

Voluntary partial redemption notice

From: Gemma Properties Holding AB (publ) ("**Gemma**")
To: Holders of Gemma's senior secured callable bonds with SEK Bond ISIN SE0010598771, EUR Bond ISIN: SE0010598789 and NOK Bond ISIN: NO0010810963 (the "**Bonds**")
Dated: 23 August 2018

Dear Sirs,

We refer to the terms and conditions of the Bonds, originally dated 28 November 2017 (the "**Terms and Conditions**"). Terms defined in the Terms and Conditions have the same meaning in this notice unless given a different meaning herein.

We hereby give you notice that Gemma will make a voluntary partial redemption of the Bonds in accordance with Clause 11.4 (*Voluntary partial redemption*) of the Terms and Conditions.

Background

In accordance with the Terms and Conditions the Condominium Association BRF Tandådalen Panorama 1, corporate registration number 769631- 8109 (below mentioned as the "**BRF**"), has been given a loan from Gemma with the purpose to finance the development and construction costs on the relevant Property. Due to the successful development of the apartments included in the BRF all apartments has now been sold. The sale of the apartments has generated an income in general in accordance with what was planned, of SEK 94 475 000. We are still expecting an additional income of approximately SEK 2 100 000 due to one buyer having later access, thus payment, of the relevant apartment. The late access and subsequently late payment was approved by the Board of Directors of Gemma. The proceeds from the sale of the apartments will now be used to partially redeem the bonds in accordance with this notice.

Release of Security

In conjunction with the Bonds being partially redeemed due to the disposal of the BRF the Trustee is obliged to release the Security relating to the relevant Condominium Association, in this case the BRF, in accordance with section 11.4 (b) in the Terms and Conditions. The release of Security is conditioned upon that the redeemed amount is at least sufficient to repay all downstream loans to the relevant Condominium Association, in this case the BRF.

Gemma has confirmed to the Trustee that the downstream loan from Gemma to the BRF will be repaid in full thus the Trustee will release the

Security relating to the BRF as soon as the Partial Redemption Amount, and accrued but unpaid interest on such amount, has been paid to the Bondholders in full.

Relevant dates and partial redemption amount

On the 11th of September 2018, being the Redemption Date, Gemma will prepay an amount of SEK 44 190 000, EUR 721 000 and NOK 12 210 000 (the "**Partial Redemption Amount**") corresponding to the net proceeds from the divested Condominium Association to the Bondholders holding Bonds on the applicable Record Date, being 4th of September 2018.

The Partial Redemption Amount will be applied towards reduction of the Nominal Amount of each Bond *pro rata* at a price equal to 100.00 per cent of the Nominal Amount for each Bond including, for the avoidance of doubt, accrued but unpaid interest.

This Notice is irrevocable and shall be governed by Swedish law.

The information in this notice will also be published on the websites of the Issuer and the Trustee.

Yours faithfully,

Gemma Properties Holding AB (publ)

Lisa Graham Borg

For further information regarding the voluntary partial redemption, please contact:

Lisa Graham Borg, CEO

Telephone: + 46 (0) 761 664647

Email: lisa@gemmaproperties.se