

Notice of a second written procedure for bonds issued by Mathesa Investments AB (publ)

To holders of the senior secured fixed rate bonds issued by Mathesa Investments AB (publ) (the "Issuer"), with ISIN: SE0016049043 (SEK) and SE0016074058 (EUR) (the "Bonds").

Capitalized terms not otherwise defined in this notice shall have the meaning given to them in the terms and conditions originally dated 4 June 2021 relating to the Bonds (the "Terms and Conditions").

This notice for a voting procedure in writing will, with respect to SEK Bonds and EUR Bonds be sent by regular mail on 22 February 2024 to Bondholders directly registered in the debt register (Sw. *skuldbok*) kept by Euroclear Sweden AB (the "CSD"). This notice has also been published on the websites of the Issuer and the Agent (as defined below), in accordance with 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.

On 23 January 2024, a notice of written procedure was sent to the Bondholders, regarding an amendment of certain provisions of the Terms and Conditions. The voting period expired on 16 February 2024 (the "**First Written Procedure**"). The number of votes obtained proved to be insufficient in order to form a quorum. However, pursuant to the Terms and Conditions, the Issuer retains a right in these cases to call for a second written procedure where the quorum requirement does not apply.

On behalf of and as requested by the Issuer, the Agent, acting in its capacity as Agent for the Bondholders under the Terms and Conditions, hereby initiates a second written procedure (the "**Second Written Procedure**"), whereby the Bondholders can approve or reject a proposal from the Issuer regarding certain amendments to the Terms and Conditions including converting the cash interest payable thereunder to capitalised (PIK) interest and the waiver of certain defaults under the Bonds. The Proposal by the Issuer and the background thereto is described in Section A (*Background and Proposal*).

NO DUE DILIGENCE CARRIED OUT IN CONNECTION WITH THE WRITTEN PROCEDURES

Please note that only a limited legal review, in form of a questionnaire to the management of the Issuer, has been carried out in connection with the First Written Procedure (the "**Limited Review**"). Other than the Limited Review, no other due diligence whatsoever (legal, financial, tax, environment or otherwise) has been carried out by the Agent, the arranger of the Bonds, the corporate finance advisor of the Issuer, any of their advisors or any other person for the purposes of the First Written Procedure, the Second Written Procedure or with respect to the Issuer or its assets. There may therefore be unidentified risks related to the Issuer and the Proposal not disclosed in the investor presentation, that can be found on <https://www.intertrustgroup.com/our-services/capital-markets-services/bond-news/> (the "**Investor Presentation**"), including the original risk factors prepared in connection with the Bond Issue, which has been circulated to the Bondholders together with this notice of the Second Written Procedure. To the extent any risk factors included in the Investor Presentation have been updated, the updates have been solely based on the answers from the management of the Issuer in connection with the Limited Review.

LIMITATION OF LIABILITY OF THE AGENT

The Proposal and the Investor Presentation are presented to the Bondholders by the Agent on behalf of the Issuer, without any evaluation, advice or recommendations from the Agent to the Bondholders whatsoever. The Agent has not assessed the Proposal (and its effects, should it be adopted) from a legal, commercial, financial or other perspective and the Agent expressly disclaims any liability whatsoever related to the content of this notice and the Proposal (and its effects, should it be adopted). The Agent

has assumed that the Investor Presentation, the documentation and other evidence (if any) delivered to it pursuant to the Proposal is accurate, correct and complete and the Agent has not verified the contents of any such documentation. The Bondholders are recommended to seek their own professional advice in order to independently evaluate whether the Proposal (and its effects) is acceptable or not. Other than as mentioned above, neither the Agent, nor any of its advisors has carried out any due diligence in connection with the Proposal and no party can guarantee any satisfactory outcome of the Proposal set out herein.

ALL BONDHOLDERS ARE STRONGLY ENCOURAGED TO REVIEW AND CONSIDER THE INVESTOR PRESENTATION AND THE PROPOSAL

Before deciding whether to accept the Proposal, each Bondholder is advised to carefully review the content of the Investor Presentation, this document and the proposed resolutions set out below and the limitation of liability provision set out above. If a Bondholder is uncertain as to the content and significance of this document and the measures the Bondholder should take, the Bondholder is advised to consult its own legal, tax or financial adviser for this purpose. The Agent will not, and is under no obligation to, update this document.

PARTICIPATION IN THE SECOND WRITTEN PROCEDURE

Bondholders may participate in the Second Written Procedure by completing and sending the voting form attached below to the Agent. The Agent must **receive the voting form no later than by 12.00 (CET) on 19 March 2024** by mail, via courier or e-mail to the addresses indicated below. Votes received thereafter will be disregarded. Please note that the Second Written Procedure may expire early if the requisite majority consents of the total Adjusted Nominal Amount have been received before **19 March 2024**.

To be eligible to participate in the Second Written Procedure a person must fulfil the formal criteria for being a Bondholder on 21 February 2024 (the "Record Date"). This means that the person must be registered on a Securities Account with Euroclear Sweden as a direct registered owner (*direktregistrerad ägare*) or authorised nominee (*förvaltare*) with respect to one or several Bonds.

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

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

Important Dates

Record Date (for voting): **21 February 2024**

Last time and day to vote: **12.00 CET on 19 March 2024**

A. Background and Proposal

1. Background and current situation

Overview

Mathesa Investments AB (publ) (the "**Issuer**" and together with its direct and indirect subsidiaries, the "**Group**") is subject to liquidity constraints due to certain internal and external events. To improve the prevailing liquidity position, the Issuer is seeking consent for certain amendments to the Terms and Conditions including, inter alia, converting the cash interest currently payable thereunder to capitalised (PIK) interest and introducing the required changes to enable the Issuer to implement a co-investment structure (including revising the change of control provision). The Issuer is convinced that the proposed amendments will be favourable both for the Issuer and the Bondholders as it will provide the Issuer with financial relief, allowing the Issuer to complete value enhancing projects, divest certain assets and provide the right conditions to achieve an orderly refinancing of all or part of the financial indebtedness owed by the Group (including by way of introducing a co-investment structure, as the case may be).

The following sets out a brief background to the financial challenges facing the Group as well as the actions that the Issuer has taken or will take to address these challenges.

Background

As stated above, the Group is currently experiencing liquidity constraints due to certain internal and external events which have occurred over the last 24 months. This has resulted in the Group currently being unable to fully service its interest expenses under the Bonds which fell due on 9 December 2023 and certain other financing arrangements, whilst also maintaining necessary operational and capital expenditures. These events include, inter alia, (i) adverse changes in macroeconomic factors, (ii) increases of certain capital expenditures, (iii) the senior lender's decision not to grant the planned re-leveraging of the Group's senior financing and (iv) generally unfavourable conditions in the debt capital markets and in particular for property companies.

Adverse changes in macroeconomic factors

Following interest rate hikes globally, including the steep increases of STIBOR from approximately zero per cent. at the beginning of 2022 to around four per cent. as of today, it has become increasingly challenging for the Group to service all of its interest expenses under the Bonds and other financings. Importantly the steep interest rate increases have caused the Group's interest expenses under the senior financing with SPP Pension & Försäkring AB (publ) (the "**Senior Lender**") (the financing is referred to as the SPP Loan Agreement in the Terms and Conditions) (the "**Senior Loan**") to increase significantly.

Furthermore, the weakening of the Swedish krona vis-à-vis the euro further added to the Group's strained financial position since approximately 50 per cent. of the outstanding Bonds are euro-denominated which has further added to the Group's financial challenges by further increasing the Group's interest expenses on its euro-denominated debt.

Increases of capital expenditures

During the spring of 2022, the Group terminated a turnkey contract in respect of its ongoing projects in Gnosjö because of mismanagement by the contractor. To avoid delays, the Group had to find an alternative contractor on short notice and opted to hire Skanska to finalise the projects. The effect of engaging Skanska was, inter alia, that the work pace tripled, with several buildings being worked on in parallel. Accordingly, the Group's capital expenditures also considerably increased which has had a negative effect on the liquidity of the Group. The Group decided to pause the ongoing projects during the beginning of 2023 but nevertheless ended up in a liquidity shortage because of capital expenditure costs

already incurred, coupled with reduced rental income due to the increased number of tenant evacuations in connection with the projects and renovations.

Declined re-leveraging of the Group's senior financing

The Group made the investments mentioned above on the assumption that the Senior Loan would be re-leveraged to a senior loan-to-value ratio of 60%. Such subsequent re-leveraging had historically been granted on an annual basis since 2019 after the Group having completed projects and having demonstrated higher property valuations. During 2022, such re-leveraging would have entailed a liquidity injection to the Group of more than SEK 100,000,000 and would have enabled the Group to meet the higher pace of the projects in Gnosjö while providing a buffer to service remaining capital expenditures. Since the Group had already begun the higher-paced development works with Skanska, the Senior Lender's decision not to increase the Senior Loan meant that the Group was required to urgently find an alternative financing solution.

Unfavourable conditions on the debt capital markets

The debt capital markets have been – and continue to be – challenging for property companies and especially for property developers. The Group has actively been looking for new financing that will replace the existing Senior Loan. The refinancing efforts are ongoing but have yet been unsuccessful. The short-term financing solutions accessible on short notice to meet immediate liquidity needs have unfortunately included a mix of short maturities and expensive pricing. These have granted relief for immediate liquidity concerns but have increased liquidity needs for recurring interest payments. The Group has further had to grant security to such new creditors in the form of encumbrances over previously unencumbered properties.

Actions to address financial challenges

Overview

The Group has been adjusting the business to the new circumstances throughout 2023 and has been, and is actively working, with its advisors to find an appropriate solution to the Group's current challenges. The Group's view is that a solution going forward will involve achieving a refinancing of the Senior Loan, securing a revised capital structure to finance the Group's future property portfolio, and selling certain properties to capitalise the Group and reduce the Group's financial indebtedness. The Group's view is that the future property portfolio has the potential to increase cashflows and achieve a capital structure suitable for the prevailing interest rate environment.

Refinancing

The Senior Loan matured and fell due for full repayment on 28 November 2023 and the Group has so far been unable to refinance the Senior Loan. A standstill agreement was entered into with the Senior Lender on 27 November 2023 (the "**Standstill Agreement**"), which sets out certain milestones for the purpose of allowing the Group to achieve an orderly sales process in respect of certain properties subject to security under the Senior Loan. The net proceeds of such sales processes are required to be applied towards repayment of the outstanding amounts owed under the Senior Loan. The Group has not been able to meet all obligations under the Standstill Agreement and is currently seeking to procure a renewed standstill period in respect of the Senior Loan and such negotiations may entail further operational restrictions on the Group. The Group is currently also exploring several options to refinance the Senior Loan as well as its expensive short-term financings.

Sales processes

The Group currently has several sales processes ongoing. The rationale for the sales processes is partly to accommodate requirements imposed by the Senior Lender under the Standstill Agreement but also to

reduce the overall portfolio size and thus the required refinancing needs to facilitate refinancing discussions and importantly to secure additional liquidity injections.

The Group has a well-progressed sales process ongoing in respect of its Trollhättan portfolio and was close to achieving a sale during October/November 2023 with a due diligence process which was well-progressed by the prospective buyer, with a view to close in December 2023. The buyer unfortunately aborted the deal in late November 2023 due to a change of internal investment policies which entailed a lack of internal approvals to proceed with the transaction at that time. Accordingly, the expected liquidity injection from the sale has been delayed. Despite the initial setback the Group has been able to attract the interest of additional prospective buyers of the Trollhättan portfolio and has signed a letter of intent with one potential buyer granting exclusivity to acquire the Trollhättan portfolio. The intention was originally to close such transaction during the beginning of March 2024 but the timeline has now been extended until the beginning of May 2024.

In addition to the sales processes concerning the Group's rental properties, there are other processes ongoing in respect of the Group's properties in the Halmstad region and the Group already has a letter of intent signed in respect of one of these properties. Such sale is, however, conditional on the closing of an adjacent sales process which has been delayed due to ongoing construction works.

Revised capital structure

The Group is currently discussing with several investors and creditors the prospects of achieving a revised capital structure by strengthening the Group's balance sheet via equity injections from a co-investor. Such co-investments would further improve the financial position of the Group and would allow the Group to engage in future value enhancing projects.

Summary

The Group expects to be able to comply with its undertakings towards the Bondholders provided that the Proposals (as set out below) are approved. The changes to the Terms and Conditions are furthermore expected to facilitate the Group's efforts to obtain a viable and long-term financial solution despite the challenging market conditions by reducing the Group's immediate liquidity needs and thereby increasing the chances of refinancing the Senior Loan, as well as providing the conditions for implementing a potential co-investment structure.

The Issuer regrets the current situation and kindly asks for the Bondholders' continued support, patience and understanding. The Proposals (as set out below) pursuant to this Second Written Procedure will assist the Group in the financial restructuring of the Group. Furthermore, it will help the Group to preserve the value of the Group's real estate assets by not forcing the implementation of sales processes which, in the currently weak and turbulent real estate market, would not be in the Bondholders' interests as it is likely that sales based on reduced property valuations would adversely affect the Bondholders' prospects of repayment and recovery under the Bonds.

2. Proposal to the Bondholders

In order to achieve the above-mentioned objectives, the Issuer is proposing to the Bondholders that:

1. the event of default resulting from the non-payment of Interest on the Interest Payment Date which was due on 9 December 2023 is irrevocably waived;
2. the event of default resulting from the non-payment of accrued interest under the SPP Loan Agreement which fell due on 28 November 2023 is irrevocably waived, provided that such waiver shall cease to apply if the lender under the SPP Loan Agreement accelerates the loans thereunder;

3. the current interest payment structure as set out in Clause 8 (Interest) of the Terms and Conditions is adjusted so that accrued interest is no longer paid on the Interest Payment Dates, but, as from and including the Interest Period which commenced on 10 September 2023 and ended on the Interest Payment Date falling on 9 December 2023, Interest shall accrue during each Interest Period and shall be capitalized and compounded on each Interest Payment Date with the first capitalisation deemed to be made as of 9 December 2023. Payment of accrued Interest for the Interest Period which commenced on 10 September 2023 and for each Interest Period thereafter shall be deferred and paid on the Final Maturity Date or any date on which the Bonds are redeemed in full together with payment of accrued default interest pursuant to paragraph 8 (d) of the Terms and Conditions for the period commencing on 9 December 2023 and ending on the date on which the Proposals are approved by the Bondholders;
4. to approve that the current definition of "Change of Control Event" in Clause 1 (*Definitions*) of the Terms and Conditions is replaced with the following definition:

"*Change of Control Event*" means the occurrence of an event or series of events whereby the Sole Owner ceases to own, directly or indirectly, (a) more than 50 per cent. of the shares of, and votes in, the Issuer, or (b) the right to, directly or indirectly, appoint or remove a majority of the directors of the board of directors of the Issuer."
5. to approve that the Security Agent enters into any amendment and/or security confirmation agreement in respect of any Security Document which is necessary to achieve a direct or indirect co-investment in the Issuer by way of the issuance of future shares in the Issuer, provided that such transaction and/or combination or series of transactions in aggregate constitute less than 50 per cent. of the total shares of the Issuer following completion of such transaction(s) and that the current shares in the Issuer which are pledged to the Bondholders remain pledged);
6. as compensation for the approval by the Bondholders of the above proposals, to introduce a redemption price of 4.5 per cent. meaning that the Bonds shall always be redeemed at a price of 104.5 per cent. of the Nominal Amount plus accrued Interest and default interest.

The proposals set out in 1-6 above are hereafter referred to as the "**Proposal**" (in addition, necessary consequential changes may be made to the Finance Documents to implement the Proposal).

3. Request for approval and consents

The Issuer hereby kindly asks the Bondholders to:

1. approve and consent to the Proposal set out above;
2. authorize the Agent to (on behalf of the Bondholders) take all such steps as may be deemed necessary or desirable to implement the Proposal and/or to achieve its purpose, to execute and enter into any documents that may be necessary in connection with the Proposal including any consequential amendments to the Terms and Conditions; and
3. to acknowledge the limitation of liability set out in above under the heading "LIMITATION OF LIABILITY OF THE AGENT".

B. Decision procedure

The Agent will determine whether replies received are eligible to participate in the Second Written Procedure, continuously calculate the replies provided in respect of the Proposal and determine the result of the Second 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 Second Written Procedure have been received by the Agent, the relevant decision shall be deemed to be adopted, even if the time period for replies in the Second Written Procedure has not yet expired.

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

Minutes from the Second Written Procedure shall at the request of a Bondholder be sent to it by the Agent.

IF THE PROPOSAL IS APPROVED BY THE SECOND WRITTEN PROCEDURE IT WILL BE BINDING ON ALL BONDHOLDERS WHETHER THEY PARTICIPATED IN THE WRITTEN PROCEDURES OR VOTED AGAINST THE PROPOSAL OR NOT, IN ACCORDANCE WITH THE TERMS AND CONDITIONS.

Voting rights

Anyone who wishes to participate in the Second Written Procedure must on the Record Date:

- (i) be registered on the Securities Account as a direct registered owner (*direktregistrerad ägare*); or
- (ii) be registered on the Securities Account as authorised nominee (*förvaltare*),

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 authorised nominee (*förvaltare*) 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 or other authorisation 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 Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in 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 Second Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate.

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

Quorum

No quorum requirement applies to this Second Written Procedure.

The votes of those Bondholders who, during the First Written Procedure, consented to their votes being valid for a second written procedure, will continue to be so valid for the Second Written Procedure.

Majority

Pursuant to Clause 16(f) of the Terms and Conditions, **at least sixty-six and two thirds (66 2/3) per cent.** of the Adjusted Nominal Amount for which Bondholders reply in the Second Written Procedure must consent to the Proposal in order for it to be approved.

Final date to vote in the Second Written Procedure

The Agent must have received the votes by mail, courier or e-mail to the address indicated below no later than by **12.00 (CET) on 19 March 2024**. Votes received thereafter will be disregarded.

Address for sending replies

By regular mail:

Intertrust (Sweden) AB
Attn: Tina Danielsson, P.O. Box 16285, 103 25 Stockholm

By courier:

Intertrust (Sweden) AB
Attn: Tina Danielsson, Sveavägen 9, 10th floor, 111 57 Stockholm

By e-mail:

trustee @intertrustgroup.com

VOTING FORM

For the Second Written Procedure initiated on 22 February 2024 with respect to the senior secured fixed rate bonds issued by Mathesa Investments AB (publ) (the "Issuer"), with ISIN: SE0016049043 (SEK) and SE0016074058 (EUR) (the "Bonds").

The Issuer requests the Bondholders to approve the Proposal set out in the notice for the Second Written Procedure. The Agent is hereby empowered to enter into all necessary documentation required to implement the Proposal, in the event the Proposal 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 Proposal.

Signature

Name in print:

Contact information

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.

POWER OF ATTORNEY/AUTHORISATION¹

For the Second Written Procedure initiated on 22 February 2024 with respect to the senior secured fixed rate bonds issued by Mathesa Investments AB (publ) (the "Issuer"), with ISIN: SE0016049043 (SEK) and SE0016074058 (EUR) (the "Bonds").

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 Euroclear Sweden. Please insert the name of the firm the undersigned holds the Bonds through.

For further questions please see below.

To the Issuer:

Peter Klippe – peter@mathesa.se

Elisabeth Klippe – elisabeth@mathesa.se

To the Agent:

trustee @intertrustgroup.com

Stockholm on 22 February 2024

Intertrust (Sweden) AB

as Agent