

# Summary

FRN Senior Secured NOK 500,000,000 Bonds  
2018/2022

ISIN NO0010873094  
(Temporary Bonds to be converted into ISIN NO0010815632)



**HOLMETJERN**  
INVEST

Manager:



25.06.2020

## Summary

Summaries are made up of disclosure requirements due to Article 7 in the REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017.

**A - INTRODUCTION AND WARNINGS**

Warning	This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
The Bonds	ISIN: NO0010873094 - Temporary Bonds to be converted into ISIN NO0010815632 - FRN Senior Secured NOK 500,000,000 Bonds 2018/2022.
The Issuer	Holmetjern Invest AS is a private limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Companies Act. The Company was incorporated in Norway on November 22 <sup>nd</sup> , 2013, and the organisation number in the Norwegian Register of Business Enterprises is 912 810 089 and LEI code 254900MISW5NBEVLEG08. The Company's registered address is at Ranheimsveien 9, 7044 Trondheim, Norway and the Company's telephone number is +47 45 26 33 10.
The Offeror	Not applicable. There is no offeror, the Prospectus has been produced in connection with listing of the additional bonds at Oslo Børs. The additional bonds will be listed as soon as possible after the prospectus has been approved by the Norwegian FSA.
Competent Authority Approving the Prospectus.	The Financial Supervisory Authority of Norway (Norwegian: <i>Finanstilsynet</i> ), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and on 25 <sup>th</sup> June 2020, approved the Prospectus.

**B - KEY INFORMATION ON THE ISSUER**

<b>Who is the issuer of the securities?</b>														
Corporate Information	Holmetjern Invest AS is a private limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Companies Act. The Company was incorporated in Norway on November 22 <sup>nd</sup> , 2013, and the organisation number in the Norwegian Register of Business Enterprises is 912 810 089 and LEI code 254900MISW5NBEVLEG08. Website: <a href="http://www.holmetjern.no">www.holmetjern.no</a>													
Principal activities	Holmetjern Invest AS is an investment company primarily focusing on residential property development. Holmetjern is the holding company and the parent company of the Group.													
Major Shareholders	<table border="1"> <thead> <tr> <th>Shareholder</th> <th>Company number</th> <th>Shareholding</th> </tr> </thead> <tbody> <tr> <td>Selmer Holding AS</td> <td>989 278 037</td> <td>71,25%</td> </tr> <tr> <td>Snowy Invest AS</td> <td>912 799 891</td> <td>23,75%</td> </tr> <tr> <td>Singsaker Eiendom AS</td> <td>958 086 628</td> <td>5,00%</td> </tr> </tbody> </table>		Shareholder	Company number	Shareholding	Selmer Holding AS	989 278 037	71,25%	Snowy Invest AS	912 799 891	23,75%	Singsaker Eiendom AS	958 086 628	5,00%
Shareholder	Company number	Shareholding												
Selmer Holding AS	989 278 037	71,25%												
Snowy Invest AS	912 799 891	23,75%												
Singsaker Eiendom AS	958 086 628	5,00%												

## Summary

Key managing directors	Karl Albrecht Opsahl Selmer - CEO
Statutory auditor	The Company's auditor for 2019 and 2018 PwC AS, with registration number 987 009 713, and business address at Dronning Eufemias gate 71, 0194 Oslo, Norway. PwC AS is a member of the Norwegian Institute of Public Accountants.

**What is the key financial information regarding the Issuer?**

<b>Holmetjern Invest AS</b>		
	<i>Group</i>	<i>Group</i>
<b>INCOME STATEMENT</b>	<b>31 Dec 2019</b>	<b>31 Dec 2018</b>
<i>(Amounts in NOK 1000)</i>	<i>audited</i>	<i>audited</i>
Operating profit	(46 340)	(25 058)
Net profit/loss for period/year	(55 776)	(17 274)
<b>BALANCE SHEET</b>		
Net financial debt (long term debt plus short term debt minus cash)	(242,4)	(181.5)
<b>CASH FLOW STATEMENT</b>		
Net cash flow from operations	(74 391)	(69 654)
Net cash flow from investments	(12 955)	(25 487)
Net cash flow from financing	36 427	174 847

**What are the key risk factors that are specific to the Issuer?**

Most material key risk factors	<ul style="list-style-type: none"> <li>The Company's ability to meet its payment obligations under the bonds mainly depends on the receipt of sufficient dividends from its subsidiaries and from entities in which it has an ownership interest and/or its ability to dispose of its ownership interests in such entities.</li> <li>Property development projects involve risks related to, among other things, regulatory plans, granting of building permits and other necessary public approvals, order requirements, establishment of rights in neighbouring properties, entering into co-operative contracts, completion of construction, sale of units, etc. There is a risk that the projects of various reasons will be delayed, or the actual costs exceed estimates. The projects may be unsuccessful or more expensive.</li> <li>The Company develops commercial and residential properties and invest in companies engaged in the development of properties. The price for properties is affected by overall conditions in the economy, such as economical growth, employment trends, inflation and changes to interest rates.</li> <li>The Company is a holding company and its ability to meet its payment obligations under the bonds depends on the receipt of funds from its subsidiaries and on its investments.</li> </ul>
--------------------------------	--

**C - KEY INFORMATION ON THE SECURITIES**

<b>What are the main features of the securities?</b>	
Description of the securities, including ISIN	ISIN: NO0010873094 - Temporary Bonds to be converted into ISIN NO0010815632 - Senior Secured Bond Issue with floating rate. Tap Issue Date 3rd Tranche: 28 January 2020. Maturity Date: 16 February 2022. Amount of Additional Bonds – Tap 3rd Tranche is NOK 100 000 000, and Initial Nominal Amount of each Bond is NOK 500 000 each and among themselves pari passu ranking. Issue Price: 100% The Bonds are floating rate bonds; 3 months NIBOR + 7.00 per cent.
Rights attached to the securities	The Bond Terms have been entered into between the Issuer and the Bond Trustee. The Bond Terms regulate the Bondholder's rights and obligations in relation to the issue. The Bond Trustee enters into the

## Summary

	<p>Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> <p>When Bonds are subscribed / purchased, the Bondholder has accepted the Bond Terms and is bound by the terms of the Bond Terms.</p> <p>The Bond Terms include descriptions of rights and any limitations of those rights, such as:</p> <ul style="list-style-type: none"> <li>• Voluntary early redemption - Call Option</li> <li>• Mandatory repurchase due to a Put Option Event</li> <li>• Early redemption option due to a tax event</li> <li>• Events of default and acceleration of the Bonds</li> </ul>
Status of the bonds and security	<p>The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).</p> <p>As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that Transaction Security is granted, on first priority, over all of the shares in the Issuer pursuant to one or several share pledge agreements, within the times agreed in the Bond Terms Clause 6 (Conditions for disbursement):</p> <p>The Transaction Security shall be entered into on such terms and conditions as the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document.</p> <p>Without prejudice to the generality of paragraph above, the Bond Trustee shall be irrevocably authorised and instructed to release and retake Transaction Security over the shares in the Issuer in case of a change in ownership in the Issuer (notwithstanding any hardening periods or other legal limitations) and to execute such documents that the Bond Trustee may deem required in order to facilitate the transfer of shares in the Issuer and to allow the new owner to pledge its shares in the Issuer as Transaction Security.</p>
<b>Where will the securities be traded?</b>	
Admission to trading	<p>The Bonds are already listed on Oslo Børs under the ticker HOLMIN01. The 3<sup>rd</sup> Tranche will be listed as soon as possible after the Prospectus has been approved by the Norwegian FSA.</p>
<b>What are the key risks that are specific to the securities?</b>	
Most material key risks	<ul style="list-style-type: none"> <li>• Credit risk is the risk that the Issuer fails to make the required payments under the Bonds (either principal or interest) pursuant to the obligations in the Bond Terms. In case of a bankruptcy, the bondholder risk losing its entire investment, and settlement of any potential dividend will not take place until the bankruptcy proceedings have been completed.</li> <li>• Market risk is the risk that the value of the Bonds will decrease due to the change in value of the market risk factors. Despite an underlying positive development in the Issuer's business activities, the price of a Bond may fall due to market risks.</li> <li>• The Bonds will be structurally subordinated to the liabilities of any of the Issuer's subsidiaries and its investments.</li> </ul>

## Summary

**D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKED**

<b><i>Under which conditions and timetable can I invest in this security?</i></b>	
Terms and conditions for the offer	Not applicable. The Bonds have not been subject to a public offer, the Bonds are already issued and settled.
<b><i>Why is the Prospectus being produced?</i></b>	
Admission to trading	The Prospectus is produced in connection with listing of the 3rd tranche of the Bonds on the Oslo Børs.
Use of proceeds	<p>(a) The Issuer will use the net proceeds from the Initial Bond Issue in repayment of the Overdraft Facility and for the general corporate purposes.</p> <p>(b) The Issuer will use the net proceeds – approx. MNOK 96 - from the issuance of any Additional Bonds for general corporate purposes or such other purpose as determined in connection with the relevant Tap Issue.</p>
Material conflicts of interest	There is no interest, nor conflicting interests that is material to the issue.