

QUESTIONS AND ANSWERS CONCERNING THE NON-CASH ISSUE (shares issued for a consideration other than cash) AND CASH RIGHTS ISSUE FOR NORRPADA I STOCKHOLM AB (publ.) Updated on 3-9-2013..

1. Why is this merger being done?

As we stated in our quarterly reports, we have regularly seen that only developing land and building plots does not create sufficiently good profitability. The competition has become too severe, which has led to lower prices. After the financial crisis of 2008/09, many Russian banks took over land from property owners who were in default. In 2011 and 2012, these projects returned to the market via the banks, which led to a large excessive establishment and surplus.

We now see that if we offer a higher degree of added value and step up the value chain, this will create significantly higher margins on our products. What this means in other words, is to also offer houses to the customers of our building sites. Merging the three companies will create a larger and more attractive company which will, in this way, also find it easier to attract new capital. In addition you, as a shareholder, will be able to receive, from the new merged company Norrpada, part of the profits from both the land and the housing sales.

2. Ok. In short. What do you want to do?

We propose to merge the two Fastighetsbolagen (the Property Companies) with Norrpada and at the same time raise SEK 20 million in order to give a boost to sales in our third project in Shemilinki by building a number of model show homes so that customers in Moscow will be able to experience and get a feel for what we offer with our products. We want to build a new, large and profitable housing construction company, the same as is found in Sweden, but on the Russian market and starting with the Moscow region. In Moscow, very little has been built in terms of single-family homes in the last 100 years; the market is huge and unexploited. We want to offer the customer a lifestyle living, just as they see being offered in the western world. There are opportunities here and this is the future. We do not want to throw away the many years in which we have built up structural capital in the form of contacts and opportunities by closing the Property Companies, but instead rather focus on this for a long time in the future. A viable company that we will all be proud of.

3. Does one have to exchange their old shares of the Property Companies for new ones in Norrpada?

No, you are not required to do so. This is an offer from Norrpada. If you keep your shares in any of the Property Companies you will receive the return that the company will generate over time. According to the original business concept, the Property Companies will not be shut down and liquidated but rather will run as many years as it takes to sell the existing land. No forecast of the returns that this may generate can be made at this date.

4. How will an exit of Norrpada look like?

The goal is to publically list Norrpada' shares in a responsible manner as soon as possible, on the appropriate market. We will do this when we see that our sales are coming along and the forecasts are beginning to be realised. Another option that the Board is considering is an offer to buy-back the shares. While the above alternatives are under consideration, secondary trading can be done via Emina Fondkommission.

5. Why do you believe it will succeed now? You said it would be easy to get good margins on the building plots.

The market for building plots became a highly competitive market in the wake of the financial crisis. The housing market remains strong, and we will enter into it with a unique offer. There are quite a few players in the market currently selling plots of land. Only a few build quality houses where the added value is high and the margins are very good. We have been working in Moscow for over 7 years and have developed the right contacts, partners and networks to be able to continue to operate and develop the company in the expanding market which Moscow offers.

6. Can't you simply just sell off the existing land held and distribute the money?

No, unfortunately not. If it had been possible, we would have been considering that option. The Land Areas 1 and 2 are already sold out as fast as possible on the market that exists. For Area 3 in Shemilinki, we have been preparing for the sales for one and a half years, but which will require that we build a number of model show homes at the location before the sales get going. In order for this to be possible, this requires a capital infusion of SEK 20 million.

7. Which evaluations form the basis for the share allocation?

After the share issue has been implemented, the shareholders of the Fondbolagen [Fund Companies] will hold a 62 % stake in Norrpada and Norrpada's old shareholders will be retaining 38%. This should be regarded as an offer from Norrpada. By accepting this offer, you will be involved and receive a part of the future business which includes both land and home sales. The distribution is based on the future value that will be created in the new stronger company and is based, inter alia, on the sales forecasts for the coming 60 months. If we even just come close to achieving these, all shareholders, both the new ones and the existing ones, will obtain a very good return on their investment.

8. Who has financed the development of Norrpada?

The principal owners of Norrpada, Andrew Murray, Tobias Murray and Anton Tajiev, have for 8 years worked and self-financed all development of Norrpada. This includes among other things a product portfolio consisting of a series of engineered and projected conceptual houses, product development, branding, established contacts with manufacturers, existing market channels, planners and real estate brokers. The principal owners have the experience, local contacts and execution capability that enables the launch of Norrpada on the Russian market.

9. How do I subscribe to the non-cash issue?

Use your personal and already pre-filled in application form. Simply check the box in field 1. Fill in your contact details and sign. Send it to Eminova Fondkommission by postal mail, fax or e-mail. Contact information can be found on the application form.

If you have shares in both the Ryska Fastighetsfonden [Russian Real Estate Fund] 1 and Ryska Fastighetsfonden 2, you have received two different application forms. One per holding.

10. How do I subscribe to the cash rights issue?

You use your personal and already pre-filled in application form (the same as for the non-cash issue). Simply check in block 2. If you wish to subscribe for more shares than what you have been assigned, also state this in block 2. Fill in your details and sign. Send it to Eminova Fondkommission by postal mail, fax or e-mail. Contact information can be found on the application form.

If you have shares in both Ryska Fastighetsfonden 1 and Ryska Fastighetsfonden 2, you have received two different application forms. One per holding.

11. Why have I received two application forms?

This is because you have shares in both Ryska Fastighetsfonden 1 and Ryska Fastighetsfonden 2. Because they are personal and already filled in, you will receive one per holding.

12. I cannot find my application form.

Those who have directly registered shares have been sent it in the mail. For those who have registered a nominee, you will find it either in your depot online (Avanza, Nordnet, or others) or through your trustee/banker if you have a custody account at your bank.

13. Why is the price SEK 5 in the cash issue?

The price represents a 50% discount on the share. The discount can be so high because it is offered to existing shareholders who have preferential rights to subscribe for new shares.

14. What will the money in the cash issue be used for?

The money will enable the construction of three model show houses, one of each of Norrpada's house series, and the first phase of infrastructure (roads, electricity infrastructure, fencing, etc.) in the project in Shemilinki.

15. What has the money in the Property Companies been used for?

The money has been invested in the Property Companies' three land areas. Purchase (area 1 and 2), zoning, planning changes, planning, technical permits, administration and marketing. Money from the sales in Klin (area 2) has been reinvested in order to develop the project in Shemilinki (area 3).

16. What is the price of the new shares of Norrpada?

The indicative price target of the Norrpada share is SEK 10. This corresponds to the most recent indicative price of SEK 120 in the Ryska Fastighetsfonden 1 and SEK 105 in the Ryska Fastighetsfonden 2. In other

words, for one share in the Ryska Fastighetsfonden 1, you will receive 12 new shares of Norrpada and for one share in the Ryska Fastighetsfonden 2, you will receive 10.5 shares of Norrpada.

17. Why has the indicative prices of the Fastighetsfonderna [real estate funds] not been adjusted?

The indicative prices, which are SEK 120 and SEK 105 respectively, reflect the value as assessed Board of Directors for the present time. In the price, the possibility of future returns that the new strategy with the merger will allow has been priced into it.

18. Are the A-shares in the Fastighetsfonderna encompassed within this offer?

No. They will not be converted to shares in Norrpada.

19. Why does Norrpada's current primary shareholders have A class shares of Norrpada with voting rights?

Along the same reasons for why there are A class shares in the Fastighetsfonderna. This is to protect all minority shareholders and as a guarantee that in the future the company will be controlled by shareholders who have initiated and will continue with the company's business plan.

20. Where can I find more information about these transactions and the offer?

A prospectus approved by the Swedish Financial Supervisory Authority / Finansinspektionen, as well as other relevant information, is available for download at www.norrpada.se

ABOUT NORRPADA

21. What is Norrpada's business concept?

By subcontracting the manufacturing locally in Moscow, to offer attractive single-family homes, with a Scandinavian design and quality.

22. What products does Norrpada offer?

Norrpada offers its three unique house series developed in cooperation with some of Sweden's top architects and designed for the local manufacturing in Moscow.

Norrpada also offers selected Willa Nordic houses as a premium option with Swedish manufacturing in Stockaryd. We will offer high-end communities at lakeside locations, but nevertheless with affordable houses. This is an extremely rare combination on the market in Moscow. We offer a unique Scandinavian lifestyle, but in Moscow!

23. How will the houses be marketed and sold?

The target group is the cultural elite and the business elite in Moscow who want a modern vacation home to go to over the weekend and during the summer. Sales are initially through exclusive networking and events. In time, real estate brokers and agents may be involved.

24. Can the Russian housing manufacturers build Norrpada houses?

Yes, during the last 3 years Norrpada has studied several housing manufacturers and found two housing manufacturers where we secured the production quality and capacity. They have German machines and are presently exporting houses to Western Europe.

25. Is it possible to sell 25 houses in 2014?

Yes, it will not be possible however to produce all the houses in a factory and delivered and then assembled on site in 2014. However we see as realistic getting purchase contracts signed for 25 houses.

26. Are you really making a reasonable forecast? To build a house takes one entire year.

With regard to the degree of completion, it is important to note that in Russia it is customary to only sell houses "shel-and-core," i.e. an unfurnished house but one that is protected from the weather and wind. The entire interior with kitchen and sanitary facilities, etc., dealt with by the customers themselves. This allows a house framework to be produced in 10 days in a factory and then assembled on site in less than 30 days.

27. Has Norrpada sold any houses?

No, only those development houses found in the illustrated materials have been constructed. Norrpada did not intend to sell houses in Sweden, and in Moscow, the goal was to sell the houses to the customers of the

Fastighetsfonden's better land areas such as Schemilinki. The intention has been to offer the Norrpada house in Schemilinki and upcoming premium areas, thus in this manner increasing the attractiveness and thus the price of land.

28. Where can I find information about Norrpada?

At www.norrpada.se