

Notice of Written Procedure for senior unsecured bonds issued by Prime Living AB (publ)

To the holders of the up to SEK 600,000,000 senior unsecured callable floating rate bonds due 2020 (the "Bonds") ISIN SE0009806383 issued by Prime Living AB (publ) (the "Issuer") on 19 April 2017.

*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 19 April 2017 (the "**Terms and Conditions**").*

This voting request for procedure in writing will be sent by regular mail on 21 December 2018 to Bondholders directly registered in the debt register (Sw. skuldbok) kept by Euroclear Sweden AB. This 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 Section 5 C, (Voting rights and authorisation).

Intertrust (Sweden) AB (the "Agent") is under the Terms and Conditions appointed as Agent for the above mentioned issuance of Bonds of Prime Living AB (publ) (the "Issuer"). In its capacity as Agent, and as requested by the Issuer, the Agent hereby initiates a procedure in writing, whereby Bondholders can vote for or against the Issuer's request to amend the Terms and Conditions and waive certain provisions.

All capitalised terms used herein and not otherwise defined in this notice (the "Notice to a Written Procedure") shall have the meanings assigned thereto in the Terms and Conditions for the Bonds.

This voting request, and associated enclosed Schedules 1 and 2, have been construed in accordance with applicable regulations 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, a power of attorney/authorisation, substantially in the form as attached hereto as Schedule 2 (the "Power of Attorney"), if the Bonds are held in custody other than with Euroclear Sweden AB, 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 **12:00 (CET), 16 January 2019**, by regular mail, via courier or e-mail to the addresses indicated below under Section 5 F. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure a person must fulfil the formal criteria for being a Bondholder on **21 December 2018 (the "Record Date")**. This means that the person must be registered on a Securities Account with Euroclear Sweden AB, being the CSD, as a direct registered owner (Sw. direktregistrerad ägare) or authorised nominee (Sw. förvaltare) with respect to one or several Bonds.

The information in this Notice to a Written Procedure regarding the Issuer and market conditions is provided by the Issuer, and the Agent expressly disclaims any liability whatsoever related to such information.

A. Request

Background

The Issuer needs to raise financing in order to meet its liquidity needs. Certain of the Issuers shareholders and/or affiliates of the shareholders have agreed to provide such financing but this requires approval from Bondholders.

PROPOSAL

In order to achieve the above mentioned objectives, the Issuer proposes certain temporary amendments and waivers. The proposed temporary amendments and waivers are:

- i. The Issuer needs to raise financing in order to meet its liquidity needs. Certain of the Issuers shareholders and/or affiliates of the shareholders have agreed to provide such financing on the terms attached to this Request to Initiate Written Procedure (Appendix 1) (the "**Shareholder Loans**"), provided the required majority of the Bondholders permit and agree to the incurrence of the Shareholder Loans on the terms and conditions set out in Appendix 1 (including the granting of the shares referred to in Appendix 1 as security for the Shareholder Loans) and agree to the other waivers and temporary amendments set out below.
- ii. Pursuant clause 11.6 (Financial indebtedness) of the Terms and Conditions the Issuer may not incur any new Financial Indebtedness, other than Permitted Financial Indebtedness. The terms and conditions of the Shareholder Loans set out in Appendix 1 are such that they do not constitute Permitted Financial Indebtedness. Pursuant to clause 11.7 (Disposal of assets) the issuer may among other things not dispose of shares. The pledging of and potential consequences of the pledging of the shares as set out in Appendix 1, could be deemed to constitute a disposal and a breach of clause 11.7 (Disposal of assets). It is requested that these provisions are waived in order to permit the Shareholder Loans and the security to be provided for the Shareholder Loans. It is also requested that the Bondholders for the avoidance of doubt confirm that the Issuer may agree such amendments and/or waivers in respect of the terms of the Shareholder Loans and the security as may be required from time to time;
- iii. The Shareholder Loans will not be sufficient in order to meet the Issuers liquidity needs unless Interest to be paid on 19 January 2019, 19 April 2019 and on 19 July 2019 on the Bonds instead of being paid in cash is capitalised and added to the aggregate Nominal Amount of the Bonds on 19 July 2019. It is requested that the Terms and Conditions are temporarily amended in order to cater for the capitalisation of interest in accordance with the foregoing and that Interest shall continue to accrue with the Interest Rate without any addition of any default interest pursuant to Clause 9.4 of the Terms and Conditions. After 19 July 2019 the temporary amendment shall cease and interest shall accrue and be paid in cash in accordance with the original form of the Terms and Conditions;
- iv. In addition, it is requested that the Terms and Conditions shall be waived so that the financial covenants set out in clause 11.1 (Financial covenants) shall not apply during the time period from 30 September 2018 and up and until 30 June 2019 and that the next Reference Date on which the financial covenants set out in Clause 11.1 (Financial covenants) are tested is 31 September 2019. Further, it is requested that the Terms and Conditions shall be waived so that there shall be no test of any financial covenant set out in Clause 11.1 (Financial covenants) as per the Reference Date 30 September 2018; and
- v. Furthermore, it is requested that the Terms and Conditions shall be waived so that the none delivery of any Compliance Certificate in respect of the Reference Date 30 September 2018 and the delivery of Compliance Certificates during the period until after the Reference Date falling on 30 September 2019 without any reference to any financial covenant or compliance with any financial covenant, shall not constitute an Event of Default.

REQUEST

The purpose of the Written Procedure is to obtain consent to waivers and temporary amendments of the Terms and Conditions and obtain the confirmations in accordance with what is set out under Proposal in i) – v) above (including but not limited to permitting the Shareholder Loans and the security to be provided thereunder).

NON-RELIANCE

The Amendment and Waiver Request is presented to the Bondholders without evaluation, advice or recommendations from the Agent. The Agent has not reviewed or assessed this Notice to a Written Procedure or the Amendment and Waiver Request (and their 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 to a Written Procedure or the Amendment and Waiver Request (and their effects, should it be adopted). The Bondholders must independently evaluate whether the above Amendment and Waiver Request (and its effects) is acceptable or not.

All Bondholders are strongly encouraged to review and consider the Request and the underlying information.

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 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 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 either the Agent or the Issuer.

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 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 21 December 2018 (the "**Record Date**"):

- (i) be registered on the Securities Account as a direct registered owner (*Sw. direktregistrerad ägare*); or
- (ii) be registered on the Securities Account as authorised nominee (*Sw. 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 (*Sw. förvaltare*) or another intermediary, you may have two different options to influence the voting for the Bonds.

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 of the Issuer do not entitle to any voting rights.

Quorum

Pursuant to Clause 15.8 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 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 12.00 (CET) on 16 January 2019 in respect of the Written Procedure shall also remain valid for any such second Written Procedure.

Majority

Pursuant to Clause 15.5 of the Terms and Conditions, at least $\frac{3}{4}$ (**75 per cent**) 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 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 16 January 2019**. Votes received thereafter will be disregarded.

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

Address for sending replies

By regular mail:

Intertrust (Sweden) AB

Attn: Beatrice Gustafsson, P.O. Box 16285, 103 25 Stockholm, Sweden

By courier:

Intertrust (Sweden) AB

Attn: Beatrice Gustafsson, Sveavägen 9, 10th floor 111 57 Stockholm, Sweden

By e-mail:

trustee@intertrustgroup.com

For further questions please see below:

To the Agent:

Intertrust (Sweden) AB, Beatrice Gustafsson, trustee@intertrustgroup.com, +46 70 141 10 82.

To the Issuer:

Prime Living AB (publ), Hans Sandén, hans.sanden@primeliving.se, + 46 70 873 9496

Stockholm on 21 December 2018

Intertrust (Sweden) AB

as Agent

Schedule 1 VOTING FORM

for the Written Procedure initiated on 21 December 2018 up to SEK 600,000,000 senior unsecured callable floating rate bonds due 2020 (the "Bonds") with ISIN SE0009806383 issued by Prime Living AB (publ) (the "Issuer") on 19 April 2017

Prime Living AB (publ) requests the Bondholders to approve the Request set out in the notice for the Written Procedure.

The Agent 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 15.9 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/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/AUTHORISATION¹**

for the Written Procedure initiated on 21 December 2018 up to SEK 600,000,000 senior unsecured callable floating rate bonds due 2020 (the "Bonds") with ISIN SE0009806383 issued by Prime Living AB (publ) (the "Issuer") on 19 April 2017

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

Appendix 1
NON-NEGOTIABLE PROMISSORY NOTE

NON-NEGOTIABLE PROMISSORY NOTE

This non-negotiable promissory note (Sw. *enkelt skuldebrev*) (the "**Note**") has been entered into on ___December 2018.

Borrower: Prime Living AB (publ), reg. no. 556715-7929, a public limited liability company with registered office in Stockholm, Sweden.

Lenders:

Lender	Loan Amount (PAR)	Amount after OID	Approx. %
Total	39,333,333.3	29,500,000	100%

Agent for the Lenders: Nordic Trustee or such other agent the Lenders may appoint. Each Lender appoints the Agent as its agent under this Note and in respect of any Security relating to this Note

Loan Amount (PAR): SEK 33,333,333.3 (with the addition of all capitalised interest)

OID: 25 per cent. (after OID Borrower to receive SEK 29,500,000).

PIK Interest: 10 per cent per annum to be capitalised on the Loan Amount annually at the anniversary of the date of this Note and on the Termination Date.

Termination Date: 30 June 2019.

Repayment: On the Termination Date the Borrower shall repay the Loan Amount together with any accrued but not capitalised interest.

Security: This Note is secured by the shares in Prime Living International AB, 559069-3973, which has been pledged to Lenders represented by the Agent.

Term and Conditions: No demand by the Lenders or the Agent for repayment and prepayment of this Note is permitted prior to the Termination Date. For the avoidance of doubt conversion of the Loan Amount into equity by way of shareholders contributions or subscription for shares is permitted. All payments under this Note shall be made to the Agent and no Lender may individually demand payment under this Note. The Agent may demand payment under this Note on the Termination Date if instructed by Lenders representing 66 2/3 per cent of the Loan Amount. If such demand for payment has been made by the Agent and the Borrower has not fulfilled its obligations under this Note, the Agent may enforce the security if instructed by Lenders representing 66 2/3 per cent of the Loan Amount. The Borrower may prepay this Note without penalty and premium and in case of such prepayment the Borrower shall pay the Loan Amount together with accrued but not capitalised interest.

Account details: The Loan Amount after deduction of the OID shall be paid to the account notified by the Borrower to the Agent, i.e SEK 29,500,000 shall be paid to such account.

Transfer: No Lender nor the Agent may without the Borrower's prior written consent transfer or assign this Note or any rights or obligations thereunder or under any Security. A Lender may not pledge or provide its rights under this Note or any Security as security.

Governing law: Swedish law.

PRIME LIVING AB (PUBL)

as Borrower

By:

[Lender]
as Lender

By:

[Agent]

as Agent

By: _____