

## NOTICE OF A WRITTEN PROCEDURE

*Denna kallelse till obligationsinnehavarna är endast utformad på engelska.*

Stockholm, 21 March 2023

### To the bondholders in:

**ISIN: SE0017082779 – HL18 Property Portfolio AB (publ) up to SEK 550,000,000 Senior Secured Floating Rate Bonds 2021/2024 (the "Bonds")**

### **NOTICE OF WRITTEN PROCEDURE – REQUEST TO AMEND CERTAIN PROVISIONS IN THE TERMS AND CONDITIONS OF THE BONDS**

**This voting request for procedure in writing will be sent by regular mail on 21 March 2023 to Bondholders directly registered in the debt register (Sw. *skuldbok*) kept by Euroclear Sweden AB (the "CSD"). This voting request replaces the initiated request for procedure in writing sent on 14 March 2023. The voting request has also been published on the websites of the Issuer and the Agent (as defined below), in accordance with the terms and conditions of the Bonds (the "Terms and Conditions"). If you are an authorised nominee under the Swedish Financial Instruments Accounts Act 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. For further information, please see below under Clause 6.4 (*Voting rights and authorisation*).**

#### **Key information:**

Record Date for being eligible to vote:	27 March 2023
Deadline for voting:	15:00 CEST on 19 April 2023
Quorum requirement:	At least fifty (50) per cent. of the Adjusted Nominal Amount
Majority requirement:	At least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount voting

Intertrust (Sweden) AB in its capacity as agent (the "**Agent**") for the holders of the bonds (the "**Bondholders**") in the above mentioned bond issue with ISIN SE0017082779 issued by HL18 Property Portfolio AB (publ), reg. no. 559337-2559, (the "**Issuer**" and together with its respective subsidiaries, the "**Group**"), and as requested by the Issuer, hereby initiates a procedure in writing, whereby Bondholders can vote for or against the Issuer's request to amend the Terms and Conditions of the Bonds.

All capitalised terms used herein and not otherwise defined in this notice (the "**Notice**") shall have the meanings assigned to them in the Terms and Conditions.

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

The Agent must receive the Voting Form no later than 15:00 (CEST) on 19 April 2023 either by mail, courier or email to the Agent using the contact details set out in Clause 6.8 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Bondholder on 27 March 2023 (the "**Record Date**"). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

**Disclaimer:** *The Request (as defined below) is presented to the Bondholders without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Request (and its effects, should it be adopted) from a legal or commercial perspective of the Bondholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and its effects, should it be adopted). The Bondholders are recommended to seek legal advice in order to independently evaluate whether the Request (and its effects) is acceptable or not.*

## 2. Background

The Issuer has issued senior secured bonds in an amount of SEK 550,000,000 on 28 October 2021 with ISIN SE0017082779 for the purpose of, *inter alia*, finance the acquisition of a property portfolio consisting of 18 properties.

Due to a continued challenging environment with several macroeconomic changes such as higher inflation and interest rates, as well as concerns in the financial markets Oscar Properties has changed its short-term strategy from rapid growth to focus on divestments and amortizing debt in order to improve the Group's profitability as well as strengthen the Group's balance sheet. Therefore the Issuer is requesting Bondholders to approve certain amendments to the Terms and Conditions as described below.

The Issuer is proposing to amend the Terms and Conditions to remove item (c) in the definition "Permitted Partial Divestment" to allow for disposals to be made by the Group in excess of the existing maximum aggregate amount of generated gross income of SEK 300,000,000 (as shown in Clause 3 (*Amendments of the Terms and Conditions*)).

Furthermore, the Issuer is proposing to include a limit of SEK 430,000,000 in aggregate for consideration of Replacement Properties with Prepayment Amounts with the effect that if the total aggregate amount of Replacement Properties financed by Prepayment Amounts exceeds SEK 430,000,000, an amount equal to any remaining Prepayment Amounts shall be used for partial prepayment of the Bonds (as shown in Clause 3 (*Amendments of the Terms and Conditions*)).

### 3. Amendments of the Terms and Conditions

Considering the background and rationales set out above, the Issuer kindly requests that the below amendments are made to the Terms and Conditions (the "**Request**") (new wording is underlined and **blue**, and deleted wording is ~~strikethroughed~~ and **red**).

3.1 The definition of Permitted Partial Divestment shall be amended as following:

**"Permitted Partial Divestment"** means a disposal:

- (a) made at arm's length terms and fair market value (based on a Valuation);
- (b) by way of sale of:
  - (i) a Property or a part of a Property; or
  - (ii) all of the shares of a Subsidiary holding such Property or part of such Property (where an internal sale to a wholly owned Subsidiary of the Issuer of a Property or part of a Property is made in connection to a Permitted Partial Divestment), and

which does not have a Material Adverse Effect. ~~and~~

~~(c) where the relevant disposal together with any other Permitted Partial Divestment made, does not generate a gross income which exceeds in aggregate SEK 300,000,000 during the term of the Bonds."~~

3.2 A new paragraph (a) of Clause 9.4 (*Mandatory Partial Redemption*) shall be included with the following wording:

(a) *In this Clause 9.4:*

**"Non-Replacement Proceeds"** means any Prepayment Amount to the extent such Prepayment Amount together with any previously acquired Replacement Properties (or Replacement Properties committed to be acquired) exceeds SEK 430,000,000.

**"Replacement Proceeds"** means any Prepayment Amount to the extent such Prepayment Amount together with any previously acquired Replacement Properties (or Replacement Properties committed to be acquired) does not exceed SEK 430,000,000.

**"Prepayment Amount"** means the net proceeds from a Permitted Partial Divestment (less the Partial Divestment Profit Amount).

3.3 Previous paragraph (a) of Clause 9.4 (*Mandatory Partial Redemption*) shall become new paragraph (b) and amended as follows:

~~(a)~~(b) *The Issuer shall ensure that upon a Permitted Partial Divestment, the Prepayment Amount ~~net proceeds from such divestment (less the Partial Divestment Profit Amount)~~ (the "**Prepayment Amount**") are transferred to the Deposit Account. When the Prepayment Amount has been transferred to the Deposit Account, the Agent shall, where applicable, release the security interest over the divested Property and, if relevant, the security interest over the relevant Group Company owning such Disposed Property and the Guarantee provided by such Group Company. The Prepayment Amount shall remain on the Deposit Account until either (i) the Issuer utilizes the Replacement Proceeds (if any) ~~Prepayment Amount~~ for property acquisitions by delivering to the Agent a Compliance Certificate confirming that all conditions precedents for Replacement Properties set out in paragraph ~~(c)~~(b) below have been fulfilled or will, immediately in connection with the transfer of the relevant Replacement Proceeds (if any) ~~Prepayment Amount~~ from the Deposit Account, be fulfilled, or (ii) the Agent instructs the Bank to transfer such amount for the purpose of partial prepayment of the Bonds in accordance with paragraph ~~(e)~~(d) or (e) below. The Agent shall consent to Replacement Proceeds (if any) ~~the Prepayment Amount~~ not being deposited on the Deposit Account if the Agent, in its sole discretion, is satisfied that such Replacement Amount (if any) is to be immediately applied towards acquiring a Replacement Property in accordance with terms thereof.*

3.4 Previous paragraph (b) of Clause 9.4 (*Mandatory Partial Redemption*) shall become new paragraph (c) and amended as follows:

~~(b)~~(c) *Following a Permitted Partial Divestment of one or several properties (the "**Disposed Properties**") the Issuer retains the right for four months (the "**Replacement Period**") to utilize any proceeds from such Permitted Partial Divestment in a maximum aggregate amount of SEK 430,000,000 to acquire new properties (the "**Replacement Properties**") subject to the following conditions being met:*

- (i) *the acquisition is made on at least at arm's length terms and fair market value (based on a Valuation);*
- (ii) *Security is granted over (A) the mortgage certificates issued in the Replacement Properties in an amount being the higher of (A) any existing mortgages issued in the Replacement Properties and (B) 65 per cent. of the Value of the Replacement Properties, on substantially the same terms as the Security granted over the Disposed Properties, (B) the shares in any company directly or indirectly holding the Replacement Properties, and (C) any intercompany loans granted by any member of the Group to any company directly or indirectly holding such Replacement Properties;*
- (iii) *the companies directly or indirectly holding the Replacement Properties accedes to the Guarantee and Adherence Agreement as guarantors; and*
- (iv) *no less than 90 per cent. of the financial value of all lettable space in the Replacement Properties is let out to external tenants under rental agreements having a remaining term ending no earlier than six*

months after the Final Maturity Date, unless a Rental Guarantee is provided.

- 3.5 Previous paragraph (c) of Clause 9.4 (*Mandatory Partial Redemption*) shall become new paragraph (d) and amended as follows:

~~(c)~~(d) *If the Issuer does not utilize the ~~Prepayment Amount~~ Replacement Proceeds in full to acquire Replacement Properties in accordance with the above, the Issuer shall ensure that the remaining ~~Prepayment Amount~~ Replacement Proceeds is used to partially prepay the Bonds by applying the ~~Prepayment Amount~~ Replacement Proceeds towards reduction of the Nominal Amount of each Bond pro rata at a price equal to 103.00% of the Nominal Amount which, for the avoidance of doubt, shall mean that the prepayments shall be made at a premium. The amount to be prepaid shall be rounded down to the nearest SEK 1.00 per Bond and the requirement for the Issuer to mandatorily prepay should not apply until the aggregate remaining ~~Prepayment Amount~~ Replacement Proceeds exceeds SEK 10,000,000.*

- 3.6 A new paragraph (e) of Clause 9.4 (*Mandatory Partial Redemption*) shall be included and read as follows:

(e) Any Non-Replacement Proceeds shall be used for partial prepayment of Bonds on the next Interest Payment Date following the Permitted Partial Divestment in an amount equal to the Non-Replacement Proceeds by applying such amounts towards reduction of the Nominal Amount of each Bond pro rata at a price equal to 103.00% of the Nominal Amount which, for the avoidance of doubt, shall mean that the prepayments shall be made at a premium. The amount to be prepaid shall be rounded down to the nearest SEK 1.00 per Bond and the requirement for the Issuer to mandatorily prepay should not apply until the aggregate remaining Non-Replacement Proceeds exceeds SEK 10,000,000.

If the Request is approved in the Written Procedure, the Bondholders' give the Agent the power to enter into all agreements and take all actions that the Agent deems necessary in order to implement the Request.

#### 4. Consent

We kindly ask the Bondholders to confirm that the Bondholders agree to the Request.

#### 5. Consent Fee

##### 5.2 Consent Fee

Subject to Section 5.3 below, the Issuer is offering a cash payment to all Bondholders in an amount equal to 0.25 per cent. of the nominal amount per Bond held at the Consent Fee Record Date (as defined in Section 5.4) (the "**Consent Fee**").

##### 5.3 Fee Conditions

Payment of the Consent Fee is conditional upon the quorum and majority requirements being satisfied such that the Request is approved in the Written Procedure (the "**Fee Condition**").

#### **5.4 Payment of Fees**

Subject to the satisfaction or waiver of the Fee Condition, the Consent Fee will be payable to all Direct Registered Owners and Nominees registered in the VPC Account at 17:00 CET five Business Days after the date the Agent announces the approval of the Request, (the "**Consent Fee Record Date**") and will be paid no later than five Business Days after the Consent Fee Record Date. For the avoidance of doubt, also Bondholders voting against the Request and Bondholders not voting at all are eligible to receive the Consent Fee.

#### **6. Written Procedure**

The following instructions need to be adhered to under the Written Procedure.

##### **6.2 Final date to participate in the Written Procedure**

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 15:00 (CEST), 19 April 2023. Votes received thereafter may be disregarded.

##### **6.3 Decision procedure**

The Agent will determine if received replies are eligible to participate under the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Request shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired. The Issuer and the Agent shall, in order to implement and effectuate the amendments, enter into amended and restated Terms and Conditions.

Information about the decision taken under the Written Procedure will: (i) be sent by notice to the Bondholders and (ii) be published on the websites of (a) the Issuer and (b) the Agent.

A matter decided under the Written Procedure will be binding for all Bondholders, irrespective of them responding in the Written Procedure.

##### **6.4 Voting rights and authorisation**

Anyone who wishes to participate in the Written Procedure must on the Record Date (27 March 2023) in the debt register:

- (a) be registered as a direct registered owner of a Securities Account; or
- (b) be registered as authorised nominee in a Securities Account, with respect to one or several Bonds.

##### **6.5 Bonds registered with a nominee**

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee or another intermediary, you may have two different options to influence the voting for the Bonds.

1. You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
2. You can obtain a Power of Attorney (Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as bondholder of the Securities Account, or from each intermediary in the chain of bondholders, starting with the intermediary that is registered in the debt register as a Bondholder of the Securities Account as authorised nominee or direct registered owner.

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

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate. Bonds owned by the Issuer, another Group Company or an Affiliate do not entitle to any voting rights.

#### **6.6 Quorum**

To approve the Request, Bondholders representing at least fifty (50) per cent. of the Adjusted Nominal Amount must reply to the Request under the Written Procedure in order to form a quorum.

If a quorum does not exist, the Agent 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.

#### **6.7 Majority**

At least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders reply under the Written Procedure must consent to the Request.

#### **6.8 Address for sending replies**

Return the Voting Form, Schedule 1, and, if applicable, the Power of Attorney/Authorisation in Schedule 2 or other sufficient evidence, if the Bonds are held in custody other than the CSD, by regular mail, scanned copy by email, or by courier to:

##### **By regular mail:**

Intertrust (Sweden) AB  
Attn: Written Procedure HL18 Property Portfolio AB (publ)  
P.O. Box 16285  
103 25 Stockholm

**By courier:**

Intertrust (Sweden) AB  
Attn: Written Procedure HL18 Property Portfolio AB (publ)  
Sveavägen 9, 10th floor  
111 57 Stockholm

**By email:**

E-mail: trustee@intertrustgroup.com

**7. FURTHER INFORMATION**

For questions to the Issuer regarding the request, please contact Oscar Engelbert, CEO, oscar@oscarproperties.se or 070-568 00 01.

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**Stockholm, 21 March 2023**

**INTERTRUST (SWEDEN) AB**

As Agent

**Enclosed:**

<b>Schedule 1</b>	Voting Form
<b>Schedule 2</b>	Power of Attorney/Authorisation



**SCHEDULE 1**

**VOTING FORM**

**For the Written Procedure initiated on 21 March 2023 for the up to SEK 550,000,000 Senior Secured Floating Rate Bonds 2021/2024 with ISIN SE0017082779 (the "Bonds") issued by HL18 Property Portfolio AB (publ) (the "Issuer").**

**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.**

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**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:

Contact information

Email:

Tel:

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

**appended to the voting form for any legal entity voting. The registration certificate, where applicable, may not be older than one year.**

**SCHEDULE 2**

**POWER OF ATTORNEY/AUTHORISATION/PROOF OF OWNERSHIP<sup>1</sup>**

**Written Procedure for the up to SEK 550,000,000 Senior Secured Floating Rate Bonds 2021/2024 with ISIN SE0017082779 (the "Bonds") issued by HL18 Property Portfolio AB (publ) (the "Issuer") on 21 March 2023.**

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

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

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

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

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

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

- |  |  |
|--|--|
|  | Registered as authorised nominee on a Securities Account         |
|  | Registered as direct registered owner on a Securities Account    |
|  | Other intermediary and hold the Bonds through <sup>6</sup> _____ |

Date:

Signature

\_\_\_\_\_

<sup>1</sup> 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 authorised nominee.

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

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

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

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

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