Company Description

BONÄSUDDEN
HOLDING AB

Published in compliance with the First North Rulebook as part of Bonäsudden's application for listing at First North at Nasdaq Stockholm

1 July 2015

First North Disclaimer

First North is an alternative marketplace operated by an exchange within the Nasdaq group. Companies on First North are not subject to the same rules as companies on the regulated main market. Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a Company on First North may therefore be higher than investing in a company on the main market. All Companies with shares traded on First North have a Certified Adviser who monitors that the rules are followed. The Exchange approves the application for admission to trading.

Certified Adviser:

WILDECO

1 IMPORTANT INFORMATION

Bonäsudden Holding AB (publ), reg. no. 556984-4557

Company address: c/o Pareto Business Management AB, Box 7415, 103 91 Stockholm

www.bonasudden.se

1.1 The reason for applying for admission to trading on First North

The purpose of listing the Bonäsudden's share on First North is to offer current shareholders a liquid second hand market for their investment, as well as inviting new investors to an investment vehicle in an attractive real estate market.

1.2 Important dates

Expected first day of trading on First North: 3 July 2015

Year-end report 2015: 24 February 2016

Annual general meeting: 23 March 2016

Half-year report 2016: 26 August 2016

1.3 Trading information

Short name on First North: BONAS

ISIN-code for shares intended to be listed on First North: SE0007157953

The shares are registered by the Euroclear Sweden AB Central Securities Depository.

Subscription price was: SEK 100

Certified Adviser: Wildeco Ekonomisk Information AB, Box 7126, SE - 103 87 Stockholm, Sweden

Liquidity Provider: Pareto Securities AB, Stortorget 13, 211 22 Malmö, Sweden

Auditor: Jan Palmqvist, Deloitte, 113 79, Stockholm

1.4 The liability statement of the board of directors

We declare that, to the best of our knowledge, the information provided in this Company Description is accurate and that, to the best of our knowledge, this Company Description is not subject to any omissions that may serve to distort the picture this Company Description is to provide, and that all relevant information in the minutes of board meetings, auditor´s records and other internal documents is included in this Company Description. The Board of Directors of the Company, elected 1 July 2015, is presented below.

Lennart Låftman	Åsa Mossberg	Per-Åke Agnevik	Nils Kuylenstierna
Chairman of the Board	Board Member	Board Member	Board Member

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2 LIST OF DEFINITIONS

Asset Manager	Fastighetspartner P&E AB, corporate identification number 556666-7282
Bonäsudden	See definition for Company
Business Management Agreement	The business management agreement, which has been entered into between the Business Manager and the Company
Business Manager	Pareto Business Management AB, corporate identification number 556742-5581, a subsidiary of the Manager
CAPEX	Capital Expenditure
Certified Adviser	Wildeco Ekonomisk Information AB, corporate identification number 556160-8810
Company	Bonäsudden Holding AB (publ), corporate identification number 556984-4557.
Company Description	This company description, dated 1 July 2015
CPI	Swedish consumer price index, published by Statistics Sweden (Sw. *Statistiska centralbyrån*)
Debt Facility	The SEK 372,000,000 bank debt, which has been incurred by the Company for the purpose of partially finance the Transaction
Dividend Yield	Annualised total cash dividend payments to the holders of the Shares divided by the total amount, which has been raised through the Equity Issue
EBITDA	The Company's earnings on a consolidated basis before interest, taxes, depreciation, value adjustments, amortization of goodwill and capital gains/losses
Equity Issue	The share issue in the Company, in which investors have been offered to invest pursuant to an earlier established information memorandum, dated 11 May 2015
Group	The Company and all its subsidiaries, including the Target and the Subsidiary
Group Costs	Costs associated with the Group's operations, including fee to the Business Manager, fee to the Asset Manager, listing fees and auditing fees
IRR	Internal rate of return, the annualized effective compounded return rate
ICR	Interest coverage ratio, being EBITDA divided with net interest expenses of the Group
Isidorum	Isidorum Holding AB, corporate identification number 556742-2364

LTV	Loan to value (bank loans to market value of the Portfolio)
Manager	Pareto Securities AB, corporate identification number 556206-8956
Money Laundering Act	The Swedish Act on measures against money laundering and terrorist financing (Sw. *lag (2009:62) om åtgärder mot penningtvätt och finansiering av terrorism*)
Net Operating Income	All amounts payable to the Group arising from or in connection with any lease, less any Property Related Costs
P&E	The Asset Manager
Portfolio	The properties Akvarellen 3, Akvarellen 4, Amor 4, Amor 5, Amuletten 18, Apeln 9, Bankeberg 5:41, Bankeberg 9:10, Bankeberg 9:14, Bonäsudden 1:16, Brokind 1:217, Egypten 10, Guldfågeln 1, Idéflödet 3, Ingebo 3:48, Malfors 4:44, Nykil 2:3, Olofstorp 1:86, Olofstorp 1:88, Svinstad 3:70 and Svinstad 3:75, all located in Linköping municipality (Akvarellen 3 and 4 are jointly taxed but constitute two different property units, the Company has chosen to present the two properties as one)
Property Related Costs	All operating costs (excluding Group Costs) connected to the handling of the Portfolio, excluding CAPEX
Share Purchase Agreement	The share purchase agreement which was entered into on 21 May 2015 between the Company as purchaser and the Vendor as seller regarding the purchase of all shares in the Target, which was the owner of the Portfolio
Shares	The shares which have been issued in the Equity Issue
Subsidiary	Bonäsudden Fastighets AB, corporate identification number, 556991-6934, a subsidiary of the Company
Target	Isidorum AB, corporate identification number 556607-4562
Transaction	All transactions, including but not limited to the transfers under the Share Purchase Agreement
Vendor	Isidorum
WALT	Weighted Average Lease Term

3 RISK FACTORS

Prospective investors should be aware that investments in shares are always associated with risks. The financial performance of the Group and the risks associated with the Group's business are important when making a decision to invest in the Shares. There can be no guarantees or assurances that the Company's objectives are met and that an investment in turn will generate a positive return for the investor.

A number of factors influence and could influence the Group's operations and financial performance and ultimately the Company's ability to pay dividends. In this chapter a number of risk factors are illustrated and discussed, both general risks pertaining to the Company's operations and material risks related to the Shares as financial instruments. The risks described below are not the only ones the Group is exposed to. Additional risks that are not currently known to the Company, or that the Company currently considers to be immaterial, could have a material adverse effect on the Group's business. The order in which the risks are presented is not intended to provide an indication of the likelihood of their occurrence or of their relative significance.

3.1 General risk factors

It should be emphasized that an investment in the Company is subject to risk. Investors should be aware of the fact that such investment might involve loss. Such loss will be limited to each investor's investment in the Company. An investment in the Company is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. The list below comprises the most important risk factors related to the Transaction and the Group. All of these risk factors are important, and the risk factors are not listed in order of importance.

3.2 Limited or no substantial operating history

The Company is in a development stage and has recently been formed for the purpose of carrying out the business plan contained in this Company Description. Although the Business Manager and its subsidiaries have many years experience in the business sector, the Company is new and as such has no operating history.

3.3 Market risk

Real estate investment risk is first and foremost linked to the value of the real estate. This risk can thus be defined as those factors that influence property valuations. The main factors are the supply and demand for commercial properties, as well as the yield that investors are willing to accept when purchasing real estate. The real estate market is influenced by the vacancy rate in the market by the end of each specific lease period. The vacancy rate is influenced by several factors on both a micro and macro level. Negative changes in the general economic situation, including business and private spending, may adversely affect the demand for logistics space. The free capacity is also influenced by construction and refurbishment activity. Further, the real estate market is influenced by the demand for the type of real estate that the Group owns. During certain periods there might be fierce competition for a few real estate objects, and it might be difficult to purchase desired objects for the desired price. In other periods, it might be difficult to sell real estate objects for the desired price.

3.4 Operational risk

The financial status and strength of the Portfolio's tenants, and thus their ability to service the rent etc., will always be a decisive factor when evaluating the risk of property companies. Operational risk also include risk related to restrictions in lease contracts, risk related to legal claim from tenants, authorities, including tax authorities and other third parties, risk for increased maintenance costs, risk for decreased technical conditions and risk for hidden defects and emissions.

3.5 Financial risk

Financial risk include, but is not limited to, risk of not achieving the desired leverage ratio, not fulfilling loan obligations, interest rate fluctuations, risk related to effects of fair value adjustments and changes in laws and rules regarding tax and duties. Furthermore, risk related to refinancing the debt when the bank loan expires, and that the margin and interest rate may be higher than the current situation.

3.6 Financing risk

The Group is deemed to be sufficiently funded following the completion of the offer set out in this Company Description. However, additional capital needs, due to for example unforeseen costs and/or larger capital expenditures than expected, cannot be ruled out.

3.7 Refinancing risk

At maturity of the Group's loans, the Group will be required to refinance such debt. The Group's ability to successfully refinance such debt is dependent on the conditions of the financial markets in general at such time. As a result, the Group's access to financing sources at a particular time may not be available on favourable terms, or at all.

The Group will also, in connection with a refinancing of its debts, be exposed to interest risks on interest-bearing current and non-current liabilities. Changes in interest rates on the Group's liabilities will affect the Group's cash flow and liquidity. The Group's inability to refinance its debt obligations on favourable terms, or at all, could have a material adverse effect on the Group's business, financial condition and results of operations. The indicated Debt Facility assumes an average weighted loan maturity of 6.3 years.

3.8 Compliance with loan agreements

The loan agreement the Group has entered has made the Group subject to a number of covenants dictating what actions the Group may and may not take. Should the Group breach these covenants, the loans may be accelerated, which could resulting in the bankruptcy and liquidation of the Group. Such events would negatively affect the Group's financial condition and return on the Shares.

The loan agreement the Group has entered into has an ownership clause, allowing the lender to accelerate the debt if any individual legal person would acquire or control a certain share of the capital and voting rights of the Company.

3.9 Deviation from forward-looking statements

This Company Description contains forward-looking statements based on current expectations which involve risks and uncertainties. The actual results could differ materially from the results anticipated in these forward-looking statements as a result of many factors, including, but not limited to, the risk factors set forth in this chapter and elsewhere in this Company Description. The cautionary statements made in this Company Description should be read as being applicable to all forward-looking statements wherever they appear in this Company Description.

3.10 Pollution risk

The risk for unknown pollution will remain with the Group. Hence, there is a risk that the Group could be responsible for paying damages or cover any costs for potential clean-ups of the Portfolio.

3.11 Environmental risk

Although no environmental issues have been identified to this date, there is a risk that the Group will be subject to claims by public authorities or third parties as a result of environmental or other damages related to the land and the Portfolio. However, it should be noted that a neighbouring property in respect of the property

Linköping Bonäsudden 1:16 is contaminated due to historically conducted business consisting of a sawmill and production of tar (Sw. *tjära*) and charcoal (Sw. *träkol*). Thus, there is a risk that the contamination will spread to Bonäsudden 1:16 and hence there is a risk that the Group could be responsible for paying damages or cover any costs for potential clean-up of the property.

3.12 Development risk

There are ancient remains registered in the land register as regards two of the properties in the Portfolio. According to the Vendor, the ancient remains have not restricted the use of the properties in the past. However, there can be no guarantee that the ancient remains will not restrict the possibility to develop and exploit the properties, which might affect the valuation of the Portfolio, causing a risk that the Group's financial condition may be negatively affected.

3.13 Increased maintenance costs

The estimated maintenance and capital expenses on which the forward-looking statements have been calculated are based upon information from the Vendor, historic maintenance costs and capital expenses for the Portfolio, the perception of the Company and the Asset Manager. There is a risk that the maintenance costs and capital expenses for various reasons may exceed the estimated maintenance costs and capital expenses presented in this Company Description.

3.14 Geographic risk

This Company Description contains certain market information relating to the property market in Sweden in general, and Linköping in particular. Market values of residential and public properties in the area may decline in the future and negatively impact the return on the Shares.

3.15 Management risk

The Company is initially dependent upon the CEO and the Business Manager for the implementation of its strategy and the operation of its activities. Although the Business Management Agreement is non-terminable during 5 years from signing (with certain exceptions), and the termination period thereafter is 12 months, there is an uncertainty with regard to the Company’s management in the event of a termination of the Business Management Agreement. In addition, the Company will depend upon the services and products of certain other consultants, contractors and other service providers in order to successfully pursue the Company business plan. Finally, it cannot be ruled out that the fees connected to the Business Management Agreement with the Business Manager, as well as arrangements with the Manager, could have an adverse effect on the Company’s financial condition.

3.16 Property risk

Returns from the Portfolio will depend largely upon the amount of rental income generated from the Portfolio, the costs and expenses incurred in the maintenance and management of the Portfolio, necessary investments in the Portfolio and upon changes in its market value. Rental income and the market value for properties are generally affected by overall conditions in the economy, such as growth in gross domestic product, employment trends, inflation and changes of interest rates. Both property values and rental income may also be affected by competition from other property owners, or the perceptions of prospective buyers and/or the attractiveness from tenants, convenience and safety of the Portfolio.

3.17 Risk related to the lease agreements

Some of the Target's lease agreements with lease terms or extension periods shorter than three years contain variable rent clauses as well as clauses imposing a responsibility on the tenant to pay for any unforeseen costs. The Swedish Land Code (Sw. *Jordabalken*) stipulates that rent shall be fixed to a precise amount if the lease

period is shorter than three years or if the lease is effective until further notice. In the lease agreements with an initial term or extension period shorter than three years, any variable rent clause and any clause imposing a responsibility on the tenant to pay for any unforeseen costs thus may be invalid. If the variable rent clauses are deemed invalid, rent shall be paid at a “reasonable amount”. Thus there is a risk that some of the variable rent, if challenged by the tenants, may be determined at a lower level and that the company regarding some lease agreements may be responsible for any unforeseen costs. Additionally, there is a risk that retroactive claims may arise from the tenants. The risk of a decrease in rental income and the risks of retroactive claims and unforeseen costs could affect the Group's financial condition negatively.

The terms for some of the lease agreements will expire close in time. In addition, a few lease agreements contain break options which provide the right of an early termination for the tenant. In the event of such an early termination, the tenant shall pay a penalty. Thus, there is a risk that the tenants concerned will terminate the respective lease agreement, which could affect the rental income of the Portfolio negatively and in turn the Group's financial condition may be negatively affected.

The Target has undertaken to conduct refurbishment work regarding some of the lease objects, some of which may not have been completed. Thus, there is a risk that there are outstanding obligations and costs relating hereto which may influence the Target's financial condition negatively.

There are a few older lease agreements entered into around 20 years ago. Although they do not contain any variable rent clauses, the rental amounts charged exceed the rent set out in the lease agreements and according to the Vendor there are no written amendments to the agreements in question proving the higher rent. The annual difference between the charged rent and the rent stated in the lease agreements amounts to approximately SEK 500,000. The difference is, however, covered by the M&A insurance for a period of 24 months from the closing of the Transaction, 3 June 2015. To secure the charged rents beyond 3 June 2017, the Company will seek written amendments from concerned tenants as soon as possible.

3.18 Risk related to rental income

The Target has entered into an agreement on bargaining procedure with The Swedish Union of Tenants (Sw. *Hyresgästföreningen*), which obliges the Target to conduct rental negotiations before increasing any rents in respect of residential objects. This may limit the Target's possibilities of increasing the rental amounts, which over the longer term causes a risk of affecting the Group's financial condition negatively.

Part of the lease agreement is adjusted annually with Swedish CPI and part is negotiated between the Property Owner Organisation (Sw. *Fastighetsägarna*) and The Swedish Union of Tenants. Deviations from the estimated CPI and annual rent negotiations may have an effect on liquidity, dividends and expected return.

3.19 Risk related to M&A activity

The Target has been involved in several acquisitions and divestments in respect of subsidiaries and properties. To the Vendor's knowledge, the Target does not have not any outstanding obligations in relation hereto. However, should any claims arise towards the Target relating to share purchase or divestment, such as warranty breaches or indemnities or any outstanding purchase price payments, this could affect the Group's financial condition negatively. In order to mitigate this risk, an M&A insurance is included the Share Purchase Agreement.

3.20 Terminal value risk

Property and property related assets are inherently difficult to appraise due to the individual nature of each property and due to the fact that there is not necessarily a liquid market or clear price mechanism. As a result, valuations may be subject to substantial uncertainties. There is a risk that the estimates resulting from the

valuation process will not reflect the actual sales price. Any future property market recession could materially adversely affect the value of the Portfolio.

3.21 Risk related to future share issues

If the Company would need additional capital in the future, lack of participation from investors pose a risk to the Company's financial position. Investors who do not participate in future issues will risk having their ownership diluted.

3.22 Legal and regulatory risks

Investments in the Shares involve certain risks, including the risk that a party may successfully litigate against the Group, which may result in a reduction in the assets of the Group. However, the directors and the relevant managers of the Vendor are on the date hereof not aware of any pending litigation against the Target.

Changes in laws relating to ownership of land could have an adverse effect on the value of Shares. New laws may be introduced which may be retrospective and affect environmental planning, land use and/or development regulations.

Government authorities at all levels are actively involved in the promulgation and enforcement of regulations relating to taxation, land use and zoning and planning restrictions, environmental protection and safety and other matters. The institution and enforcement of such regulations could have the effect of increasing the expense and lowering the income or rate of return from the Company, as well as adversely affecting the value of the Portfolio. Government authorities could use the right of expropriation of the Portfolio if the requirements for expropriations are satisfied. Any expropriation will entitle the Group to compensation but the Group's financial condition may, irrespective of such compensation, be negatively affected.

3.23 Liquidity of the Shares

There is a risk that active trading in the Shares will not occur and hence there is a risk that a liquid market for trading in the Shares will not occur or be maintained. The total number of shareholders is relatively low at the time of listing which doesn't mitigate the risk but rather increases it.

Accordingly, investments in the Shares are only suitable for investors who can bear the risks associated with a lack of liquidity in the Shares.

Real estate is considered an illiquid asset, and normally it takes months to invest in and realise direct investments in property. An investor can only exit the investment through a sale of the Shares in the secondary market or if the Company sells the Portfolio.

3.24 Dilution in case of a new share issue or share split

In connection with the listing of the Company's shares on Nasdaq First North, the Shares have been distributed to the public in order to meet the listing requirements of Nasdaq First North.

3.25 Tax risk – the Target

Changes in laws and regulations regarding tax and other duties may involve new and changed parameters applicable to the Target and taxation of the Target at higher levels than as of the date hereof. Changes in tax rules and regulations may reduce the profitability of leasing out Portfolio and the profit after tax for the Target. Any of these matters could have a material adverse effect on the Target's business, financial condition and results of operations.

3.26 Risk related to the classification of taxable depreciation values

The Company Description prepared by the Company in connection with the listing at First North at Nasdaq Stockholm is based on a tax residual value on the building of approximately SEK 199,200,000 and tax value on land of approximately SEK 37,200,000. A depreciation rate of 2 % has been assumed. If the tax values and/or the actual allocation differs from the above, payable tax may change from the estimates in the project budget.

3.27 AIFM risk

The Alternative Investment Fund Managers Directive 2011/61/EU is recent, and there are still some unresolved/unclear issues regarding how to interpret the directive. The directive is implemented in Sweden. The Company has deemed itself to fall outside of the scope of the AIFM Directive due to its industrial purpose, i.e. because the Company shall indirectly generate returns through the Portfolio operations in the market and not necessarily by divesting the Portfolio or any properties within it. However, there is a risk that the Company may be considered an AIFM, which would among other result in additional costs to a depositary and a manager.

The factors mentioned above are not comprehensive and there may be other risks that relate to or may be associated with an investment in the Company.

4 BONÄSUDDEN HOLDING AB (PUBL)

4.1 Summary

Bonäsudden Holding AB, corporate identification number 556984-4557, is a Swedish public limited liability company with no current business. The Company, which is the sole owner of the Subsidiary, has acquired all shares in the Target. The Target, which is planned to be merged with Bonäsudden Fastighets AB, is the sole owner of the Portfolio encompassing 20 properties in the Linköping region.

The Portfolio is a fully leased[1] residential and public sector portfolio of approximately 35,895 m² located in the Linköping region. The portfolio was purchased at market price and without any onerous or otherwise unusual terms in the Sale and Purchase agreement. An external valuation has been conducted. Public sector tenants constitute approximately 37 % of rental income and approximately 55 % derives from residential units. The weighted average lease period of the Portfolio is 3.3 years, including 4.7 years for county council contracts and 2.7 years for municipal contracts. Municipality or county council lease agreements are generally perceived to have a small likelihood of termination due to the responsibility to provide different public services, such as schools, elderly care and child care. The lease period of these contracts in the Portfolio has, on average, run for nine years.

Portfolio summary

The Portfolio	
No. of property units[2]	20
Area, m²	~35,895
Average area per unit	1,795
Occupancy (economic / area), %	98.8 / 98.5
WALT (excluding residential)[3]	3.3
Rental value by type of tenant, year 2015	
Residential	~21,503 SEK'000 (993 SEK/m²)
Public sector	~14,753 SEK '000 (1,512 SEK/m²)
Commercial[4]	~1,633 SEK '000 (1,829 SEK/m²)
Storage	~959 SEK'000 (214 SEK/m²)
Parking[5]	~583 SEK´000 (133 parking lots)
No. of apartments (average area per unit, m²)	327 (65 m²)

Source: The Company and the Vendor

The Company acquired the Portfolio in May 2015, through acquiring 100 % of the shares in the Target. Prior to the acquisition of the Portfolio the Company has no earnings history. The most significant costs and revenues are fixed and the cash flow is positive. Current annualized figures are shown in the projected financial information presented in chapter 13.

The Company and its subsidiaries will from time to time hereinafter be referred to as the "Group".

[1] Vacancy rate of 1.2 %, which is mainly parking

[2] Akvarellen 3 and 4 are jointly taxed but constitute two different property units. The Company has chosen to present the two properties as one

[3] As of 1 April 2015

[4] Offices and retail

[5] Includes vacant parking lots. Average rent per parking lot is SEK 7,200

5 THE COMPANY AND THE TRANSACTION

5.1 The Company

The Company is a Swedish public limited liability company with corporate identification number 556984-4557, founded and registered with the Swedish Companies Registration Office at 26 September 2014. The current registered address of the Company is c/o Pareto Business Management AB, Box 7415, 103 91 Stockholm.

The Company was acquired as a shelf company with no previous business history. The Company shall through the Subsidiary acquire, and subsequently own, and manage the ownership of all of the shares in the Target. The Company will be the parent company of the Group and the counterparty under the Business Management Agreement. The object of the Company is to invest in real estate or companies which own real estate, obtain financing for its business and conduct business related thereto. The main object of the Company is to manage the current Portfolio. The intention is not to actively acquire additional properties. Having said that, additional acquisition may occur if the Board of Directors find such investment opportunity attractive.

The articles of association of the Company is included as Supplement 1 to this Company Description.

5.2 The Subsidiary

The Subsidiary is part of the Group. The Subsidiary is a Swedish limited liability company with corporate identification number 556991-6934, registered with the Swedish Companies Registration Office since 24 November 2014. The current registered address of the Subsidiary is c/o Pareto Business Management AB, Box 7415, 103 91 Stockholm.

The object of the Subsidiary is to invest in real estate or companies which own real estate, obtain financing for its business and conduct business related thereto. The Subsidiary will be the borrower under the Debt Facility, and the direct owner of the Target. The Subsidiary is planned to be merged with the Target.

5.3 The Target – Isidorum AB

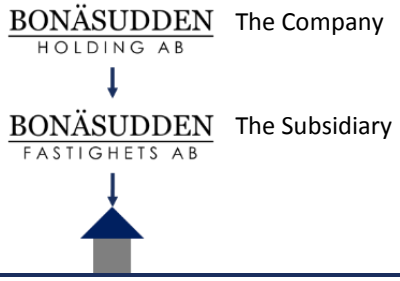
The Target is a Swedish limited liability company with corporate identification number 556607-4562, registered with the Swedish Companies Registration Office since 16 March 2001. The current registered address of the Target is c/o Isidorum AB, Box 1420, 581 14, Linköping.

The objects of the Target are to directly own and manage the Portfolio and to conduct business related thereto. The Target's only shareholder prior to the acquisition of the Target by the Company, through the Subsidiary is Isidorum Holding AB. The Target owns and has legal title to the Portfolio. The Target is planned to be merged with the Subsidiary.

5.4 Transaction and Group structure

The Group structure after the contemplated merger between the Subsidiary and the Target is illustrated below:

Long term Group structure



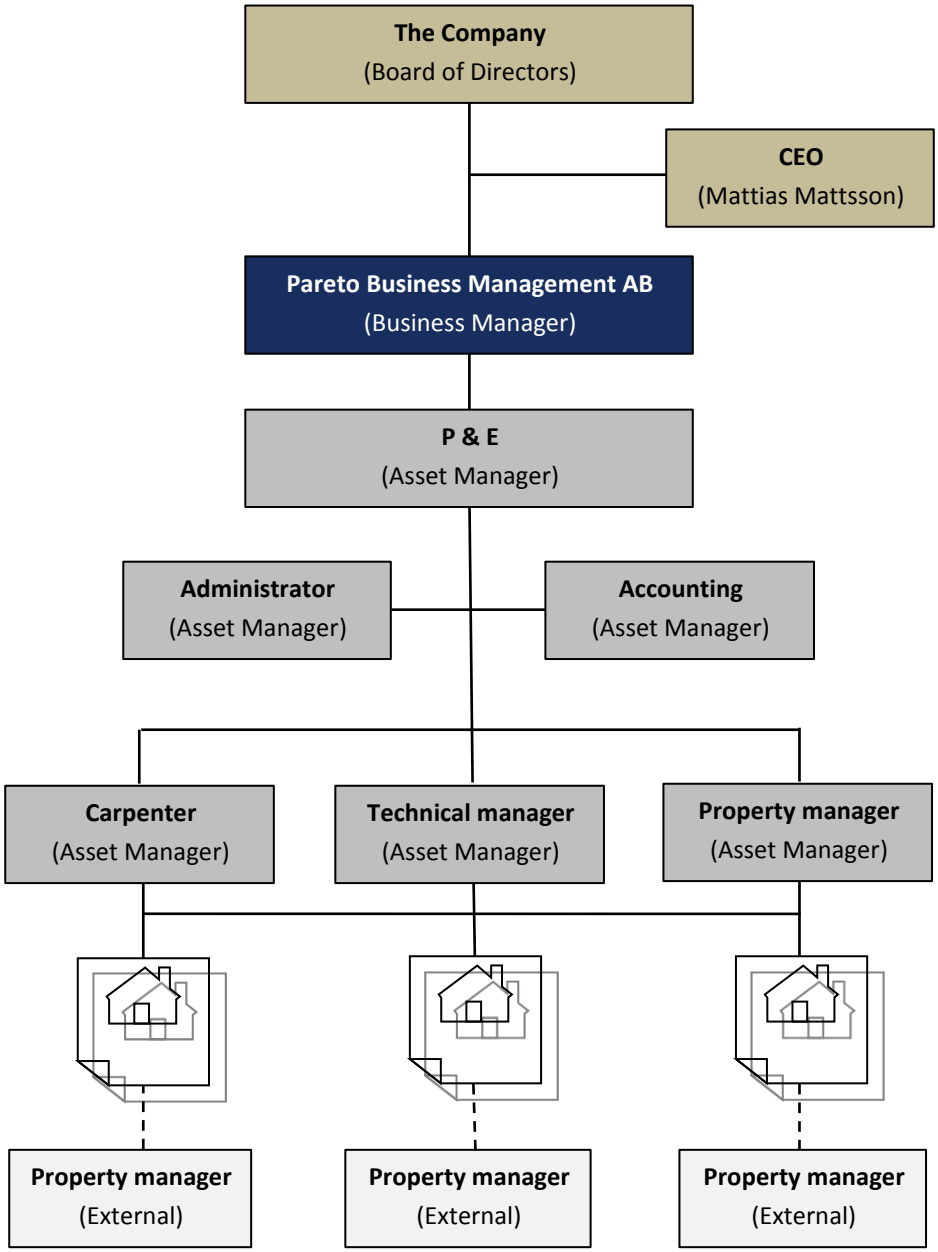
Source: The Company

6 ORGANIZATION

6.1 Organisation Overview

The CEO is appointed by the Board of Directors of the Company. The business management is conducted by the Business Manager and the asset management is conducted by the Asset Manager. Hence, the Asset Manager is responsible for tasks specified below e.g. accounting, administration and asset management.

Organisation Overview



Source: The Company

6.2 The CEO

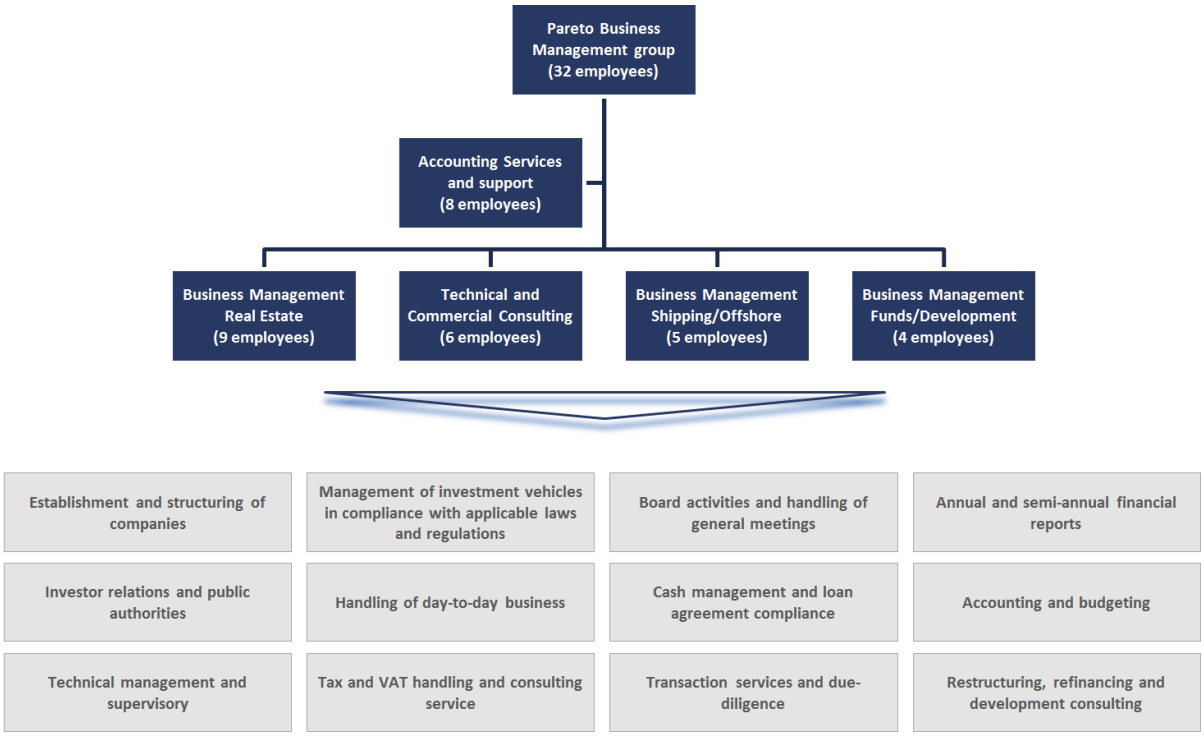
The Board of Directors has appointed Mattias Mattsson as CEO of the Company. The CEO shall ensure that the Company complies with the requirements for disclosure of information as set out in the First North Rulebook, as well as all other applicable rules pursuant to the listing of the Company's shares. Examples of instructions for the CEO of the Company are specified under section 10.1.

During the five previous years, the CEO has not been involved in any bankruptcy, liquidation or similar procedure or any fraud related convictions or on-going procedures. All information about historical, or on-going, bankruptcy, liquidation or similar procedure and also fraud related convictions or on-going procedures in which the CEO has been involved has been considered and disclosed below, at least covering the five previous years.

6.3 Business Manager

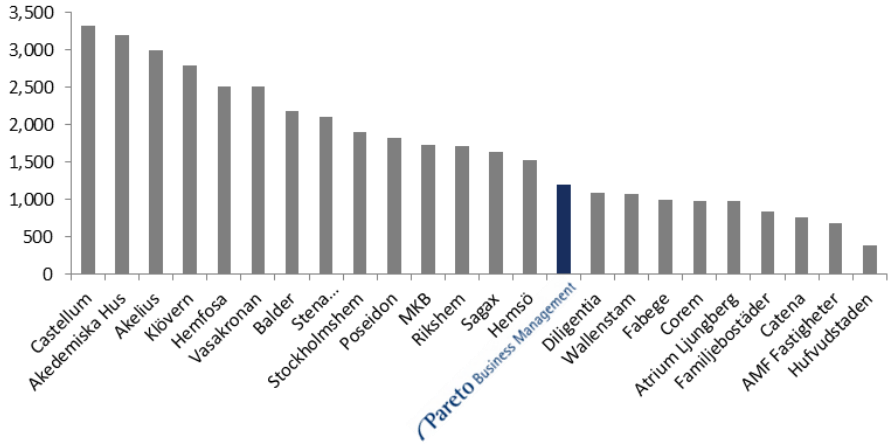
The Company has entered into the Business Management Agreement with Pareto Business Management AB, herein after known as the Business Manager, for business management. The Business management group and its subsidiaries have a team of 32 people, of which 25 people are working with property management, business management and technical management. Currently, the Business Manager and its subsidiaries have approximately NOK 25 billion and ~1.2 million m² under management across 70 SPVs. Please refer to section 10.2 for information about the Business Management Agreement.

The Pareto Business Management group



Source: Business Manager

Assets under management, '000 m²



Source: Business Manager

6.4 Asset Manager

The Company has engaged Fastighetspartner P&E AB as Asset Manager for the Portfolio. P&E is an independent real estate firm with a vast experience of active asset management and is currently managing real estate portfolios on behalf of several well-known companies. P&E was founded in 1991 and except for asset management, P&E offers a wide range of services, such as property management, technical management, shopping centre management, business management and leasing. Please refer to section 10.3 for information about the asset management agreement.

The Asset Manager subscribed for Shares in the Equity Issue.

P&E manages 520,000 m² on behalf of several well-known companies

Source: Asset Manager

Selection of portfolios managed by the Asset Manager

Vällingby Parkstad, Stockholm
Client: Sveafastigheter
Segment: Residential
Assignment: Project development and asset management
Area: 130,000 m²
Date: 2011 – in progress

Residential and public properties, Kalmar
Client: Rikshem
Segment: Residential and public sector
Assignment: Asset management
Area: 75,000 m²
Date: 2012 – in progress

LSS residents, Sweden
Client: Högkullen Omsorgsfastigheter
Segment: Public sector
Assignment: Asset management
Area: 35,000 m²
Date: 2012 – in progress

Mixed use, Linköping
Client: International
Segment: Mixed use
Assignment: Asset management
Area: 10,000 m²
Date: 2010 – in progress

Source: Asset Manager

6.4.1 Continuity in asset management

The Target's asset management organisation won an award for best asset management performance in Sweden in 2013. To maintain the previous owner's relationship with the tenants and to enable an active asset management, the Asset Manager has employed all asset management employees in the Target. In addition, the Target's current office in Linköping will also be included as well as the current web site which is familiar and well frequented by the tenants. All costs associated with the employees and the office will be covered by the Asset Manager.

7 THE PORTFOLIO

Unless otherwise explicitly stated, the Vendor is the source of all information contained in section 7.1 (General overview)

7.1 General overview

The Portfolio consists of 20 residential and public properties located in the Linköping region. The bulk of the Portfolio is characterized by one to four storey buildings. The Portfolio encompasses a total leasable area of approximately 35,895 m² with a total gross rent of approximately SEK 39,431,000 with 40 % of tenants paying VAT. The portfolio has an economic occupancy rate of approximately 99 %.

Overview of the portfolio

The Portfolio	
No. of property units[1]	20
Area, m²	~35,895
Average area per unit	1,795
Occupancy (economic / area), %	98.8 / 98.5
WALT (excluding residential)[2]	3.3
Rental value by type of tenant, year 2015	
Residential	~21,503 SEK'000 (993 SEK/m²)
Public sector	~14,753 SEK '000 (1,512 SEK/m²)
Commercial[3]	~1,633 SEK '000 (1,829 SEK/m²)
Storage	~959 SEK'000 (214 SEK/m²)
Parking[4]	~583 SEK´000 (133 parking lots)
No. of apartments (average area per unit, m²)	327 (65 m²)

Source: The Vendor

[1] Akvarellen 3 and 4 are jointly taxed but constitute two different property units. The Company has chosen to present the two properties as one

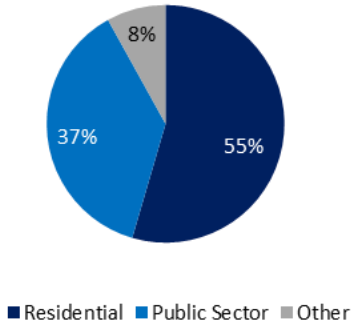
[2] As of 1 April 2015

[3] Offices and retail

[4] Includes vacant parking lots. Average rent per parking lot is SEK 7,200

The Portfolio constitutes of 327 apartments with an average size of 65 m². Approximately 45 %, or 9,681 m², of the residential units are apartments of 2 rooms and approximately 26 %, or 5,714 m², are apartments of 3 rooms. Additionally, 64 apartments, or 2,551 m², are apartments with 1 room.

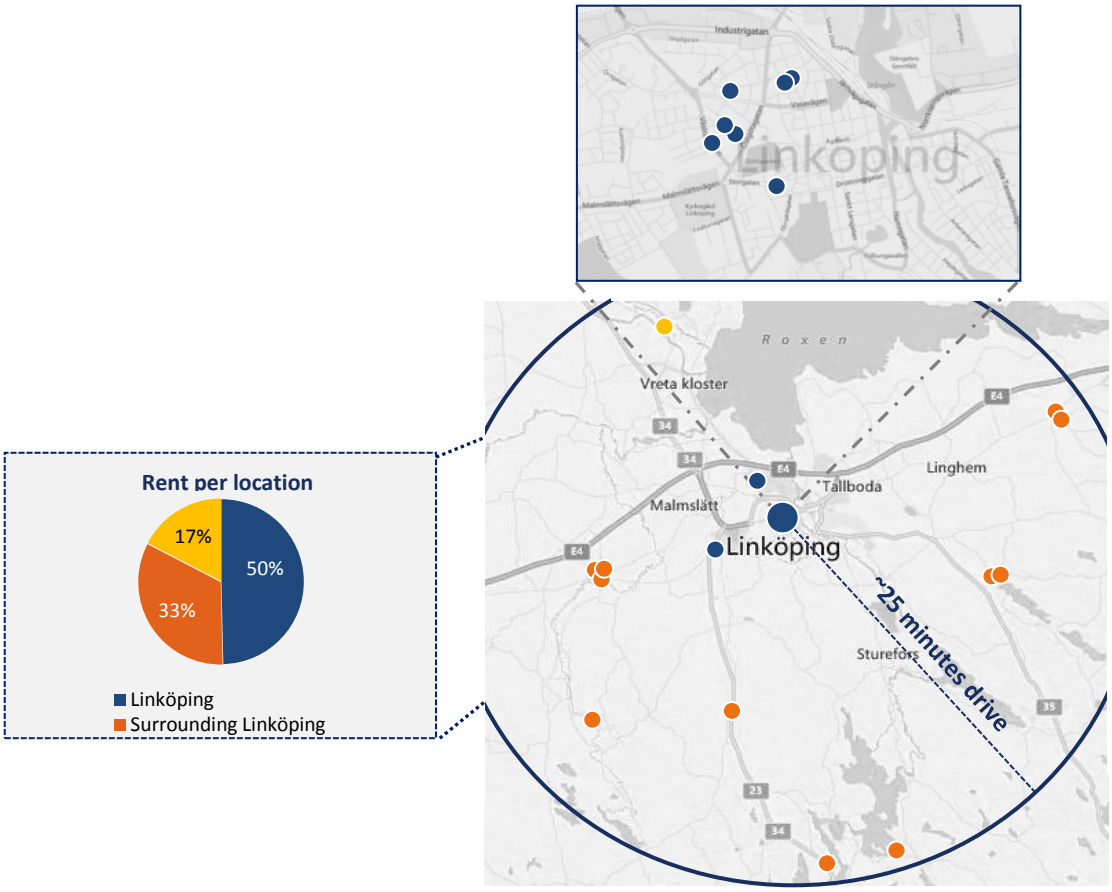
Rental income per main use



Source: The Vendor

The Portfolio has approximately 50 % of its gross rent generated from central Linköping, and 50 % from surrounding areas.

Rental income per location



Source: The Vendor

The public sector properties, including county council and municipality have a WALT of 3.5 years, County councils alone have a WALT of 4.7 years. In total, the Portfolio's WALT is 3.3 years (excluding residential units). Municipality or county council lease agreements are generally perceived to have a small likelihood of termination due to the responsibility to provide different services (e.g. schools, elderly care and child care) and short lease agreements backed by a municipality or county council are not uncommon. This has been proven in the Portfolio as the average tenant has used its premises for almost nine years.

Weighted average lease expiry

WALT[1]

4.7	2.7	2.2
County council	Municipal	Other

Note (1): As of 1 April 2015

Source: The Vendor

7.1.1 Key use of each property

All properties in central Linköping have more than 75 % of its rental income derived from residential tenants, which provide strong and stable cash flows. The only properties with more than 75 % of its rental income from the public sector (Bankeberg 5:41 and Idéflödet 3) account for only 6 % of the Portfolio's rental income. Seven properties have a mixed use (between public sector and residential) and are located in key rural surroundings of Linköping (e.g. Bestorp, Brokind, Vikingstad and Ljungsbro).

Key use of each property (>75 % of rental income)

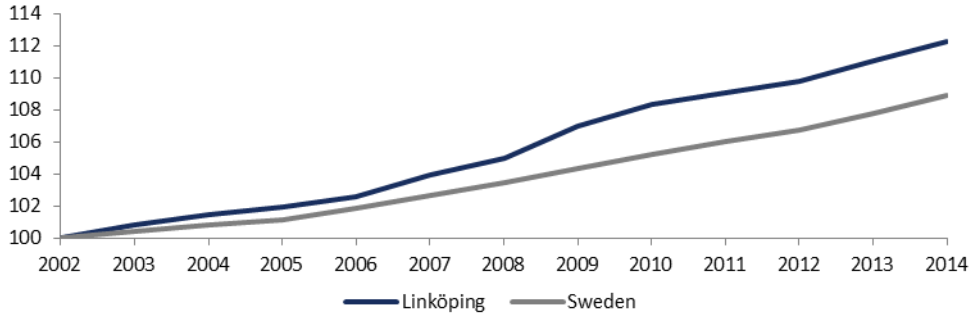
Property	Public sector	Residential	"Mixed"
Akvarellen 3-4		X	
Amor 4		X	
Amor 5		X	
Amuletten 18		X	
Apeln 9		X	
Bankeberg 5:41	X		
Bankeberg 9:10		X	
Bankeberg 9:14			X
Bonäsudden 1:16			X
Brokind 1:217			X
Egypten 10		X	
Guldfågeln 1			X
Idéflödet 3	X		
Ingebo 3:48		X	
Malfors 4:44			X
Nykil 2:3			X
Olofstorp 1:86		X	
Olofstorp 1:88			X
Svinstad 3:70		X	
Svinstad 3:75		X	

Source: The Vendor

7.2 Location - Linköping

The Portfolio is situated in the Linköping area, which together with Norrköping, are part of the East Sweden region. Linköping is the fifth largest municipality in Sweden with a total population of approximately 152,000 inhabitants (2014). The city is located in the Östergötland County, with almost 450,000 inhabitants making it the fourth largest county in Sweden. Linköping and Norrköping, or the East Sweden region, covers almost 65 % of the county's population and acts as the driving force for the rest of the county. The municipality has almost consistently exceeded the population growth of the country since 2002, according SCB.

Population growth, Linköping vs Sweden (Index: 100 as of 2002)



Source: SCB

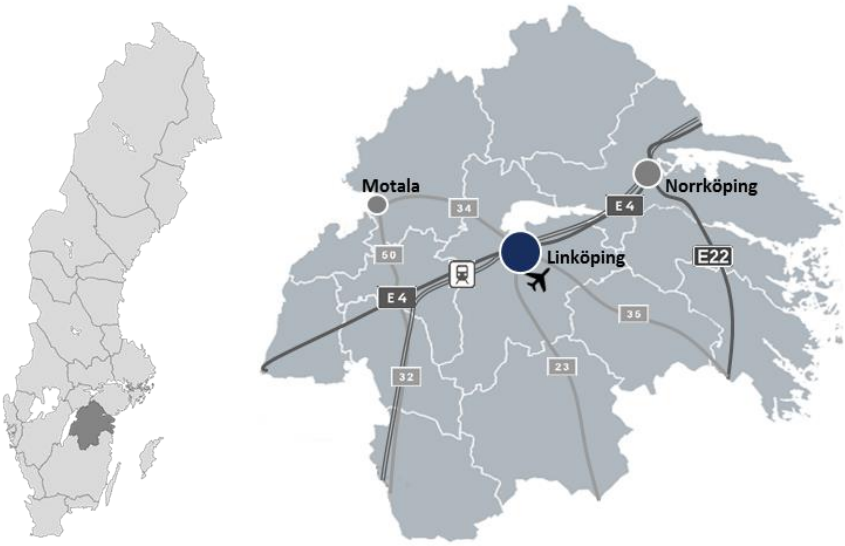
Linköping municipality, the county council, Linköping University and companies such as Saab and Ericsson are examples of the largest employers. Linköping University with 27,000 students and 4,000 employees and a campus in both Linköping and Norrköping is important to the regional development.

Short facts, Linköping municipality vs Country average

Short facts	Linköping municipality	Country average
Population	152,000	33,612
Average year of age	39.4	41.2
Unemployment rate	7.2 %	7.9 %
People with university education	35.3 %	25.3 %
Median income	SEK 243,918	SEK 248,690
Largest private employer	Saab AB	n/a
Largest public sector employer	Linköping municipality	n/a
Number of commuters to the city	20,000 daily	n/a
Municipal council	Social democrats	n/a

Source: SCB

Linköping is the largest city and main driver in the county



Source: Linköping Municipality

In 2017 the east link project is expected to start – a high-speed railway service connecting Stockholm and Linköping with a travel time of approximately one hour. The east link will be Sweden's largest infrastructure project to date, contributing to the further expansion of the city and region with planned completion 2028.

7.3 Linköping's residential market

In Sweden there is a housing shortage in several counties and the housing construction rate has been low for a long time and Östergötland County is no exception. The housing market is in disequilibrium in all major cities in the county with a strong need for additional housing until 2019. In addition, Östergötland has the ninth largest share of people living in assisted living homes, which is above the country average, according to Boverket and SCB.

Housing shortage

Municipalities in Östergötland	Housing market (including city centre and rest of municipality)	Need for additional housing until 2019
Linköping	**Disequilibrium**	**Yes**
Norrköping	Disequilibrium	Yes
Motala	Disequilibrium	Yes
Mjölby	Disequilibrium	Yes
Finspång	Disequilibrium	Yes
Söderköping	Equilibrium	Yes
Åtvidaberg	Equilibrium	No
Kinda	Equilibrium	Yes
Valdemarsvik	Disequilibrium	Yes
Vadstena	Equilibrium	Yes
Boxholm	Disequilibrium	Yes
Ödeshög	Equilibrium	Yes
Ydre	Equilibrium	No

Source: Boverket

7.4 Cost analysis

7.4.1 Cost analysis vs market standards

Estimated short and long term property costs appear to be in line with market standards for these types of properties. Budgeted operating and maintenance costs of the Portfolio are initially approximately SEK 11,500,000, or approximately 320 SEK/m². During the first four years, the Group plans to increase the maintenance and repairs post by, on average, 6.5 % per annum, equalling approximately SEK 12,900,000, or approximately 360 SEK/m² in 2019.

Including annual Group Costs, such as management fees to the Asset Manager, business management fee to the Business Manager and auditing and listing fees, the total costs equal approximately SEK 14,700,000, or approximately 410 SEK/m² in 2015.

Standard costs for residential properties, provided by REPAB (2015), indicates that properties such as those included in the Portfolio should have property costs of 270 – 320 SEK/m² and maintenance and repairs cost estimates of 120 – 180 SEK/m². Hence, the estimated property costs in the portfolio are in line with or above market standards.

Based on actual historical cost data, third party assessment of future maintenance and repair costs, already negotiated contracts and qualified assumptions relating to future costs, the Group has assumed the following budgeted all-in cash costs in the cash flow projections:

Portfolio costs vs market standards

Costs	Year 2015		Year 2019		*Market standards*
	Total, '000	SEK/m²	Total, '000	SEK/m²	*SEK/m²*
Property costs	**11,482**	**320**	**12,934**	**360**	***270- 320***
Operating expenses	5,508	153	5,508	153	
Maintenance and repairs	5,010	140	6,461	180	***120-180***
Insurance	179	5	179	5	
Property tax	785	22	785	22	
Company costs	**3,250**	**91**	**3,150**	**88**	
Business management	600	17	600	17	
Asset management	1,700	47	1,700	47	
Auditing and listing fees	950	26	850	24	
Total company costs	**14,732**	**410**	**16,084**	**448**	

Source: The Company, REPAB 2015
Note: All costs are rounded. Costs for 2015 are full year numbers, but Bonäsudden Holding AB acquired the Portfolio on 3 June 2015. Figures are not inflation adjusted.

As only 40 % of the tenants pay VAT, the Company can only deduct 40 % of the VAT costs. This additional cost is included in the Company's budget.

The majority of the commercial contracts are "warm" with normal demarcation between costs carried by the landlord and the tenant. In general, the tenant covers all tenant specific costs whereas the landlord covers the general maintenance of the properties. The residential contracts, except for a few, are "warm" with heating, water, garbage and TV included in the rent.

General demarcation list on commercial leases

Demarcation	Repair and exchanges	Maintenance and supervision
Common outdoor spaces	L	L
Common indoor spaces	L/T	L/T
Water and sewer	L	L
Heating and cooling	L	L
Electricity	L/T	L/T
Tenant specifics	T	T

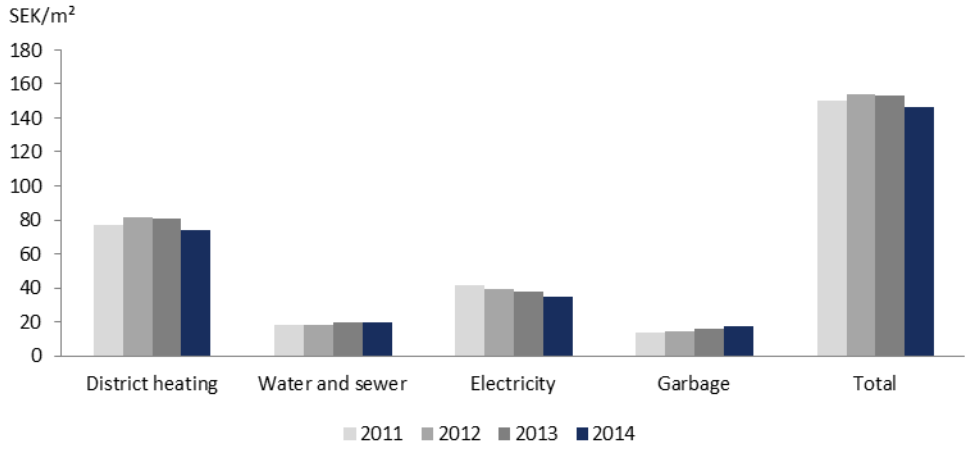
T = Costs carried by the Tenant
L = Costs carried by the Landlord

Source: the Vendor

7.5 Estimated Group costs

The Vendor has provided data on the historical property owner's costs related to the Portfolio. Due to a conservative budgeting approach, the Group's budgeted property owner's costs going forward are higher than the average historical property owner's costs from 2011 to 2014.

The Vendor's historical figures of operating expenses



Source: The Vendor

Over time, larger maintenance expenditures might be required in the Portfolio. Such larger expenditures may include repair or replacement of e.g. roof sections, sewage, pipes, kitchens, windows and bathrooms. The timing of such maintenance expenditures are however difficult to predict.

7.6 CAPEX analysis

A technical inspection of the Portfolio shows no immediate need for investments. During year 2- 5, however, the Group has projected investments of approximately SEK 8,400,000, in addition to budgeted annual unforeseen costs of SEK 1,600,000. During year 5-10, the Group has projected investments of approximately SEK 7,000,000. In total, estimated CAPEX amounts to approximately SEK 15,000,000.

The CAPEX has direct impact on the Portfolio's net operating income and is estimated to increase property values accordingly. Scheduled CAPEX of approximately SEK 15,000,000 are estimated over a period of 10 years to increase rental income by approximately SEK 1,900,000, or approximately 7.0 %, generating a return on investment of approximately 12.5 % (unlevered).

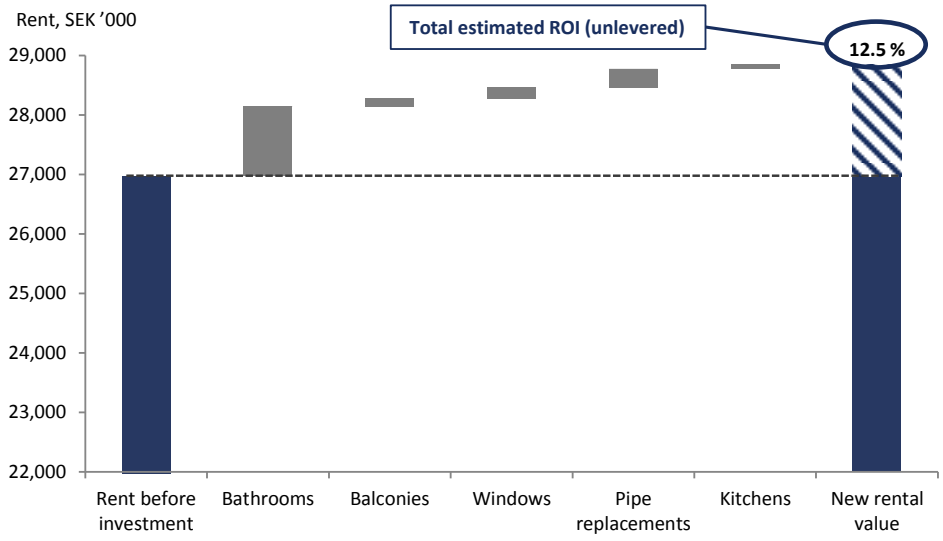
CAPEX scheduled totalling SEK 15 million over a period of 10 years

Suggested CAPEX on rent increase actions (SEK '000)	Year <1	Year 2-5	Year 5-10	Total
Total	**0**	**8,415**	**7,009**	**15,424**
Bathrooms	0	5,590	3,674	9,264
Balconies	0	360	-	360
Windows	0	390	-	390
Pipe replacements	0	1,875	3,135	5,010
Kitchens	0	200	200	400

Source: The Vendor

The five rent increase actions mentioned above are only some of the potential actions. Example of other actions could be new floors, change of kitchen appliances and new doors. The timing of each specific investment could differentiate from what is presented in this Company Description, but in total, they are likely to occur within 10 years.

Rental income is estimated to increase with ~7.0 % giving a ROI of ~12.5 % during a 10 year period



Source: The Company

8 THE RESIDENTIAL AND PUBLIC SECTOR PROPERTIES

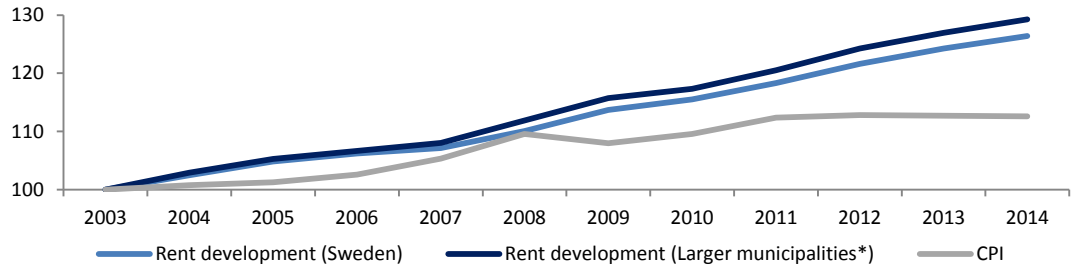
8.1.1 Residential properties - main characteristics

Rental levels of Swedish apartments shall be in accordance with the utility-value rent (Sw. *Bruksvärdeshyra*), which means that landlords are prohibited to set a rent higher than the average price for other properties of the same quality and size in the region. Rent negotiations are commonly negotiated between the Property Owner Organisation (Sw. *Fastighetsägarna*) and The Swedish Union of Tenants (Sw. *Hyresgästföreningen*), which negotiates the rents on behalf of the tenants.

Lease agreements and the law give tenants a number of rights and protections. All residential tenants have a protection of tenancy (Sw. *Besittningsskydd*), which means that a tenant can prolong a contract indefinitely and have the right to terminate a lease agreement at any time with three months notice. Additionally, a landlord can only refuse to prolong a lease if there is a justifiable cause, e.g. building works.

Despite a regulated housing market, the rental development has outperformed the CPI growth, which is demonstrated below.

Rental development vs CPI growth, indexed



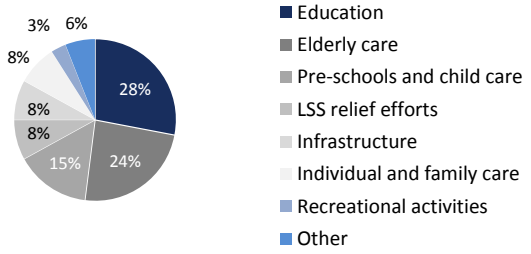
**Excluding Stockholm, Gothenburg and Malmö*
Source: SCB

8.1.2 Public sector - main characteristics

Public sector properties are characterized by tenants with high creditworthiness, which results in a low risk counterpart. The tenant has also a limited sensitivity to economic fluctuations and the overall need for elderly care and assisted living homes is increasing.

Public services such as education, elderly care, pre-schools & child care and LSS relief efforts account for approximately 75 % of the budgeted costs in the average municipality budget. Municipality or county council lease agreements are generally perceived to have a small likelihood of termination due to the responsibility to provide different services (e.g. schools, elderly care and child care) and short lease agreements backed by a municipality or county council are not uncommon. The lease agreements are most commonly CPI adjusted.

Average municipality budget



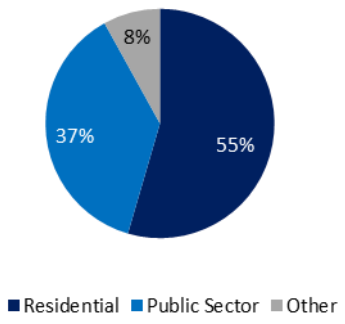
Source: Pareto research

9 THE TENANTS AND LEASE AGREEMENTS

9.1 Overview

Public sector tenants constitute approximately one third of rental income and more than 50 % derives from residential tenants. Other tenants include offices, retail units, parking and storages, which constitute 8 % of the Portfolio's rental value.

Rent per main use



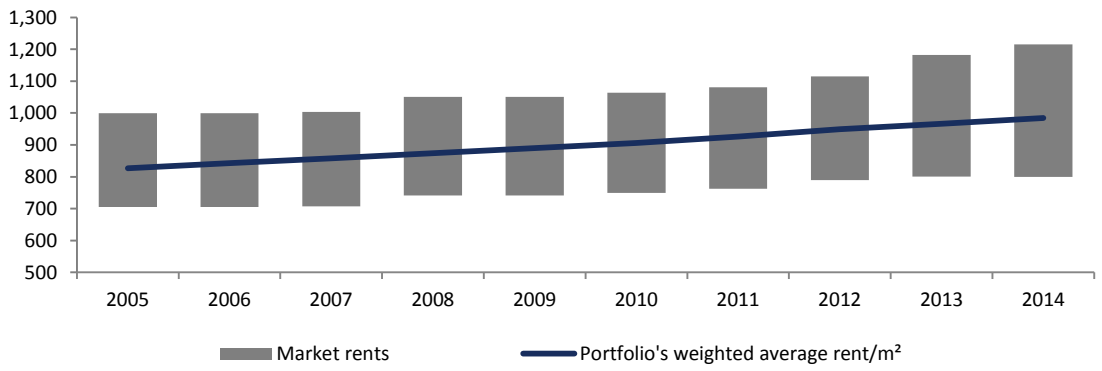
Source: The Vendor

9.1.1 Residential

The majority of the Portfolio's gross rent is derived from 327 residential units amounting to SEK 21,500,000 in rental income in (2015). The average leasable area per apartment is 65 m². All residential leases are in accordance with Swedish standards, including 3 months rolling lease periods. Heating, water and waste disposal are most commonly included in the rent but the residential tenants have their own subscription for electricity. Please refer to chapter 8 for more general information on residential properties.

The weighted residential rental income for the Portfolio has increased by 19.0 % between 2005 – 2014, which is in line with the rent development in larger Swedish municipalities (22.8 %). The CPI has developed by 11.2 % during the same sample period. Rent negotiations for 2015 resulted in a 0.9 % increase. The diagram below demonstrates the Portfolio's residential rental development compared to market rents in Linköping.

Portfolio's weighted rental values in line with the market



Source: Newsec and the Vendor

9.1.2 Public sector

The public sector tenants constitute of tenants backed by Linköping municipality or the county council of Östergötland. Residential, elderly care, medical centre, child care and assisted living are the main use of these premises. The WALT for the public sector lease agreements are 3.5 years. The demarcation between tenants and landlord differentiates between each lease agreement, but as mentioned in section 7.4, tenants normally cover all tenant specifics associated with the maintenance and repairs of the premises. Please refer to chapter 8 regarding public sector properties. The five largest public sector agreements are demonstrated below.

Five largest public lease agreements

Property	Tenant	Use of premises	Years since lease start[10]	Rental income 2015 (SEK)
Malfors 4:44	County Council	District health centre	9.6	2,197,465
Guldfågeln 1	County Council	District health centre	7.7	2,150,219
Bankeberg 5:41	Municipality	Nursing home	21.9	1,916,729
Nykil 2:3	Municipality	Service house	5.3	1,131,264
Guldfågeln 1	County Council	District health centre	5.3	1,112,476

Source: The Vendor

In addition to the five largest lease agreements mentioned in table above, there are several leases which have been prolonged several times. For example, one of the elderly care tenants has occupied its premises for a period of 23 years and one of the pre-school tenants has occupied its premises for a period of 31 years. Please note that the Company in most cases only has received current lease agreements from the Vendor. Hence, it is not unlikely that some tenants have occupied their premises longer than stated above.

9.1.3 Others

The category "others" constitutes offices, retail units, parking and storages. Commercial tenants include e.g. Swedbank and Apoteksgruppen. The majority of the commercial contracts are “warm” with normal demarcation between costs carried by the landlord and the tenant.

[10] As of 24 April 2015

10 SIGNIFICANT AGREEMENTS

Please refer to chapter 9 and section 7.4 for more information regarding tenants/lease agreements and a general demarcation list, respectively.

10.1 Agreement with the CEO

The Board of Directors has appointed Mattias Mattsson as CEO of the Company. Mr. Mattsson was previously CFO at Pareto Business Management AB. Prior to Pareto Business Management AB, Mr. Mattsson was CFO at CBRE Basale AB and Head of Accounting at Omniagruppen Asset Management AB. In total, Mr. Mattsson has more than 8 years of real estate experience. Today, Mr. Mattsson personally has no other appointments within the Pareto group.

Mr. Mattsson and the Company have entered into a CEO agreement. The CEO shall ensure that the Company complies with the requirements for disclosure of information as set out in the First North Rulebook, as well as all other applicable rules pursuant to the listing of the Company's shares. Examples of instructions for the CEO of the Company are specified below.

The CEO shall:

- perform duties in accordance with applicable legislation, the articles of association, the rules of procedure of the Board of Directors, and these instructions and other guidelines and directions issued by the Board of Directors
- ensure that the Company's accounts are maintained in accordance with applicable legislation
- ensure and monitor the appropriateness of the Company's internal organisation and controls, as well as compliance with applicable provisions of law and generally accepted practice in the Company's operations and management
- participate in board meetings and ensure that board members are regularly provided with the information required to enable them to monitor the Company's financial position, but also information which are to be believed as important for the Board of Directors and the Company's shareholders
- be subject to a duty of confidentiality as regards events at board meetings and otherwise as regards information he or she has received about the Company

For services provided, the CEO will invoice the Company according to its standard hourly rates of SEK 950 per hour excl. VAT.

10.2 Business Management Agreement

The Business Manager will, under the supervision of the CEO, look after the Company's interests and ensure that the Company is managed in material compliance with all applicable laws. The Business Manager shall perform the services as set out in the Business Management Agreement, the guidelines and orders from the CEO/Board of Directors and the general meeting of the Company, and always subject to statutory requirements.

The Business Manager will, under the supervision of the CEO, be responsible for the Company's day-to-day business handling in- and outgoing correspondence, cash management, accounting/budget, performing secretarial tasks and organizing general meetings, produce and prepare annual and semi annual financial reports and project updates to investors, other reports to public authorities, disclosure of information and reporting according to current regulations. The day-to-day business also includes following up lease

agreements if not covered by the Asset Manager and that the company is in compliance with all of the loan agreements. The Business Manager will also closely follow up the Asset Manager and in particular that running costs, maintenance and investment plan/CAPEX is in the best of the Company's interest.

The Business Manager may, after instruction from the CEO, engage third parties in connection with handling of the above mentioned tasks. Any possible fees connected with third party agreements will be paid by the Business Manager.

Upon sale or other realization of one or more of the Group's properties or subsidiaries (including mergers or demergers), the Company shall pay the Business Manager a fee of 1 % excl. VAT, calculated in the event of a realization of one or more of the Group's properties or subsidiaries on the of the sum of i) the agreed purchase price and ii) any remaining payments in order to construct the properties to be sold/realized. In the event of termination of the Business Management Agreement, the Company shall not pay the Business Manager any fee. However, upon sale or other realization of one or more of the Group's properties or any of the Company's direct or indirect subsidiaries within 12 months after termination of the Business Management Agreement (unless the agreement is terminated by the Company due to a material breach by the Business Manager), the fee of 1 % is applicable. The fee shall be calculated as 1 % excl. VAT of Gross Real Estate Value of the Group's properties.

The Business Management Agreement is non-terminable during 5 years from signing (with certain exceptions), and is thereafter prolonged until terminated. The notice period to be given under the Business Management Agreement is 12 months. The fee falls due upon completion of the transaction that triggers the fee or upon divestment within 12 months after termination of the Business Management Agreement as the case may be. The fee is applicable even if the Business Manager has not participated in the realization of the Company, its properties or other Group companies.

For the business management services, the Business Manager will receive an annual fee of SEK 400,000 p.a. excl. VAT. The fee will be adjusted annually by 100 % of the CPI, the first time in January 2016, based on the index listed in October 2014.

For services provided that are not included in the annual fee, the Business Manager will invoice the Company according to its standard hourly rates, currently between SEK 950 to 1,500 per hour excl. VAT. The Business Manager shall receive remuneration according to the given rates if assisting in procurements.

Some specific tasks and fees connected to these tasks shall not be subject to the standard hourly rates, but be negotiated with the Board of Directors of the Company:

1. Fee for coordination of development projects
2. Fee for refinancing of debt
3. Fee for renegotiation/renewals of lease contract
4. Fee for assistance in connection with signing of new lease agreements when external advisers are used
5. Fee for re-syndication/restructuring of the Company

The Business Management Agreement will be held available by the Business Manager upon request.

10.3 Asset Management Agreement

Fastighetspartner P&E AB is the Asset Manager under the Asset Management Agreement. The Asset Manager manages the Group with the objective to maximize the shareholders' capital returns. The Asset Manager looks after the interest of the shareholders of the Company and provides necessary services as agreed in the Asset Management Agreement.

Under the Asset Management Agreement, the Asset Manager is responsible for running and managing the Portfolio's day-to-day business on behalf of the shareholders. The Asset Manager may not, without prior approval from the Board of Directors of the Company, make any decisions or take any actions that have a material direct or indirect effect on the value of the Company, the Target and/or the Portfolio.

The Asset Manager participated in the Equity Issue with an amount of SEK 5,000,000.

10.3.1 Services

The tasks included in the Asset Manager's scope of services under the Asset Management Agreement include, but are not limited to, the following services:

- Financial/economic management (e.g. daily book keeping, VAT-reporting, rent collection)
- Technical management (procurement, energy optimization, budget and cost control, planned maintenance, statutory inspections)
- Facility management (maintenance, responsible for the day-to-day running in the buildings, inspections)
- Lease administration (Negotiations, manage lease contracts, tenant communication)
- Project management (project value less than SEK 10 million)

For the provision of all recurring services, the Asset Manager will be remunerated with an annual fee of SEK 1,300,000 (excl. VAT) for asset management services and SEK 1,200,000 (excl. VAT) for operation/ maintenance tasks. The fee of SEK 1,300,000 is included as the Asset Management fee in the Company's budget and the latter is included in the Company's budgeted maintenance and repairs post. Both posts are fixed and annual. In addition, the Company may request, and the Asset Manager has committed to provide, additional services which are considered to be non-recurrent services.

10.3.2 Lease renewal services

For services relating to the renegotiation or negotiation of lease agreements in respect of the Portfolio, the Asset Manager will receive remuneration as a pre-determined percentage of the annual rent. The percentage level is dependent on the length of the new lease agreement and the percentage remuneration is based on the average yearly rent, defined as the base rent excluding VAT and rental discounts.

	Lease duration ≤ 5 years	Lease duration > 5 years
Renegotiation of lease with current tenants	6%	8%
Negotiation of lease with a new tenant	10%	12%

For letting of residential units the Asset Manager will receive remuneration of SEK 1,500 (excl. VAT) per contract and SEK 800 (excl. VAT) for parking lots.

10.3.3 Term

The Asset Management Agreement is entered into for an initial term of three (3) years. Unless terminated, by either party, nine (9) months prior to expiry, the Asset Management Agreement is prolonged for two (2) years on the same terms and conditions. The Asset Management Agreement may always be terminated by the Company with three (3) months notice period.

The Asset Management Agreement will be held available by the Business Manager upon request.

11 BOARD OF DIRECTORS OF THE COMPANY

The tasks and responsibilities of the Board of Directors follow from Swedish law and include the overall management and control of the Company. The Board of Directors is elected by the general meeting of the Company. The Board of Directors is responsible for disclosure of information, reporting according to current regulations and the listing of the Company.

All information about historical, or on-going, bankruptcy, liquidation or similar procedure and also fraud related convictions or on-going procedures in which any person in the board of the Company has been involved has been considered and disclosed below, at least covering the five previous years. During the five previous years, no person in the board of directors of the Company is or has been involved in any bankruptcy, liquidation or similar procedure or any fraud related convictions or on-going procedures.

The Board of Directors, elected on the extraordinary general meeting on 1 July 2015, is presented below. The Board of Directors consists of four members.

Lennart Låftman – Chairman of the Board

- Education: M.Sc. from Handelshögskolan in Stockholm (SSE)
- Former CEO of the Fifth AP Fund, Affärsvärlden and co-founder of Consensus Group
- Current board assignments: Chairman in AVISA AB, Intervalor AB, Ros-Press AB and Delarka Holding AB, board member in Oscar Properties Holding AB, RFSU AB, AB Gruvbron, Folktandvården i Stockholms län AB, AB Stockholms Läns Landsting Interfinans, Telge Energi AB, Byggnads AB S:t Erik and Kallebäck Property Invest AB
- Number of shares: Represents EOJ 1933 AB and Petrus & Augusta Hedlunds Stiftelse, who collectively holds 70,000 shares in the Company. Mr. Låftman in addition privately holds 10,000 shares

Åsa Mossberg – Board Member

- Education: M.Sc. from Handelshögskolan in Stockholm (SSE)
- 10 years experience of equity research
- Former Head of Nordic research at UBS, sector head at Kaupthing and Head of Finance Baltics at Proctor & Gamble
- Current assignments: Founder and CEO of Beadifference (a sustainability and strategy advisory firm)
- Former board assignments includes: EMS ASA
- Number of shares: 0

Per-Åke Agnevik – Board Member

- Education: Swedish Armed Forces (Stockholm) between 1958-60
- Former Officer in the Swedish Armed Forces 1961-65, Officer (Military reserve) 1965-95, Svensk Bilprovning 1965-2004
- Current assignments: Fund manager of Carl Trygger Stipendie- och Underhållsstiftelse (2001-)
- Current board assignments: AB Boxholmshus, Vökby AB, Kommunalförbundet ITSAM, HB – lokalstyrelse i Vara
- Number of shares: Represents Carl Tryggers Stipendie- och understödsstiftelse, who holds 175,000 shares in the Company

Nils Kuylenstierna – Board Member

- Education: M.Sc. in Business Administration (Sw. Civilekonom)
- 40 years of real estate experience
- Former CEO of Sperlingsholms Gods AB
- Current assignment: CEO and owner of Sperlingsholms Holding AB
- Current board assignments: Chairman in Sibling Invest AB and board member of Sperlingsholms Gods AB and Landsorts Care AB 1-3
- Number of shares: Represents Sibling Invest AB and Sperlingsholms Holding AB, who collectively holds 20,000 shares in the Company. Mr. Kuylenstierna in addition privately holds 10,000 shares

12 THE SHARE OF BONÄSUDDEN HOLDING

12.1 Shares to be traded, share capital and breakdown by share class

The Company has one class of shares and all shares in the Company will be traded on First North. The subscription price was set to SEK 100. The Company has a registered share capital of SEK 1,680,000 allocated among 1,680,000 shares. The par value of the shares is accordingly SEK 1 per share.

12.2 Ownership structure[11]

Ownership structure		
Client	**Number of shares**	**% of votes and capital**
Carl Tryggers Stipendie- och understödsstiftelse	175,000	10.4 %
Fibonacci Asset Management AB	140,000	8.3 %
LGT Bank Liechtenstein	100,000	6.0 %
ICA-handlarnas Förbund AB	70,000	4.2 %
Akilakonsulting AB	65,000	3.9 %
EOJ 1933 AB	50,000	3.0 %
P&E 6 Invest AB*	50,000	3.0 %
Catella Förmögenhetsförvaltning	40,000	2.4 %
Johan & Jakob Söderbergs Stiftelse	30,000	1.8 %
Upplands Fornminnesförening	30,000	1.8 %
Total 10 largest shareholders	750,000	44.6 %
Others	930,000	55.4 %
Total	1,680,000	100.0 %

**P&E 6 Invest AB is part of the group of the Asset Manager*

The ten largest shareholders jointly own 44.6 % of the Company's share capital. The Company currently has approximately 110 shareholders.

At an extraordinary general meeting in the Company held 13 May 2015, it was resolved to issue new shares in the Company and to simultaneously redeem the existing shares in the Company. The current major owners of the Company acquired their holdings by way of participation in the new share issue resolved upon at the extraordinary general meeting held 13 May 2015.

12.3 Transactions with closely related parties

No transactions with physical persons discharging managerial responsibilities in the Company, board members, or affiliates to such persons have been conducted during the history of the Company.

[11] As of 25 June 2015

12.4 Shareholdings held by the Board of Directors, senior management and Certified Adviser

All board members, except for Åsa Mossberg, hold and/or represent shares in the Company. Please refer to chapter 11 for more information about each board member and its holdings in the Company.

No senior management of the Company or the Certified Advisor has any holdings of shares in the Company.

12.5 Share-based incentive programs

The Company has no share-based incentive program.

13 FINANCIAL INFORMATION

The estimates, projections and calculations in this chapter are based on assumptions supported by objective data. The estimates involve risks, uncertainties and other factors that may cause actual developments to differ materially from the anticipated development.

All calculations and estimates are based on current information, which is believed to be correct at the time of preparation of this Company Description. The Company cannot guarantee the correctness of the calculations, or the quality of the figures and assumptions underlying the calculations. Some of the assumptions made will or may be changed by the Board of Directors, implying that the calculations made will no longer be correct. Please note that the expected return is not a guarantee of actual return. Actual return is also subject to the investor's tax position and may be affected by future changes in tax legislation.

According to the Company's communications policy, any significant changes of these forecasts, as well as actual performance deviations from these forecasts, will be immediately disclosed to the market by press release in compliance with the First North disclosure rules.

13.1 Forthcoming information

Year-end report 2015: 24 February 2016

Annual general meeting: 23 March 2016

Half-year report 2016: 26 August 2016

The publication of dates for planned forthcoming information will be disclosed on www.bonasudden.se

13.2 Dividends

Dividends to shareholders are estimated to 7.5 % per annum, calculated on total paid-in capital of SEK 168 million. Dividends will be paid quarterly. Dividends are dependent on the Company's distributable reserves and liquidity situation as per each dividend date. Dividends are also subject to approval by the Company's Board of Directors. Dividends might also be are subject to lenders' approval or certain covenants in the financing documentation.

13.3 Financial outlook of the Group

All the Group's revenues derive from the lease agreements with the tenants. The rental income for the Portfolio during 2015, after the closing date of the Transaction (3 June 2015), is expected to be SEK 23.0 million. The estimated full year rental income for 2016 is SEK 39.6 million.

Accordingly, the Group's Property Related Costs for 2015 is budgeted to approximately SEK 6.7 million. The Group also expects to incur management, auditing and administration costs of approximately SEK 2.5 million. The Property Related Costs and the Group Costs are therefore expected to be SEK 9.2 million in 2015. The estimated Group Costs for 2016 is SEK 15.1 million, including Property Related Costs estimated to SEK 11.9 million and management, auditing and administration costs estimated to SEK 3.2 million.

In addition to the Group Costs, the Group will make interest payments under its SEK 372 million Debt Facility (further described below). For 2015, such payments are expected to amount to approximately SEK 5.4 million. Accordingly interest payments for 2016 are expected to amount to approximately SEK 9.2 million.

The accumulated liquidity in 2015 and 2016, post dividend payments, are estimated to approximately SEK 10.5 million and approximately SEK 12.1 million, respectively.

Based on the above, the Board of Directors states that the Company is profitable and possesses sufficient financial resources in order to be able to conduct the planned business for at least twelve months after the first day of trading.

13.4 Cash flow

Table below illustrates the Company's budgeted cash flow for the coming five years. Please note that figures for 2015 only include seven months as the Transaction closed on 3 June 2015. All figures are inflation adjusted in accordance with the Company's estimates.

Projected cash flow

Cash flow (SEK 1,000)	2015	2016	2017	2018	2019	2020
Inflation adjusted						
Rental Income	**23,002**	**39,611**	**40,153**	**40,640**	**41,381**	**42,136**
Insurance	-105	-180	-183	-187	-190	-194
Operating expenses	-3,213	-5,536	-5,619	-5,731	-5,846	-5,962
Property tax	-458	-789	-801	-817	-833	-850
Maintenance and repairs	-2,923	-5,400	-5,851	-6,346	-6,857	-6,994
Property Related Costs	**-6,698**	**-11,905**	**-12,454**	**-13,080**	**-13,726**	**-14,001**
NOI	**16,304**	**27,706**	**27,699**	**27,560**	**27,655**	**28,135**
Business management	-600	-603	-612	-624	-637	-650
P&E Management	-992	-1,709	-1,734	-1,769	-1,804	-1,840
Audtiting and listing fee	-950	-854	-867	-884	-902	-920
Group Costs	**-2,542**	**-3,166**	**-3,213**	**-3,278**	**-3,343**	**-3,410**
EBITDA	**13,762**	**24,541**	**24,486**	**24,282**	**24,312**	**24,725**

Source: The Company

13.5 Pro forma balance sheet

Table below illustrates the Company's pro forma balance sheet as of 3 July 2015. The balance sheet has not yet been audited by a certified public accountant.

Pro forma balance sheet as of July 2015

Pro forma balance sheeet - The Group (SEK 1,000)	3 July 2015
Buildings and land	287,819
Fixtures and inventory	241
Excess value	233,216
Total fixed assets	**521,277**
Account receivables	5
Other receivables	693
Tax receivables	-
Prepaid expenses and accrued income	1,130
Cash and cash equivalents	23,914
Total current assets	**25,742**
Total assets	**547,019**
Share capital	1,680
Share premium account	166,320
Retained earnings	-
Profit of the year	-
Total equity	**168,000**
Liabilities to credit institutions	372,000
Accounts payable	2,771
Other liabilities	648
Accrued expenses and deferred income	3,600
Total current liabilities	**379,019**
Total liabilities and equity	**547,019**

Source: The Company and the Vendor

13.6 Description of debt financing

The Group has obtained a Debt Facility with SBAB. The main terms of the Debt Facility outlined in the signed debt facility agreement are as follows:

Main terms of signed debt facility agreement	
Lender:	SBAB
Borrower:	Bonäsudden Fastighets AB ("Subsidiary")[12]
Amount:	SEK 372,000,000 (7yr: SEK 250m, 5yr: SEK 122m)
LTV	70 %
Maturity:	5 - 7 years (weighted 6.3 years)
Interest rate:	5yr: 2.21 % fixed, 7yr: 2.59 % fixed (weighted 2.46 % fixed)
Amortization:	0 % annually
Financial covenants:	• LTV ≤ 75% • Adjusted equity ratio ≥ 20%
Undertakings:	• No dividend payments if in breach of loan agreement
Security package:	• Security package customary for real estate property financings, including mortgages over the properties in the Portfolio and a pledge over the shares of the Subsidiary and the Company. There are existing mortgage deeds corresponding to approximately SEK 339,000,000 on the Portfolio
Initial fee:	One-time fee of 0.15 % of the loan amount (SEK 565,000)

13.7 Legal proceedings

The Group is not a party to any legal, governmental or arbitration proceedings that would have a material effect on the Group's financial position or profitability, neither has the Group been informed of any claims that could lead to any member of the Group becoming a party to such proceedings.

13.8 Taxes

The Group operates its business, calculates its tax costs and determines to which extent deferred tax claims exist in its financial statements in accordance with its interpretation of the applicable laws in Sweden. There are no open tax issues with the Tax Agency.

[12] The Target and the Subsidiary is the borrower under the Debt Facility. However, the Target and the Subsidiary are planned to be merged to create a more robust security structure for the bank.

14 PORTFOLIO SUMMARY

The table below summarises the area, the rent, rent/m² and percentage of total for each property in the Portfolio.

Property	Construction year	Estimated area m²	Estimated rent 2015 (SEK)	Estimated rent per m²	Rent % of total rent
Akvarellen 3-4	1941	989	1,072,073	1,085	2.8 %
Amor 4	1930	1,638	1,706,420	1,042	4.3 %
Amor 5	1930	1,440	1,449,045	1,006	3.5 %
Amuletten 18	1940	842	776,511	922	2.0 %
Apeln 9	1970	753	807,470	1,072	2.0 %
Bankeberg 5:41	1954	1,645	1,916,729	1,165	4.9 %
Bankeberg 9:10	1988	270	293,168	1,087	0.7 %
Bankeberg 9:14	1954	677	581,048	858	1.4 %
Bonäsudden 1:16	1979	2,004	2,184,072	1,090	5.7 %
Brokind 1:217	1981	1,734	2,189,476	1,262	5.7 %
Egypten 10	1978	1,356	1,544,958	1,139	3.8 %
Guldfågeln 1	1979	7,336	9,068,486	1,236	23.1 %
Idéflödet 3	1997	280	350,258	1,251	0.9 %
Ingebo 3:48	1983	760	609,458	801	1.6 %
Malfors 4:44	1952/2013	6,555	6,857,317	1,046	17.2 %
Nykil 2:3	1990/1993	3,108	3,591,879	1,156	9.1 %
Olofstorp 1:86	1970	678	575,308	849	1.5 %
Olofstorp 1:88	1991	1,702	2,039,208	1,198	5.2 %
Svinstad 3:70	1970	525	480,378	916	1.2 %
Svinstad 3:75	1987	1,604	1,338,122	834	3.4 %
Total		**35,895**	**39,431,384**	**1,099**	**100 %**

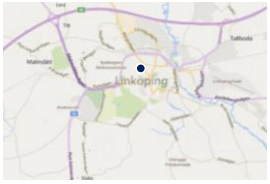
Source: The Vendor

14.1 All properties in the Portfolio

Unless otherwise explicitly stated, the Vendor is the source of all information contained in this section

Akvarellen 3:4 & Amor 4

Akvarellen 3-4 — Hunnebergsgatan 31,33



Key facts

Property information	
Tenure	Freehold
Construction year	1941
Leasable area, sqm	989
No.of residential units	21

Financial information	
Occupancy rate	99 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	320

Share of total NOI

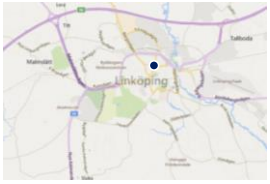
Rent per main use

Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**1,072**	**1,085**
Residential	988	1,036
Municipality	-	n/a
County Council	-	n/a
Parking	84	n/a
Offices	-	n/a
Other	-	-
Costs	**335**	**339**
Operating expenses	161	163
Maintenance and repairs	142	143
Insurance	5	5
Property tax	27	27
NOI	**737**	**746**

Comments

Amor 4 — Gustav Adolfsgatan 13, Kettilsgatan 1



Key facts

Property information	
Tenure	Freehold
Construction year	1930
Leasable area, sqm	1,638
No.of residential units	15

Financial information	
Occupancy rate	98 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	320

Share of total NOI

Rent per main use

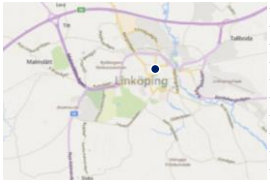
Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**1,706**	**1,042**
Residential	1,549	1,008
Municipality	-	n/a
County Council	-	n/a
Parking	101	n/a
Offices	-	n/a
Other	57	560
Costs	**571**	**349**
Operating expenses	311	190
Maintenance and repairs	227	139
Insurance	8	5
Property tax	25	15
NOI	**1,135**	**693**

Comments

Amor 5 & Amuletten 18

Amor 5 — Gustav Adolfsgatan 11



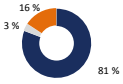
Key facts

Property information	
Tenure	Freehold
Construction year	1930
Leasable area, sqm	1,440
No.of residential units	10

Financial information	
Occupancy rate	99 %
WALT	Rolling 3 months
Indexation (CPI)	87 %
Type code	320

Share of total NOI

Rent per main use

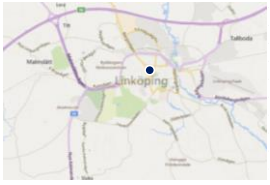


Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**1,449**	**1,006**
Residential	1,171	968
Municipality	-	n/a
County Council	-	n/a
Parking	50	n/a
Offices	-	n/a
Other	228	991
Costs	**387**	**268**
Operating expenses	165	115
Maintenance and repairs	192	134
Insurance	7	5
Property tax	22	15
NOI	**1,062**	**738**

Comments

Amuletten 18 — Västra vägen 5, 5A, 5B



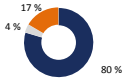
Key facts

Property information	
Tenure	Freehold
Construction year	1940
Leasable area, sqm	842
No.of residential units	15

Financial information	
Occupancy rate	98 %
WALT	Rolling 3 months
Indexation (CPI)	87 %
Type code	320

Share of total NOI

Rent per main use



Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**777**	**922**
Residential	618	931
Municipality	-	n/a
County Council	-	n/a
Parking	30	n/a
Offices	-	n/a
Other	128	721
Costs	**354**	**378**
Operating expenses	191	227
Maintenance and repairs	131	156
Insurance	4	5
Property tax	28	33
NOI	**422**	**451**

Comments

Vacant area of 61 m² will be converted into residential unit. The attic can be converted into a residential unit of 78.5 m²

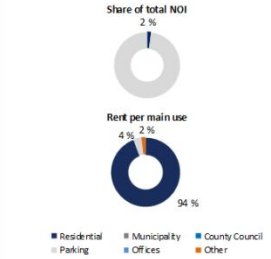
Apeln 9 & Bankeberg 5:41

Apeln 9 — Vasavägen 45

Key facts

Property information	
Tenure	Freehold
Construction year	1970
Leasable area, sqm	753
No.of residential units	9

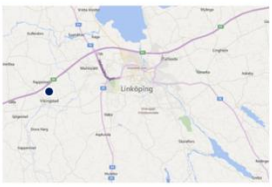
Financial information	
Occupancy rate	100 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	320



Net operating income, 2015	TSEK	SEK/m²
Rent	**807**	**1,072**
Residential	761	1,068
Municipality	-	n/a
County Council	-	n/a
Parking	30	n/a
Offices	-	n/a
Other	16	400
Costs	**276**	**366**
Operating expenses	153	203
Maintenance and repairs	107	142
Insurance	4	5
Property tax	12	16
NOI	**532**	**706**

Comments

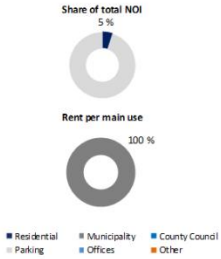
Bankeberg 5:41 — Barrskogsvägen 16



Key facts

Property information	
Tenure	Freehold
Construction year	1954
Leasable area, sqm	1,645
No.of residential units	0

Financial information	
Occupancy rate	100 %
WALT	3.5
Indexation (CPI)	100 %
Type code	823

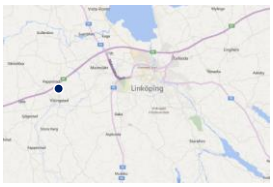


Net operating income, 2015	TSEK	SEK/m²
Rent	**1,917**	**1,165**
Residential	-	n/a
Municipality	1,917	1,165
County Council	-	n/a
Parking	-	n/a
Offices	-	n/a
Other	-	n/a
Costs	**528**	**321**
Operating expenses	284	173
Maintenance and repairs	236	143
Insurance	8	5
Property tax	-	-
NOI	**1,389**	**844**

Comments

Bankeberg 9:10 & Bankeberg 9:14

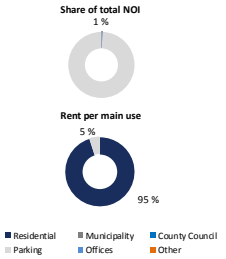
Bankeberg 9:10 — Vikingagatan 12A, 12B



Key facts

Property information	
Tenure	Freehold
Construction year	1988
Leasable area, sqm	270
No.of residential units	4

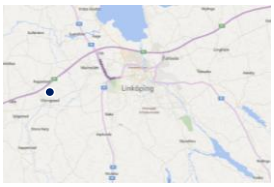
Financial information	
Occupancy rate	100 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	320



Net operating income, 2015	TSEK	SEK/m²
Rent	**293**	**1,087**
Residential	279	1,034
Municipality	-	n/a
County Council	-	n/a
Parking	14	n/a
Offices	-	n/a
Other	-	n/a
Costs	**128**	**476**
Operating expenses	84	312
Maintenance and repairs	38	140
Insurance	1	5
Property tax	5	19
NOI	**165**	**612**

Comments

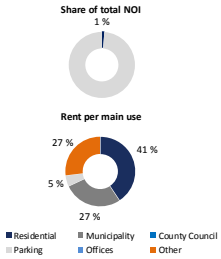
Bankeberg 9:14 — Fålåsavägen 5



Key facts

Property information	
Tenure	Freehold
Construction year	1954
Leasable area, sqm	677
No.of residential units	4

Financial information	
Occupancy rate	100 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	321



Net operating income, 2015	TSEK	SEK/m²
Rent	**581**	**858**
Residential	236	1,046
Municipality	159	1,081
County Council	-	n/a
Parking	29	287
Offices	-	n/a
Other	156	608
Costs	**244**	**360**
Operating expenses	124	183
Maintenance and repairs	103	151
Insurance	3	5
Property tax	14	21
NOI	**337**	**498**

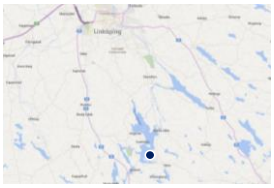
Comments

Municipal lease duration until 2016-09-30 and 2017-09-30

Bonäsudden 1:16 & Brokind 1:217

Bonäsudden 1:16

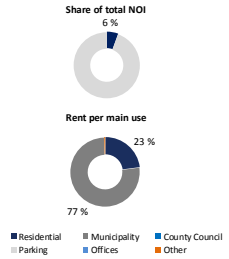
Sågvägen 4,6,8,10



Key facts

Property information	
Tenure	Freehold
Construction year	1979
Leasable area, sqm	2,004
No.of residential units	18

Financial information	
Occupancy rate	97 %
WALT*	1.8
Indexation (CPI)	94 %
Type code	321



Net operating income, 2015	TSEK	SEK/m²
Rent	**2,184**	**1,090**
Residential	501	852
Municipality	1,673	1,196
County Council	-	n/a
Parking	-	n/a
Offices	-	n/a
Other	11	584
Costs	**633**	**316**
Operating expenses	328	164
Maintenance and repairs	241	120
Insurance	10	5
Property tax	54	27
NOI	**1,551**	**774**

Comments

*Residential units excluded

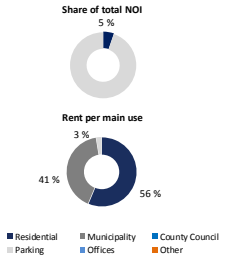
Brokind 1:217

Vinkelvägen 29-47

Key facts

Property information	
Tenure	Freehold
Construction year	1981
Leasable area, sqm	1,734
No.of residential units	17

Financial information	
Occupancy rate	97 %
WALT	Rolling 3 months
Indexation (CPI)	70 %
Type code	222



Net operating income, 2015	TSEK	SEK/m²
Rent	**2,189**	**1,262**
Residential	1,233	954
Municipality	901	2,039
County Council	-	n/a
Parking	56	n/a
Offices	-	n/a
Other	-	n/a
Costs	**726**	**419**
Operating expenses	463	267
Maintenance and repairs	203	117
Insurance	9	5
Property tax	52	30
NOI	**1,463**	**844**

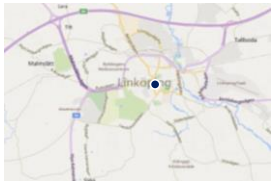
Comments

Including Brokind 2:242

Egypten 10 & Guldfågeln 1

Egypten 10

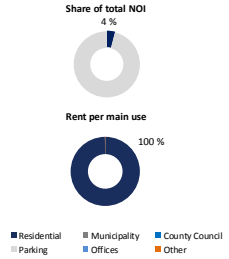
Nygatan 54



Key facts

Property information	
Tenure	Freehold
Construction year	1978
Leasable area, sqm	1,356
No.of residential units	21

Financial information	
Occupancy rate	100 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	320

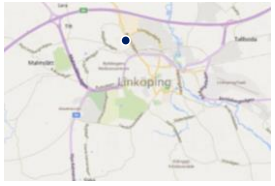


Net operating income, 2015	TSEK	SEK/m²
Rent	**1,545**	**1,139**
Residential	1,543	1,142
Municipality	-	n/a
County Council	-	n/a
Parking	-	n/a
Offices	-	n/a
Other	2	480
Costs	**420**	**310**
Operating expenses	214	158
Maintenance and repairs	174	129
Insurance	7	5
Property tax	25	18
NOI	**1,125**	**829**

Comments

Guldfågeln 1

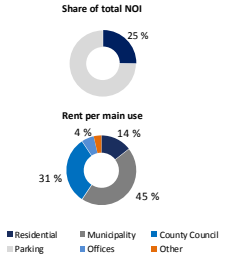
Skäggetorps Centrum 2-6



Key facts

Property information	
Tenure	Freehold
Construction year	1979
Leasable area, sqm	7,336
No.of residential units	53

Financial information	
Occupancy rate	100 %
WALT*	3.1
Indexation (CPI)	81 %
Type code	321



Net operating income, 2015	TSEK	SEK/m²
Rent	**9,068**	**1,236**
Residential	1,307	933
Municipality	4,074	1,103
County Council	2,841	1,663
Parking	7	n/a
Offices	519	1,819
Other	320	1,286
Costs	**2,041**	**278**
Operating expenses	669	91
Maintenance and repairs	1,096	149
Insurance	37	5
Property tax	239	33
NOI	**7,028**	**958**

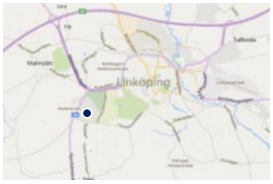
Comments

*Residential units excluded

Idéflödet 3 & Ingebo 3:48

Idéflödet 3

Teknikringen 18



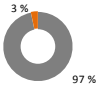
Key facts

Property information	
Tenure	Freehold
Construction year	1997
Leasable area, sqm	280
No.of residential units	0

Financial information	
Occupancy rate	100 %
WALT	1.4
Indexation (CPI)	61 %
Type code	825

Share of total NOI

Rent per main use



Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**350**	**1,251**
Residential	-	n/a
Municipality	339	1,355
County Council	-	n/a
Parking	-	n/a
Offices	-	n/a
Other	12	383
Costs	**96**	**342**
Operating expenses	56	200
Maintenance and repairs	38	137
Insurance	1	5
Property tax	-	-
NOI	**254**	**909**

Comments

Ingebo 3:48

Sofielundsvägen 22-31

Key facts

Property information	
Tenure	Freehold
Construction year	1983
Leasable area, sqm	760
No.of residential units	10

Financial information	
Occupancy rate	100 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	320

Share of total NOI

Rent per main use

Residential, Municipality, County Council, Parking, Offices, Other

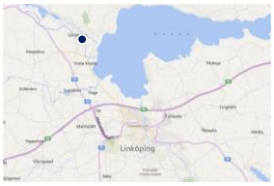
Net operating income, 2015	TSEK	SEK/m²
Rent	**609**	**801**
Residential	609	801
Municipality	-	n/a
County Council	-	n/a
Parking	-	n/a
Offices	-	n/a
Other	-	n/a
Costs	**147**	**193**
Operating expenses	22	29
Maintenance and repairs	109	143
Insurance	4	5
Property tax	12	16
NOI	**463**	**608**

Comments

Malfors 4:44 & Nykil 2:3

Malfors 4:44

Evastigen 9, 9A, 9B



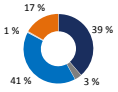
Key facts

Property information	
Tenure	Freehold
Construction year	1952/2013
Leasable area, sqm	6,555
No.of residential units	39

Financial information	
Occupancy rate	97 %
WALT*	2.4
Indexation (CPI)	68 %
Type code	321

Share of total NOI

Rent per main use



Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**6,857**	**1,046**
Residential	2,658	1,103
Municipality	220	884
County Council	2,797	1,496
Parking	38	n/a
Offices	-	n/a
Other	1,144	565
Costs	**1,967**	**300**
Operating expenses	925	141
Maintenance and repairs	934	143
Insurance	33	5
Property tax	75	11
NOI	**4,890**	**746**

Comments

County Council has a break option in 2015-12-31 (SEK 2.5m) and in 2021-12-31 (SEK 1m) for two separate lease agrements
*Residential units excluded

Nykil 2:3

Visättersvägen 8-10, Törenestigen 1

Key facts

Property information	
Tenure	Freehold
Construction year	1990/1993
Leasable area, sqm	3,108
No.of residential units	35

Financial information	
Occupancy rate	100 %
WALT*	1.8
Indexation (CPI)	75 %
Type code	320

Share of total NOI

Rent per main use

Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**3,592**	**1,156**
Residential	898	1,010
Municipality	2,670	1,203
County Council	-	n/a
Parking	24	n/a
Offices	-	n/a
Other	-	n/a
Costs	**1,311**	**422**
Operating expenses	821	264
Maintenance and repairs	432	139
Insurance	16	5
Property tax	42	14
NOI	**2,281**	**734**

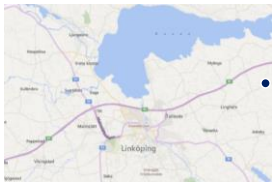
Comments

*Residential units excluded

Olofstorp 1:86 & Olofstorp 1:88

Olofstorp 1:86

Olovstorpsvägen 2-20



Key facts

Property information	
Tenure	Freehold
Construction year	1970
Leasable area, sqm	678
No.of residential units	10

Financial information	
Occupancy rate	100 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	320

Share of total NOI

Rent per main use

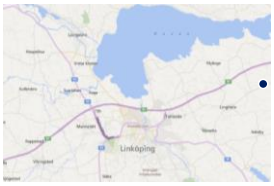
Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**575**	**849**
Residential	575	849
Municipality	-	n/a
County Council	-	n/a
Parking	-	n/a
Offices	-	n/a
Other	-	n/a
Costs	**254**	**375**
Operating expenses	136	201
Maintenance and repairs	103	151
Insurance	3	5
Property tax	12	18
NOI	**321**	**474**

Comments

Olofstorp 1:88

Fridhemsvägen 14-34, Sandstensvägen 2-14



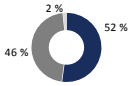
Key facts

Property information	
Tenure	Freehold
Construction year	1991
Leasable area, sqm	1,702
No.of residential units	17

Financial information	
Occupancy rate	99 %
WALT*	3.8
Indexation (CPI)	70 %
Type code	222

Share of total NOI

Rent per main use



Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**2,039**	**1,198**
Residential	1,063	875
Municipality	942	1,936
County Council	-	n/a
Parking	34	n/a
Offices	-	n/a
Other	-	n/a
Costs	**457**	**268**
Operating expenses	183	108
Maintenance and repairs	216	127
Insurance	9	5
Property tax	49	29
NOI	**1,582**	**930**

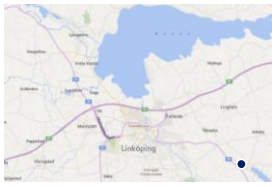
Comments

*Residential units excluded

Svinstad 3:70 & Svinstad 3:75

Svinstad 3:70

Linvägen 2-18



Key facts

Property information	
Tenure	Freehold
Construction year	1970
Leasable area, sqm	525
No.of residential units	9

Financial information	
Occupancy rate	100 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	320

Share of total NOI

Rent per main use

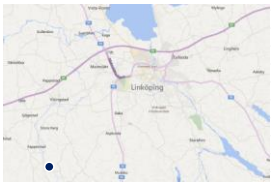
Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**480**	**916**
Residential	480	916
Municipality	-	n/a
County Council	-	n/a
Parking	-	n/a
Offices	-	n/a
Other	-	n/a
Costs	**213**	**406**
Operating expenses	124	236
Maintenance and repairs	75	143
Insurance	3	5
Property tax	11	21
NOI	**267**	**510**

Comments

Svinstad 3:75

Svinstadsvägen 30-68



Key facts

Property information	
Tenure	Freehold
Construction year	1987
Leasable area, sqm	1,604
No.of residential units	19

Financial information	
Occupancy rate	100 %
WALT	Rolling 3 months
Indexation (CPI)	100 %
Type code	222

Share of total NOI

Rent per main use

Residential, Municipality, County Council, Parking, Offices, Other

Net operating income, 2015	TSEK	SEK/m²
Rent	**1,338**	**834**
Residential	1,254	782
Municipality	-	n/a
County Council	-	n/a
Parking	84	n/a
Offices	-	n/a
Other	-	n/a
Costs	**386**	**241**
Operating expenses	94	59
Maintenance and repairs	203	127
Insurance	8	5
Property tax	81	50
NOI	**952**	**593**

Comments

15 SUPPLEMENT 1: ARTICLES OF ASSOCIATION

Tillägg 1: Bolagsordning

N.B. The English text is an unofficial translation.

Bolagsordning för Bonäsudden Holding AB (publ)

Articles of association of Bonäsudden Holding AB (publ)

Org. nr. 556984-4557

Reg. no. 556984-4557

Antagen på bolagsstämma den 19 maj 2015.

Adopted at the general meeting held on May 19, 2015.

§ 1 Bolagets firma / Name of the company
Bolagets firma är Bonäsudden Holding AB (publ).

The name of the company is Bonäsudden Holding AB (publ).

§ 2 Styrelsens säte / Registered office
Styrelsen har sitt säte i Stockholm.

The registered office of the company is situated in Stockholm.

§ 3 Bolagets verksamhet / Objectives of the company
Bolaget ska investera i fast egendom eller i bolag som äger fast egendom och upphämta finansiering för sin verksamhet samt bedriva därmed förenlig verksamhet.

The company shall invest in real estate or in companies that own real estate, obtain financing for its business and conduct business related thereto.

§ 4 Aktier och aktiekapital / Shares and share capital
Aktiekapitalet utgör lägst 1 680 000 kronor och högst 6 720 000 kronor. Antalet aktier ska vara lägst 1 680 000 stycken och högst 6 720 000 stycken.

The share capital shall be not less than SEK 1,680,000 and not more than SEK 6,720,000. The number of shares shall be not less than 1,680,000 and not more than 6,720,000.

§ 5 Styrelsen / The Board of Directors
Styrelsen ska bestå av 3 - 10 ledamöter med minst en suppleant och högst tio suppleanter.

The Board of Directors shall comprise 3 -10 members and not more than ten alternate members.

§ 6 Revisorer / Auditors
Bolaget ska ha 1-2 revisorer med högst 2 revisorssuppleanter eller ett registrerat revisionsbolag.

The company shall have 1-2 auditors and not more than 2 alternate auditors or a registered accounting firm.

§ 7 Kallelse till bolagsstämma / Notice to general meeting
Kallelse till bolagsstämma ska ske genom annonsering i Post- och Inrikes Tidningar. Samtidigt som kallelse sker ska bolaget genom annonsering i Svenska Dagbladet upplysa om att kallelse skett.

Notice to attend general meetings shall be published in Post- och Inrikes Tidningar (the Swedish Official Gazette). At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

§ 8 Årsstämma / Annual general meeting
Årsstämma hålls årligen inom sex månader efter räkenskapsårets utgång.

The annual general meeting is held each year within six months of the end of the financial year.

På årsstämma ska följande ärenden förekomma.

The following matters shall be addressed at the annual general meeting.

1. Val av ordförande vid stämman;

   Election of a chairman of the meeting;

2. Upprättande och godkännande av röstlängd;

   Preparation and approval of the voting register;

3. Godkännande av dagordning;

   Approval of the agenda;

4. Val av en eller två justeringspersoner;

   Election of one or two persons to attest the minutes;

5. Prövning av om stämman blivit behörigen sammankallad;

   Determination of whether the meeting was duly convened;

6. Föredragning av framlagd årsredovisning och revisionsberättelse samt, i förekommande fall, koncernredovisning och koncernrevisionsberättelse;

   Presentation of the annual report and auditor's report and, where applicable, the consolidated financial statements and auditor's report for the group;

7. Beslut om

   Resolutions regarding

(a) fastställande av resultaträkning och balansräkning, samt, i förekommande fall, koncernresultaträkning och koncernbalansräkning,

adoption of the income statement and balance sheet and, where applicable, the consolidated income statement and consolidated balance sheet;

(b) dispositioner beträffande vinst eller förlust enligt den fastställda balansräkningen,

allocation of the company's profit and loss according to the adopted balance sheet;

(c) ansvarsfrihet åt styrelseledamöter och verkställande direktör när sådan förekommer;

discharge from liability for board members and the managing director, where applicable;

8. Fastställande av styrelse- och revisorsarvoden;

Determination of fees for the Board of Directors and the auditors;

9. Val av styrelse och, i förekommande fall, revisionsbolag eller revisorer;

Election of the Board of Directors and, where applicable, accounting firm or auditors;

10. Annat ärende, som ankommer på stämman enligt aktiebolagslagen eller bolagsordningen.

Any other business incumbent on the meeting according to the Companies Act or the articles of association.

§ 9 Räkenskapsår / Financial year
Bolagets räkenskapsår ska vara kalenderår.

The company's financial year shall be the calendar year.

§ 10 Avstämningsförbehåll / Central security depository clause
Bolagets akter ska vara registrerade i ett avstämningsregister enligt lagen (1998:1479) om kontoföring av finansiella instrument.

The company´s shares shall be registered with a central security depository register, pursuant to the Swedish financial instruments accounts act (SFS 1998:1479).