2015, net sales amounted to SEK 1,099.0 million, compared with SEK 1,059.4 million in the preceding year. Of the growth of SEK 39.6 million (corresponding to 3.7 per cent), SEK 50.5 million or a growth of 2.7 per cent was related to acquisitions, which means that the organic growth amounted to SEK -10.9 million (corresponding to -1.0 per cent).

Operating profit declined from SEK 59.9 million to SEK 51.4 million, which means an earnings growth of -14 per cent and an operating margin for the year of 4.7 per cent (5.7).

Rejlers Sweden had a weak workload toward year-end mainly due to low demand from the industrial sector, especially from mechanical engineering and the nuclear power industry, which impacted earnings negatively.

Rejlers Finland

In 2015, net sales amounted to SEK 336.4 million, compared with SEK 293.2 million in the preceding year. Of the growth of SEK 43.2 million (corresponding to 14.7 per cent), SEK 9.8 million or a growth of 3.3 per cent was related to acquisitions, which means that the organic growth amounted to SEK 33.4 million (corresponding to 11.4 per cent).⁴

Operating profit increased from SEK 14.2 million to SEK 18.9 million, which means an earnings growth of 33 per cent and an operating margin for the year of 5.6 per cent (4.8).

The transport sector has improved. Rejlers enjoys good growth in the infrastructure segment. Telecoms operations are growing and Rejlers assignments within network planning and network design for both fixed and mobile networks cover the entire Nordic region, which had a positive impact on the billing ratio and earnings.

Rejlers Norway

In 2015, net sales amounted to SEK 298.5 million, compared with SEK 305.5 million in the preceding year. Of the growth of SEK -7.0 million (corresponding to -2.3 per cent), SEK 0.0 million or a growth of 0.0 per cent was related to acquisitions, which means that the organic growth amounted to SEK -7.0 million (corresponding to -2.3 per cent).⁵

Operating profit/loss increased from a loss of SEK 25.6 million to a profit of SEK 3.5 million, which means an earnings growth of 113.7 per cent and an operating margin for the year of 1.2 per cent (neg.).

The investments in the Norwegian market developed positively in 2015. New projects and new agreements in ICT/Telecom entailed a higher billing ratio and better operating profit compared with 2014. In addition, earnings were positively impacted by changed conditions regarding the calculation of defined-benefit pensions regarding 2014 in an amount of SEK 3.7 million.

Rejlers Embrig

In 2015, net sales amounted to SEK 151.3 million, compared with SEK 70.8 million in the preceding year. Of the growth of SEK 80.5 million (corresponding to 113.7 per cent), SEK 82.6 million or a growth of 116.7 per cent was related to acquisitions, which means that the organic growth amounted to SEK -2.1 million (corresponding to -3.0 per cent).⁶

Operating profit declined from SEK 15.3 million to SEK 9.3 million, which means an earnings growth of -39 per cent and an operating margin for the year of 6.1 per cent (21.6).

At the end of 2015, 90.5 per cent of the shares in Embrig AS were acquired, which entailed an increase in sales, but with a somewhat lower margin due to cost invoicing of hardware. In addition, operations in Sweden lost an agreement with a major customer, which entailed a somewhat lower margin.

Profit after financial items

Profit after financial items increased by 60.0 per cent to SEK 71.8 million (44.9) in 2015, corresponding to a profit margin of 3.8 per cent (2.6). Net financial items for the Group amounted to an income of SEK 0.8 million (-3.7). At the end of 2015, interest-bearing liabilities for the Group amounted to SEK 280.8 million compared with SEK 107.0 million at the beginning of 2015. The average interest rate during the year amounted to 1.1 per cent (2.7). The net financial items also include exchange-rate gains and losses.

Tax

In 2015, the tax expense amounted to SEK 20.6 million (11.0), corresponding to a tax rate of 28.7 per cent (24.5).

Equity/assets ratio and return

The Group's equity/assets ratio at the end of 2015 was 41.7 per cent (46.8). Equity amounted to SEK 516.5 million (441.4).

In 2015, return on average equity amounted to 10.6 per cent (8.5). Return on average capital employed amounted to 11.7 per cent (9.4).

Investments

In 2015, the Group's acquisitions of operations and companies amounted to SEK 226.5 million (17.8). Other investments totalled SEK 13.5 million (11.5) divided mainly between office equipment and servers.

Cash flow from operating activities and financial position

Cash flow from operating activities before changes in working capital totalled SEK 72.9 million (64.6). Cash flow after changes in working capital amounted to SEK 41.9 million (68.2). Available cash and cash equivalents for the Group at the end of the year amounted to SEK 108.8 million compared to SEK 89.8 million at the beginning of the year. The cash flow change is a result of the reorganisation measures conducted in Sweden during the fourth quarter of 2016, a larger proportion of fixed price contracts with fixed payment terms based on delivery, and development projects mainly in the Embrig segment which have been activated.

⁴ Adjusted for exchange rate effects, the organic growth was SEK 23.5 million.

⁵ Adjusted for exchange rate effects, the organic growth was SEK 12.6 million.

⁶ Adjusted for exchange rate effects, the organic growth was SEK -2.1 million.

Comparison between 2014 and 2013

Figures in parentheses refer to the corresponding period in the previous year.

Net sales

In 2014, consolidated net sales amounted to SEK 1,711.5 million (1,464.7), which corresponds to a growth of 17 per cent of which 9 per cent was organic, driven mainly by a good development in the operations for Energy and Building and property. Of the total sales increase of SEK 246.8 million, SEK 235.4 million was acquired. Adjusted for exchange rate effects, the organic growth was 1.3 per cent.

Operating profit

Operating profit decreased during the year by -26 per cent to SEK 48.6 million (66.0). The operating margin thereby amounted to 2.8 per cent compared to 4.5 per cent in the same period the preceding year. The expenses were charged to the period's operating profit in connection with the change in managing director, revaluation of associated companies and lower costs through changed conditions for the calculation of defined-benefit pensions, SEK 3.7 million compared to SEK (-) million in the preceding year.

Rejlers Sweden

In 2014, net sales amounted to SEK 1,159.4 million, compared with SEK 976.6 million in the same period the preceding year. Of the growth of SEK 82.8 million (corresponding to 8.5 per cent), SEK 21.7 million or a growth of 2.2 per cent was related to acquisitions, which means that the organic growth amounted to SEK 61.1 million (corresponding to 6.3 per cent).

Operating profit increased from SEK 68.5 million in 2013 to SEK 74.9 million in 2014, which means an earnings growth of 9.3 per cent and an operating margin for the period of 6.5 per cent (6.6).

Rejlers Finland

In 2014, net sales amounted to SEK 293.2 million, compared with SEK 283.2 million in the in the same period the preceding year. Of the growth of SEK 13.0 million (corresponding to 4.6 per cent), SEK 12.0 million or a growth of 4.2 per cent was related to acquisitions, which means that the organic growth amounted to SEK -2.0 million (corresponding to -0.7 per cent).⁷

Operating profit increased from SEK 11.1 million in 2013 to SEK 13.6 million in 2014, which means an earnings growth of 22.5 per cent and an operating margin for the period of 4.6 per cent (3.9).

Rejlers Norway

In 2014, net sales amounted to SEK 305.5 million, compared with SEK 151.9 million in the year-before period. Of the growth of SEK 153.6 million (corresponding to 101 per cent), SEK 201.7 million or a growth of 132.8 per cent was related to acquisitions, which means that the organic growth amounted to SEK -48.1 million (corresponding to -31.7 per cent).⁸

Operating profit/loss decreased from SEK 16.9 million in 2013 to a loss of SEK 25.6 million in 2014, which means an earnings growth of -251 per cent and an operating margin for the period of negative per cent (11.1). The decline in profit is mainly a result of reservations made in the Norwegian operation regarding risk projects.

Rejlers Embriq

In 2014, net sales amounted to SEK 70.8 million, compared with SEK 56.0 million in the same period the preceding year. Of the growth of SEK 14.8 million (corresponding to 26.4 per cent), SEK 0.0 million or a growth of 0.0 per cent was related to acquisitions, which means that the organic growth amounted to SEK 14.8 million (corresponding to 26.4 per cent).⁹

Operating profit increased from SEK 11.3 million in 2013 to SEK 15.3 million in 2014, which means an earnings growth of 35.4 per cent and an operating margin for the period of 21.6 per cent (20.2).

Profit after financial items

Profit after financial items decreased by -29.5 per cent to SEK 44.9 million (63.7), compared with the same period the preceding year, corresponding to a profit margin of 2.6 per cent (4.4). Net financial items for the Group amounted to an expense of SEK -3.7 million (-2.3) through increased borrowing due to acquisitions.

Tax

In 2014, the tax expense amounted to SEK 11.0 million (13.0), corresponding to a tax rate of 24.5 per cent (20.4).

Equity/assets ratio and return

The Group's equity/assets ratio at the end of the period was 46.8 per cent (40.7). Equity amounted to SEK 441.6 million (355.6).

In 2014, return on average equity amounted to 8.5 per cent (14.7). Return on average capital employed amounted to 9.4 per cent (14.3).

Investments

The Group's acquisitions of operations and companies amounted to SEK 17.8 million (69.4). Other investments totalled SEK 11.5 million (15.3) divided between intangible assets and property, plant and equipment.

Cash flow from operating activities and financial position

Cash flow from operating activities before changes in working capital totalled SEK 64.6 million (62.1). Cash flow after changes in working capital amounted to SEK 68.2 million (20.0). Available cash and cash equivalents for the Group at the end of the period amounted to SEK 89.8 million compared to SEK 49.0 million at the beginning of the period. The cash flow change is mainly a result of the reservations made in the Norwegian operation regarding risk projects. These reservations have affected the profit, but have not been reflected in the cash flow.

At the end of the period, interest-bearing liabilities for the Group amounted to SEK 106.9 million compared with SEK 203.7 million at the end of the same period the preceding year.

⁷ Adjusted for exchange rate effects, the organic growth was SEK 1.0 million.

⁸ Adjusted for exchange rate effects, the organic growth was SEK -45.3 million.

⁹ Adjusted for exchange rate effects, the organic growth was SEK 14.8 million.

Capital structure and other financial information for Rejlers

The tables in this section present Rejlers' capital structure at the Group level as at 31 December 2016. See the section *Share capital and ownership structure* for further information on, amongst other things, the Company's share capital and shares. The tables in this section should be read together with the section *Comments on financial development* and Rejlers' financial information, with associated notes. Only interest-bearing liabilities are presented. As at 31 December 2016, the Company has no contingent liabilities or pledged assets.

Equity and liabilities

Rejlers is financed with equity and liabilities where a part of the liabilities is comprised of bank loans. Rejlers' capitalisation as at 31 December 2016 is presented below.

(SEK million)	31 december 2016
Total current interest-bearing liabilities	
Against guarantee or surety	-
Against collateral*	133.4
Without guarantee/surety or collateral	-
Total non-current interest-bearing liabilities	
Against guarantee or surety	-
Against collateral*	155.0
Without guarantee/surety or collateral	-
Equity	
Share capital	25.8
Other capital contributed	209.7
Reserves/exchange-rate differences	-0.4
Accumulated profit including profit for the year	301.1
Non-controlling interests	16.0
Total equity	552.2

* Assets pledged to banks consisting of floating charges totalling SEK 133.4 million and SEK 155.0 million, respectively.

Net debt

Rejlers' net debt as at 31 December 2016 is presented below.

(SEK million)	31 december 2016
(A) Cash	64.9
(B) Cash equivalents	-
(C) Easily sellable securities	-
(D) Total liquidity (A)+(B)+(C)	64.9
(E) Current receivables	-
(F) Current bank liabilities	100.0
(G) Current component of non-current liabilities	28.3
(H) Other current liabilities	5.1
(I) Total current liabilities (F)+(G)+(H)	133.4
(J) Net current debt (I)-(E)-(D)	68.5
(K) Non-current bank loans	148.4
(L) Bonds issued	-
(M) Other non-current loans	27.3
(N) Non-current debt (K)+(L)+(M)	175.7
(O) Net debt (J)+(N)	244.2

As at 31 December 2016, Rejlers' financial net debt amounted to SEK 244.2 million. Of Rejlers' long-term financing, SEK 28.3 million will fall due for payment within twelve months, counted from 31 December 2016. This constitutes Rejlers' current financial debt.

As at 31 December 2016, Rejlers' non-current financial liabilities amounted to SEK 175.7 million.

As at 31 December 2016, Rejlers' loans against collateral amounted to SEK 288.4 million, consisting of floating charges.

In 2016, Rejlers' non-current interest-bearing liabilities decreased by SEK 22.5 million, primarily through repayment.

Since 1 January 2017, Rejlers' equity has, among other things, been impacted by the profit for the period and exchange rate differences that arise when the Group's foreign net assets are translated to SEK. In addition, a repayment of a credit facility of SEK 50 million to SEB took place on 5 January 2017. In addition to the aforementioned, no material changes took place with regard to Rejlers' equity or debt since 31 December 2016.

Information on working capital

In the past five-year period, Rejlers working capital, measured as current assets less current liabilities in relation to sales, amounted to approximately five per cent. The tendency has been that the working capital requirement has been relatively stable in the past five-year period. In connection with the acquisition of Rejlers Embriq AS and the larger proportion of project related assignments in all of Rejlers' consulting activities, the working capital requirement has increased somewhat in the past year as a result of higher volatility in the project operations based on the project work being divided into different phases with payment after completion of the respective phase. In addition, the working capital requirement is affected by seasonal variations regarding the number of working days between quarters and years and a generally lower number of billed hours during the holiday periods.

Statement regarding working capital

Rejlers considers that the existing working capital for the current needs is adequate for the next twelve months.

Investments

Rejlers' total investments in 2013-2016 are summarised in the table below. Thus far in 2017, the Company has not made any investments of significance. The ordinary investments mainly consist of office equipment and servers as well as internal development of IT platforms, for example Quant.

	2016	2015	2014	2013
Investments (SEK million)	Full year	Full year	Full year	Full year
Investments in property, plant and equipment	9.8	9.5	10.1	4.7
Sale of property plant and equipment	-	-	-	-
Investments in intangible assets	33.8	4.0	1.4	10.6
Investments in subsidiaries and businesses, excl. cash and cash equivalents	29.5	225.9	-17.8	69.4
Number of acquisitions	3	7	2	6

Strategic acquisitions are an integrated part of Rejlers' strategy for growth. During the period from 1 January 2013 to 31 December 2016, a total of 17 operations were acquired. Total investments (excluding cash and cash equivalents) in business acquisitions amounted to SEK 69.4 million in 2013, SEK -17.8 million in 2014, SEK 225.9 million in 2015 and SEK 29.5 million in 2016. For more detailed information about the significant acquisitions, refer to the section *Legal issues and additional information* in this Prospectus.

During the period 1 January 2013 to 31 December 2016, Rejlers' investments excluding business acquisitions amounted to SEK 84.1 million and consisted mainly of office equipment and servers as well as internal development of IT platforms. On-going investments are mainly allocated to ICT/Telecom and Rejlers Embriq. No major future investment projects have been decided on except the establishment of a small data centre in Sweden concerning the Rejlers Embriq segment for operation and monitoring. Investments have been financed through cash flows from operating activities and in the scope of existing credits.

Intangible assets

Rejlers intangible assets consist of e.g. goodwill, customer values and capitalised expenses for software development. As of 31 December 2016, intangible assets amounted to SEK 554.4 million (SEK 495.2 million). For further information on intangible assets, see Notes 9-12 in Rejlers' Annual Report 2015.

	2016	2015	2014	2013
Intangible assets (SEK million)	Full year	Full year	Full year	Full year
Goodwill	432.6	395.4	262.6	248.6
Customer values	79.4	79.1	57.5	45.0
Other intangible assets	42.4	20.7	7.6	9.9

Property, plant and equipment

Rejlers' property, plant and equipment consist primarily of office equipment and servers. Property, plant and equipment amounted to SEK 37.5 million as of 31 December 2016 (SEK 36.2 million). There are no environmental factors that affect the use of the Company's property, plant and equipment.

Trends in 2016 and 2017

Rejlers Sweden

Rejlers Sweden has been affected by a lower demand in certain parts of industry and in 2015, a transition of the operation began by a reduction of the industry section and an expansion in the segments of energy, construction, infrastructure and IT. As a part of this transition, a total of around 115 employees were terminated in the industrial segment during 2016. The coverage rate as a whole increased in the second half of 2016, which is an effect of measures taken and intensified sales activities. Rejlers Sweden sees indications that this trend will continue in 2017. Demand for the Company's services remains strong and shows no signs of weakening in 2017.

Rejlers Finland

In 2016, Rejlers Finland was negatively impacted by weak coverage in the industry sector and delays of large building projects. Efficiency improvements were conducted in the industry sector in the first quarter of 2016 and showed positive effect on profitability as early as the second quarter. The market situation has generally developed positively in Finland in recent months except in some parts of the industrial operations. This, together with changes in the labour legislation as of 1 January 2017 with the implication that working hours were extended by 0.5 hours per employee and week, is expected to have a positive effect on the profitability of Rejlers Finland in the coming year.

Rejlers Norway

Rejlers Norway developed well in terms of sales in 2016, but with a weak profitability as a result of high start-up costs in a number of major projects and a weak development mainly in the railway and ICT/Telecom area. The Company initiated a programme of measures at the beginning of 2016, which intensified in the fourth quarter. The demand for Rejlers' services in the building and construction area and the energy area increased during the year. This, together with a renegotiation of an important ICT/Telecom agreement at the beginning of 2017, is expected to have a significant effect on profitability in the upcoming year.

Rejlers Embriq

Rejlers Embriq showed strong growth in 2016 and with its high market share in Norway has a good foundation for further development in the Nordic countries. Profitability is expected to remain at single-digit margins in the upcoming year, as a result of continued high hardware sales in the form of remotely read electrical meters. Rejlers is now conducting a strategic initiative in the digitisation of infrastructure and the smart handling of large amounts of data through the development of digital solutions in the energy sector. Smart grids are now being rolled out on a large scale and this, together with the launch of Connected Stores in the third quarter of 2016, is expected to drive continued strong demand for Rejlers Embriq in the next few years.

Significant changes since 31 December 2016

On 5 January 2017, a credit facility of SEK 50 million, which was entered into with SEB on 14 November 2016 was repaid.

Rejlers' board of directors decided on 8 February 2017, subject to the General Meeting's subsequent approval, to increase the Company's share capital through a new share issue of approximately SEK 202 million with preferential rights for Rejlers' shareholders. The board of directors' decision was approved at an Extraordinary General Meeting on 13 March 2017.

Otherwise, no significant changes have occurred in Rejlers' financial position or position on the market.

Board of directors, group management and auditor

Board of directors and group management

According to Rejlers' Articles of Association, the board of directors shall consist of at least three (3) and at most nine (9) members appointed by the General Meeting and at most five (5) deputy members. The board of directors currently consists of six (6) members elected by the 2016 Annual General Meeting for the period until the end of the 2017 Annual General Meeting and two (2) employee representatives and one (1) deputy employee representative. Rejlers' board of directors has appointed a Managing director. The section below provides a presentation of Rejlers' board of directors and group management.

Board members

IVAR VERNER

Chairman of the board since 2014, board member since 2010

Born: 1947

Education: Graduate in economics

Professional experience: Former authorised public accountant and chairman of Grant Thornton Sweden AB.

Other on-going assignments: Chairman of the board of directors of Valsättra Villan AB, Konditori Solsidan Aktiebolag, Valsättra Exploaterings AB, Firren AB, Welcome Hotel i Sverige Aktiebolag, Constrera Projektutveckling AB, Norrländska Gruppbestäder AB, Norrländska Gruppbestäder Holding AB, ERLANDSONS BRYGGA Aktiebolag, Erlandsons Brygga Sickla AB, Centrum Fastigheter i Norrtälje AB, Ljungström & Andersson Invest AB, Tegnér & Son AB and EB Finans AB. Board member of Valsättra Tomter AB, Förvaltningsaktiebolaget Kanalen, BioArctic AB, Constrera AB, Svenska Vårdfastigheter AB, Verner & Partners Förvaltning AB, Verner & Partners AB, Casa Firmus AB, Bostadsrättsföreningen Ripan Jungfrugatan and Bostadsrättsföreningen Hamnhus 1 i Norrtälje. Deputy board member in Birgitta Verner Förvaltning AB. Full partner in Verner & Partners i Stockholm Kommanditbolag.

Earlier assignments (last five years): Chairman of the boards of Ljungström & Andersson Fastigheter Solna AB, SpineMedical AB, Norrforsen Kolar-torp 1:84 AB, DINAMI VÄRME & VATTEN AB, SpineMedical Sverige AB and Framtidsbolaget i Norrtälje AB. Board member of Forex Bank Aktiebolag, Riksmalmen i Stockholm AB, Riksmalmen i Norrtälje AB, Centrumutveckling Sverige AB and Ivar Verner Förvaltning AB. Managing director of Norrländska Gruppbestäder Holding AB. Receiver in liquidation of Georg Helenius Construction Aktiebolag, Restaurang Den Svarta Foten Aktiebolag, Hollytree Förvaltning AB, Grönhögen Förvaltning AB, IS Invest AB and Ivar Verner Förvaltning AB.

Independent in relation to Rejlers and its senior executives: Yes.

Independent in relation to major shareholders: Yes.

Holdings of shares in Rejlers: 5,000 class B shares.

PETER REJLER

Board member since 2010, managing director since 2014

Born: 1966

Education: Master of Science in Engineering

Professional experience: Managing director of Rejlers between 1999 and 2012. Chairman of the board between 2012 and 2014.

Other on-going assignments: Chairman of the boards of Rejlers Sverige AB, ComIT Rejlers AB, Rejlers Energitjänster AB and Rejlers Energiprojekt AB. Board Member of Brf Orren 2. Deputy board member of Jangunnar AB.

Earlier assignments (last five years): Chairman of the boards of GKS Drift AB and Rejlers TeleCom Consulting AB. Board member of Rejlers Drift och Underhåll AB, FBN Sweden Service AB, Råbe Industri Konsult i Västerås

AB, Sonika AB, Råbe Industri Konsult i Helsingborg AB, P. ushkin Holding AB, Råbe Industri Konsult i Göteborg AB, 5R Holding AB, Mirakelbolaget AB and Råbe Industri Konsult i Örnsköldsvik AB. Managing director of Rejlers Sverige AB. Deputy board member of GuVi Fastigheter i Växjö AB. **Independent in relation to Rejlers and its senior executives:** No. **Independent in relation to major shareholders:** No. **Holdings of shares in Rejlers:** 911,250 class A shares and 2,500 class B shares.

JAN SAMUELSSON

Board member since 2010

Born: 1950

Education: Graduate in economics and electric power engineer

Professional experience: Many years of experience in the energy sector, former CEO of Lunds Energikoncernen AB.

Other on-going assignments: Chairman of the boards of Sockerbil 6347 AB, Sockerbil 0510 AB, Energiforsk AB and Föreningen Värmeforsk. Board member of Brittedals Kraftproduktion Aktiebolag, Brittedals Elnät Ekonomisk förening, Brittedals Energi Aktiebolag, Stena Renewable AB and Drhorace AB. Board member and managing director of JS Advice AB.

Earlier assignments (last five years): Chairman of the boards of Eslöv Lund Kraftvärmeverk AB and Krafringen Produktion AB. Board member of KFS Företagsservice Aktiebolag, Elbolaget i Norden AB, Modity Energy Management AB, Krafringen Energihandel Förvaltning AB, Pilum AB, Modity Energy Trading AB, and Brittedals Elnät AB. Managing director of Krafringen Energi AB (publ) and Krafringen AB.

Independent in relation to Rejlers and its senior executives: Yes.

Independent in relation to major shareholders: Yes.

Holdings of shares in Rejlers: 1,400 class B shares.

THORD WILKNE

Board member since 2007

Born: 1943

Education: Economist

Professional experience: Founder of WM-data, extensive experience within the IT sector.

Other on-going assignments: Chairman of the board of Wilgot AB. Board member of Wilma Aktiebolag, Addnode Group Aktiebolag (publ), Grand Tours AB, Tour Operators WE Travel Group AB, AcelQ AB, Silver Life AB, Asia Growth Capital Management AB and Brf Djursborg 11. Partner in TMG INTRESSENER HANDLSBOLAG.

Earlier assignments (last five years): Chairman of the board of Wilgot Trio Aktiebolag. Board member of Kinaresor Draken AB, Trygga Hem Skandinavien AB (publ), Intellecta AB, Temagruppen Sverige AB, United Stage Holding AB, Grant Thornton Sweden AB, Lindebergs Intressenter Aktiebolag and DIBS Payment Services AB (publ).

Independent in relation to Rejlers and its senior executives: Yes.

Independent in relation to major shareholders: Yes.

Holdings of shares in Rejlers: 200,000 class B shares.

HELENA NORDMAN-KNUTSON

Board member since 2014

Born: 1964

Education: Graduate in economics and political science

Professional experience: Long background as a telecom analyst. Senior Director and Partner at Hallvarsson & Halvarsson.

Other on-going assignments: Board member of Alimak Group AB (publ), CHR Bygga Bostäder Holding AB and CLX Communications AB (publ). Partner at Hallvarsson & Halvarsson.

Earlier assignments (last five years): Board member of Sensys Gatso Group AB, Transmode Systems AB and Transmode AB.
Independent in relation to Rejlers and its senior executives: Yes.
Independent in relation to major shareholders: Yes.
Holdings of shares in Rejlers: –

ANNIKA STEIBER

Board member since 2016

Born: 1968

Education: PhD

Professional experience: Founder and managing director of INNOWAY, former consultant and marketing director.

Other on-going assignments: Chairman of the board of A.S. MANAGEMENT INSIGHTS AB. Board member of Silicon Vikings. Managing Director of Berkeley Research Group.

Earlier assignments (last five years): Member of the boards of the Swedish-American Chamber of Commerce in San Francisco and Space Travel Alliance. Deputy board member of Slutplattan OKRPA 93617 AB.

Independent in relation to Rejlers and its senior executives: Yes.

Independent in relation to major shareholders: Yes.

Holdings of shares in Rejlers: –

BJÖRN LAUBER (employee representative)

Board member since 2000

Born: 1965

Education: Undergraduate engineer, graduate in economics

Professional experience: Automotive and telephony manager at Rejlers. Employed in the Group since 1990.

Other on-going assignments: –

Earlier assignments (last five years): –

Holdings of shares in Rejlers: –

STEN PETTERSSON (employee representative)

Board member since 2011

Born: 1970

Education: Undergraduate qualification in engineering

Professional experience: Previously employed as a consultant at Convedent and Novotek.

Other on-going assignments: Deputy board member of Scandinavian Air Filtration AB.

Earlier assignments (last five years): –

Holdings of shares in Rejlers: 700 class B shares.

TORE GREGORSSON (deputy employee representative)

Deputy board member since 2016

Born: 1959

Education: Undergraduate qualification in engineering

Professional experience: Formerly employed as a technical consultant at IKAB. Assignment manager in energy.

Other on-going assignments: –

Earlier assignments (last five years): –

Holdings of shares in Rejlers: –

Group Management

PETER REJLER

Managing director, CEO and board member

See information above

JONAS THIMBERG

Managing director of Rejlers Sverige AB since 2016

Born: 1967

Education: Undergraduate qualification in engineering

Professional experience: Formerly deputy managing director and division head at Rejlers Sverige AB and business unit manager at KM Elteknik AB (now WSP Systems).

Other on-going assignments: Board member of Rejlers Energiprojekt AB.

Earlier assignments (last five years): Board member of Rejlers Energitjänster AB and Rejlers TeleCom Consulting AB.

Holdings of shares in Rejlers: 946 class B shares.

SEPPO SORRI

Managing director of Rejlers OY since 2007

Born: 1966

Education: Master of Science in Production Technology

Professional experience: Formerly office manager and division head at Pöyry.

Other on-going assignments: Chairman of the board of Sähköinsinööri Matti Leppä Oy.

Earlier assignments (last five years): –

Holdings of shares in Rejlers: –

MORTEN THORKILDSEN

Managing director of Rejlers Norge AS since 2013

Born: 1961

Education: Bachelor of Business Administration, MBA

Professional experience: Former Country General Manager for IBM's Norwegian operations.

Other on-going assignments: Chairman of the boards of Itera ASA and Rejlers Elsikkerhet AS. Board member of Rejlers Norge AS and Rejlers Embriq AS.

Earlier assignments (last five years): –

Holdings of shares in Rejlers: –

THOMAS PETTERSEN

Managing director of Rejlers Embriq AS since 2010

Born: 1975

Education: Master of Science in Engineering

Professional experience: Former CIO and investment manager of the Hafslund Group.

Other on-going assignments: Chairman of the board and managing director of T.Pettersen Holding AS. Board member of Rejlers Embriq AS, Berggård Amundsen & Co AS and Dataforeningen.

Earlier assignments (last five years): –

Holdings of shares in Rejlers: –

MATS ÅSTRÖM

Chief financial officer since 2014¹

Born: 1965

Education: Graduate in economics

Professional experience: Former chief financial officer of Prevas AB and Danir AB.

Other on-going assignments: Chairman of the board of MKE Management AB. Board member of Rejlers Energitjänster AB, Rejlers Energiprojekt AB and Amfla AB. Deputy board member of Råbe Industrikonsult i Göteborg AB.

¹ As communicated in a press release on 17 November 2016, Mats Åström will be withdrawing from his position as chief financial officer of Rejlers. Rejlers has commenced the process of appointing a new chief financial officer.

Earlier assignments (last five years): Chairman of the boards of Prevas Development AB and Prevas Consulting AB. Board member of Avantel Aktiebolag, Prevas International AB, Prevas Technology AB, AutSyde AB, Prevas Gävle AB and Materials Technology Economy Know-how Sweden AB. Deputy managing director of Prevas Aktiebolag. Deputy board member of PREVAS TECHNOLOGY WEST AB. Receiver in liquidation in Brallarn AB. Holdings of shares in Rejlers: 500 class B shares.

MIKAEL SCHMIDT

HR director since 2007

Born: 1958

Education: Bachelor of Science in Human Resource Science

Professional experience: Former HR manager at WM-data and Stora Enso.

Other on-going assignments: Deputy board member of Bostadsrättsföreningen Uppland 8.

Earlier assignments (last five years): Board member of Rejlers Sverige AB.

Holdings of shares in Rejlers: 400 class B shares.

MATS REHNQVIST

CIO since 2015

Born: 1965

Education: Bachelor of Science in Social Sciences, Computer Science and Business Administration.

Professional experience: Former CIO at Anticimex.

Other on-going assignments: Board member of Rejlers Embriq AS.

Earlier assignments (last five years): –

Holdings of shares in Rejlers: –

THOMAS REBERMARK

Director of marketing and communications since 2016

Born: 1964

Education: Marketing economist

Professional experience: Former Marketing Director at Assemblin AB and consultant in marketing.

Other on-going assignments: –

Earlier assignments (last five years): Board member of Rebermark

Consulting AB, Bostadsrättsföreningen Strandparken Kungsholmen and Bostadsrättsföreningen Gömma Ringen 8.

Holdings of shares in Rejlers: 111 class B shares.

Auditor

At the 2016 Annual General Meeting, the registered public accounting firm Deloitte AB (113 79 Stockholm) was elected to be the auditor for a period of four (4) years. The auditor-in-charge is Birgitta Löf (authorised public accountant and member of FAR – the trade association for accountants, auditors and advisors). Deloitte AB has been Rejlers auditor since May 2013 and Birgitta Löf has been the auditor-in-charge in Rejlers since May 2013. Deloitte AB has been the auditor for the whole period covered by the historical financial information in this Prospectus.

Other information regarding the board and group management

The Company's board of directors and management can be reached through the Company's office address, Lindhagensgatan 126 in Stockholm. None of the above board members or senior executives have any family ties to another board member or senior executive in the Company. Thomas Pettersen, managing director of Rejlers Embriq AS, owns, through companies, around 2.4 per cent of the shares in Rejlers Embriq AS. The Company and Thomas Pettersen, together with the other minority shareholders in Rejlers Embriq AS, have entered into a shareholders' agreement whereby the shareholders' mutual relationships are regulated. In addition to this, there are no conflicts of interest or potential conflicts of interest through which the private interests of board members or senior executives would conflict with the interests of the Company (although several board members and senior executives have some financial interests in the Company

as a result of their shareholdings in the Company). In addition to that stated in the section *Salaries and benefits to the board and senior executives*, no company in the Group has entered into an agreement with board members or senior executives regarding benefits after the assignment was concluded.

No board member or senior executive has been convicted in any fraud-related case in the past five (5) years. In 2016, Jonas Thimberg was ordered to pay a penal charge equivalent to a standard fine of ten (10) per cent of the securities' acquisition cost to the Swedish Financial Supervisory Authority for delayed reporting of shareholdings for insiders. Beyond this, no board member or senior executive has been subject to any allegation and/or sanction by authorities empowered by law or ordinance (including approved professional associations) in the past five (5) years. Nor has any board member or senior executive been prohibited by a court in the past five (5) years to be a member of a company's administrative, management or control bodies or from holding senior or overall functions with a company.

Except for that stated below, no board member or senior executive has been involved in any bankruptcy, liquidation or bankruptcy administration in the past five (5) years. The chairman of the board Ivar Verner was a board member in the company Centrumutveckling Sverige AB when it entered bankruptcy (the bankruptcy was concluded on 16 March 2016). The marketing and communication director Thomas Rebermark was a board member in the company Rebermark Consulting AB until two months before it entered bankruptcy (the bankruptcy was concluded on 25 April 2015).

Insofar as the board of directors is aware, there have been no special agreements with major shareholders, customers, suppliers or other parties, according to which board members, senior executives or the auditor have been elected or appointed.

According to the Swedish Corporate Governance Code, more than half of the board members elected by the General Meeting shall be independent relative to the Company and group management. This rule does not include employee representatives. There is no generally accepted definition of the term "independent", but a board member's independence may, for example, be called into question if he or she, directly or indirectly, has extensive business ties or other extensive financial dealings with the Company. A collective assessment of a board member's relationship to the Company shall be done in every individual case. Peter Rejler is the managing director of the Company. In light of this, Peter Rejler has been considered to be dependent in relation to the Company and group management. All other board members have been considered to be independent in relation to the Company and group management.

The Swedish Corporate Governance Code also requires that at least two of the board members elected by the General Meeting that were considered independent in relation to the Company and group management are also independent in relation to the Company's major shareholders. As defined in the Swedish Corporate Governance Code, major shareholders are shareholders who directly or indirectly control ten (10) per cent or more of the shares or votes in the Company. A board member is not considered to be independent in relation to the Company's major shareholders if he or she is employed by or a board member of a company that is a major shareholder. In the assessment of whether a board member is independent in relation to a major shareholder, the scope of the board member's direct or indirect relationship to the major shareholder shall be taken into account. Peter Rejler has been considered to be dependent in relation to the Company's major shareholders. The other board members elected by the General Meeting have been considered to be independent both in relation to the Company's major shareholders and to the Company and group management. Consequently, more than two (2) of the board members elected by the General Meeting are also independent in relation to the Company's major shareholders. The Company thereby meets the rules in the Swedish Corporate Governance Code regarding the board of directors' independence from the Company, group management and the Company's major shareholders.

Salaries and benefits to the board of directors and senior executives

Remuneration to the board of directors

Board remunerations as decided by the Annual General Meeting are payable to the chairman of the board and board members elected by the General Meeting who are not employed in Rejlers. Remuneration to Rejlers' current board of directors was approved by the Annual General Meeting on 9 May 2016. The remuneration was set on an annual basis at SEK 370,000 for the chairman and SEK 200,000 for the respective board members not employed in Rejlers. The 2016 Annual General Meeting also resolved that remuneration shall be payable in an amount of SEK 80,000 for the chairman and SEK 50,000 for each of the other members of the board's audit committee and SEK 50,000 for the chairman and SEK 25,000 for other members of the board's project and investment committee. The board members are appointed for the period until the end of the next Annual General Meeting 2017 and the remuneration pertains to the time until then.

General principles for remuneration of group management in Rejlers

Decisions on guidelines for salaries and other remuneration to the managing director and other senior executives are made by the Annual General Meeting following a proposal by the board. The Annual General Meeting on 9 May 2016 resolved in accordance with the board's proposal to adopt the current guidelines.

The Company strives to offer a total remuneration that is reasonable and competitive and thereby manages to attract and retain qualified employees. The total compensation, which varies in relation to the individual's and the Group's performance, may consist of the components stated below.

Fixed salary constitutes the basis for the total remuneration. The salary shall be competitive and reflect the responsibility that the work entails. The fixed salary is revised annually. The variable salary may be based on the Group's earnings growth, profitability or cash flow. The variable part in any year may not exceed 60 per cent of the fixed salary. Retirement pension, sickness benefits and medical benefits shall be designed to reflect the rules and practices on the market. If possible, pensions should be defined contribution pensions. Other benefits may be provided for individual members or the entire group management and designed in accordance with market practice. These benefits may not constitute a significant portion of the total remuneration.

The Company and the managing director are subject to a mutual twelve (12) month period of notice. The Company and other members of group management are subject to a mutual six (6) to twelve (12) month period of notice. In the event of termination by the Company, members of group management are entitled to redundancy payment equivalent to a maximum of twelve (12) months' salary in addition to salary and other employment benefits during the period of notice. No redundancy payment is payable in the event of resignation.

For information on remuneration paid to the current board and group management in the 2016 financial year, see the table below.

Incentive programme

Rejlers has no share-based incentive programmes. However, there are cash-based incentive programmes in the Group. This variable remuneration can among other things be based on the Group's earnings growth, profitability and cash flow, and may amount to a maximum of 60 per cent of the fixed salary.

Agreement on compensation after the end of employment

In addition to that stated above, the Company has not entered any agreement with a member of the Company's administrative, management or control bodies that provide such a member the right to pension or similar benefits after withdrawal from service. The Company's pensions for the board and group management consist solely of defined-contribution pension solutions. Consequently, at the publication of this Prospectus, there are no allocated or accrued expenses for pensions or similar benefits after withdrawal from service.

Compensation paid and other compensation during the period 1 January 2016 to 31 December 2016

The table below presents the amounts disbursed as compensation to elected board members and senior executives (including potentially conditional or deferred remunerations or the like) during the period 1 January 2016 to 31 December 2016, and potential benefits in kind that the Company or its subsidiaries granted for these services rendered for the Group, regardless of the capacity in which the services were rendered and regardless of who rendered the services.

BOARD OF DIRECTORS

SEK	Function	Board remuneration	Remuneration for committee work	Total
Ivar Verner	Chairman	355 000	85 000	440 000
Peter Rejler	Board member, CEO and managing director	-	-	-
Jan Samuelsson	Board member	180.000	67.500	247.500
Thord Wilkne	Board member	180.000	-	180.000
Helena Nordman-Knutson	Board member	180.000	42.500	222.500
Annika Steiber	Board member	100.000	12.500	112.500
Anders Jonsson*	Board member	80.000	-	80.000
Total		1,075,000	207,500	1,282,500

* Anders Jonsson resigned from the board of directors in connection with the Annual General Meeting on 9 May 2016.

GROUP MANAGEMENT

SEK	Fixed salary and other benefits	Variable remunerations	Pension contributions	Total
Managing director and CEO	2,081,391	-	456,278	2,537,669
Other senior executives (8)	12,201,305	591,356	2,353,075	15,145,736
Total	14,282,696	591,356	2,809,353	17,683,405

Corporate governance

Legislation, Swedish Corporate Governance Code and the Articles of Association

Rejlers is a Swedish public limited company and is regulated by Swedish legislation, mainly through the Swedish Companies Act. The Company's class B shares are listed for trade on Nasdaq Stockholm, which is why the Company also applies Nasdaq Stockholm's rules. Lastly, the Company also applies the Swedish Corporate Governance Code. The Swedish Corporate Governance Code should be applied by companies whose shares are listed for trade on a regulated market. The Swedish Corporate Governance Code is a part of the self-regulation in the Swedish business community and builds on the principle of "follow or explain". This means that a company that applies the Swedish Corporate Governance Code can deviate from individual rules, but the company should then provide explanations of the reasons for each deviation.

Besides legislation and rules and recommendations, it is the Articles of Association that form the basis of the Company's operations. The Articles of Association states where the board of directors has its registered office, the business objects, limits on share capital and number of shares, and the conditions to be able to participate in a General Meeting. The most recently registered Articles of Association were approved at the Annual General Meeting on 9 May 2016. The Articles of Association are presented in their entirety in this Prospectus; see the section *Articles of Association*.

General Meeting

The General Meeting is Rejlers highest decision-making body. The Annual General Meeting passes resolutions on the annual report, dividends, election of the board of directors and, where applicable, auditors, remuneration of board members and auditors and other issues in accordance with the Companies Act and the Articles of Association. Further information about the Annual General Meeting and meeting minutes are available on the Company's website. No special arrangements regarding the General Meeting's function due to provisions in the Articles of Association or, insofar as is known to the Company, due to shareholder agreements are applied by the Company.

There are no limitations in the Articles of Association with regard to how many votes each shareholder can place at a General Meeting or with regard to appointment and dismissal of board members or a change to the Articles of Association. Class A shares entitle the holder to ten (10) votes and class B shares entitle the holder to one (1) vote at the General Meeting.

According to the Company's Articles of Association, the notice of the General Meeting shall be made by announcement in *Post- och Inrikes Tidningar* (the Swedish Official Gazette) and on the Company's website. It shall be announced in *Dagens Nyheter* that a notice of the General Meeting has been issued. Prior to each General Meeting, a press release in Swedish and English containing the notice of the General Meeting in its entirety is published on Rejlers website.

Right to participate in the General Meeting and initiative right

Shareholders who five days before the General Meeting are registered in the share register kept by Euroclear and no later than the date stated in the notice of the General Meeting have notified the Company of their intention to attend are entitled to participate in the General Meeting and to vote for the number of shares held. Shareholders may participate in the General Meeting personally or by proxy. Assistants of a shareholder may accompany him or her to the General Meeting if the shareholder registers this in accordance with the procedure that applies for the shareholder's notice to the Company.

Shareholders whose shares are nominee registered with a bank or other nominee must, in addition to informing Rejlers, request that their shares be temporarily registered in their own name in the share register kept by Euroclear in order to be entitled to participate in the General Meeting. Shareholders should inform their nominee well in advance of the record date.

Shareholders who want to have a matter addressed at the General Meeting shall submit such a request in writing to the board of directors no later than seven weeks before the Annual General Meeting. Every shareholder who registers a matter with sufficient advance notice has the right to have the matter addressed at the General Meeting.

Nomination Committee

According to the Swedish Corporate Governance Code, listed companies shall have a nomination committee. The nomination committee is the General Meeting's body for the preparation of the Meeting's resolutions in election and remuneration matters. The nomination committee has the task of, prior to the Annual General Meeting, proposing a board of directors' composition and submitting proposals on the Annual General Meeting chairman, board members, chairman of the board, board fees with a breakdown between the chairman and the other members and possible remuneration for committee work and the election and remuneration of auditors.

The nomination committee's work begins with an evaluation of the current board of directors. When making nominations to the future board of directors, the nomination committee takes into consideration the potential members' strategic skills, education and any other board assignments. The nomination committee also solicits points of view from the major owners.

According to the instructions to the nomination committee that were approved by the Annual General Meeting 2016, the chairman of the board shall annually convene the three largest shareholders in the Company in terms of votes no later than the end of the third quarter and offer each of them the opportunity to appoint a member to the nomination committee. If any of them refrains from appointing a member, the chairman shall ask the next largest shareholder in terms of votes. However, the chairman needs to maximally ask the Company's six (6) largest shareholders in terms of votes. If the nomination committee nonetheless does not consist of at least three (3) members, the nomination committee can itself appoint an adequate number of members.

The nomination committee is responsible for preparing agenda items prior to the 2017 Annual General Meeting consists of Kent Häggglund representing Peter Rejler, Martina Rejler representing Jan Rejler and Johan Lannebo representing Lannebo Fonder

Board of directors

According to the Articles of Association, the board of directors shall consist of at least three (3) and at most nine (9) members and at most five (5) deputy members. The members are elected annually at the Annual General Meeting for the period up until the end of the next Annual General Meeting. There is no limit for how long a board member may sit. Rejlers' board of directors currently consists of board members Ivar Verner, Peter Rejler, Jan Samuelsson, Thord Wilkne, Helena Nordman-Knutson and Annika Steiber, elected at the Annual General Meeting on 9 May 2016. The union organisations appointed Björn Lauber and Sten Pettersson as board members and Tore Gregorsson as a deputy member. Information about the board members is available under the section *Board of directors, group management and auditor*. Besides Peter Rejler, none of the board members are employed or operationally active in Rejlers. Officers in the Company participate in the board meetings as presenters or experts in individual matters as necessary.

The work of the board of directors

The board of directors comprised eight (8) members until the 2015 Annual General Meeting. After the 2015 Annual General Meeting, the board of directors consists of six (6) members. Current members are presented under the section *Board of directors, group management and auditor*. The board of directors held eleven (11) recorded meetings during the 2016 financial year. Representatives from group management and other management personnel

regularly participated in board meetings during the year to discuss issues in their respective areas. In addition to the board meetings mentioned above, the board holds teleconferences for updates on current issues that are not recorded. No board decisions are made during teleconferences.

The board of directors approves Rejlers strategy and objectives, establish policies and ensures effective evaluation of operations and monitors the Company's development and financial situation. The board of directors is also responsible for acquisitions and divestments of operations, major investments, appointments and remuneration of Group management. The board of directors also approves business plans, the annual accounts and monitors the work of the managing director.

The board of directors' rules of procedure

The board of directors has not allocated any specific areas of responsibility internally between its members. In addition to the allocation of responsibility that applies generally under the Swedish Companies Act, the Articles of Association and the Swedish Corporate Governance Code, the board's work is governed by its rules of procedure, which stipulate that the board of directors must:

- In addition to the statutory meeting, hold five (5) ordinary meetings.
- Establish the overarching objectives for the Company's operations and decide on Company's strategy.
- Approve the budget and corresponding long-term plans (including the investment budget).
- Address issues regarding investments and the like in amounts that exceed SEK 15 million where these fall outside the approved investment budget.
- Decide on the purchase and sale of real estate, shares or the acquisition of another company's operations that exceeds SEK 5 million.
- Decide on the formation and capitalization of subsidiaries in amounts that exceed SEK 1 million.
- Appoint an audit committee.
- Appoint a project/investment committee.
- Approve the annual accounts, administration report, interim reports and policies.
- Approve the raising of loans in excess of SEK 5 million.
- Initiate major processes and the settlement of disputes of material significance.
- Other issues of material financial or other significance.

The board of directors' rules of procedure shall be annually evaluated, updated and established. If the board of directors establishes committees among its members, the board of directors' rules of procedure should present which duties and decision rights the board of directors has delegated to the committees and how the committees will report to the board of directors.

Audit, remuneration and project/investment committees

Provisions on the establishment of an audit committee can be found in the Swedish Companies Act and the Swedish Corporate Governance Code, and provisions on the establishment of a remuneration committee are in the Swedish Corporate Governance Code. In its capacity as a listed company, Rejlers applies the provisions in the Swedish Companies Act and the Swedish Corporate Governance Code.

In connection with the statutory board meeting after the 2016 Annual General Meeting, the board of directors appointed an audit committee, comprising Jan Samuelsson (chairman), Helena Nordman-Knutson and Ivar Verner. The audit committee held seven (7) meetings during the year. The committee reporter is usually the Company's CFO.

The audit committee has the main task of ensuring compliance to established principles for financial reporting and internal control. The audit committee also monitors the Company's continuous risk management, establishes supplemental instructions to the auditors for the audit effort, and monitors compliance to laws, ordinances, listing agreements and the Swedish Corporate Governance Code. The audit committee also makes sure that other assignments in addition to audits carried out by the Company's auditors are within the framework of approved policy.

During the year, the audit committee also followed up on operational

control of commissioned work and the instructions that apply from offer preparing to completed delivery within an assignment.

In addition, the audit committee monitors changes to audit rules that may have an effect on the Company's financial reporting and the external financial disclosures, and it also evaluates the need for an internal audit function.

The board of directors has also decided not to appoint a special remunerations committee. Instead, the board of directors in its entirety will constitute a remuneration committee and will address remuneration and employment issues regarding the managing director and the other senior executives based on the guidelines adopted by the Annual General Meeting. The remuneration committee is represented by the chairman of the board in negotiations with the managing director.

At its statutory meeting following the 2016 Annual General Meeting, the board appointed a projects/investment committee comprising Ivar Verner (chairman) and Peter Rejler. The investment committee had three meetings during the year with everyone present. The committee reporter is usually the Company's CFO. The principal task of the investment committee is to discuss matters relating to investments that require a decision from the board of directors.

Managing director and group management

The managing director and CEO is Peter Rejler. There is a presentation of Peter Rejler under the section *Board of directors, group management and auditor* and on the Company's website. The managing director is appointed by the board of directors and is tasked with the day-to-day management of the Company in accordance with the guidelines and instructions contained in law, the Articles of Association and the internal work instructions.

Day-to-day management includes all measures that, in consideration of the scope and nature of the Company's operations, are of an unusual character or of great significance or are expressly defined as falling within the responsibility of the board of directors.

The managing director directs the work of group management and makes decisions in consultation with other members of the management team. Group management holds regular meetings under the direction of the managing director. Between these meetings, regular checks are made regarding the status of each operation. Group management prepares an annual business plan which is followed up through monthly reports that focus on profitability, cost control and cash flow.

Besides Peter Rejler, group management consists of Jonas Thimberg (managing director of Rejlers Sverige), Seppo Sorri (managing director of Rejlers OY), Morten Thorkildsen (managing director of Rejlers Norge), Thomas Pettersen (managing director of Rejlers Embriq), Mats Åström (CFO), Mikael Schmidt (Head of HR), Mats Rehnqvist (CIO) and Thomas Rebermark (Communication and Marketing Manager). There is a more detailed presentation of group management under the section *Board of directors, group management and auditor* and on the Company's website.

Internal control, risk management and internal audit

General information on internal control

The board of directors' and managing director's responsibility for internal control is regulated in the Swedish Companies Act. The board of directors' responsibility is further regulated in the Swedish Corporate Governance Code and the Annual Accounts Act. The board of directors has the overall responsibility for ensuring that the Group has an effective system for management and internal control. This responsibility includes annually evaluating the financial reporting the board of directors receives and setting requirements on its contents and structure to ensure quality in the reporting. This requirement means that the financial statements shall be appropriate with the application of the current accounting rules and other requirements on listed companies.

Control environment

The control environment constitutes the basis of internal control. The control environment creates the culture upon which Rejlers operates and defines standards and guidelines for the operation's actions. In practical terms, the control environment consists of documented guidelines.

manuals and instructions which are communicated throughout the organisation. The quality management system is supplemented by a series of documented directives, which include a financial manual containing policies for accounting established by the board of directors and financial management together with the information policy. Rejlers maintains a quality management system that includes procedures, instructions and templates for relevant processes. Rejlers is always developing and improving quality and processes in order to meet the standards customers, suppliers and employees demand of a consult. The organisational structure is transparent, with defined roles and responsibilities that are communicated through documented work instructions for the board of directors, board committees, the managing director and managers in the Group. The rules of procedure for the board of directors and the internal work instructions for the managing director exist for each company in the Group and are based on the same principles as for the Parent Company Rejlers.

Each company has a board of directors tasked with continuously ensuring compliance with the overall guidelines and policies and making regular assessments of the company's financial situation.

The board of directors each have at their disposal a managing director, who in the larger subsidiaries also has a management group. In each of the countries concerned, the Rejlers organisation allows local units great independence. Managers at all levels have clearly assigned responsibilities and powers to develop their operations based on local conditions and their customers' needs. Regular evaluations are conducted in the organisation at both function and departmental level in order to ensure relevant knowledge of financial reporting in the organisation. The aim is to ensure, with reasonable certainty, that Rejlers' short-term and long-term targets are achieved. The aim of risk management and internal controls in connection with financial reporting is to ensure, with reasonable certainty, that the external financial reporting is reliable with regard to interim reporting, annual reporting and the annual accounts, and to ensure that the external financial reporting is prepared in accordance with laws, applicable financial reporting standards and other requirements that must be met by listed companies.

Information and communication

The most important steering documents regarding the financial statements are continuously updated and communicated to relevant employees over the Company's intranet, information letters, regular meetings, etc. Information channels are established to communicate to concerned employees in the organisation as effectively as possible. Rejlers also has information policies in regard to both internal and external communication.

Control activities

The control structure is designed to manage the risks the board of directors and the senior management consider significant for operational activities, compliance with laws and regulations and financial reporting. Defined decision-making procedures, including an authorisation manual, are established e.g. for investments and signing of contracts. Where appropriate, automatic controls specifically related to financial reporting have been established. Most control activities are integrated into the Company's key processes, such as order booking, revenue recognition, investments, supplier contracts and purchases. To ensure risks in customer projects are noted, managed and correctly reflected in financial reporting, a separate function has been set up – the project building – to carry out regular checks to ensure customer projects are run in compliance with Rejlers' quality management system in regard to both implementation and financial follow-up. The IT structure is designed to manage potential IT related risks with checks in the IT systems related to the processes that have an impact on financial reporting.

Monitoring

Each manager is responsible for ensuring adequate internal control in the unit concerned and for ensuring that the units comply with the Group's directives for financial reporting. In addition, the internal control structure of separate, decentralised functions is reviewed by a special function. Because the board of directors considers Rejlers' significant areas of risk

to be covered by the reviews carried out, it sees no current need to set up a separate function for internal audit at present (see below).

Internal audit

The board of directors currently considers that the Company's size and complexity do not justify a separate internal audit unit (Section 7.3 of the Swedish Corporate Governance Code). Instead, the accounting function takes care of continuous control and conducts improvement projects in financial management and control. Internally, audits are done of the commissioned work, follow-up of outcomes and potential needs to change procedures. A new assessment is done annually.

External auditors

The Annual General Meeting's tasks include appointing an auditor. The 2016 Annual General Meeting elected Deloitte as auditors, with authorized public accountant Birgitta Lööf as auditor in charge. Deloitte audits all active Rejlers companies in Sweden, Finland and Norway which were wholly-owned by Rejlers during 2016, except for Rejlers Embriq.

The auditor works from an audit plan and reports her observations to the audit committee on an ongoing basis throughout the year. Reporting to the board of directors takes place in conjunction with the annual closing of accounts. A review of internal procedures and control systems is also carried out in conjunction with the audit review.

In addition to the audit review, Deloitte was also engaged for other assignments. Among other things, the work included tax and acquisitions issues along with various audit issues. All of the assignments fall within the framework of policy laid down by the audit committee. Remuneration of the Company auditors for 2015 and 2014 are presented in the Annual Report for 2015. The total fee for Deloitte's services in addition to the audit during the financial year 2016 amounted to approximately SEK 800,000.

Changes to shareholder rights

The General Meeting has the ability to make a change to the Articles of Association, which may entail changes to the shareholders' rights. The Swedish Companies Act sets certain majority requirements in order for such resolutions at the General Meeting to be valid. If a resolution on a change to the Articles of Association means that the shareholders' rights to the Company's profits or other assets are reduced by the purpose of the Company's operations being partly or entirely different than providing profits to the shareholders, that the right to transfer or acquire shares in the Company is restricted by a consent clause, right of first refusal clause or pre-emption clause or otherwise means that the legal relationship between shares is changed, the resolution must be supported by all shareholders in attendance and they must together represent more than nine tenth (9/10) of all shares in the Company.

If a resolution on a change to the Articles of Association means that the number of shares for which the shareholders may vote at the General Meeting is restricted, that the net profit less coverage of losses brought forward shall to some extent be allocated to a restricted fund or that the use of the Company's profits or its retained assets upon its dissolution is limited in a manner other than through a change in the Company's purpose to partly or entirely be different than providing profits to shareholders or by the net profits less coverage of losses brought forward to some extent shall be allocated to a restricted fund, the resolution must be supported by at least two thirds (2/3) of the votes placed and nine tenths (9/10) of the shares represented by the General Meeting.

The aforementioned majority requirements do not, however, apply if a resolution is supported by shareholders with at least two thirds (2/3) of both the votes placed and the shares represented at the General Meeting if the change only means that some class of shares' rights are degraded and consent is provided by all owners of such shares present at the General Meeting and these owners jointly represent at least nine tenths (9/10) of all shares whose rights are degraded or if the change degrades only one whole class of shares' rights and owners of half of all shares of this class and nine tenths (9/10) of the shares represented at the General Meeting of this class consent to the change.

Share capital and ownership structure

Shares and share capital

According to Rejlers' Articles of Association, the share capital shall be a minimum of SEK 10,000,000 and a maximum of SEK 40,000,000, distributed over a minimum of 5,000,000 and a maximum of 20,000,000 shares. Two classes of shares can be issued: class A shares and class B shares. A maximum of 3,075,000 class A shares can be issued and a maximum of 16,925,000 class B shares can be issued. The share capital in Rejlers before this Rights Issue amounts to SEK 25,843,442, distributed over 1,251,250 class A shares and 11,670,471 class B shares. The quota value is SEK 2 per share.

Class A shares entitle to ten (10) votes and class B shares entitle to one (1) vote at a General Meeting. Class A shares can be converted to class B shares at the request of the holder of class A shares in accordance with a conversion provision in the Company's Articles of Association (Section 13). Shares in Rejlers are issued in accordance with Swedish law, fully paid and denominated in SEK. The shares' rights can only be changed in accordance with the Swedish Companies Act (2005:551).

Upon being fully subscribed for, the Rights Issue will mean that the number of class A and B shares in the Company will increase from 12,921,721 shares to 18,090,409 shares, which corresponds to an increase of around 40 per cent. For the shareholders who refrain from subscribing for New Shares in the impending rights issue, a dilution effect arises corresponding to a maximum of approximately 29 per cent of the share capital and approximately 29 per cent of the votes in Rejlers after the Rights Issue. The dilution effect has been calculated as the maximum number of shares and votes that can be issued divided by the maximum total number of shares and votes in the Company after the Rights Issue.

The Company's shares are not subject to offers made as a result of an offer obligation, redemption right or redemption obligation. The Company's shares have not been subject to a public buyout offer during the current or previous financial year.

Certain rights associated with the shares

Voting rights and transferability

Every class A share entitles to ten (10) votes and every class B share entitles to one (1) vote at a General Meeting. Every person entitled to vote may vote at a General Meeting for the full number of shares owned and represented by him without limitation in the voting right. Class A and B shares are not subject to any limitations in the right to transfer them.

Preferential rights to new shares, etc.

If Rejlers issues new class A and B shares in a cash issue or an offset issue, holders of class A and B shares have preferential rights to subscribe for new shares of the same share class in proportion to the number of shares held before the new share issue (primary preferential rights). Shares not subscribed for with support of such primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential rights). If shares offered accordingly do not suffice for the subscription that takes place with subsidiary preferential rights, the shares shall be distributed between the subscribers in proportion to the number of shares they own before and insofar as this cannot take place, by lottery. If Rejlers decides to issue shares of only class A or class B through a cash issue or offset issue, all shareholders, regardless whether their shares are of class A or B, shall have a preferential right to subscribe for new shares in proportion to the number of shares they owned before the new share issue.

If Rejlers issues warrants or convertibles through a cash issue or offset issue, the shareholders have the same preferential right to subscribe for warrants or convertibles as if the new shares to which the warrants or convertibles relate were issued. If Rejlers' share capital is increased through a bonus issue, new shares of class A and shares of class B shall be issued in proportion to the number of shares of the respective class that had already been issued. In such cases, old shares of a certain share class shall entail a right to new shares of the same share class.

SHARE CAPITAL DEVELOPMENT

Year	Event	Change in number of class A shares	Change in number of class B shares	Change in share capital, SEK	Total number of shares	Total share capital, SEK	Quota value, SEK
2013	New share issue	–	100,000	200,000	11,421,721	22,843,442	2
2014	New share issue	–	900,000	1,800,000	12,321,721	24,643,442	2
2015	New share issue	–	600,000	1,200,000	12,921,721	25,843,442	2

Ownership

As of 28 February 2017, there were approximately 2,100 shareholders in Rejlers. The table below presents Rejlers' largest shareholders and the ownership structure, according to information from Euroclear as of 28 February 2017 and subsequent changes known to the company. The ten largest individual owners accounted for 84.0 per cent of the votes and 70.7 per cent of the capital.

MAJOR SHAREHOLDERS

Shareholders	Class A shares	Class B shares	% of the capital	% of the votes
Peter Rejler	911,250	2,500	7.1	37.7
Jan Rejler (directly and through company)	262,500	382,450	5.0	12.4
Lannebo Fonder	–	1,606,225	12.4	6.6
Nordea Investment Funds	–	1,322,762	10.2	5.5
Didner & Gerge Fonder	–	1,201,291	9.3	5.0
Lauri Valkonen	50,000	425,000	3.7	3.8
Lisa Rejler	9,375	777,000	6.1	3.6
Swedbank Robur fonder	–	859,906	6.7	3.6
Martina Rejler	9,375	696,250	5.5	3.3
Fondita Nordic Micro Cap	–	620,000	4.8	2.6
Total ten largest owners	1,242,500	7,893,384	70.7	84.0
Other	8,750	3,777,087	29.3	16.0
Total	1,251,250	11,670,471	100.00	100.00

Right to distribution and surplus upon liquidation

All shares carry equal rights to the proceeds of a distribution of the Company's assets and potential surplus in the event of liquidation.

Share capital development

The table on the previous page presents the share capital development since 1 January 2013.

Ownership

As of 28 February 2017, there were approximately 2,100 shareholders in Rejlers. The table on the previous page presents Rejlers' largest shareholders and the ownership structure, according to information from Euroclear as of 28 February 2017 and subsequent changes known to the Company. The ten largest individual owners accounted for 84.0 per cent of the votes and 70.7 per cent of the capital.

Euroclear connection

Rejlers' Articles of Association include a record day provision and the Company's shares are connected to the electronic securities depository (Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden), which means that the Company's share register is kept by Euroclear. No share certificates have been issued or will be issued for the New Shares. The class B shares have ISIN code SE0000123671.

Shareholder agreement

To the best of Rejlers' board of directors' knowledge, there are no shareholder agreements or other agreements between Rejlers' shareholders for the purpose of joint influence over the Company. To the best of Rejlers' board of directors' knowledge, there are further no agreements or equivalent arrangements that may lead to a change in the control of the Company.

Listing

Rejlers' class B shares have been listed on Nasdaq Stockholm since 2006. The share is traded on the Small Cap under the ticker REJL B. Market capitalisation as per 31 January 2017 amounted to approximately SEK 950 million.

Resolution on acquisition and transfer of own shares

The 2016 Annual General Meeting resolved to authorise the Company's board of directors to decide on the acquisition and transfer of own shares of class B.

The acquisition of own class B shares can only take place in accordance with the following. Acquisition may take place on Nasdaq Stockholm or in accordance with an acquisition offer to all shareholders. Acquisition shall take place in observance of the rules that apply at all times as per the Nasdaq Stockholm's Rule Book for Issuers. Acquisitions shall take place of a maximum number of class B shares such that the own holdings do not at any time exceed ten (10) per cent of all shares in the Company. Acquisitions of class B shares on Nasdaq Stockholm may only take place at a price within the price interval registered at all times on Nasdaq Stockholm, which refers to the interval between the listed highest buy price and lowest sell price. Acquisitions in accordance with an acquisition offer as per above shall take place at a price corresponding to the market price at the time of the offering at the lowest with a maximum deviation of a 20 per cent increase. This authorisation may be used on one or more occasions, although until the 2017 Annual General Meeting at the longest.

The transfer of class B shares can only take place in accordance with the following. Transfer of class B shares may only take place outside Nasdaq Stockholm, with or without preferential rights for the shareholders and with or without provisions in kind or a right of offset. Such transfer may take place at a price in money or value on received property that matches the market price at the time of the transfer on the shares transferred with the deviation that the board of directors finds suitable. Transfers may take place in observance of the rules that apply at all times as per the Nasdaq Stockholm's Rule Book for Issuers. The number of class B shares that may

be transferred shall amount to a maximum of ten (10) per cent of the total number of shares in the Company. Transfer in connection with business acquisition may take place at a market value assessed by the board of directors. This authorisation may be used on one or more occasions, although until the 2017 Annual General Meeting at the longest.

The purpose of the above authorisation regarding acquisition and transfer of the Company's own class B shares is to enable financing of acquisition of operations by paying with the Company's own shares and to be able to adapt the Company's capital structure on an ongoing basis and thereby to contribute to increased shareholder value.

The possibility of deviation from the shareholders' preferential rights in transfer of own shares is justified by such transfer being able to take place with greater speed, flexibility and at greater cost-efficiency than a transfer to all shareholders. If the Company's own shares are used with the aim of enabling financing of acquisition of operations, the Company may not provide the shareholders the possibility of exercising any preferential rights.

Otherwise, the board of directors is authorised to decide in matters related to acquisitions and transfer of own shares and otherwise, determine the conditions of acquisition and transfers, including the matter of whether or not the shares shall be transferred with or without provisions in kind or a right of offset or other such terms referred to in Chapter 13 Section 5 Paragraph 1 Clause 6 of the Swedish Companies Act.

As of the date of this Prospectus, the Company does not own any shares in Rejlers.

Resolution on issue of shares

The 2016 Annual General Meeting resolved to authorise the board of directors until the next Annual General Meeting to decide to issue class B shares, on one or more occasions and with or without deviation from the shareholder's preferential rights, totalling a maximum of 600,000 class B shares. Payment shall be able to be made in cash, in kind, by offset or otherwise in accordance with the terms. If fully exercised, this authorisation corresponds to a dilution of approximately 4.4 per cent of the capital and approximately 2.4 per cent of the votes, calculated on the number of shares and votes in the Company before the impending Rights Issue. Deviation from the shareholders' preferential right shall be able to take place in order, if necessary, to be able to strengthen the Company's financial position and to enable the acquisition of companies or operations. In the event of deviation from the shareholders' preferential right and payment in kind, the issue price shall be as close as possible to the market value of the shares.

Dividend and dividend policy

General information

The New Shares entitle the holder a right to dividend for the first time on the first record date for the dividend that occurs after the shares have been entered into the share register kept by Euroclear and the Rights Issue has been registered at the Swedish Companies Registration Office and for all subsequent periods, on condition that a resolution approving dividend has been made.

Dividend policy

According to the dividend policy adopted by the board of directors, the Company's objective is in the long term to pay a dividend corresponding to 50 per cent of the profit after tax, which enables significant reinvestments in the operations. Upon the approval of dividends, Rejlers takes into consideration investment needs and other factors that the Company's board of directors considers to be of significance. There are no guarantees that dividend will be proposed or approved in any year.

Dividend under Swedish law

A dividend resolution is made by the General Meeting. Dividend may be paid only in such an amount that there is full coverage after the dividend for the Company's restricted equity and only if such a dividend appears justifiable considering the requirements set by the nature, scope and risks of the operation on the size of the Company's equity and the need to strengthen the Company's balance sheet, liquidity and financial position. The shareholders may as a rule not propose a dividend higher than what the board of directors has proposed or approved.

According to the Swedish Companies Act, minority shareholders who jointly represent at least ten (10) per cent of all shares in the Company have a right to request dividend (to all shareholders) of the Company's profit. If such a request has been made, the Annual General Meeting must approve a dividend of 50 per cent of what remains of the profit for the year according to the balance sheet adopted by the General Meeting less losses brought forward that exceed free funds, amounts that by law or the Company's Articles of Association must be allocated to restricted equity and amounts that, according to the Company's Articles of Association, shall be used for a purpose other than dividends to shareholders. However, the General Meeting is not obliged to resolve to approve a higher dividend than five (5) per cent of the Company's equity. In addition, the General Meeting may never decide on a dividend in an amount in excess of the funds available for dividends or in conflict with the prudence rule described above.

Payment of dividend

Dividends are normally paid as a cash amount per share through Euroclear, but can also involve something other than cash (dividend in kind). The right to dividend is held by anyone who at the record date set by the General Meeting is registered as an owner in the share register kept by Euroclear. Such a record date may not occur later than the date before the next Annual General Meeting. If the shareholder cannot be reached through Euroclear, the shareholder's claim against Rejlers with respect to the dividend remains and is limited only through limitation rules. Upon surpassing such a limitation, the dividend amount accrues to Rejlers.

There are no restrictions or special procedures according to the Swedish Companies Act or Rejlers' Articles of Association for dividend to shareholders resident outside Sweden. Except for potential limitations pursuant to banking and clearing systems, payment is made in the same way as for shareholders resident in Sweden. However, for shareholders who are not resident in Sweden for tax purposes, Swedish withholding tax is normally payable; also refer to the section *Certain tax issues in Sweden*.

Dividends paid during the period 2013-2015

2013	SEK 2 per share
2014	SEK 2 per share
2015	SEK 2 per share

As stated in Rejlers' year-end report for full-year 2016, the Company's board of directors proposes that the Annual General Meeting on 24 April 2017 resolve to not pay any dividend for the 2016 financial year.

Articles of Association

Section 1 COMPANY NAME

The Company's name is Rejlers AB (publ).

Section 2 REGISTERED OFFICE

The board of directors shall have its registered office in the municipality of Stockholm.

Section 3 THE COMPANY'S OBJECTS

The subject of the Company's operations is conducting consulting activities in electrical technology, energy, automation, IT, telecommunications, mechanical engineering and catering kitchens, conducting asset and property management, trading in real property and chattels – particularly securities – and conducting other activities compatible therewith.

Section 4 SHARE CAPITAL LIMITS

The share capital shall comprise a minimum of SEK 10,000,000 and a maximum of SEK 40,000,000.

Section 5 SHARE CLASS AND PREFERENTIAL RIGHTS TO NEW SHARES IN NEW SHARE ISSUES

The lowest total number of shares shall be 5,000,000 and the highest total number of shares shall be 20,000,000. The shares may consist of class A and class B shares. A maximum total number of 3,075,000 class A shares shall be able to be issued, representing a voting value at the General Meeting of shareholders of ten (10) votes each. A maximum total number of 16,925,000 class B shares shall be able to be issued, representing a voting value at the General Meeting of shareholders of one (1) vote each.

If the company decides to issue new class A and class B shares through a cash issue or offset issue, the holder of class A and class B shares shall have a preferential right to subscribe for new shares of the same share class in relation to the number of shares the holder owned before (primary preferential rights). Shares that are not subscribed with primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential rights). Unless shares offered accordingly suffice for the subscription that takes place with subsidiary preferential rights, the shares shall be distributed between the subscribers in relation to the number of shares they own before and insofar as this cannot take place, by lottery.

If the company decides to issue shares of only class A or class B through a cash issue or offset issue, all shareholders, regardless whether their shares are of class A or B, shall have a preferential right to subscribe for new shares in relation to the number of shares they owned before.

If the company decides to issue warrants or convertibles through a cash issue or offset issue, the shareholders have a preferential right to subscribe for warrants as if the new issue concerned the shares that may be subscribed for on the basis of the warrants and preferential right to subscribe for convertibles as if the issue concerned the shares that the convertibles may be exchanged for.

The above stated shall not entail any limitation in the possibility of deciding on a cash issue or offset issue with deviation from the shareholders' preferential rights.

In an increase in the share capital through a bonus issue, new shares shall be issued of each class in relation to the number of shares of the same class that already exist. Old shares of a certain share class shall thereby entail a right to new shares of the same share class. The above stated shall not entail any limitation in the possibility of issuing shares of a new class through a bonus issue after requisite change in the Articles of Association.

Section 6 BOARD OF DIRECTORS

The board of directors shall consist of minimum three and maximum nine members, with up to five deputy members.

Section 7 AUDITOR EXAMINATION

For the examination of the limited company's annual report including the accounts and the board's and managing director's management, a maximum of two auditors are appointed with a maximum of two deputy auditors. The assignment applies until the end of the General Meeting that is held the fourth financial year after the election of the auditor.

Section 8 NOTICE OF GENERAL MEETING

The General Meeting of shareholders shall be held in Stockholm.

Notice of a General Meeting shall be made through the placement of an advertisement in Post- och Inrikes Tidningar (the Swedish Official Gazette) and by the notice being made available on the company's website. At the time of the notice, information that the notice has been issued shall be announced in Dagens Nyheter. Notice for the Annual General Meeting and notice for an Extraordinary General Meeting where the issue of a change in the Articles of Association will be addressed shall be made no earlier than six weeks and no later than four weeks before the meeting. Notice for other Extraordinary General Meetings shall be issued no earlier than six weeks and no later than three weeks before the meeting.

Section 9 ADVANCE REGISTRATION

Shareholders who want to participate in the negotiations at a General Meeting shall be listed in the print out or other presentation of the whole shareholder register concerning conditions five weekdays before the meeting and register with the company no later than 4:00 p.m. on the date stated in the convening notice. This date may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday before the meeting.

Assistants to shareholders may only accompany the shareholders to the meeting if the shareholder registers the number of assistants with the company in the manner stated above.

Section 10 ANNUAL GENERAL MEETING

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

The chairman of the board or a person appointed by the board opens and leads the Annual General Meeting proceedings until a chairman of the meeting has been elected.

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

- 1 Opening of the meeting and election of the chairman of the meeting.
- 2 Election of one or two persons to verify the minutes
- 3 Preparation and approval of the voting list
- 4 Approval of the agenda
- 5 Review of whether the meeting has been duly convened
- 6 Presentation of the annual report and auditor's report, as well as the consolidated statement and the consolidated balance sheet.
- 7 Resolutions on
 - a) adoption of the income statement and balance sheet, as well as the consolidated income statement and the consolidated balance sheet
 - b) allocation of the company's profit or loss in accordance with the adopted balance sheet and the record date
 - c) discharge from liability for board members and the managing director

- 8 Determination of the number of board members and deputy board members
- 9 Determination of the number of auditors and deputy auditors
- 10 Determination of remuneration to the board of directors and the auditors
- 11 Information on proposed new board members' assignments in other companies
- 12 Election of board members and deputy board members
- 13 Election of auditors and deputy auditors, in case such an election shall be held
- 14 Other matters incumbent on the General Meeting pursuant to the Swedish Companies Act (2005:551) or the Articles of Association.

Section 11 FINANCIAL YEAR

The Company's financial year shall be calendar year.

Section 12 RECORD DATE

The shareholders or nominees that are on the record date entered in the share register and listed in a CSD register as per Ch. 4 of the Financial Instruments Accounts Act (1998:1479) or anyone registered for a CSD account as per Ch. 4 Sect. 18 Paragraphs 6-8 of the aforementioned act shall be assumed to be authorised to exercise rights pursuant to Ch. 4 Sect. 39 of the Swedish Companies Act (2005:551).

Section 13 CONVERSION PROVISION

Shares of class A shall be able to be converted to shares of class B at the request of the owner of such shares. Submission of such a request shall be made in writing to the Company's board. The request shall state how many shares are requested to be converted and, if the conversion does not cover the person's entire holdings of shares of class A, which of them the conversion pertains to.

The board of the company is obliged to address issues of conversions of shares whose owner submitted the request for such conversion without delay. Conversion shall be reported for registration without delay.

These Articles of Association have been adopted at the Annual General Meeting on 9 May 2016

Legal issues and additional information

Legal group structure

The Company is a public limited liability company and is registered according to Swedish law under the name Rejlers AB (publ) and with its registered office in Stockholm, Sweden. The Company is regulated by and its shares have been issued in accordance with the Swedish Companies Act. The Company was founded in Sweden on 16 November 1988 and was registered with the Swedish Companies Registration Office on 8 February 1989. The current company name was registered with the Swedish Companies Registration Office on 3 July 2013. The Company's corporate registration number is 556349-8426. According to Section 3 of the Articles of Association, the subject of the Company's operations shall be conducting consulting activities in electrical technology, energy, automation, IT, telecommunications, mechanical engineering and catering kitchens, conducting asset and property management, trading in real property and chattels – particularly securities – and conducting other activities consistent therewith; see the section *Articles of Association*.

As of the date of this Prospectus, the Company is the parent company of 14 subsidiaries, of which 12 are operational. In addition to this, Rejlers owns 50 per cent of the shares in Mirakelbolaget AB.

Group structure	Country	% of shares and votes
Rejlers AB (publ)	SE	
Rejlers Sverige AB	SE	100 %
Rejlers Energiprojekt AB	SE	100 %
Rejlers Energitjänster AB	SE	100 %
ComIT Rejlers AB	SE	100 %
Mirakelbolaget AB	SE	50 %
Råbe Industrikonsult i Göteborg AB	SE	100 %
Råbe Industrikonsult i Örnsköldsvik AB	SE	100 %
Rejlers Norge AS	NO	100 %
Rejlers Elsikkerhet AS	NO	100 %
Rejlers Services AS	NO	100 %
Rejlers Embriq AS	NO	90.5 %
Rejlers Embriq AB ¹	SE	100 %
Rejlers Finland Oy	FI	100 %
Sähköinsinööritoimisto Matti Leppä Oy	FI	100 %
CMN-Service Oy ²	FI	51 %

Significant corporate acquisitions

Since 1 January 2015, the Company has made a number of strategic acquisitions, of which those stated below are considered to be significant to Rejlers.

Acquisition of Orbion Consulting AB Sverige

On 17 November 2015, Rejlers announced that Rejlers Sverige AB had acquired all outstanding shares in Orbion Consulting AB (subsequently Rejlers TeleCom Consulting, "TeleCom Consulting") from Relacom Management AB. The purchase price amounted to SEK 130.9 million. TeleCom Consulting is a technical consulting firm that offers services in network infrastructure for telecommunications. TeleCom Consulting's business, which is a part of the ICT/Telecom business area, is now conducted under the Rejlers' trademark and TeleCom Consulting's operation was merged with Rejlers Sverige AB as the uptaking company on 1 April 2016.

Acquisition of Embriq AS

On 22 October 2015, Rejlers announced that Rejlers AB (publ) signed an agreement to acquire 88.52 per cent of the outstanding shares in Embriq AS ("Embriq") from Hafslund Handel AS. The purchase price amounted to SEK 81.6 million. The remaining percentage of the outstanding shares in Embriq are owned by certain employees in the company (the "Minority Shareholders"). Rejlers AB (publ) and the Minority Shareholders have entered into a shareholder agreement regarding the shareholdings in Embriq. Embriq designs, develops and administers IT solutions in the operating areas of Consulting, Operations and Software and provides services to customers throughout the Nordic region from its offices in Oslo, Halden Drammen and Gothenburg. Embriq's operations are a part of the Rejlers Embriq/IT Solutions business area. Embriq has around 120 employees and at the time of acquisition, was estimated to have sales in 2015 of approximately NOK 240 million. The transaction was completed on 21 October 2015 in connection with the signing of the agreement. Through an agreement between Embriq and Rejlers AB (publ), Rejlers AB (publ) was allocated another 1,693,717 shares in Embriq on 20 December 2015, and Rejlers AB (publ) now owns 90.5 per cent of the shares in Embriq.

Acquisition of Energy Business Sweden AB

On 10 March 2015, Rejlers Energitjänster AB acquired all outstanding shares in Energy Business Sweden AB (now Rejlers Energiprojekt AB, "Energiprojekt"). The purchase price amounted to approximately SEK 3 million. Energiprojekt was founded in 2014 and is an energy service provider that works in the area of energy management and energy efficiency improvements through inspection, control, monitoring and other measures to minimise the customers' energy costs, and investigates the customers' facilities, drafts proposed measures, plans and leads projects and also provides savings guarantees. Energiprojekt is a part of the Building business area and conducts operations in Stockholm and Strängnäs. Energiprojekt has around ten (10) employees and had net sales in 2016 of approximately SEK 40 million.

Significant agreements

Customers and suppliers

Rejlers is not dependent on any individual customer agreement to conduct the operations. However, the revenues from a single customer may be significant. Rejlers is furthermore not dependent on any individual supplier to conduct the operations, but the Company may be dependent on subcontractors in individual projects.

Financial agreements

Revolving credit facility of SEK 120,000,000

On 16 October 2015, the Company entered a credit agreement with Skandinaviska Enskilda Banken AB (publ) ("SEB") with regard to a revolving credit facility with a credit limit of SEK 120,000,000. The interest rate for the credit facility is variable and is based on STIBOR plus a margin. In addition to this, there are fees to SEB. The purpose of the credit facility according to the credit agreement is to repay loans with Nordea Bank AB (publ) and to finance the operations including acquisitions. The revolving credit facility is provided by SEB up to and including 16 October 2018.

The credit agreement contains customary commitments regarding, among other things, maintaining permits, observing laws, divestment restrictions, maintaining the existing operations, holding insurance, restrictions regarding pledging collateral, mergers, business and operations

¹ Rejlers Embriq AS, in which Rejlers AB owns 90.5 per cent, owns 100 per cent of the shares and votes in Rejlers Embriq AB.

² Rejlers Finland Oy will, in accordance with the share purchase agreement in which the company acquired 51 per cent of the shares in CMN-Service Oy, acquire the remaining 49 per cent of the shares in CMN-Service Oy in October 2017 to a predetermined price.

acquisitions, raising loans and lending. However, the commitments include certain agreed exceptions. The credit agreement also contains certain other conditions, including conditions that require that certain financial key performance indicators, with regard to equity relative to total assets and net debt in relation to the Group's EBITDA, not deviating from certain levels stated in the credit agreement. In addition to this, the conditions contain a provision regarding ownership changes or delisting from Nasdaq Stockholm. On 22 December 2016, the parties to the credit agreement entered a supplemental agreement regarding the credit. According to the supplemental agreement, the terms in the credit agreement were changed, in part such that the size of the interest rate margin shall be dependent on net debt relative to the Group's EBITDA, and in part such that the Company committed to take steps to implement a rights issue of at least SEK 100 million.

Credit facility of SEK 85,000,000

On 16 November 2015, the Company entered a credit agreement with SEB with regard to a credit facility of SEK 85,000,000. The interest rate for the credit facility is variable and is based on STIBOR plus a margin. In accordance with the terms of the revolving credit facility, the size of the margin shall be determined by net debt relative to the Group's EBITDA. In addition to this, there are fees to SEB. The credit facility shall be used to finance the Company's acquisition of Orbion Consulting AB.

The credit facility falls due for payment on the date that occurs three (3) years after the disbursement date. The Company has a possibility to request that the due date be moved forward another 364 days against an extension fee and possible increase in the interest margin. The credit facility is repaid in an amount of SEK 7 million per quarter. At 31 December 2016, the principal amounted to approximately SEK 56.7 million.

The conditions regarding the revolving credit facility described above concerning ownership changes, guarantees, commitments and grounds for cancellation shall also apply to this credit facility. In addition to this, the conditions for the credit facility also contain certain specific commitments regarding the Company's acquisition of Orbion Consulting AB.

Credit facility of SEK 50,000,000

On 16 November 2015, the company entered a credit agreement with SEB with regard to a credit facility of SEK 50,000,000. The interest rate for the credit facility is variable and is based on STIBOR plus a margin. In accordance with the terms of the revolving credit facility, the size of the margin shall be determined by net debt relative to the Group's EBITDA. In addition to this, there are fees to SEB. The credit facility shall be used to finance the Company's acquisition of Embriq AS.

The credit facility initially fell due for payment on the date that occurred one (1) year after the disbursement date. This credit is extended up to and including 31 June 2017. In addition to this, the Company has a possibility to request one more time that the due date be moved forward another 364 days against an extension fee and possible increase in the interest margin. The conditions regarding the revolving credit facility described above concerning ownership changes, guarantees, commitments and grounds for cancellation shall also apply to this credit facility. In addition to this, the conditions for the credit facility also contain certain specific commitments regarding the Company's acquisition of Embriq AS.

The funds received by Rejlers in connection with the Rights Issue will to some extent be used to repay the loan.

Credit facility of SEK 50,000,000

On 14 November 2016, the Company entered a credit agreement with SEB with regard to a credit facility of SEK 50,000,000. The interest rate for the credit facility was variable and was based on STIBOR plus a fixed margin. In addition to this, there were fees to SEB. According to the agreement, the credit facility would be used to finance the operations. The credit facility was repaid on 5 January 2017.

Bank overdraft facility of SEK 50,000,000

On 15 December 2015, the Company entered an agreement for liquidity optimisation with SEB with regard to a bank overdraft facility of SEK 50,000,000. According to the agreement, the Company has the right to use the bank overdraft to obtain amounts in SEK, NOK and EUR up to a total amount corresponding to SEK 50,000,000. The interest for the bank overdraft is calculated on the degree of utilisation. In addition to interest, there are fees to SEB. The bank overdraft facility is provided by SEB up to and including 16 May 2017 after an agreed extension of six (6) months. The conditions regarding the revolving credit facility described above concerning ownership changes, guarantees, commitments and grounds for cancellation shall also apply to this bank overdraft facility.

Intellectual property rights

Rejlers and its subsidiaries hold intellectual property rights, mainly in the form of trademarks. The Company is of the opinion that the Rejlers trademark is of special significance to Rejlers' operations. In addition to this, the Embriq trademark is of major significance to the Rejlers Embriq/IT Solutions business area. The trademarks are registered on what are considered to be relevant markets for the operations.

Disputes

Within the scope of its operations, the Group is a party to legal and arbitration proceedings at any time. However, the Group is not and in the past twelve (12) months has also not been a party to any legal or arbitration proceedings that have had or may have significant effects on the Company's or the Group's financial position or profitability. Nor has Rejlers been informed of claims that may lead to Rejlers or its subsidiaries becoming a party to such proceedings.

Permits

Rejlers believes that the Group has all of the permits required to conduct its operations.

Insurance

The Company believes that its insurance policies are on a par with other companies in the industry and that they are adequate with regard to the risks normally associated with the Company's operations. However, there is a risk that the Company can be affected by losses that are not covered by its insurance policies.

Related party transactions

No board member, senior executive or other person, who is to be considered a related party according to applicable rules, currently has, or during the period covered by the historical financial information and up to the date of this Prospectus, had any direct or indirect involvement in any business transactions with Rejlers or its subsidiaries, which are or were uncommon by their nature or in their terms. As stated in the section *Board of directors, group management and auditor – Salaries and benefits to the board of directors and senior executives*, the board and management have received remuneration from the Company. Rejlers or its subsidiaries have not provided loans, pledged guarantees or surety for the benefit of any of these people or companies.

Costs

Rejlers' total costs for the Offer are estimated to amount to approximately SEK 9 million. Such costs are primarily attributable to costs of financial advice, auditors, legal advice, etc.

Auditor examination

Besides the Company's financial statements for the financial years 2013, 2014 and 2015, no information in the Prospectus has been audited or reviewed by the Company's auditor.

Interest of the advisors

Carnegie is the financial adviser to the Company in connection with the Rights Issue. Carnegie receives remuneration agreed in advance for services rendered in connection with the Rights Issue. In addition to this, Carnegie has no financial or other interests in the Rights Issue. Carnegie (and companies closely related to Carnegie) has provided, and may in the future provide services within the scope of the ordinary operations and in connection with other transactions for Rejlers for which Carnegie has received or may receive remuneration.

Potential authority decisions with negative impact

In addition to that stated by this Prospectus, Rejlers has no knowledge of any public, financial, tax policy, monetary policy or other policy measures that, directly or indirectly, materially impacted or could materially impact the Company's operations.

Incorporation through reference

Rejlers' financial statements for the financial years 2013, 2014 and 2015 and for the period January-December 2016 constitute a part of this Prospectus and shall be read as a part of this. The financial statements are found in Rejlers' annual reports for the financial year 2013, 2014 and 2015 and in Rejlers' year-end report for the period January-December 2016. The annual reports were audited by the Company's auditor and the auditor's report is appended to the respective annual report. The year-end report for the period January-December 2016 is not audited or reviewed by the Company's auditor.

Year-end report for the period January-December 2016: pages 4-5 and 13, income statement (page 8), statement of comprehensive income (page 8), balance sheet (page 9), statement of changes in equity (page 9), cash flow statement (page 10).

Annual report 2015: administration report (pages 5-8), income statement (page 15), statement of comprehensive income (page 15), balance sheet (page 16), statement of changes in equity (page 17), cash flow statement (page 18) and notes (pages 19-38) and auditor's report (page 48).

Annual report 2014: administration report (pages 34-36), income statement (page 41), statement of comprehensive income (page 41), balance sheet (page 42), statement of changes in equity (page 43), cash flow statement (page 44) and notes (pages 45-62) and auditor's report (page 71).

Annual report 2013: administration report (pages 47-49), income statement (page 53), statement of comprehensive income (page 53), balance sheet (page 54), statement of changes in equity (page 55), cash flow statement (page 56) and notes (pages 57-73) and auditor's report (page 82).

The parts of the year-end report and respective annual report that are not incorporated are not relevant or matched by information that is reproduced elsewhere in the Prospectus. The annual reports, with associated auditor's reports, and the year-end report for full year 2016 are available on the Company's website, www.rejlers.com, and can be obtained free of charge from the Company throughout the entire period of validity of the Prospectus.

Documents available for inspection

The following documents are available at Rejlers, Lindhagensgatan 126, Stockholm, Sweden, and on Rejlers' website, www.rejlers.com:

- The Company's Articles of Association.
- Rejlers' and its subsidiaries³⁾ annual reports and auditor's reports for 2013, 2014 and 2015.
- Rejlers' year-end report for the period January-December 2016.
- The Prospectus.

³⁾ These documents will not be available in electronic form.

Certain tax issues in Sweden

The following is a summary of certain tax consequences that according to current Swedish tax legislation may arise as a result of the current offering to subscribe for new shares to holders of shares and subscription rights in Rejlers. This summary only concerns unlimited taxpayers who are natural persons or limited companies unless otherwise stated. The summary is based on the current legislation and is only intended as general information. The summary does not comprise securities held by partnerships or held as stock items in business operations. In addition, the special rules for tax-free capital gains (including a deduction prohibition for capital losses) in the corporate sector that may be applicable when shareholders hold shares considered to be for business purposes. The special rules are also not covered that may be applicable to holdings in companies that are or were previously close companies or to shares acquired with support of qualified participations in close companies. The summary also does not cover shares or other securities that are acquired in an investment savings account that are covered by special rules on standard taxation. Special tax rules apply for certain kinds of taxpayers, such as investment funds, investment firms and insurance companies. Taxation of every individual shareholder depends on the shareholder's special situation. Every holder of shares and subscription rights should therefore consult with a tax advisor to get information on the special consequences that may arise in their individual case, including the applicability and effect of foreign rules and tax treaties.

Natural persons

Capital gains taxation

When listed shares (such as class B shares in Rejlers) or other securities, such as subscription rights, are sold or otherwise divested, a taxable capital gain or deductible capital loss may arise that is taxed in the income class of capital at a tax rate of 30 per cent. If the divestment does not concern listed shares (such as class A shares in Rejlers), 5/6 of the capital gain is taxable while 5/6 of the capital loss is deductible. The capital gain or loss is normally calculated as the difference between the sales compensation, less selling costs, and the cost amount (for special information on the cost amount for subscription rights, see *Utilisation and divestment of subscription rights* below). The cost amount for all securities of the same class and type is calculated jointly using the average method. It should be noted that paid-up subscribed shares are thereby not considered to be of the same class and type as the shares that entitled the holder to preferential rights in the Share Issue until the resolution on the rights issue has been registered with the Swedish Companies Registration Office.

In a sale of listed shares (such as class B shares in Rejlers), the cost amount may alternatively be set according to the standardised method at 20 per cent of the sales compensation less selling expenses. Deductible capital losses on shares are fully deductible against taxable capital gains on shares and other listed securities, except units in mutual funds or special funds, which only contain Swedish receivable claims, so-called fixed income funds. Capital losses on shares and other securities that cannot be offset this way may be deducted by up to 70 per cent against other income in the income class of capital. If a deficit arises in the income class of capital, a tax reduction is allowed against municipal and state income tax, as well as property tax and municipal property charges. A tax reduction is allowed by 30 per cent of the part of the deficit that does not exceed SEK 100,000 and 21 per cent of the remainder. Such a deficit cannot be saved for later tax years.

Tax on dividends

For private individuals, dividends are taxed in the income class of capital with a tax rate of 30 per cent. For natural persons resident in Sweden, preliminary tax on dividends is normally withheld at a rate of 30 per cent. The preliminary tax is withheld by Euroclear, or when it concerns nominee-registered shares, by the Swedish nominee.

Utilisation and divestment of subscription rights

Utilisation of subscription rights triggers no taxation. The acquisition charge for a share is comprised of the issue price. If subscription rights that are used for subscription for shares were acquired through purchase or a similar manner (*i.e.* not obtained based on holdings of existing shares), the subscription rights' cost amount is taken into account in the calculation of the cost amount for acquired shares.

For shareholders who do not want to utilise their preferential right to participate in the Share Issue and divest their subscription rights, a capital gain or loss is calculated. Subscription rights based on holdings of existing shares are considered to be acquired for SEK 0. The entire sales compensation less charges for divestment shall accordingly be taken up for taxation. The standardised method may not be applied in this case. The cost amount for the original shares are not affected.

For subscription rights acquired through purchase or a similar manner, the consideration constitutes the acquisition charge. The standardised method may be used in the divestment of listed subscription rights in this case.

A subscription right that is neither utilised nor sold and therefore expires is considered to be divested for SEK 0.

Limited companies

Tax on capital gains and dividends

For a limited company, all incomes are taxed, including taxable capital gains and dividends, in the income class of business activity at a rate of 22 per cent. Capital gains and losses are calculated in the same way as described above with regard to natural persons. For gains/losses on participations for business use, special rules apply. Deductible capital losses on shares or other securities may only be deducted against taxable capital gains on such securities. Capital losses that have not been able to be used in a certain year may be saved at the limited company that had the loss and deducted against taxable capital gains on shares and other securities during subsequent tax years without limit in time. If a capital loss cannot be deducted at the company that made the loss, it may be deducted against taxable capital gains on shares and other securities at another company in the same corporate group if there is a group contribution right between companies and both companies request it for a tax year that has the same filing date (or that would have had the same filing date if either of the companies' accounting obligation had not ended).

Utilisation and divestment of subscription rights

Utilisation of subscription rights triggers no taxation. The acquisition charge for a share is comprised of the issue price. If subscription rights that are used for subscription for shares were acquired through purchase or a similar manner (*i.e.* not obtained based on holdings of existing shares), the subscription rights' cost amount is taken into account in the calculation of the cost amount for acquired shares.

For shareholders who do not want to utilise their preferential right to participate in the Share Issue and divest their subscription rights, a capital gain or loss is calculated. Subscription rights based on holdings of existing shares are considered to be acquired for SEK 0. The entire sales compensation less charges for divestment shall accordingly be taken up for taxation. The standardised method may not be applied in this case. The cost amount for the original shares are not affected.

For subscription rights acquired through purchase or a similar manner, the consideration constitutes the acquisition charge. The standardised method may be used in the divestment of listed subscription rights in this case.

A subscription right that is neither utilised or sold and therefore expires is considered to be divested for SEK 0.

Special tax issues for holders of shares and subscription rights who are limited taxpayers in Sweden

Coupon tax

For shareholders who are limited taxpayers in Sweden and receive dividends on shares in a Swedish limited company, Swedish coupon tax is normally taken out. The tax rate is 30 per cent. However, the tax rate is generally reduced through tax treaties that Sweden has entered into with other countries to avoid double taxation. Most of Sweden's tax treaties enable a reduction of the Swedish tax to the treaty's tax rate directly at the time of dividend if requisite information exists on the party entitled to dividends. In Sweden, the withholding for coupon tax is normally done by Euroclear, or for nominee-registered shares, by the nominee. Receipt of subscription rights does not trigger any obligation to pay coupon tax.

If 30 per cent coupon tax has been withheld upon disbursement to a person who has a right to be taxed according to a lower tax rate or too much coupon tax has otherwise been withheld, repayment can be requested with the Swedish Tax Agency before the end of the fifth calendar year after the dividend.

Capital gains taxation

Holders of shares and subscription rights who are limited taxpayers in Sweden and do not conduct operations from a permanent place of operations in Sweden are not normally taxed on capital gains in Sweden upon the divestment of such securities. The holders may, however, be subject to taxation in their country of domicile. However, according to a special tax rule, natural persons who are limited taxpayers in Sweden may become subject to Swedish taxation upon the sale of certain securities (such as shares, paid-up subscribed shares and subscription rights) if they at any time during the year of divestment or any of the ten prior calendar years were resident or lastingly spend time in Sweden. The applicability of this rule may be limited by tax treaties between Sweden and other countries.

Glossary

"Carnegie"	refers to Carnegie Investment Bank AB (publ).
"EUR"	refers to euros.
"Euroclear"	refers to Euroclear Sweden AB, corp. reg. no. 556112-8074.
"Nasdaq Stockholm"	refers to the regulated market Nasdaq Stockholm or Nasdaq Stockholm AB, depending on the context.
"New Share(s)"	refer to one or more shares issued by Rejlers in connection with the impending Rights Issue.
"NOK"	refers to Norwegian kronor.
The "Offer"	refers to the offer to subscribe for shares in the Company as detailed by the Prospectus.
The "Prospectus"	refers to the Prospectus (in Swedish).
"Rejlers", the "Company" or the "Group"	refers to Rejlers AB (publ), corp. reg. no. 556349-8426, the corporate group of which Rejlers AB (publ) is the parent company or a subsidiary of the Group, depending on the context.
The "Rights Issue"	refers to the issue of shares in the Company in accordance with the Offer.
"SEK"	refers to Swedish kronor.
"Subscription Right(s)"	refer to one or more subscription rights in the impending Rights Issue.

Addresses

Rejlers AB (publ)

Head office

Visiting address

Lindhagensgatan 126
Stockholm

Postal address

Box 30233
104 25 Stockholm, Sweden

Phone: +46 (0)771-78 00 00

www.rejlers.com

Financial advisor

Carnegie Investment Bank AB

Regeringsgatan 56

103 38 Stockholm, Sweden

Legal advisor to Rejlers

Advokatfirman Delphi KB

Box 1432

111 84 Stockholm, Sweden

Legal advisor to Carnegie

Baker & McKenzie Advokatbyrå KB

Box 180

101 23 Stockholm, Sweden

Auditor

Deloitte AB

113 79 Stockholm, Sweden

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REJLERS

REJLERS AB (publ)
Reg. no 556349-8426, Box 30233, SE-104 25 Stockholm
Phone 0771-78 00 00, Fax 08-654 33 39
Email info@rejlers.se, www.rejlers.com