

Company Description

Delarka

Delarka Holding AB (publ)

*Drafted according to the First North Rulebook as part of
Delarka's application for listing at Nasdaq OMX First North*

10 December 2013



First North Disclaimer

First North is an alternative marketplace operated by an exchange within the NASDAQ OMX 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

CONTENTS

1	IMPORTANT INFORMATION	3
	THE REASON FOR APPLYING FOR ADMISSION TO TRADING ON FIRST NORTH	3
	IMPORTANT DATES	3
	TRADING INFORMATION	3
	THE LIABILITY STATEMENT OF THE BOARD OF DIRECTORS	3
2	DELARKA HOLDING AB (PUBL)	4
	SUMMARY	4
	KEY FIGURES	4
	THE COMPANY AND GROUP STRUCTURE	5
3	THE PROPERTY	6
	PROPERTY LOCATION	7
4	THE STOCKHOLM REAL ESTATE MARKET	8
	SWEDISH MACRO DATA	8
	STOCKHOLM AND SOLNA MUNICIPALITY	8
	STOCKHOLM OFFICE RENTAL MARKET	9
	SUPPLY AND DEMAND OF OFFICE SPACE	9
5	THE TENANT	10
	SELECTED FINANCIAL INFORMATION	11
6	SIGNIFICANT CONTRACTS AND AGREEMENTS	12
	THE LEASE AGREEMENT	12
	THE AGREEMENT WITH THE BUSINESS MANAGER	12
	AGREEMENT WITH THE CEO	13
	THE AGREEMENT WITH THE PROPERTY MANAGER	13
7	BOARD OF DIRECTORS AND THE MANAGEMENT OF THE COMPANY	14
	BOARD OF DIRECTORS AND CEO	14
8	THE DELARKA SHARE	15
	SHARES TO BE TRADED, SHARE CAPITAL AND BREAKDOWN BY SHARE CLASS	15
	OWNERSHIP STRUCTURE AS PER 2 DECEMBER 2013	15
	SHAREHOLDINGS IN THE COMPANY BY THE BOARD OF DIRECTORS, SENIOR MANAGEMENT AND CERTIFIED ADVISER	15
	SHARE-BASED INCENTIVE PROGRAMS	15
9	FINANCIAL INFORMATION	16
	DESCRIPTION AND TERMS FOR THE DEBT FINANCING	16
	FORTHCOMING INFORMATION	16
	DIVIDENDS	16
	PROFIT AND LOSS	17
	BALANCE SHEET	17
	CASH FLOW	18
10	RISK FACTORS	19
11	ARTICLES OF ASSOCIATION	22

1 IMPORTANT INFORMATION

Delarka Holding AB, Reg. no. 556944-4843

c/o Pareto Business Management AB P.O. Box 7415, SE - 103 91 Stockholm, Sweden

www.delarka.se

The reason for applying for admission to trading on First North

The purpose of listing the Delarka 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 innovative investment vehicle in an attractive real estate market.

Important dates

Expected first day of trading on First North: 17 December 2013

Year-end report 2013: 25 February 2014

Annual General Meeting 2014: 13 March 2014

Half-year report 2014: 21 August 2014

Trading information

Short name on First North: DELARK

ISIN-code for shares intended to be listed on First North: SE0005504347

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

Proposed trading lot on First North: 1

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

Liquidity Provider: Pareto Securities AB, P.O. Box 7415, SE - 103 91 Stockholm, Sweden

Auditor: Jan Palmqvist, Deloitte AB, SE - 113 79 Stockholm, Sweden

The liability statement of the Board of Directors

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

Sven Hegstad
Board Member/ CEO

Gustav Rehnqvist
Chairman of the Board

Petter Nilsen
Board Member

2 DELARKA HOLDING AB (PUBL)

Summary

Delarka Holding AB (publ) (the “**Company**”) is a Swedish real estate company indirectly owning, managing and letting the property Polisen 2 in Solna (the “**Property**”), also popularly known as the Ark (Swe: Arken). The Property is fully leased until 30 April 2026 to Posten AB and is the current headquarter of PostNord, the merged Swedish and Danish state-owned postal company. The Company is managed by a third party business manager on a fixed price contract. A temporary facility management contract has been entered into between the Company and Newsec Asset Management AB, and a new facility management contract will be procured during the first half of 2014.

The Company acquired, through its subsidiary Delarka AB (publ) (the “**Subsidiary**”), the Property in November 2013. Prior to the acquisition of the Property the Company has no earnings history. The most significant costs and revenues are fixed and the cash flow is positive. Current annualized key figures are shown in the table below.

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



Key figures

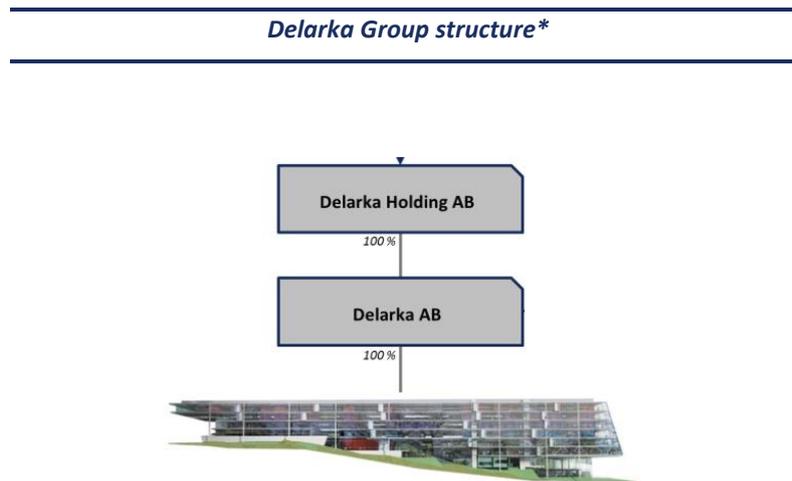
The Board of Directors' Estimates

SEK'000	2014E
Rent revenue	89,644
Running cost	(12,510)
Depreciation	0
Net finance cost	(33,792)
Net cash flow after tax	43,392
Equity per share (SEK)	92

The Company and Group structure

The object of the Company is to “invest in real estate or in companies that own real estate, obtain financing for its business and conduct business related thereto”. The articles of association is included in section 11 to this Company Description.

The Company is a Swedish corporation established on 30 May 2013. The intended Group structure is illustrated below.



**This graph illustrates the Group structure going forward, after finalizing the on-going merger of Delarka AB (publ) and its wholly owned subsidiary Delarka Fastighet AB (name change from Ankarspik AB), a special vehicle company set up for the transaction of the Property between Delarka AB (publ) and Vasakronan AB (publ).*

In November 2013 the Subsidiary acquired the Property from Vasakronan AB (publ) for SEK 1,230 million. The transaction of the Property was structured so that the Subsidiary purchased the company Ankarspik 74 AB (name changed to Delarka Fastighet AB) (the “**SPV**”), a special purpose vehicle set up for the transaction and which sole asset was the Property, from Vasakronan AB (publ). The SPV and the Subsidiary will be merged during 2014, following which the Subsidiary will be the direct owner of the Property. The Property is the Company’s only substantial asset.

In connection with the acquisition of the Property, the Company raised SEK 500 million in equity and the Subsidiary issued a senior bond for the amount of SEK 740 million. For more details please see the Financials section.

3 THE PROPERTY

The building is a contemporary construction, erected on behalf of the tenant, the national Swedish postal company Posten AB, as its new head office. It was completed in December 2003 and consists of approximately 53,000 m², of which around 14,000 m² is parking space. The land area is approximately 40,000 m² with the building designed as a single volume along the slope of a hill between Tomtebodas mail terminal and former police academy in Solna, Stockholm. A unifying, transparent ground floor follows the hill's topography. All workplaces are in a raised container. Parking is provided through approximately 450 indoor parking spaces on the lower ground floor and approximately 150 outdoor parking spaces.

The building was developed by the renowned architect Lise-Lott Söderlund at BSK Arkitekter after winning an invited international architectural competition in May 2000. A concept was formulated to meet the expectations of Posten, which previously had its head-office in the same area for almost 100 years.

Graphic intersection of the building



Picture: BSK Arkitekter

Selected parts of the building are public and can be spontaneously visited. There is an impressive entrance hall and a large auditorium. Parts of the public area are used by the tenant as showroom for exhibitions. Further, there are public restaurants and coffee shops inside the building, as well as exercising facilities and a gymnasium.

Office and conference areas are located in two lamellas along each long side of the building, with an atrium in the middle. In these lamellas, there are stairs and footbridges for office communication, and cocoons for meeting rooms. There are conference rooms, constructed out of large gondolas from old ski lifts, in the atrium between the lamellas. The height of the atrium in the southern end of the building is nine floors.

When the building was constructed, relics from about year 500 to 700 a.d. were found in the ground on the Property. Among the relics are for example pearls, swords and combs. Some of the relics are kept within the building and can be seen in the entrance hall.

Property location

The Property is situated in the municipality of Solna. The driving distance from Stockholm city centre to the Property is approximately 4.2 km. The Property is located close to major connection roads in the Stockholm area, such as E4 and E20, making it easy to reach by car. Furthermore, the Property is well accessible by public transportation, with several bus stops and subway nearby. Solna and Stockholm are in a high pace growing together through the area Hagastaden. Companies such as Vattenfall, Swedbank, ICA, Svenska Spel, Apoteket and Carlsberg have chosen to relocate their head offices or Stockholm offices to the area. East of Property, the hospital Karolinska Sjukhuset is undergoing a massive redevelopment, currently one of the largest development projects in the Nordic region. Property companies and construction companies, such as Fabege, Catena, PEAB, Vasakronan, NCC and Skanska have assets and projects in many parts of Solna.



4 THE STOCKHOLM REAL ESTATE MARKET

Swedish macro data

The population of Sweden was as in the end of 2012, 9.6 million inhabitants, and is according to Statistics Sweden (SCB) expected to exceed 10 million inhabitants during 2017.

Sweden has had a high GDP growth during the last decade. The average growth rate in GDP during the period from 2002 to 2014 (with predictions in 2013 and 2014) was 2.3%, which outperformed both the total GDP growth of the OECD countries and the EU-15 countries).

The GDP per capita has from 2001 to 2012 grown from SEK 314,000 to SEK 375,000 (measured in 2012 price levels). National Institute of Economic Research (Swe: Konjunkturinstitutet) has predicted the per capita GDP to grow further, to SEK 430,000 in 2022. This corresponds to an annual real growth rate of 1.4% from current level.

Stockholm and Solna municipality

The population in Stockholm County (Swe: Stockholms län) was in the end of 2012 2.1 million inhabitants and has during the last ten years continuously grown. Since 2002 the average growth rate is 1.4%. Around 2020, the population is expected to exceed 2.4 million inhabitants.

Within the Stockholm region, Solna is one of the municipalities which population is growing in the fastest pace. The current population in Solna is 71,000 inhabitants. In 2021, the population is forecasted to exceed 94,000. The total population growth from 2012 to 2021 is thus predicted to be 31%, corresponding to a growth rate of 3.1% per annum.

The Stockholm area, containing Stockholm County and the neighboring counties Uppsala län, Gävleborgs län, Västmanlands län, Örebro län and Södermanlands län, contributed in 2008 with SEK 1,354 billion, or 42% of the Swedish GDP.

In the Stockholm County, the largest contributor to the county's GDP is the real estate and business services sector, contributing with 25% of the total GDP.



Stockholm office rental market

The activity on the rental market in Stockholm during 2013 has been fairly low. This is partly due to uncertainty in the future economic development. Attractive premises in CBD and in the inner city are easily rented out. However, in less attractive submarkets, rent discounts and contributions towards relocation costs are becoming more common during renegotiations.

In accordance with the low activity on the rental market, prime rents have during 2013 remained stable in all submarkets of Stockholm. Prime rents in the Stockholm submarkets have only experienced minor fluctuations. On an annual basis, prime rents have increased by 2.3% in the CBD to SEK 4,400 per m² per annum and increased by 6.7% in the suburbs to SEK 2,400 per m² per annum. The rents are expected to grow further, but at a moderate growth rate. Prime rents are expected to remain stable during the rest of 2013.

The most important factor driving the office rents is the general economic development of the submarket, driven by the general economic development of the country, and the relative attractiveness of the particular submarket. Supply and demand of office space are other important factors affecting the market rents.

The overall vacancy rate in Stockholm has decreased somewhat during the first half of 2013, and is currently estimated at 9.5%. This is the lowest recorded vacancy rate for the Stockholm office market since 2008. Compared to the same period in 2012, the vacancy rate in the Stockholm area has declined by 0.8 percentage points. The current vacancy rate in Stockholm CBD is about 4%.

In the submarket Solna was the vacancy rate in the end of 2012 11.5%. During 2013, the vacancy rate has decreased to a rate below 10% according to some sources.

The employment growth within the office-dependent service sector in Stockholm, in combination with the shortage of new office building projects in the CBD, has resulted in today's low vacancy rate of about 4%. A strong office market in the CBD, with high rents and low vacancy levels, is expected to benefit districts near the CBD and the inner city that currently have higher vacancies and a number of new-construction projects, such as the west and north western parts of the inner city, as Norrtull/Hagastaden and the western parts of Kungsholmen.

Supply and demand of office space

The total office stock in the greater Stockholm region is estimated to approximately 12 million m². During the past 10 years, the stock has on average grown with 1% per year. Last year, about 130,000 m² was constructed, whereof almost all of it is let.

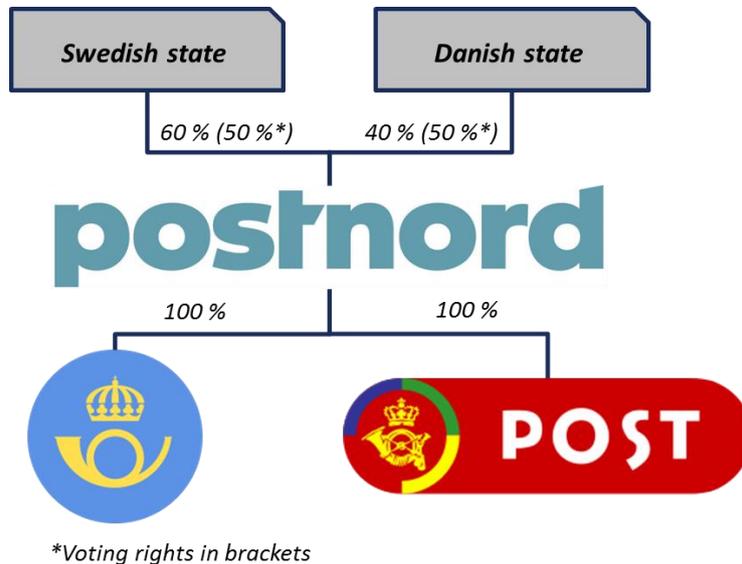
The Stockholm CBD constitutes of about 1.9 million m² total office stock and the rest of the inner city of about 4.3 million m². In greater Stockholm, the main office areas are found in the municipalities of Stockholm, Solna, Sundbyberg, Nacka, Sollentuna, Järfälla, Danderyd and Upplands Väsby.

In 2013, the supply of new office spaces in greater Stockholm that are due to enter the market is limited. In the first half of the year, about 10,000 m² of new office space has been created. 20% of the new office spaces are built without an on beforehand signed lease contract. During the second half of 2013, approximately 30,000 m² are expected to be completed. Of those, approximately 15% are built without signed lease contracts. In 2014, a total of 150,000 m² are expected to be completed.

The demand for office space in greater Stockholm has remained stable during the first half of 2013. In total, 215,000 m² have been rented out during the period, compared to 229,000 m² during the same period last year. The largest new office lease agreement so far in 2013 is Telia Sonera's decision to relocate to Kristineberg, where they lease 50,000 m² of office space.

5 THE TENANT

PostNord was formed as a result of the merger of Post Danmark A/S and Posten AB that was completed in June 2009. The historic merger forming PostNord was the first time two state-owned national postal companies merged together and formed a group. PostNord is owned 60% by the Swedish state and 40% of the Danish state, with voting rights distributed equally between the two owners.



While PostNord's history as a company is relatively short, the group can trace its origin all the way back to the 17th century. In 1624 the Danish crown passed regulations for a state organized postal service, while the Swedish crown passed similar regulations in 1636. This formed the basis for the state owned postal services in Sweden and Denmark, which over the centuries evolved into today's PostNord – a leading communications and logistics player in Northern Europe. Headquartered in the Property, PostNord employs more than 40,000 people and delivers approximately 27 million pieces of mail and almost 400,000 parcels every business day.

Selected financial information

The following is a summary PostNord's consolidated financial information. For access to PostNord's full financial reports from 2009 to the first 9 months of 2013, please see the company's website (www.postnord.com).

PostNord key consolidated income statement figures

SEK million	2010	2011	2012	9M 2013
Net Sales	41 669	39 466	38 920	28 895
Other income	289	274	253	164
Sales	41 958	39 740	39 173	29 059
Operating expenses	40 589	38 167	38 816	28 572
EBITDA	3 292	3 237	2263	1 703
EBIT	1 375	1 571	364	496
Profit before tax	1 348	1 671	380	347
Net profit	1 031	1 225	257	289

Source: Post Nord

PostNord key consolidated cashflow statement figures

SEK million	2010	2011	2012	9M 2013
Operating activities	1 824	1 634	1 625	12
Investing activities	-1 199	-1 813	-3 533	-1 770
Financing activities	-1 782	-1 353	2 854	0
Cash flows for the period	-1 157	-1 532	946	-1 758
Cash and cash eqv., end of period	3 640	2 107	3 046	1 286

Source: Post Nord

PostNord key consolidated balance sheet figures

SEK million	2010	2011	2012	9M 2013
Fixed assets	15 549	16 642	18 905	15 993
Current assets	10 234	8 768	10 553	8 999
Total assets	25 783	25 410	29 458	24 992
Total equity	11 753	11 930	11 559	8 987
Total long term liabilities	5 073	5 188	8 519	7 539
Total current liabilities	8 957	8 292	9 380	8 466
Total equity and liabilities	25 783	25 410	29 458	24 992

Source: Post Nord

6 SIGNIFICANT CONTRACTS AND AGREEMENTS

The lease agreement

The Lease Agreement was entered into with Posten Sverige AB as original tenant on 23 August 2001 and the tenant took possession of the premises in late 2003 following the completion of the building by the landlord. Following a merger in 2005 whereby Posten AB absorbed Posten Sverige AB, Posten AB became the tenant in the Lease Agreement. Under the Lease Agreement, the tenant has a right to transfer the Lease Agreement to another entity within the Posten group of companies.

The Lease Agreement is entered into for a fixed period and runs until 30 April 2026. Unless terminated by either party no later than 24 months prior to the end of the lease period, the Lease Agreement will automatically be prolonged for a period of 5 years each time.

In addition to the rent, the tenant pays for 100% of the property tax in respect of the Property.

Costs for heating, warm water, cooling, snow clearance and waste handling is included in the rent. Costs for water supply and sewerage is included in the rent up to what can be considered normal for office premises and the tenant pays for additional consumption as well as for costs for water supply and sewerage for restaurants, pool and exercise centre.

The landlord has a subscription for high-voltage electricity and the tenant Posten AB reimburses the landlord for the cost for Posten AB's electricity consumption.

The landlord is in general responsible for costs and investments connected to technical installations, building components etc.

Rental payments and adjustments

The yearly base rent of SEK 78 524 150 is on a calendar yearly basis totally adjusted equivalent to changes in the Swedish Consumer Price Index (Se. KPI) with October 2002 as base month. Rent and rental supplements are invoiced and paid monthly in advance by the tenant.

Special contract clauses

There is no right for the landlord to terminate the Lease Agreement prior to the end of the lease period save for in the case of a material breach of contract by the tenant as stipulated in the Swedish Rental Act (Swe: hyreslagen, 12 kap jordabalken).

There is no right for the tenant to terminate the Lease Agreement prior to the end of the lease period save for in the case of a material breach of contract by the landlord or if the premises cannot be used due to a material damage to the building or a decision by the authorities.

The tenant has a right to propose modifications to the premises during the lease period and the landlord is obligated to provide proposals for such modification and how they could be financed by the landlord by way of additional rent. Should the parties not agree on the modifications and how they should be financed by the landlord as an additional rent, the tenant shall, subject to certain requirements, be entitled to carry out the modifications at its own cost.

The lease agreement contains a right for the tenant to approve letting on the Property to a third party as long as the tenant uses the Property as head quarter for the tenant's Swedish business.

The agreement with the business manager

The Group is managed by a third party business manager on a fixed price contract. A contract has been signed with Pareto Business Management AB to provide these services. The business management agreement is non-

terminable during 5 years from signing (with certain exceptions), and the termination period thereafter is 18 months. In the event of termination of the business management agreement, the business manager shall be entitled to a fee calculated as 1% excl. VAT of gross real estate value of the Group's properties. However, the business manager shall not be entitled to the fee in the event that the business management agreement is terminated by the Company due to improper conduct on the part of the business manager.

The business manager will 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 in accordance with the articles of association, the guidelines and orders from the Company's Board of Directors or shareholders' meetings, and is always subject to statutory requirements.

One of the main tasks of the business manager is the employment of Delarka's CEO. The business manager will be responsible for the Group'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 semiannual financial reports and project updates to investors and other reports to public authorities. The day-to-day business also includes following up lease agreement and that the Company is in compliance with all of the loan agreements. The business manager will also tightly follow up the property manager and particularly follow up that the running costs and the maintenance and investment plan is in the best of Group's interest.

The business manager may, at its own discretion, 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.

For the business management services, the business manager will receive a fee of SEK 1,000,000 p.a. excl. VAT. The fee will be adjusted annually by 100% of the CPI, the first time in January 2015, based on the index listed in October 2013.

For services provided that are not included in the fixed fee given above, 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.

Agreement with the CEO

The Group has no direct contract with the CEO. As the CEO is employed by Pareto Business Management A/S, which is the parent company of Pareto Business Management AB (with which the Company has entered into a business management agreement), termination of the CEO:s executive duties by the Company's Board of Directors will mean termination of the business management agreement. If the employment of the CEO with the business manager is terminated, either by the business manager or by the CEO, a new CEO will be appointed by the business manager, subject to the approval of the Board of Directors of the Company. The cost of terminating the employment and/or recruiting a replacement for the CEO will be incurred by the business manager.

The agreement with the property manager

The Company has entered into a temporary property management agreement with Newsec Asset Management AB which is subject to renegotiation at the beginning of 2014. The decision on which property manager to choose following the expiration of the temporary property management agreement will be made by the new Board of Directors.

7 BOARD OF DIRECTORS AND THE MANAGEMENT OF THE COMPANY

The tasks and responsibility of the Board of Directors follow from Swedish law and includes the overall management and control of the Company. The Board is elected by the general meeting and currently consists of three members. The tasks and responsibility of the CEO also follows from Swedish law. The CEO is employed and remunerated by Pareto Business Management A/S, which is the parent company of Pareto Business Management AB (with which the Company has entered into a business management agreement).

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 management and/or board of the Company has been considered and disclosed below, at least covering the five previous years. During the five previous years, no person in the management or 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.

All Board Members are employed by Pareto Business Management AS or Pareto Securities AB. In connection with the proposed general meeting to be held in March 2014, it will also be proposed to select a new Board of Directors consisting of representatives for the investors in the Company. The current Board of Directors will therefore be replaced following the general meeting.

Board of Directors and CEO

Gustav Rehnqvist, Chairman of the Board

Swedish, born in 1970

Joined: October 2013

Position: Corporate Finance Real Estate, Pareto Securities AB, Sweden

Work experience: Senior Advisor, Capital Markets, DTZ, Sweden. Founder and Managing Director Titan Properties, UK and Spain. Vice President European Investment Banking/Corporate Finance, Deutsche Bank, UK. Senior Associate, European Investment Banking/Corporate Finance, Enskilda Securities, UK.

Education: Bachelor in Business Administration, majors in International Finance and Management with honours, Schiller International University, Madrid, Spain.

Number of shares in the Company: 0

Petter Nilsen, Board Member

Norwegian, born in 1979

Joined: October 2013

Position: Commercial Portfolio Manager, Real Estate, Pareto Business Management AS, Norway

Work experience: Business Manager, Pareto Business Mgmt AS, Norway. CFO, Property development Setskog AS, Norway. Management trainee program, department manager Lefdal/Elkjöp, Norway.

Education: Bachelor of arts in finance with a single honors degree, University of Strathclyde, Glasgow.

Number of shares in the Company: 0

Sven Hegstad, Board Member

Norwegian, born in 1974

Joined: October 2013

Position: CEO, Pareto Business Management AS, Norway

Other assignments: Numerous board positions in property companies established by Pareto Project Finance AS.

Work experience: Manager and team manager at PWC AS, Norway and KPMG AS, Norway.

Education: State Authorized Accountant, Norwegian School of Economics, Bergen.

Number of shares in the Company: 0

8 THE DELARKA SHARE

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

The Company has one class of shares. Hence, all shares in the Company will be traded on First North. The Company has a registered share capital of SEK 5,000,000 allocated among 5,000,000 shares. The par value of the shares is accordingly SEK 1 per share. The shares are registered by the Swedish Central Securities Depository Euroclear Sweden AB.

Ownership structure as per 2 December 2013

2 December 2013	Number of shares	% of votes and capital
Försäkrings AB Pensions-Alandia	600,000	12.0
EOJ 1933 AB	500,000	10.0
Mats Nilsson	350,000	7.0
Von Euler & Partners AB	250,000	5.0
Socialdemokraterna	250,000	5.0
Gadd & Cie SA	220,000	4.4
Magnus Lindholm	200,000	4.0
Försäkrings AB Liv-Alandia	200,000	4.0
Carlbergssjön AB	130,000	2.6
Redarnas Ömsesidiga Försäkringsbolag	100,000	2.0
Total 10 largest shareholders	2,800,000	56.0
Others	2,200,000	44.0
Total	5,000,000	100.0

The five largest shareholders jointly own 39% of the Company's share capital. After a distribution of shares carried out in December 2013, the number of shareholders at the first day of trading on First North is approximately 150.

The Company was initially purchased as a shelf company by Pareto Business Management AB, which from the date of the acquisition of the shelf company (16 October 2013), was the sole owner of the Company. At an extraordinary general meeting in the Company held 7 November 2013, it was resolved to issue new shares in the Company and to simultaneously redeem the existing shares in the Company held by Pareto Business Management AB. The new share issue and the redemption of shares were registered at the Swedish Companies Registration Office on 14 November 2013, following which Pareto Business Management AB holds no 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 7 November 2013.

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.

Shareholdings in the Company by the board of directors, senior management and Certified Adviser

Neither the current members of the Board of Directors of the Company, the senior management nor the Certified Adviser have any holdings of shares in the Company.

Share-based incentive programs

The Company has no share-based incentive program.

9 FINANCIAL INFORMATION

The financial forecasts stated below are the Board of Directors' current best estimates. 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.

Description and terms for the debt financing

The debt financing is a senior bond secured on a 1st lien basis:

Issuer:	Delarka AB (publ)
Amount:	SEK 740 million
Issue price:	100%
Coupon:	4.58% per annum (issue spread of +210 basis points)
Tenor:	7 years
Amortization:	100% at final maturity

The bond security package includes 1st lien security in the Property, the lease agreement, shares in the Subsidiary (i.e. the issuer), various accounts and insurances. Currently there is a mortgage deed corresponding to SEK 800 million on the Property.

Forthcoming information

Year-end report 2013: 25 February 2014

Annual General Meeting: 13 March 2014

Half-year report 2014: 21 August 2014

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

Dividends

Dividends to shareholders are estimated to 8.0% per annum, calculated on total paid-in capital at SEK 500 million. First dividend is expected in 2014 and will thereafter be paid quarterly. Accumulated dividends/pay-outs in the lease period are estimated to 96% of paid-in capital. Dividends are dependent on the Company's distributable reserves and liquidity situation in the lease period, and dividends may be subject to lenders's approval or certain covenants in the financing documentation.

Profit and Loss

SEK'000	2014E
Rental income	89,644
Insurance	450
Operating expenses	(3,425)
Heat, cooling & power	(4,235)
Maintenance	(2,500)
Technical management	(600)
Business management	(1,000)
Auditing / directors' fee	(300)
Total costs	(12,510)
Net operating income	77,134
Depreciation	0
EBIT	77,134
Interest	149
Interest cost	(33,892)
Net finance cost	(33,743)
Profit before tax	43,392
Tax	-
Profit after tax	43,392

Balance sheet

SEK'000	2014E
Current assets	8,337
Fixed assets	1,192,588
Total assets	1,200,925
Long term debt	740,000
Value adjusted equity	460,925
Net debt	731,663

Cash Flow

SEK'000	2014E
Rental income	89,644
Insurance	(450)
Public services	(3,425)
Heat, cooling & power	(4,235)
Maintenance	(2,500)
Technical management	(600)
Business management	(1,000)
Auditing / directors' fee	(300)
Total costs	(12,510)
Interest	149
Interest cost	(33,892)
Amortization	-
Tax	-
Net cash flow after tax	43,392
Dividend	(40,000)
Net change liquidity	3,392
Accumulated liquidity	11,729

10 RISK FACTORS

Prospective investors should be aware that investments in shares are always associated with risks. The financial performance of the Company and the risks associated with the Company'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 Company's operations and financial performance and ultimately its 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 Company 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 Company'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.

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 has many years' experience in the business sector, the Company is new and as such has no operating history.

Single tenant dependency

The Property currently has one tenant, upon which the Company's income is dependent. Hence, the tenant's finances and financial strength and ability to service the rent in a satisfactory manner is critical for the investment. The tenant is an indirectly government-owned entity (Posten AB). Please refer to chapter 8.2 for a more detailed description of the tenant, and chapter 8.1 for a detailed description of the lease agreement.

Further, if the tenant terminates the lease agreement, the premises would likely have to be renovated and adjusted to serve several tenants instead of a single tenant, which investments could affect the Company's financial condition negatively at least in the short term. There might also be a period when the Property has no tenant and consequently no income, which would affect the Company's financial condition negatively.

Property risk

Returns from the Property will depend largely upon the amount of rental income generated from the Property and the costs and expenses incurred in the maintenance and management of the property and necessary investments in the Property as well as 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 or tenants of the attractiveness, convenience and safety of the properties.

Terminal value risk

Property and property related assets are inherently difficult to value due to the individual nature of each property and the fact there is not necessarily a liquid market or price mechanism. As a result, valuations may be subject to substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price. Any future property market recession could materially adversely affect the value of Property.

Increased maintenance costs

The estimated maintenance and capital expenses on which the forward-looking statements have been calculated are based upon information from the seller of the Property and the historic maintenance costs and capital expenses for the Property. It cannot be ruled out that the maintenance costs and capital expenses for various reasons may exceed the estimated maintenance costs.

Geographic risk

This Company Description contains certain market information relating to the property market in Solna and the Stockholm area, chapter 4. While there has been a general positive trend in the year preceding the offer set out in this Company Description, continued price increase and appreciation for office buildings and land in the area cannot be assumed by any means.

Environmental risk

A desktop environmental site assessment (ESA) has been conducted prior to the acquisition of the Property and although the land, according to this report, had not been exploited prior to the construction of the Property (the land was covered by forest) it cannot be guaranteed that the Company will not be subject to claims by public authorities or third parties as a result of environmental or other damages related to the land and the Property.

Management risk

The Company is initially dependent upon 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 18 months termination period, there is an uncertainty with regard to the management of the Company 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 business plan of the Company.

Finally, it cannot be ruled out that the fees connected to the business management agreement with the business manager, as well as arrangements with other consultants, could have an adverse effect on the Company's financial condition.

Legal and regulatory risk

Investments in the shares involve certain risks, including the risk that a party may successfully litigate against the Company, which may result in a reduction in the assets of the Company. However, the directors and the relevant managers of the Vendor are on the date hereof not aware of any pending litigation against the Company. 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 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 Property. Government authorities could use the right of expropriation of the Property if the requirements for expropriations are satisfied. Any expropriation will entitle the Company to compensation but the Company's financial condition may irrespective of such compensation be negatively affected.

Risk of changes in the Swedish Tax System

Future actions by the Swedish government to increase tax rates or to impose additional taxes would reduce the Company's profitability. Revisions to tax legislation or to its interpretation might also affect the Company's financial condition in the future. The Company may additionally be subject to periodic tax audits which could result in additional tax assessments relating to past periods of up to six years being made. Any such assessments could be material which might also negatively affect the Company's financial condition.

Interest and market risk

The Company is exposed to interest risks on interest-bearing current and non-current liabilities. Changes in interest rates on the Company's liabilities affect the Company's results of operations. In addition, the Company's results of operations and financial position are exposed to the effect of market interest rates.

Financing risk

The Company is deemed to be sufficiently funded following the completion of the equity issue and the bond issue executed in connection with the acquisition of the Property as 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.

Refinancing risk

At maturity, the Company will be required to refinance its outstanding debt. The Company'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 Company's access to financing sources at a particular time may not be available on favorable terms, or at all. The Company's inability to refinance its debt obligations on favorable terms, or at all, could have a material adverse effect on the Company's business, financial condition and results of operations.

Credit risk

Credit risk arises when a counter party fails to meet its obligations towards the Company which could have a negative effect on future cash flows. The single tenant dependency risk has been described separately above.

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 the risk factors set forth above and elsewhere in the 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.

Liquidity of the shares

Even if the shares are admitted to trading on First North, active trading in the shares does not always occur and hence there is no guarantee that a liquid market for trading in the shares will occur or be maintained. Furthermore, the nominal value of the shares may not be indicative compared to the market price of the shares if they are admitted for trading on First North.

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

11 ARTICLES OF ASSOCIATION

Articles of association of Delarka Holding AB (publ)

Reg. no. 556944-5843

Adopted at the general meeting held on 7 November 2013.

§ 1 Name of the company

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

§ 2 Registered office

The registered office of the company is situated in Stockholm.

§ 3 Objectives of the company

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 Shares and share capital

The share capital shall be not less than SEK 5,000,000 and not more than SEK 20,000,000. The number of shares shall be not less than 5,000,000 and not more than 20,000,000.

§ 5 The board of directors

The board of directors shall comprise 3 -10 members and not more than 10 alternate members.

§ 6 Auditors

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

§ 7 Notice to general meeting

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

§ 8 Annual general meeting

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

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

1. Election of a chairman of the meeting;
2. Preparation and approval of the voting register;
3. Approval of the agenda;
4. Election of one or two persons to attest the minutes;
5. Determination of whether the meeting was duly convened;
6. Presentation of the annual report and auditor's report and, where applicable, the consolidated financial statements and auditor's report for the group;
7. Resolutions regarding
 - a. adoption of the income statement and balance sheet and, where applicable, the consolidated income statement and consolidated balance sheet;
 - b. allocation of the company's profit and loss according to the adopted balance sheet;
 - c. discharge from liability for board members and the managing director, where applicable;
8. Determination of fees for the board of directors and the auditors;
9. Election of the board of directors and, where applicable, accounting firm or auditors;
10. Any other business incumbent on the meeting according to the Companies Act or the articles of association.

§ 9 Financial year

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

§ 10 Central security depository clause

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