

**Notice of written procedure for Senior Secured Callable PIK Interest Bonds issued by Columbidæ Properties Holding AB (publ)**

Stockholm, 11 April 2023

**To the holders of the EUR, NOK and SEK Senior Secured Callable PIK Interest Bonds 2020/2023 with ISIN SE0014111357 (EUR), NO0012876517 (NOK), NO0012876525 (NOK), NO0012876566 (NOK), NO0012876590 (SEK), SE0014111365 (SEK) and SE0014111373 (SEK) issued by Columbidæ Properties Holding AB (publ) (the "Issuer") on 19 March 2020 (the "Ordinary Bonds") and with ISIN SE0014111431 (EUR), NO0012876608 (NOK) and SE0014111449 (SEK) issued by Columbidæ Properties Holding AB (publ) on 24 March 2020 (the "Premium Bonds" and jointly with the Ordinary Bonds, the "Bonds").<sup>1</sup>**

*Capitalised terms not otherwise defined in this notice (the "**Notice**") shall have the meaning given to them in the terms and conditions relating to the Bonds (the "**Terms and Conditions**").*

**This Notice and voting request has been sent by Intertrust (Sweden) AB (the "Trustee") on 11 April 2023 to direct registered owners and registered authorised nominees (Sw. *förvaltare*) of the Bonds. If you are an authorised nominee under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*), an authorised nominee under the Norwegian Securities Register Act of 2002 no. 64 (Nw. *Verdipapirregisterloven*) or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. See "Voting rights" in Section 4 (*Decision procedure*) for further information.**

On 17 March 2023, the Trustee initiated a written procedure upon the request of the Issuer (the "**First Written Procedure**"). The First Written Procedure, which ended 5 April 2023 did not meet the quorum requirement set out in the Terms and Conditions.

Therefore, at the request of Columbidæ Properties Holding AB (publ) (the "Issuer" or "Company" and jointly with its subsidiaries, the "Group" or "Vivid"), the Trustee, acting in its capacity as agent for the Bondholders under the Terms and Conditions, hereby initiates a second written procedure (the "**Written Procedure**"), in which the Bondholders can vote for or against the Request as defined under Section 2 (*Request*) below. Pursuant to the Terms and Conditions, the quorum requirement set out in the Terms and Conditions does not apply

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<sup>1</sup> ISIN NO0012876517, NO0012876525, NO0012876566, NO0012876590 and NO0012876608 have replaced the previous ISIN NO0010877434, NO0010877442, NO0010877459, NO0010877467 and NO0010877426.

to this second Written Procedure which means that the votes received in this second Written Procedure will be decisive regardless of how many votes that will be received.

An investor presentation in English and Swedish, which contains further description of the Written Procedure and the Request (the "**Investor Presentation**"), is available to the Bondholders as a Schedule in the notice of First Written Procedure through the following link:

<https://www.intertrustgroup.com/our-services/capital-markets-services/bond-news/notice-of-written-procedure-for-senior-secured-callable-pik-interest-bonds-issued-by-columbidae-properties-holding-ab-publ/>.

Eligible votes received by the Trustee in the First Written Procedure are valid in this second Written Procedure, provided that the voting Bondholders have not instructed the Trustee otherwise.

### **NO DUE DILIGENCE CARRIED OUT IN CONNECTION WITH THIS WRITTEN PROCEDURE**

Please note that no due diligence whatsoever (legal, financial, tax, environment or otherwise) has been carried out by the Trustee or any of its advisors or any other person for the purposes of the Written Procedure or with respect to the Issuer or its assets, why this Notice for the Written Procedure does not contain any disclosures with respect to the Issuer or its assets that have been produced as a result of any such due diligence. This Written Procedure contains risk factors in Section 3 and a Bondholder should carefully consider these prior to making a decision in relation to the Request.

### **LIMITATION OF LIABILITY OF THE AGENT**

The Request, as defined in Section 2.1 (*Request*), is presented to the Bondholders, without any evaluation, advice or recommendations from the Trustee to the Bondholders whatsoever. The Trustee has not assessed the Request (and its effects, should it be approved) from a legal, commercial, financial or other perspective and the Trustee expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and its effects, should it be approved). The Trustee has assumed that documentation and other evidence (if any) delivered to it pursuant the Request is accurate, correct and complete and the Trustee has not verified the contents of any such documentation. The Bondholders are recommended to seek their own professional advice in order to independently evaluate whether the Request (and its effects) is acceptable or not. Neither the Trustee, nor any of its advisors has carried out any due diligence in connection with the Request and no party can guarantee any satisfactory outcome of the Request set out herein.

### **ALL HOLDERS ARE STRONGLY ENCOURAGED TO REVIEW AND CONSIDER THE REQUEST**

Before making a decision, each Bondholder is advised to carefully review the content of this document and the proposed resolution set out in Section 2.1 (*Request*) below, the limitation of liability provision set out above and the risk factors in Section 3. If a Bondholder is uncertain as to the content and significance of this document and the measures the Bondholder should take, the Bondholder is advised to consult its own legal, tax or financial adviser for this purpose. The Trustee will not, and is under no obligation to, update this document.

The Request is presented to the Bondholders without evaluation, advice or recommendations from the Trustee. The Trustee has not reviewed or assessed this Notice to a Written

Procedure or the Request (and their effects, should it be adopted) from a legal or commercial perspective of the Bondholders and the Trustee expressly disclaims any liability whatsoever related to the content of this Notice to a Written Procedure or the Request (and their effects, should it be adopted). The Bondholders must independently evaluate whether the Request and its effects are acceptable or not.

### **PARTICIPATION IN THE WRITTEN PROCEDURE**

Please note that even though this notice combines the notices for Written Procedures for each of the Ordinary Bonds and the Premium Bonds, individual decisions with respect to each of the Bonds have to be obtained. Thus, each Bondholder holding both Ordinary Bonds and Premium Bonds must submit a voting form per Bond. It is not possible to submit a combined voting form for both Ordinary Bonds and Premium Bonds.

Bondholders participate by completing and sending the voting form, attached hereto as Schedule 1 (Voting form) (the "**Voting Form**") and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (Power of attorney/authorisation) (the "**Power of Attorney**") or other sufficient evidence, if the Bonds are held in custody other than by the CSD, to the Trustee. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

Bondholders may participate in the Written Procedure by completing and sending the voting form attached below to the Trustee. The Trustee must receive the voting form no later than by 13:00 (CEST) on 28 April 2023 by mail, via courier or e-mail to the addresses indicated below. Votes received thereafter will be disregarded. Please note that the Written Procedure may expire early if the requisite majority consents of the total Adjusted Nominal Amount have been received before 13:00 (CEST) on 28 April 2023.

**To be eligible to participate in the Written Procedure a person must fulfil the formal criteria for being a Bondholder on 18 April 2023 (the "Record Date").** This means that the person must be registered on a Securities Account with the CSD as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

If you have an interest in a Bond but are not registered as a direct registered owner or authorised nominee on a Securities Account, you need to obtain a power of attorney or other proof of authorisation from the person who fulfils the formal criteria for being a Bondholder on the Record Date, to be able to participate. An alternative may be to ask the person that is registered as a Bondholder and holds the Bonds on your behalf to vote in its own name as instructed by you. For further information on voting, please see under Voting rights in Section 4 (*Decision procedure*).

Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

**Key information:**

<b>Record Date (for voting):</b>	18 April 2023
<b>Last time and day to vote:</b>	13:00 CEST on 28 April 2023
<b>Quorum requirement:</b>	No
<b>Majority requirement:</b>	At least sixty-six and two-thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure

## 1. Background

### Restructuring

In March 2020, a restructuring of the Company's outstanding financing was carried out. The previous bond issues to Gemma Development 2016 AB, Gemma Development 2017 AB and Gemma Properties Holding AB were converted into a new bond issue in Gemma Properties Holding AB (renamed to Columbidae Properties Holding AB).

In connection with this, the owners brought the Fjällbäcken condominium project to the Group in order to create repayment capacity under the bonds. After completion of the project, the profits would be distributed to the Issuer, to in turn repay the Bonds.

The project comprises a total of approx. 292 apartments and is intended to be carried out in four stages, where each stage will be a condominium association. The land where the project is carried out is divided into 39 plots, where the intention is to build 38 apartment buildings (one per plot) as well as a communal pool and padel court.

### Financing

In connection with the restructuring, the Company concluded a loan of MSEK 62.2 (a so-called "SSF") in order to refinance credits, acquire certain plots of land in Fjällbäcken and finance the initial development of the project. In accordance with the original plan, the SSF has been repaid through the sale of land in Tandådalen.

In August 2021, the bondholders approved through a Written Procedure that the proceeds from the sale of land in Högmora ("the Högmora properties") could be used to finance continued development and construction in the Fjällbäcken project.

Vivid also signed an agreement regarding construction credit with Scandinavian Credit Fund I AB and made utilisations of credit thereunder to finance further land acquisitions and further construction in the Fjällbäcken project.

The construction credit has since been replaced by a direct loan with a limit of up to MSEK 250 (the "Direct Loan"), which, together with revenues from sales, makes stages 1 – 3 fully financed.

## **Construction**

Vivid signed a turnkey construction contract with Splendid Entreprenad AB. The construction company met the price and the time schedule allowed by the financing.

The construction contract was signed with a fixed price, which was assessed to provide good predictability for the project. Construction began with extensive earthworks and subsequent casting of ground concrete slabs for the first houses in stage 1. Frames were delivered and the first two apartment buildings were built.

However, in May 2022, the project suffered a major setback when Splendid Entreprenad AB was declared bankrupt.

The consequences of the bankruptcy included severe delays, that the Group's receivables on Splendid Entreprenad AB became impossible to claim and that the agreed timetable with buyers of apartments expired.

## **New agreements**

Vivid quickly began work on contracting a new construction company for the project. In August 2022, a new turnkey contract was signed with Hökerum Bygg AB.

Hökerum Bygg AB is a financially strong and reputable construction company (see more info about Hökerum Bygg on page 20 of the Investor Presentation).

In order to strengthen the management of the project, Vivid has also contracted Grundingen Fastighets AB as project manager for the Fjällbäcken project.

Grundingen has good experience in project development and an established cooperation with Hökerum Bygg in several other ongoing projects in its own portfolio (see more info about Grundingen on page 21 of the Investor Presentation).

## **Current status**

### **The project in brief**

Hökerum Bygg, together with Grundingen and Vivid, has updated calculations and schedules. Subcontractors are procured and construction resumed in November 2022 with earthworks and casting of new slabs.

Frames for the houses have been prepared for two more apartment buildings, while the first two buildings are being completed and slabs are being cast for subsequent buildings.

The capital raising for the Direct Loan of up to MSEK 250 is currently being completed and, together with the sales proceeds, stages 1 – 3 are thus fully financed. As the stages are completed and paid for, the proceeds will be used for continued development and construction on subsequent stages, which means that no additional financing is needed.

Additional agreements are signed with the previous apartment buyers, which means that the advance agreements are binding with updated and currently valid schedules. New apartments are also sold on an ongoing basis and so far approximately 147 apartments have been sold.

Phase	Apartments	Approx. sqm	Avg price/sqm <sup>2</sup>	Sold	First access
1	56	3,617	SEK 61,820	91%	H2 2023
2	68	3,462	SEK 65,156	85%	H1 2024
3	94	4,965	SEK 66,578	40%	H1 2024
4	74	3,687	n/a	n/a	TBD

## Way forward

### The status

Construction is currently ongoing in stage 1. Construction in stage 2 will be started shortly. The cooperation with Hökerum Bygg and Grundingen works well, with a common goal of creating apartments of the highest quality in one of the most attractive locations in the Swedish mountains.

Since the project began, the local area has become more attractive, among other things due to Skistar's investments in Sälen. Investments and expansions are focused on Lindvallen and in particular the area around Söderåstorget facing Fjällbäcken.

Skistar is planning for new lifts and slopes, as well as an expanded range of summer activities to make Sälen more of a year-round destination (see more information about the investments on page 18 of the Investor Presentation).

### Sales

The Swedish mountains are growing stronger and the interest in holiday homes in the major ski resorts has increased sharply over the past few years, which is also reflected in the price trend.

Through the additional agreements and the latest new sale, the income has basically been secured for stage 1 and stage 2. In addition, about half of the apartments in stage 3 have soon been sold.

Although the price development has been positive, Vivid assesses that there is still good potential in the price development, taking into account that the current market is more hesitant given the global situation.

The fact that half of stage 3 and the whole of stage 4 remains to be sold is therefore considered by Vivid as a strength as it gives the opportunity to possibly increase sales revenue and profits for the latter part of the project.

### Strategy

The plan is to strategically release smaller stages of apartments, well timed when the market is at its peak. The aim is to limit supply and thereby be able to maintain price levels. Vivid believes that the price levels for both construction and materials have a downward trend. The

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<sup>2</sup> Including loans incurred by the housing associations.

construction contract relating to the project has a variable price, which means that profits can be made through reduced costs. Working methodically and not forcing the project means great opportunities on both the cost and revenue side.

## **Conversion**

Vivid proposes a conversion of the outstanding bond debt, including accumulated interest, as at 19 March 2023 (being the equivalent of SEK 360,103,717.5 to convertibles. The convertibles may be converted at the request of the holder of such instruments, to preference shares in the Issuer.

The convertibles and the preference shares are jointly, upon completion of the Fjällbäcken project, entitled to:

- (i) 90% of the Net Profit from the Fjällbäcken project, up to an amount of SEK 360 million (i.e. up to a Net Profit of SEK 400 million); and
- (ii) 25% of the Net Profit from the Fjällbäcken project exceeding SEK 400 million.

## **Net Profit**

“Net Profit” refers to the disposal proceeds received by the Group from the Project after the deduction of all costs, including historical financing costs and tax (regardless whether such costs are due for payment or not), to carry out the Project and assessed costs for winding up the Company and the Group.

## **Assessed consequence of not accepting the proposal**

Since Vivid does not have sufficient funds to repay the Bonds at the applicable maturity dates (being 19 and 24 March 2023, respectively), the Company would be declared bankrupt if the Bonds are accelerated towards payment.

In the event of a bankruptcy, the Direct Loan of up to MSEK 250 which finances development and construction in the Fjällbäcken project, will be prioritized over the Bonds since the Bonds are structurally subordinated in relation to the Direct Loan (see under the risk factor “*Risks related to subordination*” below) and the Direct Loan is secured by way of mortgages in the Project properties.

As at 19 March 2023, the value of the Company is deemed to be lower than the amounts outstanding under the Direct Loan, meaning that there would be no repayment to the Bonds.

## **2. Request**

### **2.1 Request**

The Bondholders are hereby requested to approve that (the “**Request**”):

- (i) the nominal amounts and accrued interest under the Ordinary Bonds is written down by 99%;
- (ii) the nominal amounts and accrued interest under the Premium Bonds are written down by 98.9%;
- (iii) the Bonds are exchanged for newly issued Convertibles (as defined below) of two series issued by the Company;

- a. the Bonds affiliated with Euroclear are exchanged for Convertibles of series 2023:1 and allocated to holders through Euroclear; and
  - b. the Bonds affiliated with VPS are exchanged to Convertibles of series 2023:2 and allocated to holders through VPS; and
- (iv) any and all security provided in relation to the Bonds shall be immediately and irrevocably released.

Following the write-down pursuant to item (i) and (ii) above, each Bondholder shall receive Convertibles in accordance with the following (subject to minor necessary rounding in allocation):

- 1 Convertible per 1 EUR (in respect of ISIN SE0014111357 and ISIN SE0014111431) *multiplied* by 11.1807<sup>3</sup>;
- 1 Convertible per 1 NOK (in respect of ISIN NO0012876517, NO0012876525, NO0012876566 and NO0012876608) *multiplied* by 1.021451<sup>4</sup>; and
- 1 Convertible per 1 SEK (in respect of ISIN NO0012876590, SE0014111365, SE0014111373 and SE0014111449).

The initial write-down of the Bonds is carried out in order to reduce the balance sheet liabilities of the Issuer, in order to avoid bankruptcy.

Each holder of Convertibles may request conversion of its Convertibles into newly issued Preference Shares in the Company upon request to the board of directors of the Company and in accordance with the terms and conditions of the Convertibles.

All outstanding Convertibles are entitled to a redemption amount corresponding to what a Preference Share would be entitled to (taking into account that 10 Convertibles will entitle to conversion to one Preference Share). Thus, there will be no difference between Convertibles and Preference Shares as regards such instruments' economic participation rights to the Net Profit of Project Fjällbäcken.

No interest shall accrue on the Convertibles and neither the Convertibles nor the Preference Shares shall entitle to any payments or dividends other than in connection with the completion of Project Fjällbäcken (as defined below), regardless of whether the Project will be completed with profit or not. Consequently, if there is no Net Profit from Project Fjällbäcken, and there is thus no amount to be distributed, all Convertibles will be converted into Preference Shares at a time determined by the Board of Directors of the Company or redeemed, and if such conversion is not possible for some holders for technical or other reasons, such Convertibles shall become due for payment, in which case the repayment amount for each Convertible shall be SEK zero (0), after which such Convertibles shall cease to be valid and shall be deregistered.

All Preference Shares and Convertibles shall be redeemed in connection with the Company's completion of its property development project in Sälen, Dalarna region, Sweden ("**Project**

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<sup>3</sup> The average conversion rate from EUR to SEK during February 2023 as calculated by Sweden's central bank (Sw. *Riksbanken*)

<sup>4</sup> The average conversion rate from NOK to SEK during February 2023 as calculated by Sweden's central bank.



**Fjällbäcken**”). Please refer to Section 1 (*Background*) for a more detailed description of the project.

The Convertibles and the Preference Shares are jointly, upon completion of the Fjällbäcken project, entitled to:

- (i) 90% of the Net Profit from the Fjällbäcken project, up to an amount of SEK 360 million (i.e. up to a Net Profit of SEK 400 million); and
- (ii) 25% of the Net Profit from the Fjällbäcken project exceeding SEK 400 million.

In the two scenarios above, the ultimate shareholders of the Issuer, i.e., the founders would then be entitled to the remainder, i.e. 10% of the Net Profit up to a maximum Net Profit of SEK 400,000,000 and to 75% of any Net Profit in excess of SEK 400,000,000.

Any and all dividend made on the Convertibles and the Preference shares in connection with the Company’s completion of Project Fjällbäcken will be paid in SEK.

Each Convertible will have a quota value of 1 SEK. The total nominal amount (i.e. the total loan amount) of the Convertibles is SEK 3,609,561. Consequently, a maximum number of 3,609,561 convertibles may be issued, which will, upon full conversion to Preference Shares amount to 360,956 Preference Shares. Payment for the Convertibles will be made through set-off against the debt attributable to each Bondholder respectively after write-down in accordance with Section 2.1 above (it being noted that minor rounding can occur in the allocation and the write-down for technical reasons).

Intertrust (Sweden) AB will subscribe for the Convertibles on behalf of each Bondholder.

## **2.2 Assessed consequences if the Request is not approved**

If the Request is not approved by the Bondholders, the Issuer will not be able to complete Project Fjällbäcken, which is the foundation of the Company’s future prospects. The business that is in progress would then no longer be considered realistic and a special balance sheet for liquidation purposes must be prepared. It is the Company’s assessment that it would be obligated to file for bankruptcy within the immediate near future, since it is insolvent.

## **2.3 Additional Convertibles for exchanged Premium Bonds**

The Ordinary Bonds are subordinated in relation to the Premium Bonds and such subordination will cease to exist in the new Convertibles structure. In order to compensate for such loss of priority, the Premium Bonds will be exchanged against 10 per cent. more Convertibles than the Ordinary Bonds. Technically, such additional allocation of Convertibles to Premium Bonds will be achieved by way of the write-down of Premium Bonds is 0.1 per cent. less than the write-down of Ordinary Bonds (see under Section 2.1 (*Request*) above).

## **2.4 The new instruments in brief**

The Convertibles will be mandatory convertible instruments (Sw. *konvertibler*) issued by the Company after the Bondholders’ approval of the Request.

The Convertibles will be regulated in the terms and conditions for the Convertibles and by the articles of association of the Company.

No interest will accrue on the Convertibles. The Convertibles will constitute direct, unconditional, subordinated and unsecured obligations of the Company. Further, the

Convertibles will rank *pari passu* amongst themselves and equally with the Preference Shares and ahead of the Company's issued ordinary shares from time to time.

All holders of Convertibles have a right to convert its Convertibles into Preference Shares (as defined below) upon request to the board of directors of the Company and in accordance with the terms and conditions of the Convertibles. Ten (10) Convertibles shall entitle the holder to one (1) Preference Share.

The terms and conditions for the Convertibles will include market standard provisions in relation to adjustment of the conversion price in the event of certain dispositions affecting the Company's equity.

The Convertibles will be affiliated with Euroclear and VPS and issued in the Euroclear and VPS systems but will not be listed on any regulated market or other market place. Holders of Bonds affiliated with VPS, who will be allotted Convertibles affiliated with VPS, may be required to open a securities account or a securities depository account with a bank that is connected to Euroclear Sweden AB in order to convert the securities to Preference Shares.

The economic rights will not be different between the Convertibles and any issued Preference Shares. However, the instruments will differ as regards voting rights on general meetings of the Company, whereas Convertibles do not entitle to any voting rights.

## **2.5 Full terms of the Convertibles**

Full terms and conditions for the Convertibles are currently being prepared based on analysis and discussions with advisors and copies thereof may once finalised be possible to obtain by contacting the Trustee (see contact details last in this Notice), subject to providing proof of holding of Bonds. It will be communicated to the holders of Bonds once such documents are made available.

## **2.6 Implementation of new structure**

The work to implement the new structure will be carried out once the Request has been approved and is expected to take around 3-6 weeks, mainly due to the fact that the new structure requires implementation of and affiliation with Euroclear of the Issuer's shares as well as company law related technical measures in order to set up the new structure. The Issuer will disclose a time plan and estimated dates for the implementation of the new structure, including the full terms for the Convertibles and the Preference Shares, as soon as possible after the approval of the Request. Such disclosure will include the expected record date for the allocation of Convertibles.

## **2.7 Information regarding Bonds affiliated with VPS**

Each original ISIN series of Bonds affiliated with VPS have ceased to exist and have been replaced by two new ISIN series, whereby one of such new ISIN series holds the nominal amount of the relevant Bonds and one ISIN series holds the interest accrued on such Bonds until (and including) the Final Redemption Date.<sup>5</sup> Holders of VPS affiliated Bonds should be aware that each such new separate ISIN series holding accrued interest of Bonds will be

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<sup>5</sup> The ISIN series holding accrued interest for Bonds affiliated with VPS are NO0012876582, NO0012876574, NO0012876533, NO0012876541 and NO0012876509.

written down to zero (0) in connection with the write-down described above. This is a technical measure with no effect on the economic outcome of the write-down (i.e. all Bonds will be written down equally, regardless of the Bonds' CSD affiliation). The full write-down of each ISIN holding accrued interest will be made in order to reduce the number of ISIN series and mitigate the administrative work with implementing the Convertibles structure.

## **2.8 Effective Dates**

The Request shall be deemed approved and effective immediately upon expiry of the voting period and receipt of the required majority as set forth in Section 4.4 (*Majority*) or if earlier, when a requisite majority of consents of the Adjusted Nominal Amount have been received by the Trustee. The actions of the approved Request shall be effective at the same time unless otherwise stated in this Notice.

## **2.9 Authority for the Trustee to implement the Request**

For the purpose of carrying out the Request, the Issuer requests that the Bondholders irrevocably authorise and assign to the Trustee, or whoever the Trustee appoint in its place, to, on the Bondholders behalf, do all such acts and things and to execute such other agreements or documents as may be necessary or desirable to give effect to this Request. For the avoidance of doubt, the authorisation includes that the Trustee is entitled to approve such necessary amendments to the Terms and Conditions of the Convertibles to give effect to the Request and to subscribe for Convertibles on behalf of the Bondholders (where payment is made through set-off against the debt attributable to each Bondholder respectively after write-down in accordance with Section 2.1 above and after taking premium effects into account).

## **3. Risk factors relating to the Issuer and the Request**

*You should carefully consider the risk factors set out below and the other information set out in this Notice before approving the Request. Any of the risks described below could materially and adversely affect the business, financial position or results of operations of the Group and thus the ability of the Company to make payments under the Convertible Bonds and Preference Shares in the Company, if such right to repayment would even arise. In addition, the risks described below are not the only ones faced by the Company and the New Structure involves a number of inherent risks. Additional risks and uncertainties that have not yet been identified or those currently considered immaterial may also affect the Company's business, financial position or results of operations. In each such case, you may lose all or part of your investment in the Convertible Bonds.*

No due diligence has been carried out in connection with the preparation of the offering in relation to the Convertible Bonds or the Company. Given the absence of legal and other form of due diligence, there may exist risks that have not been identified. If any such risks were to occur, it could have a material adverse effect on the Company's business, results of operations and financial position which could affect the Company's ability to make payments under the Convertible Bonds as well as Preference Shares, if such right to repayment would even arise. Nor has any technical, financial, tax, commercial or environmental due diligence been carried out.

This document illustrates several risk factors both in terms of general risks related to the Group's business activities and material risks related to the Convertible Bonds and the Preference Shares. There may also be other risks not discussed in this document that are not currently known or are not currently considered to be material which may affect the Group's

future results, performance and financial position and therefore may affect the Company's ability to meet its obligations under the Convertible Bonds and the Preference Shares, including the ability to complete the Project (as defined below) with profit (or at all). These risk factors are not ranked in order of materiality. Potential investors should carefully consider the information set out in each section of the risk factors and make an independent evaluation before making a decision to participate and become a party to or benefit from the Convertible Bonds and the Preference Shares.

## **General risks**

### **The Company is insolvent and may declare bankruptcy**

The Company has endured economic difficulties and problems with the Project (see under "Project risks" below) and has not been able to pay its debts fallen due. In March 2020, the Bonds were issued as a result of a debt restructuring in the Company and no payments (interest or other) have ever been made on the Bonds. The Company is insolvent and the Convertibles structure proposed in this Notice is made in order to avoid bankruptcy. However, there can be no guarantee that the Company will not be declared bankrupt even if the Request is approved by the Bondholders. The Company assess that its current assets, including the assets in the unfinished construction project, will not suffice to cover any part of the Bondholders claim on the Company, neither any claim of any holder of Convertibles.

If the Request is approved, the Bondholders will be allocated Convertibles which entitles them to certain shares of the Net Profit of the Project. However, the Project's profitability cannot be guaranteed and should there be no Net Profit, or should the Project not finish, the holders of Convertibles (or Preference Shares) will not have any claim for payment, and in the event of a bankruptcy, the Convertibles (or Preference Shares) will likely not receive any distribution at all since the Convertibles (or Preference Shares) are subordinated all other obligations of the Company.

### **No due diligence review has been carried out**

No due diligence review has been carried out in relation to the Company. Consequently, there may be material risks in relation to the Company that have not been identified. If such risks were to occur, it could have a material adverse effect on the Company's business, results of operations and financial position which could affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds as well as Preference Shares issued after conversion of the Convertible Bonds.

## **Project risks**

The Company is part of a group that manages four tenant-owners' associations (Sw. bostadsrättsföreningar), which intend to acquire and construct buildings on the Properties in Lindvallen, Sälen for the granting of tenant-owner's rights (Sw. bostadsrätter) to a total of, according to information from the Company's management, 292 holiday apartments to customers (the "Project"). No amounts will be paid on the Convertibles if the Project does not result in a Net Profit.

The Company has no contractual relationship with the tenant-owners' associations and the control of the majority of the votes in the tenant-owners' associations is not exercised by the Group but by Archiplan AB. Archiplan AB is, is controlled by the same persons that comprise the Company's management. According to the Company's management, the Group intends to sell the Properties to limited liability companies and to transfer the shares in these companies

to the tenant-owners' associations. The conditions for such share transfers have not been provided and have thus not been reviewed.

Two of the tenant-owners' associations have entered into construction contracts with Vivid Development AB, reg. no. 559010-3254 for the construction of turnkey apartments (ABT 06) in the first sales phase. According to information from the Company's management, Vivid Development AB has the same beneficial owner as the Company. Vivid Development AB had in turn entered into a construction contract for the construction of the apartments with Splendid Entreprenad AB, reg. no. 559177-7106, on April 26 2021. Splendid Entreprenad AB was declared bankrupt on May 16, 2022. On October 7, 2022, Vivid Development AB therefore entered into a new construction agreement with Hökerum Bygg AB to complete the construction of the Project (see further below under "Construction risks").

The development of the Project is divided into four sale phases. Building permits have been granted for three phases. Applications for building permits for the remaining phase have been submitted to the building committee. The completion of the Project is largely dependent on the ability of the Group to complete the development of the Properties, as well as on other external circumstances, such as the obtaining of building permits and the completion of construction (discussed further below).

Furthermore, the development of the Properties and the completion of the Project, and consequently the realization of the value of the Properties and the Project, requires the obtaining of various permits, including building permits, starting permits, and final notifications for the construction, including necessary permits and financial guarantees for the acceptance of down payments from purchasers. There is a risk that applications and other necessary permits and decisions for the Properties will not be granted as expected or withdrawn. If building permits and/or other necessary permits or decisions are delayed, not granted on the expected terms, or appealed and thus significantly delayed or not be able to be completed at all, the Project may suffer delays or incur additional costs, which may have a material adverse effect on the Group's business.

Moreover, the Company's intention is to better adapt the completion of the Project to market conditions, access to financing and other relevant factors, meaning that there is not set target date for completion that cannot be changed. Consequently, investors in Convertible Bonds may have to wait a significant amount of time for a return, if any, on the Convertible Bonds.

Lastly, the profitability of the Project is dependent on a general ability to dispose the Properties with profit to the tenant-owners' associations. Should it not be possible to dispose the Properties with a profit for any reason, taking into account the costs for the Project, no payments whatsoever will be made to holders of Convertible Bonds or Preference Shares.

Should any of these risks occur, it could affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds.

### **Risks related to the real estate valuation**

The valuation of the market price of the Properties upon completion of the Projects is based on the assumption that all planned construction has been completed in accordance with market standards and practices and that there are no latent, environmental or other defects in the Properties. Therefore, the expected future value of the Properties does not correspond to the market value as of the date of issuance of the Convertible Bonds and consequently

there is a risk that the stated value of the Properties and the Project will be significantly lower than anticipated and/or that the real property market in Sweden and/or in Sälen will develop negatively, resulting in lower sales and profitability of the Project.

### **Risks related to preliminary agreements (Sw. *förhandsavtal*)**

Brf Fjällbäcken 1, Brf Fjällbäcken 2 and Brf Fjällbäcken 3 (the "Tenant-owners' Associations") have entered into several preliminary agreements with buyers for the granting of tenant-owner's rights to apartments in the planned buildings in the Project. In accordance with the preliminary agreements, the Tenant Owners' Associations have received advances from the purchasers. If any of the Tenant-Owners' Associations were to commit a material breach of contract in relation to the preliminary agreements, e.g. by way of delay of the conclusion of tenancy agreement with the buyers, or should the preliminary agreement not fulfil the statutory requirements the buyers may have the right to terminate the preliminary agreements, in which case the respective Tenant-Owners' Association would be obliged to repay the advances for the terminated agreements. The fulfilment of the Tenant-owners' Associations' obligation under the preliminary agreements to let the apartments with tenant-ownership rights and provide access to the completed apartments is mainly dependent on the development of the Project and is subject to the project and construction risks set out in above. The completion of the Project and the apartments have been delayed in relation to what was initially stated in the preliminary agreements, whereby the Tenant-owners' Associations have agreed on a new date for letting and occupancy in supplementary agreements with the purchasers. However, should further delays occur, the purchasers may be entitled to terminate the agreements. If this risk occurs and the preliminary agreements are terminated and the advances are repaid by the Tenant-owners' Associations, it could adversely affect the Group's operations, financial position, income and earnings, which could affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and any Preference Shares.

### **Construction risk**

Construction projects involve certain inherent risks. These risks include construction deficiencies and increased construction costs related to the environmental and geotechnical conditions of the Properties leading to budget overruns. In addition, there is a risk that the construction works are delayed, which may give rise to additional costs for the Project. Following the bankruptcy of Splendid Entreprenad AB, which Vivid Development AB first contracted for the construction of the apartments in the Project, Vivid Development AB has on October 7, 2022 entered into a new construction agreement with Hökerum Bygg AB to complete the completion of the Project. The construction agreement with Hökerum Bygg AB states that Hökerum Bygg AB will not unreservedly be responsible for documents prepared by the previously hired contractor and that Hökerum Bygg AB generally will not be responsible for work performed within the framework of the Project in cases where Hökerum Bygg AB cannot procure the work from the contractor who performed it or can ensure the quality of the work through inspection. There is thus a risk that Vivid Development AB lacks the opportunity to make a claim against Hökerum Bygg AB for the cost and remediation of defects in the construction work performed. The possibilities of receiving compensation for such claims in Splendid Entreprenad AB's bankruptcy are also very limited. If Hökerum Bygg AB is unable to complete the construction work on terms corresponding to the terms of the construction contract with Splendid Entreprenad AB, there is a risk that the Project will be

more expensive and thus generate less profit than the Group expects, or that it will generate no profit at all or a loss.

Furthermore, the construction contract between Vivid Development AB and Hökerum Bygg AB is subject to the prime cost principle, entailing that the price for the construction works carried out may vary, and thereby be subject to increased cost of e.g. materials (including raw materials such as metals, wood materials, prefabricated components such as concrete products and liners) and services (including by sub-contractors, installation services providers and other specialist services providers). There is a risk that costs for the Project becomes significantly more expensive, on part of the Group, than originally anticipated as a result of unforeseen price developments.

If one or several of the above described risks occur, the effects may have a material adverse impact on the Group's business, results and financial position, which could affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and any Preference Shares issued by exercising the Convertible Bonds.

### **Technical risks**

Real estate investment and management always involves a technical risk associated with the use of the property, including, but not limited to, construction issues, hidden defects (Sw. *dolda fel*), damage (including by fire or other natural disasters) and pollution. These types of technical problems can lead to significant unforeseen costs in relation to the Properties. If any of the Properties suffer technical problems in the future, this could significantly increase the costs of such properties, which could have an adverse effect on the Group's business, financial position, results of operations and profits and thereby affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and any Preference Shares issued by exercising Convertible Bonds.

### **Insurance-related risks**

The Company's management states that, to their knowledge, the Group and the Properties are adequately insured, including insurance and guarantees of prepayments under preliminary agreements. However, there is no guarantee that the Group will be able to maintain its insurance coverage on acceptable terms or at all. If the Group is unable to maintain its insurance coverage on acceptable terms or at all, or if future business requirements exceed or fall outside of the Group's insurance coverage, or if the Group's provisions for uninsured costs are insufficient to cover the ultimate costs, there may be an adverse effect on the Company's business (including the financing of its operations), financial position, revenues and earnings and thereby affect the Company's ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds.

### **Macroeconomic risks**

Real estate is an illiquid asset class and real estate transactions take time to complete. The real estate industry is significantly affected by macroeconomic factors such as business cycles, regional economic development, employment levels, production of new homes and premises, changes in infrastructure, population growth, population structure, inflation, interest rates, etc. Market disruptions, particularly in the Nordic real estate market, or negative business cycles in the global market, may affect the demand for the Group's offering

of residential and commercial real estate and the ability of buyers to enter into contracts with the Group, which may have a material adverse effect on the Company's business, results of operations and financial position, which could affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds.

## **Disputes**

The Company and the Group is currently involved in disputes and have historically been involved in disputes. In addition thereto, given that Splendid Entreprenad AB has been declared bankrupt, Vivid Development AB will most likely have a non-priority claim due to unfulfilled obligations under the construction contract. Splendid Entreprenad AB had provided a security for its obligations under the construction contract, a guarantee commitment from Belstroj AB. However, at this time, Vivid Development AB has not been able to recover any payments from Belstroj AB. If Vivid Development AB does not succeed in recovering the full value of the claims in Splendid Entreprenad AB's bankruptcy or from Belstroj AB, this could have a material adverse effect on the Group's financial position, revenues and earnings. In addition, claims or legal actions may be taken against the Group in the future, which may have significant negative effects on the Group's financial position, operations, revenues, results, performance and market position. This could in turn affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds.

## **Key personnel**

The operations of the Company and the Group, as well as the completion of the Project, is dependent on certain key personnel to manage the day-to-day operations. There is a risk that the Group will not succeed in retaining, or hiring new if necessary, relevant management and personnel. Further, the actual costs for retaining and, if necessary, hiring such management and personnel may exceed estimated costs. Such failure to retain, or hire if necessary, management and/or personnel or increased costs for such hiring and retention could adversely affect the business, the income and/or the financial position of the Group and thereby affect an investor's potential return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds.

## **Financing risks**

There is a risk that the capital and/or the savings generated from the New Structure and/or the business of the Group and the Company, as well as the potential capital need for the Project is miscalculated and/or not sufficient for the designated operations and completion of the Project, and that additional capital and financing is needed to run the business' day-to-day operations in a properly manner as well as to complete the Project. Currently, the Company and the Group does not generate any revenue. If such capital or financing is not generated or received for the Company and the Group on unfavourable terms it could adversely affect the business, the income and/or the financial position of the Company and the Group, as well as the prospects of completing the Project, and thereby affect an investor's potential return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds.



## **Tax-related risks**

The Company is expected to conduct its business in accordance with its own interpretation of applicable tax rules and applicable requirements and decisions. There is a risk that the Company's and/or its advisors' interpretation and application of laws, regulations, and case law has not been, or in the future will not be, correct or that such laws, regulations and case law will change, possibly with retroactive effect. If such an event were to occur, the Company's tax liabilities could increase, which would have an adverse effect on the Company's results and financial position. Revisions to tax law may, for example, result in the denial of interest deductions, the imposition of additional taxes on the direct or indirect sale of property and/or the forfeiture of tax losses carried forward, which could affect the Company's future results and financial position. This could in turn affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds.

Furthermore, the outstanding amounts under the Company's bond loan will be written down by approximately 99 per cent following the Written Procedure. A write-down of a loan may under certain circumstances constitute taxable revenue under Swedish law. Since the Company is insolvent, the Company assesses that the write-down will be free of tax as part of a private composition. However, the Company does not make a statement or guarantee that the Swedish Tax Agency will make the same assessment and there is consequently a risk that the Swedish Tax Agency may decide that all amounts that are subject to the write-down are taxable and thus subject to income tax, which would for example reduce the, if any, potential Net Profit that may be payable under the Convertibles and the Preference Shares. Furthermore, future payments on the Convertible Bonds or Preference Shares (as applicable) will likely be subject to capital gains taxation.

There are also additional tax risks for the Company and the Group related to the proposal in the Written Procedure concerning the Convertible Bonds. A negative decision from the Swedish tax Agency may lead to adverse negative consequences for the Company and may adversely affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds.

In addition, potential holders of Convertible Bonds and Preference Shares not domiciled in Sweden may be subject to Swedish withholding tax on proceeds payable under such instruments, which may have tax implications for these holders. Moreover, each holder should carefully analyse its own tax exposure and tax consequences as a result of its holdings of the current bonds of the Company and the conversion to Convertible Bonds and Preference Shares.

## **Risks related to subordination**

Other Group companies have raised financing through loans. For example, the Company's subsidiary Borg Finans AB, has raised a maximum SEK 250,000,000 secured direct loan (the "Loan"), under which an amount of approximately SEK 234,000,000 is currently outstanding. In the event of insolvency, liquidation or a similar event relating to any of the Company's subsidiaries, the creditor under the Loan would be entitled to payment in full out of the assets of such subsidiary before the Company, as a shareholder, would be entitled to any payments. The Company makes the assessment that the current assets within the Project and the Group will not suffice to repay the direct loan in the event of a default situation.

The Convertible Bonds are structurally subordinated to the Direct Loan and also subordinated to the Company's and the Group's other current and future potential liabilities. There is a risk that the Company and its assets would not be protected from actions by other creditors, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group may result in the obligation of the Group to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross defaults on certain borrowings of the Group. This may adversely affect the ability to complete the Project with any profit (or at all) and thereby affect an investor's potential return on the Convertible Bonds and Preference Shares issued by exercising the Convertible Bonds. In the event of insolvency of the Company and/or the Group, the Convertible Bonds and the Preference Shares would likely not receive any distribution at all.

### **Risks related to the Convertible Bonds**

#### **No preferential rights between different series of Convertible bonds**

As of the date of this written procedure, certain bonds (SE0014111431, SE0014111449 and NO0012876608) have better preferential rights than the other series of the Company's bonds. The right means preferential rights to receive funds from the Company's assets in the event of, for example, the Company's bankruptcy. Such priority regarding preferential rights will no longer apply on the Convertible Bonds or Preference Shares issued by exercising Convertible Bonds. This means that all holders of Convertible Bonds as well as Preference Shares will have the same rights in connection with e.g. a bankruptcy of the Company. This may affect the holders of bonds with ISIN SE0014111431, SE0014111449 and NO0012876608 in the event of e.g. a bankruptcy, affect their potential return after a bankruptcy has been concluded.

#### **Technical risks relating to the securities and security depositories**

The Convertible Bonds will constitute Swedish debt instruments and will be issued in series of both SE-ISIN and NO-ISIN. The SE-ISIN Convertible Bonds will be affiliated via Euroclear Sweden AB (Euroclear) and the NO-ISIN Convertible Bonds will be affiliated via Verdipapirsentralen ASA (VPS).

Any Preference Shares issued by exercising the Convertible Bonds will be affiliated with the Company's share register kept by Euroclear. Hence, any holder of Convertible Bonds who wish to exercise the conversion rights of the Conversion Bonds needs to ensure that it has a securities account or a securities depository account with a bank that is connected to Euroclear, i.e. an account that is able to hold Swedish shares that are affiliated with Euroclear. Any holder of Convertible Bonds who wishes to exercise the conversion right but does not currently have an account that is able to hold Swedish shares that are affiliated with Euroclear Sweden AB, will need to open a securities account or a securities depository account with a bank that is connected to Euroclear.

As several jurisdictions will be involved, with rules and regulations that are constantly changing and developing, there can be no guarantee that the technical requirements of the security depositories always will be compliant with the terms and conditions of the Convertible Bonds.

The considerations described above could inter alia affect the possibility to successfully effect conversion from Convertible Bonds to Preference Shares as well as other items that may affect the possibility to e.g. request conversion of the Convertible Bonds. Should any of these

effects occur, it may have an adverse effect on an investor's possibility to effectively exercise its rights under the Convertible Bonds as well as any Preference Shares that are issued by exercising the Convertible Bonds.

### **Liquidity risks of the Convertible Bonds and Preference Shares**

The investor's ability to transfer the Convertible Bond, or any Preference Shares issued by exercising the Convertible Bonds, to another investor may be limited by the absence of an active trading market and there can be no assurance that an active trading market will develop or, if developed, be maintained in respect of such securities. If an active market is not developed or maintained, the price and liquidity of the Convertible Bonds and Preference Shares may be adversely affected. As a result, it may be difficult or impossible to sell the rights under the Convertible Bonds and Preference Shares (at all or on acceptable terms). The lack of liquidity may have a negative impact on the market value of the Convertible Bonds and Preference Shares. Furthermore, the nominal value of the Convertible Bonds cannot be compared indicatively to the market price of the Convertible Bonds.

### **Currency risks**

The nominal amount under the Convertible Bonds as well as any payments relating to the completion of the Project will be denominated in SEK. If the Investors measure their investment return by reference to a currency other than SEK, an investment in the Convertible Bonds will involve foreign currency-related risks due to, among other things, imminent significant changes in the value of SEK in terms of the currency against which the Investors measure the return on their investments. This may result in a reduction of the effective return on the Convertible Bonds and may lead to a loss for the Investors when the return on the Convertible Bonds is converted into the currency through which the Investors measure the return on their investments. As a result, there is a risk that the Investors may receive less interest or capital than expected.

### **Risks related to limited influence of the holders of Convertibles and Preference Shares**

The Convertibles will not have any voting rights in the Company or other way of asserting influence over the Company's affairs. If the Convertibles are converted to Preference Shares, such Preference Shares will entitle to the rights associated with such shares under the Swedish Companies Act and the articles of association of the Company. The Preference Shares will entitle to one (1) vote each at general meetings of the Company and the ordinary shares will entitle to ten (10) votes per share at general meetings of the Company. It is estimated that, on a fully converted basis, the Preference Shares would amount to approximately 42% of the capital and approximately 7% of the votes in the Company. Consequently, it is estimated that, on a fully converted basis, the ordinary shares would entitle to approximately 58% of the capital and approximately 93% of the votes. All ordinary shares in the Company are currently held indirectly by two private individuals with a family relation. These persons consequently now have, and will on a fully converted basis, have a controlling interest in the Company. These persons will thus be able to exercise significant influence over the Company and substantial control over matters voted on by the Company's shareholders. The ability of the Preference Shares to exercise influence in the Company through their voting rights, if converted from Convertibles, is thus limited. There is a risk that these controlling shareholders will exercise their voting rights in a manner which is not in accordance with the interests of the holders of Preference Shares, which would adversely affect the holders of Preference Shares.

## 4. Decision procedure

### 4.1 General

The Trustee will determine if received replies are eligible to participate under the Written Procedure as valid votes, continuously calculate the replies provided in respect of the Request and determine the result of the Written Procedure as soon as possible based thereon.

Once a requisite majority of consents of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure have been received by the Trustee, the relevant decision shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision taken in the Written Procedure will be sent by notice to the Bondholders, published on the websites of the Issuer and the Trustee and published by way of press release by either the Trustee or the Issuer.

If the Request is approved by the Written Procedure it will be binding on all Bondholders whether they participated in the Written Procedure or voted against the Request or not, in accordance with the Terms and Conditions.

### 4.2 Voting rights and Record Date

Anyone who wishes to participate in the Written Procedure must, on the Record Date 18 April 2023, be registered in the Issuer's debt register as:

- (1) a direct registered owner (Sw. *direktregistrerad ägare*) of a Securities Account; or
- (2) an authorised nominee (Sw. *förvaltare*) in a Securities Account, with respect to one or several Bonds.

You may have different options to influence the Bonds.

- (1) Directly registered owners can vote via VPS Investortjenester (only applicable for Norwegian holders with VPS account in Norway)
- (2) You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote on your behalf as instructed by you. If the Bonds are held in custody - i.e., the owner is not registered directly in the VPS - the custodian must confirm: (i) the ultimate owner of the Bonds, (ii) the aggregate nominal amount of the Bonds; and (iii) the account number in VPS on which the Bonds are registered.
- (3) The individual Bondholder may authorise the Trustee to vote on its behalf, in which case the authorisation form below (Power of Attorney/Authorisation) also serves as a proxy. A duly signed authorisation form, authorising the Trustee to vote, must then be returned to the Trustee in due time before last day for replies (by scanned e-mail, courier or post)
- (4) You can obtain a power of attorney or other authorisation (proof of ownership) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as Bondholder of the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in the debt register as a Bondholder of the Securities Account as authorised nominee or direct registered owner.

The Trustee recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate.

Bonds owned by the Issuer, any other Group Company or an Affiliate do not entitle the holders to any voting rights and are not included in the Adjusted Nominal Amount.

#### **4.3 Quorum**

Pursuant to the Terms and Conditions, the quorum requirement set out in the Terms and Conditions does not apply to this second Written Procedure which means that the votes received in this second Written Procedure will be decisive regardless of how many votes that will be received.

#### **4.4 Majority**

Pursuant to clause 16.1.7 of the Terms and Conditions for the Ordinary Bonds and the Premium Bonds, respectively, at least sixty-six and two-thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Bondholders reply in this Written Procedure must consent to the Request in order for it to be approved.

Please note that the majority requirement set out herein applies separately for the Premium Bonds and for the Ordinary Bonds.

#### **Additional information on the effectiveness of the Written Procedure**

The decisions to be resolved upon in the Written Procedure will be effective as soon as the Request has been approved in relation to the Bonds. Please note that in the event the Request has been approved only in relation to the Ordinary Bonds and not the Premium Bonds (or vice versa), the Issuer will initiate a second Written Procedure only with respect to the Bonds that did not approve the Request in the first Written Procedure. The approval of the Request by one of the Bonds are thus not conditional upon that the Request is approved by the Holders of the other Bond.

#### **4.5 Final date to vote in the Written Procedure**

The Trustee must have received the votes by mail, courier or email to the address indicated below no later than 13:00 CEST on 28 April 2023. Votes received thereafter may be disregarded.

#### **4.6 Address for sending replies**

Return the Voting Form, in the form set out in Schedule 1, and, if applicable, the Power of Attorney, in the form set out in Schedule 2, or other sufficient evidence, if the Bonds are held in custody other than Euroclear Sweden, by regular mail, scanned copy by e-mail, or by courier to:

*By regular mail:*

Intertrust (Sweden) AB  
Attn: Kristofer Nivenius  
P.O. Box 16285  
SE-103 25 Stockholm

*By courier:*

Intertrust (Sweden) AB  
Attn: Kristofer Nivenius  
Sveavägen 9, 10th floor  
SE-111 57 Stockholm

*By e-mail:*

trustee@intertrustgroup.com

#### **4.7 Further information**

For questions regarding the Request, please contact Kristofer Nivenius at Intertrust (Sweden) AB.

For questions regarding the administration of the Written Procedure, please contact the Trustee at the above e-mail address or telephone number +46 (0) 8 402 72 00.

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**Stockholm 11 April 2023**

**Intertrust (Sweden) AB  
as Trustee**

## SCHEDULE 1 – VOTING FORM

For the Written Procedure initiated on 11 April 2023 for the EUR, NOK and SEK Senior Secured Callable PIK Interest Bonds 2020/2023 with ISIN SE0014111357 (EUR), NO0012876517 (NOK), NO0012876525 (NOK), NO0012876566 (NOK), NO0012876590 (SEK), SE0014111365 (SEK) and SE0014111373 (SEK) issued by Columbidæ Properties Holding AB (publ) (the "Issuer") on 19 March 2020 (the "Ordinary Bonds") and with ISIN SE0014111431 (EUR), NO0012876608 (NOK) and SE0014111449 (SEK) issued by Columbidæ Properties Holding AB (publ) on 24 March 2020 (the "Premium Bonds" and jointly with the Ordinary Bonds, the "Bonds"). The Issuer requests the Bondholders to approve the Request set out in the notice for the Written Procedure. The Trustee is hereby empowered to enter into all necessary documentation required to implement the Request, in the event the Request is approved.

### Reply

We are (put a cross in the appropriate box):

Holders of Ordinary Bonds

Holders of Premium Bonds

Name of person/entity voting: \_\_\_\_\_

Nominal Amount voted for: \_\_\_\_\_

The undersigned hereby (put a cross in the appropriate box) votes for alternative:

**A) Approve**

**B) Reject**

**C) Refrain from voting**

with respect to the Request.

Signature

\_\_\_\_\_  
Name in print:

Contact information

Email:

Tel:

**NOTE: Please attach a power of attorney/authorisation if the person/entity voting is not registered on the Securities Account as a direct registered owner or authorised nominee. The voting form shall be signed by an authorised signatory. A certified copy of a registration certificate or a corresponding authorisation document for the legal entity shall be appended to the voting form for any legal entity voting. The registration certificate, where applicable, may not be older than one year.**

## SCHEDULE 2 - POWER OF ATTORNEY/AUTHORISATION

**For the Written Procedure initiated on 11 April 2023 for the EUR, NOK and SEK Senior Secured Callable PIK Interest Bonds 2020/2023 with ISIN SE0014111357 (EUR), NO0012876517 (NOK), NO0012876525 (NOK), NO0012876566 (NOK), NO0012876590 (SEK), SE0014111365 (SEK) and SE0014111373 (SEK) issued by Columbidæ Properties Holding AB (publ) (the "Issuer") on 19 March 2020 (the "Ordinary Bonds") and with ISIN SE0014111431 (EUR), NO0012876608 (NOK) and SE0014111449 (SEK) issued by Columbidæ Properties Holding AB (publ) on 24 March 2020 (the "Premium Bonds" and jointly with the Ordinary Bonds, the "Bonds").**

We are (put a cross in the appropriate box):

<input type="checkbox"/>	Holders of Ordinary Bonds
<input type="checkbox"/>	Holders of Premium Bonds

Authorised Person<sup>2</sup>: \_\_\_\_\_

Nominal Amount<sup>3</sup>: \_\_\_\_\_

Grantor of authority<sup>4</sup>: \_\_\_\_\_

We hereby confirm that the Authorised Person specified above has the right to vote for the Nominal Amount set out above including the right to vote for the Nominal Amount set out above in a second Written Procedure (if any) pursuant to clause 16.1.11 (*Decisions by Bondholders*) of the Terms and Conditions with respect to the Request.

We represent an aggregate Nominal Amount of<sup>5</sup>: \_\_\_\_\_

We are (put a cross in the appropriate box):

<input type="checkbox"/>	Registered as authorised nominee on a Securities Account
<input type="checkbox"/>	Registered as direct registered owner on a Securities Account
<input type="checkbox"/>	Other intermediary and hold the Bonds through <sup>6</sup> _____

Date:

Signature

\_\_\_\_\_

\_\_\_\_\_

<sup>2</sup> Insert the name of the person/entity that should be authorised to vote.

<sup>3</sup> Insert the aggregate nominal amount the Authorised Person should be able to vote for.

<sup>4</sup> Insert the name of entity/person confirming the authority.

<sup>5</sup> The total Nominal Amount the undersigned represents

<sup>6</sup> Mark this option if the undersigned is not registered as authorised nominee or direct registered owner in the Securities Account kept by Euroclear or VPS. Please insert the name of the firm the undersigned holds the Bonds through.