

# **kustom**

**KUSTOM BIDCO AB (PUBL)**

**PROSPECTUS REGARDING THE LISTING OF  
SEK 1,700,000,000  
SENIOR SECURED CALLABLE FLOATING RATE BONDS  
2024/2028**

**ISIN: SE0022421756**

**26 June 2025**

*This Prospectus (as defined herein) was approved by the Swedish Financial Supervisory Authority on 26 June 2025. The validity of this Prospectus will expire within twelve (12) months after the date of its approval. The Issuer's (as defined herein) obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Prospectus is no longer valid.*

## IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Kustom BidCo AB (publ) (previously Neo BidCo AB (publ)) (“**Kustom**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) the “**Group**”), reg. no. 559363-9643, in relation to the application for admission for trading of the Issuer’s SEK 1,700,000,000 senior secured callable floating rate bonds 2024/2028 with ISIN SE0022421756 (the “**Bonds**” or the “**Bond Issue**”) issued 11 July 2024 (the “**Issue Date**”), in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”), on the corporate bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). The Bonds have been issued under a framework of SEK 3,000,000,000. Arctic Securities AS, filial Sverige (reg. no. 516408-5366), Pareto Securities AB (reg. no. 556206-8956) (“**Pareto**”) and Skandinaviska Enskilda Banken AB (publ) (reg. no. 502032-9081) have acted as joint bookrunners (together the “**Bookrunners**”) and Pareto has acted as issuing agent (the “**Issuing Agent**”). Concepts and terms defined in section “*Terms and Conditions for the Bonds*” are used with the meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

This Prospectus has been prepared by the Issuer and approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) pursuant to Chapter II and Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Furthermore, Annexes 7, 15 and 21 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, form the basis for the contents of this Prospectus. Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus has been prepared in English only and is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The Prospectus is available at the SFSA’s website ([www.fi.se](http://www.fi.se)) and the Company’s website ([www.kustom.co](http://www.kustom.co)).

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on Nasdaq Stockholm. This Prospectus may not be distributed in any country where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons, except for “Qualified Institutional Buyers” (“**QIB**”) within the meaning of Rule 144A under the U.S. Securities Act.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company’s auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents that are incorporated by reference and possible supplements to this Prospectus. In this Prospectus, any references to “**SEK**” refers to Swedish Kronor.

This Prospectus may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the Company’s management or are assumptions based on information available to the Group. The words “considers”, “intends”, “deems”, “expects”, “anticipates”, “plans” and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. Although the Company believes that the forecasts or indications of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the materialisation of risks and other factors affecting the Group’s operations. Such factors of a significant nature are mentioned in section “Risk factors” below.

Interest payable on the Bonds will be calculated by reference to STIBOR. As at the date of this Prospectus, no administrator of STIBOR appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (the “**ESMA**”) pursuant to Article 36 of Regulation (EU) 2016/1011 (the “**Benchmark Regulation**”).

The Bonds may not be a suitable investment for all investors and each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact other Bonds will have on its overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds; (iv) understand thoroughly the Terms and Conditions; and (v) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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## RISK FACTORS

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### Introduction

*An investment in securities involves risk. The purpose of this section is to enable a potential investor to assess the relevant risks related to their potential investment in the Bonds in order to make an informed investment decision. The below risk factors are therefore limited to risks that, in the meaning of Regulation (EU) 2017/1129, are material and specific to the Issuer, the Group and the Bonds.*

*The materiality of the risk factors is disclosed by the use of a qualitative ordinal scale of low, medium or high. The assessment of the materiality of the risk factors has been made by the Issuer based on the probability of their occurrence and the expected magnitude of their negative impact. The most material risks are present first and the subsequent risk factors are not ranked in order of materiality or probability of occurrence and are thus presented in no particular order.*

### RISKS RELATING TO THE ISSUER AND THE GROUP

#### Risks relating to the market in which the Group conducts business

##### Competition

*Medium level risk*

The Group's business operates as provider of checkout solutions mainly across the Nordics and selected European markets. The business is primarily comprised of checkout technology for use in both the online and offline retail environments, where the product offered by the Group functions as a fully customizable, all-in-one checkout solution that streamlines complex digital commerce setups and helps merchants tailor their checkout experience to their unique needs.

The markets in which the Group operates are characterised by a high degree of competition and fragmentation, and the strong demand growth in these markets and also the increase in consumption and online commerce has led to increased competition. In some cases, consumers at the point of purchase may be exposed to competing checkout experiences or merchant-integrated solutions. To attract and retain merchant clients in these cases, the Group is dependent on its ability to deliver a checkout experience that resonates with end-consumers and helps merchants maintain a trusted and seamless customer journey. Increased competition that results in the Group losing merchant clients or market share would adversely affect its net sales and growth.

The Group currently faces a large number of competitors, and the number of competitors in the market is increasing. There is a risk that an increase in competition will lead to increased costs with regards to seeking out new merchants, as well as retaining existing merchants. The Group's ability to compete also depends upon the Group's capacity to anticipate future market developments and trends and to rapidly react on existing and future market needs. For both existing and new merchants choosing services provided by the Group, it is crucial that the Group continues to offer that is intuitive, reliable, and easily integrated into merchants' sales environments. If the Group fails to respond to competitive pressures from both new and existing competitors or fails to react to market changes or trends, there is a risk that such failure will have an adverse effect on the Group's business, earnings or financial position.

#### Risks relating to the current macroeconomic environment

*Medium level risk*

The Group's product and business is dependent on the general and current consumption, hence there are risks that the demand for the Group's products is indirectly adversely affected by factors such as changes

in consumer trends, levels of consumption, demographic patterns and the general financial conditions amongst consumers and the society in general, all of which are affected by general macroeconomic conditions in the market in which the Group operates. Furthermore, the Group's business is vulnerable against high levels of unemployment, as this would reduce consumers' willingness to spend money on shopping which may directly affect merchants who utilises the Group's services and that may in the long run affect merchants' ability to pay for the Group's services. If the Group's services and business would be affected by any changes in the macroeconomic environment, that could have an adverse impact on the Group's business, earnings and financial position.

## **Risks relating to the Group's business**

### **Dependency on key personnel and risks relating to transferring employees**

#### *High level risk*

The Group is dependent on the knowledge, experience and commitment of its employees, and to some extent consultants, for continued development. The Group is also dependent on key individuals at management level. There is a risk that the Group loses key individuals, resulting in adverse effects on the Group's business, earnings and financial position.

The Issuer's acquisition of Kustom AB (reg. no. 559463-5038) (the "**Operating Company**"), through which substantially all of the Group's business is conducted, was completed in October 2024 (the "**Acquisition**"). Acquisitions in general are subject to a number of inherent risks and such risks remain following the completion of the Acquisition and may in future affect the Group. As an example, the completion of an acquisition, may exacerbate the risk of personnel turnover in case employees are discontent with the change of ownership (including the implementation by the Issuer of any updates to the Group's business plan, strategy or new instructions regarding the Group's overall operations). Any issues with identifying the number or specific personnel that should transfer in connection with an acquisition could also affect the Issuer's ability to conduct business following completion of an acquisition and it could in turn lead to internal turmoil and general uncertainty amongst the management of the Issuer and amongst personnel within the Group. Any prolonged period of disruption as a result of labour unrest could have a material adverse effect on the Group's business, results of operations and financial condition.

Furthermore, risks relating to acquisitions, including the Acquisition, remain relating to uncertainty around the specific terms of the transferring arrangements for the employees that are transferred in connection with an acquisition. Certain incentive programs or pension arrangements previously available to employees of the Group may not be fully mirrored or offered by the Issuer following the completion of an acquisition. Any demands from these transferred employees or obligations of the Group towards such employees could lead to unexpected costs or other liabilities that the Issuer has not been able to evaluate. These uncertainties could have a material adverse effect on the Group's business, results of operations and financial condition.

### **Operational risks**

#### *Medium level risk*

The Group faces operational risks in connection with the delivery of the Group's services to customers, one being the reliance on resilience and stability in the processes, personnel, products and third parties. To manage these inherent risks, pressure is put on having robust operational risk management

frameworks. There are risks associated with the Group not having sufficient risk management frameworks in place and that the Group will not have such risk management frameworks in place in the future.

Furthermore, following the completion of the Acquisition, the Group remains subject to operational risks associated with the post-Acquisition transitional period. As an example, the Issuer must make sure that all processes, services and agreements are in place to be able to conduct business operations following the Acquisition. In addition, companies involved in transactions are generally subject to risk of employees, including senior management and other key employees, leaving the acquired or acquiring company. Should the Issuer fail to implement and/or maintain arrangements needed for the Group to conduct its business post-Acquisition, this could adversely affect the Group's operations, business and financial conditions.

### **Disputes and legal proceedings**

#### *Medium level risk*

From time to time, the Group may be subject to legal proceedings, claims and disputes in jurisdictions where the Group operates. There is a risk that the Group will become involved in disputes which would materially adversely affect the Group's business, financial position and/or results of operations. Furthermore, there is a risk that the results of any investigation, proceeding, litigation or arbitration brought by private parties, regulatory authorities or governments are difficult for the Group to predict. In addition, if any unfavourable decision were to be given against the Group, fines, damages and/or negative publicity risk adversely affecting the Group's business, financial condition and results of operations. Negative publicity or announcement relating to the Group may, regardless of whether justified, deteriorate the brands' value and have a negative effect on the Group's operations, financial position, earnings and results. The outcome of any future potential proceedings claims and disputes may vary and are uncertain and presents a significant risk to the Group's costs and reputation.

For instance, there is a potential dispute relating to intellectual property rights, targeting and consequently affecting some of the payment checkout services. The counterparty approached Klarna in 2021 seeking an intellectual property rights cross-licensing arrangement and asserting that certain patents held by the counterparty are of relevance to Klarna's US operations. An agreement has not yet been reached but the discussions between the parties are ongoing. As with any other potential future dispute, there is a risk that the potential claim could be subject to US procedural law, where such damages and related legal fees and other fees may materialize and in turn affect the Group's reputation and consequently its business, earnings and financial position.

### **Credit risk**

#### *Low level risk*

Credit risk refers to the potential risk of financial loss arising from the failure of a counterparty to fulfil its financial obligations as they fall due. As the Group operates as a checkout solution provider, it is primarily exposed to credit risk arising from its commercial relationships with merchants. This includes the risk that a merchant defaults on its financial obligations or engages in fraudulent activity in connection with the Group's services.

The Group's main credit and counterparty risk is therefore linked to the financial stability and creditworthiness of the merchants who integrate and use the Group's checkout solutions. The Issuer is exposed to risks associated with an uncontrolled deterioration in the credit quality of its merchant base, which may be driven by broader macroeconomic conditions or merchant-specific financial challenges. A

failure by merchant counterparties to meet their payment or settlement obligations towards the Group as they fall due could have an adverse impact on the Group's financial performance.

### **Risks relating to third parties and maintaining good relationships**

#### *Low level risk*

A part of the Group's business relies on the ability to maintain a good relationship with retailers and the willingness of retailers to offer the Group's products to their online shopping customers. The Group's business is therefore dependent on its ability to keep its existing relationships but also its ability to attract new ones. Should the Group fail to keep a good relationship with existing retailers or to attract new ones, that could adversely affect the Group's operations, with decreased net sales and declined results of operations as consequence.

### **Dependency on the financial health of customers**

#### *Low level risk*

Consumers may face financial or other difficulties which may cause them to cancel or reduce their level of purchases from the retailers with which the Group works with resulting in reductions of retailers' ability to pay for the Group's services, which could adversely affect the Group's results of operations. Consumers may also respond to any price increase that the Group's retailers may implement by reducing their purchases from such retailers, resulting in reduced sales. If net sales of the retailers' products are reduced, such reduction may have a material adverse effect on the Group's business, financial condition and results of operations.

### **Risks relating to recent and future acquisitions**

#### *Low level risk*

The Issuer evaluates, from time to time, potential acquisitions that are in line with the Group's strategic objectives. There is a risk that there are unidentified risks connected to the Acquisition or in recently acquired companies which are unknown to the Issuer and that such unidentified risks will have an adverse effect on the Group's business, earnings or financial position. Future acquisitions may also include undertakings by the Issuer to pay additional purchase price to the sellers. Such additional payments may have adverse effects on the financial position of the Issuer. There is a risk that future acquisition activities will present certain financial, managerial and operational risks, including difficulties when integrating or separating businesses from existing operations and challenges presented by acquisitions which does not achieve sales levels and profitability that justify the investments made by the Group. If future acquisitions are not successfully integrated, there is a risk that the Group's business, financial condition and results of operations will be adversely affected. Also, there is a risk that future acquisitions will result in dilutive issuances of the Group's equity securities, the incurrence of debt, contingent liabilities, amortisation costs, impairment of goodwill or restructuring charges, any of which will have an adverse effect on the Group's business, earnings or financial position.

### **Insurance cover**

#### *Low level risk*

The Group may not be able to maintain adequate insurance in the future at rates the Group's management considers reasonable or be able to obtain insurance against certain risks. The Group's insurance coverage may under certain circumstances not protect the Group from all potential losses and liabilities that could result from its operations. In addition, the Group may experience increased costs related to insurance.

Insurers may not continue to offer the type and level of coverage that the Group currently maintains, and its costs may increase as a result of increased premiums. Should liability limits be increased via legislative or regulatory action, the Group may not be able to insure certain activities to a desirable level. If liability limits are increased and/or the insurance market becomes more restricted, the Group's business, financial condition and results of operations could be materially adversely affected or otherwise impair the Group's ability to meet its obligations under its indebtedness.

## **Risks relating to IT and intellectual property**

### **Intellectual property rights**

#### *Medium level risk*

The Group is actively working to protect their brands, names and domain names in the jurisdictions in which the Group operates. If the Group's protection of its trademarks and names is not sufficient or if the Group does infringe third party intellectual property rights, this may result in an adverse effect on the Group's net sales, earnings and financial position. If the Group's protection of its trademarks, names and copyrights is not sufficient, in particular in relation to third party consultants or employees engaged in creating or developing such assets, or if the Group infringes (knowingly or otherwise) third party intellectual property rights, this may result in unforeseen litigation costs, penalties or other expenses any of which may have a material adverse effect on the Group's net sales, earnings and financial position.

### **Risks related to IT infrastructure**

#### *Medium level risk*

The Group depends on information technology to manage critical business processes, including administrative functions. The Group uses IT systems for internal purposes and externally in relation to its suppliers and customers. Extensive downtime of network servers, attacks by IT-viruses or other disruptions or failure of information technology systems are possible and could have a negative impact on the Group's operations. Since the completion of the Acquisition, the Operating Company has needed to implement its own IT solutions. Failure of the Group's information technology systems could cause transaction errors and loss of customers as well as sales, and could have negative consequences for the Group, its employees, and those with whom the Group does business.

## **Risks relating to the Issuer and the Group's financing**

### **Refinancing risk and liquidity risk**

#### *Medium level risk*

There is a risk that the Issuer will be required to refinance certain or all of its outstanding debt, including the Bonds. The Issuer's ability to successfully refinance its debt depends, among other things, on the conditions of the debt capital markets and its financial condition at such time. Even if the debt capital markets improve, there is a risk that the Issuer's access to financing sources will not be available on favourable terms, or at all. Should the Issuer be unable to refinance its debt obligations on favourable terms, or at all, it would have a material adverse effect on the Group's business, financial condition and results of operations and on the Bondholders' recovery under the Bonds.

In order to be able to finance its operations and mitigate the effects of fluctuations in cash flows, the Group ensures that adequate cash resources (i.e. cash and cash equivalents) are readily available by entering into financing arrangements. In case of a breach of the terms and conditions of such arrangement, a lender may be entitled to cancel the entire or part of the commitment.

Furthermore, if, for any reason or at any time, the Group cannot get access to liquidity on commercially acceptable terms and conditions or at all, the business, cash flows, results of operations, financial condition and/or prospects of the Group may be materially adversely affected.

### **Borrowing by the Group and interest risk**

#### *Medium level risk*

The Group has incurred and may, in compliance with the limits set out in the Terms and Conditions, further incur financial indebtedness to finance its business operations. Such financing may generate interest costs which may be higher than the gains produced by the investments made by the Group. Borrowing money to make investments will increase the Group's exposure to the loss of capital and higher interest expenses. Further, the Group is exposed to changes in interest rates through its financing agreements that carry floating rates of interest. The interest rates are affected by a number of factors that are beyond the control of the Group, including but not limited to the interest rate policies of governments and central banks.

An increase in interest rates would entail an increase in the Group's interest obligations, which could have a negative effect on the Groups' operations, financial position, earnings and results. It is possible that (if used) any current or future hedging will not afford the Group sufficient protection against adverse effects of interest rate movements. Moreover, the success of any hedging activities is highly dependent on the accuracy of the Group's assumptions and forecasts. All erroneous estimations that affect such assumptions and forecasts could have a negative effect on the Group's operations, financial position, earnings and results.

### **Legal and regulatory risks**

#### **Reliance on third parties**

#### *Medium level risk*

The Group is dependent on third party payment services providers in order to conduct its operations. In October 2024, the Operating Company entered into a transitional settlement services agreement with Klarna Bank AB (publ) ("**Klarna**"), through which the Operating Company is able to offer payment services to its customers without its own license to provide payment services (Sw. *betaltjänster*) in accordance with the Swedish Payment Services Act (Sw. *lag (2010:751) om betaltjänster*), implementing the Payment Service Directive (EU) 2015/2366. Under this agreement, Klarna performs all activities which require a payment services license in relation to the Operating Company's customers on behalf of the Operating Company. Later in September 2024 the Operating Company entered into a strategic partnership agreement with the American payment services provider Stripe, Inc, operating in the EU through its Ireland based licensed electronic money institution Stripe Technology Europe, Limited ("**Stripe**" and together with Klarna, the "**Payment Service Providers**"), through which the Operating Company will be able to offer payment services to its customers without its own license going forward and the Group is currently migrating customers from Klarna to Kustom's new Stripe-powered platform. The Group's operations are consequently entirely dependent upon Klarna, and will continue to be entirely dependent upon Stripe, to carry out its operations. The Group does not have any control in relation to how the Payment Service Providers conducts their operations, and in the event any of Payment Service Providers' licenses would be withdrawn or restricted, it would risk affecting the Group's operations. Payment Service Providers' services to the Group are compensated for on a service-by-service basis. Failure by a Payment Service Provider to perform and provide its services to the Group may result in the Group failing to provide its services and products to its customers or expose the Group to legal and

financial risks. Although there are other potential payment service providers that could replace each of the Payment Service Providers in relation to the Group, should a Payment Service Provider fail to perform and provide their services, there is a risk that the Group will not be able to replace any of them with another service provider on commercially acceptable terms or at all, which in turn will further affect the Group's ability to conduct its operations.

### **Regulatory requirements and changes**

#### *Medium level risk*

The Payment Service Providers are subject to several laws and regulations governing the provision of payment services. Such regulatory requirements include, among other things, license requirements, restrictions on co-operations with external parties and certain operational requirements with respect to the Payment Service Providers' operations. Seeing as the Group does not have any control in relation to how the Payment Service Providers conducts their operations and given its dependency on the Payment Service Providers, the Group is dependent on the Payment Service Providers' regulatory compliance efforts.

The diversity of the legal framework results in legal and regulatory risks for the Payment Service Providers and in turn the Group. The Group is dependent on its continuous assessment of the legal framework and its impact on the Payment Service Providers and, in turn, the Group's operations in all jurisdictions in which the Group operates. Certain breaches of compliance with rules, regulations, policies and guidelines may (in whole or in part) be due to circumstances outside the control of the Payment Service Providers. For example, if a member of the board resigns in any of the Payment Service Providers, the composition of the board of directors may no longer meet the legal requirements, which may indirectly affect the Group's ability to operate its business.

As the Payment Service Providers conducts their operations in several jurisdictions, within and outside of the EU, they are subject to a varying degree of local implementation of EU law and regulations, as well as laws and regulations of third countries, applicable in relation to companies in such jurisdictions. The Payment Service Providers are therefore also subject to supervision by additional supervisory authorities than the SFSA and the Central Bank of Ireland. The diversity of applicable legal requirements results in legal and regulatory risks. Should the Payment Service Providers fail in their compliance, it could result in claims from counterparties as well as administrative action and/or fines. Regulatory breaches could also result in significant reputational harm which in turn may affect the Group's business relations with the Payment Service Providers and its ability to continue its operations.

Regulatory requirements applicable to the Group may also come to change from time to time, and such new or amended laws and regulations may be difficult to predict. Changes in laws and regulations could restrict the Group's operations and may entail increased costs for the Group to comply with, or may otherwise lead to an administrative burden for the Group including due to the implementation of additional and more advanced internal controls.

Should the Group fail to be in compliance with applicable law, it could result in claims from counterparties as well as administrative actions and/or fines. Regulatory breaches could also result in significant reputational harm. Where the Group seeks to expand its operations into new segments and geographies, there will be a risk that the Group fails to address new or additional legal requirements in a timely or accurate manner. Failure to comply with local legal requirements may have a significant material adverse effect on the Group's operations, reputation and future prospects. Such failure may also result in unforeseen or additional costs, which would adversely affect the Group's results of operation.

## **Money laundering, terrorist financing and international sanctions**

### *Medium risk*

The Group is entirely dependent on the Payment Service Providers. These Payment Service Providers are subject to Swedish laws and regulations regarding anti-money laundering (“**AML**”) and counter terrorist financing (“**CTF**”), including regulations issued by the SFSA and in relation to Stripe, operating from Ireland and passporting its license to the EU, the Irish AML requirements as overseen by the Central Bank of Ireland. The Payment Service Providers are obliged to implement comprehensive internal measures for customer due diligence, monitoring of customers and transactions as well as reporting of suspicious transactions. The requirements are detailed and complex, and the Payment Service Providers must allocate substantial resources in order to comply with the external requirements as well as to maintain internal routines and guidelines for managing day-to-day operations. There is a risk that the procedures, internal control measures and guidelines implemented by the Payment Service Providers to comply with AML and CTF requirements may be insufficient or inadequate. Additionally, changes to, or the introduction of, new regulatory requirements may affect or restrict the operations of the Payment Service Providers or require them to further adapt their practices and procedures and allocate additional resources to maintain compliance. Should a Payment Service Provider fail to comply with AML and CTF requirements, it may adversely affect that Payment Service Provider’s ability to operate its business and thus in turn adversely affect the Group’s ability to employ that Payment Service Provider for payment services on which the Groups’ business and operations depend.

Furthermore, the Group’s reliance on the Payment Service Providers includes their capability to make and receive payments from third parties. In light of the contemplated volume of managed transactions, these Payment Service Providers are also subject to compliance with applicable international sanctions regimes, whether national or supranational regimes, as applicable. There is a risk that the internal controls and procedures adopted by the Payment Service Providers to comply with such regimes may prove to be inadequate, or that evolving regulatory frameworks will require further adaptations and resource commitments.

Due to the increased monitoring activities of the SFSA and other competent authorities in the EU, US and UK in recent years, the compliance risk for payment services providers in relation to AML, CTF, and sanctions compliance has grown significantly. Any failure by the Payment Service Providers to comply with applicable regulations could result in regulatory actions including comprehensive investigations, remarks or warnings, criminal procedures, and/or significant administrative fines imposed by the SFSA or other competent authorities, as the case may be. Such regulatory breaches could lead to substantial and potentially irreparable damage to the reputation of the Payment Service Providers, which, in turn, could have a material adverse effect on the Group’s operations, results of operations and financial position due to its dependence on these Payment Service Providers.

## **Processing of personal data**

### *Low level risk*

The Group registers, processes, stores and uses personal data in the course of its business operations, especially with regards to personal data relating to its consumer customers, which constitutes personal data under the General Data Protection Regulation 2016/679 (“**GDPR**”). There is a risk that the procedures and systems for protecting personal data that the Group has implemented are insufficient and that there are deficiencies in the Group’s compliance with the GDPR. A breach of the GDPR may result in administrative sanctions amounting to the higher of EUR 20,000,000 and 4 per cent. of the previous

year's combined annual turnover of the ultimate parent company that controls the business and all other companies such ultimate parent company controls. Should the abovementioned risks materialise, this could result in adverse effects on the Issuer's operations, results and financial position.

## **RISKS RELATING TO THE BONDS**

### **Risks related to the nature of the Bonds**

#### **Credit risks relating to the Bonds and ability to service debt under the Bonds**

##### *Medium level risk*

Investors in the Bonds carry a credit risk towards the Group. The investor's ability to receive payment under the Bonds is therefore dependent on the Issuer's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The credit risk and the Group's financial position is affected by several factors of which some have been mentioned above in the above category "Risks relating to the Group". One such aspect of credit risk is that there is a risk that a deteriorating financial position of the Group will force the Group to refinance the Bonds instead of redeeming the Bonds with cash generated by the Group, as described under section "Refinancing risk and liquidity risk" above.

The Issuer's ability to service its debt under the Bonds depends upon, among other things, the Group's future financial and operating performance, which is affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to effect any of these remedies on satisfactory terms, or at all. This would have a negative effect on the Group's operations, earnings, results and financial position.

Furthermore, there is a risk that an increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' value negatively. Another aspect of the credit risk is that there is a risk that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds.

#### **Interest rate risks**

##### *Medium level risk*

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. The Bonds bear a floating rate interest of 3 months STIBOR plus a margin and the interest rate of the Bonds is determined two business days prior to the first day of each interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a risk that an increase of the general interest rate level will adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the Swedish and the international financial development and is outside the Group's control.

#### **Liquidity risks and secondary market**

##### *Low level risk*

Pursuant to the Terms and Conditions, the Issuer shall ensure that the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within twelve months from the First Issue Date or, if such

admission to trading is not possible to obtain or maintain, that the Bonds are admitted to trading on any other Regulated Market within twelve months after the First Issue Date. Even if the Bonds are admitted to trading on the aforementioned market, active trading in the Bonds does not always occur and a liquid market for trading in the Bonds might not occur even if the Bonds are listed. This may result in that the Bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market.

Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if the Bonds are admitted for trading. It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market. The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors. In addition, the global financial markets have experienced significant price and volume fluctuations in the past. Should this be repeated in the future there is a risk that it will adversely affect the market price of the Bonds without regard to the Group's operating results, financial condition or prospects.

### **Benchmark Regulation**

#### *Low level risk*

The process for determining STIBOR and other interest-rate benchmarks is subject to a number of legislative acts and other regulations, including Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014) (the "**Benchmark Regulation**"). The Benchmark Regulation addresses the provision of benchmarks, the contribution of input data to benchmarks and the use of benchmarks within the European Union. The Benchmark Regulation and other applicable legislative acts and other regulations could have a material impact on the Bonds if the methodology or other terms of the STIBOR are changed in order to comply with the Benchmark Regulation and other applicable legislative acts and other regulations, and such changes could (among other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of STIBOR. A further potential risk is that increased administrative requirements, and resulting regulatory risk, may discourage stakeholders from participating in the production of benchmarks, or that some benchmarks cease to be provided. If this would happen in respect of STIBOR or any other applicable reference rate, it could potentially have negative effects for the investors.

### **Ability to comply with the Terms and Conditions**

#### *Low level risk*

The Issuer is required to comply with the Terms and Conditions, inter alia, to pay interest under the Bonds. Events beyond the Issuer's control, including changes in the economic and business conditions in which the Group operates, may affect the Issuer's ability to comply with, among other things, the undertakings set out in the Terms and Conditions. A breach of the Terms and Conditions could result in a default under the Terms and Conditions, which could lead to an acceleration of the Bonds, resulting in the Issuer has to

repay the Bondholders at the applicable call premium. It is possible that the Issuer will not have sufficient funds at the time of the repayment to make the required redemption of Bonds.

### **Currency risks**

#### *Low level risk*

The Bonds are denominated and payable in SEK. If Bondholders measure their investment return by reference to a currency other than SEK, an investment in the Bonds will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the SEK relative to the currency by reference to which investors measure the return on their investments. This could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss to investors when the return on the Bonds is translated into the currency by reference to which the investors measure the return on their investments. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the bonds. As a result, there is a risk that investors may receive less interest or principal than expected, or no interest or principal.

### **Majority owner**

#### *Low level risk*

Following any potential change of control in the Issuer, the Issuer may be controlled by majority shareholder whose interest may conflict with those of the Bondholders, particularly if the Group encounters difficulties or is unable to pay its debts as they fall due. A majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, a majority shareholder will have the ability to elect the board of directors. Furthermore, a majority shareholder may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, although such transactions might involve risks to the Bondholders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to arise, it could have a material negative impact on the Group's operations, earnings and financial position. However, according to the Terms and Conditions, if a change of control event occurs, the Bondholders have a right of prepayment of the Bonds (put option). There is thus a risk that the Issuer does not have enough liquidity to repurchase the Bonds if the Bondholders use its right of prepayment, see further under section "Put options" below.

### **Put options**

#### *Low level risk*

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each Bondholder (put options) if (i) any subsequent Bonds are not admitted to trading on Frankfurt Open Market or, if such admission to trading is not possible to obtain or maintain, another MTF within 60 days from the relevant Issue Date (with intention to complete such listing within 30 days from the relevant Issue Date), or (ii) an event of series of events occurs whereby one or more persons, not being (a) Kamjar Hajabdolahi together with funds advised by BLQ Management AB reg. no. 559330-2259 or (b) any Permitted Transferee (as defined in the Terms and Conditions), acquire control over the Issuer and where "control" means (a) more than 50 per cent. of the issued share capital or voting rights of the Issuer or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer. There is, however, a risk that the Issuer will not have sufficient funds at the time

of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all Bondholders and not only those that choose to exercise the option.

### **Early redemption and call options**

#### *Low level risk*

Under the Terms and Conditions, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the holders of the Bonds have the right to receive a call option amount which exceeds the nominal amount in accordance with the Terms and Conditions. However, there is a risk that the market value of the Bonds is higher than the call option amount and that it may not be possible for Bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

According to the Terms and Conditions, following the occurrence of an offering of shares in the Issuer or any of its holding companies whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a Regulated Market or MTF (an “**Equity Listing Event**”), the Issuer may at one occasion partially repay the Bonds, in which case all outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond pro rata. The repayment must occur on an Interest Payment Date within 180 days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such Equity Listing Event plus (i) a premium on the repaid amount and (ii) accrued but unpaid interest on the repaid amount.

### **Conflict of interests**

#### *Low level risk*

The Joint Bookrunners may in the future engage in investment banking and/or commercial banking or other services for the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Joint Bookrunners having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

### **Risks related to transaction security and guarantees**

Note that the below mentioned risk factors related to transaction security also apply (where applicable) to the guarantees that will be granted towards the investors under the Bonds.

### **Risks relating to the transaction security and the value of the transaction security**

#### *Medium level risk*

Although the Issuer’s obligations towards the investors under the Bonds are secured by first priority pledges over the shares in the Issuer and the Operating Company as well as security over certain intercompany loans from the Issuer to the Operating Company or at a later stage, any Material Group Company (if any), it is not certain that the proceeds of any enforcement sale of the security assets will be sufficient to satisfy all amounts then owed to the investors.

The Bondholders are represented by the Agent as security agent (the “**Security Agent**”) in all matters relating to transaction security. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary

actions in relation to the transaction security. Further, the transaction security is subject to certain hardening periods during which times the Bondholders do not fully, or at all, benefit from the transaction security.

The Security Agent is entitled to enter into agreements with members of the Group or third parties or to take any other action necessary for the purpose of maintaining, releasing or enforcing the transaction security or for the purpose of settling, among other things, the Bondholders' rights to the security.

### **Risks relating to enforcement of the transaction security**

#### *Medium level risk*

If the Issuer, the Operating Company, or any Material Group Company which shares have been pledged in favour of the Bondholders, is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares may have limited value because all of the Issuer's and/or the Operating Company's or Material Group Company's obligations must first be satisfied, potentially leaving little or no remaining assets in the Issuer and/or the Operating Company or the Material Group Company for the Bondholders. As a result, the Bondholders may not recover the full value (or any value in the case of an enforcement sale) of the shares. In addition, the value of the shares subject to pledges may decline over time.

The value of any intercompany loan granted by the Issuer to the Operating Company or any Material Group Company, which is subject to security in favour of the Bondholders, is largely dependent on such company's ability to repay its loan. Should such a company be unable to repay its debt obligations upon enforcement of a pledge over the intercompany loan, the Bondholders may not recover the full or any value of the security granted over the intercompany loan.

If the proceeds of an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the Bondholders will only have an unsecured claim against the Issuer and its remaining assets (if any) for the amounts which remain outstanding under or in respect of the Bonds.

### **Risks related to any intercreditor arrangements**

#### *Medium level risk*

The Issuer may in the future incur additional debt under any super senior revolving credit facilities (the "**Super Senior RCF**") which will, in accordance with the terms of an Intercreditor Agreement (as defined below), rank senior to the Bonds. Further, the Issuer may incur additional financial indebtedness which will rank pari passu with the Bonds. The relation between certain of the Issuer's creditors (jointly the "**Secured Creditors**") and the Security Agent will be governed by an intercreditor agreement (the "**Intercreditor Agreement**"). Although the obligations under the Bonds and certain other obligations of the Group towards the Bondholders and the Secured Creditors will be secured by first priority security, there is a risk that the proceeds of any enforcement sale of the security assets will not be sufficient to satisfy all amounts then owed to the Secured Creditors. Furthermore, if the Issuer issues subsequent Bonds, the security position of the current Bondholders may be impaired.

The Security Agent will in accordance with the Intercreditor Agreement in some cases take instructions from a super senior representative under the Super Senior RCF. There is a risk that the Security Agent and/or a super senior representative under the Super Senior RCF will act in a manner or give instructions not preferable to the Bondholders. In addition, the Security Agent will in some cases take instructions from a senior representative, being those senior creditors whose senior debt at that time aggregate to more than 50 per cent of the total senior debt. If the outstanding senior debt towards other senior creditors than

the Bondholders exceed the obligations under the Bonds, the Bondholders will therefore not be in a position to control the enforcement procedure.

If the outstanding obligations of the Group towards other Secured Creditors than the Bondholders increase, there is a risk that the security position of the Bondholders is impaired. Furthermore, there is a risk that the security will not at all times cover the outstanding claims of the Secured Creditors.

The Intercreditor Agreement would also contain provisions regarding the application of proceeds from an enforcement of security where any agent will receive payments first, secondly any creditor under any super senior debt (including liabilities under super senior hedges), thirdly any creditor pro rata under any senior debt (including the Bondholders) and lastly any creditor under any shareholder, intercompany and subordinated debt. There is a risk that the enforcement proceeds will not be sufficient in order for the Issuer to satisfy the waterfall provisions above.

### **Corporate benefit limitations in providing security to the Bondholders**

#### *Medium level risk*

If a limited liability company provides security for another party's obligations without deriving sufficient corporate benefit therefrom, the granting of security will require the consent of all shareholders of the grantor and will only be valid up to the amount the company could have distributed as dividend to its shareholders at the time the security was provided. If no corporate benefit is derived from the security provided, the security will be limited in value. Consequently, any security granted by a Subsidiary of the Issuer could therefore be limited, which would have an adverse effect on the Bondholders' security position. As a result of such restrictions, the Subsidiaries of the Issuer may be restricted in making payments under the guarantees, and the enforcement of transaction security may be limited, which in turn may result in an investor's loss of the investment in the Bonds.

### **The Issuer is dependent on its Subsidiaries**

#### *Low level risk*

A significant part of the Group's assets and revenues relate to the Issuer's Subsidiaries. Accordingly, the Issuer is dependent upon receipt of sufficient income and cash flow related to the operation of and the ownership in the Subsidiaries to enable it to make payments under the Bonds. Consequently, the Issuer is dependent on the Subsidiaries' availability of cash, and their legal ability to make dividends which may from time to time be limited by corporate restrictions and law. Should the Issuer not receive sufficient income from its Subsidiaries, the investor's ability to receive payment under the Terms and Conditions may be adversely affected.

### **Subsidiaries, structural subordination and insolvency of Subsidiaries**

#### *Low level risk*

All assets are owned by, and all revenues are generated in, the Subsidiaries of the Issuer. The Subsidiaries are legally distinct from the Issuer and have no obligation to make payments to the Issuer of any profits generated from their business. The ability of the Subsidiaries to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and legal restrictions (e.g. limitations on value transfers).

If the Issuer is not able to receive funds by way of dividends or value transfer from one or more Subsidiary, this could affect the Issuer's ability to service its payment obligations under the Bonds which would have a material adverse effect on the Issuer's business, financial position, earnings and result.

The Group or its assets may not be protected from any actions by the creditors of any Subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain Subsidiaries of the Group could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such Subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group.

### **Security over assets granted to third parties**

#### *Low level risk*

Subject to certain limitations from time to time, the Issuer may incur additional financial indebtedness and provide additional security for such indebtedness. If security is granted in favour of a third-party debt provider, the Bondholders will, in the event of bankruptcy, re-organisation or winding-up of the Issuer, be subordinated in right of payment out of the assets being subject to security provided to such third-party debt provider. In addition, if any such third-party debt provider holding security provided by the Group were to enforce such security due to a default by any company within the Group under the relevant finance documents, such enforcement could have a material adverse effect on the Group's assets, operations and, ultimately, the financial position of the Bondholders.

### **Risks related to the Bondholders' rights and representation**

#### **No action against the Issuer and Bondholders' representation**

#### *Low level risk*

In accordance with the Terms and Conditions, the Agent represents all Bondholders in all matters relating to the Bonds and the Bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual Bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Issuer and may therefore lack effective remedies unless and until a requisite majority of the Bondholders agree to take such action. However, there is a risk that an individual Bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions), which could negatively impact an acceleration of the Bonds or other action against the Issuer.

Furthermore, the agent's right to represent bondholders in formal court proceedings in Sweden (such as bankruptcies, company reorganisations or upon in-court enforcement of security) has recently been questioned and there has been a case where a court has held that such right does not exist, meaning that the bondholders, through the agent, were unable to take actions in court against the issuer. Although the relevant case law on this subject is, as of now, non-precedential, if such judgments should continue to be upheld by the justice system and/or if the regulators should not intervene and include the agent's right to represent bondholders in relevant legislation, it may become more difficult for Bondholders to protect their rights under the terms of the Bonds in formal court proceedings. As such, to enable the Agent to represent bondholders in court, the Bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all Bondholders to submit such a power of attorney could negatively affect the legal proceedings.

Under the Terms and Conditions, the Agent has in some cases the right to make decisions and take measures that bind all Bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a Bondholder's rights under the Terms and Conditions in a manner that is undesirable for some of the Bondholders.

## **The rights of Bondholders depend on the Agent's actions and financial standing**

### *Low level risk*

By subscribing for, or accepting the assignment of, any Bond, each holder of a Bond has accepted the appointment of the Agent (being on the issue date Nordic Trustee & Agency AB (publ)) to act on its behalf and to perform administrative functions relating to the Bonds. The Agent has, among other things, the right to represent the Bondholders in all court and administrative proceedings in respect of the Bonds. However, the rights, duties and obligations of the Agent as the representative of the holders of the Bonds are subject to the provisions of the Terms and Conditions, and there is no specific legislation or market practice in Sweden (under which laws the Terms and Conditions will be governed) which would govern the Agent's performance of its duties and obligations relating to the Bonds. There is a risk that a failure by the Agent to perform its duties and obligations properly or at all will adversely affect the enforcement of the rights of the Bondholders.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor Agent with commercially acceptable terms or at all. Further, there is a risk that that the successor Agent would breach its obligations under the above documents or that insolvency proceedings would be initiated against it.

There is a risk that materialisation of any of the above risks will have a material adverse effect on the enforcement of the rights of the holders of the Bonds and the rights of the holders of the Bonds to receive payments under the Bonds.

## **Bondholders' meetings**

### *Low level risk*

The Terms and Conditions includes certain provisions regarding Bondholders' meetings. Such meetings may be held in order to resolve on matters relating to the Bondholders' interests. The Terms and Conditions allows for stated majorities to bind all Bondholders, including Bondholders who have not taken part in the meeting and those who have voted differently to the required majority at a duly convened and conducted Bondholders' meeting. Consequently, there is a risk that the actions of the majority in such matters will impact a Bondholder's rights in a manner that is undesirable for some of the Bondholders.

## RESPONSIBLE FOR THE INFORMATION IN THE PROSPECTUS

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The Company has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 11 July 2024 has been authorised by resolutions taken by the board of directors of the Issuer on 23 June 2024, authorising certain representatives of the Company to execute, deliver and perform the documents contemplated by the issue of the Bonds, including this Prospectus.

The information in the Prospectus and in the documents incorporated by reference which derive from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Company is the source of all company specific information contained in this Prospectus and the Bookrunners have conducted no efforts to confirm or verify the information provided by the Company.

The board of directors is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Swedish law. The board of directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Prospectus is, to the best of the board of directors' knowledge, in accordance with facts and contains no omissions likely to affect its import.

This Prospectus has been approved by the Swedish Financial Supervisory Authority as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Regulation**"). The Swedish Financial Supervisory Authority only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. The Swedish Financial Supervisory Authority's approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

Stockholm on 26 June 2025

**Kustom BidCo AB (publ)**

*The board of directors*

## THE BONDS IN BRIEF

This section contains a general and broad description of the Bonds. It does not claim to be comprehensive or cover all details of the Bonds. Potential investors should therefore carefully consider this Prospectus as a whole, including the documents incorporated by reference, and the full Terms and Conditions for the Bonds, before a decision is made to invest in the Bonds.

### General

Issuer .....	Kustom BidCo AB (publ), reg. no. 559363-9643, Brahegatan 10, SE-114 37 Stockholm, Sweden.
Resolutions, authorisations and approvals .....	The Company's board of directors resolved to issue the Bonds on 23 June 2024.
The Bonds offered .....	SEK 1,700,000,000 in an aggregate principal amount of senior secured callable floating rate bonds due 11 July 2028.
Nature of the Bonds.....	The Bonds constitute debt instruments ( <i>Sw. skuldförbindelser</i> ), each of the type set forth in Chapter 1, Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act ( <i>Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i> ).
Number of Bonds .....	As of the date of this Prospectus, 1,360 Bonds have been issued. A maximum of 2,400 Bonds may be issued under the Terms and Condition. Only Bonds that have been issued at the date of approval of the Prospectus may be admitted to trading based on the Prospectus.
ISIN .....	SE0022421756.
First Issue Date.....	11 July 2024.
Price.....	All Bonds issued on the First Issue Date have been issued at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
Interest Rate.....	Interest on the Bonds is paid at a rate equal to the sum of (i) three (3) months STIBOR, plus (ii) five point five zero (5.50) per cent. <i>per annum</i> , as adjusted by any application of Clause 20 ( <i>Replacement of Base Rate</i> ) in the Terms and Conditions. Interest will accrue from, but excluding, the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant). Any Subsequent Bond will carry Interest from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date).

Use of benchmark.....	Interest payable for the Bonds issued under the Terms and Conditions is calculated by reference to STIBOR.
Interest Payment Dates.....	11 January, 11 April, 11 July and 11 October each year. The first Interest Payment Date shall be 11 October 2024. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a Business Day, the Business Day following from an application of the Business Day Convention.
Final Maturity Date .....	11 July 2028.
Initial Nominal Amount .....	The Bonds have a nominal amount of SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds is SEK 1,250,000.
Denomination .....	The Bonds are denominated in SEK.
Status of the Bonds.....	The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them, (ii) at least <i>pari passu</i> with all other senior creditors of the Issuer (except in respect of claims mandatorily preferred by law) and (iii) subject to the super senior status of any super senior debt, <i>pari passu</i> with the other Secured Parties in respect of the Security.
Guarantees .....	<p>The full and punctual performance of the Secured Obligations are unconditionally and irrevocably and jointly and severally guaranteed (the “<b>Guarantees</b>”) by each Material Group Company insofar such entities are wholly-owned Group Companies to ensure that the Guarantors and the Issuer, account or will account for at least at least eighty-five (85.00) per cent. of the consolidated EBITDA of the Group. At present, the Bonds are guaranteed by the Operating Company).</p> <p>See “<i>Other information–Material Agreements–Guarantee and Adherence Agreement</i>” for further details.</p>
Ranking of the Guarantees ....	<p>The Guarantee of the Operating Company is a general obligation of the Operating Company and ranks <i>pari passu</i> in right of payment with any existing and future indebtedness of the Operating Company that is not subordinated in right of payment to such Guarantee.</p> <p>The Guarantees are subject to certain limitations under local law.</p>
Use of Proceeds.....	The proceeds from the Initial Bond Issue has been used to (i) together with the Equity Injection, finance the purchase price payable by the Issuer in conjunction with the Acquisition, (ii)

repay existing financing in the Operating Company and each of its subsidiaries from time to time, (iii) finance fees, cost and expenses incurred in conjunction with the Acquisition, (iv) finance Transaction Costs and (v) finance general corporate purposes of the Group (including acquisitions and investments).

The proceeds from any Subsequent Bond Issue shall be used to (finance Transaction Costs and general corporate purposes of the Group (including investments and acquisitions)).

Transaction Security .....

The Bonds are secured by first ranking security interests over:

- all shares in the Issuer;
- all shares in the Operating Company;
- all shares in each Material Group Company; and
- all Intercompany Loans from the Issuer to the Operating Company or any other Material Group Company.

See the definition of “Transaction Security Documents” in Clause 1.1 (*Definitions*) of the Terms and Conditions.

Call Option .....

The Issuer may, in accordance with Clause 9.3 (*Voluntary total redemption (call option)*) of the Terms and Conditions, redeem all, but not only some, of the outstanding Bonds in full on any Business Day falling before the Final Maturity Date:

- (a) if the call option is exercised before the First Call Date, at an amount per Bond equal to the sum of 102.75 per cent. of the Nominal Amount and the remaining interest payments up to (but excluding) the First Call Date, together with accrued but unpaid Interest;
- (b) if the call option is exercised on or after the First Call Date, to, but not including, the date falling 30 months after the First Issue Date, at an amount per Bond equal to 102.75 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (c) if the call option is exercised on or after the date falling 30 months after the First Issue Date to, but not including, the date falling 36 months after the First Issue Date at an amount per Bond equal to 101.925 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (d) if the call option is exercised on or after the date falling 36 months after the First Issue Date to, but not including, the date falling 42 months after the First Issue Date at an amount per Bond equal to 101.10 per cent. of

the Nominal Amount, together with accrued but unpaid Interest; and

- (e) if the call option is exercised on or after the date falling 42 months after the First Issue Date to, but not including, the Final Maturity Date at an amount per Bond equal to 100.275 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

First Call Date ..... The First Call Date means the date falling 24 months after the First Issue Date.

Voluntary partial redemption Provided that the Group's Cash exceeds SEK 200,000,000, the Issuer may redeem the Bonds in part in a maximum aggregate amount per calendar year not exceeding 10 per cent. of the total Initial Nominal Amount of the Bonds issued (with carry-back and carry forward). The repayment shall be a minimum SEK 100,000,000 and must occur on an Interest Payment Date. The repayment per Bond shall be equal the repaid percentage of the Nominal Amount (rounded down to the nearest SEK 1.00) plus (i) up to, but excluding, the First Call Date a premium on the repaid amount equal to the Call Option Amount set out in Clause 9.3(a)(ii) of the Terms and Conditions and thereafter, as applicable considering when the repayment occurs, a premium on the repaid amount equal the Call Option Amount for the relevant period together with any accrued but unpaid interest on the redeemed amounts.

The Issuer may on one occasion, following the occurrence of an Equity Listing Event, partially repay the Bonds, in which case all outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond pro rata. The repayment must occur on an Interest Payment Date within 180 days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event). The repayment per Bond shall equal the repaid percentage of the Nominal Amount (rounded down to the nearest SEK 1.00) plus up to, but excluding, the First Call Date a premium on the repaid amount equal to the Call Option Amount set out in Clause 9.3(a)(ii) of the Terms and Conditions and thereafter, as applicable considering when the repayment occurs, a premium on the repaid amount equal the Call Option Amount for the relevant

period. Notwithstanding Clause 9.4(b) of the Terms and Conditions, the aggregate Nominal Amount must be at least SEK 1,200,000,000 at any time other than in connection with a redemption of the Bonds in full.

See further Clause 9.4 (*Voluntary partial redemption*) of the Terms and Conditions.

Put Option ..... Upon the occurrence of a Change of Control Event or Listing Failure Event each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of 30 days following a notice from the Issuer of the Change of Control Event or Listing Failure Event pursuant to Clause 11.1(e) of the Terms and Conditions (after which time period such rights lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event or Listing Failure Event.

Call option upon a Change of Control event ..... If the Bondholders (in a Bondholders' Meeting or by way of a Written Procedure) decline the Person proposed by the Issuer to be designated as a "Permitted Transferee", and such Person thereafter (directly or indirectly) acquires shares in the Issuer (or any of its direct or indirect holding company), thereby triggering a Change of Control Event, the Issuer shall have the right, by giving no less than five Business Days' prior written notice the Agent, to prepay all (but not only some) of the outstanding Bonds at a price equal to 101 per cent. of the Nominal Amount (plus any accrued but unpaid Interest).

Redemption in accordance with the paragraph above shall be exercised by issuing a press release in accordance with Clause 26.2 no earlier than five Business Days prior to such Change of Control Event and no later than five Business Days following such Change of Control Event. Any such call option may be exercised prior to the Change of Control Event, but shall in such case be contingent on the Change of Control Event occurring. The settlement date shall occur no later than 15 Business Days after the date of the Change of Control Event.

Change of Control Event ..... A Change of Control means the occurrence of an event or series of events whereby one or more persons, not being (i) Kamjar Hajabdolahi together with funds advised by BLQ Management AB reg. no. 559330-2259 or (ii) any Permitted Transferee, acting together, acquire control over the Issuer and where "control" means (A) more than 50 per cent. of the issued share capital or voting rights of the Issuer or (B) the right to, directly

or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

Listing Failure Event..... A Listing Failure Event means the event if the Initial Bonds or any Subsequent Bonds have not been admitted to trading on Frankfurt Open Market or, if such admission to trading is not possible to obtain or maintain, another MTF within 60 days from the relevant Issue Date (with intention to complete such listing within 30 days from the relevant Issue Date). As at the date hereof the Bonds are admitted to trading on Nasdaq Transfer Market.

## Miscellaneous

Transfer restrictions.....	The Bonds are freely transferable, but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
Credit rating.....	No credit rating has been assigned to the Bonds.
Listing.....	Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be submitted in immediate connection with the SFSA's approval of this Prospectus. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 3 July 2025. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 200,000.
Agent .....	Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90, Stockholm, Sweden.
Governing law of the Bonds.....	Swedish law.
Governing law of the Guarantee and Adherence Agreement .....	Swedish law.
Time-bar .....	The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment.
Risk factors.....	Investing in the Bonds involves substantial risks and prospective investors should refer to section " <i>Risk Factors</i> " for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.

## DESCRIPTION OF THE COMPANY AND THE GROUP

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### Overview of the Company

Company / trade name.....	Kustom BidCo AB (publ)
Legal form .....	Swedish public limited liability company
Corporate registration number...	559363-9643
LEI-code .....	6367006K4VQQGJD8Q028
Incorporated.....	13 January 2022
Registered .....	3 February 2022
Head office .....	Stockholm
Visitors address .....	Brahegatan 10, SE-114 37 Stockholm, Sweden
Email .....	investors@kustom.co
Website.....	www.kustom.co (the information provided at the Issuer’s website, does not form part of this Prospectus and has not been scrutinised or approved by the SFSA, unless explicitly incorporated by reference).

### History and development of the Company

The Company’s legal and commercial name is Kustom BidCo AB (publ) and it is domiciled in Stockholm municipality, with Swedish reg. no. 559363-9643. The Company was formed on 13 January 2022 and registered with the Swedish Companies Registration Office on 3 February 2022. The Company carries out its business in accordance with Swedish law including, but not limited to, the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*).

The business has been conducted since 1 August, 2024, when Klarna transferred assets and rights related to its checkout solution to the company Larkan XII AB (now Kustom AB) (the “**Operating Company**”) in the form of an asset transfer. On 1 October 2024, the company was acquired by the Issuer. Through the Acquisition, the Issuer acquired the assets and rights to Klarna’s checkout solution, and continued the operations under the new Kustom brand.

#### 2012

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- Klarna launches an all-in-one checkout, redefining online payments with address pre-fill and flexible payment options.

#### 2015

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- Klarna’s checkout solution became one of the leading checkout in the Nordics.

#### 2018

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- Klarna Checkout goes global, giving merchants access to shoppers in 170 markets and unlocking new opportunities for businesses to expand their reach.

## 2019-2022

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- Klarna Checkout is continuously developed and refined - continuing to lead in the Nordic market.

## 2024

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- Kustom issues the Bonds.
- Klarna Checkout becomes Kustom, which established an independent business, including a product and development organization, customer service and a sales organization with a local presence in Sweden, Norway and Finland, built to give merchants more control, flexibility, and scalability.
- Kustom enters into a strategic collaboration with the American payment processing company Stripe. The collaboration includes infrastructure for payments and enables a number of new features and payment methods for Kustom's customers (merchants).

## Overview of the Group

The Issuer is the parent company of the Group, as of the date of this Prospectus, the Group consists of the Issuer and its wholly-owned subsidiary Kustom AB (the Operating Company).

The Company's main object is to be the holding company of the Group. The main business operations carried out by the Group are carried out by the Operating Company. The business operations carried out by the Group, including the Operating Company, are described below.

Since the majority of the revenue of the Group is derived from the Operating Company, the Issuer is dependent upon the Operating Company in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.

## Business and operations

### General

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Kustom is a fintech company that offers one of Europe's leading checkout solutions that handles the full checkout value chain. By gathering innovative and scalable features, Kustom ensures high conversion rates and drives repeat purchases. With one of the most efficient and customizable products on the market, Kustom helps merchants tailor their checkout experience to their unique needs and to fit their shoppers' needs.

The Group's business works as a checkout solution mainly across the Nordics and selected European markets. The Group's business and operations are mainly conducted through the Operating Company. In a short period of time, Kustom has recruited a large number of people, including investors, senior executives and industry experts, with broad and solid experience from both the trading and payments ecosystem. Several of the recruited key employees have been involved in the design of the checkout solution under Klarna for a long time, which at the same time ensures continuity and a high rate of innovation.

Today, Kustom has 24,000 connected merchants in 18 markets and handles transactions in over 170 countries.

## Operations and core business activities

Kustom offers a fully customizable, all-in-one checkout solution that streamlines complex digital commerce setups and helps merchants tailor their checkout experience to their unique needs. The Group operates at the critical intersection of e-commerce and technology – the checkout, providing the essential infrastructure that enables transactions between merchants and their customers. By gathering innovative and scalable features, Kustom ensures market leading conversion rates and drives repeat purchases.

Kustom operates with a merchant-first approach and aims to integrate a growing number of best-in-class checkout features that drive merchant revenue and growth, with a checkout solution that integrates all functionalities necessary for a seamless and efficient point-of-purchase experience. This includes everything from payment processing and methods, pre-filled address fields, shipping options and loyalty programs, and other value-added services. By consolidating these features into a single, unified integration, the Group enables merchants to maximize conversion rates, enhance the customer shopping experience, and foster long-term customer relationships.

Kustom’s product is built for a global market, and the Group is continuously working to localize its offering and expand its geographical reach. Kustom’s long-term goal is to become the leading checkout solution in Europe. As such, Kustom is focused on continuously investing in its product, strengthening the offering through new payment methods, enhanced customer support, and a new technical platform. These are key building blocks to ensure sustained, profitable growth.

The Group’s business model is built on strategic partnerships with best-in-class providers across payments, logistics, and customer engagement. Through these partnerships, the Group acts as a gateway, offering its partners access to a wide merchant base and, by extension, to millions of shoppers. For merchants, the Group’s open ecosystem provides flexibility and scalability, allowing them to tailor their checkout experience to meet the specific needs of their customers without unnecessary technical complexity or one-size-fits-all limitations.

## Share capital and ownership structure of the Company

The Company’s shares are denominated in SEK. As of the date of this Prospectus, the Company had an issued share capital of SEK 500,000 divided into 500,000 ordinary shares. Each share carries one vote.

The Company is the direct and wholly-owned subsidiary of Kustom HoldCo AB (reg. no. 559485-2914) (“**HoldCo**”). HoldCo is in turn owned by an investor consortium comprising the following shareholders as of 28 April 2025:

<b>Shareholders:</b>	<b>Number of shares:</b>	<b>Share capital (%):</b>	<b>Votes (%):</b>
Hajab Invest AB	117,600 ordinary shares of series A 8,911 ordinary shares of series B 363 growth shares	36.49	84.30
BLQ Invest II AB	67,200 ordinary shares of series B	19.33	4.78
Goldcup 35840 (unct Onnay Förvaltning 9 AB)	67,200 ordinary shares of series B	19.33	4.78
Banhuskollektivet AB	33,600 ordinary shares of series B	9.66	2.39
SG KCO Holding AB	26,880 ordinary shares of series B	7.73	1.91
Other shareholders holding less than five (5) per cent. of the votes	25 894 growth shares	7.45	1.84

Kamjar Hajabdolahi is the ultimate beneficial owner and largest indirect shareholder of the Issuer. He indirectly controls one hundred (100.00) per cent. of the Issuer's voting rights through:

- Hajab Invest AB, which holds thirty-six point four nine (36.49) per cent. of the share capital and eighty-four point three zero (84.30) per cent. of the voting rights in HoldCo. Kamjar Hajabdolahi owns one hundred (100.00) per cent. of the shares and voting rights in Hajab Invest AB.
- BLQ Invest II AB, which holds nineteen point three three (19.33) per cent. of the share capital and four point seven eight (4.78) per cent. of the voting rights in HoldCo. Kamjar Hajabdolahi directly and indirectly holds seventeen point four seven (17.47) per cent. of the share capital and fifty-three point five six (53.56) per cent. of the voting rights in BLQ Invest II AB.
- A shareholders' agreement between the shareholders of HoldCo.

The shareholders' influence is exercised through active participation in the decisions made at the general meetings of the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen* (2005:551)).

To the best of the Issuer's knowledge, there are no other shareholders' agreements or other agreements which could result in a change of control of the Issuer.

Information on the share capital, shares and ownership of the Operating Company is included in the Section "*The Operating Company*" below.

### **Recent events particular to the Issuer**

Except for the issuance of the Bonds and the Issuer's entry into of the Super Senior RCF (as defined and described below), there have been no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

### **Material adverse changes, significant changes and trend information**

There has been no material adverse change in the prospects of the Issuer since the date of publication of its last audited financial report.

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which financial information has been published to the date of this Prospectus and there have been no significant changes in the financial position of the Group which has occurred since the end of the last financial period for which the Group has published financial information, *i.e.* the period ending on 31 December 2024.

There have been no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for the current financial year. However, macroeconomic factors such as trade wars, increased inflation rates, interest rates, energy prices and general costs of living is a great concern to the world, not only due to its impact on people's lives and habits but also in terms of the impact on society as well as the future economic development. The future economic impact of the current macroeconomic environment is difficult to estimate due to the high degree of uncertainty surrounding the current situation and it cannot be ruled out that it may have a material effect on the Group.

## THE BOARD OF DIRECTORS, SENIOR MANAGEMENT AND AUDITORS

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The board of directors of the Company currently consists of three members. The CEO and the CFO are responsible for the Company's ongoing management and operations, reports to the board of directors and are required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials. The division of duties between the board of directors and the CEO follows from Swedish law and is set out in the rules of procedure for the board of directors and instructions for the CEO. The board of directors and the senior management may be contacted through the Company at its head office at Brahegatan 10, SE-114 37 Stockholm, Sweden.

### The board of directors of the Company

The section below presents the members of the board of directors, their position, including the year of their initial election, their significant assignments outside the Issuer, which are relevant for the Issuer, and their indirect shareholdings in the Issuer.

#### Members of the board of directors

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##### Alexander Olsson

Alexander Olsson is the Chief Financial Officer of Kustom and chair of the board of directors. Alexander has been the Chief Financial Officer of Kustom since the Company began conducting its business in 2024 and has been chair of the board of directors since May 2025.

*Selection of other current assignments: .....* Alexander is currently member of the board of directors of Walk the room AB and a deputy member of the board of directors of KNAO AB.

*Holdings in the company:.....* Alexander holds 3,630 growth shares in HoldCo, which in turn holds all shares in the Issuer.

##### Erik Olofsson

Erik Olofsson is the Chief Operating Officer of Kustom and a member of the board of directors. Erik has been the Chief Operating Officer of Kustom since January 2025 and has been a member of the board of directors since May 2025.

*Selection of other current assignments: .....* N/A

*Holdings in the company:.....* Erik holds 2,709 growth shares in HoldCo, which in turn holds all shares in the Issuer.

**Kamjar Hajabdolahi**

Kamjar Hajabdolahi is the Chief Executive Officer and a member of the board of directors of Kustom. Kamjar has been the Chief Executive Officer and a member of the board of directors since the Company began conducting its business in 2024.

<i>Selection of other current assignments: .....</i>	Kamjar holds several board positions, including at the logistics company Ingrid, and serves as Chairman of Truecaller’s Nomination Committee.
<i>Holdings in the company:.....</i>	Please refer to the section “ <i>Share capital and ownership structure of the Company</i> ” above.

**Senior management of the Company**

The section below presents the members of the executive management, including the year each person became a member of the executive management and their shareholdings in the Issuer.

**Members of the senior management****Kamjar Hajabdolahi**

Please refer to the section “*The board of directors of the Company*” above.

**Jesper Eriksson**

Jesper Eriksson is the Chief Commercial Officer of Kustom. Jesper has been the Chief Commercial Officer since the Company began conducting its business in 2024.

<i>Selection of other current assignments: .....</i>	Jesper is currently a deputy member of the board of directors of Hekto Invest AB
<i>Holdings in the company:.....</i>	Jesper holds 3,630 growth shares in HoldCo, which in turn holds all shares in the Issuer.

**Kim Westerlund**

Kim Westerlund is the Chief People & Operations Officer of Kustom. Kim has been the Chief People & Operations Officer since the Company began conducting its business in 2024.

<i>Selection of other current assignments: .....</i>	N/A
<i>Holdings in the company:.....</i>	Kim holds 180 growth shares in HoldCo, which in turn holds all shares in the Issuer.

**Rasmus Fahlander**

Rasmus Fahlander is the Chief Product Officer of Kustom. Rasmus has been the Chief Product Officer since the Company began conducting its business in 2024.

<i>Selection of other current assignments: .....</i>	Rasmus is currently a member of the board of directors of Flowworks AB and Flowworks Holdings AB and a deputy member of the board of directors of Studio Escapist AB.
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*Holdings in the company:.....* Rasmus holds 3,630 growth shares in HoldCo, which in turn holds all shares in the Issuer.

### **Alexander Olsson**

Please refer to the section “*The board of directors of the Company*” above.

### **Erik Olofsson**

Please refer to the section “*The board of directors of the Company*” above.

### **Frank Hoffmann**

Frank Hoffmann is the Chief Technology Officer of Kustom. Frank has been the Chief Technology Officer since January 2025.

*Selection of other current assignments: .....* N/A

*Holdings in the company:.....* Frank holds 1,824 growth shares in HoldCo, which in turn holds all shares in the Issuer.

## **Conflicts of interests within administrative, management and control bodies**

None of the members of the board of directors or the executive management of the Issuer has a private interest that may be in conflict with the interests of the Issuer except as described below. However, and as described above, certain members of the board of directors or the executive management of the Issuer have financial interests in the Issuer as a consequence of their indirect holdings of shares and/or other incentives in the Issuer. The members of the board of directors may serve as directors or officers of other companies or have significant shareholdings in other companies that may result in a conflict of interest. In the event that such conflict of interest arises at a board meeting, a director of the board which has such conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. As far as the Issuer is aware, there are no conflicts of interest as of the date of this Prospectus.

Notwithstanding the above, it cannot be ruled out that other conflicts of interest may arise in the future between companies, in which members of the board of directors or the executive management of the Issuer have duties, and the Issuer.

### **Auditor**

The Issuer’s current auditor, Öhrlings PricewaterhouseCoopers AB, with Åsa Eriksson as the auditor in charge, was the auditor for the consolidated audited annual report for the financial year ended 31 December 2024. Åsa Eriksson is a member of FAR (the professional institute for authorised public accountants in Sweden). Åsa Eriksson was dismissed as the auditor in charge due to a restructuring within the auditor firm and Öhrlings PricewaterhouseCoopers AB was re-elected as the Issuer’s auditor at the annual general meeting 2025. The business address of Öhrlings PricewaterhouseCoopers AB is Torsgatan 21, SE-113 97 Stockholm, Sweden.

The Company’s audited annual report for the financial year ended 31 December 2023 was audited by Mattias Eriksson. Mattias Eriksson is a member of FAR (the professional institute for authorised public accountants in Sweden). The Issuer was an inactive shelf company with no business or operations during

the financial year 2023. It was acquired as a special purpose vehicle for the acquisition of the issuer's current business. As a result, Mattias Eriksson was not re-elected following the establishment of the Issuer as the holding company of the Group and the completion of the Acquisition. The business address of Mattias Eriksson is c/o Ernst & Young AB, Box 205, SE-851 04 Sundsvall.

## THE OPERATING COMPANY

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### Background

The obligations under the Bonds are guaranteed by the Operating Company under a Guarantee and Adherence Agreement. As of the date of this Prospectus, there are no Guarantors under the Guarantee and Adherence Agreement other than the Operating Company.

According to the Terms and Conditions, the obligations under the Bonds may be guaranteed by additional Guarantors insofar such entities are wholly-owned Group Companies to ensure that the Guarantors and the Issuer, account or will account for at least at least eighty-five (85.00) per cent. of the consolidated EBITDA of the Group (excluding any non-wholly owned Group Companies from the denominator and numerator).

### Information about the Operating Company

#### Kustom AB

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*Overview: .....* Kustom AB was incorporated in Sweden on 4 December 2023, registered with the Swedish Companies Registration Office on 18 December 2023 and is a Swedish limited liability company operating under the laws of Sweden with reg. no. 559463-5038 with its registered office at Brahegatan 10, 114 37 Stockholm, Sweden.

Kustom AB is the main operating company of the group responsible for the Group's offering of checkout solutions.

*Share capital, shares and ownership structure: .....* The shares of Kustom AB are denominated in SEK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, Kustom AB had an issued share capital of SEK 25,000, divided over 25,000 shares. Kustom AB is directly wholly owned by the Issuer.

*The executive management: .....* Kamjar Hajabdolahi is the sole director of the board of Kustom AB and Alexander Olsson is the deputy director of the board of Kustom AB.

For more information on Kamjar Hajabdolahi and Alexander Olsson, please refer to the sections "*The board of directors of the Company*" above.

*Auditor: .....* Kustom AB's annual report for the financial year ended 2024 has been audited by Öhrlings PricewaterhouseCoopers AB, with address at Torsgatan 21, SE-113 97 Stockholm, Sweden and with Åsa Eriksson as the auditor in charge. Åsa Eriksson is a member of FAR.

Kustom AB was incorporated in December 2023, and therefore no financial reports are available for any financial year prior to 2024.

## FINANCIAL INFORMATION

### Historical financial information of the Company and the Group

The Company's annual report for the financial year ended 31 December 2023 and the Group's consolidated annual report for the financial year ended 31 December 2024 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which is not incorporated by reference, is either covered elsewhere in this Prospectus, or is deemed by the Company not to be relevant for investors in the Bonds.

All financial information in this Prospectus relating to the financial years ended 31 December 2023 and 31 December 2024 derives from Company's annual report for the financial year ended 31 December 2023 and the Group's consolidated annual report for the financial year ended 31 December 2024, respectively.

During the financial year ending on 31 December 2023, the Company was an inactive shelf company and conducted no business or operations. The financial information for the financial year ending on 31 December 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*).

The financial information for the financial year ending on 31 December 2024 has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. In addition, the financial information for the financial year ending on 31 December 2024 has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups.

The financial information for the financial years ending on 31 December 2023 and 31 December 2024 has been audited by the Company's auditor. Other than the auditing of the Group's consolidated annual reports for the financial years ending on 31 December 2023 and 31 December 2024, the Company's auditor has not audited or reviewed any other parts of this Prospectus.

The following information in the Company's annual report for the financial year ended 31 December 2023 and the Group's consolidated annual report for the financial year ended 31 December 2024 and the auditor's reports on Company's annual report for the financial year ended 31 December 2023 and the Group's consolidated annual report for the financial year ended 31 December 2024, respectively, is incorporated in this Prospectus by reference and is available at the Company's website, [www.kustom.co](http://www.kustom.co). For particular financial figures, please refer to the pages set out below.

<b>Reference</b>	<b>Pages</b>
<b>The Company's audited annual report 2023</b>	
Income statement	1
Balance sheet	2
Independent auditor's report	3–4
<b>The Group's consolidated audited annual report 2024</b>	
Consolidated income statement	23
Group balance sheet	24
Consolidated changes in equity	25
Consolidated cash flow statement	26

<b>Reference</b>	<b>Pages</b>
Accounting principles	28–39
Notes	28–60
Independent auditor’s report	75–80

## **The Operating Company**

The following information in Kustom AB’s annual report for the financial year ended 31 December 2024, which has been prepared in accordance with the Swedish Annual Accounts Act, including the applicable audit report, is incorporated in this Prospectus by reference. For particular financial figures, please refer to the pages set out below.

Kustom AB was incorporated in December 2023, and therefore no financial reports are available for any financial year prior to 2024.

<b>Reference</b>	<b>Pages</b>
<b>Kustom AB’s audited annual report 2024</b>	
Income statement	5
Balance sheet	6–7
Changes in equity	8
Cash flow statement	9
Accounting principles	10–15
Notes	10–19
Independent auditor’s report	21–22

## **Legal and arbitration proceedings**

The Group has not, during the previous twelve (12) months, been involved in and is not aware of any governmental, legal or arbitration proceedings that have had or may have, significant effects on the Group’s financial position or profitability. Nor is the Group aware of any such proceedings that are pending or threatening and that could lead to the any member of the Group becoming a party to such proceedings.

## **Significant changes**

Other than as described under Sections “*Recent events particular to the Issuer*” and “*Material adverse changes, significant changes and trend information*”, there has been no significant change in the financial or market position of the Group since the end of the last financial period for which interim financial information has been published.

## OTHER INFORMATION

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### Clearing and settlement

The Bonds are connected to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. *VP-konto*). No physical Bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear's book-entry system.

### Credit rating

No credit rating has been assigned to the Company or its debt securities.

### Representation of the Bondholders

Nordic Trustee & Agency AB (publ), Swedish reg. no. 556882-1879, is acting as agent and security agent ("**Agent**") for the Bondholders in relation to the Bonds, and if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions.

By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the Agent, set out in the Terms and Conditions. The Terms and Conditions are available at the Agent's office address (Norrandsgatan 16 (3rd floor), SE-111 43 Stockholm, Sweden) during normal business hours as well as at the Agent's website, [www.nordictrustee.com](http://www.nordictrustee.com) and on the Company's website, [www.kustom.co](http://www.kustom.co).

### Material agreements

#### Guarantee and Adherence Agreement

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The Issuer and the Operating Company have entered into a guarantee and adherence agreement with Nordic Trustee & Agency AB (publ) as security agent dated 21 January 2025, pursuant to which the Guarantors have agreed to unconditionally and irrevocably, jointly and severally, guarantee to each Secured Party and their successors and assignees, as represented by the Agent, as for its own debt (Sw. "*såsom för egen skuld*") the full and punctual performance of all present and future obligations and liabilities of each obligor to the Secured Parties under the Finance Documents, together with all costs, charges and expenses incurred by any Secured Parties in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents, or any other document evidencing such liabilities.

#### Klarna Cooperation Agreement

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The Operating Company has entered into a transitional settlement services agreement and a five-year memorandum of responsibility with Klarna, each dated 1 October 2024 (the "**Cooperation Agreement**"), pursuant to which the Operating Company is able to offer payment services to its customers without requiring the requisite license, whereas Klarna performs all activities which require a payment services license in relation to the Operating Company's customers on behalf of the Operating Company.

#### Stripe Partnership Agreement

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The Operating Company has entered into a strategic partnership agreement with Stripe dated 30 September 2024 (the "**Partnership Agreement**") that enables the integration of new features and payment methods, which are gradually being implemented into the Group's offering whereas Stripe

powers Kustom's payment infrastructure, allowing the Group to continue to offer payment services to its customers without requiring the requisite license. The Partnership Agreement will eventually replace the transitional settlement services agreement with Klarna.

### **Intercreditor Agreement**

The Issuer as issuer, Nordic Trustee & Agency AB (publ) as original bonds agent and original security agent, Skandinaviska Enskilda Banken AB (publ) as original facility agent and certain entities as subordinated creditors have entered into an intercreditor agreement dated 30 September 2024 (the "**Intercreditor Agreement**"). The terms of the Intercreditor Agreement provides for *inter alia* (i) complete subordination of liabilities raised in the form of Subordinated Debt and (ii) super senior ranking of the Super Senior Debt. The senior ranking provides for inter alia sharing of the same security package but with waterfall priority of any enforcement proceeds. Pursuant to the waterfall provisions, the Senior Creditors (as defined therein) (including bondholders under the Bonds) will only receive proceeds upon enforcement actions after the obligations towards inter alia the Super Senior Debt (including the provider of the Super Senior Revolving Credit Facility) have been repaid in full.

### **Super Senior RCF**

The Issuer and Skandinaviska Enskilda Banken AB (publ) have entered into the Super Senior RCF agreement of up to SEK 100,000,000 on 16 May 2025. The credit period for the Super Senior RCF extends from 19 May 2025 until 31 December 2025.

### **Information from third parties**

Any information in this Prospectus which has been sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **Interest of natural and legal persons involved in the Bond Issue**

The Issuing Agent and the Bookrunners and/or their respective affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Company and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Issuing Agent and the Bookrunners and/or their respective affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

### **Documents incorporated by reference**

Copies of the following documents are available (i) in paper format at the Company's head office during office hours and (ii) on the Company's website during the validity period of this Prospectus.

The following documents are available at [www.kustom.co/investors](http://www.kustom.co/investors).

- The Company's annual report for the financial year ended 31 December 2023, including the applicable audit report.
- The Group's consolidated annual report for the financial year ended 31 December 2024, including the applicable audit report.
- Kustom AB's annual report for the financial year ended 31 December 2024, including the applicable audit report.

## **Documents available for inspection**

In addition to the documents incorporated by reference, copies of the following documents are available in paper format at the Company's head office during office hours, as well as on the Company's website, [www.kustom.co/investors](http://www.kustom.co/investors) during the validity period of this Prospectus.

- The Issuer's articles of association;
- Kustom AB's articles of association;
- The Issuer's certificate of registration;
- Kustom AB's certificate of registration;
- this Prospectus; and
- the Terms and Conditions.

## **TERMS AND CONDITIONS FOR THE BONDS**

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*The Terms and Conditions to follow.*

## PRIVACY NOTICE

The Issuer, the Security Agent, the Issuing Agent and the Agent may collect and process personal data relating to the Bondholders, the Bondholders' representatives or agents, and other persons nominated to act on behalf of the Bondholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Bonds). The personal data relating to the Bondholders is primarily collected from the registry kept by the CSD. The personal data relating to other persons is primarily collected directly from such persons.

The personal data collected will be processed by the Issuer, the Security Agent, the Issuing Agent and the Agent for the following purposes:

- (a) to exercise their respective rights and fulfil their respective obligations under the Finance Documents;
- (b) to manage the administration of the Bonds and payments under the Bonds;
- (c) to enable the Bondholders' to exercise their rights under the Finance Documents; and
- (d) to comply with their obligations under applicable laws and regulations.

The processing of personal data by the Issuer, the Security Agent, the Issuing Agent and the Agent in relation to paragraphs (a) - (c) above is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to paragraph (d) above, the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, the Security Agent, the Issuing Agent or the Agent. Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

Personal data collected may be shared with third parties, such as the CSD, when necessary to fulfil the purpose for which such data is processed.

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Security Agent, the Issuing Agent and the Agent, respectively. In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format. Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Security Agent's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites <https://kustomcheckout.com.se>, <https://nordictrustee.com/> and <https://www.paretosec.se/>.

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## 1. Definitions and Construction

### 1.1 Definitions

In these terms and conditions (the "**Terms and Conditions**"):

"**Acquisition**" has the meaning set forth in Clause 3(a).

"**Acquisition Agreement**" means the share purchase agreement in respect of the Acquisition.

"**Account Operator**" means a bank or other party duly authorised to operate as an account operator pursuant to the Financial Instruments Accounts Act and through which a Bondholder has opened a Securities Account in respect of its Bonds.

"**Adjusted Nominal Amount**" means the Total Nominal Amount less the aggregate Nominal Amount of all Bonds owned by a Group Company or an Affiliate, irrespective of whether such Person is directly registered as owner of such Bonds.

"**Affiliate**" means any Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, "**control**" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have meanings correlative to the foregoing.

"**Agency Agreement**" means the agency agreement entered into on or prior to the First Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and an agent.

"**Agent**" means Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden or another party replacing it, as Agent, in accordance with these Terms and Conditions.

"**Base Rate**" means STIBOR or any reference rate replacing STIBOR in accordance with Clause 20 (*Replacement of Base Rate*).

"**Base Rate Administrator**" means Swedish Financial Benchmark Facility AB (SFBF) in relation to STIBOR or any person replacing it as administrator of the Base Rate.

"**Bond**" means a debt instrument (*Sw. skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

"**Bondholder**" means the Person who is registered on a Securities Account as direct registered owner (*Sw. ägare*) or nominee (*Sw. förvaltare*) with respect to a Bond.

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 17 (*Bondholders' Meeting*).

**"Bond Issue"** means the Initial Bond Issue and any Subsequent Bond Issue.

**"Business Day"** means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

**"Business Day Convention"** means the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.

**"Call Option Amount"** mean the amount set out in Clause 9.3 (*Voluntary total redemption (call option)*), as applicable.

**"Cash"** means cash according to the accounting principles applicable from time to time.

**"Change of Control Event"** means the occurrence of an event or series of events whereby one or more persons, not being (a) Kamjar Hajabdolahi together with funds advised by BLQ Management AB reg. no. 559330-2259 or (b) any Permitted Transferee, acting together, acquire control over the Issuer and where **"control"** means (a) more than 50 per cent. of the issued share capital or voting rights of the Issuer or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

**"Closing"** means the completion of the Acquisition in accordance with the terms of the Acquisition Agreement.

**"Compliance Certificate"** means a certificate to the Agent, in the agreed form between the Agent and the Issuer, signed by the Issuer, certifying (as applicable):

- (a) that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if the Compliance Certificate is provided in connection with an Incurrence Test, that the Incurrence Test is met (including figures in respect of the relevant financial tests and the basis on which they have been calculated); and
- (c) if the Compliance Certificate is provided in connection with that audited annual financial statements are made available, the Material Group Companies.

**"Closing Procedure"** has the meaning set forth in Clause 4.2(a).

**"Conditions Subsequent Transaction Security (Initial Bond Issue)"** means the Security provided for the Secured Obligations pursuant to the Transaction Security Documents, being a first priority ranking pledge of all of the shares in each Material Group Company on Closing.

**"CSD"** means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden.

**"Debt Instruments"** means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or an MTF.

**"Distributions"** means any (a) payment of dividend on shares, (b) repurchase of own shares, (c) redemption of share capital or other restricted equity with repayment to shareholders, (d) repayment or service of any Subordinated Debt or (e) any other similar distribution or transfers of value to the direct or indirect shareholders of the Issuer.

**"EBITDA"** means, in respect of any Reference Period, the consolidated profit of the Group from operations according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company ;
- (b) before deducting any Net Finance Charges;
- (c) excluding any items (positive or negative) of a one off, non-recurring, non-operational, extraordinary, unusual or exceptional nature (including, without limitation, restructuring expenditures) not exceeding 10 per cent. of EBITDA for any Reference Period;
- (d) before taking into account any unrealised gains or losses in relation to any currency exchange or on any derivative instrument (other than any derivative instruments which are accounted for on a hedge account basis);
- (e) not including any accrued interest owing to any Group Company;
- (f) before deducting any Transaction Costs and any other costs, fees and expenses in relation to the Acquisition and any future divestments or acquisitions;
- (g) after adding back the amount of any accounting effect of stock based or similar compensation schemes for employees (to the extent deducted);
- (h) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (j) after adding back or deducting, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group;
- (k) after adding back any losses to the extent covered by any insurance; and
- (l) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

**"Equity Listing Event"** means an offering of shares in the Issuer or any of its holding companies whether initial or subsequent to a public offering, resulting in shares allotted becoming quoted, listed, traded or otherwise admitted to trading on a Regulated Market or MTF.

**"Equity Injection"** means the equity injection received in cash by the Issuer in an amount of no less than SEK 336,000,000.

**"Event of Default"** means an event or circumstance specified in any of the Clauses 14.1 (*Non-Payment*) to and including Clause 14.10 (*Cessation of the Business*).

**"Existing Facilities"** means the debt facilities of the Target Group outstanding at Closing.

**"Final Maturity Date"** means 11 July 2028.

**"Finance Charges"** means, in respect of any Reference Period, the aggregate amount of the accrued interest, commission, fees (excluding any arrangement or upfront fees in respect of any Bond Issue), discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis), without taking into account Transaction Costs, any interest in respect of any loan owing to any member of the Group, any capitalised interest in respect of any Subordinated Debt, or any unrealised gains or losses on any derivative instruments other than any derivative instruments which are accounted for on a hedge accounting basis.

**"Finance Documents"** means:

- (a) these Terms and Conditions;
- (b) the Transaction Security Documents;
- (c) the Intercreditor Agreement (if any);
- (d) the Agency Agreement;
- (e) the Guarantee and Adherence Agreement;
- (f) the Proceeds Account Pledge Agreement; and
- (g) any other document designated by the Issuer and the Agent or the Security Agent as a Finance Document.

**"Finance Lease"** means any lease or hire purchase contract, a liability under which would, in accordance with the accounting principles applicable from time to time, be treated as a balance sheet liability (however excluding leases related to any agreement under which any Group Company leases office space or other premises or sites).

**"Financial Indebtedness"** means any indebtedness for or in respect of:

- (a) moneys borrowed and debt balances at banks or other financial institutions;

- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent ;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any Finance Lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the accounting principles applicable from time to time are met);
- (f) any derivative transaction entered into and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a Person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Final Maturity Date or are otherwise classified as borrowings under the accounting principles applicable from time to time;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (A) the primary reason behind entering into the agreement is to raise finance or (B) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the accounting principles applicable from time to time; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in any of the preceding paragraphs.

**"Financial Instruments Accounts Act"** means the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

**"Financial Report"** means the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available according to Clauses 11.1(a)(i) and 11.1(a)(ii).

**"Financial Support"** has the meaning set forth in Clause 13.5 (*Loans out*).

**"First Call Date"** means the date falling 24 months after the First Issue Date.

**"First Issue Date"** means 11 July 2024.

**"Floating Rate Margin"** means 5.50 per cent. *per annum*.

**"Force Majeure Event"** has the meaning set forth in Clause 27(a).

**"Group"** means the Issuer and each of its Subsidiaries from time to time, including the Target Company and **"Group Company"** means any of them.

**"Guarantee and Adherence Agreement"** means the guarantee and adherence agreement pursuant to which the Guarantors shall, amongst other, (a) guarantee all amounts outstanding under the Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses, (b) agree to subordinate all subrogation claims and (c) undertake to adhere to the terms of the Finance Documents.

**"Guarantees"** means the guarantees provided by the Guarantors under the Guarantee and Adherence Agreement.

**"Guarantors"** means each Material Group Company having acceded to the Guarantee and Adherence Agreement.

**"IFRS"** means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time.

**"Incurrence Test"** means the incurrence test set out in Clause 12.1 (*Incurrence Test*).

**"Initial Nominal Amount"** has the meaning set forth in Clause 2(c).

**"Initial Bond Issue"** means the issuance of the Initial Bonds.

**"Initial Bonds"** means the Bonds issued on the First Issue Date.

**"Insolvent"** means, in respect of a relevant Person, that it is deemed to be insolvent, within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), admits inability to pay its debts as they fall due, suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*Lag (2022:964) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

**"Intercompany Loan"** means any loan or credit made by the Issuer as lender to the Target Company or any other Material Group Company as borrower, in each case where:

- (a) the loan or credit is scheduled to be outstanding for at least twelve months; and
- (b) the principal amount thereof is at least SEK 50,000,000, in aggregate.

**"Intercreditor Agreement"** means any intercreditor agreement to be entered into between the Issuer, the Senior Creditors (as defined in the Intercreditor Principles), the creditors in respect of the Super Senior Revolving Credit Facilities and the Hedging Agreements (as defined in the Intercreditor Principles) and any provider of New Debt.

**"Intercreditor Principles"** means the principles set out in Schedule 1 (*Intercreditor Principles*) hereto.

**"Interest"** means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

**"Interest Payment Date"** means 11 January, 11 April, 11 July and 11 October each year. The first Interest Payment Date shall be 11 October 2024. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a Business Day, the Business Day following from an application of the Business Day Convention.

**"Interest Period"** means (i) in respect of the first Interest Period, the period from (but excluding) the First Issue Date to (and including) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

**"Interest Rate"** means the Base Rate plus the Floating Rate Margin as adjusted by any application of Clause 20 (*Replacement of Base Rate*).

**"Issue Date"** means the First Issue Date and any date on which Subsequent Bonds are issued.

**"Issuer"** means Neo BidCo AB (publ), a limited liability company incorporated in Sweden with reg. no. 559363-9643.

**"Issuing Agent"** means Pareto Securities AB, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**"Joint Bookrunners"** means Arctic Securities AS, filial Sverige, Pareto Securities AB and Skandinaviska Enskilda Banken AB (publ).

**"Leverage Ratio"** means the ratio of Net Interest Bearing Debt to EBITDA.

**"Listing Failure Event"** means the event if the Initial Bonds or any Subsequent Bonds have not been admitted to trading on Frankfurt Open Market or, if such admission to trading is not possible to obtain or maintain, another MTF within 60 days from the relevant Issue Date (with intention to complete such listing within 30 days from the relevant Issue Date).

**"Longstop Date"** means 21 October 2024, being the date falling 120 days from the date of the signing of the Acquisition Agreement.

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the ability of the Parent or the Issuer to perform and comply with its payment obligations under any of the Finance Documents to which it is a party; or
- (b) the validity or enforceability of any of the Finance Documents.

**"Material Group Company"** means, at any time:

- (a) the Issuer; or
- (b) any wholly-owned Group Company which is nominated as such by the Issuer in accordance with Clause 13.9 (*Nomination of Material Group Companies*).

**"MTF"** means any multilateral trading facility as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

**"Net Finance Charges"** means, in respect of any Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any Group Company and any interest income relating to cash or cash equivalent investment (and excluding any payment in kind interest capitalised on Subordinated Debt).

**"Net Interest Bearing Debt"** means the aggregate interest bearing Financial Indebtedness of the Group, and excluding:

- (a) any Subordinated Debt;
- (b) any Financial Indebtedness owing by a wholly-owned Group Company to another wholly-owned Group Company;
- (c) any Super Senior Hedges; and
- (d) any Bonds owned by the Issuer,

less the consolidated cash and cash equivalents of the Group in accordance with the accounting principles applicable from time to time.

**"Net Proceeds"** means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Joint Bookrunners and the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds.

**"New Debt"** has the meaning set forth in paragraph (t) of the definition Permitted Debt.

**"Nominal Amount"** means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which that Bond has been redeemed in part.

**"Obligors"** means the Issuer and each Guarantor.

**"Other Debt Permission"** has the meaning set forth in Clause 12.2(f).

**"Parent"** means Neo HoldCo AB, a limited liability company incorporated in Sweden with reg. no. 559485-2914.

**"Permitted Debt"** means any Financial Indebtedness:

- (a) arising under the Finance Documents;
- (b) arising under the Existing Facilities until the disbursement date from the Proceeds Account;
- (c) arising under any Subordinated Debt;
- (d) arising under the Super Senior Revolving Credit Facilities, with an aggregate principal amount limited to the higher of (i) SEK 150,000,000 and (ii) 25 per cent. of consolidated EBITDA of the Group pursuant to the most recent Financial Statements;
- (e) to the extent covered by a letter of credit, guarantee or indemnity issued under the Super Senior Revolving Credit Facilities or any ancillary facility relating thereto;
- (f) arising as a result of any asset leased under Finance Lease arrangements made by a member of the Group in the ordinary course of business;
- (g) arising under any hedging transaction for non-speculative purposes in the ordinary course of business of the relevant member of the Group but not any transaction for investment or speculative purposes;
- (h) arising under any interest rate hedging transactions, but not any transaction for investment or speculative purposes;
- (i) arising under any guarantee issued by a member of the Group in its ordinary course of business;
- (j) owed by a member of the Group to another member of the Group (under any cash pooling arrangements or otherwise);
- (k) arising out of any Permitted Financial Support;
- (l) incurred by the Issuer in the form of any Super Senior Hedges;
- (m) incurred by a member of the Group under any pension or tax liabilities in the ordinary course of business;
- (n) incurred under any advance or deferred purchase agreement on normal commercial terms by any member of the Group from any of its trading partners in the ordinary course of its trading activities;
- (o) arising under any promissory note issued by a Group Company as consideration for a Permitted Acquisition, provided that such promissory note promptly following issuance is set-off by the seller against a new share issue in a holding company of the Issuer;

- (p) arising under cash pooling, netting or set off arrangements entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances between Group Companies (including any ancillary bank facility which is an overdraft comprising more than one account);
- (q) arising under any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (r) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds or any New Debt and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds or the New Debt, for the purpose of securing, inter alia, the redemption of the Bonds or the New Debt (as applicable);
- (s) arising as a consequence of a distribution pursuant to paragraph (c) of the definition Permitted Distribution;
- (t) incurred by the Issuer if such Financial Indebtedness (i) meets the Incurrence Test (A) upon incurrence, or (B) when entering into a committed financing agreement relating to such Financial Indebtedness or (ii) where the Incurrence Test is not met upon the incurrence or commitment, the proceeds from the Financial Indebtedness incurred are deposited on a blocked account and may only be disbursed from such blocked account upon satisfaction of the Incurrence Test ("**New Debt**");
- (u) of any Person acquired by a member of the Group after the date of the Terms and Conditions, where the Financial Indebtedness is incurred under arrangements in existence at the date of acquisition, but not incurred or increased or having its maturity date extended in contemplation of, or since, that acquisition, provided that (i) such Financial Indebtedness is repaid in full within six months following the completion of such acquisition or (ii) such Financial Indebtedness is refinanced in full within six months following the completion of such acquisition with the Issuer as new borrower and the Incurrence Test is met;
- (v) under any earn-out obligation under the Acquisition Agreement, provided that any payment of principal or interest under such earn-out is payable after the Final Maturity Date; and
- (w) incurred by a member of the Group (other than through any debt capital markets instrument) and not otherwise permitted by the preceding paragraphs, the aggregate outstanding principal amount of which does not exceed the higher of (i) SEK 60,000,000 (or the equivalent in other currencies) (or its equivalent in other currencies) and (ii) 10 per cent. of EBITDA of the Group at the time of which such Financial Indebtedness is incurred.

**"Permitted Distributions"** means any Distribution by:

- (a) a direct or indirect Subsidiary of the Issuer, if such Distribution is made to another Group Company and, if made by a Group Company which is not directly or indirectly wholly-owned by the Issuer, such payment is made on a *pro rata* basis;
- (b) the Issuer to its shareholders to fund regulatory costs, audit fees, legal expenses, directors' remuneration and any other management or administrative expenses to the extent the aggregate amount of such Distributions does not exceed SEK 3,000,000 *per annum*;
- (c) the Issuer, provided that (i) an Equity Listing Event has occurred, (ii) the Issuer complies with the Incurrence Test (tested *pro forma* immediately after the making of such Distribution) and (iii) the aggregate Distributions of the Group per annum (other than payments pursuant to paragraphs (a), (b) and (d)) does not exceed 50 per cent. of previous financial year's net profit; or
- (d) the Issuer, if such Distribution consists of a group contribution which does not result in any cash or other funds being transferred from the Issuer (i.e. the group contributions are merely accounting measures), however so that group contributions made for tax netting purposes may be made by way of cash contributions if such distribution (net of such tax effect) is subsequently converted into or re-injected as a shareholder's contribution to the Issuer as soon as practically possible,

provided, in each case, that no Event of Default is continuing or would result from the making of such Distribution.

**"Permitted Merger"** means a merger provided that:

- (a) if made between Group Companies (i) the transferee Group Company shall be or become a Guarantor if the transferor Group Company is a Guarantor, (ii) any transferor Group Company which shares are subject to the Transaction Security may only be merged with a transferee Group Company which shares are, or will be, subject to Security in favour of the Secured Parties and (iii) following the merger the Transaction Security granted to the Secured Parties is the same or equivalent following the merger, except if such Transaction Security constitutes Security over intra-group loans granted between the Group Companies that are to be merged in which case the merger shall be permitted notwithstanding that such Transaction Security will not remain following the merger; or
- (b) If not made between the Group Companies, such merger or demerger is not likely to have a Material Adverse Effect.

**"Permitted Financial Support"** means any Financial Support:

- (a) granted under the Finance Documents;
- (b) granted in respect of the Super Senior Hedges, the Super Senior Revolving Credit Facilities or the New Debt, provided that such Financial Support is granted in favour of the Secured Parties in accordance with the terms of the Intercreditor Agreement;

- (c) permitted under paragraphs (b), (e), (f), (g), (i), (j), (k), (l), (n), (o), (p), (q), (r) and (s) of the definition Permitted Debt;
- (d) which constitutes a trade credit or guarantee issued in respect of a liability incurred by a member of the Group in the ordinary course of business;
- (e) arising in the ordinary course of banking arrangements for the purposes of netting debt and credit balances of Group Companies;
- (f) for any rental obligations in respect of any real property leased by a Group Company in the ordinary course of business and on normal commercial terms;
- (g) granted by a member of the Group in the ordinary course of business; or
- (h) which is incurred by the Group (and which is not otherwise permitted by any of the preceding sub-paragraphs), the aggregate amount of which does not at any time exceed the higher of (i) SEK 60,000,000 (or its equivalent in other currencies) and (ii) 10 per cent. of consolidated EBITDA of the Group at the time of which such Financial Support is incurred.

**"Permitted Security"** means any Security:

- (a) created or granted under the Finance Documents;
- (b) created in respect of the Super Senior Hedges, the Super Senior Revolving Credit Facilities or the New Debt, provided that such security is extended to and shared between the Secured Parties pursuant to the terms of the Intercreditor Agreement;
- (c) up until the repayment of the Existing Facilities, any security under the Existing Facilities;
- (d) arising by operation of law (including taxes or other governmental charges) or in the ordinary course of trading, and not as a result of any default or omission by any member of the Group for a period of more than 60 days or that are being contested in good faith by appropriate proceedings;
- (e) arising under any cash pooling, netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of Group Companies;
- (f) arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of business;
- (g) any right of set-off arising under contracts entered into by Group Companies in the ordinary course of their day-to-day business;
- (h) provided in relation to any lease agreement entered into by a Group Company in the ordinary course of business and on normal commercial terms;

- (i) provided over any assets being subject to a Finance Lease, permitted pursuant to paragraph (f) of the definition Permitted Debt;
- (j) arising over any bank accounts or custody accounts or other clearing banking facilities held with any bank or financial institution under the standard terms and conditions of such bank or financial institution;
- (k) payments into court or any security arising under any court order or injunction or as security for costs arising in connection with any litigation or court proceedings being contested by any Group Company in good faith (which do not otherwise constitute or give rise to an Event of Default);
- (l) provided for hedging transactions or derivatives set out in paragraphs (g) and (h) of the definition Permitted Debt;
- (m) subsisting as a result of any Group Company acquiring another entity after the First Issue Date which entity already had provided security for Financial Indebtedness permitted under paragraph (r) of the definition Permitted Debt, provided that such security is discharged and released in full upon the refinancing or repayment of such Financial Indebtedness as set out therein;
- (n) affecting any asset acquired by any Group Company after the First Issue Date, provided that such security is discharged and released in full within six months of such acquisition;
- (o) any Security created for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Bonds in full (other than with respect to an escrow account (if applicable) which may be perfected in connection with the incurrence of such debt);
- (p) provided for any guarantees issued by a Group Company in the ordinary course of business;
- (q) any security provided by or over a Group Company to secure any Permitted Debt referred to in paragraphs (e) and (m) of the definition "Permitted Debt"; and
- (r) granted by the Group and which is not otherwise permitted by any of the preceding sub-paragraphs securing indebtedness, the principal amount of which does not at any time exceed, in the aggregate, the higher of (i) SEK 60,000,000 (or its equivalent in other currencies) and (ii) 10 per cent. of consolidated EBITDA of the Group at the time of which such security is incurred.

**"Permitted Transferee"** means any Person approved (prior to a Change of Control Event occurring) as a "Permitted Transferee" by a Bondholders' Meeting or a Written Procedure of the Bondholders with a majority of at least half (50 per cent.) of the Adjusted Nominal Amount voting and a quorum of at least 20 per cent. of the Adjusted Nominal Amount.

**"Person"** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation,

government, or any agency or political subdivision thereof, or any other entity, whether or not having a separate legal personality.

**"Pre-Disbursement Transaction Security (Initial Bond Issue)"** means the Security provided for the Secured Obligations pursuant to the Transaction Security Documents, being:

- (a) a first priority ranking pledge granted by the Parent over all of the shares of the Issuer;
- (b) a first priority ranking pledge granted by the Issuer over of all of the shares in the Target Company (to be provided on the Closing); and
- (c) a first priority ranking assignment over Intercompany Loans from the Issuer to the Target Company or any other Material Group Company (if any).

**"Proceeds Account"** means a bank account of the Issuer, into which the Net Proceeds from the Initial Bond Issue will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Proceeds Account Pledge Agreement.

**"Proceeds Account Pledge Agreement"** means the pledge agreement entered into between the Issuer and the Agent on or prior to the First Issue Date in respect of a first priority pledge over the Proceeds Account and all funds held on the Proceeds Account from time to time, granted in favour of the Agent and the Bondholders (represented by the Agent).

**"Quarter Date"** means each 31 March, 30 June, 30 September and 31 December.

**"Quotation Day"** means, in relation to:

- (a) an Interest Period for which an Interest Rate is to be determined, two Business Days before the immediately preceding Interest Payment Date (or in respect of the first Interest Period, two Business Days before the First Issue Date); or
- (b) any other period for which an interest rate is to be determined, two Business Days before the first day of that period (i.e., the day that period commences, even if no interest accrues on such day).

**"Record Date"** means the fifth Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 15 (*Distribution of Proceeds*), (iv) the date of a Bondholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**"Redemption Date"** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and Repurchase of the Bonds*).

**"Regulated Market"** means any regulated market as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

**"Relevant Period"** means each period of twelve consecutive calendar months ending on a Quarter Date.

**"Secured Obligations"** means (a) if no Intercreditor Agreement has been entered into, the Security Agent, all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Obligor towards the Secured Parties outstanding from time to time under the Finance Documents and (b) if the Intercreditor Agreement has been entered into, the meaning given to such term in the Intercreditor Agreement.

**"Secured Parties"** (a) if no Intercreditor Agreement has been entered into, the Security Agent, the Bondholders and the Agent (including in its capacity as Agent under the Agency Agreement) and (b) if the Intercreditor Agreement has been entered into, the meaning given to such term in the Intercreditor Agreement.

**"Securities Account"** means the account for dematerialised securities maintained by the CSD pursuant to the Financial Instruments Accounts Act in which (i) an owner of such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

**"Security"** means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any Person, or any other agreement or arrangement having a similar effect.

**"Security Agent"** means (i) if no Intercreditor Agreement has been entered into, the Agent as security agent or another party replacing it as Security Agent, in accordance with these Terms and Conditions, and (ii) if the Intercreditor Agreement has been entered into, the security agent appointed by the Secured Parties pursuant to the Intercreditor Agreement, holding the Transaction Security on behalf of the Secured Parties.

**"STIBOR"** means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for Swedish Kronor and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page)) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no rate as described in paragraph (a) above is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for Swedish Kronor;
- (c) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the Reference Banks for deposits of SEK 100,000,000 for the relevant period; or

- (d) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period, and

if any such rate is below zero, STIBOR will be deemed to be zero.

**"Subordinated Debt"** means any loan or credit made (or to be made) to the Issuer by the Parent or any third party, each of which shall be on terms acceptable to the Agent (acting in its sole discretion) to ensure, inter alia, that (a) such loan is fully subordinated to the Secured Obligations and (b) any repayment of, or payment of interest under, any such loan or credit is subject to (i) all present and future obligations and liabilities under the Secured Obligations having been irrevocably discharged in full or (ii) in respect of Distributions only, the Incurrence Test being met.

**"Subsequent Bond Issue"** has the meaning set forth in Clause 2(f).

**"Subsequent Bonds"** means any Bonds issued after the First Issue Date on one or more occasions.

**"Subsidiary"** means, in relation to the Issuer, any legal entity (whether incorporated or not), in respect of which the Issuer, directly or indirectly, (a) owns shares or ownership rights representing more than 50 per cent. of the total number of votes held by the owners, (b) otherwise controls more than 50 per cent. of the total number of votes held by the owners or (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

**"Super Senior Debt"** has the meaning given thereto in the Intercreditor Agreement, provided that the Intercreditor Agreement has been entered into.

**"Super Senior Hedges"** has the meaning given thereto in the Intercreditor Agreement, provided that the Intercreditor Agreement has been entered into.

**"Super Senior Revolving Credit Facilities"** means Financial Indebtedness in the form of one or more term loan facility/ies or revolving credit facility/ies provided by one or more lenders to the Issuer or any members of the Group.

**"Swedish Kronor"** and **"SEK"** means the lawful currency of Sweden.

**"Target Company"** means Goldcup 34354 AB, a limited liability company incorporated in Sweden with reg. no. 559463-5038.

**"Target Group"** means the Target Company and each of its Subsidiaries from time to time.

**"Target Shares"** has the meaning set forth in Clause 3(a).

**"Total Nominal Amount"** means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

**"Transaction Costs"** means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (a) a Bond Issue, (b) the Super Senior Revolving Credit Facilities and (c) the listing of the Bonds.

**"Transaction Security"** means Security provided for the Secured Obligations pursuant to the Transaction Security Documents.

**"Transaction Security Documents"** means the Pre-Disbursement Transaction Security (Initial Bond Issue) and the Conditions Subsequent Transaction Security (Initial Bond Issue) and any other document designated as a Transaction Security Document by the Issuer and the Security Agent.

**"Written Procedure"** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18 (*Written Procedure*).

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) "assets" includes present and future properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a "regulation" includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
  - (iv) an Event of Default is continuing if it has not been remedied or waived;
  - (v) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.

- (d) No delay or omission of the Agent, the Security Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- (e) The privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Agent.

## 2. Status of the Bonds

- (a) The Bonds are denominated in Swedish Kronor and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Initial Bond is SEK 1,250,000 (the "**Initial Nominal Amount**"). The maximum total nominal amount of the Initial Bonds is SEK 1,700,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Initial Nominal Amount. Subsequent Bonds may be issued at, above or below par.
- (d) The minimum permissible investment in the Initial Bond Issue is SEK 1,250,000.
- (e) The ISIN of the Bonds is SE0022421756.
- (f) Provided that (i) (A) the Incurrence Test (as applicable) is met (calculated pro forma including the Subsequent Bond Issue) or (B) where the Incurrence Test is not met upon the incurrence, the Net Proceeds from such Subsequent Bond Issue are deposited on a blocked account and may be released from such blocked account if (and only to the extent that) the Issuer meets the Incurrence Test and (ii) that no Event of Default is continuing or would result from the issue of the Subsequent Bonds, the Issuer may, at one or several occasions, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed SEK 3,000,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16(e)(i). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.
- (g) The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank (i) without any preference among them, (ii) at least *pari passu* with all other senior creditors of the Issuer

(except in respect of claims mandatorily preferred by law) and (iii) subject to the super senior status of any Super Senior Debt, *pari passu* with the other Secured Parties in respect of the Security.

- (h) The Bonds are freely transferable, but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (i) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### 3. Use of Proceeds

- (a) The proceeds from the Initial Bond Issue shall be used to (i) together with the Equity Injection, finance the purchase price payable by the Issuer in conjunction with the Issuer's acquisition of 100 per cent. of the issued and outstanding shares (the "**Target Shares**") of the Target Company (the "**Acquisition**"), (ii) repay existing financing in the Target Group, (iii) finance fees, cost and expenses incurred in conjunction with the Acquisition, (iv) finance Transaction Costs and (v) finance general corporate purposes of the Group (including acquisitions and investments).
- (b) The proceeds from any Subsequent Bond Issue shall be used to (finance Transaction Costs and general corporate purposes of the Group (including investments and acquisitions.

### 4. Conditions Precedent and Conditions Subsequent

#### 4.1 Conditions Precedent to the First Issue Date

- (a) The Net Proceeds of the offering of the Initial Bonds shall be paid by the Issuing Agent into the Proceeds Account. The transfer of the Net Proceeds from the Initial Bond Issue to the Proceeds Account will be subject to receipt by the Agent (no later than 9:00 three Business Days prior to the First Issue Date) of the following documents:
  - (i) the Terms and Conditions duly executed by all parties thereto;
  - (ii) the Agency Agreement duly executed by all parties thereto;
  - (iii) copies of the constitutional documents of each of the Parent and the Issuer;
  - (iv) a copy of a resolution of the board of directors of each the Issuer and the Parent (A) approving the terms of, and the transactions

contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party, (B) authorising a specified person or persons to execute the Finance Documents on its behalf and (C) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it under or in connection with the Finance Documents to which it is a party;

- (v) the Proceeds Account Pledge Agreement, duly executed by the parties thereto and perfected in accordance with applicable law (including all applicable notices, acknowledgements and, if applicable, consents from the account bank); and
  - (vi) a confirmation from the Issuer that the Equity Injection is fully committed.
- (b) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.1(a) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clause 4.1(a) above from a legal or commercial perspective of the Bondholders.

#### 4.2 Conditions Precedent to disbursement

- (a) The release of the Net Proceeds of the Initial Bond Issue from the Proceeds Account will be subject to a customary closing mechanism agreed between the Issuer and the Agent (as applicable) (the "**Closing Procedure**") and receipt by the Agent on or prior to the disbursement date each of the following documents:
  - (i) evidence in the form of a written confirmation from the Issuer that the Acquisition will be completed in accordance with the terms of the Acquisition Agreement and that the Issuer has (or will in connection with the disbursement of the Net Proceeds from the Proceeds Account obtain) legal and beneficial ownership to the Target Shares;
  - (ii) all Transaction Security Documents for the establishment of the Pre-Disbursement Transaction Security, duly executed by all parties thereto and evidence of the establishment and perfection of the Pre-Disbursement Transaction Security according to the Closing Procedure (meaning that any documents to be registered may be filed for registration on the date of disbursement);
  - (iii) the Intercreditor Agreement (if any), duly executed by all parties thereto;
  - (iv) a legal opinion issued by a reputable law firm in form and substance satisfactory to the Agent (including capacity and the validity and

enforceability, other than in respect of entities incorporated in Sweden or Finance Documents governed by Swedish law); and

- (v) evidence in the form of (A) an extract from the Swedish Companies Registration Office, (B) a duly executed shareholder loan agreement or a shareholder's contribution or (C) a bank or auditor's statement that the Issuer has received the Equity Injection.
- (b) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.2(a) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clause 4.2(a) above from a legal or commercial perspective of the Bondholders.
- (c) When the conditions precedent for disbursement set out Clause 4.2(a) have been received to the satisfaction of the Agent (acting reasonably), the Agent shall instruct the bank (with which the Issuer holds the Proceeds Account) to transfer the funds from the Proceeds Account for the purpose set out in Clause 3 (*Use of Proceeds*), and the Agent shall thereafter or in connection therewith release the pledge over the Proceeds Account.
- (d) If the conditions precedent for disbursement set out in Clause 4.2(a) have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent by the date that falls on the Longstop Date, the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Initial Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with the Proceeds Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4.2(d). Any shortfall shall be covered by the Issuer. The repurchase date shall fall no later than 15 Business Days after the ending of the period referred to above.

#### **4.3 Conditions Subsequent**

The Issuer shall no later than one hundred and ten 110 days following the release of the Net Proceeds of the Initial Bond Issue from the Proceeds Account provide the Agent with the following documents:

- (a) all Transaction Security Documents for the establishment of the Conditions Subsequent Transaction Security, duly executed by all parties thereto and evidence of the establishment and perfection of the Conditions Subsequent Transaction Security;
- (b) accession letters to the Intercreditor Agreement, duly executed by the parties thereto;
- (c) the Guarantee and Adherence Agreement, duly executed by all parties thereto; and

- (d) a legal opinion issued by a reputable law firm in form and substance satisfactory to the Agent (including capacity and the validity and enforceability, other than in respect of entities incorporated in Sweden or Finance Documents governed by Swedish law).

## 5. Bonds in Book-Entry Form

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*Sw. föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*Sw. skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such Persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

## 6. Right to Act on Behalf of a Bondholder

- (a) If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such Person.
- (b) A Bondholder may issue one or several powers of attorney or other authorisation to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.

- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **7. Payments in Respect of the Bonds**

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) Provided that a Bondholder has registered an income account (Sw. *avkastningskonto*) for the relevant Securities Account on the applicable Record Date, the CSD shall procure that principal, interest and other payments under the Bonds are deposited to such income account on the relevant payment date. If an income account has not been registered on the Record Date for the payment, no payment will be effected by the CSD to such Bondholder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Bondholder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- (c) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue without any default interest in accordance with Clause 8(d) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 7, the Issuer shall be deemed to have fulfilled its obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount (unless the Issuer has actual knowledge of the fact that the payment was made to the wrong person).
- (e) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## **8. Interest**

- (a) Each Initial Bond carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.

- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## **9. Redemption and Repurchase of the Bonds**

### **9.1 Redemption at maturity**

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

### **9.2 Issuer's purchase of Bonds**

The Issuer may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer may at the Issuer's discretion be retained or sold but not cancelled (other than in connection with a redemption or repurchase of the Bonds in full).

### **9.3 Voluntary total redemption (call option)**

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full on any Business Day falling before the Final Maturity Date:
  - (i) if the call option is exercised before the First Call Date, at an amount per Bond equal to the sum of 102.75 per cent. of the Nominal Amount and the remaining interest payments up to (but excluding) the First Call Date, together with accrued but unpaid Interest;
  - (ii) if the call option is exercised on or after the First Call Date, to, but not including, the date falling 30 months after the First Issue Date, at an amount per Bond equal to 102.75 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iii) if the call option is exercised on or after the date falling 30 months after the First Issue Date to, but not including, the date falling 36 months after the First Issue Date at an amount per Bond equal to 101.925 per cent. of the Nominal Amount, together with accrued but unpaid Interest;

- (iv) if the call option is exercised on or after the date falling 36 months after the First Issue Date to, but not including, the date falling 42 months after the First Issue Date at an amount per Bond equal to 101.10 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
  - (v) if the call option is exercised on or after the date falling 42 months after the First Issue Date to, but not including, the Final Maturity Date at an amount per Bond equal to 100.275 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than 15 Business Days' notice to the Bondholders and the Agent. The notice shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.
- (c) For the purpose of calculating the remaining interest payments pursuant to Clause 9.3(a)(i) it shall be assumed that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

#### **9.4 Voluntary partial redemption**

- (a) Provided that the Group's Cash exceeds SEK 200,000,000, the Issuer may redeem the Bonds in part in a maximum aggregate amount per calendar year not exceeding 10 per cent. of the total Initial Nominal Amount of the Bonds issued (with carry-back and carry forward). The repayment shall be a minimum SEK 100,000,000 and must occur on an Interest Payment Date. The repayment per Bond shall be equal the repaid percentage of the Nominal Amount (rounded down to the nearest SEK 1.00) plus (i) up to, but excluding, the First Call Date a premium on the repaid amount equal to the Call Option Amount set out in Clause 9.3(a)(ii) and thereafter, as applicable considering when the repayment occurs, a premium on the repaid amount equal the Call Option Amount for the relevant period together with any accrued but unpaid interest on the redeemed amounts.
- (b) The Issuer may on one occasion, following the occurrence of an Equity Listing Event, partially repay the Bonds, in which case all outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond *pro rata*. The repayment must occur on an Interest Payment Date within 180 days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event). The repayment per Bond shall equal the

repaid percentage of the Nominal Amount (rounded down to the nearest SEK 1.00) plus up to, but excluding, the First Call Date a premium on the repaid amount equal to the Call Option Amount set out in Clause 9.3(a)(ii) and thereafter, as applicable considering when the repayment occurs, a premium on the repaid amount equal to the Call Option Amount for the relevant period. Notwithstanding this paragraph (b), the aggregate Nominal Amount must be at least SEK 1,200,000,000 at any time other than in connection with a redemption of the Bonds in full.

- (c) Partial redemption in accordance with this Clause 9.4 shall be made by the Issuer giving not less than 15 Business Days' notice to the Bondholders and the Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in part on the immediately following Interest Payment Date at the applicable amounts. The applicable amount shall be an even amount in SEK and paid to the Person who is registered as a Bondholder on the Record Date prior to the relevant Redemption Date.

#### **9.5 Mandatory repurchase due to a Change of Control Event and Listing Failure Event (put option)**

- (a) Upon the occurrence of a Change of Control Event or Listing Failure Event each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of 30 days following a notice from the Issuer of the Change of Control Event or Listing Failure Event pursuant to Clause 11.1(e) (after which time period such rights lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event or Listing Failure Event.
- (b) The notice from the Issuer pursuant to Clause 11.1(e) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1(e). The repurchase date must fall no later than 40 Business Days after the end of the period referred to in Clause paragraph (a) above.
- (c) If Bonds representing more than 90 per cent. of the Bonds outstanding immediately prior to the exercise of this Clause 9.5 (the "**Outstanding Bonds**") have been repurchased, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at a price equal to 101 per cent. of the Nominal Amount (plus accrued interest) by notifying the remaining Bondholders of its intention to do so no later than 20 days after the repurchase date pursuant to paragraph (b) above. Such prepayment of Bonds may occur at the earliest on the 15<sup>th</sup> day following the date of such notice.

- (d) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 by virtue of the conflict.

## 9.6 Call Option upon a Change of Control Event

- (a) If the Bondholders (in a Bondholders' Meeting or by way of a Written Procedure) decline the Person proposed by the Issuer to be designated as a "Permitted Transferee", and such Person thereafter (directly or indirectly) acquires shares in the Issuer (or any of its direct or indirect holding company), thereby triggering a Change of Control Event, the Issuer shall have the right, by giving no less than five Business Days' prior written notice the Agent, to prepay all (but not only some) of the outstanding Bonds at a price equal to 101 per cent. of the Nominal Amount (plus any accrued but unpaid Interest) (a "**Change of Control Call**").
- (b) Redemption in accordance with paragraph (a) shall be exercised by issuing a press release in accordance with Clause 26.2 no earlier than five Business Days prior to such Change of Control Event and no later than five Business Days following such Change of Control Event. Any such call option may be exercised prior to the Change of Control Event, but shall in such case be contingent on the Change of Control Event occurring. The settlement date shall occur no later than 15 Business Days after the date of the Change of Control Event.
- (c) Any Bondholder who has exercised their put option pursuant to Clause 9.5 prior to the repayment date for the Change of Control Call shall be prepaid in accordance with the provisions of this Clause 9.6.

## 10. Transaction Security and Guarantees

- (a) Subject to the Intercreditor Agreement (if any), as continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer, the Guarantors and each Group Company party to any Transaction Security Document and/or the Guarantee and Adherence Agreement grants the Transaction Security and the Guarantees (as applicable) to the Secured Parties as represented by the Security Agent on the terms set out in the Transaction Security Documents and the Guarantee and Adherence Agreement (as applicable).
- (b) The Security Agent shall hold the Transaction Security and the Guarantees on behalf of the Secured Parties in accordance with the Transaction Security Documents, the Guarantee and Adherence Agreement and the Intercreditor Agreement (if any) (as applicable). The Issuer shall, and shall procure that the Guarantors and each Group Company party to any Transaction Security Document and/or the Guarantee and Adherence Agreement (as applicable) will, enter into the Transaction Security Documents and/or the Guarantee and Adherence Agreement (as applicable) and perfect the Transaction Security in accordance with the Transaction Security Documents.

- (c) Unless and until the Security Agent has received instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*) or, if an Intercreditor Agreement has been entered into, to the contrary in accordance with the Intercreditor Agreement, the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders', the super senior RCF creditor's under the Super Senior Revolving Credit Facilities (if any), the creditors' under any New Debt, the hedge counterparties' under the Hedging Agreement (if any) or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents and provided that such agreements or actions are not detrimental to the interest of the Bondholders.
- (d) The Security Agent shall, on behalf of the Secured Parties, keep all certificates and other documents that are bearers of rights relating to the Transaction Security in safe custody.
- (e) The Agent shall be entitled to give instructions relating to the Transaction Security and the Guarantees to the Security Agent in accordance with the Intercreditor Agreement.

## **11. Information to Bondholders**

### **11.1 Information from the Issuer**

- (a) The Issuer shall make the following information available in the English language by publication on the website of the Group:
  - (i) as soon as the same become available, but in any event within four months after the end of each financial year, the annual audited consolidated financial statements of the Group, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (ii) as soon as the same become available, but in any event within two months after the end of each quarter of its financial year, the quarterly unaudited consolidated reports or the year-end report (Sw. *bokslutskommuniké*) (as applicable), including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, provided that the first quarterly unaudited consolidated report of the Group shall be prepared for the first full financial quarter after Closing; and
  - (iii) any other information required by the Swedish Securities Markets Act (Sw. *lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.

- (b) When the Bonds have been listed on a Regulated Market:
  - (i) the information set out in Clause 11.1(a) shall also be made available by way of press release; and
  - (ii) the reports referred to in paragraph (a)(i) and (a)(ii) above shall be prepared in accordance with IFRS.
- (c) When the financial statements and other information are made available to the Bondholders pursuant to paragraph (a) above, the Issuer shall send copies of such financial statements and other information to the Agent.
- (d) Upon request by the Agent, the Issuer shall provide the Agent with any information relating to a disposal made pursuant to Clause 13.13, which the Agent deems necessary (acting reasonably).
- (e) The Issuer shall promptly notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event or Listing Failure Event and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- (f) The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- (g) The Issuer shall submit a duly executed Compliance Certificate to the Agent:
  - (i) in connection with the testing of the Incurrence Test; and
  - (ii) in connection with that the annual financial statements is made available.
- (h) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered pursuant to paragraph (g) above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.
- (i) The Issuer is only obliged to inform the Agent according to this Clause 11.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If

such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11.1.

## **11.2 Information from the Agent**

- (a) Subject to applicable laws, regulations and the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 11.2(b), the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- (b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

## **11.3 Publication of Finance Documents**

- (a) The latest version of these Terms and Conditions (including any documents amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.
- (b) The latest version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

## **12. Financial Undertaking**

### **12.1 Incurrence Test**

The Incurrence Test is met if:

- (a) the Leverage Ratio is less than 2.50:1; and
- (b) no Event of Default is continuing or would occur upon the incurrence of Financial Indebtedness or the making of a Distribution (as applicable).

### **12.2 Testing of the Incurrence Test**

- (a) Subject to paragraphs (b) – (f) below, the calculation of the Leverage Ratio shall be made as per a testing date determined by the Issuer, falling no earlier than the last day of the period covered by the most recent Financial Report delivered

to the Agent prior to the signing of a binding agreement relating to an acquisition if it relates to Financial Indebtedness to be used to finance such acquisition (or for the purpose of refinancing Financial Indebtedness incurred for such acquisition), the incurrence of the new Financial Indebtedness or the making of a Distribution (as applicable).

- (b) The Leverage Ratio shall be measured on the relevant testing date, and then so that:
  - (i) for the purposes of calculating the Net Interest Bearing Debt, the full commitment of any new Financial Indebtedness in respect of which the Incurrence Test is applied shall be taken into account (however, any cash balance resulting from the incurrence of such new Financial Indebtedness shall not reduce the Net Interest Bearing Debt) and, if the Incurrence Test is tested in connection with the incurrence of Financial Indebtedness incurred for the purposes of financing an acquisition permitted pursuant to these Terms and Conditions, the cash balance resulting from the incurrence of the new Financial Indebtedness shall reduce the Net Interest Bearing Debt; and
  - (ii) the EBITDA shall be calculated as set out below.
- (c) if the Incurrence Test is tested in connection with the disbursement of proceeds from Financial Indebtedness from a blocked account permitted in accordance with paragraph (t) of the definition Permitted Debt or a Subsequent Bond Issue, the Incurrence Test shall be tested *pro forma* for the Financial Indebtedness disbursed when the relevant amount is released from the blocked account or is otherwise disbursed by adding such amount to Net Interest Bearing Debt (however, if the proceeds of the disbursement are to be used for refinancing existing Financial Indebtedness, the amount of such existing Financial Indebtedness being refinanced shall be excluded from the calculation of Net Interest Bearing Debt).
- (d) Notwithstanding the above, if the Incurrence Test is tested in connection with entering into any committed financing agreement permitted in accordance with paragraph (u) of the definition Permitted Debt, the Incurrence Test shall be tested on the date on which the committed financing agreement was entered into *pro forma* for the incurrence and use of such Financial Indebtedness, assuming the maximum amount of the commitment under the relevant committed financing agreement is drawn and the intended use of the proceeds thereunder.
- (e) Notwithstanding the above, if the Incurrence Test is tested in connection with incurrence of Financial Indebtedness to be used for an acquisition, the calculation of the Net Leverage Ratio may, at the Issuer's election, be made based on the Net Leverage Ratio for the to be acquired entity only on a stand-alone basis (without the Group). The Net Interest Bearing Debt shall be measured for the relevant to be acquired entity on the relevant testing date so determined, but include the new Financial Indebtedness incurred by the Group for the acquisition and shall include cash in the amount of any Subordinated

Debt or unconditional shareholder's contribution made for the purpose of the Incurrence Test in connection with such acquisition.

- (f) Where any Financial Indebtedness is being incurred in reliance on paragraph (u) of the definition Permitted Debt together with any other permission under Permitted Debt (any such permission, an "**Other Debt Permission**"), the Incurrence Test shall be calculated assuming that the Borrower has not incurred such Financial Indebtedness under the Other Debt Permissions.

### 12.3 Calculation Adjustments

- (a) The figures for EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but adjusted so that:
- (i) entities, assets or operations acquired or disposed of by the Group during that Relevant Period, or after the end of that Relevant Period but before the relevant testing date, shall be included or excluded (as applicable) *pro forma* for the entire Relevant Period;
  - (ii) any entity, asset or operation to be acquired with the proceeds from any new Permitted Debt shall be included *pro forma* for the entire Relevant Period; and
  - (iii) pro forma adjustments shall be made for reasonably identifiable and supportable synergies to be achieved by the Group as a result of an acquisition, investment, disposal, restructuring measure or similar (but not taking into account any costs for realising such synergies) annualised with 100%/75%/50%/25% effect per respective financial quarter following such acquisition, investment, disposal, restructuring measure or similar, **provided that** synergies exceeding 10% of EBITDA for any Relevant Period shall be verified by any of the big four accounting firms or any other reputable independent accounting firm.
- (b) The figures for Net Finance Charges set out in the Financial Report as of the most recent quarter date (including when necessary, financial statements published before the First Issue Date), shall be used, but adjusted so that Net Finance Charges for such Reference Period shall be:
- (i) reduced to reflect any Net Finance Charges attributable to a disposed entity or which has been repaid, repurchased, defeased or otherwise discharged as a result of or in connection with a disposal of an entity (to the extent such Net Finance Charges is included in the relevant Financial Report); and
  - (ii) increased on a *pro forma* basis by an amount equal to the Net Finance Charges directly attributable to (i) any Financial Indebtedness owed by acquired entities and (ii) any Financial Indebtedness incurred to finance the acquisition of entities (however, excluding utilisations under the Super Senior Revolving Credit Facilities (if any) made for the purpose of

financing such acquisitions), in each case calculated as if all such debt had been incurred at the beginning of the relevant Reference Period.

## **13. General Undertakings**

### **13.1 General**

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will and shall procure that each Obligor (pursuant to the Guarantee and Adherence Agreement) undertakes to) comply with the undertakings set out in this Clause 13 for as long as any Bonds remain outstanding.

### **13.2 Restricted Payments**

The Issuer shall not, and shall ensure that no other Group Company will, make any Distribution other than any Permitted Distributions.

### **13.3 Listing**

The Issuer shall ensure that:

- (a) the Initial Bonds are listed on the corporate bond list of Nasdaq Stockholm within twelve months of the First Issue Date or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within twelve months after the First Issue Date;
- (b) any Subsequent Bonds are admitted to trading on the same Regulated Market as the Initial Bonds within 60 days after the Issue Date (with an intention to complete such admission to trading within 30 days after the relevant Issue Date) of the relevant Subsequent Bonds (unless such Subsequent Bonds are issued before the Initial Bonds are admitted to trading to a Regulated Market, in which case such Subsequent Bonds shall be listed on the Regulated Market together with the Initial Bonds); and
- (c) the Bonds, once listed, remain listed on both the relevant Regulated Market and MTF (however, taking into account the rules and regulations of the relevant Regulated Market or MTF and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds.

### **13.4 Negative Pledge**

Other than any Permitted Security, the Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any security over any of its/their assets (whether present or future).

### **13.5 Loans out**

Other than any Permitted Financial Support, the Issuer shall not, and shall procure that no other Group Company will, make or grant any loans, grant any credit or give any

guarantee or indemnity (together, "**Financial Support**") to or for the benefit of any Person or group or otherwise voluntarily assume any financial liability, whether actual or contingent, in respect of any other Person or group, not being a member of the Group.

### **13.6 Financial Indebtedness**

Other than any Permitted Debt, the Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any Financial Indebtedness.

### **13.7 Compliance with laws and authorisations**

The Issuer shall, and shall make sure that each other Group Company will, (i) comply with all laws and regulations applicable to the Group from time to time and (ii) obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence, registration or other permit required for the business carried out by a Group Company, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

### **13.8 Nature of Business**

The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Target Group at the Closing, if such material change would have a Material Adverse Effect.

### **13.9 Nomination of Material Group Companies**

At:

- (a) Closing and thereafter once every year (starting in 2025) (simultaneously with the publication by the Issuer of the audited annual financial statements of the Group); and
- (b) the date of acquisition of any assets by a Group Company financed (in whole or in part) by Permitted Debt for a consideration in excess of 5 per cent. of EBITDA of the Group (calculated on a consolidated basis) (simultaneously with the delivery by the Issuer of the Compliance Certificate related the incurrence of such Permitted Debt),

the Issuer shall ensure that:

- (a) each Group Company which (on a consolidated basis in the case of a Group Company which itself has Subsidiaries) has EBITDA representing 5 per cent. or more of EBITDA of the Group (calculated on a consolidated basis); and
- (b) such Group Companies as are necessary to ensure that the Issuer and the Material Group Companies (calculated on an unconsolidated basis and excluding all intra-Group items and investments in Subsidiaries of any Group Company) in aggregate account for at least 85 per cent. of EBITDA of the Group (calculated on a consolidated basis),

in each case, determined by reference to the most recent audited annual financial statements, are listed as Material Group Companies in the relevant Compliance Certificate delivered in connection thereto.

### **13.10 Additional Security over Material Group Companies**

The Issuer shall procure that Security over each Material Group Company is granted no later than 90 Business Days after its nomination in accordance with the Clause 13.9 (*Nomination of Material Group Companies*) above and in connection therewith provide to the Agent:

- (a) constitutional documents and corporate resolutions (approving the relevant Transaction Security Document and authorising a signatory/-ies to execute that Transaction Security Document) for the relevant security provider and each other party to that Transaction Security Document (other than the Agent);
- (b) copies of the relevant Transaction Security Documents;
- (c) evidence that the Transaction Security either has been or will be perfected in accordance with the terms of the relevant Transaction Security Documents;
- (d) duly executed accession letters to the Intercreditor Agreement (if applicable);
- (e) any legal opinion on the capacity and due execution in respect of any entity being party to the relevant Transaction Security Document unless it is incorporated in Sweden, issued by a reputable law firm; and
- (f) any legal opinion on the validity and enforceability in respect of the relevant Transaction Security Document unless it is governed by Swedish law which, if requested by the Agent, shall also include customary opinions regarding the role of the Security Agent in such jurisdiction, issued by a reputable law firm.

### **13.11 Additional Guarantors**

The Issuer shall procure that each Material Group Company accedes to the Guarantee and Adherence Agreement no later than 90 Business Days after its nomination in accordance with Clause 13.9 (*Nomination of Material Group Companies*) above and in connection therewith provides to the Agent:

- (a) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute that Finance Documents) for it and each other party to that Finance Document (other than the Agent);
- (b) duly executed accession letters to the Guarantee and Adherence Agreement;
- (c) duly executed accession letters to the Intercreditor Agreement (if applicable);
- (d) any legal opinion on the capacity and due execution in respect of any entity being party to the relevant Finance Document unless it is incorporated in Sweden, issued by a reputable law firm; and

- (e) any legal opinion on the validity and enforceability in respect of the relevant Finance Document unless it is governed by Swedish law which, if requested by the Agent, shall also include customary opinions regarding the role of the Security Agent in such jurisdiction, issued by a reputable law firm.

### **13.12 Mergers and demergers**

The Issuer shall not, and shall procure that no other Group Company will enter into a merger or demerger unless such merger constitutes a Permitted Merger.

### **13.13 Disposal of Assets**

- (a) The Issuer shall not, and shall procure that no other Group Company or the Parent will, sell, transfer or otherwise dispose of:
  - (i) with respect to the Parent, any shares in the Issuer; or
  - (ii) with respect to the Issuer or any other Group Company, all or a substantial part of its assets (including shares or other securities in any Person) or operations (other than to a Group Company), unless such sale, transfer or disposal is made on arm's length basis and provided that it would not have a Material Adverse Effect.
- (b) No asset that is subject to Transaction Security may be disposed of other than in accordance with the terms of the Intercreditor Agreement (if any).

### **13.14 Related party transactions**

The Issuer shall, and shall procure that all other Group Companies will, conduct all business transactions with any related party which is not a Group Company at market terms and otherwise on an arm's length basis.

### **13.15 Insurances**

The Issuer shall, and shall procure that each other Group Company will maintain with financially sound and reputable insurance companies, funds or underwriters customary insurance or captive arrangements with respect to its equipment and business against such liabilities, casualties and contingencies and of such types and in such amounts as are consistent with prudent business practice.

### **13.16 Affiliation with a CSD**

The Issuer shall procure to keep the Bonds affiliated with a CSD and comply with all applicable CSD regulations.

### **13.17 Agency Agreement**

The Issuer shall procure, in accordance with the Agency Agreement to: (i) pay fees to the Agent, (ii) indemnify the Agent for costs, losses and liabilities, (iii) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to

the Agent; and (iv) not to act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

## **14. Events of Default and Acceleration of the Bonds**

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.11 (*Acceleration of the Bonds*)) is an Event of Default.

### **14.1 Non-Payment**

The Issuer or a Guarantor fails to pay an amount on the date it is due in accordance with the Finance Documents unless:

- (a) its failure to pay is caused by administrative or technical error; and
- (b) payment is made within five Business Days of the due date.

### **14.2 Escrow of Proceeds**

The Issuer does not comply with the provisions of Clause 4 (*Conditions Precedent and Conditions Subsequent*) with respect to the Proceeds Account.

### **14.3 Other Obligations**

A party (other than the Agent) fails to comply with the Finance Documents, in any other way than as set out in Clause 14.1 (*Non-Payment*) or Clause 14.2 (*Escrow of Proceeds*), provided that no Event of Default will occur if the failure to comply is capable of being remedied and the Issuer or that party has remedied the failure within 15 Business Days of the earlier (i) the Agent giving notice and (ii) the Issuer becoming aware of the non-compliance.

### **14.4 Cross payment default and Cross-acceleration**

Any Financial Indebtedness of a Material Group Company or of the Parent is:

- (a) not paid when due nor within any originally applicable grace period or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (b) or any Security securing Financial Indebtedness over any asset of any Material Group Company or the Parent is enforced,

provided however that the amount of Financial Indebtedness referred to under item (a) and/or (b) above, individually or in the aggregate exceeds an amount corresponding to SEK 15,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

### **14.5 Insolvency**

- (a) Any Material Group Company or the Parent is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under

applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under these Terms and Conditions) with a view to rescheduling its Financial Indebtedness.

- (b) A moratorium is declared in respect of the Financial Indebtedness of any Material Group Company or the Parent.

#### **14.6 Insolvency Proceedings**

Any corporate action, legal proceedings or other procedures are taken in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company or the Parent;
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or the Parent, or any of its assets; or
- (c) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company or the Parent,

save for:

- (a) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 calendar days of commencement or, if earlier, the date on which it is advertised; or
- (b) in relation to Subsidiaries of the Issuer, solvent liquidations.

#### **14.7 Mergers and demergers**

A decision is made that the Issuer shall enter into a merger where it is not the surviving entity or that the Issuer shall enter into a demerger.

#### **14.8 Creditors' Process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company or the Parent, having an aggregate value equal to or exceeding SEK 15,000,000 and is not discharged within 30 days.

#### **14.9 Impossibility or Illegality**

It is or becomes impossible or unlawful for the Obligors to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable, in each case, which has a detrimental effect on the interests of the Bondholders.

#### 14.10 Cessation of the Business

A Material Group Company ceases to carry on its business and such discontinuation is likely to have a Material Adverse Effect.

#### 14.11 Acceleration of the Bonds

- (a) Upon the occurrence of an Event of Default which is continuing but subject to the terms of the Intercreditor Agreement (if any), the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least 50 per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 14.11(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Agent may not accelerate the Bonds in accordance with Clause 14.11(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within 20 Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) Subject to the Intercreditor Agreement (if any), in the event of an acceleration of the Bonds in accordance with this Clause 14.11, the Issuer shall up to, but

excluding, the First Call Date redeem all Bonds at an amount per Bond equal to the Call Option Amount set out in Clause 9.3(a)(ii) and thereafter, as applicable considering when the acceleration occurs, redeem all Bonds at an amount per Bond equal to the Call Option Amount for the relevant period.

## 15. Distribution of Proceeds

(a) Unless an Intercreditor Agreement has been entered into, all payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security or the Guarantees (in the case of Guarantees to the extent proceeds from the Guarantees can be applied towards satisfaction of the below) shall be distributed in the following order of priority:

- (i) *first*, in or towards payment *pro rata* of:
  - (A) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Bondholders);
  - (B) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the Guarantees or the protection of the Bondholders' rights as may have been incurred by the Agent;
  - (C) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 21.2(g); and
  - (D) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16(m);
- (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (i) to (iv) above shall be paid to the Issuer (or the Guarantors, as applicable).

(b) If the Intercreditor Agreement has been entered into, all payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of

the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security or the Guarantees (in the case of Guarantees to the extent proceeds from the Guarantees can be applied towards satisfaction of the Secured Obligations) shall be distributed in accordance with the Intercreditor Agreement.

- (c) If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15(a)(i), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15(a)(i).
- (d) If no Intercreditor Agreement has been entered into, funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security or the Guarantees constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable. If the Intercreditor Agreement has been entered into, funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security or the Guarantees constitute escrow funds (*Sw. redovisningsmedel*) and must be promptly turned over to the Security Agent to be applied in accordance with the Intercreditor Agreement.
- (e) If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least 15 Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7(a) shall apply and for any redemption in accordance with Clause 9.4 (*Voluntary partial redemption*) due but not made, the Record Date specified in Clause 9.4 shall apply.

## **16. Decisions by Bondholders**

- (a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least 10 per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more

appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if:
- (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given; or
  - (ii) the suggested decision is not in accordance with applicable regulations.
- (d) Only a Person who is, or who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a Person who is, registered as a Bondholder:
- (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (ii) on the Record Date specified in the communication pursuant to Clause 18(c), in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.

- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c):
- (i) the issue of any Subsequent Bonds, if the total nominal amount of the Bonds exceeds, or if such issue would cause the total Nominal Amount of the Bonds to at any time exceed, SEK 3,000,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
  - (ii) a change to the terms of any of Clause 2(a), and Clauses 2(g) to 2(i);
  - (iii) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and Repurchase of the Bonds*);
  - (iv) a change to the Interest Rate (other than as a result of an application of Clause 20 (*Replacement of Base Rate*)) or the Nominal Amount (other than as a result of an application of Clause 9.4 (*Voluntary partial redemption*));
  - (v) waive a breach of or amend an undertaking set out in Clause 13 (*General Undertakings*);

- (vi) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of Proceeds*);
  - (vii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16;
  - (viii) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
  - (ix) a release of the Transaction Security or the Guarantees, except in accordance with the terms of the Transaction Security Documents and/or the Guarantee and Adherence Agreement (as applicable);
  - (x) a mandatory exchange of the Bonds for other securities; and
  - (xi) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- (f) Any matter not covered by Clause 16(e) shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19(a)(i) or 19(a)(ii)), an acceleration of the Bonds or the enforcement of any Transaction Security or Guarantees.
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least 50 per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16(e), and otherwise 20 per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.
- If a quorum exists for some, but not all, of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17(a)) or initiate a second Written Procedure (in accordance with Clause 18(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in

Clause 16(g) shall not apply to such second Bondholders' Meeting or Written Procedure.

- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that vote at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Group and the Agent, provided that a failure to do so shall not invalidate any decision made or result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## 17. Bondholders' Meeting

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 21.4(c), the Issuer shall no later than five Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17(a).
- (c) The notice pursuant to Clause 17(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders), (iv) a form of power of attorney, (v) any applicable conditions precedent and conditions subsequent, (vi) the reasons for, and contents of, each proposal, (vii) if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment, (viii) if a notification by the Bondholders is required in order to attend the Bondholders' Meeting, information regarding such requirement and (ix) information on where additional information (if any) will be published. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than ten Business Days and no later than 30 Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## 18. Written Procedure

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically) no later than five Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 18(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request,

- (iii) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, (v) any applicable conditions precedent and conditions subsequent, (vi) if a proposal concerns an amendment to any Finance Document, the details of such proposed amendment, (vii) if the voting is to be made electronically, the instructions for such voting, (viii) information on where additional information (if any) will be published and (ix) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten Business Days from the communication pursuant to Clause 18(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16(e) and 16(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16(e) or 16(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.
- (e) The Agent may, during the Written Procedure, provide information to the Issuer by way of updates whether or not quorum requirements have been met and about the eligible votes received by the Agent, including the portion consenting or not consenting to the proposal(s) or refraining from voting (as applicable).

## 19. Amendments and Waivers

- (a) The Issuer and the Agent and/or the Security Agent (as applicable) (in each case acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
- (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*); or
  - (iv) is made pursuant to Clause 20 (*Replacement of Base Rate*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the

Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible with the rules of the relevant CSD.

- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## 20. Replacement of Base Rate

### 20.1 General

- (a) Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 20 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.
- (b) If a Base Rate Event has occurred, this Clause 20 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition STIBOR.

### 20.2 Definitions

In this Clause 20:

**"Adjustment Spread"** means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof to be applied to a Successor Base Rate and that is:

- (a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or
- (b) if (a) is not applicable, the adjustment spread that the Independent Adviser determines is reasonable to use in order to eliminate, to the extent possible, any transfer of economic value from one party to another as a result of a replacement of the Base Rate and is customarily applied in comparable debt capital market transactions.

**"Base Rate Amendments"** has the meaning set forth in Clause 20.3(d)

**"Base Rate Event"** means one or several of the following circumstances:

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant

Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;

- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*) containing the information referred to in paragraph (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in paragraphs (b) to (e) above will occur within six months.

**"Base Rate Event Announcement"** means a public statement or published information as set out in paragraphs (b) to (e) of the definition Base Rate Event that any event or circumstance specified therein will occur.

**"Independent Adviser"** means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

**"Relevant Nominating Body"** means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Council (Sw. *Finansiella stabilitetsrådet*) or any part thereof.

**"Successor Base Rate"** means:

- (a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as the Bonds, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or
- (b) if there is no such rate as described in paragraph (a) above, such other rate as the Independent Adviser determines is most comparable to the Base Rate.

For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply *mutatis mutandis* to such new Successor Base Rate.

### 20.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments

- (a) Without prejudice to paragraph (b) below, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer's expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to paragraph (b) below.
- (b) If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating, and finally deciding the applicable Base Rate.
- (c) If the Issuer fails to appoint an Independent Adviser in accordance with paragraph (b) above, the Bondholders shall, if so decided at a Bondholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in paragraph (b) above. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clauses 20.3 to 20.6, the Agent (acting on the instructions of the Bondholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer's cooperation.
- (d) The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").
- (e) Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

### 20.4 Interim measures

- (a) If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:

- (i) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
  - (ii) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.
- (b) For the avoidance of doubt, paragraph (a) above shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 20. This will however not limit the application of paragraph (a) above for any subsequent Interest Periods, should all relevant actions provided in this Clause 20 have been taken, but without success.

## **20.5 Notices etc.**

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Issuing Agent and the Bondholders in accordance with Clause 26 (*Notices and Press Releases*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Bonds are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

## **20.6 Variation upon replacement of Base Rate**

- (a) No later than giving the Agent notice pursuant to Clause 20.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 20.3(c)) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 20. The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.
- (b) Subject to receipt by the Agent of the certificate referred to in paragraph (a) above, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 20.
- (c) The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are affected pursuant to this Clause 20. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties,

responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

## **20.7 Limitation of liability for the Independent Adviser**

Any Independent Adviser appointed pursuant to Clause 20.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

## **21. Appointment and Replacement of the Agent and the Security Agent**

### **21.1 Appointment of Agent and the Security Agent**

- (a) By subscribing for Bonds, each initial Bondholder:
  - (i) appoints the Agent and the Security Agent to act as its agent and security agent (as applicable) in all matters relating to the Bonds and the Finance Documents, and authorises each of the Agent and the Security Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantees; and
  - (ii) appoints (and/or confirms the appointment under the Intercreditor Agreement of (as applicable)) the Security Agent to act as its agent in all matters relating to the Transaction Security, the Transaction Security Documents, the Guarantees and the Guarantee and Adherence Agreement, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantees and acknowledges and agrees that the rights, obligations, role of and limitations of liability for the Security Agent is further regulated in the Intercreditor Agreement.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent and the Security Agent to act on its behalf, as set forth in Clause 21.1(a).
- (c) Each Bondholder shall immediately upon request provide the Agent and the Security Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. Neither the Agent nor the Security Agent is under any obligation to represent a Bondholder which does not comply with such request.

- (d) The Issuer shall promptly upon request provide the Agent and the Security Agent with any documents and other assistance (in form and substance satisfactory to the Agent or the Security Agent, as applicable), that the Agent or the Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) Each of the Agent and the Security Agent is entitled to fees for its respective work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's and the Security Agent's respective obligations as Agent and Security Agent (as applicable) under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) Each of the Agent and the Security Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **21.2 Duties of the Agent and the Security Agent**

- (a) Each of the Agent and the Security Agent shall represent the Bondholders subject to and in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Transaction Security Documents and the Guarantees pursuant to the Guarantee and Adherence Agreement on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. Neither the Agent nor the Security Agent is responsible for the content, valid execution, legal validity or enforceability of the Finance Documents or the perfection of the Transaction Security.
- (b) When acting in accordance with the Finance Documents, each of the Agent and the Security Agent is always acting with binding effect on behalf of the Bondholders. Each of the Agent and the Security Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) Each of the Agent's and the Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent and the Security Agent only acts in accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, neither the Agent nor the Security Agent is acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.
- (d) Neither the Agent nor the Security Agent is obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, each of the Agent and the Security Agent is entitled

to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.

- (e) Each of the Agent and the Security Agent is entitled to delegate its duties to other professional parties, but each of them shall remain liable for the actions of such parties under the Finance Documents.
- (f) Each of the Agent and the Security Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- (g) Each of the Agent and the Security Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent and/or the Security Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer or the Transaction Security which the Agent and/or the Security Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (iii) as otherwise agreed between the Agent and/or the Security Agent and the Issuer. Any compensation for damages or other recoveries received by the Agent and/or the Security Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, neither the Agent nor the Security Agent is obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If in the Agent's or Security Agent's (as applicable) reasonable opinion the cost, loss or liability which it may incur (including its respective reasonable fees) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent or the Security Agent (as applicable) may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (j) Unless it has actual knowledge to the contrary, each of the Agent and the Security Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (k) Each of the Agent and the Security Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the

Agent or the Security Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause 21.2(i).

### **21.3 Limited liability for the Agent and the Security Agent**

- (a) Neither the Agent nor the Security Agent will be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. Neither the Agent nor the Security Agent shall be responsible for indirect loss.
- (b) Neither the Agent nor the Security Agent shall be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts or if it has acted with reasonable care in a situation when it considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) Neither the Agent nor the Security Agent shall be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by it to the Bondholders, provided that it has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by it for that purpose.
- (d) Neither the Agent nor the Security Agent shall have any liability to the Bondholders for damage caused by it acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- (e) Any liability towards the Issuer which is incurred by the Agent or the Security Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or any other Person.

### **21.4 Replacement of the Agent and the Security Agent**

- (a) Subject to Clause 21.4(f), each of the Agent and the Security Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent and/or the Security Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 21.4(f), if the Agent and/or the Security Agent is Insolvent, the Agent and/or the Security Agent (as applicable) shall be deemed to resign as Agent and/or the Security Agent (as applicable) and the Issuer shall within 10 Business Days appoint a successor Agent and/or a successor Security Agent (as

applicable) which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- (c) A Bondholder (or Bondholders) representing at least 10 per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and/or the Security Agent and appointing a new Agent and/or the new Security Agent (as applicable). The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent and/or the Security Agent be dismissed and a new Agent and/or a new Security Agent (as applicable) be appointed.
- (d) If the Bondholders have not appointed a successor Agent and/or successor Security Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent and/or the Security Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent and/or successor Security Agent (as applicable) which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Agent and/or the retiring Security Agent (as applicable) shall, at its own cost, make available to the successor Agent and/or the successor Security Agent (as applicable) such documents and records and provide such assistance as the successor Agent and/or successor Security Agent may reasonably request for the purposes of performing its functions as Agent and/or the Security Agent (as applicable) under the Finance Documents.
- (f) The Agent's and the Security Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and/or the successor Security Agent (as applicable) and acceptance by such successor Agent and/or the successor Security Agent (as applicable) of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent and/or the retiring Security Agent (as applicable).
- (g) Upon the appointment of a successor, the retiring Agent and/or the retiring Security Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent and/or the Security Agent (as applicable). Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent and/or the Security Agent.
- (h) In the event that there is a change of the Agent and/or the Security Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent and/or the new Security Agent may

reasonably require for the purpose of vesting in such new Agent and/or the new Security Agent (as applicable) the rights, powers and obligation of the Agent and/or the Security Agent and releasing the retiring Agent and/or the retiring Security Agent (as applicable) from its respective further obligations under the Finance Documents. Unless the Issuer and the new Agent and/or the new Security Agent agrees otherwise, the new Agent and/or the new Security Agent shall be entitled to the same fees and the same indemnities as the retiring Agent and/or the retiring Security Agent (as applicable).

## **22. Appointment and Replacement of the CSD**

- (a) The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD regulations and the other regulations applicable to the Bonds.
- (b) The CSD may be dismissed by the Issuer provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorized to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorized as a central securities depository in accordance with the Financial Instruments Accounts Act.

## **23. Appointment and Replacement of the Issuing Agent**

- (a) The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## **24. No Direct Actions by Bondholders**

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security or the Guarantees to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 24(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for

any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 21.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 21.2(i), such failure must continue for at least 40 Business Days after notice pursuant to Clause 21.2(k) before a Bondholder may take any action referred to in Clause 24(a).

- (c) The provisions of Clause 24(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event and Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## 25. Prescription

- (a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.
- (b) If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new limitation period of ten years with respect to the right to receive repayment of the principal of the Bonds, and of three years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## 26. Notices and Press Releases

### 26.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;
  - (ii) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and

- (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (if practically possible) or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Group and the Agent.
- (b) Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or if between the Issuer and the Agent, by email, and will only be effective:
  - (i) in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1(a);
  - (ii) in case of letter, three Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 26.1(a); or
  - (iii) in case of email, on the day of dispatch (unless a delivery failure message was received by the sender), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.
- (c) Any notice which shall be provided to the Bondholders in physical form pursuant to these Terms and Conditions may, at the discretion of the Agent, be limited to:
  - (i) a cover letter, which shall include:
    - (A) all information needed in order for Bondholders to exercise their rights under the Finance Documents;
    - (B) details of where Bondholders can retrieve additional information;
    - (C) contact details to the Agent; and
    - (D) an instruction to contact the Agent should any Bondholder wish to receive the additional information by regular mail; and
  - (ii) copies of any document needed in order for Bondholder to exercise their rights under the Finance Documents.
- (d) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

## 26.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 9.4 (*Voluntary partial*

*redemption*), 9.6, 11.1(d), 14.11(c), 16(o), 17(a), 18(a), 19(c) and 20.5 shall also be published by way of press release by the Issuer or the Agent, as applicable.

- (b) In addition to Clause 26.2(a), if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## **27. Force Majeure and Limitation of Liability**

- (a) None of the Agent, the Security Agent or the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent, the Security Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent, the Security Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **28. Governing Law and Jurisdiction**

- (a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- (b) The Issuer submits to the non-exclusive jurisdiction of the District Court of Stockholm (Sw. *Stockholms tingsrätt*).

We hereby certify that the above terms and conditions are binding upon ourselves.

**NEO BIDCO AB (PUBL)**

as Issuer

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Name:

We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

as Agent and Security Agent

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Name:

**SCHEDULE 1****Intercreditor Principles**

The below set out intercreditor principles for the Intercreditor Agreement (as defined in the Terms and Conditions). The following overview does not purport to be complete and is qualified in its entirety by the final Intercreditor Agreement. Terms defined in the Terms and Conditions shall have the same meaning when used in this Schedule 1.

**1. PRINCIPAL DEFINITIONS**

**"Final Discharge Date"** means the date when all principal, interest and any other costs or outstanding amounts under the Senior Finance Documents have been unconditionally and irrevocably paid and discharged in full and all commitments of the Secured Parties under the Senior Finance Documents have expired, been cancelled or terminated.

**"Hedge Counterparty"** means any person who is or becomes a hedge counterparty pursuant to any Hedging Agreement and that has acceded to the Intercreditor Agreement as a Hedge Counterparty in accordance with the terms of the Intercreditor Agreement.

**"Hedging Agreements"** means any agreement documenting a Super Senior Hedge.

**"New Debt Creditors"** means each creditor under and as defined in the relevant New Debt Documents.

**"New Debt Documents"** means each document or instrument entered into after the date hereof between the Issuer and a New Debt Creditor setting out the terms of any credit which creates or evidences New Debt.

**"Representatives"** means the Super Senior Representative and the Senior Representative.

**"Secured Obligations"** means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Obligor towards the Secured Parties outstanding from time to time under the Senior Finance Documents.

**"Secured Parties"** means the creditors under the Senior Finance Documents but only if such creditor (or, in the case of a Bondholder, its Representative) is a Party or has acceded to the Intercreditor Agreement in the appropriate capacity pursuant to the terms of the Intercreditor Agreement, the Trustee, the Facility Agent and the Security Agent.

**"Senior Creditor"** means the Bondholders, the Trustee and any New Debt Creditor.

**"Senior Debt"** means all indebtedness outstanding under the Finance Documents and the New Debt Documents.

**"Senior Finance Documents"** means the Finance Documents, the New Debt Documents, the Super Senior Revolving Credit Facilities Documents and the Hedging Agreements.

**"Senior Representative"** means, at any time, the representative of those Senior Creditors whose Senior Debt at that time aggregate more than 50 per cent. of the total Senior Debt at that time. The Trustee shall represent all Bondholders and act on the instructions of and on behalf of the Bondholders.

**"Subordinated Creditor"** means any creditor in respect of Subordinated Debt which has acceded to the Intercreditor Agreement as a Subordinated Creditor in accordance with the terms of the Intercreditor Agreement.

**"Super Senior Creditors"** means the Super Senior Revolving Credit Facilities Creditors and the Hedge Counterparty.

**"Super Senior Debt"** means all indebtedness to the Super Senior Creditors outstanding under the Super Senior Revolving Credit Facilities Documents and the Hedging Agreements.

**"Super Senior Hedges"** means hedging transactions entered into by a Group Company in respect of payments to be made under the Bonds or the Super Senior Revolving Credit Facilities or for hedging exposures (including hedging exposures in relation to fluctuation in currency rates) arising in the ordinary course of business, but not for speculative or investment purposes, to the extent the hedging counterparty has acceded to the Intercreditor Agreement (if any).

**"Super Senior Revolving Credit Facilities Cap"** means the higher of SEK 150,000,000 and 25 per cent. of EBITDA pursuant to the most recent Financial Statements (or its equivalent in any other currency or currencies).

**"Super Senior Revolving Credit Facilities Creditor"** means any person who is or becomes a lender under a Super Senior Revolving Credit Facilities.

**"Super Senior Revolving Credit Facilities Documents"** means the "Finance Documents" pursuant to the Super Senior Revolving Credit Facilities.

**"Super Senior Representative"** means, at any time, the representative of the Super Senior Revolving Credit Facilities Creditor.

## 2. SECURITY

The Security securing the Secured Obligations will be a single security package which will be held pursuant to Swedish and other relevant law and subject to the Intercreditor Agreement, and the Security Agent will be appointed as initial security agent to hold the security on behalf of each of the secured creditor classes.

## 3. RANKING

- (a) The liabilities raised in the form of Super Senior Debt shall rank in right and priority of payment *pari passu* and without any preference between them, unless otherwise agreed between the Super Senior Revolving Credit Facilities Creditor and the Hedge Counterparties.

- (b) The liabilities raised in the form of Senior Debt shall rank in right and priority of payment *pari passu* and without any preference between them, unless otherwise agreed between the Trustee (acting on behalf of the Bondholders) and the New Debt Creditors.
- (c) The Senior Creditors will receive proceeds with respect to any proceeds from an enforcement of the Transaction Security, payments under any guarantee or proceeds from any other enforcement action only after the Super Senior Creditors have been paid in full.
- (d) Any liabilities raised in the form of Subordinated Debt shall be subordinated in relation to the Secured Obligations.

#### **4. PAYMENT BLOCK**

- (a) Following a written notice from the Super Senior Representative to the Issuer (with a copy to the Security Agent, the Trustee and the New Debt Creditor) of (i) acceleration or (ii) that a material event of default (for the avoidance of doubt, after the expiry of any applicable grace period in respect of the default giving rise to the event of default) under the Super Senior Revolving Credit Facilities has occurred (a "**Payment Block Event**") and for as long as it is continuing, then no payments of principal or interest may be made under the Finance Documents or the New Debt Documents. For the avoidance of doubt, interest shall continue to accrue during such period and the failure to timely make any payments due under such Senior Debt shall constitute an Event of Default and the unpaid amount shall carry default interest.
- (b) Upon the occurrence of a Payment Block Event, any amounts paid under the Senior Debt (despite the Payment Block Event) shall be applied in accordance with the Application of Proceeds.

#### **5. SUPER SENIOR REVOLVING CREDIT FACILITIES CAP**

- (a) The Issuer and the Super Senior Revolving Credit Facilities Creditor may agree, without obtaining the prior written consent from any other Secured Party, to increase the aggregate maximum commitment under the Super Senior Revolving Credit Facilities provided that it does not, at the time of the increase, exceed the Super Senior Revolving Credit Facilities Cap.
- (b) The Issuer and the Super Senior Revolving Credit Facilities Creditor shall not be required to decrease the commitments or repay outstanding utilizations under the Super Senior Revolving Credit Facilities as a result of subsequent decrease in EBITDA and the aggregate utilised commitments exceeding the Super Senior Revolving Credit Facilities Cap shall not cease to have super senior status as a result of a subsequent decrease in EBITDA, always provided that paragraph (c) below is complied with.
- (c) The Issuer shall not utilise the Super Senior Revolving Credit Facilities if the aggregate utilised commitments under the Super Senior Revolving Credit Facilities (including any other utilisation due to be made under the Super Senior Revolving

Credit Facilities) at the time of the utilisation exceeded the Super Senior Revolving Credit Facilities Cap.

- (d) To the extent the commitment under the Super Senior Revolving Credit Facilities has been increased pursuant to the terms of this Agreement, and in accordance with paragraphs (a) and (b) above, any aggregate utilised commitments exceeding the Super Senior Revolving Credit Facilities shall not cease to have super senior status as a result of the calculations or information in respect of incorrect EBITDA figures being provided to the Super Senior Revolving Credit Facilities Agent or the Super Senior Revolving Credit Facilities Creditor.

## **6. PREPAYMENTS**

### **6.1. Voluntary prepayments**

Any voluntary prepayments shall be applied in accordance with the relevant Senior Finance Documents and the consent of any other Party shall not be required for that application.

### **6.2. Prepayment upon disposals**

If any disposal proceeds are required to be applied in mandatory prepayment of the Super Senior Debt or the Senior Debt then those disposal proceeds shall be applied in accordance with the Senior Finance Documents and the consent of any other Party shall not be required for that application.

## **7. CANCELLATION OF THE SUPER SENIOR REVOLVING CREDIT FACILITIES**

If agreed between the Issuer and the Super Senior Revolving Credit Facilities Creditor, to the extent the Issuer repurchases, amortises or otherwise repays the Bonds whereby the aggregate amount of the Senior Debt outstanding falls a threshold of the aggregate initial amount of Senior Debt as specified by the Super Senior Revolving Credit Facilities Creditor (or an equivalent provision in respect of any New Debt), the debt outstanding under the Super Senior Revolving Credit Facilities shall be repaid and cancelled *pro rata* with such repurchase, amortisation or other repayment.

## **8. ENFORCEMENT**

- (a) If either the Super Senior Creditors or the Senior Creditors wish to issue instructions for enforcement, the Representative representing the Super Senior Creditors or the Senior Creditors (as the case may be) shall deliver a copy of those proposed enforcement instructions (an "**Initial Enforcement Notice**") to the Security Agent and the Security Agent shall promptly forward such Initial Enforcement Notice to each Representative which did not deliver such Initial Enforcement Notice.
- (b) Following an Initial Enforcement Notice and subject to paragraphs (a), (b) and (c) below, the Security Agent will act in accordance with Enforcement Instructions received from the Senior Creditors.
- (c) If the Senior Creditors have not:

- (i) made a determination as to the method of Enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) within three months of the date of the Initial Enforcement Notice; or
- (ii) the Super Senior Debt has not been discharged in full within six months of the date of the Initial Enforcement Notice,

(c) then the Security Agent will act in accordance with enforcement instructions received from the Super Senior Creditors until the Super Senior Debt has been discharged in full.

(d) If an insolvency event (other than an insolvency event directly caused by any enforcement action taken by or at the request or direction of the Senior Creditors) is continuing with respect to a debtor then the Security Agent will, to the extent the Super Senior Creditors elect to provide such enforcement instructions, act in accordance with the enforcement instructions received from the Super Senior Creditors until the Super Senior Debt has been discharged in full.

(e) If the Senior Creditors have not made a determination as to the method of Enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) and the Super Senior Creditors:

- (i) determine in good faith (and notify the other Representatives, the Hedge Counterparties and the Security Agent) that a delay in issuing enforcement instructions could reasonably be expected to have a material adverse effect on the ability to enforce the Transaction Security or the expected enforcement proceeds from an enforcement action; and
- (ii) deliver enforcement instructions which they reasonably believe to be necessary or advisable before the Security Agent has received any enforcement instructions from the Senior Creditors,

then the Security Agent will act in accordance with the enforcement instructions received from the Super Senior Creditors until the Super Senior Debt has been discharged in full.

## 9. APPLICATION

The proceeds of any enforcement action (including but not limited to any proceeds received from any direct or indirect realisation or sale by the Security Agent of any assets being subject to Transaction Security, payments under any guarantees or proceeds received in connection with bankruptcy or other insolvency proceedings) shall be paid to the Security Agent or as the Security Agent may direct for application in the following order (subject to applicable mandatory laws):

- (a) *first*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by the Obligors to the Security Agent;
- (b) *secondly*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by the Obligors to the Issuing Agent, the Facility Agent, the Trustee and any agent representing creditors of any New Debt;

- (c) *thirdly*, towards payment *pro rata* of accrued interest unpaid under the Super Senior Revolving Credit Facilities Documents;
- (d) *fourthly*, towards payment *pro rata* of principal under the Super Senior Revolving Credit Facilities and any other costs or outstanding amounts under the Super Senior Revolving Credit Facilities Documents, and any close out amount and any other outstanding amounts under the Hedging Obligations;
- (e) *fifthly*, towards payment *pro rata* of accrued interest unpaid under the Senior Debt (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);
- (f) *sixthly*, towards payment *pro rata* of principal under the Senior Debt;
- (g) *seventhly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under any Senior Finance Documents;
- (h) *eighthly*, after the Final Discharge Date, towards payment *pro rata* of accrued interest unpaid and principal under the Subordinated Debt; and
- (i) *ninthly*, after the Final Discharge Date, in payment of the surplus (if any) to the relevant Obligor or other person entitled to it.

#### **10. RELEASE OF TRANSACTION SECURITY AND GUARANTEES**

- (a) The Security Agent may at any time, acting in its sole discretion, or if in respect of release and granting of Security upon disposals, acting on instructions of the Super Senior Representative, release the Transaction Security and the guarantees in accordance with the terms of the Transaction Security Documents, the Guarantee and Adherence Agreement and the Intercreditor Agreement in connection with any transaction which is permitted under the Senior Finance Documents or otherwise approved by the Secured Parties.
- (b) The Intercreditor Agreement will enable a release of Transaction Security in connection with disposals for the purpose of:
  - (i) enabling a Group Company to dispose of shares in a Group Company that is subject to Transaction Security provided that Transaction Security is provided over:
    - (A) a substitute Group Company; or
    - (B) the bank account where the cash purchase price following such disposal is deposited or a vendor note; and
  - (ii) enabling intra-group restructurings, provided that the disposal is made subject to the Transaction Security or, in relation to a merger, that it constitutes a permitted merger under the Senior Finance Documents.

#### **11. NEW SECURITY**

Any new Security created (and guarantees and indemnities granted) in respect of any Secured Obligation shall be extended to and shared between the Secured Parties on a *pro rata* basis and in accordance with the ranking and priority set forth above.

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