

**NOTICE OF WRITTEN PROCEDURE FOR BONDS ISSUED BY**

**HEMFOSA FASTIGHETER AB**

**Senior Unsecured Floating Rate Bonds due 2019 with ISIN SE0009357403**

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## 1. INTRODUCTION

Following a request by Hemfosa Fastigheter AB (the “**Issuer**”), Nordic Trustee & Agency AB (publ), acting in its capacity as agent (the “**Agent**”), hereby initiates a written procedure in accordance with the terms and conditions of the Senior Unsecured Floating Rate Bonds due 2019 issued by the Issuer with ISIN SE0009357403. Bondholders are urged to carefully review and consider the details of this notice of written procedure in full. If you are a nominee holding bonds on behalf of another person, please forward this notice to the bondholder that you represent at your earliest convenience.

Capitalized terms used but not otherwise defined in this notice shall have the same meaning as in the terms and conditions for the Senior Unsecured Floating Rate Bonds due 2019 issued by the Issuer with ISIN SE0009357403.

The Proposal (as defined below) is put forward to the Bondholders without any evaluation, advice or recommendations from Skandinaviska Enskilda Banken AB (publ) or Swedbank AB (publ) in its capacities as solicitation agents (the “**Solicitation Agents**”). The Solicitation Agents are agents of the Issuer and owe no duty to any Bondholder or person authorised by a Bondholder. Nothing herein shall constitute a recommendation to the Bondholders by the Solicitation Agents. The Bondholders must independently evaluate whether the Proposal is acceptable for such Bondholder and vote accordingly.

The information in this notice (including enclosures) is provided by the Issuer, and the Agent expressly disclaims all liability whatsoever related to the contents of this notice and the Proposal.

## 2. INDICATIVE TIMETABLE

<b>13 August 2018</b>	Announcement of the written procedure.
<b>20 August 2018</b>	Record date for Bondholders to be eligible to vote (the “ <b>Record Date</b> ”).
<b>On or about 21 August 2018</b>	Publication of an information brochure for the Issuer’s extraordinary general meeting of shareholders.
<b>28 August 2018 (at 17:00 CET)</b>	Deadline for receipt by the Agent of a valid vote from Bondholders to be eligible for Early Bird Fee (as defined below).
<b>6 September 2018 (at 17:00 CET)</b>	Deadline for receipt by the Agent of a valid vote from Bondholders to participate in the written procedure.
<b>7 September 2018</b>	Last day for announcement of result of written procedure.
<b>13 September 2018</b>	Extraordinary general meeting of shareholders.

<b>17 September 2018</b>	Record date for the Base Fee (as defined below).
<b>24 September 2018</b>	Expected date for payment of Base Fee and Early Bird Fee.

### 3. BACKGROUND

On 7 November 2017, the board of directors of the Issuer announced that it had decided to evaluate the conditions for a split of the Group into two listed companies; the Issuer on the one hand, which after the split will focus solely on community service properties, and a transaction-based, opportunistic company on the other hand. On 16 February 2018, the board of directors of the Issuer announced its decision to create a subsidiary comprising the Issuer's other properties and on 18 April 2018 the new name of the subsidiary was announced; Nyfosa AB ("**Nyfosa**"). The purpose of the split is to create higher shareholder value by further streamlining the operations.

The Issuer intends to shortly convene an extraordinary general meeting to propose that the shareholders in the Issuer shall resolve to distribute the shares in Nyfosa to the holders of ordinary shares in the Issuer. The intention is to effect the distribution of the shares in Nyfosa and that Nyfosa shall apply to have its shares admitted to trading on Nasdaq Stockholm during 2018.

The Issuer believes that a specialized community service property company will enhance the Issuer's competitiveness and strengthen the conditions for growth, for example, by more clearly investing in project development, specialist expertise for community service properties such as schools, offices, care services and criminal services properties, and strong customer relationships.

If the distribution of the shares in Nyfosa would have occurred on 30 June 2018, on a proforma basis, the Issuer would still have satisfied the financial undertakings under the terms and conditions of the Bonds. An information brochure with further information about the proposed distribution of the shares in Nyfosa and about the Issuer, excluding Nyfosa, is expected to be published on or about 21 August 2018. Each Bondholder is urged to take part of the information brochure and other information to be posted on the Issuer's website, [www.hemfosa.se](http://www.hemfosa.se), once available, in order to receive further information about the proposed distribution of the shares in Nyfosa as well as about the Issuer, excluding Nyfosa.

Please note that the Issuer, on the date hereof, has initiated another written procedure in accordance with the terms and conditions of the Senior Unsecured Floating Rate Bonds issued by Hemfosa Fastigheter AB due 2020 with ISIN SE0009664337 (the "**Parallel Procedure**") for the same purpose as the written procedure which is initiated by this notice.

#### 4. PROPOSAL FOR AMENDMENT

The Issuer has made the assessment that executing the distribution of the shares in Nyfosa to the holders of ordinary shares in the Issuer is likely to constitute a breach of the disposal of assets clause (Clause 13.3) of the terms and conditions of the Bonds.

The purpose of this written procedure is to invite Bondholders to (i) consider and, if thought fit, consent to the distribution of the shares in Nyfosa, (ii) agree to certain amendments to the terms and conditions to cater for such distribution.

The Issuer proposes that the Bondholders resolve to amend the terms and conditions as follows (the "**Proposal**"):

- (i) *Clause 1.1 (Definitions) of the terms and conditions to include the following new definition:*

"**Permitted Nyfosa Distribution**" means the distribution by the Issuer of the shares in Nyfosa AB (corporate identity no 559131-0833) to the holders of ordinary shares in the Issuer, before or on 31 March 2019.

- (ii) *Clause 13.3 (Disposal of Assets) of the terms and conditions read as follows (additional text highlighted in bold and underscore):*

##### **13.3 Disposal of Assets**

- (a)** The Issuer shall not, and shall procure that no Material Group Company will, sell or otherwise dispose of all or some of the shares in any Material Group Company or of all or substantially all of its or a Material Group Company's assets or operations, to any person not being the Issuer or any of its wholly-owned Subsidiaries unless such disposal is made on customary arm's length terms at fair market value and does not have a Material Adverse Effect.

- (b)** **Paragraph (a) above does not apply to the Permitted Nyfosa Distribution.**

The Issuer hereby kindly requests the Bondholders to vote in favour of the Proposal.

#### 5. WRITTEN PROCEDURE

The following instructions need to be adhered to under the written procedure.

##### 5.1 Voting procedure

To be eligible to vote in the written procedure, you must be registered as a Bondholder on 20 August 2018 in the debt register (Sw. *skuldbok*) for the Bonds (the "**Debt Register**") as a direct registered owner (Sw. *direktregistrerad ägare*) or as an authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

If you hold Bonds through an authorised nominee and wish to exercise voting rights in respect of such Bonds, you will need to instruct your nominee to vote on your behalf. Alternatively, you may request your nominee to issue a power of attorney in the format set out in Schedule 2 (*Power of Attorney*) to this notice, authorising you to vote. If your Bonds are held through several intermediaries (i.e. your authorised nominee is not registered in the debt register), you will need to obtain a power of attorney from the Bondholder listed in the Debt Register, or otherwise obtain a coherent chain of powers of attorney starting with the Bondholder listed in the Debt Register. Please note that the deadline set by any nominee or intermediary for the submission of a completed voting form is likely to be earlier than the deadlines set by the Issuer in this notice.

Bondholders participate in the written procedure by completing and sending a voting form in the format set out in Schedule 1 (*Voting Form*) to this notice ("**Voting Form**") and, if applicable, a power of attorney, to the Agent.

Bonds owned by the Issuer, another Group Company or an Affiliate do not entitle to any voting rights.

## **5.2 Final date to vote in the written procedure**

The Agent must receive the duly completed voting form **no later than 17:00 (CET) on 6 September 2018** either by regular mail, courier or email using the contact details set out in Section 5.5 (*Address for sending replies*) below. Votes received thereafter as well as incomplete or inaccurate voting forms may be disregarded.

Please refer to Section 6 (*Fees*) for information about the deadline and conditions in order to be eligible for the Base Fee and the Early Bird Fee (as defined in Section 6).

## **5.3 Quorum**

Bondholders representing at least twenty (20) per cent of the Adjusted Nominal Amount must participate in the written procedure by way of casting votes in order to form quorum.

If quorum is not achieved, the Agent shall, if requested by the Issuer, initiate a second written procedure for which no quorum requirement will apply.

## **5.4 Majority**

In order for the Proposal to be approved, the Agent must receive votes in favour of the Proposal representing more than fifty (50) per cent of the Adjusted Nominal Amount of the Bondholders voting in the written procedure.

## **5.5 Address for sending replies**

### **By regular mail:**

Nordic Trustee & Agency AB  
Attn: Written Procedure Hemfosa Fastigheter AB

P.O. Box 7329  
S-103 90 Stockholm

**By courier:**

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure Hemfosa Fastigheter AB  
Norrländsgatan 23  
111 43 Stockholm

**By email:**

E-mail: [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com)

**5.6 Outcome of written procedure**

The Agent will determine if a received Voting Form will be counted for as a valid vote in the written procedure. When a requisite majority of votes in favour of the Proposal have been received by the Agent, the Proposal shall be deemed to be adopted, even if the time period for replies in the written procedure has not yet expired. A notice of the outcome of the written procedure will promptly be sent by regular mail to the Bondholders and be published on the websites of the Issuer and the Agent ([www.hemfosa.se](http://www.hemfosa.se), [www.nordictrustee.com](http://www.nordictrustee.com) and [www.stamdata.com](http://www.stamdata.com)), subject to the result being announced as soon as reasonably practicable in a press release by the Issuer.

Any matter resolved upon under the written procedure will be binding for all Bondholders.

**6. FEES**

Subject to satisfaction of the conditions set forth below in Section 6.1, the Issuer will pay a base fee (the "**Base Fee**") to all Bondholders if the Proposal is approved under the written procedure. The Base Fee, which will be an amount equal to 0.05 per cent of the Nominal Amount of each Bond, shall be calculated based on the aggregate principal amount held by the relevant Bondholder on the record date for Bondholders to be eligible to receive the Base Fee. This record date will occur on 17 September 2018. Please note that this means that a Bondholder that has voted in the written procedure but is not registered in the Debt Register as a direct registered owner (Sw. *direktregistrerad ägare*) or nominee (Sw. *förvaltare*) with respect to one or several Bonds on 17 September 2018 will not be entitled to the Base Fee.

Subject to satisfaction of the conditions set forth below in Section 6.1, Bondholders voting in favour of the Proposal by submitting a valid Voting Form no later than by 17:00 (CET) on 28 August 2018 are eligible to receive an early bird fee (the "**Early Bird Fee**") in an amount of 0.15 per cent of the Nominal Amount of each Bond voted for.

The Agent does not administer the Base Fee or the Early Bird Fee and is not involved in or in any way responsible for the Base Fee or the Early Bird Fee.

## 6.1 Fee conditions

Payment of the Base Fee and the Early Bird Fee as stated above is conditional upon:

- the quorum and majority requirements being satisfied such that the Proposal is approved in this written procedure;
- the quorum and majority requirements being satisfied such that the proposal under the Parallel Procedure is approved; and
- the shareholders of the Issuer resolving at an extraordinary general meeting of the Issuer to distribute the shares in Nyfosa to the holders of ordinary shares in the Issuer.

Further, in order to be eligible to receive the Early Bird Fee, the latest time and date for receipt by the Agent of a duly completed Voting Form from the Bondholder in favour of the Proposal is at **17.00 (CET) on 28 August 2018** either by regular mail, courier or email using the contact details set out in Section 5.5 (*Address for sending replies*) above. Bondholders whose votes are received after such date and time or that do not vote in favour of the Proposal will not be eligible to receive the Early Bird Fee but can still receive the Base Fee if the other conditions above are fulfilled.

## 6.2 Payment of fees

Payment of the Base Fee will be effected to Bondholders through Euroclear Sweden AB, which will credit the income account (Sw. *avkastningskonto*) to which interest payments on the Bonds are made to the relevant Bondholder.

Payment of the Early Bird Fee will be effected by Skandinaviska Enskilda Banken AB acting as paying agent (the "**Paying Agent**"). Payment will be made to the account stated by the Bondholder in the completed Voting Form in the designated format set out in Schedule 1 (Voting Form).

Bondholders who wish to receive the Early Bird Fee must provide their account details in the Voting Form. By submitting a Voting Form, Bondholders consent to that the Agent may share copies of the Voting Form with the Paying Agent in order for the Paying Agent to administer payment of any Early Bird Fee which the Bondholder may be entitled to in accordance with this notice.

The expected settlement date for payment of fees is 24 September 2018. Payments are expected to be made without withholding or deduction for any applicable taxes and each Noteholder must make its own determination as to whether or not it is required to pay tax on any amounts it receives in connection with the Proposal.



### **6.3 General**

The Issuer may, at its option and in its sole discretion, at any time amend, extend, re-open or terminate the written procedure or the terms of the written procedure in accordance with the terms and conditions of the Bonds.

## **7. CONDITION PRECEDENT AND EFFECTIVENESS**

The Proposal shall be deemed approved immediately upon expiry of the voting period and receipt of the requisite quorum and majority as set out in Section 5.3 and 5.4 or, if earlier, when a requisite quorum and majority of consents of the Adjusted Nominal Amount has been received by the Agent (however not earlier than the day after the Record Date). Any approval by the Bondholders of the Proposal shall be effective during six (6) months as of the last date of the voting period of the written procedure.

## **8. ROLE OF THE AGENT**

The role of the Agent under this written procedure is solely mechanical and administrative in nature. The information set out herein is presented to the Bondholders without any evaluation, advice or recommendations from the Agent whatsoever.

The Agent is not an adviser to any party and has not reviewed or assessed the information set out herein from a legal or commercial perspective of the Bondholders and the Agent expressly disclaims any liability whatsoever related to the content of this notice (or the effect(s) of the Proposal, should it be adopted).

## **9. RISKS AND OTHER CONSIDERATIONS**

For the avoidance of doubt, the below risk assessments and considerations are provided by the Issuer.

### **9.1 Trading in the Bonds**

If the Proposal is approved the trading in the Bonds may be adversely affected during a limited period of time until the Base Fee and Early Bird Fee has been distributed to the Bondholders.

### **9.2 Responsibility for complying with the procedures of the Proposal**

Bondholders are responsible for complying with all of the procedures for submitting a Voting Form. None of the Issuer, the Agent or the Solicitation Agents assumes any responsibility for informing any Bondholder of irregularities with respect to such Bondholder's participation in the Proposal (including any errors or other irregularities, manifest or otherwise, in any Voting Form).

### 9.3 Responsibility to consult advisers

Each Bondholder is solely responsible for making its own independent evaluation of all matters as such Bondholder deems appropriate (including those relating to the Proposal and the Issuer), and each Bondholder must make its own decision as to whether to participate in the Proposal. Bondholders should consult their own tax, accounting, financial and legal advisers regarding the impact to themselves of voting in favour for or against the Proposal. None of the Issuer or the Solicitation Agents nor any director, officer, employee, agent or affiliate of any such person, is acting for any Bondholder or will be responsible for providing any protections which would be afforded to its clients to any such Bondholder or for providing advice in relation to the Proposal. None of the Issuer, the Agent or the Solicitation Agents, nor any director, officer, employee, agent or affiliate of any such person, makes any recommendation as to whether such Bondholders should vote in favour for or against the Proposal.

## 10. FURTHER INFORMATION

For questions to the Issuer, please contact Jens Engwall, CEO at [jens.engwall@hemfosa.se](mailto:jens.engwall@hemfosa.se) or +46 70 690 65 50 or Bengt Kjell, Chairman of the Board at +46 70 594 53 98 .

For questions to the Solicitation Agents, please contact SEB at [DCMSyndicate@seb.se](mailto:DCMSyndicate@seb.se) or +46 8 506 230 61 or Swedbank at [syndicate@swedbank.se](mailto:syndicate@swedbank.se) or +46 8 700 92 32.

For questions to the Agent regarding the administration of the written procedure, please contact the Agent at [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com) or +46 8 783 79 00.

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Stockholm, 13 August 2018

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

**as Agent**

**on behalf of Hemfosa Fastigheter AB**

**Enclosed:**

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

**VOTING FORM***Schedule 1*

For the written procedure in Hemfosa Fastigheter AB regarding Senior Unsecured Floating Rate Bonds due 2019 with ISIN SE0009357403.

The undersigned Bondholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Proposal by marking the applicable box below.

**NOTE:** *If the Voting Person is not registered as Bondholder (as defined in the terms and conditions), the Voting Person must enclose a Power of Attorney/Authorisation, see Schedule 2.*

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the notice of written procedure from Hemfosa Fastigheter AB dated 13 August 2018.

**For** the Proposal (and confirming that the Agent may share copies of this voting form with the Paying Agent in order for the Paying Agent to administer payment of any Early Bird Fee which the Voting Person may be entitled to in accordance with the notice of written procedure)

**Against** the Proposal

Name of Voting Person

\_\_\_\_\_

Capacity of the Voting Person:

Bondholder:  <sup>1</sup>      Authorised person:  <sup>2</sup>

Voting Person's reg.no/id.no and country of incorporation/domicile:

\_\_\_\_\_

Securities account number with Euroclear Sweden: *(if applicable)*

\_\_\_\_\_

Name and securities account number of custodian(s): *(if applicable)*

\_\_\_\_\_

Nominal Amount voted for (in SEK):

\_\_\_\_\_

Bank account for payment of potential Early Bird Fee:

\_\_\_\_\_

Contact person, daytime telephone number and e-mail address:

\_\_\_\_\_

<sup>1</sup> When voting in this capacity, no further evidence is required.

<sup>2</sup> When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (Schedule 2) from the Bondholder or other proof of authorisation showing the number of votes held on 20 August 2018.

## POWER OF ATTORNEY/AUTHORISATION

### Schedule 2

For the written procedure in Hemfosa Fastigheter AB regarding its Senior Unsecured Floating Rate Bonds due 2019 with ISIN SE0009357403.

**NOTE:** This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not registered as Bondholder on the securities account held with Euroclear Sweden. It must always be established a coherent chain of power of attorneys derived from the Bondholder. I.e. if the person/entity filling out this Power of Attorney/Authorisation in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney/Authorisation from the Bondholder.

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the notice of written procedure from Hemfosa Fastigheter AB dated 13 August 2018.

Name of person/entity that is given authorisation (Sw. <i>befullmäktigad</i> ) to vote: _____
Nominal Amount (in SEK) the person/entity is authorised to vote for: _____
Name of Bondholder or other intermediary giving the authorisation (Sw. <i>fullmaktsgivaren</i> ): _____

We hereby confirm that the person/entity specified above (Sw. *befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: SEK \_\_\_\_\_

We are:

- Registered as Bondholder on the securities account
- Other intermediary and holds the Bonds through (specify below):

\_\_\_\_\_

Place, date: \_\_\_\_\_

\_\_\_\_\_  
Name:

Authorised signature of Bondholder/other intermediary (Sw. *fullmaktsgivare*)