

Notice of written procedure for bonds issued by NCP Nordic AB (publ)

To the holders of the up to SEK 500,000,000 (or its equivalent in NOK and EUR) Senior Secured Fixed Rate Bonds 2018/2023 with ISIN: EUR BONDS: SE0011166594, NOK BONDS: NO0010821788 and SEK BONDS SE0011166586 (the "Bonds") issued by NCP Nordic AB (publ) (the "Issuer") on 3 May 2018.

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

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

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 written procedure (the "**Written Procedure**"), whereby the Bondholders can approve or reject a proposal from the Issuer regarding certain amendments to the Terms and Conditions. The proposal by the Issuer (the "**Proposal**") and the background thereto is described in Section A (*Background and Proposal*).

NO DUE DILIGENCE CARRIED OUT IN CONNECTION WITH THIS WRITTEN PROCEDURE

Please note that no due diligence whatsoever (legal, financial, tax, environment or otherwise) has been carried out by the Agent or any of its advisors or any other person for the purposes of the Written Procedure or with respect to the Issuer or its assets, other than some specific confirmatory questions directed to and answered by the management of the Issuer.

It should be noted that the risk factors appended to the investor presentation (the "**Investor Presentation**") that has circulated together with this notice of written procedure have not been produced specifically for this Written Procedure but merely been updated based on the answers by the management to the confirmatory questions referred to above.

LIMITATION OF LIABILITY OF THE AGENT

The Proposal is 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 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. 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 making a decision whether to accept the Proposal, each Bondholder is advised to carefully review the content of the Investor Presentation, including the risk factors contained therein, this document and the proposed resolution set out in Paragraph 5 of Section A (*Background and Proposal*) 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 finance adviser for this purpose. The Agent will not, and is under no obligation to, update this document.

PARTICIPATION IN THE WRITTEN PROCEDURE

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

To be eligible to participate in the Written Procedure a person must fulfil the formal criteria for being a Bondholder on 11 April 2023 (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): **11 April 2023**

Last time and day to vote: **12:00 CET 28 April 2023**

A. Background and Proposal

1. Background and current situation

The Issuer has managed its business and financial position during both the corona crisis and the increasingly unstable economic environment due to the war in Ukraine. Although substantial progress has been made, and there is only a very limited risk remaining, the Issuer is negatively affected because of delays in the zoning plan process.

The new zoning plan for Stockholm Sillö 5 in Farsta ("**Sillö**") that the Issuer is working on together with the municipality of Stockholm has been delayed up to one year. According to the official time schedule made by the municipality and published on the city's website, the zoning plan was expected to be completed in February 2023. However, due to circumstances beyond the Issuer's control, the city is expected to publish an updated time schedule with an expected complete zoning plan in the fall of 2023.

It is important to emphasize that the zoning plan has overcome several important milestones and in the public consultation phase of the zoning plan there were only a limited opinions submitted, and none of them pose a threat to the successful completion of the zoning plan. All major sub-studies have also been completed successfully, and none of them, including environmental issues, noise considerations, geological surveys to mention a few, pose a threat to the successful completion of the zoning plan.

The delay in the zoning plan is mainly caused by two external factors. Firstly, the city's planning office, which is responsible for the zoning plan within the municipality, has had a large turnover in personnel. In the Issuer's project alone, there has been four different regional directors in the past two years. All of them have needed additional time to get up to speed in the project, and all of them have been making their contributions to the project creating additional, and time consuming, adjustments. Secondly, there was a general election in Sweden in September 2022. The expected outcome, that eventually was realized, was a change of the political majority. That created a standstill in the project in the months leading up to the election. However, it is important to emphasize that there is a very good working process with the municipality and that the new political majority is firmly and actively backing the project. A new time schedule will most likely be agreed upon within a few weeks' time. On a positive note, the issuer has successfully increased the volume of the project so that it is currently consisting of more than 900 apartments and over 36,000 square meters of residential area. In addition, the Issuer completed 121 apartments and the restoration of Lidingö Söderåsen 1 ("**Söderås**") has been completed.

The Issuer has been working hard with the construction at Sillö and the restoration of Söderås. Although both cases have been successful, there have been delays and additional costs mainly due to subcontractors and suppliers having been affected by the pandemic.

The pandemic and the war in Ukraine have also had a negative effect on the planned sale of Söderås. A substantial number of potential buyers are located outside of Sweden and have been prevented from traveling or instructed to halt foreign investments for the time being.

However, since both the dollar and the euro has increased in value compared to the Swedish crown, the Issuer is optimistic that a sale of Söderås will lead to a higher price than originally expected.

In order to be able to continue to run the projects until the zoning plan for Sillö has been adopted and Söderås has been sold, the Issuer is proposing a prolongation of the Final Maturity Date for the Bonds to May 2024.

Current debt and security situation

Apart from the Bond debt in the Group, the outstanding debt in in the Property Company owning Sillö is currently provided by two Swedish financial institutions. The first institution's loan amounts to

approximately SEK 340,000,000 excluding accrued interest (the "**Initial Loan**"). The Initial Loan is secured with property mortgages in Sillö amounting to SEK 1 – 340,000,000. The final maturity of the Initial Loan is 30 June 2023. The Issuer is currently in discussions with the Lender under the Initial Loan regarding a prolongation of the maturity date in order to be able to complete the project on Sillö as initially intended.

In July 2022, the Property Company entered into a SEK 50,000,000 facility agreement with another Swedish financial institution (the "**Second Loan**"). The Second Loan is secured with property mortgages in Sillö amounting to SEK 60,000,000, within SEK 400,000,000. It has recently been prolonged to 31 December 2023. At the time when the Second Loan was incurred, the Issuer was of the opinion that the incurrence of Second Loan and the granting of the related security was permitted under the Terms and Conditions it, in its opinion, constituted a "Construction Facility". The Issuer has subsequently been made aware that it could be questioned whether the Second Loan is qualifying as a "Construction Facility", why the Issuer is seeking a formal waiver from any potential Event of Default occurring under the Terms and Conditions as a result from the incurrence of the Second Loan including the granting of the additional security for such loan.

It should be noted the maturity dates for both the Initial Loan and the Second Loans occur before the proposed new Final Maturity Date of the Bonds, which naturally entail some degree of risk, but given the cross-default provision in the Term and Conditions, the Bondholders would have the right to accelerate the Bonds should the Issuer fail to prolong the Initial Loan and the Second Loan until the zoning plan of Sillö is adopted and a proper sale can be initiated.

The property mortgages issued in Söderåsen remain as before, i.e. SEK 31,000,000 within SEK 1-31,000,000 granted to the Bondholders through the securing of downstream loans from the Issuer.

Consequences of not accepting the Proposal

Although the value in the Issuer's project portfolio remains strong, the consequences of the Proposal not being approved could be severe. A non-approved Proposal may entail cross defaults and accelerations of the Initial Loan and Second Loan, which would result in that the senior secured creditors under the Initial Loan and Second Loan will enforce the property mortgages that have been granted over Sillö, which could be detrimental to the interest of the Bondholders, given that no property mortgages have been granted to secure the Bonds.

Since revenues mainly comes in the back-end within real estate development, companies are quite sensitive to delays. Should the sales process be less controlled, where the inherent values of the properties would not be reflected, it could of course have a negative impact on the price levels and in the end on the likelihood of full recovery for the Bondholders.

It is important to note that the Issuer's analysis is still that the inherent profitability of the Sillö project is evident and can successfully be realized under normal circumstances. There has been a lack of housing in the Stockholm region for several decades and there is no reason to believe that the demand should decrease regardless of the current pandemic.

In conclusion, the pandemic as well as the war in Ukraine together with the global recession, interest rates and inflation has slowed down essential business processes which has had an impact on the cash flow. Another negative effect of today's economical environment is that the market for construction rights in Sweden has essentially been wiped out. The Issuer is therefore asking for the Bondholders approval of the Proposal in order to preserve the value of the projects.

2. Proposal

Based on the above background and proposed way forward, the Issuer hereby kindly requests the Bondholders to:

1. approve and consent to the prolongation of the Final Redemption Date, until 3 May 2024;
2. approve and consent to amend the definition of "Construction Facility" in the Terms and Conditions to read:

"**Construction Facility**" means (i) the SEK 50,000,000 loan granted by a Swedish financial institution in July 2022 or any loan refinancing that loan but only up to such amount and (ii) any construction facilities (Sw. *byggkreditiv*) incurred by a Subsidiary to finance the development and construction of any properties owed by such subsidiary.
3. irrevocably waive any Event of Default that may have arisen as a direct and/or indirect result or consequence of, or in connection with the incurrence of the Second Loan and the security granted in connection therewith;
4. 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;
5. provided that the Issuer has not withdrawn the Proposal, irrevocably waive any Event of Default resulting from any non-compliance under Clause 15.1 (*Non-Payment*) under the Terms and Conditions for the period between the start of the voting period under the first Written Procedure and the end of the voting period under the second Written Procedure (up to and including the date of execution of the amended and restated Terms and Conditions);
6. to acknowledge the limitation of liability set out in above under the heading "LIMITATION OF LIABILITY OF THE AGENT"; and
7. provided that a requisite majority of the Bondholders have approved and consented to the Proposal, the Issuer shall pay to the Bondholders and extension fee amounting to three months' Interest on the Bonds, payable on the Final Redemption Date or any earlier date on which the Bonds are redeemed in full.

The requests for approvals and consents set out in Items 1-7 above are jointly referred to as the "**Proposal**".

B. Decision procedure

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

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

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

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

Voting rights

Anyone who wishes to participate in the Written Procedure must on 11 April 2023 (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 Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate.

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

Quorum

Pursuant to Clause 17(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 Proposal.

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. At the option of each Bondholder, a voting form provided at or before 28 April 2023 in respect of the Written Procedure shall also remain valid for any such second Written Procedure.

Majority

Pursuant to Clause 17(g) 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 Written Procedure must consent to the Proposal in order for it to be approved.

Final date to vote in the Written Procedure

The Agent must have received the votes by mail, courier or e-mail to the address indicated below no later than by **28 April 2023**. Votes received thereafter will be disregarded.

Address for sending replies

By regular mail:

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

By courier:

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

By e-mail:

trustee@intertrustgroup.com

VOTING FORM

For the Written Procedure initiated on 11 April 2023 of the up to SEK 500,000,000 (or its equivalent in NOK and EUR) Senior Secured Fixed Rate Bonds 2018/2023 with ISIN: SE0011166594, NO0010821788 and SE0011166586 (the "Bonds") issued by NCP Nordic AB (publ).

The Issuer requests the Bondholders to approve the Proposal set out in the notice for the 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.

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 17(j) of the Terms and Conditions with respect to the Proposal:

Confirmed **Not confirmed**

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 Written Procedure initiated on 11 April 2023 of the up to SEK 500,000,000 (or its equivalent in N OK and EU R) Senior Secured Fixed Rate Bonds 2018/2023 with ISIN: SE0011166594, N O0010821788 and SE0011166586 (the "Bonds") issued by NCP Nordic AB (publ).

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 Notes through.

For further questions please see below.

To the Issuer:

NCP Nordic AB (publ), Johan Lundberg, info@nffnordic.com, +46 8 514 00 880

To the Agent:

Intertrust (Sweden) AB, Linus Löfgren, trustee@intertrustgroup.com, +46 72 991 5701

Stockholm on 11 April 2023

Intertrust (Sweden) AB

as Agent