

To the bondholders in:

ISIN: SE0013486057 Host Property (publ) SEK 500,000,000 senior secured and guaranteed floating rate bonds (the “**Bonds**”).

Stockholm 28 April 2023

Notice of Bond Trustee’s approval of a waiver request from the Issuer

Nordic Trustee & Agency AB (publ) is the appointed Bond Trustee (the “**Bond Trustee**”) under the terms and conditions for the abovementioned bond issue (the “**Terms and Conditions**”).

Terms defined in the Terms and Conditions shall have the same meaning when used in this notice, unless otherwise defined herein.

This notice is distributed to the Bondholders in accordance with Clause 23.3 (*Amendments and waivers*) of the Terms and Conditions, since the Bond Trustee, as further set out below, has agreed to accept and approve of a written request from the Issuer (as supported by a written report signed by the Issuer’s auditor, Ernst & Young AB, hereinafter the “**Tax Advisor**”) for a waiver (the “**Waiver Request**”).

Background

Pursuant to Clause 14.14 (*Distributions restrictions*) of the Terms and Conditions the Issuer, other than distributions from a Property Company to the Issuer, shall not (and shall ensure that no Issuer Group Company will) declare or make any dividend payment or distribution, whether in cash or in kind, repurchase of shares or make other similar transactions (including, but not limited to total return swaps related to its shares and reductions in its share capital or equity), grant loans or make cash payment (interest or amortizations) under intra-group loans, or other distributions to its (direct or indirect) shareholders or affiliates thereof (“**Distributions**”).

The Issuer and its Advisor have provided the following information to the Bond Trustee:

For the financial year 2022, the Issuer has accrued taxable income, while its parent company Host AB has accrued a tax-deductible loss. For tax netting purposes, the Issuer is contemplating to permit a group contribution (*Sw. koncernbidrag*) in accordance with the Swedish Income Tax Act (*Sw. inkomstskattelag*) in the amount of SEK 21.5 million to its shareholder Host AB which will have a positive tax effect to the Issuer, provided that Host AB makes a shareholder’s contribution (*Sw. ovillkorat aktieägartillskott*) to the Issuer in the same amount and simultaneously with the group contribution (the “**Transaction**”). The group contribution and the shareholders’ contribution are contingent of each other, i.e. if the distribution is not carried out, the group contribution will not be made. The reasons behind the Transaction are described further in the attached report from the Tax Advisor, attached hereto as Schedule 1. The positive tax effect for the Issuer will be SEK 4,4 million.

The equity, liquidity and financial position of the Issuer will improve as a result of the Transaction, which is beneficial to the Issuer and ultimately the creditors of the Issuer (which also follows from the report received from the Tax Advisor).

The Issuer deem, in accordance with 23.1 (a) (*Amendments and waivers*) of the Terms and Conditions, the Waiver Request to be non-detrimental to the interests of the Bondholders, since the equity, liquidity and financial position of the Issuer will improve as a result of the Transaction, which is beneficial to the Issuer and ultimately the creditors of the Issuer.

Waiver

In light of the above, the Bond Trustee has on 24 April 2023 agreed to waive the Terms and Conditions in accordance with the Waiver Request as the Agent is satisfied that such waiver is not detrimental to the interest of the Bondholders as a group, in accordance with clause 23.1(a) of the Terms and Conditions.

For further information, please contact the Issuer at christian.fuhr@host.no.

Yours sincerely,

NORDIC TRUSTEE & AGENCY AB (PUBL)

Till: Host Property AB
Jon Petter Haaland

Göteborg 20 april 2023

Vi har blivit ombedda av Host Property AB att beskriva syftet och effekten av de transaktioner Host Property AB avser göra med sitt moderbolag Host AB i syfte att minska sin skattebörda utan att det påverkar Host Property AB negativt.

I det preliminära bokslutet redovisar Host Property AB ett skattemässigt resultat som innebär att bolaget hamnar i en skattesituation. I Host AB finns ett ansamlat underskott som är möjligt att nyttja för att minska på koncernens totala skattebörda.

För att nyttja underskottet behöver Host Property AB skicka ett koncernbidrag om motsvarande belopp till Host AB. Koncernbidrag är i normalfallet skattemässigt avdragsgillt hos givaren och skattepliktigt hos mottagaren vilket innebär att Host AB kan nyttja sitt underskottsavdrag mot det mottagna koncernbidraget och därmed reducera sin skattebörda.


Koncernbidraget minskar det redovisade resultatet i Host Property AB och därmed Host Property AB:s skattebörda. I syfte att kompensera för den minskning av eget kapital som koncernbidraget innebär kan Host AB skicka ett aktieägartillskott på samma belopp.

Ovan transaktioner föranleder inga åtgärder i revisionen och vi har för avsikt att avge våra revisionsberättelser utan modifieringar på basis av den föreslagna redovisningen.

Ett aktieägartillskott ökar mottagarens fria eget kapital och skulle då motsvara den minskning av fritt eget kapital som koncernbidraget innebär. Enligt de preliminära finansiella rapporter vi har tagit del av kan således bolagets skattebörda att kunna reduceras med 4,4 miljoner kr.

Med vänlig hälsning

Ernst & Young AB



Anders Linusson
Auktoriserad revisor