

Notice of Written Procedure for the senior secured callable bonds issued by Östermyra Bruk AB (publ) on 12 September 2016

25 October 2018

To holders of the up to SEK 200,000,000 (or its equivalent in NOK or USD) senior secured callable fixed rate NOK, SEK and USD bonds due 2018 with NOK ISIN NO0010771322, SEK ISIN NO0010771330 and USD ISIN NO0010771314 (the "**Bonds**") issued by Östermyra Bruk AB (publ) (the "**Issuer**" or "**Östermyra**"), Reg. No. 556982-9178, on 12 September 2016.

*Capitalized terms not otherwise defined in this notice shall have the meaning given to them in the terms and conditions relating to the Bonds originally dated 12 September 2016, as amended and restated pursuant to a written procedure effective on 22 September 2017 (the "**Terms and Conditions**").*

This notice will be sent by Intertrust (Sweden) AB (the "Trustee") on 25 October 2018 to direct registered owners and registered authorized nominees of the Bonds. This voting request has also been published on the websites of the Issuer and the Trustee, in accordance with the Terms and Conditions. If you are an authorized nominee under the Norwegian Securities Register Act of 2002 no. 64 (NW. *Verdipapirregisterloven*) or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. See "Voting rights" in section B. (Decision procedure) for further information.

Intertrust (Sweden) AB is acting as Trustee on behalf of the Bondholders under the Terms and Conditions. The Issuer has asked the Trustee, acting in its capacity as trustee for the Bondholders under the Terms and Conditions, to initiate a written procedure (the "**Written Procedure**") whereby the Bondholders can approve or reject a proposal from the Issuer. The request and the background to this Written Procedure are described under Section A (Request) below.

Bondholders may participate in the Written Procedure by voting through Verdipapirsentralen ASA ("**VPS**"), through your nominees or by completing and sending the voting form attached to this notice in Schedule 1 to the Trustee. The Trustee must receive the voting form no later than by 12.00 (CET) on **23 November 2018** by regular mail, via courier or e-mail to the addresses indicated below under Section B (*Address for sending replies*). Votes received thereafter will be disregarded. Please note that the Written Procedure may be completed earlier than the set deadline if the consents or rejections from a requisite majority of the total Adjusted Nominal Amount have been received before 23 November 2018.

To be eligible to participate in the Written Procedure a person must fulfil the formal criteria for being a Bondholder on 25 October 2018 (the "**Record Date**"). This means that the person must be registered on a Securities Account with VPS as a direct registered owner or authorized nominee with respect to one or several Bonds.

If you have an interest in a Bond but are not registered as a direct registered owner or authorized nominee on a Securities Account, you need to obtain a power of attorney or other proof of authorization from the person who fulfils the formal criteria for being a Bondholder on the Record Date, to be able to participate, substantially in the form as attached hereto as Schedule 2. An alternative may be to ask the person that is registered as a Bondholder and holds the Bonds on

your behalf to vote in its own name as instructed by you. For further information on voting, please see under "Voting rights" in Section B (*Decision procedure*).

BEFORE MAKING A DECISION, EACH BONDHOLDER IS ADVISED TO CAREFULLY REVIEW THE RISK FACTORS APPENDED TO THIS DOCUMENT AND THE CONTENT OF THIS DOCUMENT AND THE PROPOSED RESOLUTIONS SET OUT IN SECTION 6 BELOW. IF A BONDHOLDER IS UNCERTAIN AS TO THE CONTENT AND SIGNIFICANCE OF THIS DOCUMENT, INCLUDING THE APPENDED RISK FACTORS), AND THE MEASURES A BONDHOLDER SHOULD TAKE, THE BONDHOLDER IS ADVISED TO CONSULT ITS OWN LEGAL, TAX OR FINANCIAL ADVISER FOR THIS PURPOSE. THE ISSUER WILL NOT, AND IS UNDER NO OBLIGATION TO, UPDATE THIS DOCUMENT.

PLEASE NOTE THAT NO LEGAL DUE DILIGENCE NOR TAX REVIEW HAS BEEN CONDUCTED FOR THE PURPOSES OF THIS WRITTEN PROCEDURE OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE CONVERSION MAY TRIGGER TAXABLE GAINS FOR THE INVESTORS. IT SHOULD BE NOTED THAT THE TRANSACTION IN CERTAIN ASPECTS IS ATYPICAL AND IS THEREFORE DIFFICULT TO ASSESS FROM A TAX PERSPECTIVE. INVESTORS SHOULD THUS BE AWARE THAT UNEXPECTED TAX EFFECTS FOR BOTH THE INVESTORS AND THE ISSUER, MAY ARISE AS A RESULT OF THE CONVERSION. ALL INVESTORS ARE URGED TO ENGAGE THEIR OWN TAX COUNSEL TO EVALUATE THE TAX CONSEQUENCES THAT THE CONVERSION MAY TRIGGER AND FOR THEIR FILING OF TAX RETURNS IN RELATION TO THE TRANSACTION, ALSO CONSIDERING THE SPECIFIC CIRCUMSTANCES OF EACH INDIVIDUAL INVESTOR.

A. Request

1. Background

The Issuer is an indirect subsidiary of Concent Holding AB (publ) ("**Concent**") and is the owner of the properties Haparanda Patan 1 (with an area of 16,044 sqm) and Patan 2 (with an area of 18,160 sqm) (the "**Properties**") on which the Barents Center project was contemplated to be built (the "**Barents Project**"). The Barents Project included an upper secondary school, a multi arena and a shopping centre. As previously communicated, the Barents Project has of various reasons been considerably delayed and due to the financial difficulties in the Concent group and the Issuer, which have been reported to the market on several occasions, the Issuer has come to the conclusion that it will not be able to redeem the Bonds in full on the original Final Maturity Date, which pursuant to the Terms and Conditions was 12 February 2018, nor raise any new funds in order to carry out the construction on the Properties and thereby complete the Barents Project. With this background, the Issuer initiated a written procedure in February 2018, where the Bondholders were given the opportunity to approve the Issuer's proposal to, *inter alia*, convert the Bondholders' claims under the Bonds to new preference shares in a newly formed holding company that would own all the shares in the Issuer at the time of conversion. On 16 March 2018, Concent announced that the requisite majority of Bondholders approved the Issuer's proposal, which was conditional on the Issuer being able to secure financing that by 30 June 2018 that could guarantee a construction start of the Barents Project.

On 21 June 2018, the Issuer communicated to the market that the financing condition had not been met, meaning that the conversion from Bonds to shares would not be implemented. Following that announcement, a telephone conference was arranged by the Issuer on 2 July 2018 where the participating Bondholders were informed about the situation and that the Board of Directors of the Issuer was considering placing the Issuer in bankruptcy since the Issuer had run out of other options. The bankruptcy scenario was also briefly described in the written procedure, initiated in February 2018. Following the telephone conference, the Issuer communicated to the market that the completion of the Barents Project in its original form would no longer be possible to realize given the delays in the Project and consequently that the 25 year long lease agreements with the Municipality of Haparanda regarding the school and the multi-arena would eventually be terminated (the "**Municipal Lease Agreements**").

Given the financial difficulties in the Issuer, the Board of Directors has also, in accordance with the requirements of the Swedish Companies Act, prepared a balance sheet for liquidation purposes (Sw. *kontrollbalansräkning*), which showed that that equity of the Issuer has fallen below half of the Issuer's registered share capital. During an extraordinary shareholder meeting of the Issuer, it was decided to temporarily not put the Issuer into liquidation, since the shareholders concluded that there was a possibility to reach an agreement with the Bondholders given the ongoing discussions. However, should the Issuer not reach an agreement with the Bondholders, the Board of Directors will be under an obligation to file for bankruptcy of the Issuer.

During the telephone conference of 2 July 2018, one of the Bondholders, Industriholding Norge AS ("**IHN**"), announced its interest in forming a bondholders' committee in order to attempt to find an alternative to a bankruptcy. Since then, IHN, who through its own holding and via power of attorneys and otherwise represents approximately 16 % of the Total Nominal Amount of the Bonds, has together with Concent discussed alternatives to a bankruptcy scenario and are now jointly presenting the Bondholders with the proposals set out in this Written Procedure. Please

note that the proposals herein are being made by the Issuer based on the assessment of IHN and have not been commercially assessed by any other party. The role of the Trustee in this Written Procedure is in accordance with the Terms and Conditions strictly administrative in nature and the Trustee has thus not assessed the proposals set out herein, neither from a commercial nor feasibly perspective.

2. The way forward

As mentioned above, the Municipal Lease Agreements must, given the circumstances, be considered not possible to realize and the Issuer has consequently notified the Municipality of Haparanda that the Municipal Lease Agreements shall be terminated. This leaves the Issuer with the Properties as the only assets, which without the Municipal Lease Agreements could likely be valued at approximately SEK 5,000,000 according to a very rough estimate by the Issuer (however without any valuation being made). A failure to reach an agreement with the Bondholders, will force the Issuer into a bankruptcy, which will result in severe capital impairment for the Bondholders. A bankruptcy is also a time-consuming process that requires significant resources and the value of the Properties, which would be sold by a bankruptcy administrator, is difficult to assess and the Bondholders would only get paid after the costs of the administrator and the Trustee have been covered.

The Issuer and IHN have thus concluded that the best possible way to mitigate the losses for the Bondholders is to avoid a bankruptcy and reach a new agreement with the Municipality of Haparanda regarding the use of the Properties, which given their location in close proximity to IKEA and the Swedish-Finnish border, could be used for other purposes than originally intended. Should IHN be able to reach a new agreement for the use of the Properties, the value of the Properties will in that case increase as compared to the current valuation and the losses of the Bondholders could potentially be mitigated. However, the re-start of the negotiations with the Municipality of Haparanda and the adjustments to the existing zoning plan that subsequently will be required will be time consuming and the threat of bankruptcy must during this period thus be removed.

3. The Proposal

In summary, the proposal set out below is thus that the Bondholders' claims under the bonds are converted into equity in the Issuer and that IHN, on behalf of the Bondholders, re-starts the negotiations with the Municipality of Haparanda in order to find a new use for the Properties to be able to subsequently sell the Properties for a higher value than the current valuation.

The proposal to the Bondholders consists of the below listed actions (the "**Proposal**"). Please note that an approval of the Proposals by the Bondholders will be an approval of all items listed below:

3.1 Debt-to-Equity Conversion

The Proposal entails a debt-to-equity conversion (Sw. *kvittningsemission*), meaning that the principal amount of the Bonds, together with accrued interest until 28 February 2018, will be converted into newly issued ordinary shares in the Issuer (the "**Conversion**"). Consequently, all Bondholders will, instead of their Bonds, be allotted newly issued ordinary shares in the Issuer (the "**New Shares**"). Each Bondholder will be allotted a number of New Shares, corresponding to its current pro rata holding in the Bonds. The Issuer will after the Conversion, only have one share

class with full voting rights and the New Shares will be unlisted and registered with Euroclear Sweden AB.

The commercial terms of the Conversion and the New Shares are further described in Section 5 below.

3.2 The Issuer's balance sheet following the Conversion

Currently, the Total Nominal Amount of the Bonds, plus accrued interest up to and including 28 February 2018, equals SEK 241,182,469 (applying in accordance with the Terms and Conditions, the FX rate NOK/SEK 1/1.03 and USD/SEK 1/8.1 for investors that have invested in NOK-Bonds or USD-Bonds, jointly the "**Relevant FX Rate**") (the "**Bond Debt**"). In addition, accrued default interest between 29 February 2018 and 30 September 2018 will amount to approximately SEK 17,000,000, of which SEK 4,000,000 (the "**Collateral Debt**") will be maintained as a separate non-interest bearing claim on the Issuer in order to be able to set-off the claim against the proceeds from a potential realization of a pledge over certain shares in Concent (please see a further description in Section 3.7 below). The remaining amount of approximately SEK 13,000,000 will be cancelled as part of the Conversion.

In addition, Consent has a claim on the Issuer amounting to approx. SEK 49,000,000 and another claim of approx. SEK 2,000,000 relating to costs incurred during the period between 31 October 2017 and the date hereof. Should the Bondholders approve the Proposal, Concent has confirmed that it will write down these claims as part of the Conversion. The write-down will be confirmed by Concent through an audited balance sheet of the Issuer as of the date of execution of the Conversion.

Following the Conversion, the Issuer will thus be debt-free (apart from the Collateral Debt as described in Section 3.7 below) and with assets corresponding to the value of the Properties. In addition, the Issuer will keep any acquired immaterial rights to drawings, sketches and other documents relating to the Properties and the Barents Project.

Further, Concent and the Issuer hereby confirm and guarantee to the Bondholders that, to the best of their knowledge, there are currently no ongoing claims or proceedings nor are any such claims or proceedings threatened against the Issuer from the Municipality of Haparanda, the previous constructor Lehto Bygg AB nor any other party.

3.3 Future development

An approval of the Proposal implies a new start, where the new management of the Issuer needs to set up new targets for the future development of the Properties. The existing detailed zoning plan for the Properties has been set based on the Barents Project and must now be considered void, although the existing zoning plan could make basis for a renewed future detailed plan. These topics need to be addressed and clarified with the Municipality of Haparanda as part of developing a new exploitation concept for the Properties.

In February 2014, an environmental impact assessment of the Properties, under its current detail plan, was carried out by MAF Arkitektkontor AB on behalf of the Municipality of Haparanda. The mentioned detail plan included buildings with heights of 3-4 floors and a hotel with up to 20 floors.

The implementation of that detail plan, which had a planned gross floor area of approximately 115,000 square meters, was considered to have a positive impact on the landscape image. A zero option, meaning that the Properties remained un-exploited, was deemed to have a negative impact on the landscape image. Considering the previous assessment, one could expect approval of a new detail plan, without major limitations on volumes and heights for most development scenarios, though the existing plan must be considered being on the maximum limits of any approvable development scope.

The location of the Properties is one of the last areas to be developed between the city centers of Haparanda and Tornio. The future development will bind these twin city centers together and such constitute a potential cross-border destination, suitable for businesses targeting both cross-border travelers and regional residents. This can include services and experiences within leisure, sports and culture, which in turn could provide clients to - and take benefit from - a new hotel, which also could provide modern capacity for conferences. The future development must seek to take advantage of potential positive synergies and cooperation with neighboring IKEA and the Rajalla shopping mall.

3.4 Change of management, new company name and auditor

In connection with the Conversion, a new Board of Directors must be elected. The existing Articles of Association of the Issuer states that the Board of Directors shall consist of three members. A CEO is also currently appointed. It is proposed that the following persons shall form the Board of Directors of the Issuer until the next general meeting:

1. Mr. Karl-Anders Grönland, Lawyer at Advokatfirmaet SGB Storlökken AS, Chairman,
2. Mr. Lars Lindeby, Project Manager at L. Lindeby Business Development AB, Member,
3. Mr. Glenn Sundhagen, Chairman of Industriholding Norge AS, Member.

The new CEO will be Mr. Halvor Olsen, CFO of Industriholding Norge AS, who will assume the main responsibility for the day-to day operation of the Issuer after the Conversion.

The new name of the Issuer is proposed to be "Destination Gränsstaden Fastigheter AB". Until further decision Johan Richard Kaijser will continue as main auditor for the Issuer.

The remuneration to the Board of Directors need to be decided by the general meeting of the Issuer, but it will be proposed to SEK 150,000 annually.

3.5 Pre-acceptance for the provision of services and costs

The future operations of the Issuer, including the development of the Properties, is proposed to be carried out by IHN Consulting AS, a subsidiary of IHN, as described under Section 3.6 (the "**Service Provider**") For this purpose, the Issuer will enter into a business- and project management agreement (the "**Service Agreement**") with the Service Provider.

The terms of the Service Agreement will be on market-based conditions, with an annual compensation of MSEK 1.5, starting from 1 October 2018. The compensation will be invoiced monthly in advance. The compensation includes travel expenses and office costs. Both parties will be entitled to terminate the Service Agreement for early termination given a three-month notice period.

Other costs that will be incurred by the Issuer going forward will be costs relating to, *inter alia*, accounting and auditing, property market advise, brokers, architects and legal advice.

A final budget for services will be approved by the new Board of Directors, based on capital available after the Additional Share Issue (as described under Section 3.8). It should cover an annual budget estimated below, for a period of up to two years after the Conversion, based on initial targets as described under Section 3.9, initially set by the Service Provider.

- Operation and project management under the Service Agreement, MSEK 1.5
- Accounting, auditing and board remuneration, MSEK 0.5
- External consultants and legal advice, MSEK 1.0

JOOL Markets AS has agreed to cover all legal costs, including the remuneration to the Trustee, related to the elaboration of this Written Procedure and the Conversion, including previous unpaid costs incurred under the written procedure in February 2018. IHN will carry its own labor costs and other expenses relating to this Written Procedure and will not receive any remuneration for the pre-planning and completion of its execution.

3.6 The Service Provider

IHN Consulting AS has been set up to provide services within real estate management, property development and general corporate advisory. Execution of its services is led by Mr. Halvor Olsen, who has more than 24 years of experience from the financial and real estate industries.

Mr. Olsen has conducted a wide range of transactions within retail, office and industrial properties. Among others he founded the company and build the property portfolio of Baltic Sea Properties, a now OSE-listed real estate company. As head of a project development organization with 30 highly skilled employees, he has successfully coordinated concept developments and regulatory tasks for the development of several major commercial plots abroad.

Olsen has experience as general manager of both securities- and real estate brokerage firms. He has been a partner in corporate finance for ABG Sundal Collier ASA and has experience as business developer and international liaison for the auditing firm Moore Stephens. Over the past few years, he has performed assignments for clients as an independent consultant and board member. Among others for a housing construction group, for an engineering contractor within asset preservation and rehabilitation and as chairman and consultant for a large technical-industrial development zone in Macedonia, partly owned by Innovation Norway. These services included strategic counseling, financial and operational restructuring, cash management, transaction support and the financial supervision of several construction projects.

Mr. Olsen will coordinate and partly perform all corporate, operational and development activities under the business- and project management agreement, assigned as the new CEO of the Issuer. The tasks and responsibilities will be detailed in the agreement and will include dialogue and coordination with the Municipality of Haparanda, other public stakeholders, real estate brokers and all other external consultants. It will include budgeting and financial follow-ups in cooperation with accountant and auditor and periodical reporting to the shareholders on behalf of the board.

3.7 Realization of collateral

In connection with the issuance of the Bonds, a number of security arrangements were entered into. These included a parent company guarantee by Concent (which was released by the Bondholders through the written procedure in February 2018), a property mortgage over the Properties, a share pledge over the shares in the Issuer and a pledge over 15,152,495 class B shares issued by Concent (the "**Concent Share Pledge**"). The Concent Share Pledge was granted by Think Capital AB, a company owned by the former principal owner of the Concent group and currently in bankruptcy. The property mortgage and the share pledge over the shares in the Issuer will following the Conversion be released since the Bondholders will no longer have a debt claim on the Issuer.

The Concent Share Pledge is currently being disputed in the district court of Nacka by the counterparties to the bankruptcy estate of Think Capital AB and the Trustee is running the dispute on behalf of the Bondholders. The outcome of the dispute cannot be guaranteed and a final ruling from the district court is expected during October-November 2018. If the dispute is won, the shares subject to the pledge could be realized through a sale. If the dispute is lost in the first instance, it will be up to the Bondholders to decide whether they wish to finance the continuation of the dispute in the Court of Appeals.

On 7 September 2018, Consent communicated that it will apply for a de-listing of its shares from NGM Nordic MTF (which include the shares subject to the Consent Share Pledge). The last date of trade was 12 September 2018 and the de-listing will affect the possibility to efficiently sell the shares as well as the value of the shares which on the last date of trade were traded at SEK 0,08 per share resulting in an aggregate value of approximately SEK 1,200,000 for the shares subject to the Concent Share Pledge (pre de-listing).

According to Swedish law, there must be a claim connected to a pledge, meaning that the entire Bond Debt cannot be converted until the Concent Share Pledge has been realized. Consequently, it is proposed that the Collateral Debt, i.e. SEK 4,000,000 of the accrued interest between 28 February 2018 and 30 September 2018 (pro rata to each Bondholder's exposure in the Bond Debt) is not converted to New Shares but maintained as a claim until the Concent Share Pledge has been realized. Following such realization, any proceeds from the realization will be set off against the Collateral Debt and the proceeds will be automatically injected into the Issuer as an unconditional shareholders contribution by the Bondholders and then be used for funding the day-to-day operations of the Issuer. Any remaining Collateral Debt (i.e. the difference between the amount of the Collateral Debt and the amount recovered following the sale of the Concent Share Pledge) will be automatically forgiven by the Bondholders (Sw. *skuldeftergift*). The Trustee will be given the authority and power of attorney to execute these transactions on behalf of the Bondholders. Alternatively, if deemed appropriate and legally possible, the Trustee could on behalf of the Bondholders acquire the shares through a forfeiture against the Collateral Debt and thereafter transfer the shares to the Issuer.

For the avoidance of doubt, no Bondholder will individually be able to claim any funds under the Collateral Debt or from any proceeds from realization of the Concent Share Pledge. Any funds received thereunder will be automatically injected into the Issuer as an unconditional capital contribution. In addition, should the Trustee in consultation with the new management of the Issuer following the Conversion, deem that the cost of maintaining and enforcing the Concent Share Pledge would materially exceed the benefit of it (due to e.g. costs of running the dispute of enforcement costs), the Trustee may release the Concent Share Pledge.

3.8 Additional Share Issue

To fund the day-to-day operations of the Issuer, the concept development of the Properties and the Issuer's future obligations to IHN under the project management agreement mentioned above, the Issuer will as soon as possible after the Conversion, exercise a rights issue towards the new shareholders, i.e. the Bondholders (the "**Additional Share Issue**"). All shareholders/bondholders will be given the opportunity to participate in the Additional Share Issue with an amount corresponding to their *pro rata* shareholding in the Issuer following the Conversion. Should a shareholder choose to not participate, the remaining shareholders will be given the opportunity to subscribe for the non-participating shareholders' shares instead, resulting in a dilution for those not participating.

The amount of the Additional Share Issue is estimated to approximately SEK 7,000,000. However, it cannot be guaranteed that the Additional Share Issue will be fully subscribed, but the minimum amount of the first Additional Share Issue will be set at SEK 3,500,000. In case the first share is not successful, the Issuer must consider offering a subsequent share issuance with a subscription price which could result in a dilution of those shareholders who choose not to participate in the first issuance. Should the Issuer not be able to raise SEK 7,000,000, there will thus not be sufficient funds to run the operations and the Properties must be put out for sale or the Issuer be put in bankruptcy. Please see Section 5 below for a further description of the Additional Share Issue.

3.9 Use of capital – reaching an initial target

The Additional Share Issue in combination with the realization of the Consent Share Pledge (as described above), is expected to be sufficient to fund the operation and project management of the Issuer for a period of up to two years after Conversion. IHN estimates that this will be a sufficient time period to develop a new market-based exploitation concept with a coherent regulatory framework for the Properties. The ambition is to establish a commercially viable framework for the sale of the Properties to an external professional property developer or to develop the Properties internally. An internal development of the Properties will naturally require additional funding and any such strategic decisions will be communicated to the shareholders in due course should that alternative be considered.

4. Consequences of a rejection of the Proposal

As mentioned above, the financial position of the Issuer is currently such that the Board of Directors of the Issuer is under an obligation to file for bankruptcy of the Issuer should the Bondholders reject the Proposal. In a bankruptcy scenario, the future operations of the bankruptcy estate will be handed over to a bankruptcy administrator who would liquidate the assets of the estate to pay of the liabilities. Currently, the liabilities of the Issuer materially exceed its assets which consist of the Properties that in their current state cannot be developed as intended and with a rough estimated value of approximately SEK 5,000,000 according to the Issuer (without any valuation being made). Further, all costs and expenses of the bankruptcy administrator will need to be covered by the assets of the bankruptcy estate. A bankruptcy scenario will thus result in a severe capital impairment for the Bondholders.

5. The Conversion and Additional Share Issue

The Bond Debt, i.e. the Total Nominal Amount of the Bonds, plus accrued interest up to and including 28 February 2018, equals SEK 241,182,469 (applying the Relevant FX Rate).

As described above regarding the Collateral Debt, SEK 4,000,000, will need to be maintained by the Bondholders as a claim on the Issuer in order to be able to realize the Concent Share Pledge. Following such realization, the proceeds will be set off against the Collateral Debt and the proceeds will be automatically injected into the Issuer as an unconditional shareholder contribution by the Bondholders to be used for funding the day-to-day operations of the Issuer. Any remaining Collateral Debt (i.e. the difference between the amount of the Collateral Debt and the amount recovered following the sale of the Concent Share Pledge) will be automatically forgiven by the Bondholders (*Sw. skuldeftergift*).

An amount equal to the Bond Debt (the "**Conversion Debt**") is thus proposed to be converted into ordinary shares in the Issuer through a debt for equity swap (*Sw. kvittningsemission*) applying a conversion rate of SEK 482.365 (the conversion rate has been chosen to reach a registered equity of SEK 500,000 in the Issuer following the Conversion). Once the debt-for-equity swap has been performed, the Bondholders will be allotted one ordinary share in the Issuer with a nominal value of SEK 1.00 for each SEK 482.365 that was advanced under the Conversion Debt (applying the Relevant FX Rate for investors that have invested in NOK-Bonds or USD-Bonds). No fractional shares will be issued and any amount under one SEK following the Conversion will be rounded downwards to zero. Consequently, following the Conversion, all Bondholders will be issued ordinary shares in the Issuer up to a value of the Nominal Amount of each Bond (plus accrued interest up to and including 28 February 2018) owned by such Bondholder as of the date of the Conversion (applying the Relevant FX Rate for investors that have invested in NOK-Bonds or USD-Bonds).

Following the Conversion, the Issuer will thus have 500,000 ordinary shares, each with a quota value of SEK 1.00 with a share capital of SEK 500,000 (before the Additional Share Issue). Please note that in order to cancel the current shareholder's shares in the Issuer, there will be a number of other technical steps in connection with the Conversion, e.g. split of shares, decrease of quota value and redemption of existing shares, but the end result will be as described above.

Under the Additional Share Issue, a total of 700,000 new shares are intended to be issued at a subscription price of SEK 10 per share with total proceeds of SEK 7,000,000. Each Bondholder will be asked to subscribe for an amount equivalent to approximately 3.5% of their initial investment, but participations is voluntary. Any shares not subscribed for will be offered to the remaining Bondholders that has indicated an interest in subscribing for more than their pro rate share. It is not guaranteed that the Additional Share Issue will be fully subscribed, but the minimum amount of the Additional Share Issue will be set at SEK 3,500,000. In such case, the Issuer must consider offering a subsequent share issuance with a subscription price which could result in a dilution of those shareholders who choose not to participate in the issuance. Upon failure of these share issuances, the Issuer must put the plots for sale.

The ordinary shares will be the only share class in the Issuer and the shares will be entitled to dividends, value transfers and/or proceeds in a potential future liquidation of the Issuer. "One share one vote" will be the governance principle for all issued shares. The Issuer will be subject to the Swedish Companies Act (*Sw. Aktiebolagslag (2005:551)*). The Issuer's shares will be registered with Euroclear Sweden AB.

Following the Conversion and a successful Additional Share Issue, the balance sheet of the Issuer will have the following composition in SEK:

Assets			Liabilities	
Properties (assumed value):	5,000,000		Registered share capital:	1,200,000
Cash:	7,000,000		Share premium reserve:	6,300,000
			Sum equity:	7,500,000
			Collateral Debt:	4,000,000
			Accrued legal fees:	500,000
Sum assets:	12,000,000		Sum liabilities:	12,000,000

6. Proposed Resolutions

By this Written Procedure, Bondholders are offered to through the Conversion convert part of their claims under the Bonds into ordinary shares in the Issuer. Accordingly, after the Conversion has been effected, the Bondholders will have no outstanding claims against the Issuer or any other company in the Consent Group, either as creditors or pledgors (other than the Collateral Debt and the Consent Share Pledge). Thus, all Security provided for the Secured Obligations pursuant to the Security Documents, including but not limited to any remaining guarantee undertakings pursuant to which the remaining guarantors guarantee to the Bondholders and the Trustee the punctual performance by the Issuer of all the Issuer's obligations under the Finance Documents, are terminated and can no longer be invoked (other than the Collateral Debt and the Consent Share Pledge).

Should the Proposal not be approved, the Conversion will not be executed and the current Bondholders will remain as creditors of the Issuer with no change in status or priority, except that the parent company guarantee issued by Concent has already been released by the Bondholders pursuant to the written procedure in February 2018.

The Trustee will be given the authority on behalf of the Bondholders to instruct the execution of the Conversion once the Proposal has been approved by the Bondholders.

BEFORE MAKING A DECISION, EACH BONDHOLDER IS ADVISED TO CAREFULLY REVIEW THE RISK FACTORS APPENDED TO THIS DOCUMENT AND THE CONTENT OF THIS DOCUMENT AND THE PROPOSED RESOLUTIONS SET OUT IN SECTION 4 BELOW. IF A BONDHOLDER IS UNCERTAIN AS TO THE CONTENT AND SIGNIFICANCE OF THIS DOCUMENT, INCLUDING THE APPENDED RISK FACTORS), AND THE MEASURES A BONDHOLDER SHOULD TAKE, THE BONDHOLDER IS ADVISED TO CONSULT ITS OWN LEGAL, TAX OR FINANCIAL ADVISER FOR THIS PURPOSE. THE ISSUER WILL NOT, AND IS UNDER NO OBLIGATION TO, UPDATE THIS DOCUMENT.

6.1 The Resolutions

In accordance with the information provided above, the Issuer requests that the Bondholders adopt the following resolutions (the "**Resolutions**"):

- (a) to temporary waive any Event of Default currently outstanding under the Terms and Conditions, until the Conversion occurs;
- (b) that the Conversion Debt be converted into ordinary shares in the Issuer of adequate value in SEK (applying the Relevant FX Rate for investors that have invested in NOK-Bonds or USD-Bonds) and that each Bondholder is allotted its pro rata share of the New Shares (as described in Section 5 above), provided that the Conversion is subject to the Issuer being debt-free (including the write-down of all claims by Concent or any other company with the Concent group against the Issuer) when implementing the Conversion);
- (c) to maintain SEK 4,000,000 of Collateral Debt (as described in Section 3.7 above) and following a realization of the Concent Share Pledge (if possible), (A) set off any realization proceeds against the Collateral Debt, (B) inject any received amounts into the Issuer as an unconditional shareholder contribution, (C) forgive the remaining amount following the equity injection, (D) alternatively, if deemed appropriate and legally possible, to on behalf of the Bondholders acquire the shares through a forfeiture against the Collateral Debt and thereafter transfer the shares to the Issuer and (E) to authorize the Trustee to decide the form for the Collateral Debt, e.g. maintain the Bonds with a reduction of the Nominal Amount, issue new bonds reflecting the Collateral Debt or to enter into a direct loan agreement on behalf of the Bondholders for this purpose as appropriate;
- (d) to approve the new Board of Directors of the Issuer as described in Section 3.4 above (please note that the new Board of Directors needs to be formally approved by the shareholders of the Issuer);
- (e) to approve that the Issuer enters into the Service Agreement with the Service Provider substantially on the terms set out in Section 3.5 above;
- (f) to authorize the Trustee (with full rights of delegation) through a power of attorney, in connection with the Conversion, to release all Transaction Security, other than the Concent Share Pledge and, on behalf of the Bondholders, to enter into any agreements, documents and notices the Trustee deems necessary to carry out the Conversion, including subscribing for ordinary shares on behalf of each Bondholder, provided further that the Trustee is authorized to subsequently release the Concent Share Pledge and the Collateral Debt, if in the opinion of the trustee after having consulted the new management of the Issuer, the cost of realizing the Concent Share Pledge exceeds the benefit thereof;
- (g) provided that the Conversion is completed, the Bondholders shall not, in their capacities as Bondholders, direct any claims for damages or commence legal actions against Concent Holding AB (publ), any of its subsidiaries or the current board of directors of the Issuer, being Björn Sahlström, Peter Gustafsson and Eva-Lotta Berg Ljungström (currently resigned from the board), unless the claim relates to a damage

which in the opinion of the Bondholders is caused by any gross negligent action on behalf of such parties and provided that the Bondholders shall not be precluded from directing and claims or commencing legal actions against previous members of the board of directors of the Issuer;

- (h) to authorize JOOL Markets AS (with full rights of delegation) through a power of attorney to carry out necessary transactions, such as cancellations and transfers of Bonds, registrations, share subscriptions, etc., in connection with the Conversion, including review of any Bondholders'/debt register; and
- (i) to authorize the Trustee (with full rights of delegation) through a power of attorney, to instruct the execution of the Conversion when the Conversion conditions have been fulfilled in the reasonable opinion of the Trustee.

Please note that an approval of the Resolutions above is an approval of all proposed Resolutions.

6.2 Conditions to adopting the Resolutions and the Conversion

- (a) Pursuant to section 16(g) of the Terms and Conditions, the Resolutions under section 6.1 above require the approval of Bondholders representing two-thirds (2/3) of the Adjusted Nominal Amount for which Bondholders vote in a Written Procedure. Details of the quorums required for the Resolutions to be adopted are set out in 16(i) of the Terms and Conditions.
- (b) Pursuant to section 16(n) of the Terms and Conditions, a matter resolved upon in a duly performed Written Procedure is binding on all Bondholders, irrespective of whether or not they have provided a response in the Written Procedure.

Note that this means that Bondholders who have failed to provide a response in the Written Procedure or who voted against the resolutions in the Written Procedure will also be bound by the Resolutions if a requisite majority votes in favour of the Resolutions, meaning, among other things, that these Bondholders will be issued ordinary shares in the Issuer instead of Bonds and that all of their claims against the Issuer will be extinguished after the Conversion has been effected.

- (c) When the requisite majority of the total Adjusted Nominal Amount has granted its consent to the Resolutions by means of the Written Procedure, the relevant Resolution will be deemed to have been adopted, even if the deadline for providing responses in the Written Procedure has not yet expired. Note that this means that the voting procedure may be concluded before the relevant deadline for providing responses if a requisite majority has voted in favour of the Resolutions.

6.3 Procurement of securities account/depository account

Please be informed that New Shares will be affiliated with Euroclear Sweden AB. As you will be allotted New Shares you will need to open a securities account or a securities depository account with a Swedish bank that is connected to Euroclear Sweden AB. The securities account/depository account must be able to hold Swedish shares that are affiliated with Euroclear Sweden (currently the New Shares cannot be held on a Swedish ISK Account). Please also be informed that most banks will ask you

to visit the bank office in person and to complete a KYC form, for identification purposes. The bank will give you further instructions in terms of what information is needed in order to open the securities account or the securities depository account. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorization or other assistance to participate.

7. Information meeting

All Bondholders are hereby invited to an information meeting arranged by the Issuer, at which IHN's management intends to describe its plans for the Conversion. The information meeting will be held by telephone, the details of which are provided below:

Date: Monday 5 November 2018

Time: 17.00 CET

Telephone numbers:

Sweden (Local): +46 85 05 32 900

Norway (Local): +47 2396 2117

Denmark (Local): +45 8988 7898

Finland (Local): +358 9 4245 1865

Dial-in Code: 1624592#

It is not necessary to participate in the telephone meeting to be able to vote in the Written Procedure.

8. Upcoming events and anticipated dates

Event	Date	Description
Date of notice.	25 October 2018	Notice of the Written Procedure is sent to Bondholders.
Information meeting.	5 November 2018	Information meeting at which IHN's management describe the Conversion.
Record date.	25 October 2018	The date on which Bondholders must be registered as the owner of Bonds to be entitled to vote in the Written Procedure.
Deadline for providing responses in the Written Procedure.	23 November 2018	Deadline by which the Trustee must have received responses in the Written Procedure.
New information regarding the Conversion.	Shortly following 23 November 2018, or earlier if a requisite majority has voted positively or negatively	As soon as a requisite majority has voted in favour of the Resolutions, Bondholders will be provided with new information on relevant dates.
Conversion and cancellation.	As soon as the Conversion Conditions have been fulfilled the Conversion will be executed but will be subject to registration times with the Companies Registration Office.	Date on which the Bonds are converted into New Shares, at which time the Bonds are cancelled. Approximately one month after the approval of the Proposal.

B. Decision procedure

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

Once a requisite majority of consents of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure have been received by the Trustee, the relevant decision shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired. A matter resolved upon in a duly performed Written Procedure is binding on all Bondholders, irrespective of whether or not they have provided a response in the Written Procedure.

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

Minutes from the Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Trustee, as applicable.

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

Voting rights

Anyone who wishes to participate in the Written Procedure must on 25 October 2018 (the "**Record Date**"):

- (a) be registered on the Securities Account as a direct registered owner; or
- (b) be registered on the Securities Account as authorized nominee,

with respect to one or several Bonds.

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorized nominee (*Sw. förvaltare*) or another intermediary, you may have four different options to influence the voting for the Bonds.

1. Directly registered owners can vote via VPS Investortjenester. (Only applicable for Norwegian holders with VPS account in Norway)
2. You can ask the authorized nominee or other intermediary that holds the Bonds on your behalf to vote on your behalf as instructed by you. If the Bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm: (i) the ultimate owner of the Bonds, (ii) the aggregate nominal amount of the Bonds; and (iii) the account number in VPS on which the Bonds are registered.

3. The individual Bondholder may authorize the Trustee to vote on its behalf, in which case the Bondholder's Form (PART 2. Voting slip) also serves as a proxy. A duly signed Bondholder's Form, authorizing the Bond Trustee to vote, must then be returned to the Trustee in due time before last day for replies (by scanned e-mail, courier or post).
4. You can obtain a power of attorney or other authorization (proof of ownership) from the authorized nominee or other intermediary and send in your own voting form based on the authorization. A duly signed Voting Form (Schedule 1), authorizing the Trustee to vote, must then be returned to the Trustee in due time before last day for replies (by scanned e-mail, courier or post).

Whether either of these options are available to you depends on the agreement between you and the authorized nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

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

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

Quorum

Pursuant to Clause 16(i) of the Terms and Conditions, a quorum in respect of the Written Procedure will only exist if a Bondholder (or Bondholders) representing at least **fifty (50) per cent.** of the Adjusted Nominal Amount reply to the Request.

If a quorum does not exist, the Trustee shall initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure. At the option of each Bondholder, a voting form provided at or before **12.00 (CET) on 23 November 2018** in respect of the Written Procedure shall also remain valid for any such second Written Procedure.

Majority

Pursuant to Clause 16(g) of the Terms and Conditions, more than **two-thirds (2/3)** of the Adjusted Nominal Amount for which Bondholders reply in a Written Procedure must consent to the Request in order for it to be approved.

Final date to vote in the Written Procedure

The Trustee must have received the votes by mail, courier or e-mail to the address indicated below no later than by **12.00 (CET) on 23 November 2018**. Votes received thereafter will be disregarded.

Please find attached hereto a Bondholder's Form from the Securities Depository (VPS), which indicates your bondholding at the printing date. The Bondholder's Form will serve as proof of

ownership of the Bonds and of the voting rights in the Written Procedure. If the Bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm: (i) the owner of the Bonds, (ii) the aggregate nominal amount of the Bonds; and (iii) the account number in VPS on which the Bonds are registered.

The individual Bondholder may authorize the Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorizing the Bond Trustee to vote, must then be returned to the Bond Trustee in due time before last day for replies (by scanned e-mail, courier or post).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' Meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

Address for sending replies

By regular mail:

Intertrust (Sweden) AB

Attn: Maria Landers, P.O. Box 16285, 103 25 Stockholm, Sweden

By courier:

Intertrust (Sweden) AB

Attn: Maria Landers, Sveavägen 9, 10th floor 111 57 Stockholm, Sweden

By e-mail:

trustee@intertrustgroup.com

For further questions please see below:

To the Trustee:

Intertrust (Sweden) AB

Anna Litewka

Tel: +46 73-582 5565

Kristofer Nivenius

Tel:+46 70 688 1910

trustee@intertrustgroup.com

Concent Holding AB (publ)

Björn Sahlström

bjorn.sahlstrom@concent.se

Tel: +46 70 600 0090

Industriholding Norge AS

Halvor Olsen

ho@industriholding.no

Tel: +47 91 88 22 03

Intertrust (Sweden) AB as Trustee

Schedule 1 VOTING FORM

for the Written Procedure initiated on 25 October 2018 for the up to SEK 200,000,000 (or its equivalent in NOK or USD) senior secured callable fixed rate NOK, SEK and USD bonds due 2018 with NOK ISIN NO0010771322, SEK ISIN NO0010771330 and USD ISIN NO0010771314 (the "Bonds") issued by Östermyra Bruk AB (publ) (the "Issuer") on 12 September 2016

The Issuer requests the Bondholders to approve the Request set out in the notice for the Written Procedure.

The Trustee is hereby empowered to enter into all necessary documentation required to implement the Request, in the event the Request is approved.

Reply

Name of person/entity voting: _____

Nominal Amount voted for: _____

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

A) Approve B) Reject C) Refrain from voting

with respect to the Request.

The undersigned hereby confirms (put a cross in the appropriate box) that this voting form shall constitute a vote also for a second Written Procedure (if any) pursuant to clause 16(j) of the Terms and Conditions with respect to the Request:

Confirmed Not confirmed

Signature

Name in print:

Email:

Tel:

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

Schedule 2

POWER OF ATTORNEY/AUTHORIZATION/PROOF OF OWNERSHIP¹

for the Written Procedure initiated on 25 October 2018 for the up to SEK 200,000,000 (or its equivalent in NOK or USD) senior secured callable fixed rate NOK, SEK and USD bonds due 2018 with NOK ISIN NO0010771322, SEK ISIN NO0010771330 and USD ISIN NO0010771314 (the "Bonds") issued by Östermyra Bruk AB (publ) (the "Issuer") on 12 September 2016

Authorized Person²: _____

Nominal Amount³: _____

Grantor of authority⁴: _____

We hereby confirm that the Authorized Person specified above has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of⁵: _____

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

Registered as authorized nominee on a Securities Account

Registered as direct registered owner on a Securities Account

Other intermediary and hold the Bonds

through⁶ _____

Date:

Signature

¹ Use this form to confirm a person's/entity's authority to vote if the person/entity is not registered as a direct registered owner or authorized nominee.

² Insert the name of the person/entity that should be authorized to vote.

³ Insert the aggregate nominal amount the Authorized Person should be able to vote for.

⁴ Insert the name of entity/person confirming the authority.

⁵ The total Nominal Amount the undersigned represents

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

C. Risk factors

These risk factors have been prepared in connection with the Conversion. There are risks both regarding circumstances linked to the Issuer and those which bear no specific relation to the Issuer. In addition to the other information in this Written Procedure as well as a general evaluation of external factors, investors should carefully consider the risk factors described below before making any decision to participate in the Conversion. The occurrence of any of the events mentioned below could have a material adverse effect on the Issuer's operations, results and financial position. The risks presented in this document are not exhaustive, and other risks not at present known to the Issuer, or that the Issuer currently thinks are insignificant and therefore has not included herein, may also adversely affect the Issuer and the Issuer's ability to generate enough profits to be able to declare any dividends. Bondholders should consider carefully the information contained herein and make an independent evaluation before making any decision to participate in the Conversion.

The risk factors below are not presented in any particular order.

No legal due diligence review has been carried out

Due to the distressed nature of the Conversion, no legal review has been carried out for the purposes of the Conversion whatsoever. There is no certainty that the risk factors described herein addresses or reflects the specific requirements, interests or circumstances that each Bondholder may have.

Risk relating to the Conversion

The Conversion from debt in the Issuer to equity in the Issuer will result in a change of status of the rights of certain of the Bondholders, going from secured creditors in the Issuer to shareholders of the Issuer. Generally, secured creditors rank ahead of shareholders in, for example, a liquidation or in insolvency proceedings. Consequently, the Conversion will mean that the Bondholders will lose their status as secured creditors or un-secured creditors and become shareholders with rights to the assets of the Issuer only after all other creditors have been repaid.

The Additional Share Issue and realization of the Concert Share Pledge

The Issuer is dependent on completing a new share issue and realizing the Concert Share Pledge in order to be able to fund its operations going forward. There is no guarantee that such share issue or realization can be sufficiently made. Should the Issuer fail to do so, there is a material risk of bankruptcy in the Issuer.

Technical and regulatory issues

The completion of the Conversion may be delayed. There has been no assessment with respect to each individual Bondholder's possibility to convert their debt claims into shares, neither from a regulatory perspective nor from an e.g. investment policy/tax perspective. Each individual Bondholder is therefore urged to assess any regulatory requirements that such Bondholder is subject to before deciding to participate in the Conversion.

Bondholders' meetings – binding effect

The terms and conditions for the Bonds include certain provisions regarding bondholders' meetings. Such meetings may be held in order to resolve on matters relating to the bondholders' interests, including the Conversion. The terms and conditions for the Bonds allow for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting. Consequently, the actions of the majority in such matters could impact a bondholder's rights in a manner that would be undesirable for some of the bondholders.

Risk related to recent changes in ownership structure and previous owners

The Concent Group is financially distressed and has divested most of its assets. No customary legal due diligence review has been carried out in connection with the Conversion. Thus, the Issuer may have hidden liabilities that have not been identified.

Before the existing management took over the Concent Group and the Issuer there have been a number of transactions with related parties which can be questioned from a legal perspective. The previous management was further not granted a discharge of liabilities by the most recent general meeting of Concent Holding AB. It has not been possible to assess the impact of these transactions on the Projects. Consequently, there is a risk that there are risks in the Projects that have not been identified.

Tax related risks

No tax review or tax structuring have been carried out in connection with the Conversion. There could thus be hidden tax liabilities in the Projects which could affect the profitability of the Issuer or the Issuer may be subject to taxable capital gains following the Conversion which have not been assessed.

Investors that are tax resident in Sweden should generally get the fair market value of the loans as an acquisition cost for their shares in the Holdco after the Conversion. The interest element converted into shares in the Holdco could however be regarded as a taxable gain payable upon the Conversion. A sale of the shares will be taxed according to the rules applicable to the relevant Investor. The transaction may trigger taxable foreign exchange gains for the Investors. It should be noted that the transaction in certain aspects is atypical and is therefore difficult to assess from a tax perspective. Investors should thus be aware that unexpected tax effects, in addition to those pointed out above, for both the Investors and the Issuer, may arise as a result of the Conversion.

All Investors are urged to engage their own tax counsel to evaluate the tax consequences that the Conversion may trigger and for their filing of tax returns in relation to the transaction, also considering the specific circumstances of each individual Investor.

No secondary market

It cannot be guaranteed that there will be a secondary market for the shares issued by the Issuer. Investors should thus consider that it can be difficult or impossible to dispose of the shares in the Issuer in the foreseeable future.

Trading of shares

It cannot be guaranteed that there will be demand, and such a liquid market for the shares issued by the Issuer to the Bondholders. No trading prices for the shares can be guaranteed.

Previous media exposure

The largely negative historical media attention to the project “Barents Center”, as previously planned on the Plot, has a potential negative impact for establishment of future cooperation, with suppliers, financing institutions, potential tenants and others. This increases risks related to efficient performance of cooperation and such a successful new development on the Plot.

Conceptual and regulatory frameworks

A new exploitation concept for the Properties must take into consideration current and estimated future market demands in Haparanda and its neighboring border-town of Tornio. There is currently a very limited market for supply of new offices and shopping space in these towns, while industrial space is not considered suitable for the Plot. There are currently no signals from the Municipality of Haparanda that they have any need for space on the Properties. Such there might be somewhat limited options for commercially viable projects, to be planned on the Properties.

There are no guarantees that the Municipality of Haparanda will approve an exploitation, with volumes as previously approved for the Plot. In opposite, one could expect that the Municipality of Haparanda will have a cautious approach to volumes, taking into consideration the failure of realizing previously approved projects and exploitation volumes.

Other risks

Risks related to leasing and financing of future projects on the Properties must also be taken into consideration. The above description of potential risks is not exhaustive.