

## COMPANY IN BRIEF

- Filago AS was established in 2012 with the purpose of developing Ecovillages utilizing new technology and sustainable business models driven by environmental concerns.
- Mamatoto AS, with chairman Tom Vidar Rygh and CEO Pål Lund-Roland, is the main shareholder of Filago AS
- Filago is involved in all aspects of the property development, from land purchase, zoning, construction and sale of residential houses.
- The first Ecovillage with 64 units in Hurdal (phase 1) was completed and sold in 2016
- Due to Filago's focus on environmental factors, municipal and governmental authorities are positive to the projects, resulting in more easily approved zoning of properties



## THE PROJECTS

- Three locations; Hurdal (phase 2), Gran and Tjøme
- Plan to build approx. 400 residential homes (35 000 m<sup>2</sup>) in total
- Total budgeted sales revenue of NOK 1550m
- Estimated total project profit of NOK 232m after repayment of debt
- For Hurdal, the building permit for 120 units is expected shortly
- For first part of Gran, the building permit is expected H2 2018
- For Tjøme, the zoning process will commence shortly
- 30+ year project management experience securing project execution
- Valuation appraisal of 291m giving an LTV of 57%

## INVESTMENT CASE

### Substantial Project Portfolio

- Attractive rural locations within commuting distance to Oslo
- Political support for all projects reducing the political development risk

### Proof of Concept

- 64 units completed and sold in Hurdal, confirming the sales price level
- Concept and construction method proven

### Short time to sales

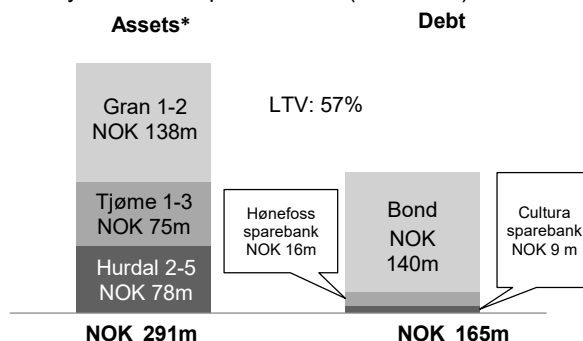
- The sales process for the Hurdal project to start H2 2017
- Substantial interest among potential buyers

### Comfortable collateral structure

- No other debt except the bond issue and bank financing
- The loan is expected to be repaid with sales proceeds from the projects

## SECURITY PACKAGE

- The bond have the following collateral
  - 100% share pledge in the Issuer
  - 100% share pledge in the Group Companies
- Mortgage over Hurdal, Gran and Tjøme junior to bank financing
- Guarantee from Filago AS
- Security over interest retention (18 months)
- Security over development funds (NOK 30m)



\* The value of assets is the value of all properties based on the estimated construction costs, sales income and risks associated with the projects

## TERMS IN BRIEF

|                              |  |
|------------------------------|--|
| <b>Issuer:</b>               | Filago Prosjekt Holding 1 AS   |
| <b>Guarantor/Parent:</b>     | Filago AS  |
| <b>Volume:</b>               | Approximately NOK 140 000 000 (or equivalent in SEK)   |
| <b>Maturity:</b>             | 24 months (+/- 6 months)   |
| <b>Interest:</b>             | 12 % p.a. (quarterly coupon payments)  |
| <b>Minimum investment:</b>   | 1 000 000 NOK/SEK  |
| <b>Status:</b>               | Senior secured callable bond   |
| <b>Issue date:</b>           | Expected to be 20th September 2017   |
| <b>Amortization:</b>         | Bullet, 100% repayment at final maturity   |
| <b>Issuer's call option:</b> | i. No call for 18 months (minimum 18 months interest payments)<br>ii. At 100% last 6 months  |
| <b>Subscription fee:</b>     | 2 %  |
| <b>Registration:</b>         | VPS Norway   |
| <b>Repayment:</b>            | Through sale of completed project(s)   |
| <b>Collateral:</b>           | i. 2. priority mortgage over the properties, Hurdal 2, Tjøme 1-3 and Rognekollen 1-2<br>ii. 100% share pledge in issuer and Property Companies<br>iii. Parent company guarantee<br>iv. Security over interest retention accounts and development funds |
| <b>General undertakings:</b> | Inter alia, no dividend distribution, restrictions on financial indebtedness and negative pledge   |
| <b>Agent:</b>                | Intertrust (Norway) AB   |
| <b>Sole manager:</b>         | JOOL Markets AS  |
| <b>Legal advisor:</b>        | Grette   |
| <b>ISIN:</b>                 | (NOK), (SEK)   |
| <b>Secondhand market:</b>    | JOOL Markets will use best efforts to facilitate transactions in the secondary market for the bond issue   |

## INVESTMENT EXAMPLE

| Investment example incl courtage* | NOK           |
|-----------------------------------|---------------|
| Sum paid in                       | 1 020 000     |
| Sum repayment                     | 1 240 000     |
| Net (whole period)                | 220 000       |
| Annual effective return           | <b>11.33%</b> |

\* For 24 months