

Company Description



Published as a part of Backaheden Fastighets AB (publ)'s application for listing on Spotlight



Spotlight

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The listing agreement and share prices can be found on Spotlight's website (www.spotlighstockmarket.com).

Manager:



This Company Description is dated 28 January 2021

IMPORTANT INFORMATION

This company description with appendices (jointly referred to as the "**Company Description**") has been prepared in order to provide information about Backaheden Fastighets AB (publ), corporate identification number 559263-8240, a public limited liability company (the "**Company**") and its business in connection with the listing of the Company's shares on Spotlight. Pareto Securities AB, corporate identification number 556206-8956 (the "**Manager**" or "**Pareto**") has been engaged as the Company's financial advisor. This Company Description has been prepared by the Company and is not approved by or registered with the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*). This Company Description has been reviewed and approved by Spotlight.

See section 1 (*List of Definitions*) for an explanation of words and terms used throughout the Company Description.

Sources and disclaimer of liability

The information in the Company Description has been prepared to the best of our judgement and reasonable steps have been taken to ensure that the information included in the Company Description is not incorrect in any material respect and does not entail any material omissions that can be expected to materially affect the meaning of its contents.

The information includes industry market data in the public domain, as well as estimates obtained from several third-party sources, including from the Vendor (as defined below), the Vendor's subsidiaries and industry publications. The Manager believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness of the Vendor's data. Financial information in this Company Description has not been audited and/or reviewed by auditors unless otherwise stated. Pareto disclaims, to the extent permissible under applicable legislation, any liability for any loss as the result of any of the information given being misleading, incorrect or incomplete, as well as for any loss otherwise incurred as the result of an investment in the Company.

The Company Description includes and is based on, among other things, forward-looking information and statements relating to the activities, financial position and earnings of the Company and/or the industry in which the Company operates. The forward-looking statements include assumptions, estimates and expectations on the part of the Company and the Manager and are based mainly on information provided by the Vendor, or reasonable assumptions based on information available to the Company and the Manager. Such forward-looking information and statements reflect current views with respect to future events and are subject to risks and uncertainties that may cause actual events or outcome to differ materially from any anticipated development, with the implication that final earnings or developments on the part of the Company may deviate materially from the estimates presented herein. Neither Pareto nor the Company can guarantee the correctness or quality of the suppositions underpinning any assumptions, estimates and expectations, nor can they accept any liability in relation to whether any assumptions, estimates and expectations are actually correct or realised. All investors will need to perform their own independent assessment of such estimates/expectations, and all investors must themselves verify the assumptions which form the basis for the forward-looking statements. Neither the Company, nor Pareto can give any assurance as to the correctness of such information and statements or the correctness of the assumptions on which such information and statements are based.

The information included in the Company Description cannot be used for any other purpose than the assessment of an investment in the Shares in the Company.

The contents of the Company Description shall not be construed as legal advice, investment advice or tax advice. All investors are encouraged to seek such advice from their own advisors. Services provided by Pareto that has been engaged as the Company's financial advisor does not render – and shall not be deemed to render – any advice or recommendations as to an investment in Shares.

Governing law and dispute resolution

This Company Description is subject to Swedish law. Any disputes regarding this Company Description which cannot be solved amicably, shall be referred to the ordinary courts of Sweden and the applicant accepts the non-exclusive jurisdiction of the Stockholm District Court.

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APPENDICES

Appendix 1: Articles of association of the Company

1 LIST OF DEFINITIONS

Adjusted EBITDA	EBITDA (as defined below) as adjusted for value adjustments, capital gains/losses and transactions costs related to the Transaction
Agreed Property Value	SEK 767,700,000
BidCo	Backaheden Midco 2 AB, a limited liability company incorporated in Sweden, Swedish corporate identification number 559275-6778
Business Management Agreement	The business management agreement between the Business Manager and the Company regarding the management of the Group
Business Manager	PBM
CAPEX	Capital Expenditure
Closing	The consummation of the acquisition of the Target, 22 December 2020
Company	Backaheden Fastighets AB (publ), a public limited liability company incorporated in Sweden, Swedish corporate identification number 559263-8240
Company Description	This Company Description, dated 28 January 2021
Company Costs	All costs related to the management of the Group, which are not defined as Property Related Costs, for example the fee to the Business Manager, the Property Manager and other necessary administration costs
CPI	Swedish consumer price index (Sw. <i>Konsumentprisindex</i>), published by Statistics Sweden (Sw. <i>Statistiska Centralbyrån</i>)
Day 1-profit	Profit recognised in the consolidated pro forma balance sheet that represents the difference between the Agreed Property Value, including tax related deductions, and the market value of the Property
Debt Facility	Debt facility of approximately SEK 459 million, which was used to finance the Transaction, together with the capital raised in the Recent Equity Issue
Deferred Tax Discount	The difference between the Agreed Property Value and the estimated tax residual value of the Property as of Closing, plus estimated remaining costs to finalise ongoing construction works that are allowed to be capitalised for tax purposes according to Target's accounting principles, multiplied by 5.5%
Dividend Yield	Annualised total cash dividend payments to the holders of the Shares divided by the total amount raised through the Recent Equity Issue

EBITDA	Earnings on a consolidated basis before interest, taxes, depreciation and amortisation of eventual goodwill
GFA	Gross floor area, the total floor area inside the building, including the external walls, and excluding the roof
Group	The Company and all of its subsidiaries including the Target (each a " Group Company ")
Group Costs	Annual costs associated with the Group's operations, including the Property Related Costs and the Company Costs
Lease Agreements	The Tenants leases its premises under several separate lease agreements, jointly defined as the Lease Agreements
LTV	Loan to value (Debt Facility divided by the Agreed Property Value)
Manager or Pareto	Pareto Securities AB, a limited liability company incorporated in Sweden, Swedish corporate identification number 556206-8956
MidCo	Backaheden Midco 1 AB, a limited liability company incorporated in Sweden, Swedish corporate identification number 559275-6760
Money Laundering Act	The Swedish Money Laundering and Terrorist Financing (Prevention) Act (<i>Sw. lag (2017:630) om åtgärder mot penningtvätt och finansiering av terrorism</i>)
MTF	Multilateral trading facility
Net Property Value	The Agreed Property Value minus the Deferred Tax Discount
Net Real Estate Yield	Annualised, unlevered, NOI, divided by the Agreed Property Value
NOI	Net operating income, being all amounts payable to the Group arising from or in connection with any lease, less any Property Related Costs
PBM	Pareto Business Management AB, a public limited liability company incorporated in Sweden, Swedish corporate identification number 556742-5581
Property	The registered freehold property Kungsbacka Hede 3:122 and the buildings located thereon, which was acquired through the acquisition of the Target
Property Manager	PBM
Property Related Costs	All operating costs (excluding Company Costs and CAPEX) connected to the handling of the Property which is non recoverable (not invoiced to Tenants nor reimbursed as part of the rental guarantee)
Recent Equity Issue	The issuance of 3,210,000 new Shares in the Company resolved on an extraordinary general meeting on 1 December 2020
Rental Income	The Property's total annual base rental income including indexation as per January 2021 including the rental guarantee provided by the Vendor which was handled as a price reduction in the Share Purchase Agreement

Santa Maria	Santa Maria AB, a limited liability company incorporated in Sweden, Swedish corporate identification number 556047-5658
Share Purchase Agreement	The share purchase agreement entered into on 16 December 2020 between the Company, or any of its subsidiaries, as purchaser and the Vendor as seller regarding the purchase of all shares in the Target, and indirectly the Property
Shares	The 3,210,000 shares in the Company
Target	Wilfast Hede 3:122 Fastighets AB (u.n.c.t. Backaheden Hede 3:122 Fastighets AB), a limited liability company incorporated in Sweden, Swedish corporate identification number 556990-7099
Technical Follow-up Agreement	The technical follow-up agreement between the Property Manager and the Company regarding the technical follow-up of the Property
Tenants	All tenants within the Property
Transaction	All transactions, including but not limited to the transfers under the Share Purchase Agreement
Vendor	Spice Log AS, a limited liability company incorporated in Norway, Norwegian corporate identification number 916 260 199
WAULT	The weighted average unexpired lease term of the Lease Agreements as of 1 November 2020, excluding break options

2 RESPONSIBILITY STATEMENT

The board of directors in the Company is responsible for the information given in this Company Description. The Company confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Company Description is, to the best of the Company's knowledge, in accordance with the facts and contains no omissions likely to affect its import. Any information in this Company Description and in the documents incorporated by reference which derive from the Vendor and other third parties have, as far as the Company is aware and can be judged on the basis of other information made public by that third party, been correctly represented and no information has been omitted which may serve to render the information misleading or incorrect. The board of directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Company Description is, to the best of the board member's knowledge, in accordance with the facts and contains no omission likely to affect its import.

The board of directors of Backaheden Fastighets AB (publ)

3 INVESTMENT SUMMARY

This summary should be read as an introduction to the Company Description, and is entirely subordinated to the more detailed information contained in this Company Description including its appendices. Any decision to invest in the Shares should be based on an assessment of all information in this Company Description and any other relevant information. In particular, potential investors should carefully consider the risk factors mentioned in section 4 (Risk factors).

For an explanation of definitions and terms used throughout this Company Description, please refer to section 1 (List of Definitions).

3.1 Summary of the Company, the Tenants and the Property

The Company is a Swedish limited liability company which has, through the BidCo, acquired all shares in the Target, which was the sole owner of the Property.

The Property covers a site area of approximately 88,255 m² and the total lettable area is approximately 45,468 m² located in Kungsbacka, 25 min south of Gothenburg city centre. The main building at the Property comprises six different units (A-F) and consists of warehouses and offices totalling approximately 44,838 m². Furthermore, there is a separate restaurant building of approximately 630 m² on the Property. The total lettable area of 45,468 m² comprises of approximately 84% warehouse, approximately 10% public use/office and approximately 6% retail/warehouse and others.

The warehouse was originally constructed in 1952 but has undergone several extensions and refurbishments in stages, the latest in 2020. Approximately 90% of the lettable area has either been constructed or refurbished during the past 5 years. Currently, there is approximately 5,250 m² of warehouse space being refurbished for the anchor tenant Santa Maria, the investment is financed by the Vendor. In addition, there is an estimated 4,500-6,000 m² GFA of potential building rights on the Property, which may allow for further expansion for the anchor tenant Santa Maria in the future.

The Property is anchored by Santa Maria, the leading seasoning company in the Nordics, with a total turnover of approximately SEK 2.9 billion and an EBITDA-margin of approximately 9.2% in 2019. Santa Maria stands for approximately 82% of the Property's total Rental Income, with a remaining lease term of approximately 11 year excluding break options of approximately 25% of Santa Maria's rental income in December 2025 or December 2028. The warehouse building has been specifically designed and refurbished for Santa Maria and has a strategic location for Santa Maria's logistics supply chain.

Publicly financed tenants constitute approximately 8% of the Rental Income, of which approximately 6% is derived from Region Halland and approximately 2% from Kungsbacka municipality. Remaining 10% are derived from Erikshjälpen (approximately 4%), Matverket (approximately 2%), and from a three-year rental guarantee (approximately 3%) which have been handled as a price reduction. Agreement. In addition, there are three smaller tenants including Ocean of life, Securitas and Fjärås Sportskyttar, which together stands for approximately 1% of the Property's Rental Income.

The Rental Income for the year 2021, is estimated to approximately SEK 39.8 million, corresponding to approximately SEK 875 per m². The Rental Income is approximately 97% adjusted in accordance with Swedish CPI. The NOI of the Property is estimated to amount to approximately SEK 37.2 million, equivalent to a Net Real Estate Yield of approximately 4.8%.

Property layout and building information



BUILDING	A	B	C	D	E	F	G
Main use	Warehouse	Warehouse	Warehouse	Warehouse	Warehouse / retail	Public use / Office	Restaurant
Tenants	Santa Maria	Santa Maria	Santa Maria and others	Santa Maria	Santa Maria, Erikshjälpen,	Region Halland, Securitas, Rental guarantee ⁽¹⁾	Matverket
Free clearance (meters between floor and ceiling)	12	7-8	7-8	5-8	n/a	n/a	n/a
Load bearing capacity, ton/m ²	2.5	2.0	2.0	2.0	n/a	n/a	n/a
Construction year	2016	2016	1980-1990s, refurbished 2016	1980-1990s, ongoing refurbishment 2020/2021	1952, partly refurbished 2016 and 2020/2021	1980-1990s, partly refurbished 2019	1980-1990s, partly refurbished 2019

Source: the Vendor and the Manager

3.2 Summary of financial information

The purchase price of the Shares was based on the Agreed Property Value of SEK 767,700,000 and was financed with the Recent Equity Issue of SEK 321 million and the Debt Facility of SEK 459 million.

Key financial figures include:

- Net Real Estate Yield of approximately 4.8%
- Estimated Dividend Yield of approximately 7.5%
- Initial LTV of approximately 60% based on the Agreed Property Value with no amortisation on the Debt Facility

3.3 Summary of the Recent Equity Issue

The Company issued a total of 3,210,000 Shares in the Company during December 2020 at a price of SEK 100 per share. The formal resolution to issue a total of maximum 3,210,000 new shares in the Company was taken on the extraordinary general meeting on 1 December 2020, and the resolution of the extraordinary general meeting was, in accordance with the Swedish Companies Act (Sw. *Aktiebolagslagen (2005:551)*), based upon a proposal by the board of directors.

In connection with the Recent Equity Issue, the shares that existed in the Company prior to the Recent Equity Issue were redeemed at a redemption price of SEK 500,000 in aggregate, and for this purpose, the share capital was reduced by SEK 500,000.

4 RISK FACTORS

Prospective investors should be aware that investments in shares are always associated with risks. The financial performance of the Company and its subsidiaries from time to time and the risks associated with the Group's business are important when making a decision to invest in the Shares. There can be no guarantees or assurances that the Company's objectives are met and that an investment in turn will generate a positive return for the investor. A number of factors influence and could influence the Group's operations and financial performance and ultimately the Company's ability to pay dividends. In this section a number of risk factors are illustrated and discussed, both general risks pertaining to the Company's operations and material risks related to the Shares as financial instruments. The risks described below are not the only ones the Group is exposed to.

Only a limited due diligence review was performed on the Targets based on the documentation made available to the Manager by the Vendor, with respect to the Property and the Target. Without prejudice to the generality of the foregoing, the legal review did not include matters relating to the technical functions of the buildings or the technical construction of the buildings. Financing agreements was excluded from the scope of legal review. Additional risks that are not currently known to the Company, or that the Company currently considers to be immaterial, could have a material adverse effect on the Group's business. The order in which the risks are presented is not intended to provide an indication of the likelihood of their occurrence or of their relative significance.

There is no guarantee that all documentation and information relevant to the legal review have was provided by the Vendor. The outstanding documentation may therefore contain hidden liabilities or obligations and further subsequent risks not known at the date of this Company Description.

This Company Description contains forward-looking statements based on current expectations which involve risks and uncertainties. The actual results could differ materially from the results anticipated in these forward-looking statements as a result of many factors, including, but not limited to, the risk factors set forth in this section and elsewhere in this Company Description. The cautionary statements made in this Company Description should be read as being applicable to all forward-looking statements wherever they appear in this Company Description. There is a risk that the current expectations, and as such the forward-looking statements, are not correct. If so, it could affect the Group's financial conditions and the equity returns negatively.

4.1 General risk factors and deviation from forward looking statements

It should be emphasized that an investment in the Company is subject to risk. Investors should be aware of the fact that such investment might involve loss. Such loss will be limited to each investor's investment in the Company. An investment in the Company is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. The list below comprises the most important risk factors related to the Recent Equity Issue. All of these risk factors are important, and the risk factors are not listed in order of importance.

Further, this Company Description contains forward-looking statements based on current expectations which involve risks and uncertainties. The actual results could differ materially from the results anticipated in these forward-looking statements as a result of many factors, including, but not limited to, the risk factors set forth in this section and elsewhere in this Company Description. The cautionary statements made in this Company Description should be read as being applicable to all forward-looking statements wherever they appear in this Company Description.

4.2 Limited or no substantial operating history

The Company is in a development stage and has recently been formed for the purpose of carrying out its business plan. Although the Business Manager and the Property Manager have many years' experience in the business sector, the Company is new and as such has no operating history. The Company is therefore depending on the Business Manager, the Property Manager and any future asset manager in order to carry out its business plan and conduct its day-to-day business.

4.3 Market risk

Real estate investment risk is linked to the value of the real estate. This risk can thus be defined as those factors that influence property valuations. The main factors are the supply and demand for commercial properties, as well as the yield that investors are willing to accept when purchasing real estate. The real estate market is influenced by the vacancy rate in the market. The vacancy rate is influenced by several factors on both a micro and macro level. Negative changes in the general economic situation, including business and private spending, may adversely affect the demand for commercial premises. The free capacity is also influenced by construction and refurbishment activity. Further, the real estate market is influenced by the demand for the type of real estate that the Group owns. During certain periods there might be fierce competition for a few real estate objects, and it might be difficult to purchase desired objects at the desired price. In other periods, it might be difficult to sell real estate objects at the desired price. A decrease in the value of the Property could have an adverse effect on the Group's business, financial condition and equity returns.

4.4 Transaction risk

The Share Purchase Agreement contains customary limitations as to which claims can be made against the Vendor and at what point in time these claims can be made. In addition, the Target may have hidden liabilities which do not relate to the Property and there is a risk that any potential losses incurred due to such liabilities cannot be possible to claim from the Vendor, and may therefore have a negative effect on the Group's financial condition and the equity returns.

4.5 Operational risk

The financial status and strength of the Tenants within the Property, and thus their ability to pay rent etc., will always be a decisive factor when evaluating the risk of property companies. Operational risk also include risk related to restrictions in the Lease Agreements with the Tenants, risk related to legal claims from the Tenants or authorities, including tax authorities and other third parties, risk for increased maintenance costs, risk for decreased technical conditions and risk for hidden defects and emissions. In the event that any or all of the Tenants are not able to pay rent under the Lease Agreements, this could have a material adverse effect on the Group's business, financial condition and equity returns.

Currently, there are certain ongoing projects and contemplated construction works within the Property. Further, if the Property in the future must be renovated and/or adjusted, e.g. to serve the needs of a new tenant, such investments could affect the Group's financial condition and equity returns negatively. There could also be a period when there are no tenant(s) and consequently no income, which would affect the Group's financial condition and equity returns negatively.

Approximately 82% of the Property's income originates from the tenant Santa Maria, having the effect that the Group is highly dependent on the income relating to the lease agreement with Santa Maria and the financial strength of Santa Maria. In the event that Santa Maria is not able to pay rent under its lease agreement, this could have a material adverse effect on the Group's business, financial condition and equity returns. The current lease agreement with Santa Maria runs until 30 September 2031. However, the tenant has a right to prematurely

terminate the lease agreement for vacation regarding certain parts of the leased premises (see section 4.6 below "Risk related to rental income and risks related to break options").

4.6 Risks related to rental income and risks related to break options

The lease agreement with the tenant Santa Maria expires on 30 September 2031. However, the tenant has a right to prematurely terminate the lease agreement for vacation regarding certain parts of the leased premises on 31 December 2025 and on 31 December 2028. The notice period of such termination is 15 months. If any of the break options are exercised, it might result in a vacancy in the relevant part of the premises, and consequently a decreased rental income for the Group. There are certain risks involved with obtaining new tenants, such as a potential higher counterparty risks and increased costs due to renovations or adjustments, which could affect the Group's financial condition negatively. In addition, the Group's ability to negotiate new lease agreements on favorable terms and the obtaining of tenants is dependent upon the general condition of the real estate market at such time. Further, if the relevant premises in the future must be renovated and/or adjusted to serve the needs of a new tenant, or serve several tenants instead of a single tenant, such investments could affect the Group's financial condition and equity returns negatively. The realisation of any of the risks described above could have an adverse effect on the Group's business, financial condition and equity returns.

Two of the Tenants, Santa Maria and Region Halland, are entitled to rental discounts under their lease agreements in 2021 and 2022, the combined rental discounts amount to approximately SEK 2.7 million in 2021 and approximately SEK 887 thousand in 2022. Furthermore, there are ongoing discussions relating to a possible future relief (*Sw. uppskov med betalning*) for the tenant Matverket i Kungsbacka AB. The abovementioned rental discounts will be compensated by the Vendor, however any future rental discounts may have an adverse effect on the net operating income of the Property, which could have an adverse effect on the Group's business, financial condition and equity returns.

Furthermore, if the Property is damaged to such extent it can no longer be used for the intended purpose, or if the authorities due to the Property's condition issue a prohibition to use the premises for the intended purpose, or if other obstacles occur which affect the Tenants' right to use the premises, there is a risk that the Lease Agreements may expire in advance. If the Property is damaged or the use of the Property is limited due to a decision by the relevant authorities, there is also a risk that the Tenants, under certain circumstances, may have a right to pay a lower rent than agreed in the Lease Agreements. If some or all Lease Agreements would expire in advance, or if the rents would be subject to a material reduction, this could have an adverse effect on the Group's financial condition and equity returns.

4.7 Tenant risk

The Group is dependent on the Lease Agreements and as such, the financial strength of the Tenants is critical for the Group's business. In this regard it should be noted that one of the Group's tenants, with a share of 2% of the Rental Income, has been late with payments of rent amounting to approximately SEK 50,000. In the event that any of the Tenants are not able to pay their rent, this could have a material adverse effect on the Group's business, financial condition and equity returns. Furthermore, should any of the Tenants not extend their Lease Agreements after they have expired, this could have a negative impact on the Group's financial position, results and equity returns.

4.8 Counterparty risk

The Group is dependent on the Vendor's ability to fulfil its obligations and undertakings, including indemnities, under the Share Purchase Agreement, meaning that the financial strength of the Vendor is critical and the Group's exposure of economic risks is increased. In the event the Vendor is not able to fulfil its liabilities under

the Share Purchase Agreement, this would affect the Group's business, financial condition and equity returns negatively.

The Company has a W&I-insurance in respect of its credit risk in relation to the Vendor. The insurance policy came into effect as of the Closing date and the remedy for the Company as a consequence of any breach of the Vendor's warranties in the Share Purchase Agreement will be a right for the Company to claim compensation from the insurer under the insurance policy. However, there is a risk that the scope of the insurance coverage may not cover all risks that materialise in relation to the Vendor under the Share Purchase Agreement. In such case, the total amount of the Group's losses would not be compensated by the insurance policy. Hence, there is a risk that the Group will be required to pay for any losses, damages and liabilities, which would have an adverse effect on the Group's business, financial position and equity returns.

4.9 Risk relating to the history of the Target

The previous owner of the Property, Fastighetsaktiebolaget EdeH, was acquired by, and subsequently merged into, the Target. In the event of a merger, all assets and debts, as well as any rights and obligations contributable to the acquired company are transferred to the acquiring company, i.e. the Target. Due to the previous activities conducted by the acquired company, there may be outstanding liabilities and claims directed against the Target, which could have a material adverse effect on the Group's business, financial condition and equity returns. For example, the Target has entered into two settlement agreements, relating to, *inter alia*, the acquisition of Fastighetsaktiebolaget EdeH. If further issues would arise in relation to the purchase of Fastighetsaktiebolaget EdeH or otherwise in relation to the previous activities of Fastighetsaktiebolaget EdeH or the Target, it could have a material adverse effect on the Group's business, financial condition and equity returns.

4.10 Construction risk

Construction projects involve certain inherent risks. These risks include in general construction defects, forbidden use of the properties for the intended purposes, other latent defects, damages and pollutions. If these technical problems would occur or emerge, it would result in a delay of the planned constructions, or higher costs for constructions, which may have a negative effect on the Group's financial condition, its business and equity returns.

Currently, construction works are being carried out within the Property for several tenants. For instance, there are ongoing works relating to the premises of Santa Maria. In addition, minor construction works are being carried out for the tenants Region Halland and Erikshjälpen Second Hand Butiker. For these works, the Target has not entered into any written construction agreements. There is a risk that the above-mentioned projects are delayed for various reasons. Further, there is a risk that the costs of the projects overrun the estimated budget, for instance in relation to the construction works where no written agreements have been entered into. There is also a risk that the ongoing construction works cannot be finalised or are otherwise aborted. If any of the above risks would materialise, it could have a negative impact on the Group's operations, financial position, results and equity returns.

4.11 Risk relating to ambiguities regarding the Santa Maria lease agreement

Parts of the premises under the lease agreement with Santa Maria have not been finalised and no written agreement has been entered into between the Target and Santa Maria, relating to how the rent is to be calculated until the premises are fully finalised. Any ambiguity in terms of, for example, the level of rent to be paid, may adversely affect the Group and could have a material negative impact on the Group's operations, financial position, results and equity returns.

4.12 Risk relating to zoning plans and encumbrances

There are two relevant zoning plans regarding the Property, one adopted in 2015 and one adopted in 2019. The zoning plan adopted in 2015 allows for industrial use. However, parts of the Property also include office, restaurant, commerce and activity areas (Sw. *Aktivitetsytter*) for which the 2015 zoning plan applies. In the event that the authorities would consider that parts of the use of the Property constitutes a violation of the applicable zoning plan provisions, and a building permit has not been obtained for a material change of use of the Property, a building penalty (Sw. *byggnadssanktionsavgift*) may be imposed on either the property owner or the party responsible for the violation. If the Group is subject to such building penalty, it could have a material negative impact on the Group's operations, financial position, results and equity returns.

Furthermore, an estimated 4,500-6,000 m² of gross floor area may be developed on the northern parts of the Property. However, such building rights derives from the zoning plan adopted in 2015, and the time for implementation of the zoning plan (Sw. *genomförandetid*) will end on 19 November 2020. During the time for implementation of a zoning plan, a property owner is entitled to develop a property in accordance with the zoning plan. When the time for implementation of a zoning plan has ended, a property owner's right to develop a property is no longer as secure, since the applicable zoning plan then may be replaced, changed or revoked. If the Group would intend to utilise the above-mentioned building rights and if such development is not possible to carry through, due to the zoning plan having been replaced, changed or revoked, it could have a negative impact on the Group's operations, financial position, results and equity returns.

According to information in the Swedish Land Registry (Sw. *fastighetsregistret*), there are several registrations and easements encumbering the Property. The encumbrances relate to e.g. heating, roads, telecommunication as well as a registered right of use (Sw. *nyttjanderätt*) relating to an area within the Property. Such encumbrances could restrict the current or planned use of the Property, which could have a negative impact on the Group's operations, financial position, results and equity returns.

4.13 Risks relating to unforeseen costs regarding the Property

There is a risk that the Target, in its capacity as Property owner, will be liable for future costs regarding the Property. In the event the responsibility for costs relating to maintenance as well as investments and repairs at the Property is not clearly regulated under the Lease Agreements, the Target, in its capacity as landlord, will likely be liable for these costs. For example, the Target will most likely have to bear costs for snow clearance on the roofs, since none of the Lease Agreements includes a provision allocating this responsibility. Furthermore, it cannot be excluded that the Target will be liable to pay a potential tax on advertising, since there is no provision allocating such responsibility. In the event of further ambiguity regarding allocation of responsibility in the Lease Agreements, the Target could risk unforeseeable costs, which could have a negative effect on the Group's financial condition, business and equity returns.

With regards to unforeseen costs, property investments and property management always contain a technical risk related to the operations of the Property, including, but not limited to, construction issues, hidden defects and damage (including through fire or other natural disasters). These types of technical problems could result in significant unforeseen costs relating to the Property. There is also a risk that the Group's ongoing construction of Santa Maria's premises may lead to higher costs for the Group. If the Property encounter any such unforeseen costs in the future, and the Group is unable to pass such increased costs on to its Tenants, this could substantially increase the costs relating to such property, which could adversely affect the Group's business, financial condition and equity returns.

4.14 Potential lack of protection under lease guarantees

The lease agreement with the largest tenant, Santa Maria, does not include any protection under a lease guarantee or similar protection for the Group should Santa Maria not be able to pay rent under the lease agreement. In the event the Group would have to claim fulfilment under the Lease Agreements, there is hence a risk that the Group would have insufficient coverage in this respect, which could have an adverse effect on the Group's financial position and equity returns.

Furthermore, the lease agreement with the tenant Matverket i Kungsbacka AB contains two sureties (Sw. *borgensåtaganden*). The first one is provided by the company Kungsmässans Café Aktiebolag, who guarantees the tenant's obligations under the lease agreement. This surety is valid until 15 April 2021. The other surety refers to a promissory note (Sw. *revers*). According to the promissory note, the tenant takes over the payment responsibility of the previous tenant on the relevant premises which was declared bankrupt. The mentioned payment responsibility refers to a loan where the Target paid for the refurbishment of the relevant premises. According to the surety, the two board members of the tenant personally guarantees (Sw. *proprieborgen*) the fulfilment of the promissory note. The promissory note currently amounts to SEK 234,859 (originally SEK 518,301) and expires on 15 November 2022, and the guarantees refers to the same amount. However, since both the guarantees are limited in time, in the event the Group would have to claim fulfilment under the guarantees, there is a risk that the Group would have insufficient coverage in this respect, which could imply a financial exposure on the Group. Should any of the above risks materialise, this could have an adverse effect on the Group's financial condition, results and equity returns.

4.15 Increased maintenance costs

The estimated maintenance and capital expenses on which the forward-looking statements have been calculated are based upon information from the Vendor, historic maintenance costs for the Property and a draft technical due diligence conducted on the Property. There is a risk that the maintenance costs and capital expenses for various reasons may exceed the estimated maintenance costs and capital expenses presented herein, and could therefore adversely affect the Group's financial condition and equity returns.

4.16 Financial risk

Financial risk includes, but is not limited to, risk of not achieving the desired leverage ratio, not fulfilling loan obligations, interest rate fluctuations, risk related to effects of fair value adjustments and changes in laws and rules regarding tax and duties. Most of the Tenants' rent is subject to indexation based on Swedish CPI (consumer price index (Sw. *konsumtprisindex*)). However, according to the Tenancy Act, a landlord is not entitled to charge a tenant for variable rental supplements, such as indexation of base rent, as regards lease agreements which have a shorter term than three years. This implies that there is a risk that the rent under a lease agreement may be determined at a lower level than the current rent. In such case, the Tenants may be entitled to repayment of parts of the previously invoiced amount, to the extent such amount should not be deemed reasonable. Deviations from the estimated CPI may have a negative effect on the Group's financial condition and equity returns.

4.17 Financing risk

The Group is deemed to be sufficiently funded following the Recent Equity Issue and the entering into of the Debt Facility set out in this Company Description. However, additional capital needs, due to for example unforeseen costs and/or larger capital expenditures than expected, cannot be ruled out. There is a risk that the Group cannot satisfy such additional capital need on favourable terms, or at all, which could have an adverse effect on the Group's business, financial condition and equity returns.

4.18 Refinancing risk

At maturity of the Group's debts, the Group will be required to refinance such debt. The Group's ability to successfully refinance such debt is dependent on the conditions of the financial markets in general at such time. As a result, there is a risk that the Group's access to financing sources at a particular time may not be available on favorable terms, or available at all.

The Group will also, in connection with a refinancing of its debts, be exposed to interest risks on interest bearing current and non-current liabilities. Changes in interest rates on the Group's liabilities will affect the Group's cash flow and liquidity, and could hence potentially adversely affect the Group's financial conditions and the equity returns. The Group's inability to refinance its debt obligations on favorable terms, or at all, could have a material adverse effect on the Group's business, financial condition and equity returns. According to the terms of the Debt Facility, the loan under the Debt Facility assumes a maturity of five years.

4.19 Compliance with financing agreements

The Debt Facility makes the Group subject to a number of covenants dictating what actions the Group may and may not take. Should the Group breach these covenants, it may trigger increased cash traps, mandatory pre-payments and an up-streaming restriction. Further, additional financing costs may incur and the Debt Facility may be accelerated for immediate payment, which could ultimately result in bankruptcy and liquidation of the Group. Such events would negatively affect the Group's financial condition and equity returns.

The Debt Facility contains an ownership clause (i.e. change of control) and such ownership clause might restrict any legal person's right to acquire or control more than a certain agreed share of the capital and/or voting rights of the Company. Should any person acquire or obtain ownership or control exceeding the agreed share, the full amount outstanding under the Debt Facility may be declared due and payable at short notice. There is a risk that a refinancing in connection with such event would lead to increased costs and could therefore adversely affect the Group's financial conditions and equity returns.

4.20 Risks relating to the Coronavirus disease (COVID-19)

The 2019 novel coronavirus ("**COVID-19**") outbreak is currently having an indeterminable adverse impact on the world economy. COVID-19 was reportedly first discovered in Wuhan, Hubei Province, China, in 2019, and the World Health Organization declared COVID-19 a pandemic on 11 March 2020. The COVID-19 outbreak has become a widespread health crisis, which may in turn result in protracted volatility in international markets and/or result in a global recession as a consequence of disruptions to travel and retail segments, tourism, and manufacturing supply chains. In particular, in February to April 2020 the COVID-19 outbreak caused stock markets worldwide to lose significant value and impacted economic activity worldwide. The trading price of the Shares may therefore be adversely affected by the economic uncertainty caused by COVID-19. Furthermore, COVID-19 may have a negative adverse effect on the Shares liquidity on the secondary market.

Furthermore, there is a risk that the COVID-19 outbreak could have a negative effect on the value of the Property. Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations. Moreover, due to COVID-19, there is a risk that the Group's Tenants may choose not to enter into new leases or renew existing Lease Agreements. There is also a risk that the global downturn could affect the liquidity position of existing Tenants, which in turn may require such Tenants to postpone rental payments or cause defaults under lease agreements. For instance, two tenants have received rental discounts during 2020 due to COVID-19. The COVID-19 crisis' impact on the Group's current and future tenants could lead to increased vacancies and a decrease in rental income for the Group, which could have a material adverse effect on the Group's operations, financial position and equity returns.

4.21 Geographic risk

This Company Description contains certain market information relating to the property market in Sweden in general, and in the greater Gothenburg area in particular. Market values of properties in such area may decline in the future and negatively impact the Group's business, its financial condition and the equity returns.

4.22 Management risk

The Group is initially dependent upon the Business Manager and the Property Manager for the implementation of their strategy and the operation of their activities. Although the Business Management Agreement will be non-terminable during the first 5 years from signing (with certain exceptions) and thereafter prolonged until terminated with a notice period of 12 months, there is an uncertainty with regard to the management of the Group in the event of a termination of the Business Management Agreement, which would also result in a termination of the Technical Follow-up Agreement. In addition, the Group will be dependent upon the services and products of certain other consultants, contractors and other service providers in order to successfully pursue with the Group's business plan. There is a risk that the Group cannot purchase new management services or other necessary services or products on favourable terms, or at all, which could have an adverse effect on the Group's business, financial condition and equity returns.

4.23 Property risk

Returns from the Property will depend largely upon the amount of rental income generated from the Property, the costs and expenses incurred in the maintenance and management of the Property, necessary investments in the Property and upon changes in its market value. Rental income and the market value for properties are generally affected by overall conditions in the economy, such as growth in gross domestic product, employment trends, inflation and changes of interest rates. Both rental income and Property value may be affected by competition from other property owners, or the perceptions of prospective buyers and/or the attractiveness from tenants, convenience and safety of the Property. If the market value of the Property decreases, this may have a material negative effect on the Group's operations, financial position, earnings and results.

4.24 Environmental and technical risk

According to the polluter pays-principle established under Swedish environmental law, the operator who has contributed to pollution will be responsible for remediation. However, should it not be possible to locate the polluter, the property owner is subsidiary responsible for remediation and associated costs. Accordingly, there is a risk that the Target in its capacity as Property owner may be held responsible for costly remediation.

A PCB inventory was performed in 2008 that concluded that no high levels of PCB were found on the Property. However, the authorities will request an updated PCB inventory to be carried out in 2021 or 2022. Furthermore, according to information in the MIFO-register (methodology for inventory of contaminated properties) (Sw. *metodik för inventering av förorenade fastigheter*), graphic industry (Sw. *grafisk industri*) has been conducted within the Property. Based on the former operations including graphic industries it cannot be excluded that the presence of chlorinated solvents has not been fully investigated.

Several environmental investigations have established that the site is contaminated (metals, organic compounds and halogenated/chlorinated solvents have been detected), there have been certain oil pollutions and the soil has low levels of arsenic and silver. However, detected levels have mainly been below the guideline values of less sensitive land use. With respect to these discoveries, some remedial actions have been carried out. Nonetheless, there might still be environmental issues on the Property, causing a risk that the Group will be subject to claims by public authorities or third parties as a result of environmental, technical or other damages related to the land

and the Property. Any such claim could have an adverse effect on the Group's business, financial condition and equity returns.

4.25 Terminal value risk

Property and property related assets are inherently difficult to appraise due to the individual nature of each property and due to the fact that there is not necessarily a liquid market or clear price mechanism. As a result, valuations may be subject to substantial uncertainties. There is a risk that the estimates resulting from the valuation process will not reflect the actual sales price. Any future property market recession could materially adversely affect the value of the Property.

4.26 Risk related to future share issues

If the Company would need additional capital in the future, the lack of participation from investors could pose a risk to the Company's financial position (until such further issue is completed). In addition, should the Company in the future choose to increase its share capital by way of a share issue, existing shareholders would under most circumstances have a preferential right to subscribe for Shares unless the shareholders of the Company resolve to approve a deviation from such rights at a general meeting. Existing shareholders in jurisdictions where participation in such share issue would require additional prospectuses, registration and/or other measures than those required under Swedish law could be excluded from their right to subscribe for new shares if such shares or shareholder rights are not registered under i.e. the U.S. Securities Act or equivalent regulations in other concerned jurisdictions and if no exemptions from the registration requirements are applicable.

As of the day of this Company Description, it is unlikely that the Company will apply for such registration and it cannot be guaranteed that any exemption from registration requirements will be applicable which could have the effect that the ownership of shareholders being based abroad is diluted. Furthermore, investors who are not participating, or who are not given the possibility to participate, in future issues will risk having their ownership diluted.

4.27 Legal and regulatory risks

Investments in the Shares involve certain risks, including the risk that a party may successfully litigate against the Group, which may result in a reduction in the assets of the Group. Changes in laws relating to ownership of land could have an adverse effect on the value of Shares. New laws may be introduced which may be retrospective and affect environmental planning, land use and/or development regulations.

Government authorities at all levels are actively involved in the promulgation and enforcement of regulations relating to taxation, land use and zoning and planning restrictions, environmental protection and safety and other matters. The institution and enforcement of such regulations could have the effect of increasing the expense and lowering the income or rate of return from the Company, as well as adversely affecting the value of the Property. Government authorities could use the right of expropriation of the Property if the requirements for expropriations are satisfied. Any expropriation will entitle the Group to compensation but the Group's financial condition may, irrespective of such compensation, be negatively affected.

4.28 Processing of personal data

The Group will register, process, store and uses personal data in the course of its business on servers owned by the Business Manager, and/or the Manager and/or the Company, located in Sweden. It is of high importance that the Group registers, processes and uses personal data in accordance with applicable personal data legislation and requirements. In May 2018, the General Data Protection Regulation ("**GDPR**"), issued by the European Union

("EU"), entered into force. The implementation of a system for personal data processing and actions needed to ensure compliance with the GDPR may involve certain costs for the Group. The implementation and the maintenance of a system for personal data processing is important as data processing in breach of the GDPR could result in fines amounting to a maximum of EUR 20,000,000 or 4% of the Group's global turnover. If the Group fails to comply with the GDPR, this may have a negative impact on the Group's business, financial condition and equity returns.

4.29 Risks relating to amended or new legislation

This document is based on Swedish law in force at the date of this Company Description. No assurance can be given on the impact of any possible future legislative measures, regulations, changes or modifications to administrative practices or case law.

4.30 Risks relating to the Shares

The intention is that the Company will apply for listing of the Shares on Spotlight following completion of the Transaction. However, there is a risk that the Shares will not be admitted to trading. Even if the Shares are admitted to trading on Spotlight, there is a risk that active trading in the Shares will not occur and hence there is a risk that a liquid market for trading in the Shares will not occur or be maintained. Furthermore, the subscription price of the Shares in the Recent Equity Issue may not be indicative compared to the market price of the Shares if they are admitted for trading on Spotlight or any other MTF.

Real estate is considered an illiquid asset and normally it takes months to invest in and realise direct investments in property. The Shares' liquidity is uncertain, and it can be difficult to sell the Shares in the secondary market. An investor can only exit the investment through a sale of the Shares in the secondary market or if the Company sells the Property. Investments in the Shares are only suitable for investors who can bear the risks associated with a lack of liquidity in the Shares.

4.31 Dilution in case of a new share issue

In connection with the listing of the Shares with Spotlight, the Shares will have to be distributed to a certain number of shareholders in order to meet the listing requirements of Spotlight. However, if such distribution proves insufficient to meet the requirements of Spotlight, a new share issue or may need to be carried out resulting in a dilution (in respect of number of shares) of the existing (at the time of the issue) shareholders' holding in the Company. As such new share issue would be made on market conditions, there would however be no financial dilution of the Shares.

Furthermore, the Company may need further equity in the future, inadequate participation in any future share issue on the part of investors may pose a risk to the solvency of the Company until such share issue has been completed. Investors that do not participate in future share issues will risk dilution of their ownership interests. A capital need may for example arise upon a future refurbishment of the Property, or other necessary investments pertaining to the Property, if the costs are not funded by a bank or another debt provider.

4.32 Risks relating to the Company's ability to pay dividends

The Company's ability to pay dividends is dependent on several factors, such as the Group's distributable reserves and liquidity situation, as well as any limitation imposed by applicable law and regulations. Furthermore, any payment of dividend may be subject to the lender's approval and certain covenants in the financing documentation. Any payment of dividend from the Group is dependent on a proposal from the board of directors

of the Company and ultimately the decision by a general meeting. There is a risk that the Company will not be able to pay dividends as projected in this Company Description.

4.33 Tax risk

The Group's main tax risks are related to changes to or possible erroneous interpretations of tax legislation. Such changes or erroneous interpretations could lead to increased tax liability or other financial losses. Realisation of such risks might have a material adverse effect on the Group's business, financial condition, and equity returns.

It is possible that the Group has made or will make interpretations on tax provisions that differ from those of the Swedish Tax Agency (Sw. *Skatteverket*), and that as a result, the Swedish Tax Agency will impose taxes, on a higher tax base resulting in a higher effective tax rate, administrative penalties, or other consequences on any of the Group Companies. This could have a material adverse effect on the Group's business, financial condition, or results of operations, and affect the Group's financial conditions and equity returns negatively.

4.34 Risk related to the Property's tax residual value and tax depreciations

The Target's estimated tax residual value of the Property per 15 December 2020 amounted to approximately SEK 198,839,000. Approximately SEK 23,040,000 of the Target's tax residual value is attributable to land, SEK 28,642,000 is attributable to building equipment (Sw. *Byggnadsinventarier*), SEK 23,328,000 is attributable to land improvements (Sw. *Markanläggningar*) and the rest, equalling approximately SEK 123,828,000 is attributable to the buildings on the Property. Note that construction projects are ongoing which could affect the estimated tax residual value. The Company has assumed a tax depreciation rate of 4% of the depreciation base assumed to be attributable to buildings, 5% to land improvements (Sw. *Markanläggningar*) and the depreciation for building equipment's (Sw. *Byggnadsinventarier*) have been in accordance to the so-called 30% and 20% rule. There is a risk that a discrepancy from the above could affect the Group's financials by way of increased tax cost.

4.35 Risk related to interest deduction limitation rules

Following the implementation of the EU Anti-tax Avoidance Directive, the Swedish Government has adopted new rules governing the tax deductibility of interest expenses. The new rules entered into effect 1 January 2019.

Under the new Swedish rules, a general limitation for interest deductions in the corporate sector was introduced by way of an EBITDA-rule. Under the EBITDA-rule, net interest expenses, i.e. the difference between the taxpayer's interest income and deductible interest expenses when the expenses are higher, are only deductible up to 30% of the taxpayer's tax adjusted EBITDA. In connection with the introduction of the general interest deduction limitation rules, the Swedish corporate tax rate was reduced from 22% to 21.4% and will in a second step be reduced from 21.4% to 20.6% (as of 1 January 2021). The interest deduction limitation rules could, depending on e.g. the Group's net operating income and financial structure, have a material adverse effect on the Group's business, financial condition, or results of operations, and affect the Group's financial conditions and equity returns negatively if interest expenses are not deemed as deductible for tax purposes, increasing the taxable result and the tax to be paid.

4.36 Risk related to potential new tax legislation

The Group's operations are affected by the tax rules in force from time to time in Sweden. Since these rules have historically been subject to frequent changes, further changes are expected in the future (potentially with retroactive effect). Any such changes may have a material adverse effect on the Group's business, financial condition, or results of operations, and affect the Group's financial conditions and equity returns negatively.

For example, in June 2015, the Swedish Government appointed a committee to analyse the possibility to divest properties through tax exempt disposals of shares in companies holding properties and, if considered necessary, to propose new legislation to prevent such transactions. The investigation also reviewed whether acquisitions through land parcelling procedures are being abused to avoid stamp duty. The result of the review was presented by the committee in March 2017. The committee's main proposal is that upon a change of control in a company holding assets that mainly consist of properties, the properties will be considered as divested and re-acquired for a price corresponding to the market value of the properties and consequently any deferred tax in relation to the properties would thus be realised. The divested real estate company should also report a taxable notional income (instead of stamp duty) corresponding to 7.09% of the highest amount of the market value and the tax assessment value of the properties. Further, stamp duty is proposed to be introduced on acquisitions of properties by land parcelling procedures. The proposal received severe criticism and it is currently unclear if, and to what extent, the proposals will result in new legislation. It should however be noted that in the budget proposition for FY21 the Swedish government has given the Swedish Mapping, Cadastral and Land Registration Authority in assignment to review the possibilities to levy stamp duty on certain land parcelling procedures, which is in line with the proposal from 2017. If any of the proposals are enacted, it could have a material adverse effect on the Group's business if selling or acquiring companies holding assets mainly consisting of properties, and affect the Group's financial conditions and equity returns negatively.

4.37 AIFM risk

The Alternative Investment Fund Managers Directive 2011/61/EU has been implemented in Sweden however, there are still some unresolved/unclear issues regarding how to interpret the directive. The Company has deemed itself to fall outside of the scope of the AIFM Directive due to its industrial purpose, i.e. because the Company shall indirectly generate returns through the Property's operations in the market and not necessarily by divesting the Property. However, there is a risk that the Company may be considered an AIFM, which would among other result in additional costs to a depositary and a manager.

The factors mentioned above are not comprehensive and there may be other risks that relate to or may be associated with an investment in the Company.

5 THE RECENT EQUITY ISSUE

5.1 The Recent Equity Issue

The Company has, through the Bidco, acquired 100% of the shares in the Target from the Vendor. The Property is the registered freehold property Kungsbacka Hede 3:122. The purchase price for the Target is based on the Agreed Property Value of SEK 767.7 million subject to customary purchase price adjustments.

The Company has raised equity in the amount of SEK 321 million by an equity issue in which the Company issued 3,210,000 new shares, to partially finance the acquisition.

The proceeds of SEK 321 million from the Recent Equity Issue have, together with the SEK 459 million from the Debt Facility, exclusively been applied towards fully funding the acquisition of the Target, including transaction costs and working capital requirements.

The Recent Equity Issue was based on a formal resolution to issue up to 3,210,000 new Shares in the Company, taken by the extraordinary general meeting on 1 December 2020. The resolution of the extraordinary general meeting was, in accordance with the Swedish Companies Act (Sw. *Aktiebolagslagen (2005:551)*), based upon a proposal by the board of directors.

In connection with the Recent Equity Issue, the 500,000 shares that existed prior to the Recent Equity Issue was redeemed at a redemption price of SEK 1 per share, and for this purpose, the share capital was reduced by SEK 500,000. Following the Recent Equity Issue, the Shares comprise all shares in the Company and the registered share capital of the Company amounts to SEK 3,210,000.

Pareto was the sole manager of the Recent Equity Issue.

5.2 Costs

The overall costs of the Company in relation to the Recent Equity Issue are expected to amount to approximately SEK 35 million. The aggregate net proceeds of the Company will be approximately SEK 286 million after start-up costs in relation to the Recent Equity Issue.

Please find provisions on future fees to the Manager and the Business Manager in sections 11.2 (*The Business Management Agreement*), 11.3 (*The Technical Follow-up Agreement*) and 11.4 (*Other future fees to Pareto*).

6 THE COMPANY AND THE TRANSACTION

6.1 The Company

The Company is a Swedish public limited liability company with corporate identification number 559263-8240, registered with the Swedish Companies Registration Office since 16 July 2020. The current registered address of the Company is P.O. Box 7415, SE-103 91 Stockholm. The Company and the operations of the Company will be governed by Swedish law.

The Company was established by PBM and has no previous business history. The Company owns and manages the ownership of all of the shares in the Target, through its subsidiaries. The Company is the ultimate parent company of the Group and the counterparty to the Business Manager and the Property Manager under the Business Management Agreement and the Technical Follow-up Agreement, respectively.

The object of the Company is to manage fixed and movable property or manage companies that directly or indirectly own fixed and movable property and collect funding for its business and conduct business related thereto.

The articles of association of the Company are included as Appendix 1 to this Company Description.

Board of directors and the management of the Company

The duties and responsibilities of the board of directors follow from Swedish law and include the overall management and control of the Company. The board of directors is elected by the extraordinary general meeting of the Company. The board of directors currently consists of three members.

<i>Interim Board of Directors and CEO</i>		
Name	Position	Number of Shares in the Company
Oskar Wigsén	Chairman of the Board	0
Johan Åskogh	Board Member (CEO)	0
Sara Williamson	Board Member	0

Source: the Company

All board members are employed by PBM. The new board of directors, which is likely to include representatives of the investors in the Company, will be appointed at the annual general meeting which is expected to be held on 11 March 2021. The interim board of directors will therefore be replaced following the annual general meeting. The Company has not entered into any agreements with any member of the board of directors concerning benefits after the resignation of the assignment.

Please refer to section 11 for additional information regarding the management of the Company.

The proposed board members are Mikael Igelström, Erik Lindholm, Robin Englén and Håkan Klintehäll, please refer to section 6.1.3 for further information. The remuneration to the proposed members of the new board of directors will be SEK 60,000 to the chairman of the board and SEK 40,000 to the Directors.

The members of the interim board of directors have been part of the board of directors in the following other Companies, outside the Group, during the past five years:

Board of director assignments for the interim board of directors

Oskar Wigsén	Sara Williamson	Johan Åskogh
Ongoing board assignments:	Ongoing board assignments:	Ongoing board assignments:
Backaheden Fastighets AB	Backaheden Fastighets AB	Backaheden Fastighets AB
Backaheden Midco 1 AB	Backaheden Midco 1 AB	Backaheden Midco 1 AB
Backaheden Midco 2 AB	Backaheden Midco 2 AB	Backaheden Midco 2 AB
Aarhus Residentials Denmark AB	Aarhus Residentials Denmark AB	Aarhus Residentials Denmark AB
One Publicus Gröna Draken 15 AB	Pareto Business Management AB	Logistri Portfolio 2 AB
Korsängen Midco AB	Origa Care Holding AB	LP2 Sillö 6 AB
Korsängen Fastighets AB	Halmslätten Umeå AB	LP2 Åkaren 7 KDÄ AB
Vårdfastigheter i Henån AB	Halmslätten Halmstad AB	LP2 Åkaren 7 AB
Previous board assignments:	Halmslätten Midco 2 AB	LP2 Ösby 1:32 AB
Korsängen Target AB	Halmslätten Midco 1 AB	LP2 Skyttbrink 29 AB
S88 Etablering AB	Previous board assignments:	LP2 Prestando 1 AB
UA Gröna Etablering AB	SG Scandinavian Fastigheter AB	LP2 Solsten 1:127 AB
Fibernät i Mellansverige AB	Korsängen Target AB	LP2 Falevi 2:1 AB
Open Infra Mälardalen AB	Vrangelso 5:4 Fastighets AB	LP2 Lärlingen 2 AB
Fleming Properties AB	Pilängen Logistik I AB	LP2 Revisorn 7 AB
Borglanda Fastighets AB	Umeå Logistiken 3 Fastighets AB	Halmslätten Fastighets AB
Borglanda S88 AB	Mitt Vard Bolag AB	Halmslätten Umeå AB
	Vårdfastigheter Sverige I AB (publ)	Halmslätten Halmstad AB
	Pilängen Logistik AB	Halmslätten Midco 2 AB
	SG Helsingborg AB	Halmslätten Midco 1 AB
	Korsängen Fastighets AB	Origa Care Holding AB
	SG Scandinavian AB	Sydsvenska Hem AB (publ)
	Origa Care AB (publ)	Fastighets AB Ridskolan
	Halmslätten Fastighets AB	Projektbolag Del Y AB
	Slutplattan VOMVI 106098 AB	Kävlinge Fastighets AB
	Korsängen Midco AB	Vårdboende i Västerparken AB
		Nya Centrumfastigheter i Lomma AB
		Sydsvenska Hem förvärvsbolag 6 AB
		Pareto Logistics Sweden AB
		LP1 Olofström Holje 103:9 AB
		LP1 Örebro Tackjärnet 3 AB
		LP1 Tingsryd Tingsryd 3:14 AB
		LP1 Nybro Tallen 58 AB
		LP1 Götene Skräddaren 1 AB
		LP1 Lidköping Säware 19:12 AB
		LP1 Jönköping Älgskytten 13 AB
		LP1 Tingsryd Tingsryd 3:14 KDÄ AB
		LP1 Olofström Holje 103:9 KDÄ AB
		Pareto GIMLE Holding 1 AB
		Pareto GIMLE Holding 2 AB
		Pareto GIMLE Holding 3 AB
		Pareto GIMLE Holding 4 AB
		Previous board assignments:
		Jönköping Logistics PropCo AB
		Norrköping Logistics PropCo AB
		Vrangelso 5:4 Fastighets AB
		Umeå Logistiken 3 Fastighets AB
		Fastighetsaktiebolaget Värmdö Ösby 1:32
		Logistri Tallen Fastighets AB
		Bråviken Logistik AB (publ)
		HåNi Konsult AB
		Nyköping Logistics PropCo AB
		Fastighetsaktiebolaget Värmdö Ösby 1:32
		Industri- och Logistikhus i Jönköping AB
		Industri- och Logistikhus i Götene AB
		Logistri Säware Fastighets AB
		Tingsryd 3:14 Fastighets AB
		Industri- och Logistikhus i Olofström AB
		Stensö Holding AB
		Logistri Örebro AB
		MJ Etablering IV AB
		MJ Etablering VII AB
		Hemsö Verkmästaren Holding AB
		One Publicus Fastighets AB
		Serneke Projektfastigheter Eskilstuna AB
		Fibernät i Mellansverige AB
		Open Infra Mälardalen AB

One Publicus Lagern 4 AB
 MS Etablering IV AB (publ)
 MS Etablering II AB
 Wenaas Ottersland AB
 Bråviken Logistik Jönköping AB
 Bråviken Logistik Nyköping AB
 Bråviken Logistik Norrköping AB
 Bråviken Logistik Fastigheter AB
 Logistri Örebro Fastigheter AB
 AK Etablering AB
 PBM Etablering 1 AB (publ)
 Slutplattan VOMVI 106098 AB

Source: the interim board of directors

None of the members of the proposed board of directors of the Company has been convicted in fraud-related crimes, has been prohibited from carrying on business, or been engaged as a board member or as a holder of a managerial position in a company going bankrupt or being liquidated during the past five years.

The members of the proposed board of directors have been part of the board of directors in the following other Companies, outside the Group, during the past five years:

Other board of director assignments for the proposed board of directors

Erik Lindholm	Robin Englén
Ongoing board assignments:	Ongoing board assignments:
PVRT Equestrian AB (556101-4688)	Green Park JP17 AB (556637-2669)
Previous board assignments:	Green S Ekfatet 4 AB (556715-6467)
	Biz Apartment Gärdet AB (556761-0687)
	Djurgårdsstadens Fastigheter AB (556786-2874)
	Biz Apartment AB (556825-4220)
	Biz Apartment HS AB (556825-4238)
	Green Park M42 AB (556836-2874)
	Green Park S27 AB (556836-2882)
	Green Park L8 AB (556836-2890)
	Green Park AB (556837-7674)
	Green S Portfölj 1 AB (556857-0567)
	Garageplatsen i Stockholm AB (556869-4912)
	Green S Hjulmakaren 2 AB (556871-1682)
	Guldslingan Holding AB (556895-9265)
	Green Park Forellen AB (556933-9939)
	Djurgårdsstadens Fastigheter Holding AB (556953-9181)
	Biz Apartment Solna AB (559016-5592)
	Green Group Properties AB (559041-5344)
	Green Storage Holding AB (559053-4870)
	Mälarsåsen AB (publ) (559059-8594)
	Green Group Property AB (559065-2342)
	Green Park Bergrummet AB (559076-5128)
	Parkando AB (559077-9442)
	Parkando Holding AB (559088-4184)
	Green Group AB (559102-4012)
	Green Insta Holding AB (559102-4053)
	Green Park S27 4 AB (559102-4103)
	Green S Domherren 5 AB (559116-6730)
	Green S Andelar AB (559118-1804)
	Green Park Caproni AB (559118-1945)
	Grand Green AB (559126-1838)
	Green S Rasten 2 AB (559140-8744)
	Green Park Solna H3 AB (559142-1812)
	Green S AB (559142-2059)
	Green S Bygg AB (559142-2083)
	Green Storage AB (559142-2091)
	Green S Intressenter AB (559148-6799)
	Green Group Logistics AB (559167-3545)
	Green S Skälby 2 14 AB (559170-1015)
	Biz Apartment Bromma AB (559170-5446)
	Green S Veden 103 AB (559225-9294)
	Green S Förgasaren 5 AB (559226-5721)

Green S Kopparen 3 AB (559226-5739)
 Capacitas AB (559227-0168)
 Green S Söderbymalm 7 14 AB (559230-6277)
 Green Mallen 11 AB (559262-1923)

Previous board assignments:

Vrangelstro 5:4 Fastighets AB (556739-7723)
 Biz Apt III AB (556818-8980)
 Umeå Logistiken 3 Fastighets AB (556950-8855)
 Origa Care AB (publ) (559170-6030)
 Origa Care Holding AB (559172-7002)
 Halmslätten Fastighets AB (559175-1309)
 Halmslätten Umeå AB (559177-6686)
 Halmslätten Halmstad AB (559177-6694)
 Halmslätten Midco 2 AB (559177-6702)
 Halmslätten Midco 1 AB (559177-6710)
 Fleming Properties AB (559207-9544)
 Green S Veden 103 AB (559225-9294)

Mikael Igelström

Ongoing board assignments:

Mälåråsen AB (publ) (559059-8594)
 Mälåråsen Fastigheter i Märsta AB (556073-7446)
 Mälåråsen Fastigheter i Stockholm AB (556680-9710)
 Torsholmen Sörred Fastighets AB (556740-1608)
 Tingsvalvet Fastighets AB (publ) (559177-5290)
 Tingsvalvet M16 AB (556795-5843)
 MWI Konsult i Stockholm AB (556855-7861)
 Tingsvalvet M14 AB (556959-8831)
 Torsholmen Fastighets AB (publ) (559177-5241)
 Tingsvalvet Holding AB (559201-9672)
 Torsholmen Holding AB (559209-5920)
 Stockholms Kooperativa Bostadsförening, kooperativ
 hyresrättsförening (702001-1735)

Previous board assignments:

Stockholms Hamn Aktiebolag (556008-1647)
 Almi Företagspartner Stockholm Sörmland AB (556141-8392)
 LOCUM Aktiebolag (556438-7909)
 Fastica Lundby AB (556905-3985)
 Saltängen Property Invest AB (publ) (556980-6325)

Source: the proposed board of directors

Håkan Klinterhäll

Ongoing board assignments:

Avantip AB (559291-1720)
 H Klinterhall Invest AB (559292-0937)

Previous board assignments:

Bostadsrättsföreningen Morellpilen (769631-1146)

Companies of which the members of the interim board of directors and the proposed members of the new board of directors have held at least 10% of the capital or voting rights during the past five years are presented in the following table. Any companies of which the members currently hold at least 10% of the capital or the voting rights are also presented in the following table.

Companies of which the interim board of directors holds, or previously held, more than 10% of the shares

Oskar Wigsén	Johan Åskogh
Current holdings:	Current holdings:
-	-
Former holdings:	Former holdings:
-	Håni Konsult AB
Sara Williamson	
Current holdings:	
-	
Former holdings:	
-	

Source: the interim Board of Directors

Companies of which the proposed board of directors holds, or previously held, more than 10% of the shares

Erik Lindholm	Robin Englén
Current holdings:	Current holdings:
-	-
Former holdings:	Former holdings:
-	-

Mikael Igelström	Håkan Klinterhäll
Current holdings:	Current holdings:
MWI Konsult I Stockholm AB (556855-7861)	Avantip AB (559291-1720)
Former holdings:	H Klinterhall Invest AB (559292-0937)
-	Former holdings:
	-

Source: the proposed Board of Directors

Please refer to section 11 (*The management of the Company*) for additional information regarding the management of the Company.

The CEO of Backaheden Fastighets AB (publ)

The CEO of Backaheden Fastighets AB (publ) is Johan Åskogh. Mr Åskogh is employed by the Business Manager and will not receive any salary from the Company in the regard of his role as CEO. Although Mr. Åskogh is intended to be replaced as a member of the board of directors at the upcoming annual general meeting of the Company, there are no intentions to replace Mr. Åskogh as the CEO of the Company. Mr. Åskogh's tasks correspond to the tasks of the Business Manager, which are presented in section 11.2. Please see Mr. Åskogh's CV below.

Johan Åskogh, CEO:

- Employed as Business Manager at Pareto Business Management AB
- CEO of Halmslätten Fastighets AB (publ)
- 10 years' experience from the real estate sector and former CFO of Mengus
- Holds a degree in Economics from the Stockholm International School of Commerce

Proposed board of directors of Backaheden Fastighets AB AB (publ)

The annual general meeting is expected to be held on 11 March 2021. At this annual general meeting, a new board of directors will be elected. The proposed board of directors of the Company is presented below. Please note that each proposed board member's ownership in the Company is as of the date of this Company Description. Companies of which the proposed members of the board of directors have held at least 10% of the capital or voting rights during the past five years are presented above in section 6.1.1. Any companies of which the proposed members currently hold at least 10% of the capital or the voting rights are also presented in section 6.1.1.

Mikael Igelström – proposed board member

- Education: Master's Degree in Business and economics from Pacific Lutheran University, Parkland, WA, US and a master in economy from Linköping university
- Current position as Senior Advisor at Angerman Sweden AB and Chairman of the Board at MWI Konsult i Stockholm AB
- Previous experience as Senior Director at Colliers International, CEO at Cornerstone Real Estate Sweden, Director at Skandrenting AB and Investment Manager at ALMI Företagspartner
- Current board assignments: Mälåråsen AB (publ) (559059-8594), Tingsvalvet Fastigheter (559177-5290), Torsholmen Fastighets AB (559177-5241), Stockholms Kooperativa Bostadsförening, kooperativ hyresrättsförening (702001-1735), MWI Konsult i Stockholm AB (556855-7861) among others, please see chapter 6.1 above for a complete list of all ongoing board assignments
- Former board assignments: Stockholms Hamn Aktiebolag (556008-1647), Almi Företagspartner Stockholm Sörmland AB (556141-8392), LOCUM Aktiebolag (556438-7909), Fastica Lundby AB (556905-3985), Saltängen Property Invest AB (publ) (556980-6325)
- Ownership in the Company: 0 shares
- Independent in relation to the Company and larger shareholders

Erik Lindholm – proposed board member

- Education: Business Administration at Stockholm university
- Current position as board member at PVRT Equestrian AB
- Previous experience as Head of Fund Supervision and AIF managers at Finansinspektionen, CEO at NGM, CEO at Gustavia Fonder, Asset Manager at Hagström & Qviberg
- Current board assignments: PVRT Equestrian AB (556101-4688)
- Ownership in the Company: 120,000 shares

Robin Englén – proposed board member

- Education: Master's degree in business administration, Stockholm University
- Current position as CFO and Partner at Green Group AB
- Previous experience as Business manager at Pareto, CEO Mälåråsen AB (publ), CEO Origa Care AB (publ), CEO Fleming Properties AB, CEO Djurgårdsstadens Fastigheter AB and accountant at Deloitte in Stockholm and Hong Kong
- Current board assignments: Mälåråsen AB (publ) (559059-8594), Green Group AB (559102-4012), Green Park AB (556837-7674), among others, please see chapter 6.1 above for a complete list of all ongoing board assignments
- Former board assignments: please see chapter 6.1 above for a complete list of former board assignments
- Ownership in the Company: 0 shares
- Independent in relation to the Company and larger shareholders

Håkan Klintehäll – proposed board member

- Education: Real estate development at Malmö University, Real Estate at university of Gävle and Real Estate Taxation at Stockholm University
- Current position as partner at Avanti Partners
- Previous experience as Head of Agency Leasing Sweden at Cushman & Wakefield and Director of Investor Leasing at CBRE

- Current board assignments: Avantip AB (559291-1720) and H Klinterhall Invest AB (559292-0937)
- Former board assignments: Bostadsrättsföreningen Morellpilen (769631-1146)
- Ownership in the Company: 0 shares
- Independent in relation to the Company and larger shareholders

6.2 The Shares

All shares in the Company have equal voting rights (1 vote per share) and equal rights to dividends. The Share's ISIN code is SE0015221619, CFI code is ESVUFR, FISN code is BACKAHEDEN/SH and the ticker at Spotlight will be BACKA. The Shares are registered by Euroclear Sweden AB that also handles the Company's share register. Shareholders may not receive physical share certificates and all trades with the Shares are handled electronically through banks or other financial institutions. The Shares of the Company are freely transferrable, subject to formal legal requirements and restrictions. Expected first day of trading on Spotlight is on or about 2 February 2021. The Company has engaged Pareto as liquidity provider for the Company.

6.3 Subsidiaries

The Company has one fully owned, immediate subsidiary named Backaheden Midco 1 AB, corporate identification number 559275-6760. Backaheden Midco 1 AB was registered with the Swedish Companies Registration Office on 8 October 2020 and Backaheden Midco 1 AB has one fully owned and immediate subsidiary named Backaheden Midco 2 AB, corporate identification number 559275-6778. Backaheden Midco 2 AB was registered with the Swedish Companies Registration Office on 8 October. The registered address of Backaheden Midco 1 AB and Backaheden Midco 2 AB is P.O. Box 7415, SE-103 91 Stockholm.

The objects of Backaheden Midco 1 AB and Backaheden Midco 2 AB are to manage fixed and movable property or manage companies that directly or indirectly own fixed and movable property and collect funding for its business and conduct business related thereto. The immediate subsidiary of Backaheden Midco 2 AB is the Target. Backaheden Midco 2 AB will merge into the Target within 6 months post Closing of the Transaction.

Backaheden Midco 2 AB is the borrower under the Debt Facility and the Target is a guarantor under the Debt Facility.

The Share Purchase Agreement for the acquisition of the Target was entered into on 16 December 2020, with the Vendor as seller and Backaheden Midco 2 AB as purchaser.

6.4 The Target

The Target is the Swedish limited liability companies Wilfast Hede 3:122 Fastighets AB (u.n.c.t. Backaheden Hede 3:122 Fastighets AB) with corporate identification number 556990-7099, registered with the Swedish Companies Registration Office since 17 November 2014. The current registered address of the Target is c/o Wilfast Förvaltning AB, Stora Badhusgatan 18, 411 21 Göteborg, Sweden.

The object of the Target is to own and manage real estate and conduct business related thereto.

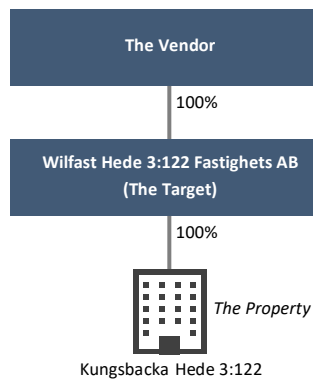
The Target was originally acquired by the Vendor as an off the shelf company prior to the transaction.. The Target is a guarantor under the Debt Facility.

6.5 Transaction and Group structure

The Transaction was structured as an acquisition of 100% of the shares in the Target by Backaheden Midco 2 AB, with the Company as the indirect owner. The Target is the sole owner of the Property.

The group structure before the Transaction is illustrated below.

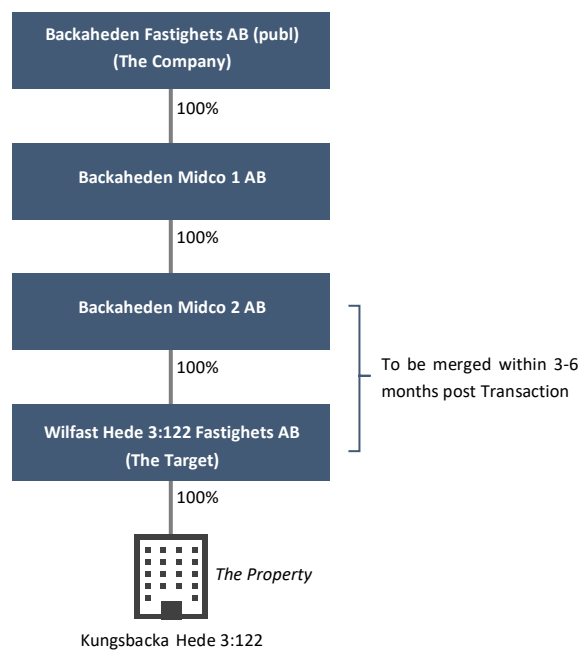
Group structure before Transaction



Source: the Vendor

The group structure after the Transaction is illustrated below.

Group structure post Transaction



Source: the Company, the Vendor

The Share Purchase Agreement, was entered into on 16 December 2020 with closing on 22 December 2020. The Share Purchase Agreement was negotiated between representatives of the Company, on behalf of the Subsidiaries, and representatives of the Vendor. The main elements in the Share Purchase Agreement have been structured as follows:

- The acquisition was carried out by means of an acquisition of 100% of the shares in the Target
- The purchase price was based on the Agreed Property Value and was paid upon Closing
- The Agreed Property Value was subject to customary purchase price adjustments, such as Deferred Tax Discount
- Closing occurred on 22 December 2020

The purchase price payable on Closing was a preliminary amount based on a pro forma balance sheet and the final purchase price will be calculated based on the closing accounts to be prepared by the Vendor and reviewed by the Target's auditor and the Company following Closing. All existing internal loans of the Target were repaid by the Subsidiaries, on behalf of the Target, at Closing.

The building permit for the construction works that will be carried out in the premises of Santa Maria was obtained on 29 November 2020, i.e. prior to signing of the Share Purchase Agreement, and the constructions works are expected to be finalised during May 2021. Further, the Share Purchase Agreement includes an undertaking for the Seller to procure that the construction works are carried out in accordance with the relevant construction agreement and are approved at final inspections. The Seller will also procure that final approvals are obtained for these construction works. The Seller shall bear all costs associated with the construction works.

The Vendor provided a rental guarantee amounting to SEK 800 per m², which corresponds to approximately SEK 1.2 million per annum plus supplements for utilities and property tax for the vacant office premises (3% of the Rental Income). The rental guarantee has been handled as a purchase price reduction of SEK 4 million. If the Vendor succeeds in renting out the vacant premises of 527 m² before April 2021, the Company is obliged to pay back SEK 1.5 million of the rental guarantee to the Vendor, which corresponds to the compensation for the three-year rental guarantee for the premises of 527 m².

The Share Purchase Agreement contains warranties regarding, *inter alia*, the Target, the Property, the Lease Agreements, tax and insurance, collectively deemed by the Group and its legal advisors to be in line with Swedish market practice with customary limitations regarding the Vendor's liability for breach of warranties and in respect of thresholds and time limits for making claims. The Company has a W&I-insurance for the warranties in respect of its credit risk in relation to the Vendor. The insurance policy took effect as from the closing date and the remedy for the Company as a consequence of a breach of the Vendor's warranties in the Share Purchase Agreement will be a right for the Company to claim compensation from the insurer under the insurance policy. Furthermore, the owners of the Vendor have issued a guarantee (Sw. *borgen*) for the Vendor's obligations in relation to the fundamental warranties under the Share Purchase Agreement.

6.6 Contact information

The Company's contact information is stated below.

Address:

Backaheden Fastighets AB (publ)
c/o Pareto Business Management
Box 7415
103 91 Stockholm
Sweden

Phone:

Pareto Business Management: 08-402 50 00

LEI:

549300MLSK8EUEWHSF74

Website:

www.backaheden.se

7 THE PROPERTY

Unless otherwise explicitly stated, the Vendor is the source of all information contained in this section.

7.1 General overview

The Property covers a site area of 88,255 m² and the total lettable area is 45,468 m². The warehouse was originally constructed in 1952 but has undergone several extensions and refurbishments in stages. A warehouse extension of approximately 11,000 m² of which 6,200 m² with a free clearing height of 11.7 metres, was completed in 2016. A further 22,100 m² refurbishment was completed during 2016. In 2019, 1,680 m² of office space was refurbished for the tenant Region Halland which operates a state financed psychiatric treatment clinic. Currently, there is 5,250 m² of warehouse space being refurbished for the anchor tenant Santa Maria, the investment is financed by the Vendor.

The main building at the Property comprises six different units (A-F) and consists of warehouses and offices totalling approximately 44,838 m². Furthermore, there is a separate restaurant building of approximately 630 m² on the Property. The total lettable area of 45,468 m² comprises of approximately 84% warehouse, approximately 10% public use/office and approximately 6% retail/warehouse and others.

The warehouse will have a total of 31 loading docks upon completion of the current construction works and is surrounded by asphalted surfaces with generous truck manoeuvring areas and 429 parking spaces.

In addition, there is an estimated 4,500-6,000 m² GFA of potential building rights on the Property, which may allow for further expansion for the anchor tenant Santa Maria in the future.

Approximately 97% of the lettable area in the Property is let to 8 different tenants, of which approximately 84% of the total lettable area is let to the anchor tenant Santa Maria on a 11-year lease. Additional tenants include Erikshjälpen (approximately 6%), Region Halland (approximately 4%), Matverket (approximately 2%) and three smaller tenants (approximately 1%). Approximately 3% is vacant and the Vendor has issued a three-year rental guarantee for these office premises which has been treated as a reduction of the purchase price totalling SEK 4 million.

Kungsbacka municipality let approximately 166 parking spaces on the Property. The rental agreement with Kungsbacka municipality has been terminated. However, the tenant will pay the full rent totalling SEK 642,000 p.a. until the lease expires in 2021-09-30. Backaheden Fastighets AB has received a compensation from the Vendor regarding the termination, which has been handled as a price reduction of SEK 958,650, corresponding to 1.5-year rental income.

The Rental Income amounts to approximately SEK 39.8 million (incl. the terminated rental agreement with Kungsbacka municipality), corresponding to SEK 875 per m². The Rental Income are on average 97% adjusted in accordance with Swedish CPI. The NOI is estimated to amount to approximately SEK 37.2 million, equivalent to a Net Real Estate Yield of approximately 4.8%.

Property Layout



BUILDING	A	B	C	D	E	F	G
Main use	Warehouse	Warehouse	Warehouse	Warehouse	Warehouse / retail	Public use / Office	Restaurant
Tenants	Santa Maria	Santa Maria	Santa Maria and others	Santa Maria	Santa Maria, Erikshjälpen,	Region Halland, Securitas, Rental guarantee ⁽¹⁾	Matverket
Free clearance (meters between floor and ceiling)	12	7-8	7-8	5-8	n/a	n/a	n/a
Load bearing capacity, ton/m ²	2.5	2.0	2.0	2.0	n/a	n/a	n/a
Construction year	2016	2016	1980-1990s, refurbished 2016	1980-1990s, ongoing refurbishment 2020/2021	1952, partly refurbished 2016 and 2020/2021	1980-1990s, partly refurbished 2019	1980-1990s, partly refurbished 2019

Source: the Vendor

7.2 Property Summary

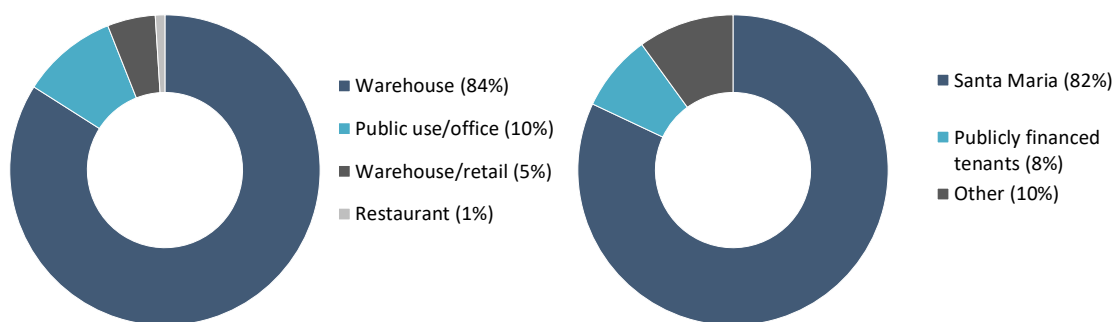
A summary of the Property's key facts is presented in the table below.

Property description - Summary

Type	
Registered property	Hede 3:122
Tenure	Freehold
Address	Kraftvägen 2-4 and Tryckarevägen 18, Kungsbacka
Lot size, m ²	88,255
Lettable area, m ²	45,468
Occupancy rate including rental guarantees, %	100
Type codes	432 (industrial), 325 (commercial)
Remaining lease term, years	Approx. 10.2 (excl. break options), 9.2 (incl. break options to 1 st break)
No. of loading docks	31 (upon completion of the current construction works)
Maximum storage height, m	11.7

Source: the Vendor

Type of premises by area and rental income by tenant type



Source: the Vendor

7.3 Kungsbacka Hede 3:122

The Property is located on Kraftvägen 2-4 in Kungsbacka. The Property was originally constructed in 1952 but has undergone several extensions and refurbishments in stages. The anchor tenant Santa Maria relocated into the property in 2016 leading to a major development project where a majority of the main building on the Property was refurbished and extended. Today, Santa Maria's lease agreement includes more than 38,000 m² and the Property serves as their main European distribution centre.

The second largest tenant in terms of lettable area (2,595 m²) is Erikshjälpen which operates a second-hand store in collaboration with the municipality. Erikshjälpen's premises comprises the original construction from 1952. Region Halland is the second largest tenant in terms of rental income and third largest in size (1,680 m²). Their premises were completely refurbished for Region Halland in 2019 and includes modern office and care premises. Additional tenants in the main building are Fjärrås Sportskyttar (375 m²), Ocean of life (200 m²) and Securitas (136m²) a sport shooting association, an e-commerce company offering saltwater aquarium fishes and an international security services company. There is also a lunch restaurant located in a separate building on the Property (630 m²) operated by Matverket which provides indoor and outdoor seating and drive through pick-up.

Selection of pictures of the Property



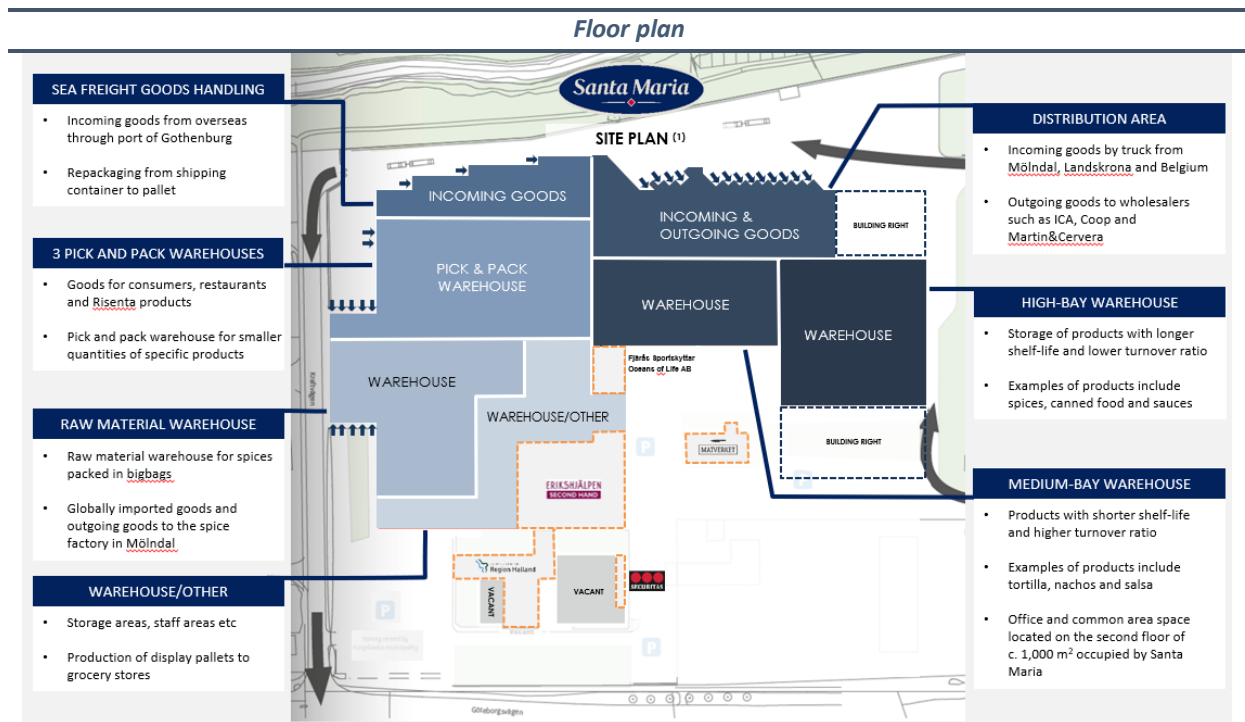
Source: the Vendor

7.3.1 Floorplan

More than 80% of the lettable area within the Property comprises premises which are included in Santa Maria’s lease agreement. The premises predominantly include warehouse space which are split between different types of use which are designed to meet the needs of Santa Maria. The premises include amongst others a newly built high-bay warehouse, medium-bay warehouse, distribution area, goods handling area, pick and pack warehouses, raw material warehouse, offices and common areas. Please see site plan below for a detailed breakdown of Santa Maria’s operations within the Property.

Most parts of the main building include only one floor above ground, however, there are two floors where Santa Maria and Erikshjälpen has their office and common areas and two floors in Region Hallands premises.

The potential building rights may allow for an expansion of the building in case Santa Maria would require additional area for its operations in the future.



Source: the Vendor

7.3.2 Building description

Building description

General	
Construction year, incl. reconstruction/refurbishment	2020/2019/2016/1980-1990s/1952
No. of floors above ground	Mainly one floor, apart from Santa Maria’s and Erikshjälpen’s offices (approximately 1,000 m ²) and Region Halland’s premises (1,680 m ²)
Outdoor parking	Ground parking, approximately 429 spaces
Buildings	2
Type of use within the property	Warehouse (84%), public use/office (10%), warehouse/retail (5%) other (1%)
Technical specifications	

Foundation	Steel and concrete
Structure	Concrete
Roof	Roofing felt, membrane and bricks
Facade	Sheet, paroc and brick
Windows	Aluminium
No. of loading docks	31 (upon completion of the current construction works)
Load bearing capacity	Dimensioned for 20 kN/m ² -25kN on most of Santa Maria's premises
Floor-to-ceiling heights	Maximum loading height 11.7 metres. Please see section 7.1 for a detailed breakdown.

Installations


Heating	District heating
Cooling	Yes (Santa Maria offices, Region Halland and Matverket). Mostly extract air ventilation combined with some supply air
Ventilation	Extract air (Ongoing installations in the warehouse currently being adapted for Santa Maria)
Lifts	2 elevators, one in Santa Maria's office areas and one in Region Halland's premises
Sprinklers and fire alarm	There are no sprinklers in the building. There is an all covering fire alarm system for the building. Santa Maria's part is the owner's responsibility. For other parts the respective tenant is responsible for the fire alarm system.
Electricity and sewage system	The electrical system and the sewage system are connected to the municipality mains

Source: the Vendor

7.3.3 Location

Kungsbacka municipality is located in the county of Halland. Halland comprises of six municipalities and has more than 324,000 inhabitants, making it the 7th highest populated county in Sweden. Kungsbacka is situated along the E6/E20, 28 km south of Gothenburg central station and is part of the greater Gothenburg area which is one of the most expansive areas in Sweden. Kungsbacka is a growing municipality on the Swedish west coast with a strong population growth, low unemployment rate and strong income figures.

Key facts Kungsbacka municipality

	 Kungsbacka	Hallands län	Västra Götalands län	Sweden
Population growth, 2016-2019	4.9%	4.2%	3.2%	3.3%
Unemployment rate	3.2%	4.8%	6.2%	7.0%
Median income	SEK 339,000	296,000	SEK 293,000	SEK 289,000

Kungsbacka is located next to the Nordic trade triangle which is a logistics network of roads, railways, airports and ports connecting Stockholm, Gothenburg, Oslo, Helsinki and Copenhagen, that establishes a transportation link between the Nordic cities and the rest of Europe. Being near the Nordic trade triangle ensures efficient transportation of goods across Europe.

The Property has a strategic location for Santa Maria’s operations located in the middle of their supply chain network ensuring efficient imports from the Port of Gothenburg and from their production centres in Mölndal, Landskrona and Belgium as well as seamless distribution to customers located predominately in the Nordics.

Santa Maria’s supply chain network



Source: Santa Maria, Pareto

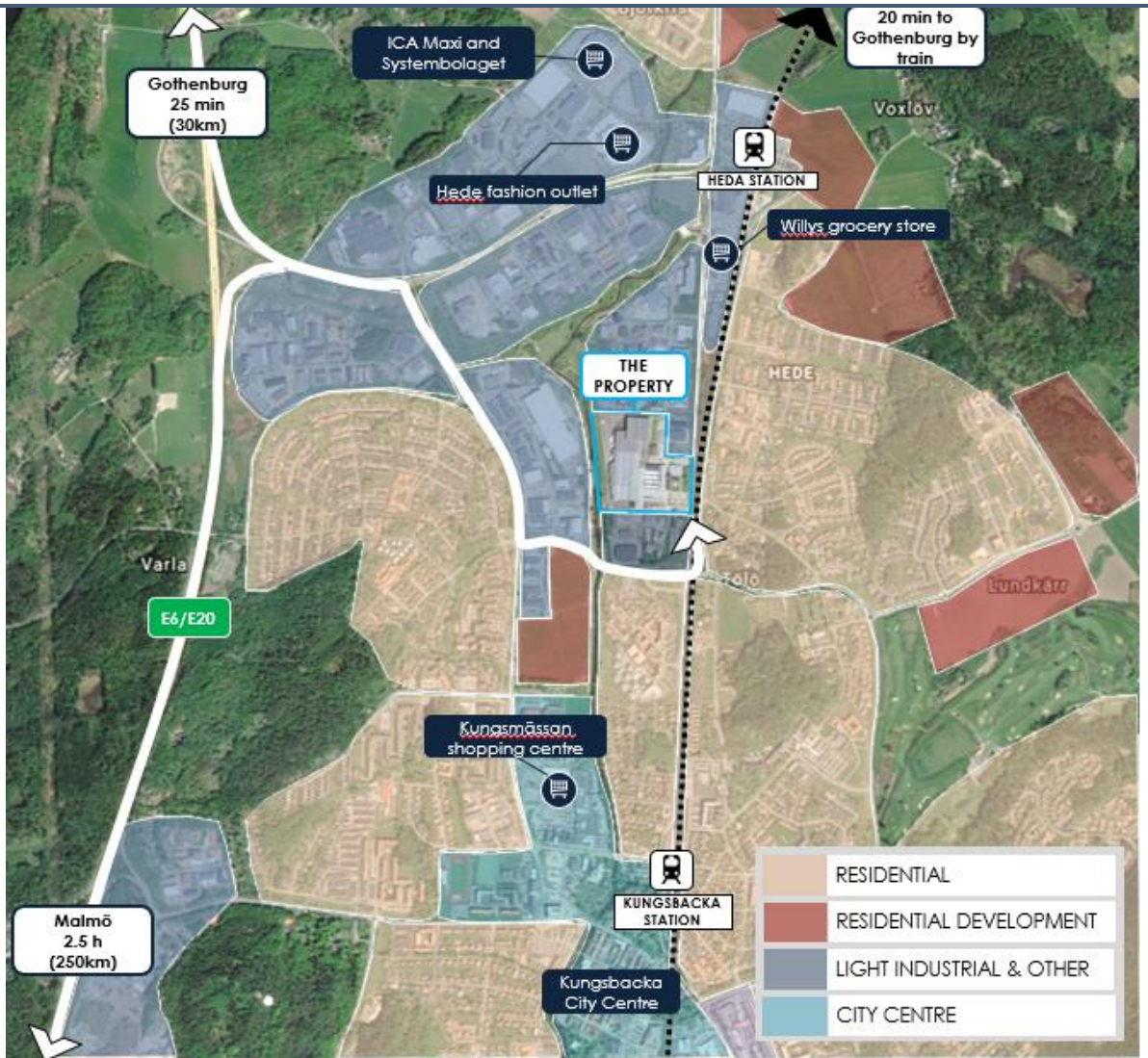
Gothenburg is located a 25 minutes’ drive from the Property and is the second largest city in Sweden and the fifth largest in the Nordics. The city is the most important location for import, export and logistics in the Nordics.

Gothenburg has experienced a positive population growth for more than 35 consecutive years. Gothenburg as a city has more than 579,000 inhabitants and is situated in Västra Götaland, a county with more than 1.7 million inhabitants.

The greater Gothenburg area is regarded as the best logistics location in the Nordics because of its strong infrastructure with the Port of Gothenburg, Landvetter airport and the motorways E6, E20 and E45. The Port of Gothenburg has a good logistics location, 1.5 hours from open sea to quay with a complete service offering with terminals for cars, energy, roro as well as passengers. One third of Sweden’s foreign trade passes through the Port of Gothenburg. Landvetter airport is located 25 km from Gothenburg and 40 km from Kungsbacka. The airport is Sweden’s second largest freight and passenger airport.

The Property is located approximately 1.5 km north of Kungsbacka central station in an established industrial and logistics park with a strong tenant demand and low vacancy rates. The location has very strong communication possibilities by car, bus and train. The property benefits from easy access to E6/E20 which ensures efficient logistics transports to- and from Gothenburg and rest of the Nordics. There are two train stations located within 1.5 km from the Property, Kungsbacka station and Hede station. It takes 20 minutes to Gothenburg city centre and 10 minutes to Santa Maria’s HQ in Mölndal by train. The surrounding area comprises of two attractive residential areas which are dominated by single family homes. Directly north of the industrial and logistics park there is a retail area with amongst others a galleria, ICA maxi and Willy’s

Micro Location Hede 3:122



Sources: Google maps, Kungsbacka municipality, Pareto

8 THE TENANTS

Santa Maria AB is the anchor tenant and represents approximately 82% of the Property's Rental Income. The publicly financed tenants Region Halland and Kungsbacka municipality represent approximately 8% of the Rental Income and the other five tenants plus a rental guarantee from the Vendor represents the remaining approximately 10% of Rental Income.

8.1 Santa Maria

Santa Maria is the leading seasoning company in Northern Europe with a total turnover of approximately SEK 2.9 billion, an EBITDA-margin of above 9%. Santa Maria AB had 481 employees in 2019, including subsidiaries Santa Maria had over 900 employees. Santa Maria's product categories include; spices, Tex Mex, Thai Food, Indian Food and BBQ. The main markets are the Nordics, UK, Baltics and Benelux.

The company have a long history in the Gothenburg region dating back to 1911 when Nordfalks te- och kryddhandel was opened in Gothenburg. The company changed name to Nordfalks AB in 1946 and became Santa Maria in 2001. Paulig Group officially acquired Santa Maria in 2011. However, the Paulig Group was already familiar with Santa Maria due to a long-term partnership between Paulig, Nordfalks AB and Danske Krydderier A/S since the late 1980's. The Santa Maria brand was created through this partnership in 1991 when Santa Maria Tex Mex was launched. The partnership became the start of the expansion of the brand Santa Maria and new markets such as the Baltics, Russia and central Europe was entered.

8.1.1 The owner Paulig Group

Paulig is a family-owned enterprise within the food industry with history dating back to 1876. The company started as a wholesale business for imported groceries which transferred to consumer packages for both coffee and seasonings. Paulig group has continued to expand with several acquisitions to broaden the offering within the food industry. Today the Paulig Group consists of Santa Maria, Risenta, Gold&Green, Paulig, MODE and Poco Loco. The Paulig Group has business in 13 countries in northern Europe with over 2,100 employees, the products were distributed to over 700 customers in 70 countries during 2019. The group is divided in three different geographic divisions which provides different brands to each market and one division for private label products.

According to Paulig Group, the Tex Mex segment with the brands Santa Maria and Poco Loco as well as production and distribution of products in the private label segment, is where Paulig Group has its largest growth. The market demand for Tex Mex products grew with around 6% during the last year. The business division for Scandinavia and central Europe include the brands Santa Maria, Risenta and Gold&Green. During 2020 the Swedish production of Risenta have relocated to Santa Maria's production facility in Mölndal and the distribution centre in Kungsbacka will be used for Risenta's distribution.

Brands within the Paulig Group



PAULIG



SANTA MARIA



RISENTA



GOLD & GREEN



POCO LOCO



MODE

Source: the Vendor, Paulig Group and Santa Maria

8.1.2 Santa Maria's product categories

Santa Maria provides eight different product categories including Tex Mex, Spices, Asia, BBQ, India, Street food, Organic products and paste. The company distributes its products to grocery stores, wholesalers and other business to business customers.



Source: Santa Maria

8.1.3 Financials

The summary below presents a few selected financial figures from the income statement and the balance sheet for Santa Maria AB between the years 2015 and 2019. The financial situation for Santa Maria is considered strong with an increasing EBITDA margin and stable profits after tax during the past five years. The net sales in 2019 amounted to approximately SEK 2.7 billion. Santa Maria have delivered a compounded annual growth rate of 7.2% during the past 20 years. As shown by the graph in the figure of net sales below, the financial growth does not seem to have slowed down in connection the two recent financial crises.

Income statement & balance sheet (single entity)⁽¹⁾

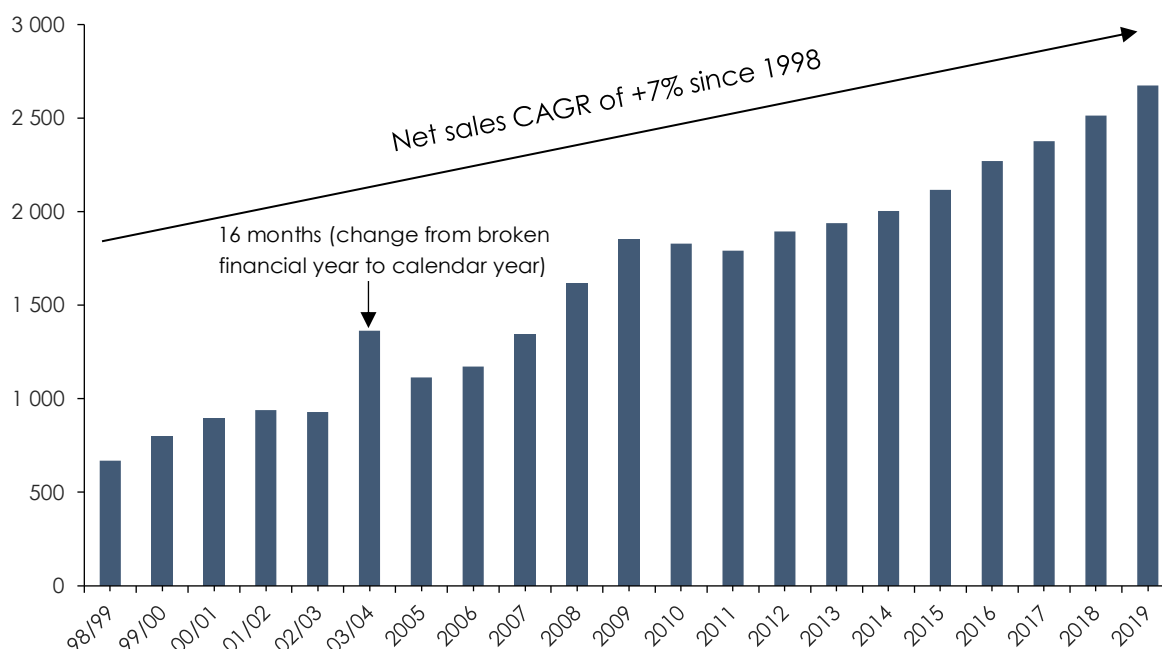
SEK millions					
Income statement	2019	2018	2017	2016	2015
Turnover	2,850	2,566	2,410	2,375	2,236
Net sales	2,675	2,515	2,377	2,272	2,115
% Growth YoY	6.4%	5.8%	4.6%	7.4%	5.5%
EBITDA	262	224	208	187	125
% Margin	9.2%	8.7%	8.6%	7.9%	5.6%
Profit after tax	228	203	205	217	223

Balance sheet	31/12/2019	31/12/2018	31/12/2017	31/12/2016	31/12/2015
Assets					
Non-current assets	2,921	2,788	2,621	2,365	1,962
Current assets	1,057	880	732	762	714
Total assets	3,978	3,668	3,353	3,127	2,903
Equity					
Total equity	3,078	2,850	2,652	2,448	2,230
Other provisions	184	176	182	182	172
Liabilities					
Short-term Liabilities	714	642	518	492	496
Long-term liabilities	1	1	1	6	5
Total equity and liabilities	3,978	3,668	3,353	3,127	2,903

Source: Retriever

Note: (1) The figures presented is based on Santa Maria AB as a single entity since there is no consolidation available for the company including subsidiaries.

Net sales Santa Maria AB (single entity) 1998-2019, SEK million



Source: Retriever

8.2 Region Halland

State-financed psychiatric treatment clinic operated by Region Halland. The treatment is specialised on adult psychiatry. The lease started in December 2019 after completion of a larger tenant improvement to create modern and functional premises. The new clinic provides space for psychiatric treatment in separate consulting rooms and additional common areas for other activities such as patient lectures and group activities for patients and their relatives.

8.3 Matverket i Kungsbacka AB

Matverket i Kungsbacka AB has a popular lunch restaurant in the area including indoor and outdoor seating. The restaurant also provides a drive through pick-up service. Matverket i Kungsbacka AB also offers catering services for companies and events.

8.4 Kungsbacka kommun

Kungsbacka municipality leases 166 outdoor parking spaces at the southern part of the Property. The parking spaces are used by employees in a nearby property with public administration and services called "Omsorgens Hus". The lease agreement with Kungsbacka municipality has been terminated. However, the tenant will pay the full rent totalling SEK 642,000 p.a. until the lease expires in 30/09/2021. The Company has received a compensation from the Vendor regarding the termination, which has been handled as a price reduction of SEK 958,650, corresponding to 1.5-year rental income.

8.5 Erikshjälpen Second Hand Butiker

Erikshjälpen is a children's rights organisation providing humanitarian and developmental aid to children in 17 countries. The organisation is partly financed through donations from institutions, organisations and private individuals. The actual second-hand store of Erikshjälpen Second-Hand Butiker in Kungsbacka is operated in collaboration with Kungsbacka municipality.

8.6 Securitas Sverige AB

Securitas Sverige AB is a security services, monitoring, consulting and investigation group with operations in 53 countries worldwide. The company is listed at Nasdaq OMX Stockholm Large Cap. Their lease agreement includes office premises and parking spaces.

8.7 Fjärås Sportskyttar

Fjärås Sportskyttar is a sport shooting association with both elite and youth training. The association was founded in 1963 and moved to the Property in 2017.

8.8 Oceans of Life AB

Oceans of Life AB is an e-commerce company offering saltwater aquarium fish, plants, corals and equipment. The premises are used for storage and distribution with shipping nationwide. Oceans of Life AB is subsidiary to Företagsakvarium Sverige AB

9 THE LEASE AGREEMENTS

9.1 Summary of the Lease Agreements

The Property is let to eight different tenants. The largest tenant is Santa Maria which accounts for approximately 82% of the Property's Rental Income. Approximately 8% of Rental Income is derived from the publicly financed tenants Region Halland (approximately 6%) and Kungsbacka municipality (approximately 2%). Remaining 10% of the Rental Income are derived from Erikshjälpen (approximately 4%), Matverket (approximately 2%), and rental guarantees from the Vendor amounting to SEK 800 per m², which corresponds to approximately SEK 1.2 million per annum plus supplements for utilities and property tax for the vacant office premises (3%). The rental guarantee has been handled as a purchase price reduction of SEK 4 million. If the Vendor succeeds in renting out the vacant premises of 527 m² before April 2021, the Company is obliged to pay back SEK 1.5 million of the rental guarantee to the Vendor, which corresponds to the compensation for the three-year rental guarantee for the premises of 527 m².

In addition, the three smaller tenants Ocean of life, Securitas and Fjärås Sportskyttar together stands for approximately 0.3% of the Rental Income.

The Lease Agreements are on average 99% adjusted in accordance with Swedish CPI indexation as per January 1 each year, with minor adjustments. The rental guarantees are not subject to any indexation.

All Tenants, except for Ocean of life, Fjärås Sportskyttar, Securitas, Matverket and Erikshjälpen's storage area of 145 m², pay supplements for media costs such as; water, sewage, heating, cooling, electricity and waste, based on their share of the Property's lettable area. The tenant Securitas pays a fixed supplement of approximately SEK 15,000 per annum. The tenant Matverket pays supplement based on their consumption measured by separate metres installed in their building.

Property tax is typically reimbursed through supplements paid by the tenants.

Media costs and property tax are expected to be reimbursed by 98% from supplements paid by the Tenants.

The Rental Income, excluding rental rebates covered by the Vendor but including rental guarantees, amounts to SEK 39.8 million in 2021.

The rental agreement with Kungsbacka municipality has been terminated. However, the tenant will pay the full rent totalling SEK 642,000 p.a. until the lease expires in 30/09/2021. The Company has received a compensation from the Vendor regarding the termination, which has been handled as a price reduction of SEK 958,650, corresponding to 1.5-year rental income.

Rental rebates from 22/12/2020 to end of year 2022 amounts to approximately SEK 3.5 million. All rental rebates have been covered by the Vendor as a price reduction on the purchase price.

Below is a summary of the commercial terms of the Lease Agreements. Note that the estimated rent below is excluding all supplements.

Lease Agreements – summary of commercial terms

Lease term summary

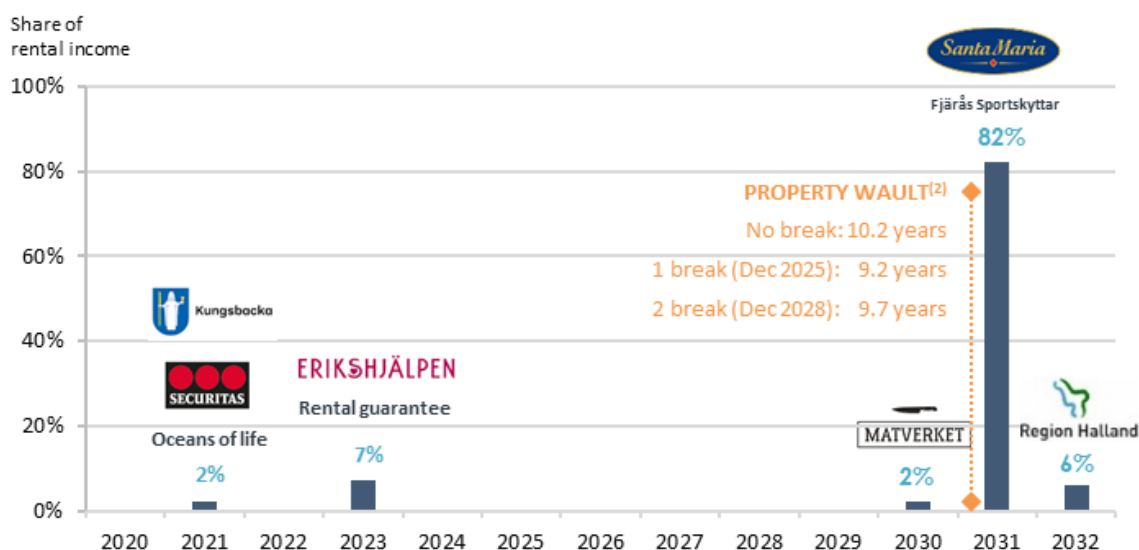
Tenant	Santa Maria AB	Region Halland	Erikshjälpen	Rental guarantees	Matverket	Kungbacka municipality	Securitas	Santa Maria AB	Erikshjälpen	Fjärås Sportskyttar	Oceans of Life AB	TOTAL
Registration number	556047-5658	232100-0115	827501-1131	-	559074-8991	212000-1256	556108-6082	556047-5658	827501-113	849400-6672	559063-8358	-
Initial lease term, years	11.0	13.0	10	2.9	10.7	0.9	3	5	6.9	15	5	
Remaining lease term, years ⁽¹⁾	10.9 ⁽¹⁾	11.9	2.8	2.9	10.0	0.9	1.2	1	0.3	10.1	1.2	10.2
Main use	Logistics	Office	Warehouse/retail	Office	Restaurant	Parking	Warehouse	Parking	Warehouse	Warehouse/retail	Warehouse/retail	-
Break options	Yes ⁽²⁾	No	No	No	No	No	No	No	No	No	No	-
CPI adjustment	100%	100%	100%	0%	100%	100%	80%	0%	0%	100%	100%	97%
VAT	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	93% ⁽³⁾
Notice period, months	24	9	9	-	24	9	6	3	3	24	12	
Prolongation period, months	36	36	36	-	36	12	12	12	1	12	12	
Lettable area, m ²	38,337	1,680	2,450	1,515	630	-	136	-	145	375	200	45,468
Base rent 2021 (incl. index), SEK'000	32,760	2,402	1,676	1,212	932	642	79	78	71	28	13	39,892
SHARE OF TOTAL RENT	82.1%	6.0%	4.2%	3.1%	2.3%	1.6%	0.2%	0.2%	0.2%	0.1%	~0.1%	100%

Notes: (1) As per 1 November 2020 excluding break options for Santa Maria. (2) The new lease agreement with Santa Maria AB includes a break option in two stages, for more information please see the break option section. (3) The property's VAT rate is 93.5%.

Source: the Vendor

The graph below illustrates the lease expiry schedule of the Lease Agreements within the Property. More than 90% of the Rental Income expires in December 2030 or later (excluding break options). Remaining 10% of Rental Income expires before 2024.

Lease expiry schedule



Note: (1) WAULT is calculated as per 1 November 2020 excluding break options.

Source: the Vendor

9.2 Details in the Lease Agreements

Simplified demarcation list for the property

Party	Property tax	Utilities	Repair & maintenance	Insurance
Tenants	✓	✓	✓	
Landlord			✓	✓

Source: the Vendor

Utility costs and property tax

The recovery ratio for utility costs and property tax is estimated to 98% and non-reimbursable utility costs and property tax for 2021 are estimated to approximately SEK 113,000.

Operating and maintenance costs

Operating and maintenance costs are split between the Tenants and the landlord in the Lease Agreements, a complete overview can therefore only be given through reading the Lease Agreements. However, all the major lease agreements (Santa Maria, Erikshjälpen and Region Halland) have a standardised demarcation list. In general, the Tenants are responsible for most of the operating and maintenance measures within their premises. However, the landlord has certain responsibilities in relation to both maintenance and replacement relating to the premises and the buildings, relating to installations and other items both outside and inside the premises.

The landlord is responsible for running costs such as; property caretaking and running maintenance relating to the outdoor environment and building structure, e.g. roofs, snow removal, facades, and drainage (only for Region Halland), as well as internal maintenance of technical installations such as heating, elevators, electricity switchboards, ventilation and fire traps.

The landlord has a larger responsibility for costs related to planned maintenance and is responsible for replacing roofs, façades, entrance doors, windows, loading doors, wet areas, kitchens, fire alarms, fire traps and technical installations for heating, ventilation and electricity amongst others.

Costs related to property insurance will be covered by the landlord and the Tenants shall have an insurance for the operations carried out within the premises.

VAT compensation

All Tenants except the non-profit associations Erikshjälpen and Fjärås Sportskyttar are subject to VAT. The Property is to 93.5% subject to VAT.

Rental payments and adjustments

The Rental Income, including the rental guarantees which are not index adjusted are on average 96.5% adjusted in accordance with CPI indexation as per January 1 each year. More than 99% of the Rental Income excluding rental guarantees is derived from leases with 100% CPI indexation. The share of CPI indexation for the first three years is 96.5% since approximately 3% of the Rental Income is derived from rental guarantees which are not adjusted in accordance with CPI.

The Rental Income of SEK 39.8 million does not include any supplements for media consumption and property tax. The Rental Income is primarily invoiced and paid quarterly in advance.

Rebates and fixed supplements

Santa Maria has rental rebates of approximately SEK 1.44 million for 2021 and SEK 0.66 million for 2022. In addition, Santa Maria has a mobility grant of SEK 1 million spread over four quarters in 2021. Region Halland has rental rebates of SEK 252,000 for 2021 and SEK 231,000 for 2022. The sum of all rental rebates has been reimbursed by the Vendor as a reduction from the purchase price under the Share Purchase Agreement.

The tenant Matverket i Kungsbacka AB has a fixed-period supplements for former preparing of parking spaces. The supplement for 2021 amounts to approximately SEK 145,700 and for 2022 approximately SEK 124,700. The fixed period supplement has not been included in the Rental Income or in the NOI.

Break options and ongoing investments for Santa Maria

The 11-year lease agreement with Santa Maria was renegotiated to cover an additional 5,250 m² of lettable area in April 2020. The new lease started in November 2020. However, all the agreed investments have not yet been

completed and the final base rent can be subject to minor changes if the investment costs differs compared to the budget costs for the ongoing refurbishment.

The costs for tenant improvements which was agreed upon in April 2020 was budgeted to SEK 15 million and is considered in the new base rent for Santa Maria. If the final costs differ from budgeted cost the rent will be adjusted by 6% of the deviated amount from SEK 15 million. In August 2020 Santa Maria signed a supplement agreement for the transformation of approximately 1,000 m² of the current warehouse area into a raw material warehouse with a budgeted cost of SEK 3.5 million. If the final costs differ from the budgeted cost the rent will be adjusted by 8% of the deviated amount from SEK 3.5 million. The investment costs have been borne by the Vendor.

In November 2020 the Vendor agreed to invest an additional SEK 2.7 million in Santa Maria’s premises of which approximately SEK 1.2 million will be rent adjusted by 8% and approximately SEK 1.5 million will be rent adjusted with 6% of the total investment costs. The total base rental increase for the investment of approximately 2.7 million amounts to approximately SEK 188,000 per annum. The investment cost will be financed by the Vendor. The additional rental income of approximately SEK 188,000 is included in the total Rental Income for 2021.

The lease agreement with Santa Maria includes break options per December 2025 and December 2028 corresponding to a total lettable area of 8,769 m². The break options include the above-mentioned warehouse area of 5,250 m² which is currently undergoing a refurbishment and the raw material warehouse of 3,519 m². The maximum rental impact if Santa Maria decides to use the break option corresponds to approximately 25% of Santa Maria’s base rental income.

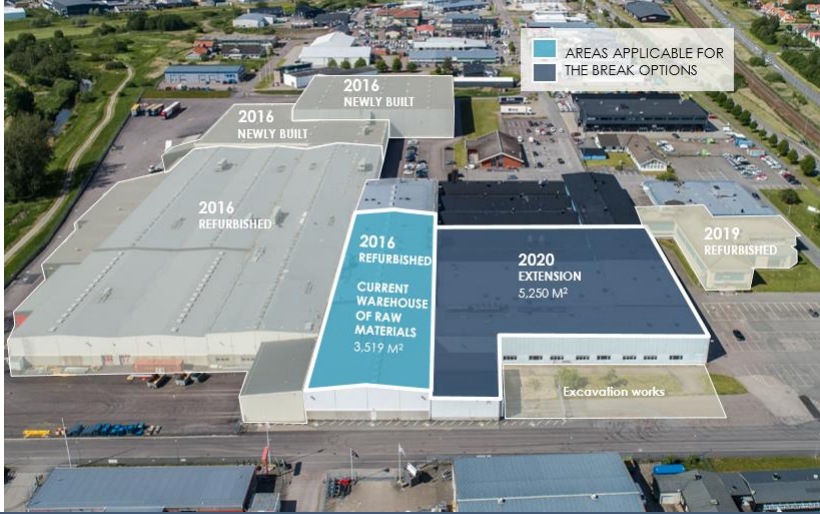
The penalty for vacating the 5,250 m² in December 2025 is 46.6% of the investment costs (budgeted to SEK 21.2 million). The penalty of leaving in December 2028 is 13.3% of the investment cost. If the break option for the area of 5,250 m² is used it will generate a penalty fee of approximately SEK 9.9 million in 2025 and approximately SEK 2.8 million in 2028. Santa Maria’s break options are marked on the picture below.

General terms for Santa Maria’s break options

Area, m ²	Exercise dates	Notice, months	Reduced base rent per annum	Penalty for the tenant
5,250	31/12/2025 or 31/12/2028	15	SEK 4.9m	SEK 9.9m or SEK 2.8m
3,519	31/12/2025 or 31/12/2028	15	SEK 3.2m	n/a

Source: the Vendor

Ongoing development



Source: the Vendor

10 FINANCIAL INFORMATION

The estimates, projections and calculations in this section are based on assumptions supported by objective data. The estimates involve risks, uncertainties and other factors that may cause actual developments to differ materially from the anticipated development.

All calculations and estimates are based on current information, believed to be correct at the time of preparation of this Company Description. The Company cannot guarantee the correctness of the calculations, or the quality of the figures and assumptions underlying the calculations. Some of the assumptions made will or may be changed by the board of directors, and accordingly the estimates may then change. Please note that the expected return is not a guarantee of actual return. Actual return is also subject to the investor's tax position and may be affected by future changes in tax legislation.

The financial information has not been reviewed or audited by the Company's auditor, unless otherwise stated.

10.1 Transaction financing

The investment has an estimated project cost of SEK 780 million, and will include the following elements:

<i>Project costs, rounded</i>	
Element	SEK ('000)
Agreed Property Value	767,700
Deferred Tax Discount	-29,854
Net Property Value	737,846
Mortgage deeds	3,340
Arrangement and sales fee ⁽¹⁾	23,033
Debt financing ⁽²⁾	3,213
Other start-up costs (Transaction related costs) ⁽³⁾	5,700
Working capital	6,868
Total project cost	780,000

Notes: (1) Costs related to the Recent Equity Issue. (2) The amount of SEK 3.2 million includes the estimated arrangement fee to the lender. (3) Other start-up costs include cost for due diligence, valuation, listing on MTF, start-up costs for the Business Manager, Property Manager and others

Source: the Company

10.2 Key figures

<i>Key figures, rounded</i>		
Estimated key figures	Unit	Amount/percentage
Debt Facility	SEK million	459.0
Recent Equity Issue	SEK million	321.0
Rental income ⁽¹⁾	SEK million	39.8
NOI ⁽¹⁾	SEK million	37.2
Adjusted EBITDA ⁽¹⁾	SEK million	35.1
Net Real Estate Yield	%	4.8
Dividend Yield	%	7.5

Note: (1) Based on the Group's estimated normalised income and costs for 2021 as described further in section 9.4

Source: the Company

The Agreed Property Value of SEK 767,700,000 corresponds to an estimated Net Real Estate Yield of approximately 4.8%.

The estimated project cost of SEK 780 million has been financed as set out below:

<i>Project financing</i>	
Element	SEK million
Debt Facility	459.0
Recent Equity Issue	321.0
Total Financing	780.0

Source: the Company

The consolidated pro forma balance sheet as of 22 December 2020

The consolidated pro forma balance sheet as per 22 December 2020 is presented in the table below. The consolidated pro forma balance sheet has not been reviewed by the Company's auditor.

<i>Consolidated pro forma balance sheet per 22 December 2020</i>	
Consolidated pro forma balance sheet – the Group	22/12/2020
<i>Values in SEK '000</i>	
Fixed assets ^{(1),(2)}	770,000
Total fixed assets	770,000
Financial assets	-
Total financial assets	-
Current assets	93,535
Total current assets	93,535
Total assets	863,535
Share capital	500
Share reserve	368,069
Total equity	368,569
Deferred tax ⁽¹⁾	12,612
Liabilities to credit institutions ⁽³⁾	455,787
Short term liabilities	26,566
Total liabilities	494,966
Total liabilities and equity	863,535

Note: (1) In the consolidated pro forma balance sheet the Day 1-profit and related deferred tax liability are recognised on the investment properties as if the Day 1-profit had occurred as of 22 December 2020. (2) The value is based on an external valuation in October 2020. (3) Liabilities to credit institutions are net of the loan arrangement fee to the lender of SEK 3.2 million.

Source: the Company

10.3 Financial calendar

The Company will report under IFRS, and the Company's financial year starts on January 1st and ends on December 31st. The financial calendar of the Company is presented below.

<i>Financial calendar</i>	
Annual report	25/02/2021
Annual general meeting	11/03/2021

Source: the Company

10.4 Owners and share capital

In the table below are the Company's largest owners per 28 January 2021 presented.

<i>Largest shareholders</i>		
Shareholder	Number of shares	Ownership share
Erik Lindholm	120,000	3.74 %
GADD & CIE S.A.	120,000	3.74 %
Bernt Johansson	113,000	3.52 %
Ilija Batljan	113,000	3.52 %
Fibonacci asset management AB	113,000	3.52 %
Visio Allocator Fund	113,000	3.52 %
Familjen Kamprads stiftelse	100,000	3.12 %
Bjursund Invest AB	75,000	2.34 %
Carl Tryggers Stipendie- & Understödsstiftelse För Boxholm	75,000	2.34 %
Farsviken Aktiebolag	75,000	2.34 %
Other ~220 shareholders	2,193,000	68%
TOTAL	3,210,000	100%

Note: (1) The owner Erik Lindholm is a members of the proposed Board of Directors.

Source: the Company

There are 3,210,000 shares issued in the Company, and all issued shares are paid in full. All shares in the Company have equal voting rights and equal rights to dividends. The maximum number of shares in the Company in accordance with the articles of association is 12,000,000 shares. The Company has engaged Pareto as liquidity provider for the Company. The development of the share capital is shown in the table below:

<i>Share capital development</i>			
Date of registration	Event	Change in share capital (SEK)	Total share capital (SEK)
16/07/2020	Establishment	+ 500,000	500,000
04/01/2021	Recent Equity Issue	+ 3,210,000	3,710,000
04/01/2021	Redemption of shares	- 500,000	3,210,000

Source: the Company

10.5 Description of debt financing

The Manager was prior to the Transaction, on behalf of the Group, conducting an evaluation of debt financing options. A request for a proposal was distributed to a number of banks in order to map the bank financing alternatives available to the Company. Based on indicative terms from banks and other lenders, more detailed discussions were initiated with one of the banks.

The main terms are as follows:

<i>Main terms of the Debt Facility</i>	
Lender:	European bank
Borrower:	Backaheden Midco 2 AB
Guarantors:	Backaheden Midco 1 AB and Wilfast Hede 3:122 Fastighets AB
Amount:	SEK 459 million
LTV:	Approximately 59.61%, based on the Agreed Property Value
Maturity:	5 years
All-in Interest rate:	~2.15% ⁽¹⁾
Hedging:	The Company has entered into a hedging arrangement on the whole Debt Facility amount.
Amortisation:	Bullet
Covenants:	<ul style="list-style-type: none">• Interest Cover Ratio: <300% will trigger up-streaming restriction, <250% event of default• LTV >68.5% - 65% up-streaming restriction, LTV >68.5%, event of default
Undertakings:	According to market standards
Ownership clause:	The Debt Facility contains a change of control clause which may trigger prepayment and cancellation of the loan
Security package:	The security package includes, <i>inter alia</i> , security over mortgages in the Property covering the full Debt Facility amount, the shares in the Bidco and the Target, certain downstream intragroup loans, shareholder loans, insurance policies, hedging, lease and acquisitions claims and bank accounts.
Arrangement fee:	One-time arrangement fee of 0.70% of the total loan amount

Note: (1) The payable interest rate is the margin plus the aggregate of the 5 year SEK interest swap rate at drawdown plus a rate protection surcharge of 10 basis points per annum.

Sources: the Company, the lender

The Company has entered into a loan agreement with the bank based on the commercial terms set out above.

10.6 Estimated dividends

Dividends to investors are estimated at approximately 7.5% per annum, calculated based on total paid-in equity of SEK 321 million. The first dividend is expected during the Q3 2021 but is conditional upon decision by the general meeting of the Company. Dividends are dependent on the Group's distributable reserves and liquidity situation, and dividends may be subject to the relevant lender's approval or certain covenants in the financing documentation. Ultimately, the future dividend policy of the Company will be determined by the general meeting of the Company following a proposal from the board of directors.

All Shares have equal rights to dividends. The shareholders registered in the Company's share register on each record date shall be considered authorized to receive dividends; in case of bonus issues (*Sw. fondemission*), to receive new shares, and to execute the shareholders' right to subscribe for new shares in rights issues.

If a shareholder cannot be reached through the Euroclear system, its claim on dividends is limited only by the general limitation period (*Sw. lagstadgad preskriptionstid*). After the limitation period, the dividend will accrue to the Company.

There are no restrictions to receive dividends for shareholders residing outside Sweden. For shareholders with other domicile for tax purposes than Sweden, ordinary Swedish withholding tax will be deducted from the dividend.

10.7 Estimated income and costs

Estimated Property Related Costs and Company Costs are presented in the table below. Due to difficulties of assessing potential value adjustments, the Company has chosen to present an estimated EBTIDA instead of profit for the period. The figures are based on Vendor's budget, the Company's assumptions and experiences of the Manager, the Business Manager, the Property Manager and a CAPEX budget performed by WSP on behalf of the Company.

Total annual Property Related Costs are estimated to approximately SEK 2,628,000 excl. VAT (rounded figure). Of these non-recoverable costs amounts to approximately SEK 205,000 relates to insurance for the Property and approximately SEK 1,423,000 relates to operating costs for the Property. The remaining approximately SEK 1,000,000 refers to budgeted costs related to structural maintenance.

Long-term annual Company Costs, including, *inter alia*, fee to the Business Manager and Property Manager, auditing cost, listing cost, fee to the board of directors and other fees are estimated to approximately SEK 2,129,000 excl. VAT (rounded figure). The Company's long-term EBITDA margin, calculated as EBITDA divided by Rental Income, is estimated to approximately 88%.

The Group's total costs for managing the Company, its subsidiaries and the Property, are estimated to approximately SEK 4,757,000 for the year 2021, equivalent to approximately SEK 105 per m².

Estimated income and costs, full year basis 2021, rounded figures⁽¹⁾

	SEK '000	SEK/m ²
Rental Income ⁽²⁾	39,807	875
Non-recoverable costs related to utilities & property tax	-113	-2
Property caretaking and running maintenance	-1,310	-29
Insurance	-205	-5
Structural maintenance	-1,000	-22
Net operating income	37,179	818
Technical property management	-255	-6
Business management	-917	-20
Auditing, Euroclear, listing fee, directors' fee and other	-957	-21
Adjusted EBITDA	35,050	771

Notes: (1) Based on rent level 2021. The NOI is normalised and does not include rental rebates (which have been handled as a price reduction in the Share Purchase Agreement with the Vendor) or temporary supplements from the tenant Matverket for amounting to approx. SEK 270,000. (2) Including a three year rental guarantee for the vacant premises from the Vendor amounting to SEK 800 per m², which corresponds to approximately SEK 1.2 million per annum plus supplements for utilities and property tax. The rental guarantee has been handled as a purchase price reduction. If the Vendor succeeds in renting out the vacant premises of 527 m² before April 2021, the Company is obliged to pay back SEK 1.5 million of the rental guarantee to the Vendor, which corresponds to the compensation for the three-year rental guarantee for the premises of 527 m².

Source: the Company

10.8 Estimated tax residual value

The Target's tax residual value of the Property per 22 December 2020 amounted to approximately SEK 201.0 million. Approximately SEK 23.0 million of the Target's tax residual value is attributable to land, approximately SEK 125.9 million is attributable to the buildings and approximately SEK 28.7 million is attributable to building equipment on the Property. The remaining SEK 23.4 million is attributable to land improvements.

The estimated remaining costs to finalise ongoing construction works that can be capitalised for tax purposes according to Target's accounting principles is estimated to approximately SEK 23.9 million. Total estimated tax residual value after completion of the ongoing construction works is estimated to approximately SEK 224.9 million.

The Company has assumed a tax depreciation rate of 4.0% of the depreciation base assumed to be attributable to buildings and a tax depreciation rate of 5.0% of the depreciation base assumed to be attributable to land improvements. The tax depreciation rate for building equipment has been assumed to 20.0%. Any discrepancies from the above could affect the Group's financials.

11 THE MANAGEMENT OF THE COMPANY

11.1 Board of directors, management and ownership structure

The board of directors currently comprises three directors: Oskar Wigsén as chairman of the board, Johan Åskogh as board member and Sara Williamson as board member, all of whom are employees of Pareto Business Management AB. After the annual general meeting which is expected to be held on 11 March 2021 the board is proposed to comprise four members: Mikael Igelström, Erik Lindholm, Robin Englén and Håkan Klintehäll.

Prior to the Transaction, the Company was a shelf company without any activities or employees, and with a minimum capital of SEK 500,000. The sole shareholder of the Company was Pareto Business Management AB. All shares held by Pareto Business Management AB was redeemed by way of a share capital reduction in connection with the registration of the Recent Equity Issue, as described in section 5.1 (*The Recent Equity Issue*).

11.2 The Business Management Agreement

The Business Management Agreement is valid for a period of five (5) years from the earliest of the signing of the agreement and closing of the transaction (as defined in the Mandate Agreement, entered into on 19 October 2020) (the "**Original Termination Date**"), with an automatic extension period of three (3) years at a time, unless the agreement is terminated in accordance with Sub-clause (a) or (b) below. The Business Management Agreement may be terminated by either party in writing at the earlier of the following dates:

- a) on the Original Termination Date provided that the Business Management Agreement has been terminated with 12 months written notice, and
- b) the date on which (i) such termination is requested by 2/3 of the shareholders of the Group Companies due to the Business Manager's material breach of the agreement, or (ii) such termination is requested by the Business Manager due to the Group Companies material breach of the agreement, provided that such material breach has not been remedied within a reasonable time after written complaint from the other party

If the Master Agreement with Pareto is terminated by the Company, see section 10.4 for further details, the Business Manager shall be entitled to terminate the Business Management Agreement with effect from the same date. Also, if the Business Management Agreement is terminated by the Group Companies, the Manager has the right to terminate the Master Agreement at the same time as cessation of the Business Management Agreement.

Tasks under the Business Management Agreement include, *inter alia*, the following:

- a) Act as CEO of the Group
- b) Group accounting
- c) Financial reports of the Group
- d) Support on investor relations and public authorities queries
- e) Cash management and loan agreement compliance
- f) Tax and VAT handling and consulting services
- g) Board activities and handling of general meetings

For any services not defined in the Business Management Agreement, or services performed after the Business Management Agreement has expired, the Business Manager shall receive a project management fee as agreed between the Business Manager and the board of directors of the Company or any other of the Group Companies. Examples of such additional services to be carried out by the Business Manager are coordinating building projects, renegotiation of lease agreements and refinancing of Group Companies' loans. For refinancing of the Group Companies' loan(s) the project management fee is 0.1% of the refinanced amount.

The Business Manager shall receive a management fee of SEK 800,000 p.a., excl. VAT, 2021 (annualised) in consideration for its services rendered as Business Manager. The fee shall be paid half-yearly in advance. For services for the period between Closing of the Transaction and 31 December 2020 no fee will be applicable. In addition, the Business Manager shall receive a start-up fee of SEK 150,000, excl. VAT (non-recurring item). The start-up fee shall be payable at the same time as the first management fee.

The fee shall be adjusted annually by 100% of the change in Swedish CPI, with the first such adjustment taking place in January 2022. The first adjustment shall be based on the index value as of October 2020, with reference to the index value as of October 2021. If the change in CPI is negative, no adjustment is to be done.

If other reporting obligations are imposed on the Business Manager by government authorities, or if there are material changes in the lease structure, the Business Manager shall be entitled to adjust the fixed fee in accordance therewith.

The Business Manager is authorised to appoint, for the account of the Group, advisors whenever this is assumed to be in the interest of the Group or their owners. The Group shall cover the following costs directly and for their own account:

- a) Expenses related to audits
- b) Expenses related to any external consultants including auditing and legal assistance
- c) Expenses related to external consultants of shareholders' registries, including costs from Euroclear and other external consultants
- d) External costs in connection with letting or sale
- e) Assistance related to Health, Environment and Safety (HES) tasks, inspections, maintenance, repairs or improvements, upgrades or other building or technical matters related to the Property
- f) Any necessary travel, daily allowance and representation expenses
- g) Expenses related to keeping insider log and board portal
- h) Other direct and indirect costs incurred by the Business Manager in relation to work outside the scope of the Business Manager's duties as specified under items clause 1 of the agreement; and
- i) Extraordinary costs and expenses incurred by the Business Management in order to ensure that the Company is managed in accordance with Swedish laws and regulations which have taken effect after the date of this Agreement
- j) Expenses related to valuation
- k) Other costs directly related to the operation of the Group Companies

Should the Group acquire additional properties (an "**Additional Property**") or additional subsidiaries (an "**Additional Subsidiary**"), the Company shall be entitled to include the management of an Additional Property or Additional Subsidiary, as applicable, in the Services described in the Business Management Agreement provided that (i) such management would be included in the services if they were performed by the Business Manager or any third party engaged by the Business Manager for the Company, and (ii) the Business Manager is compensated for the additional work by an increase of the Management Fee in a way satisfactory to the Business Manager.

11.3 The Technical Follow-up Agreement

The Technical Follow-up Agreement is valid for as long as the Business Management Agreement is valid and shall terminate automatically as the Business Management Agreement terminates. The Technical Follow-up Agreement is terminated with immediate effect in case of a material breach either by (i) such termination is requested by 2/3 of the shareholders of the Company due to the Technical Follow-up Manager's material breach, or (ii) such termination is requested by the Technical Follow-up Manager due to the Company's, or any of its

subsidiaries, material breach, provided that such material breach has not been remedied within a reasonable time after written complaint from the other party. In case of termination due to either party's material breach of this agreement, the termination shall enter into effect immediately.

The Technical Follow-up Manager shall:

- a) follow-up and monitoring on the local property caretaker's operations
- b) conduct inspections of the Property two times per year. The Technical Follow-up Manager shall, in connection therewith, hold meeting(s) with the property caretaker to review an HSE form
- c) prepare, on the basis of the inspection, an inspection report
- d) of its own accord keep the Company informed of any special circumstances of material importance that comes to its knowledge in connection with its performance of the agreement

The Technical Follow-up Manager shall receive a management fee from the Company in the amount of SEK 250,000 per year (excl. VAT). The fee shall be paid half-yearly in advance. For services for the period between Closing of the Transaction and 31 December 2020 no fee will be applicable. Further, to the management fee, the Technical Follow-up Manager shall be entitled to a start-up fee amounting to SEK 100,000, exclusive of VAT (non-recurring item). The start-up fee shall be payable at the same time as the first management fee.

The management fee shall be adjusted annually by 100% of the change in Swedish CPI, with the first such adjustment taking place in January 2022. The first adjustment shall be based on the index value as of October 2020, with reference to the index value as of October 2021. If the change in CPI is negative, no adjustment is to be done.

Any work falling outside the Technical Follow-up Manager's scope, including any follow-up of deviations discovered during the inspection and any call-outs to the Property, the Company's, or any of its subsidiaries, responsibility as landlord according to the Lease Agreements with respect to the Property, any emergency or urgency services relating to the Property and any other work not included in the Technical Follow-up Manager's scope ("**Additional Work**"), shall be compensated separately by the Company, or any of its subsidiaries, at the basic rate for each item as set out in the Technical Follow-up Agreement. Compensation for any travel expenses, accommodation, daily allowance or representation expenses shall be additional thereto. Furthermore, to the extent more extensive services are needed in connection to the Additional Work, the hourly rate of SEK 2,000 will apply. The hourly rate shall be adjusted on annual basis on same terms as the management fee.

11.4 Other future fees to Pareto

Pareto has, under the Master Agreement, an exclusive right to be appointed as manager and advisor to the Company (and its subsidiaries) if the Company (or its subsidiaries) wishes to carry out any transaction. A transaction within the meaning of the Master Agreement includes (but is not limited to) any sale or other transfer (including by way of merger or de-merger) of the Shares of the Company or of any other company within the Group, as well as any sale or other transfer of underlying property, any acquisition of other businesses, companies or properties, any construction of new properties, as well as any share issue, refinancing, re-syndication or restructuring of the Company or any Group Company.

The Master Agreement is continual and may be terminated after the earlier of (i) the date that is five years after the date of conclusion of the Master Agreement and (ii) the date on which 2/3 of the shareholders of the Company request it. Termination of the Master Agreement after five years as mentioned in (i) shall require 12 months' written notice. In the event of termination as mentioned in (ii), such termination shall enter into effect immediately.

If a party materially breaches its obligations pursuant to the Master Agreement, and such party does not rectify such breach within reasonable time following the other party's written notice of such breach, the other party can revoke the Master Agreement with written notice.

If the Master Agreement with Pareto is terminated by the Company, the Business Manager shall be entitled to terminate the Business Management Agreement with effect from the same date. Also, if the Business Management Agreement is terminated by the Group Companies, the Manager has the right to terminate the Master Agreement at the same time as cessation of the Business Management Agreement.

Save for any termination by a Group Company in accordance with above, a Group Company shall pay the Manager a consideration equal to 1% of the gross real estate value of the relevant property (or properties as the case may be) owned by the relevant Group Company (the "**Exit Fee**") if (i) a realisation of shares of one or more of the Company's subsidiaries take place, although the calculation of commission shall only take into account the properties and the liabilities thus spun off from the group, (ii) a sale or other realisation of one or more of the properties of the group (including by way of merger or de-merger) ((i) and (ii) are hereafter referred to as the "**Exit Transaction**") or (iii), if the Master Agreement is terminated and the Group Company during a 12 month period from the Master Agreement is terminated, agrees (conditionally or unconditionally), or receives a bid which leads to an Exit Transaction or completes an Exit Transaction. In relation to (i) - (iii) above, the Manager is entitled to an Exit Fee even though the Manager has not contributed to such realisation. The Exit Fee falls due immediately upon the other party's receipt of the notice of termination in accordance with the details set out in an invoice in relation to the Exit Fee.

Pareto is entitled to an annual fee of SEK 100,000, excluding VAT, under the Master Agreement. The fee shall be paid half-yearly in advance.

The annual fee shall be adjusted annually by 100% of the change in Swedish CPI, with the first such adjustment taking place in January 2022. The first adjustment shall be based on the index value as of October 2020, with reference to the index value as of October 2021. If the change in CPI is negative, no adjustment is to be done.

11.5 Potential conflict of interest

Potential investors are hereby informed that the interim board members of the Company are employed by the Business Manager as at the date of this Company Description. Prior to the completion of the Recent Equity Issue and the redemption of the Business Manager's shares in the Company, the Company was owned by the Business Manager. The employees of the Manager involved in the Transaction have contributed, *inter alia*, to the negotiation of the Share Purchase Agreement acceptance with the Vendor, the loan documentation for the Debt Facility, the Business Management Agreement, the Technical Follow-up Agreement, the Mandate Agreement for the Recent Equity Issue as well as the Master Agreement for financial services.

The Manager has incurred, and will incur, costs on behalf of the Company in relation to the Transaction (such as for example costs relating to legal, financial and technical assistance). The Manager has recognised that the foregoing may represent a conflict of interest, and even if such conflicts of interests are deemed to be limited, the Manager has undertaken measures so that the Transaction and the work relating thereto has been and is conducted with a focus on the best interests of the Company.

The information presented in the Company Description is up to date as at the date specified on its front page. The Manager refers to all relevant and updated information if a decision to acquire shares in the Company is taken at a later stage.

To the extent that Pareto collaborates with other subsidiaries to Pareto Securities AS (the "**Pareto Securities Group**") in connection with the placement of the Shares of the Company, these will jointly with Pareto be

considered the "**Manager**" for purposes of the Company Description. Such collaboration with other companies in the Pareto Securities Group shall not entitle the Manager to any additional fee.

All inquiries relating to this Company Description should be directed to the Manager. No other person has been authorized to give any information about, or make any representation on behalf of, the Company in connection with the subject-matter of this Company Description and, if given or made, such other information or representation must not be relied upon as having been authorized by the Company or the Manager.

11.6 Auditor

The Company's auditor is Ernst & Young Aktiebolag, corporate identification number 556053-5873, since mid-November 2020. The auditor in charge for the audit is Fredric Hävrén, Authorised Public Accountant.

11.7 Employees

The Company does not have any employees.

Bolagsordning för Backaheden fastighets AB

Org.nr 559263-8240

§ 1 Firma

Bolagets firma är Backahedens Fastighets AB (publ). Bolaget är publikt (publ).

§ 2 Styrelsens säte

Styrelsen har sitt säte i Stockholm.

§ 3 Verksamhet

Bolaget ska förvalta fast och lös egendom eller förvalta bolag som direkt eller indirekt äger fast eller lös egendom och upphämta finansiering för sin verksamhet samt bedriva därmed förenlig verksamhet.

§ 4 Aktiekapital och antal aktier

Aktiekapitalet utgör lägst 3 000 000 kronor och högst 12 000 000 kronor. Antalet aktier ska vara lägst 3 000 000 stycken och högst 12 000 000 stycken.

§ 5 Styrelse

Styrelsen ska bestå av lägst 3 och högst 4 ledamöter utan suppleanter.

§ 6 Revisorer

Bolaget ska ha 1 revisor utan revisorssuppleanter eller ett registrerat revisionsbolag.

§ 7 Kallelse till bolagsstämma

Kallelse till bolagsstämma ska ske genom annonsering i Post- och Inrikes Tidningar och genom att kallelsen hålls tillgänglig på bolagets webbplats. Samtidigt som kallelse sker ska bolaget genom annonsering i Svenska Dagbladet upplysa om att kallelse har skett.

Kallelse till bolagsstämma ska ske tidigast sex och senast två veckor före stämman.

§ 8 Rätt att delta i bolagsstämma

Aktieägare som vill delta i bolagsstämma skall dels vara upptagen i utskrift eller annan framställning av aktieboken avseende förhållandena sex bankdagar före stämman, dels göra anmälan till bolaget den dag som anges i kallelsen till stämman. Sistnämnda dag får inte vara söndag, annan allmän helgdag, lördag, midsommarafton, julafton eller nyårsafton och inte infalla tidigare än femte vardagen före stämman. Aktieägare får ha med sig ett eller två biträden vid bolagsstämma om aktieägaren anmäler antalet biträden till bolaget på det sätt som anges i första meningen i denna paragraf.

§ 9 Öppnande av stämma

Styrelsens ordförande eller den styrelsen därtill utser öppnar bolagsstämman och leder förhandlingarna till dess ordförande vid stämman valts.

§ 10 Årsstämma

Årsstämma hålls årligen inom sex månader efter räkenskapsårets utgång.

På årsstämma ska följande ärenden förekomma.

1. Val av ordförande vid stämman,
2. Upprättande och godkännande av röstlängd,
3. Godkännande av dagordning,
4. Val av en eller två justeringspersoner,
5. Prövning av om stämman blivit behörigen sammankallad,
6. Föredragning av framlagd årsredovisning och revisionsberättelse samt koncernredovisning och koncernrevisionsberättelse,
7. Beslut om
 - (a) fastställande av resultaträkning och balansräkning, samt koncernresultaträkning och koncernbalansräkning,
 - (b) dispositioner beträffande vinst eller förlust enligt den fastställda balansräkningen,
 - (c) ansvarsfrihet åt styrelseledamöter och verkställande direktör,
8. Fastställande av styrelse- och revisorsarvoden,
9. Val av styrelse och revisionsbolag eller revisorer,
10. Annat ärende, som ankommer på stämman enligt aktiebolagslagen eller bolagsordningen.

§ 11 Räkenskapsår

Bolagets räkenskapsår ska omfatta tiden den 1 januari – den 31 december.

§ 12 Avstämningsförbehåll

Bolagets aktier skall vara registrerade i ett avstämningsregister enligt lagen (1998:1479) om kontoföring av finansiella instrument.