

Summary

FRN Steen & Strøm AS Unsecured Open Bond Issue
2020/2023

NO0010878630

STEEN  STROM

Arranger:



20.05.2020

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: NO0010878630- FRN Steen & Strøm AS Unsecured Open Bond Issue 2020/2023.
The Issuer	Steen & Strøm AS is a limited liability company organized under the laws of Norway, including the Limited Liability Companies Act. Steen & Strøm AS was incorporated in Norway on 23 October 1991. The Company is registered in the Norwegian Companies Registry with registration number 962 073 182 and LEI-code 5967007LIEEXZXJNDK21. The Company's registered address is Støperigata 1, 0250 Oslo, Norway and the Company's telephone number is +47 23 21 35 00.
The Offeror	Not applicable. There is no offeror, the Prospectus has been produced in connection with listing of the bonds at Oslo Børs. The Issuer is going to ask for admission to trading on a regulated market.
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 20 th May 2020, approved the Prospectus.

B - KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?	
Corporate Information	Steen & Strøm AS is a limited liability company organized under the laws of Norway, including the Limited Liability Companies Act. Steen & Strøm AS was incorporated in Norway on 23 October 1991. The Company is registered in the Norwegian Companies Registry with registration number 962 073 182 and LEI-code 5967007LIEEXZXJNDK21. Website: www.steenstrom.com
Principal activities	Steen & Strøm operates 18 shopping centers in Scandinavia; 10 centers in Norway, 5 centers in Sweden and 3 centers in Denmark. The main driver of the operational business of the Group is the development in retail spending. Steen & Strøm AS, the parent company of the Group, is primarily a holding company. In addition to holding shares directly or indirectly in its subsidiaries, the group top management is employed by Steen & Strøm AS
Major Shareholders	Steen & Strøm AS is a 100% owned subsidiary of Storm Holding Norway AS. Storm Holding Norway AS is fully owned by Nordica HoldCo AB, which in turn is owned by Klépierre, the pan-European leader in

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	shopping malls (56.1%), and Stichting Depository APG Strategic Real Estate Pool (43.9%).
Key managing directors	Louis Bonelli - CEO Brian Jensen - CFO
Statutory auditor	The Company's auditor for the period covered by the historical financial information in this Registration Document has been Deloitte AS, independent public accountants, located at Dronning Eufemias gate 14, 0103 Oslo, Norway. Deloitte AS is member of The Norwegian Institute of Public Accountants.

What is the key financial information regarding the Issuer?**Steen & Strøm - Group***Amounts in NOK 1000***INCOME STATEMENT**

	2019	2018
	<i>audited</i>	<i>audited</i>
Net rental income	1 656 470	1 616 590
Operating income	970 942	1 665 593
Profit before tax	803 603	1 417 277
Net income of consolidated entity	732 048	1 247 236

BALANCE SHEET

Non-current assets	38 874 267	39 100 279
Current assets	847 853	765 270
Total Assets	39 722 120	39 865 549

Shareholders' equity	21 286 553	21 838 252
Non-current liabilities	15 938 316	15 412 372
Current liabilities	2 497 251	2 614 926
Total shareholders' equity and liabilities	39 722 120	39 865 549

CASH FLOW STATEMENT

Net cash flow from operating activities	1 500 056	1 499 247
Net cash flow from investing activities	- 224 568	- 438 696
Net cash flow from financing activities	- 1 341 570	- 1 210 670
Net change in cash	- 66 082	- 150 120
Cash at the end of the period	363 257	446 821

Steen & Strøm - Parent*Amounts in NOK 1000***INCOME STATEMENT**

	2019	2018
	<i>audited</i>	<i>audited</i>
Total operating income	124 928	111 765
Total operating expenses	160 438	161 990
Net financial income and expenses	1 963 602	517 642
Profit before tax	1 928 092	467 416
Net income	1 940 409	480 251

BALANCE SHEET

Non-current assets	13 588 129	12 146 957
Total receivables	56 276	9 449
Current assets	283 304	44 324
Total Assets	13 871 433	12 191 282

Shareholders' equity	6 177 651	4 973 805
Non-current liabilities	4 750 489	4 073 098
Current liabilities	3 003 293	3 144 378
Total shareholders' equity and liabilities	13 871 433	12 191 282

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CASH FLOW STATEMENT		
Net cash flow from operating activities	806	575 463
Net cash flow from investing activities	779 573	- 959 652
Net cash flow from financing activities	- 588 226	27 656
Net change in cash	192 153	- 356 533
Cash at the end of the period	227 028	34 875

What are the key risk factors that are specific to the Issuer?	
Most material key risk factors	<ul style="list-style-type: none"> • The main driver of the operational business of the Group is the development in retail spending. In order for the Group to be able to show growth in the rent level going forward, it is crucial that overall retail turnover at the shopping centers also show growth in the future. • The liquidity risk arises from the Company's need to be able to finance operations and investments for some time ahead. • The Group's credit risk is primarily related to the ability of the tenants to pay rent. Steen & Strøm has more than 1 600 leasing contracts.

C - KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?	
Description of the securities, including ISIN	ISIN: NO0010878630 - Unsecured Open Bond Issue with floating rate. Issue Date: 7 April 2020. Maturity Date: 5 April 2023. Initial Bond Issue is NOK 300 000 000, and Initial Nominal Amount of each Bond is NOK 1 000 000 each and among themselves pari passu ranking. Maximum Issue Amount is NOK 1 000 000 000. Issue Price: 100%. The Bonds are floating rate bonds; 3 months NIBOR + 2.50 per cent. (First period interpolation between 2 and 3 months NIBOR)
Rights attached to the securities	<p>The Bond Terms has been entered into between the Issuer and the Trustee. The Bond Terms regulates the Bondholder's rights and obligations in relations with the issue. The Trustee enters into this agreement 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>Upon the occurrence of a Change of Control Event each bondholder shall have the right of pre-payment of its bonds ("Put Option") at a price of 100% of par the Initial Nominal Amount plus accrued interest.</p>
Status of the bonds and security	<p>The Issuer's payment obligations under these Bond Terms shall rank ahead of all subordinated payment obligations of the Issuer and the Bond shall 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>The Bonds are unsecured.</p>
Where will the securities be traded?	
Admission to trading	The Bonds will be listed on Oslo Børs as soon as possible after the prospectus has been approved by the Norwegian FSA.
What are the key risks that are specific to the securities?	
Most material key risks	<ul style="list-style-type: none"> • Credit risk is the risk that the Issuer fails to make the required payments under the Bonds (either principal or interest) pursuant to

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	<p>the Bond Terms. In case of a bankruptcy, the bondholder risk losing its entire investment, and an eventually settlement will not take place until the bankruptcy proceedings have been completed.</p> <ul style="list-style-type: none"> • Market risk is the risk that the value of the Bonds will decrease due to the change in value of the market risk factors. In spite of an underlying positive development in the Issuer's business activities, the price of a Bond may fall independent of this fact. • The Bonds are unsecured. Unsecured bonds, in general, carry a higher risk than secured bonds since secured bonds have preferred recovery from secured assets.
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D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKED

<i>Under which conditions and timetable can I invest in this security?</i>	
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.
<i>Why is the Prospectus being produced?</i>	
Admission to trading	The Prospectus is produced in connection with listing of the Bonds on the Oslo Børs.
Use of proceeds	The Issuer will use the net proceeds - MNOK 299.61, - - from the issuance of the Bonds for its general corporate purposes.
Material conflicts of interest	There is no interest, nor conflicting interests that is material to the issue.