

**COMPANY DESCRIPTION OF
POINT PROPERTIES PORTFOLIO 1 AB (PUBL)**

Point

**PREPARED IN CONNECTION WITH THE ADMISSION TO TRADING OF
SEK 375,000,000 SENIOR SECURED CALLABLE FIXED RATE BONDS**

2019/2021

ISIN: SE0013015997

First North Disclaimer

Nasdaq First North Bond is an MTF, as defined in EU legislation (as implemented in national law), operated by an exchange within the Nasdaq group. Issuers on Nasdaq First North Bond are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead they are subject to a less extensive set of rules and regulations. The risk in investing in an issuer on Nasdaq First North Bond may therefore be higher than investing in an issuer on the main market. The Exchange approves the application for admission to trading.

Important information

This Company Description (the “**Company Description**”) has been prepared by Point Properties Portfolio 1 (publ), reg. no. 559199-0352 (the “**Issuer**” or together with its direct and indirect subsidiaries from time to time (unless otherwise indicated by the context) the “**Group**”), in relation to the Issuer’s application for listing of SEK 375,000,000 senior secured callable fixed rate bonds 2019/2021 with ISIN SE0013015997 (the “**Bonds**”), issued on 6 September 2019 (the “**Issue Date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”) (the “**Bond Issue**”) on the institutional segment of Nasdaq First North Bond Market at Nasdaq Stockholm (“**Nasdaq First North**”). The Issuer shall use its best efforts to ensure that the Bonds are admitted to trading on Nasdaq First North within 30 calendar days of the Issue Date. Any defined term in this Company Description shall have the same meaning as in the Terms and Conditions, unless stated otherwise. The Issuer’s obligations under the Finance Documents are secured by the Transaction Security Documents. The Company Description and the Terms and Conditions of the Bonds are available at the Issuer’s web page (www.pointproperties.se).

This Company Description is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of admitting the Bonds to trading on Nasdaq First North. This Company Description may not be distributed in any country where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Company Description comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any U.S. state securities laws and may be subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Issuer has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country’s securities laws. It is the investor’s obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

This Company Description does not constitute a prospectus as defined in, and has not been prepared to comply with, the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”) and no prospectus relating to the Bonds or the admission to trading on Nasdaq First North has been or will be registered under any law or regulation. The issue of the Bonds was made in reliance upon one or several exemptions from the prospectus requirements under the Prospectus Regulation. The admission to trading of the Bonds contemplated herein is also being made in accordance with any such exemptions and is not being made to require a prospectus, registration measures or other similar measures (except as provided for under the rules for First North).

Certain information contained in this Company Description, including any information on the Issuer’s plans or future financial or operating performance and other statements that express the Issuer’s management’s expectations or estimates of future performance, constitute forward-looking statements (when used in this document, the words “anticipate”, “believe”, “estimate” and “expect” and similar expressions, as they relate to the Issuer or its management, are intended to identify forward-looking statements). Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. The Issuer cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Issuer to be materially different from the Issuer’s estimated future results, performance or achievements expressed or implied by those forward-looking statements. Such factors of a significant nature are mentioned in section “*Risk factors*” below.

The Bonds may not be a suitable investment for all investors and each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Company Description or any applicable supplement; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact other Bonds will have on its overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds; (iv) understand thoroughly the Terms and Conditions; and (v) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

This Company Description is governed by Swedish law. Disputes concerning, or related to, the contents of this Company Description shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

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Risk factors

Investing in the Bonds involves inherent risks. A number of risk factors and uncertainties may adversely affect the Issuer and the Group.

In this section, a number of risk factors are illustrated, both general risks pertaining to the Group's business operations and risks relating to the Bonds. If any of these risks or uncertainties actually materialise, the business, prospects, financial position, reputation or results of operations of the Group could be materially and adversely affected, which could have a material adverse effect on the Group's ability to meet its obligations (including payment of interest and repayment of principal) under the Terms and Conditions). Potential investors should carefully consider the information contained in this section and make an independent evaluation before making an investment in the Bonds.

The risk factors are organised in the following categories:

Risk factors specific and material to the Issuer and the Group

- I. Risks related to the Group's financial situation*
- II. Risks related to the Group's business activities and industry*
- III. Legal and regulatory risk*

Risk factors specific and material to the Bonds

- I. Risks related to the nature of the Bonds*
- II. Risks related to the admission of the Bonds to trading on a regulated market*
- III. Risks related to the Transaction Security*
- IV. Risks related to the bondholders' rights and representation*

Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor. The most material risk factor in a category is presented first under that category, where the materiality has been determined based on the probability of occurrence and expected magnitude of negative impact of the risk. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence.

Each risk factor has been assigned the risk rating "low", "medium" or "high" taking into account both its probability of occurrence and its expected magnitude of negative impact if it would materialise.

RISK FACTORS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

Risks related to the Group's financial situation

The Group is exposed to interest rate risks which may affect market values

Interest rate fluctuations may lead to changes in market values of the Group's real property, which in turn could have a material negative impact on the Group's financial position.

Risk rating: Medium

The Group is exposed to counterparty risk

The Group is exposed to the risk that a counterparty is unable to meet their obligations to pay the contractually agreed rent, purchase consideration or otherwise fulfil their obligations. Existing and potential customers may find themselves in situations, for example due to economic circumstances, which mean they can no longer pay the contractually agreed rents on time or otherwise fulfil their obligations. Furthermore, new development and refurbishment projects could be delayed if suppliers cannot deliver on time or if contractors cannot conclude projects as planned. If the Group's counterparties are not able or willing to fulfil their obligations to the Group it could have a negative impact on the Group's financial position and earnings.

Risk rating: Medium

The Issuer is dependent on its subsidiaries for the purpose of servicing its debt obligations

The Group's assets and revenues are generated by the Issuer's subsidiaries. Accordingly, the Issuer is dependent upon receipt of sufficient income and cash flow related to the operation of and the ownership in the subsidiaries to enable the Issuer to make payments under the Bonds.

The Issuer's subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the Issuer's subsidiaries to make such payments to the Issuer is subject to, among other things, the availability of funds, corporate and/or local law restrictions and the terms of each operation's indebtedness. Should the Issuer not receive sufficient income from its subsidiaries, the Issuer's ability to make payments to the investors under the Terms and Conditions may be adversely affected.

Risk rating: Low

Risks related to the Group's business activities and industry

Macroeconomic factors have a major impact on the real estate market

The Group's business focus is primarily on investments in centrally located real estate in small and mid-sized Swedish cities and leasing for community services, grocery stores, retail stores and assisted living. The real estate market is to a considerable degree affected by macroeconomic factors, both at a regional and local level, such as the general economic climate and economic trends, inflation and/or deflation rates, economic growth, the rate of construction of new housing and commercial premises and changes to infrastructure and demographics. Economic growth affects the employment rate, which is an important factor regarding, for example, demand for properties and tenant solvency. An economic downturn leading to lower employment rates, a sharp rise in inflation or deflation could have a negative impact on the Group's operations, financial position and earnings. Inflation also influences the Issuer's property expenses. Furthermore, changes in interest rates and inflation impact the required yield and thereby the market value of the properties. Higher vacancy rates, higher interest rates, rising costs and lower rental rates could have a material adverse effect on the Group's business, results of operations and financial position.

Risk rating: Medium

Decreasing rental income or higher vacancy rates may have a material adverse effect on the Group's business, results of operations and financial position

In light of the Group's business focus, the Group's income is highly correlated with rental rates and vacancy rates. As described in the risk factor "*Macroeconomic factors have a major impact on the real estate market*" above, both rental and vacancy rates are highly affected by overall growth in the Swedish economy but also growth at regional and local levels where the Group conducts operations.

In addition to macroeconomic factors, loss of rental income or increasing vacancies are also related to the concentration of tenants and contractual structure. Fewer and larger tenants, a demographical concentration of tenants, short lease tenures, a concentration of leases with similar expiry dates or, in particular, a combination thereof, may increase the Group's exposure to higher vacancy rates or decreased rental income. As at 31 July 2019, the Group's ten largest rental contracts accounted for approximately 24.8 per cent. of the Group's total rental income and the average termination period under such rental contracts was approximately 3.2 years (rounded to the nearest decimal).

If tenants fail, for example due to insolvency, to fully meet their commitments in accordance with the lease, this may also lead to higher vacancy rates with a resulting

reduction in property value. If one or more of the Group's more important tenants does not renew or extend a lease once it has expired, this will result in reduced rental income and higher vacancy rate, should the Group be unable to attract new tenants and/or obtain equivalent rental income from new tenants. Furthermore, rental rates are dependent on the trend in current market rents. A long-term downward trend in market rents adversely impacts the Group's rental income and a recession increases the risk of large-scale vacancies in the portfolio. When a vacancy occurs, this could entail costs for customising the premises for a new tenant and a risk that the vacancy will be long-term. Decreasing rental rates or increasing vacancy rates may have a material adverse effect on the Group's business, results of operations and financial position.

Risk rating: Medium

The Group is to a certain extent dependent on retail lessees and lower demand for retail content may have an adverse effect on the Group's business, results of operations and financial position

The Group's main source of income is rental income. The Group relies on certain types of lessee content to generate rental income, such as community services, grocery stores, assisted living and, to a certain extent, retail stores. Amid the rapid expansion of e-commerce, retail in particular has been subject to higher default rates leading to increased vacancies in retail spaces. If it is not possible to offset increasing vacancies in retail spaces with retail content or other lessee content, it may have an adverse effect on the Group's business, results of operations and financial position.

Risk rating: Medium

Increased or unforeseen operating and maintenance costs could have a negative impact on the Group's operations, financial position and earnings

Operating expenses consist primarily of rates-based costs such as costs for electricity, cleaning, water, heat, and snow clearance. Several of these costs are for goods and services that can only be purchased from one or a small number of entities, which could affect the price. Furthermore, the costs for electricity, heat and snow clearance are dependent on weather conditions. The Group's business, financial position and earnings could be negatively affected insofar as it may not be possible to offset higher operating and maintenance costs by regulating them in the terms of the lease or renegotiating the lease to raise the rent. Unforeseen events, such as extreme weather conditions, could also have a negative impact on the Group's operations, financial position and earnings.

Maintenance costs are primarily attributable to measures aimed at upholding a property's standard in the long term or maintaining and/or modernising it. In order

to meet demands from the market, specific tenants or legal requirements, such costs may be substantial and unforeseen, and thereby may, to the extent they are not compensated for by the tenant, have an adverse impact on the Group's operations, financial position and earnings.

Risk rating: Medium

The value of the Group's property portfolio may decrease

The Group's property portfolio is recognised in the statement of financial position at fair value, and the changes in value are recognised in profit or loss. The value of the properties is affected not only by supply and demand in the market but also by a number of other factors, in part property-specific factors such as the leasing rate, rental rates and operating expenses, and in part such market-specific factors as the required yield and the cost of capital, which are derived from comparable transactions in the property market. Deterioration in either a property or the market could cause the value of the Group's properties to decline, which could have a negative impact on the Group's operations, financial position and earnings.

Risk rating: Medium

An inability to recruit and retain qualified staff and senior executives could have an adverse impact on the Group's operations

The Group's organisation is relatively small. The key personnel within the organisation have built up an in-depth knowledge of, and good relationships with, the property market. The Group is, therefore, dependent on these key personnel to a certain degree, particularly as a large share of the Group's transaction operations is based on short decision-making processes, close relationships with different market operators and in-depth knowledge and insight of the property categories and geographic areas in which the Group operates. The Group's future development therefore depends largely on the knowledge, experience and commitment of Group management and other key personnel. It is essential that the Group retains and continues to motivate leading employees, as well as being able to recruit, retain and develop other qualified senior executives and key employees. If key personnel leave the Group and suitable and experienced replacements cannot be recruited, this could have a negative impact on the Group's operations, financial position and earnings.

Risk rating: Medium

The Group is exposed to several risks in connection with the acquisition and disposal of properties

Property transactions are part of the Group's operating activities and also entail several risks. When acquiring properties, risks may also exist in the operations that are acquired. For example, tenants may vacate, the acquired operation's accounts

may be deficient and/or the operation may be the object of unforeseen environmental or tax claims. Other circumstances may also have an adverse impact on the value of the acquisition target.

Acquisitions may also be associated with risks pertaining to the seller or other operators. A seller may, for example, experience financial difficulties and therefore not have the willingness nor ability to pay compensation in connection with warranty claims. Property agents or other parties acting on someone else's behalf may, for example, act beyond the scope of their mandate or they may provide incorrect information and there are risks of disputes arising concerning the commissions paid to such middlemen.

As part of its property acquisition activity, the Group may also enter into property acquisition agreements without ensuring beforehand that the Group will have sufficient financing for the acquisition. There is a risk associated with these acquisitions that financing cannot be obtained or is available only at sharply increased costs.

The Group's ability to sell parts of its property portfolio on favourable terms depends on the health of the property and transaction market. If the Group were forced to sell parts of its property portfolio in order to finance its business, there is a risk that the Group will not succeed in completing these sales on favourable terms or at all. Should the Group be forced to sell all or parts of its property portfolio, it is probable that the selling price would be lower than the price the Group would be able to obtain in a future sale.

When engaging in sales, the Group may grant respites for part of the purchase consideration by way of a promissory note. If a buyer against whom the Group has a claim is experiencing or will experience financial difficulties, the Group's chances of being paid may be reduced.

Unrealised changes in value with positive effects on the Group's profit or loss and statement of financial position are created in cases where the fair value of a property is deemed to have risen based on the valuation performed. Such unrealised changes in value are, however, based on assumptions and judgments and the value of the property is only realised when the property in question is sold. There is a risk that the estimated and unrealised value of the properties may not be realised.

If any of the above risks pertaining to the Group's acquisitions or divestments were to materialise, this could have a negative impact on the Group's operations, financial position and earnings.

Risk rating: Medium

The Group operates in a competitive market

The Group operates in a competitive industry. Competitors include both major, well-established and well-financed entities and smaller and more niched entities with various competitive advantages and strengths. Competitive factors may include financial resources and capacity to better withstand downturns in the market, greater ability to retain talented employees and to react faster to changes in the needs of tenants, greater focus on specific segments or certain geographic areas where the Group conducts operations, or is planning to conduct operations, or more niched strategies that entail a more distinct profile and greater specialist knowledge. The Group's current and future competitive situation is, therefore, dependent on the Group's knowledge of the market, financing situation, ability to remain at the cutting edge and quickly react to the existing and future needs of tenants and ability to attract and retain talented employees. Increased competition could thus have a negative impact on the Group's operations, financial position and earnings.

Risk rating: Medium

The Group is exposed to the risk that its reputation is damaged

The Group's ability to attract and retain tenants is to a certain extent dependent on its reputation and, consequently, the Group's business and earnings capacity is sensitive to risks related to reputational damage. Penalties, negative publicity, negative rumours or other factors could impair the Group's reputation and lead to reduced competitiveness, take up managements' time and resources as well as cause other costs, which could have a material negative impact on the Group's operations, financial position and earnings.

Risk rating: Low

Geographical risks

As described in the risk factor "*Macroeconomic factors have a major impact on the real estate market*" above, the Group's business focus is primarily on investments in centrally located real estate in small and mid-sized Swedish cities. Should the target geography be subject to negative economic or demographical trends, it may have an adverse effect on the Group's business, results of operations and financial position.

Risk rating: Low

The Group has a relatively short history and the Group's strategy and business model may not be as successful as anticipated

The Group was founded in 2019 and consequently has a short history. The Group's third party relationships with customers have been established relatively recently, making it difficult to evaluate the longevity and strength of those relationships, and

their potential impact on the Group's future prospects. There is a risk that the Group's strategy and business model will not be successful in achieving the anticipated revenues, which may result in a need for further capital expenditure needs and thereto related consequences and may consequently have an adverse effect on the financial condition and results of operations of the Group.

Risk rating: Low

Legal and regulatory risk

Disputes, claims, inquiries and lawsuits may lead to the Group being compelled to pay damages or other charges

The Group may become involved in disputes associated with its operations. Disputes could concern claims from or on tenants, suppliers to the Group or be made by authorities against the Group. Disputes may also arise in conjunction with acquisitions or divestments of properties or relate to environmental conditions. The Group is currently not involved in any material dispute or proceeding, but may in the future become involved in disputes or subject to claims which could be time consuming and result in increased costs which are difficult to predict. Disputes or claims could have material negative impact on the Group's operations, earnings and financial position.

Risk rating: Medium

The Group is exposed to tax-related risks

The Group is affected by the tax laws and regulations applicable in the jurisdictions in which the Group operates. Although the Group's operations are conducted in accordance with the Group's interpretation of the applicable tax rules and established practices, and in accordance with advice from tax consultants, there is a risk that the Group's interpretation of applicable tax laws and regulations is incorrect or that such regulations change, possibly with retroactive effect. The Group may also, from time to time, be subject to tax audits which may result in additional tax and fees to be payable.

The Group's tax situation is dependent on whether transactions within the Group, between the Group and affiliated companies or housing associations in relation to property development projects may be regarded as carried out on market terms. If the transactions are not regarded to be carried out on market terms, there is a risk that additional tax and fees are imposed.

If any of the above described risks would materialise, it could have a material negative impact on the Group's operations, earnings and financial position.

Risk rating: Medium

Environmental risks

According to Swedish legislation, the main rule is that the business operator, either current or former, is responsible for the remediation of a contaminated property. The Group does not conduct any licensable activities in accordance with The Swedish Environmental Code (1998:808) (Sw. *miljöbalken (1998:808)*). However there could be, or in the past there may have been, tenants on the properties owned directly or indirectly by the Group who conduct operations that require permit in accordance with the Swedish Environmental Code, *i.e.* operators within the meaning of the Environmental Code.

If no operator can perform or pay for the remediation of a contaminated property, the party who has acquired the property is responsible for the remediation if the party knew of, or at the time ought to have discovered, the contaminations. This means that claims under certain circumstances may be directed against the Group for cleaning-up or after-treatment due to the occurrence of, or suspicion of, contamination in the ground, water areas or groundwater, in order to ensure the property is in such condition as required by the Environmental Code.

Furthermore, previous business operators may have carried out after-treatment of a property in an acceptable manner as required for the usage of the property at that point in time. As a result of changed usage of a property to residential purposes, the requirements for the Group may be higher, which imply that the Group may have costs for after-treatment and cleaning-up in order to be able to use a property as intended.

If changes to legislation and authority requirements were to occur this may lead to increased costs for remediation or after-treatment for current or in the future acquired properties. Further, future changes in applicable laws and regulations and authority requirements may lead to increased costs for the Group and delay the Group's intended development of properties.

All the above mentioned requirements could if they materialise have adverse effect on the Group's business, results of operations and financial position.

Risk rating: Low

Change in tax legislation

On 30 March 2017, the public inquiry Certain matters involving properties and stamp duty (Sw. *Vissa frågor inom fastighets- och stämpelskatteområdet (SOU 2017:27)*) presented its proposal for new rules on the sale of shares in property-owning companies. The starting point for the investigator was to try to equate tax on the direct sales of property and sales through "packaging", whereby the properties are sold indirectly through the transfer of shares in a property-owning company, which

currently as a rule does not trigger any capital gains tax. The proposals by the investigator included the introduction of “dissolution” (Sw. *avskattning*) for property sales through packaging, which essentially entails that on the cessation of controlling influence over a company whose assets largely comprise properties (property company), the properties owned by the divested company are regarded as fiscally divested and then reacquired at a price corresponding to market value. This means the difference between the tax assessment value and the market value of properties would be taxed on the external sale of property companies.

The investigator also proposed a reduction in stamp duty to two percent and that the property company on dissolution also recognise standard revenue equivalent to 7.09 per cent of the highest of market value of the properties and the tax assessment value the year preceding the year when the properties are deemed divested. The intention is that the standard revenue should correspond to the stamp duty that would have been paid if the property was sold directly.

As of the date of this Company Description, there is uncertainty whether the government intends to proceed with the investigator’s proposal. If the government were to proceed with the proposal in its current or modified form, it is likely that this would lead to a greater tax burden for the Group in future property sales.

Risk rating: Low

The Group’s operations may be adversely affected by amended legislation, new regulations and other regulatory requirements, as well as their application by the relevant authorities

The Group’s operations rely heavily on decisions and requirements from authorities concerning property ownership, leases, rental amounts, maintenance, operations, safety regulations, environmental standards, sustainability and so forth. New, amended or terminated laws or regulations, or the application of the aforementioned, which are applicable to the Group’s or its customers’ businesses, could entail increased costs, lower income, restructuring requirements and increased resources, and could thereby have an adverse impact on the Group’s operations, financial position and earnings. This is also the case if government authorities were to reach opinions that differ from those of the Group or its customers concerning licensing requirements, the necessity to obtain permits or other business law requirements.

Risk rating: Low

RISKS FACTORS SPECIFIC AND MATERIAL TO THE BONDS

Risks related to the nature of the Bonds

Ability to service debt

The Issuer's ability to service its debt under the Bonds will depend on, among other things, the Group's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be enforced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all, which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Risk rating: Medium

If an investor holds Bonds which are not denominated in the investor's home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding

The Issuer will pay principal and interest on the Bonds in Swedish krona ("SEK"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than SEK. These include the risk that exchange rates may significantly change (including changes due to devaluation of SEK or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. The value of the SEK has historically seen a depreciation in value compared to many currencies and no assurance can be given that the SEK will not depreciate in value vis-à-vis the Investor's currency. A depreciation in the value of SEK relative to the Investor's currency (or an appreciation in the value of the Investor's Currency relative to SEK) would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency-equivalent market value of the Bonds.

Risk rating: Medium

Interest rate risks

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. Investments in the Bonds involve a risk that the

market value of the Bonds may be adversely affected by changes in market interest rates.

Risk rating: Medium

Refinancing risk

The Group's ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations and access to additional debt and equity financing. Adverse developments in the credit markets as well as other future adverse developments, such as the further deterioration of the overall financial markets or a worsening of general economic conditions, could have a material adverse effect on the Group's ability to borrow funds as well as the cost and other terms of funding. There can be no assurance that such funds will be available at a commercially reasonable cost, or at all and consequently there can be no assurance that the Group will be able to refinance the Bonds when they mature. If the Issuer is unable to obtain sufficient funding for refinancing of the Bonds, it may have a material adverse effect on the bondholders' recovery in respect of the Bonds.

Risk rating: Medium

Credit risks

Investors in the Bonds carry a credit risk towards the Group. The investor's ability to receive payment under the Bonds is therefore dependent on the Issuer's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors of which some have been mentioned above.

An increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' secondary market value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds and consequently the Issuer's ability to repay the Bonds and maturity.

Risk rating: Medium

The imposition of exchange controls in relation to any Bonds could result in an investor not receiving payments on those Bonds

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Bonds. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Risk rating: Low

Risks related to put options, mandatory prepayments and early redemptions

According to the Term and Conditions, the Bonds will be subject to prepayment at the option of each bondholder (put option) if (i) the Parent ceases to own and control (directly or indirectly) 100 per cent. of the share and voting capital in the Issuer, or if Aktiebolaget Fastator (publ), reg. no. 556678-6645, ceases to own or control (directly or indirectly) at least 50 per cent. of the share and voting capital of the Parent, (ii) the Bonds are not admitted to trading on Nasdaq Stockholm or another regulated market within sixty (60) days from the issue date or (iii) the Bonds, once admitted to trading, cease to be listed on Nasdaq Stockholm or another regulated market. However, there can be no assurance that the Issuer will have sufficient funds at the time of such prepayment to make the required redemption of Bonds which could adversely affect the Issuer, e.g. by causing illiquidity, insolvency or an event of default under the Terms and Conditions, and consequently adversely affect all bondholders and not only those that choose to exercise the option.

Furthermore, the Bonds will be subject to a mandatory early redemption in full by the Issuer if the conditions precedent for disbursement have not been fulfilled within 60 business days of the issue date at 100.00 per cent. of the nominal amount of the Bonds redeemed together with accrued but unpaid interest. However, there is a risk that the market value of the Bonds is higher than such redemption amount and that it may only be possible for bondholders to reinvest such proceeds at a significantly lower effective interest rate.

Under the Terms and Conditions for the Bonds, the Issuer will reserve the possibility to redeem all or part of the outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the holders of the Bonds have the right to receive an early redemption amount which may exceed the nominal amount in accordance with the Terms and Conditions for the Bonds. However, there is a risk that the market value of the Bonds is higher than the early redemption amount and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate. It is further possible that the Issuer will not have sufficient funds at the time of the mandatory prepayment to carry out the required redemption of Bonds.

Risk rating: Low

Restrictions on the transferability of the Bonds

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Subject to certain exemptions, a

holder of the Bonds may not offer or sell the Bonds in the United States. The Issuer has not undertaken to register the Bonds under the U.S. Securities Act or any U.S. state securities laws or to effect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country's securities laws. It is each potential investor's obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws. Due to these restrictions, there is a risk that a Bondholder cannot sell its Bonds as desired. Restrictions relating to the transferability of the Bonds could have a negative effect for some of the Bondholders.

Risk rating: Low

Risks relating to the clearing and settlement in Euroclear Sweden AB's book-entry system

The Bonds will be affiliated to Euroclear Sweden AB's account-based system, and no physical notes will be issued. Clearing and settlement relating to the Bonds is carried out within Euroclear Sweden AB's book-entry system as well as payment of interest and repayment of the principal. Investors are therefore dependent on the functionality of Euroclear Sweden AB's account-based system and any problems thereof could have a negative effect on the payment of interest and repayment of principal under the Bonds.

Risk rating: Low

Risks related to the admission of the Bonds to trading on a regulated market

Liquidity risks and secondary market

Pursuant to the Terms and Conditions of the Bonds, the Issuer shall procure that the Bonds are admitted to trading on a regulated market. However, even if the Bonds are admitted to trading on a regulated market, a liquid market for trading in the Bonds might not occur. If a liquid market for trading in the Bonds is not established or maintained, this may result in that the Bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market.

Furthermore, lack of liquidity in the market may have a negative impact on the market value of the Bonds. It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

Risk rating: Medium

The market price of the Bonds may be volatile

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors. In addition, the global financial markets have experienced significant price and volume fluctuations in the past. Should this be repeated in the future, there is a risk that it will adversely affect the market price of the Bonds without regard to the Group's operating results, financial condition or prospects making it difficult or impossible to sell the Bonds.

Risk rating: Medium

Risks related to the Transaction Security

There is a risk that the proceeds from any enforcement of the pledged assets would not be sufficient to satisfy all amounts then due on or in respect of the Bonds

To the extent the Transaction Security relates to assets of subsidiaries of the Issuer, each security interest granted will be limited in scope to comply with limitations on financial assistance, capital maintenance rules or similar restrictions under applicable law. The Transaction Security may thus not be enforceable in the event of a default of the Issuer, or only be enforceable in part, which may limit the recovery of the bondholders.

Certain of the pledged assets may be illiquid and have no readily ascertainable market value. For example, the shares that are secured for the benefit of bondholders may provide for only limited repayment, in part because these shares may not be liquid and their value to other parties may be less than their value to the Group. It is not certain that the secured assets will be saleable, or, even if saleable, that there will not be delays in the realisation of the value thereof. As a result, the bondholders may not recover full or any value in the case of an enforcement sale of such pledged shares. If the proceeds from an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the bondholders will only have an unsecured claim against the remaining assets (if any). Moreover, the Transaction Security will be subject to laws protecting debtors and creditors generally, including restrictions on fraudulent conveyance or voidable preference and hardening periods applicable under relevant bankruptcy laws. These restrictions may give an insolvency receiver or other creditors a right to challenge or void the Transaction Security.

Risk rating: Medium

Risks related to the Transaction Security

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer. This means that in the event of bankruptcy, re-organisation or winding-up of the Issuer, the bondholders normally receive payment after any priority creditors have been fully paid to the extent that the bondholders' claim is not secured by the transaction security for the Bonds (the "Transaction Security").

Certain Transaction Security is granted after the issue date or is only perfected at a later point of time and consequently subject to applicable hardening periods and until such measures have been taken, the bondholders' security position may be limited.

Furthermore, under the Terms and Conditions the Group may, *inter alia*, incur and maintain financial indebtedness to certain third parties under vendor loan notes in an aggregate nominal amount of SEK 19 million, which may be repaid or prepaid prior to the final maturity date of the Bonds. Hence, such indebtedness may be repaid from the assets of the Group prior to the repayment of the Bonds.

Risk rating: Low

Security over assets granted to third parties

The Group may, subject to limitation in the Terms and Conditions, incur additional financial indebtedness and provide security for such indebtedness. In the event of bankruptcy, re-organisation or winding-up of the Issuer, the bondholders may be subordinated in right of payment out of the assets being subject to security. In addition, if any such third party financier holding security provided by the Group would enforce such security due to a default by any company in the Group under the relevant finance documents, such enforcement could have a material negative impact on the Group's revenue, operations, profitability and financial position and on the bondholders' recovery under the Bonds.

Risk rating: Low

Risks related to the bondholders' rights and representation***The rights of bondholders depend on the Agent's actions and financial standing***

By subscribing for, or accepting the assignment of, any Bond, each bondholder will accept the appointment of the Agent (being on the first issue date Nordic Trustee & Agency AB (publ)) to act on its behalf and to perform administrative functions relating to the Bonds. The Agent shall have, among other things, the right to represent the bondholders in all court and administrative proceedings in respect of the Bonds. However, the rights, duties and obligations of the Agent as the representative of the holders of the Bonds will be subject to the provisions of the Terms and Conditions, and there is no specific legislation or market practice in

Sweden (under which laws the Terms and Conditions will be governed) which would govern the Agent's performance of its duties and obligations relating to the Bonds. There is a risk that a failure by the Agent to perform its duties and obligations properly or at all will adversely affect the enforcement of the rights of the bondholders.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions. Generally, the successor Agent has the same rights and obligations as the resigned Agent. It may be difficult to find a successor Agent with commercially acceptable terms or at all. Further, there is a risk that that the successor Agent would breach its obligations under the above documents or that insolvency proceedings would be initiated against it.

Materialisation of any of the above risks may have a material adverse effect on the enforcement of the rights of the bondholders and the rights of the bondholders to receive payments under the Bonds.

Risk rating: Low

No action against the Issuer and bondholders' representation

In accordance with the Terms and Conditions, the Agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual Bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Issuer and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that an individual bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions), which could negatively impact an acceleration of the Bonds or other action against the Issuer.

To enable the Agent to represent bondholders in court, the bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a bondholder's rights under the Terms and Conditions in a manner that is undesirable for some of the bondholders.

The bondholders will be represented by the Security Agent in all matters relating to the Transaction Security. There is a risk that the Security Agent, or anyone appointed

by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the Transaction Security.

Risk rating: Low

Bondholders' meetings and written procedures

The Terms and Conditions will include certain provisions regarding bondholders' meetings and written procedures. Such meetings or written procedures may be held in order to resolve on matters relating to the bondholders' interests. The Terms and Conditions will allow stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting or written procedure and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting or written procedure. Consequently, there is a risk that the actions of the majority in such matters will impact a bondholder's rights in a manner that is undesirable for some of the bondholders.

Risk rating: Low

The liability statement of the Board of Directors

We declare that, to the best of our knowledge, the information provided in the Company Description is accurate and that, to the best of our knowledge, the Company Description is not subject to any omissions that may serve to distort the picture the Company Description is to provide, and that all relevant information in the minutes of board meetings, auditors' records and other internal documents is included in the Company Description.

Stockholm, 16 September 2019

Point Properties Portfolio 1 AB (publ)

The Board of Directors

Description of the Issuer, Legal and supplementary information

General information about the Issuer

Point Properties Portfolio 1 AB (publ) (the “**Issuer**”) is a public limited liability company registered in Sweden with registration number 559199-0352, having its registered address at Nybrogatan 3, SE-114 34 Stockholm, Sweden. The Issuer is a Swedish real estate company established on 7 January 2019 and registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 18 March 2019. The Issuer’s LEI code is 549300ICUW07T81KD437. The Issuer is governed by Swedish law including, but not limited to, the Swedish Companies Act (Sw. *Aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *Årsredovisningslagen (1995:1554)*).

History of the Group

The Issuer is a newly established company and is an indirect wholly-owned subsidiary to Aktiebolaget Fastator (publ), reg. no. 556678-6645 (“**Fastator**”). Fastator established the Group in 2019 with the objective to utilise centrally located properties for community services and, in the future, assisted living solutions. As of the date of this Company Description, the property portfolio of the Group, originally acquired by Fastator, consists of a total of nine properties with an estimated aggregated market value of SEK 674 million.

Business model, organisation, the objective of the Group and the market in which the Group operates

The Issuer is a newly established company with the objective to utilise centrally located properties for community services and, in the future, assisted living solutions. The Issuer was established to act as a holding company in the Group, enabling the Group to create a beneficial group structure in order to raise debt necessary for the Group’s operations. The Issuer was established in the form of a Swedish public limited liability company (Sw. *Publikt Aktiebolag*) in order to allow public offering and to admit the Bonds on the institutional segment of Nasdaq First North Bond Market and to admit the Bonds on the corporate bond list of Nasdaq Stockholm within twelve (12) months of the Issue Date.

Except for the CEO Martin Friis, the Group has no employees of its own. The Group is dependent on in-house capacity, whereas Fastator is primarily an intermediary with a wide network of selected sub-suppliers. Fastator provides services to the Group e.g. relating to accounting, financial services such as financial planning, management of financial risks, record-keeping and financial reporting, business development and assistance in connection with acquisitions. The Issuer has entered into a service agreement with Fastator dated 7 October 2019, whereby Fastator undertakes to provide services relating to administration, accounting and financial

services such as financial planning, management of financial risks, record-keeping and financial reporting. For these services, the Issuer shall pay remuneration depending on the work carried out by Fastator. The term of the service agreement is one year and is thereafter prolonged one year at a time and can be terminated with a three months' notice period.

Nordic PM AB, partially owned by Fastator, is responsible for the management of the Groups assets and provide services within property management, leasing, property development and property transactions and analysis under a service agreement entered into by the Issuer and Nordic PM AB on 20 February 2018. The service agreement includes services for all Group companies and the service agreement expires 30 September 2021 but is prolonged one year at a time if not terminated six months before the expiry date. In accordance with the service agreement, the Group pays a fixed fee and a floating fee depending on the work carried out by Nordic PM AB. Also, Nordic PM AB may receive commission for completed rentals.

The Group's current business model focused on a holistic view of the property and can be divided into two development phases. The first development phase includes identifying cash flow generative properties and focus on improving operation profits by extending current leases as well as attracting service businesses such as restaurants, cafés, supermarkets etc. in order to fill vacancies. Also, the Group focuses on central locations for service, package delivery and showrooms which are strategically located in city centres, thus reducing deliveries and utilising existing storage space and offering a natural place to socialise. This development phase supports and supplements the growing e-commerce by optimising incumbent areas for new consumption patterns and have the potential to increase rental income per sqm as well as, due to the resilience to economic cyclicality by prime location retail such as supermarkets, pharmacy and Systembolaget, to drive customers and visitor inflow and increase value of property and nearby accommodation.

The second development phase is focused on the increased need for assisting living solutions for seniors as properties in general often are lacking in this regard, particularly in central locations. The Group concentrates on pillar-built properties with all necessary infrastructure such as elevators, access to public transportation and service already in place which results in reducing isolation and accidents among seniors as well as offering excellent locations and safe housing. This community service offering includes social and employment services and banks, is resilient to economic cyclicality and is an important component of the city centre's ecosystem. There is a long-term and increasing demand among senior citizens for assisting living solutions and this development phase offers solution to the current housing shortage for senior citizens and utilises current unexploited areas.

The property portfolio of the Group consists of nine properties, all owned by subsidiaries of the Issuer, with an estimated aggregated market value of SEK 674 million, a total lettable area of 53,140 sqm and with a rental income/sqm of SEK 1,380. The properties are located in small to medium sized Swedish cities – Trelleborg, Falkenberg, Säftele, Motala, Hällefors, Sala, Bollnäs and Timrå. The largest contract by rental value of the Group are ICA (SEK 3.7 million), Åhléns (SEK 3.4 million) and COOP (SEK 3.0 million).

| No. | Property | Property company | Reg. no. |
|-----|--------------------------------|---|-------------|
| 1. | Sala Hantverkaren 1 | Pointny 3 AB | 559186-6354 |
| 2. | Bollnäs Kringlan 5 | Aktiebolaget Bollnäs Torget | 556737-6958 |
| 3. | Bollnäs Vretåker 2 | Fastigheten Vretåker 2 AB | 556889-1963 |
| 4. | Hällefors Gillershöjden 25:1 | Centrumhuset i Hällefors AB | 559157-0717 |
| 5. | Säftele Kvarnen 10 | Säfteletorget i Värmland AB | 559109-9568 |
| 6. | Timrå Vivsta 4:102 | Centrumhuset i Timrå AB | 556724-4826 |
| 7. | Trelleborg Valfisken Större 45 | Skandia Fastigheter Trelleborg KB (under change of name to Point Properties Trelleborg KB) | 916563-1087 |
| 8. | Falkenberg Kronan 27 | Kronan Shopping AB | 556759-7371 |
| 9. | Motala Plåtslagaren 7 | Centrumhuset i Motala AB | 559186-5117 |

The long-term objective of the Group is to establish a geographically diversified portfolio comprising properties with a minimum catchment-area of 20,000-40,000 people. The mid-term financial objective is to increase value of existing properties to SEK 1 billion at the end of 2021 and the mid-term expansion objective is to grow the portfolio to 30 centrally located properties through add-on acquisitions by 2021.

The acquisition and development strategy of the Group is to acquire properties in underserved central locations in small and medium sized Swedish cities with significant development potential. Attractive properties are valued at SEK 10,000 per sqm and have an average rental income of approximately SEK 1,000 per sqm. The Group has identified 214 properties of the same type across Sweden of which 30-50 are deemed of interest for the Group.

The Group operates in a competitive market and is dependent on its ability to anticipate future market changes and trends as well as to rapidly react on existing and future market needs. The Group is dependent on success in tenant retention as well as attracting new tenants and concepts and being able to offer attractive conditions in competition with other property owners.

Significant adverse changes and recent material events

There has been no significant adverse change in the prospects of the Issuer and no material adverse events affecting the financial or market position of the Group since the establishment of the Issuer on 7 January 2019.

Description of material agreements entered into outside of the ordinary course of business

Other than the Terms and Conditions of the Bonds and apart from what is stated below, the Group is not part to any material agreement outside the ordinary course of business which could result in such company having a right or an obligation that could materially affect the Issuer's ability to fulfil its obligations under the Bonds. The following is a summary of the material agreements to which the Issuer is a party and considered as outside the ordinary course of business. The following summary does not purport to describe all of the applicable terms and conditions of such arrangements.

Transaction security

In connection with the issuance of the Bonds, the security was provided in favour of the bondholders. The security provided consists of first ranking security, granted in favour of certain secured parties represented by Nordic Trustee & Agency AB (publ) as security agent, in respect of (i) share pledges over all shares in the Issuer and in each Property Company and its Property Holding Company, (ii) pledge over each Intragroup Loan, (iii) pledge over mortgage certificates in respect of each Property in an aggregate nominal amount equal to or higher than the aggregate Allocated Loan Amount for such Property, (iv) pledge over the Property Companies' property insurance claims and (v) pledge over the Property Companies' bank accounts (each term defined herein shall have the same meaning as in the Terms and Conditions).

Legal disputes

The Issuer has not since its establishment on 7 January 2019, and no Group company has during the previous twelve months, been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened as far as the Group is aware) which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

Shareholders' agreements

As far as the Issuer is aware, there are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

Transactions with closely related parties

The Issuer has received and provided intercompany loans as set out in the table below.

List of intercompany loans

| Lender | Borrower | Date of Inter-company Loan Agreement | Original loan amount |
|---------------------------------|---------------------------------|--------------------------------------|----------------------|
| Point Properties AB | Point Properties Portfolio 1 AB | 6 September 2019 | 186 980 565 |
| Point Properties Portfolio 1 AB | Centrumhuset i Hällefors | 6 September 2019 | 6 902 487 |
| Point Properties Portfolio 1 AB | Pointny 3 AB | 6 September 2019 | 58 000 000 |
| Point Properties Portfolio 1 AB | Centrumhuset i Timrå AB | 6 September 2019 | 28 000 000 |
| Point Properties Portfolio 1 AB | Aktiebolaget Bollnäs Torget AB | 6 September 2019 | 28 350 459 |
| Point Properties Portfolio 1 AB | Fastigheten Vretåker 2 AB | 6 September 2019 | 19 120 136 |
| Point Properties Portfolio 1 AB | Säffletorget i Värmland AB | 6 September 2019 | 11 500 000 |

Except for as described above, there are no transactions between the Issuer and any person discharging managerial responsibilities in the Issuer, the board of directors, affiliates to such persons, major shareholders or any of the companies within the Group. However, Fastator and its subsidiaries do from time to time provide services towards the Group companies within the ordinary course of business.

Reasons for the decision to apply for admission to trading

The main reasons for the Issuer to apply for admission to trading of the Bonds on Nasdaq First North are to comply with the Terms and Conditions, to simplify trading in the Bonds and to achieve a diversified holding of Bonds.

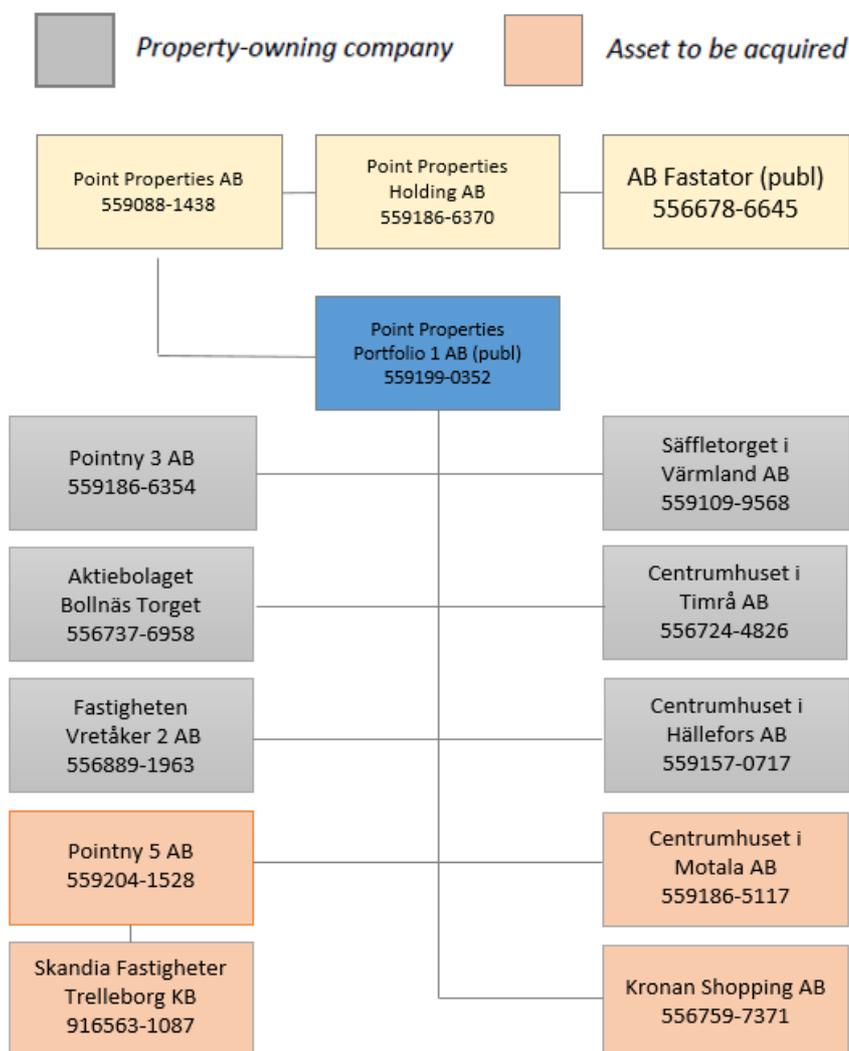
Date of annual general meeting and publication of financial statements

The Issuer has not published any annual audited consolidated financial statements of the Group or annual audited unconsolidated financial statements of the Issuer and no annual general meeting has been held. The next interim financial report, Q3 2019, will be published on or about 14 November 2019. The annual general meeting for 2020 will be held, and the next annual financial statements will be published, on or about May 2020.

Share capital, shares and ownership structure

As of the date of this Company Description, the Issuer's share capital amounted to SEK 500,000 divided among 10,000 shares with a nominal value of SEK 50 each, all of which are ordinary shares. The holders of ordinary shares are entitled to one (1) vote per share. The shares are denominated in SEK.

The current group structure, as set out below, shows the Group and direct and indirect parent companies of the Issuer. All companies listed below are wholly-owned.



The shareholders' influence is exercised through active participation in the decisions made at general meetings of the Group. To ensure that the control over the Issuer is not abused, the Issuer complies with the Issuer's articles of association and external

regulations such as the Swedish Companies Act (Sw. *Aktiebolagslagen (2005:551)*) and Nasdaq First North Bond Market Rulebook dated, both as amended.

The ten largest shareholders of Fastator, and indirect shareholders in the Issuer, as of 31 December 2018 are set out in the table below.

| Shareholder | Shares (per cent.) | Votes (per cent.) |
|------------------------------------|---------------------------|--------------------------|
| Mats Invest AB | 31.98% | 31.98% |
| Skälsö Intressenter AB | 30.41% | 30.41% |
| Staffan Heiner Beckett | 4.57% | 4.57% |
| Ulf Adelson | 4.31% | 4.31% |
| Danica Pension | 3.93% | 3.93% |
| Banque Internationale a Luxembourg | 3.92% | 3.92% |
| Nordnet Pensionsförsäkring AB | 3.39% | 3.39% |
| Mats Hulth i Stockholm AB | 3.14% | 3.14% |
| Melbye Invest ApS | 2.27% | 2.27% |
| Union Bancaire Privée | 1.08% | 1.08% |
| Total: | 89.0% | 89.0% |

Board of directors, senior management and auditors

The business address for all members of the board of directors and the senior management is Nybrogatan 3, SE-114 34 Stockholm, Sweden. Further information regarding the members of the board of directors and the senior management, including significant assignments outside the Issuer and the indirect shareholdings in the Issuer, is set forth below.

Board of directors

Svante Bengtsson (born 1971), chairman and of the board of directors since 2019. Other current assignments: Chairman of the board of directors in Nordic PM AB and member of the board of directors in Offentliga Hus i Norden AB (publ). Shareholdings in Fastator: 129,811 shares and votes, 262,500 warrants.

Martin Friis (born 1983), director of the board of directors since 2019. Other current assignments: Investment manager at Fastator. Shareholdings in Fastator: 50,000 warrants.

Christoffer Strömbäck (born 1981), director of the board of directors since 2019. Other current assignments: CFO at Fastator. Shareholdings in Fastator: 500 shares and votes, 35,000 warrants.

Senior Management

Martin Friis is CEO of the Issuer since 2019. For further information, see section “*Board of directors*” above.

Information on bankruptcy, liquidation, fraud and similar

None of the members of the board of directors or senior management of the Issuer is a closely related party to any other board member or senior management. There is no conflict of interests between the above-mentioned board members’ or senior executives’ responsibilities with respect to the Issuer and their personal interests or other obligations (several of the members of the board of directors or senior management have however financial interests to some extent as a result of their indirect shareholding in the Issuer, as described below). None of the board members or senior executives have been found guilty in any fraud-related case in the past five years.

None of the board members or senior executives have been involved in any bankruptcy (Sw. *konkurs*), liquidation (Sw. *likvidation*) or administrative reorganisation (Sw. *företagsrekonstruktion*) while serving as a board member or senior executives in the past five years. None of the board members or senior executives have, over the past five years, been the object of official allegations or sanctions by a supervisory or legislative authority, nor have any of them been

prohibited by a court of law from serving as a board member or in management, or in any other way been prohibited from conducting commercial activity.

Auditors

The Issuer's auditor is Öhrlings PricewaterhouseCoopers AB with Magnus Thorling as auditor in charge. Magnus Thorling is a chartered accountant and a member of FAR.

Financial Reports and other financial information

The Issuer was established on 7 January 2019 and registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 18 March 2019. Since the Issuer is a newly formed company, the Issuer has not published any annual audited consolidated financial statements of the Group or annual audited unconsolidated financial statements of the Issuer. The Group is profitable and the Issuer estimates that the Group has working capital for the next twelve months.

In this Company Description the Group companies' annual reports including auditors reports for the financial years 2017 and 2018, where such reports have been prepared, are incorporated by reference.

| Group company | Document |
|---|--|
| Aktiebolaget Bollnäs Torget (reg. no. 556737-6958) | Annual reports including auditor's reports for the financial years 2017 and 2018 |
| Fastigheten Vretåker 2 AB (reg. no. 556889-1963) | Annual reports including auditor's reports for the financial years 2017 and 2018 |
| Säffletorget i Värmland AB (reg. no. 559109-9568) | Annual report for the financial year 2017 |
| Centrumhuset i Timrå AB (reg. no. 556724-4826) | Annual reports including auditor's reports for the financial years 2017 and 2018 |
| Kronan Shopping AB (reg. no. 556759-7371) | Annual reports including auditor's reports for the financial years 2017 and 2018 |

Investors should read all information which is incorporated in this Company Description by reference. The Group companies' annual reports and the auditor's reports mentioned above can be obtained in paper format at the Issuer's head office and are also available at the Issuer's web page www.pointproperties.se.

Description of the Bonds

This section contains a general and broad description of the Bonds and is not a comprehensive description of the Bonds. Potential investors should therefore carefully consider this Company Description as a whole before a decision is made to invest in the Bonds. As stated under section "Important Information" above, terms not defined herein shall have the same meaning as in the Terms and Conditions. The Terms and Conditions are available at the Issuer's web page www.pointproperties.se.

Description of the Terms and Conditions

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and are debt instruments intended for public market trading, which confirm that each Bondholder has a claim against the Issuer. The Net Proceeds of the Bond Issue shall be used towards (i) repayment of the Existing Debt in an amount of approximately SEK 20,000,000, (ii) secondly, funding of the purchase price for the Acquisitions and the refinancing (directly or indirectly) of existing indebtedness of each Target and its Subsidiaries (including related fees, costs and expenses of such refinancing), and (iii) thereafter general corporate purposes of the Group. The First Issue Date for the Bonds was 6 September 2019 and the Final Redemption Date of the Bonds is on 6 September 2021.

The aggregate nominal amount of the Bonds is maximum SEK 375,000,000 represented by Bonds denominated in SEK with ISIN SE0013015997, each with an Initial Nominal Amount of SEK 100,000. The minimum permissible investment in connection with the Bond Issue is SEK 1,200,000. All Bonds issued in the Initial Bond Issue are issued on a fully paid basis at an issue price of 100.00 per cent. of the Initial Nominal Amount.

The Bonds have been issued in accordance with Swedish law and are affiliated to the account-based system of Euroclear Sweden AB. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. *VP-konto*). No physical bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding of preliminary tax will be made through Euroclear's book-entry system.

The Issuer shall redeem all outstanding Bonds at 100.00 per cent. of the Nominal Amount together with accrued but unpaid interest on the Final Redemption Date, unless redeemed or repurchased in advance of such date in accordance with Clause 12 (*Redemption and repurchase of the Bonds*) or terminated in accordance with Clause 16 (*Termination of the Bonds*) of the Terms and Conditions.

The Issuer may at one occasion per each period of twelve (12) months falling after the First Call Date redeem the Bonds in an aggregate amount not exceeding ten (10.00) per cent. of the aggregate Nominal Amount at the applicable price together with accrued but unpaid Interest (see further Clause 12.3 (*Voluntary partial redemption*) of the Terms and Conditions). The Issuer may also redeem all or part of the Bonds on any Business Day falling on or after the Issuer Date but before the Final Redemption Date, at the Call Option Amount together with accrued but unpaid Interest (see further Clause 12.4 (*Early voluntary redemption by the Issuer (call option)*) of the Terms and Conditions).

Upon a Change of Control, a Delisting or a Listing Failure occurring, each Bondholder shall have the right to request that all or only some of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of thirty (30) calendar days following a notice from the Issuer of the relevant event (see further Clause 12.6 (*Mandatory repurchase due to a Change of Control, Delisting or a Listing Failure (put option)*) of the Terms and Conditions).

Payment of the Nominal Amount and/or interest will be made to the person who is a Bondholder on the Record Date prior to the relevant payment date. Payments shall be made in SEK. The right to receive repayment of the principal amount outstanding of the Bonds is time-barred and becomes void ten years from the relevant Redemption Date.

The Bonds bear interest from, but excluding, the First Issue Date or any Interest Payment Date or, in respect of Subsequent Bonds, the Interest Payment Date falling immediately prior to their issuance, up to and including the next succeeding Interest Payment Date at a fixed rate of 4.50 per cent. *per annum*.

Interest will be payable quarterly in arrears on 6 March, 6 June, 6 September and 6 December each year, with the first Interest Payment Date on 6 December 2019 and the last Interest Payment Date being the relevant Redemption Date or, to the extent any such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The right to receive payment of interest is time-barred and becomes void three years from the relevant due date for payment.

Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, is acting as agent and security agent for the Bondholders in relation to the Bonds, and, if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions.

An agreement was entered into between the Agent and the Issuer on the First Issue Date regarding, *inter alia*, the remuneration payable to the Agent. The rights,

obligations and the representation of the Agent are set forth in the Terms and Conditions.

Each of the Issuer, the Agent and Bondholder(s) may request that a Bondholders' Meeting is convened (see further Clause 19 (*Bondholders' Meeting*) of the Terms and Conditions) or request a Written Procedure (see further Clause 20 (*Written Procedure*) of the Terms and Conditions). Such Bondholders' Meeting or Written Procedure may, upon votes representing a relevant majority of Bondholders eligible for voting, cause resolutions to be validly passed and binding on all Bondholders.

If the Bonds have been duly declared due and payable due to an Event of Default, the available funds shall *firstly* be applied towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the bondholders' rights, (iii) any non-reimbursed costs incurred by the Agent for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a bondholders' meeting or a written procedure, *secondly* towards payment *pro rata* of accrued but unpaid interest under the Bonds (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date), *thirdly* towards payment *pro rata* of any unpaid principal under the Bonds, and *fourthly* towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Terms and Conditions. Any excess funds shall be transferred to the Issuer or the relevant Group company.

The Bonds are freely transferrable and trading can occur from their date of issuance. Bondholders may however be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) for business). Each Bondholder must ensure compliance with local laws and regulations applicable at their own cost and expense. All Bond transfers are subject to the Terms and Conditions and the Terms and Conditions are automatically applicable in relation to all Bond transferees upon the completion of a transfer.

To simplify trading in the Bonds, the Issuer intends to apply for admission to trading of the Bonds on Nasdaq First North. The earliest date for admitting the Bonds to trading on Nasdaq First North is expected to be on or about 23 September 2019. The fact that an application regarding admission to trading of the Bonds on Nasdaq First North has been submitted does not mean that the application will be approved.

The Terms and Conditions include an undertaking for the Issuer to ensure that the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within twelve (12) months of the Issue Date or, if such admission to trading is not possible

to obtain or maintain, that such Bonds are admitted to trading on any other Regulated Market within twelve (12) months after the Issue Date.

Description of the Transaction Security

In connection with the issuance of the Bonds, security was provided in favour of the Bondholders. The security provided consists of first ranking security, granted in favour of the Bondholders represented by Nordic Trustee & Agency AB (publ) as security agent, in respect of:

- (i) share pledges over all shares in the Issuer, Pointny 3 AB (reg. no. 559186-6354), Aktiebolaget Bollnäs Torget (reg. no. 556737-6958), Fastigheten Vretåker 2 AB (reg. no. 556889-1963), Centrumhuset i Hällefors AB (reg. no. 559157-0717), Säffletorget i Värmland AB (reg. no. 559109-9568), Centrumhuset i Timrå AB (reg. no. 556724-4826), Skandia Fastigheter Trelleborg KB (reg. no. 916563-1087) (under change of name to Point Properties Trelleborg KB), Kronan Shopping AB (reg. no. 556759-7371) and Centrumhuset i Motala AB (reg. no. 559186-5117);
- (ii) pledges over mortgage certificates in respect of the properties Bollnäs Kringlan 5, Sala Hantverkaren 1, Bollnäs Vretåker 2, Hällefors Gillershöjden 25:1, Säffle Kvarnen 10, Timrå Vivsta 4:102, Trelleborg Valfisken Större 45, Falkenberg Kronan 27 and Motala Plåtslagaren 7, in an aggregate nominal amount equal to or higher than the aggregate Allocated Loan Amount for each property;
- (iii) pledge over the property insurance claims, and pledge over each bank accounts, in Pointny 3 AB, Aktiebolaget Bollnäs Torget, Fastigheten Vretåker 2 AB, Centrumhuset i Hällefors AB, Säffletorget i Värmland AB, Centrumhuset i Timrå AB, Skandia Fastigheter Trelleborg KB (under change of name to Point Properties Trelleborg KB), Kronan Shopping AB and Centrumhuset i Motala AB; and
- (iv) pledge over each intra-Group loan between Group Companies (being the company mentioned under (i) above).

Description of ranking of the Bonds

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them. The Bonds are secured by the Transaction Security.

Description of Bondholders' representation and exercise of rights

Nordic Trustee & Agency AB (publ) is the initial Agent. Even without a separate authorisation from the Bondholders and without having to obtain any Bondholder's consent (if not required to do so under the Terms and Conditions), the Agent, or a person appointed by the Agent, is entitled to represent the Bondholders in every matter concerning the Bonds and the Finance Documents. The Agent is authorised to act on behalf of the Bondholders whether or not in court or before an executive authority (including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Bonds). Each Bondholder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent's satisfaction), as the Agent deems necessary for the purpose of carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request of the Agent.

Limitations of Bondholders' exercise of rights

In accordance with the Terms and Conditions, the Agent will represent all Bondholders in all matters relating to the Bonds and the Bondholders are prevented from taking actions on their own against the Issuer (unless it is explicitly stated otherwise in the Terms and Conditions). Consequently, individual Bondholders do not have the right to take legal actions to declare any default by claiming any payment from or enforcing any security and may therefore lack effective remedies unless and until a requisite majority of the Bondholders agree to take such action. To enable the Agent to represent Bondholders in court, the Bondholders may have to submit a written power of attorney for legal proceedings. The Agent is under no obligation to represent a Bondholder which does not comply with such request.

Details of any credit rating

Neither the Issuer nor the Bonds have a credit rating from an international credit rating institute.

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