

NOBINA AB (PUBL)

PROSPECTUS REGARDING LISTING OF MAXIMUM SEK 700,000,000

SENIOR SECURED FLOATING RATE GREEN BONDS

(the “Bonds”)

2019/2024

ISIN: SE0012194165

8 March 2019

Amounts payable under the Bonds are calculated by reference to STIBOR, which is provided by the Swedish Bankers' Association (Sw. Svenska Bankföreningen). As at the date of this Prospectus, the Swedish Bankers' Association does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (“BMR”). As far as the Issuer is aware, the transitional provisions in Article 51 of the BMR apply, such that the Swedish Bankers' Association is not currently required to obtain authorisation or registration

Important information

This prospectus (the “**Prospectus**”) has been prepared by Nobina AB (publ) (the “**Issuer**” or the “**Company**”, or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) the “**Group**”), a limited liability company incorporated in Sweden (reg. no. 556576-4569), in relation to the application for listing of bonds issued under the Issuer’s maximum SEK 700,000,000 senior secured floating rate green bonds 2019/2024, with ISIN SE0012194165 (the “**Bonds**”), of which SEK 500,000,000 was issued on 13 February 2019 (the “**First Issue Date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”) (the “**Bond Issue**”), including, for the avoidance of doubt, any Bonds issued thereafter under the Terms and Conditions, on the Sustainable Bond List at Nasdaq Stockholm AB (“**Nasdaq Stockholm**”). The Issuer’s obligations towards the Secured Creditors (as defined in the Terms and Conditions) under the Transaction Security Documents (as defined in the Terms and Conditions) are secured by the Issuer as first ranking security, by way of separately issued pledges over the shares in the subsidiary Nobina BusCo AB (reg. no. 559189-8241) (“**BusCo**”) and intra-group loans from the Issuer to BusCo made with the Net Proceeds (as defined in the Terms and Conditions) and (if an Intercreditor Agreement, as defined in the Terms and Conditions, is entered into) with the net proceeds of any Eligible New Bonds (as defined in the Terms and Conditions) (the “**Transaction Security**”). “**SEK**” denote the lawful currency of Sweden, “**EUR**” denotes the single currency of the member states of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union, “**NOK**” denote the lawful currency of Norway and “**DKK**” denote the lawful currency of Denmark.

This Prospectus has been prepared in accordance with the rules and regulations in the Swedish Financial Instruments Trading Act (*Sw. lag (1991:980) om handel med finansiella instrument*) (the “**Trading Act**”) and the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council, each as amended. This Prospectus has been approved by and registered with the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*) (the “**SFSA**”) pursuant to the provisions in Chapter 2, Sections 25 and 26, of the Trading Act. It should be noted that such approval and such registration does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete. This Prospectus 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 (fi.se) and the Company’s website (www.nobina.com). Paper copies of the Prospectus may be obtained from the Issuer.

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 “**Securities Act**”), or any U.S. state securities laws and may be 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 (as defined in Rule 902 of Regulation S under the Securities Act). The Issuer has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country’s securities laws. It is the investor’s obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer’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.

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 Issuer’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 Issuer 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.

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

*Investing in bonds always involves inherent risks. The financial performance of Nobina AB (publ) (the “**Issuer**” or “**Company**”) and its subsidiaries (together with the Company, the “**Group**”) and the risks associated with its business are important when making a decision on whether to invest in the Bonds. A number of risk factors and uncertainties may adversely affect the Group and/or the Bonds. If any of these risks or uncertainties actually occurs, the business, operating results and financial position of the Group could be materially and adversely affected, which ultimately could affect the Company’s ability to fulfil its obligations, to make payments of interest and repayments of principal under the terms and conditions for the Bonds (“**Terms and Conditions**”).*

In this section, a number of risk factors, both general risks pertaining to the Group’s business operations and material risks relating to the Bonds as financial instruments, are illustrated. The risks presented in this Prospectus are not exhaustive and other risks not discussed herein may also adversely affect the Group, the price of the Bonds and the Company’s ability to service its debt obligations. Further, the risk factors are not ranked in order of importance or probability. Potential investors should carefully consider the risk factors stated below and make an independent evaluation before a decision of acquisition of the Bonds is made.

In this section, a number of risk factors are illustrated, namely general risks pertaining to the Group’s business operations and material risks relating to the Bonds as financial instruments. The risks presented in this Prospectus are not exhaustive and other risks not discussed herein that the Group is currently not aware of, may also adversely affect the Group, the price of the Bonds and the Issuer’s ability to service its debt obligations. Further, the risk factors are not ranked in order of importance. Potential investors should consider carefully the risks stated below as well as the information contained in this Prospectus and make an independent evaluation before making an investment decision. An investor in the Bonds should possess adequate knowledge in order to be able to evaluate the risk factors, as well as sufficient financial power in order to be able to bear said risks.

Risks associated with the Group, the industry and the market

Global economic and market conditions

The Group operates mainly as a provider of tendered public bus transportation and supplementary bus services in Sweden, Norway, Finland and Denmark.

The transportation market is to a large extent affected by macroeconomic factors such as the general state of the economy, national and regional economic developments, the employment rate, infrastructural development, population growth, urbanisation demographic developments, inflation, environmental and climate concerns as well as interest rates. As employee costs constitute a large cost

item for the Group, political change and negotiations in relation to collective bargaining agreements may impact the Group's earnings and cash flow.

Furthermore, a negative development of certain major infrastructure projects may lead to that the Group cannot exploit the public transportation possibilities of certain areas at all or only on less favourable terms, which in turn may result in decreased profit.

If one or several of these factors would have a negative development, it could have a material adverse effect on the Group's business, financial condition and results of operations.

Contracts with PTAs

The Group's contracts with public transport authorities (individually a "PTA" and collectively "PTAs") accounts for a substantial part of the Group's total sales. Contracts with PTAs are awarded following a competitive tender process. As these contracts are generally fixed-term contracts, they need to be re-tendered at the end of their respective terms, according to applicable law. While the Group does not expect to renew and win all contract tenders, the Group's prospects and financial and operational performance are dependent on its ability to continue to win a proportion of them over time. If the Group is unable to win new PTA contracts over time or to secure extension options under its existing contracts when they expire, or wins contracts at a level below what it expects or has been able to achieve in the past, it would have a material adverse effect on the Group's business, financial position and results of operations.

Price is typically the deciding factor in awarding PTA contracts. The Group's pricing, in turn, depends largely on its ability to conduct an accurate risk assessment, evaluate and secure the efficiency of its operations and realize potential economies of scale. The Group's competitiveness and ability to win PTA contracts is therefore closely linked to the efficient management of its fleet of buses and operation of existing PTA contracts. Any deterioration in the Group's competitiveness could affect its ability to win new PTA contracts, which could, in turn, have a material adverse effect on the Group's business, financial position and results of operations.

Competition

The public and private bus transportation markets are highly competitive. The Group faces competition from multinational competitors, entities owned and operated by municipalities and counties as well as from local, independent entrepreneurs. In addition, some of the Group's competitors, in particular state-backed entities, are much larger in certain markets and have significantly greater financial and other resources than the Group. These competitors may also have lower financial return expectations allowing them to reduce their prices to win contracts at levels not profitable to the Group. As price historically has been, and typically is, the determining factor in contracts awarding, some of the Group's competitors,

especially small operators, may be inclined to underbid on tenders in an effort to gain market shares even if it means winning contracts on pricing terms that are below their actual costs. Sustained or increased price competition could hinder the Group's ability to win contracts with PTAs and could decrease its market share. If the Group is forced to significantly reduce its prices or if it fails to win new PTA contracts, this could have a material adverse effect on its business, financial condition and results of operations.

The Group's future ability to successfully compete is also, among other things, dependent upon the Group's ability to anticipate future market changes and trends, and to rapidly react to existing and future market needs, which may result in increased costs or require price reductions or changes of the Group's business model. Should the Group fail to react to such market needs to the benefit of the Group's competitors, the Group's ability to win contracts may deteriorate, which could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Competition from other modes of transport

Bus ridership levels depend on passenger preference. Automobile travel is the largest competitor for ridership for the Group's business. There is a risk that customer preferences for automobile travel will remain strong, due to, among other things, improved environmental performance in the automobile industry, lowered fuel prices, and passenger comfort demands. If environmental concerns, traffic and price considerations do shift passenger preference away from automobiles, there can be no assurance that passengers will increasingly demand for public bus services over public train services where these services overlap. In the area of public transportation, the Group faces competition from other means of transportation, such as rail, metro and trams. Should demand for bus services decrease or fail to increase in the future, the scope of new PTA contracts may be adversely affected and the Group may not be able to maintain or expand its operations. Should any of these developments occur, it could have a material negative impact on the Group's revenue, operations, profitability and financial position.

Pricing of PTA contracts

Each one of the Group's PTA contracts is awarded after a formal competitive bidding process. In addition to requiring the Group to invest costs and managerial time, this bidding process presents a number of risks, including the risk that the Group may incorrectly estimate the resources and costs that will be required to service any contract or fail to identify and safeguard itself against certain operational risks. For example, in order to bid on a PTA contract, the Group must first determine the price at which it is prepared to enter into a PTA contract. Determining the price requires a series of assumptions to be made about the future costs of operating the contract so that the contract meets the Group's internal margin and return on investment

requirements over the length of the contract, which may extend to five or ten years. These cost assumptions include, but are not limited to, traffic planning and bus allocation, lease payments for depots and parking lots, fuel costs, personnel costs and management expenses relating to operating a PTA contract. While management invests significant employee time and financial resources in reviewing and pricing contract tenders, the process is ultimately subjective and, as such, susceptible to human error. In addition, estimating risks and operational issues that may occur during the life of a contract is inherently difficult and a failure to accurately do so may result in that the Group incorrectly prices a contract or takes insufficient steps to otherwise protect the Group's financial or operational interests, which would have a material adverse effect on the Group's business, financial position and results of operations

Furthermore, PTAs are generally entitled to make changes to the Group's contractual obligations through variation orders, also when the potential consequences, such as cost, may not be fully clarified in advance and therefore not taken into account in the Group's price and risk assessment. The Group normally has the right to demand price adjustments for any extra costs incurred in this situation but the right to such additional remuneration is not always clear and may result in time-consuming negotiations. Furthermore, as the right to request such compensation only is triggered after a certain degree of variation in the contract, the Group may not always be entitled to cost compensation for additional costs that have not been taken into the initial calculation. There is a risk that additional costs are not compensated for and that the implementation of any planned efficiency initiatives hence are impaired. Should any such risks materialise, it could have a material adverse effect on the Group's business, financial position and results of operations.

If any of the Group's assumptions about price and risk are inaccurate, it may win contracts with low profit margins or contracts that must ultimately be operated at a loss. Typically, the Group enters into five to ten year contracts with PTAs where the pricing terms, price indices and scope of operations are determined at the commencement of the contract. The vast majority of the Group's operating costs are hence fixed once such a contract is signed and cannot be reduced to accommodate inaccurate assumptions used in the tender process. Such contracts may therefore be unprofitable for a limited period of time or for the life of the contract. Inaccurate pricing and the resulting entry into unprofitable contracts could have a material adverse effect on the Group's business, financial position and results of operations.

Age of contract portfolio

The Group's PTA contracts typically incur high up-front costs for capital expenditures and a reduction in free cash flow due to the need to make significant investments before commencing a contract, for example, in a new or updated vehicle fleet. This is due to that it may be difficult to run fully cost efficient operations from the outset; at the inception of a PTA contract, the Group typically relies on

overstaffing in order to ensure that it may meet its contract obligations, which is rectified once the actual staffing requirements have been fully and clearly established. As the revenue from the majority of contracts is fixed during the life of the contract (although indexed for adjustments in certain expenses), the Group's contracts may be unprofitable during their initial phase. The final years of a contract, particularly the years where contracts are extended past the original term of the contract, are therefore generally the Group's most profitable. Should several older contracts expire simultaneously as the Group commences several new contracts during the same period (*i.e.*, if the average age of the Group's contract portfolio decreases) it would reduce the Group's margins, consume cash and expand fixed assets and liabilities. Furthermore, where contracts are not extended past their original terms, the overall profitability produced by such contracts would decline. Should these circumstances materialise, it would have a material adverse effect on the Group's business, financial condition and results of operations.

Contracts with public sector clients

As a substantial part of the Group's total revenue is generated through contracts with PTAs, the Group is exposed to various risks inherent in government contracts, which are based on commercial terms, or concluded in a contracting environment, that may be different from the terms or contracting environment that may prevail in commercial arrangements with private entities. Terms and conditions of public contracts tend to be more onerous and more difficult to negotiate than those in commercial contracts. The Group typically enters into contracts with PTAs with a five to ten year duration, where the pricing terms, cost indices and scope of operations are determined by the PTA at the commencement of the contract. Operators are generally unable to have bilateral discussions with PTAs and are only entitled to ask questions relating to upcoming tenders, which must be made in writing and formally lodged. These questions, and the written responses provided, are a matter of public record, whereby the Group may choose not to pose certain questions that are not suitable for a public disclosure. Submitted tenders are made public to all other bidders once the contract is awarded and bidders are then given full transparency of competing bids, which gives competitors a view of the Group's current operating models, which may reduce its competitive advantage. This results in that competitors may employ tactics and exposes the Group to challenge from other bidders. Furthermore, the transparency requirements in relation to public sector clients may lead to that the Group may need to disclose information that otherwise would not be disclosed and that constitutes such information that, if disclosed, puts the Group in a less advantageous competitive position. Unwarranted disclosure of such information may hence impair the Group's competitive situation which could lead to economical loss.

In addition, during the tender process, an operator only has access to the key terms of the tender contract. If the Group is successful in making a bid, it is expected to

sign the full agreement, whose provisions extend beyond those anticipated in the key terms. Following the award of a contract, the Group must perform the contract as tendered, even if unprofitable, and there is generally no, or only very limited, scope to renegotiate the terms of the contract, which, in turn, may lead to unforeseen losses or competitive disadvantages.

Should any of the aforementioned risks materialise, it could have a material adverse effect on the Group's business, financial position and results of operations.

Dependence on subsidies

PTAs demand for the Group's services depends on the relevant municipality or county budgets and the funds allocated to public transportation. A recession, economic downturn, or change in the political environment may affect government policies, spending, private sector investment or interest rates. If economic conditions lead to long-term shifts in public sector policies, programmes or procurement methodologies, the Group may be unable to maintain its existing levels of contracts or be unable to maintain existing levels of profitability, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks related to breaches of contract

The Group must manage its contracts in accordance with their terms and must adapt to developing and unanticipated circumstances during the life of a contract. Any breach of contract by the Group could result in the imposition of penalties by PTAs. Should any penalties be imposed, it would reduce the operating profit earned by the Group from the relevant contract and could have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, subject to certain provisions, the contracts that the Group is party to PTAs are entitled may be terminated before the end of the contract term. Also, a number of the Group's contracts contain change of control clauses which apply in the event of a change of control. If the Group is unable to replace revenues from any terminated contracts within a reasonable period of time, the Group's revenues and operating income would decline. In addition, the imposition of penalties or the early termination of contracts due to a failure to meet contractual conditions could cause reputational damage, impairing, *inter alia*, the ability to secure future business. Should any of these risks materialise, it could have a material adverse effect on the Group's business, financial position and results of operations.

Risks related to public scrutiny and reputation

Public contracts, and the proceedings surrounding them, are often subject to more extensive scrutiny and publicity than commercial contracts with private entities. The visibility and political nature of the Group's contracts with PTAs, including the public source of their underlying funding, therefore enhances the reputational risk and therefore the Group's relationships with PTAs. Negative publicity related to the

Group's contracts, regardless of the accuracy of such publicity, may damage existing and future relationships with PTAs as well as the Group's relationships with private contractual parties. Political and economic factors such as the outcome of pending or recent elections, changes in leadership among local parties and civil servants, changes to tax policies and reduced tax revenue also can affect the number and terms of new contracts tendered and ultimately signed. Should the number of contracts decline due to reputational damage or public scrutiny, it would reduce the Group's revenues, which, in turn would have a material adverse effect on the Group's business, financial condition and results of operations.

Price indices in PTA contracts

PTA contracts provide for a fee to be paid to the Group in return for providing bus operations for the routes and timetables described in the contracts. The amount of the fee the Group receives is adjusted periodically based on several price indices that are intended to compensate for changes in the Group's costs during the term of the specific PTA contract. The price indices used encompass trends in labour costs, fuel costs, consumer price indices and other items, such as interest rates fluctuations. The index weighting in the Group's contract portfolio may deviate from its actual cost structure, so that indexation adjustments do not fully compensate for the Group's cost variations.

Depending on the contract, index adjustment occurs on a monthly, quarterly, semi-annual or annual basis and is generally applicable to the future contract period, and is not applied retroactively to the contract period prior to such adjustment. This means that there is generally a time lag between changes in the Group's costs and the index adjustment. Fee adjustments are not intended to fully reimburse the transport provider, but rather to adjust the fees paid to the transport provider going forward and, as a result, cost indices by their nature may never provide for full, timely compensation of actual costs and cost increases.

The Group is also exposed to the risk that its actual expenses diverge from the macro economic factors that the price indices use to adjust fees. For example, salaries of the Group's drivers may increase more than the market-related index, even though the price trend in transportation industry salaries remain stable. Another example of mismatch between the costs that an underlying index is aimed to address and the costs incurred pursuant to a PTA contract is that the index set forth in the PTA contract tracks diesel prices while the relevant contract requires buses to run on biogas. As a result of such divergences the Group may not be fully compensated under some of its price indices although its actual costs have increased.

Should price indices in current or future PTA contracts fail to reflect its actual cost structures, changes in the Group's costs that are not reflected in the price indices could have a material adverse effect on its operating margins and profitability.

Fluctuation in the price and availability of fuel

The Group's costs for fuel (including, for the avoidance of doubt, renewable fuel such as HVO, RME, biogas and electricity) constitute a major cost item, and consequently, any significant changes in fuel availability or costs could materially impact the Group's business, financial condition and results of operations. Furthermore, as the number of contracts involving renewable fuels are expected to increase, the Group is dependent on availability and efficient cost management particularly for such fuels. Fuel availability and prices are affected by a number of factors, including general electric power supply, power plant developments, political decisions, environmental legislation and global economic and political developments, over which the Group has little to no influence. In relation to supply of electricity, the prices may also vary depending on factors such as weather conditions, weather hazards and the overall demand for electricity. Furthermore, unlike the open market for fossil fuels, the transmission and distribution of electric energy on the Swedish energy market is regulated and subject to concession. The availability of electric energy may hence be subject to, *inter alia*, changes in legislation, changes in regulatory practice by relevant supervisory authorities and the general political climate.

The Group's fuel costs may also be affected by annual increases in taxes, which are only partially offset by compensation from price indexation in the PTA contracts. Moreover, there may also be a delay from when the Group incurs the increased costs related to fuel and when its revenue is adjusted. This delay, in turn, could negatively affect the Group's cash flow and the balance between its accounts receivable and accounts payable.

In the event of a shortage in fuel supply resulting from, *inter alia*, disruptions in imports, reduction or shortages in relation to production or distribution, disruptions due to hazards or otherwise, the Group faces significant risk of losses and disruptions in its operations which would pertain costs or damage that could be significant. Should any of the above risks materialise, it could have a material adverse effect on its operating margins and profitability.

Efficiency initiatives

In recent years, the Group has focused its attention on increasing its profitability by delivering its services under existing PTA contracts more efficiently. To that end, it has introduced a number of efficiency initiatives aimed at improving utilisation of resources and reducing costs, primarily by planning its delivery of services more carefully and by centralizing the management of the Group's bus fleet. The Group may be unable to implement its efficiency initiatives for a number of reasons, including, but not limited to, PTA contract limitations, human error, technological error or unanticipated changes to its cost structure.

Replacement of buses earlier than at the end of their useful life

Certain changes to a PTA contract are typically permitted if within a pre-agreed range, but if the requested changes exceed this agreed scope, the Group may be required to commence additional negotiations with the PTA. Such changes to existing contracts, whether within a pre-agreed range or following re-negotiation of the contract, may limit the Group's ability to implement its planned efficiency initiatives. If the Group fails to implement any efficiency initiative, it will not gain the benefit and/or increased profitability associated with such efficiency initiative. Therefore, failure to implement any of its efficiency initiatives may have a material adverse effect its profit, financial condition and results of operations. In particular, PTA contracts typically require that buses used on each contract meet specific environmental and technical standards, including the type of fuel, bus size, bus age, and the number of seats and doors. It may not be possible to retrofit or adapt the Group's existing fleet of buses to meet the requirements of a particular PTA contract, at all, or without first undergoing costly renovations. In addition, where buses with certain specifications for the purposes of fulfilling a particular contract are sourced, the Group may be unable to utilise those buses in other contracts, once the original contract has expired. The Group may therefore be required to replace its buses earlier than at the end of their useful life. An inability to move buses between PTA contracts could limit the efficiencies that the Group could obtain from maximising the use of its existing bus fleets. In addition, this exposes the Group to the increased potential for residual value losses in its bus fleets. If the Group fails to implement any efficiency initiative it will not gain the benefit and/or increased profitability associated with such efficiency initiative. Therefore, failure to implement any of its efficiency initiatives may have a material adverse effect its profit, financial condition and results of operations.

Severe weather conditions

The Nordic region in which the Group operates experience, from time to time, particularly severe weather conditions during the winter months. These adverse weather conditions may result in increased fuel consumption, damage to the Group's buses and increased repair and maintenance costs associated with such damage. Furthermore, the severe winter weather may cause the Group to suspend some of its routes, which could trigger penalties under some of its PTA contracts. The Nordic region may experience severe adverse weather conditions during future winter months, which could expose the Group to increases in its operating expenses. Extreme weather conditions could consequently have a material adverse effect on the Group's business, financial condition and results of operations

The use of incentive contracts

PTAs in the Nordic region have traditionally structured tender contracts as production contracts, pursuant to which the traffic operator is paid a fixed

compensation for running a given network and timetable. The industry has experienced a gradual move towards incentive contracts whereby the operator's remuneration is partly or entirely linked to a variable component, such as number of passengers or certain qualitative measurements. Such contracts increases the Group's exposure to certain risks that may be outside of the Group's control. Competition from other modes of transport, seasonality, passenger preference, negative publicity towards the public transport sector and an inability to operate routes due to adverse weather conditions would result in fewer passenger numbers and thus directly impact remuneration. In addition, there is a risk of revenue leakage if passengers fail to present their transport cards when using the transport service, with the result that a number of passengers are not accounted for in an operator's remuneration. Should any of the above factors materialise, it could have a material adverse effect on the Group's business, financial condition and results of operations.

Dependence on fleet companies

The Group's operating subsidiaries rent the majority of their buses from Nobina Fleet AB ("**Nobina Fleet**"). Nobina Fleet, in turn, finances its buses through external providers. If Nobina Fleet would be unable to secure such financing arrangements on favourable terms, or at all, the Group may be unable to tender for new contracts. In addition, if the Group would be unable to continue its sourcing of buses from Nobina Fleet, there is a risk that the operational subsidiaries cannot source their buses directly from external providers on favourable terms, or at all. Should the above risks materialise, it would have a material adverse effect on the Group's business, financial condition and results of operations.

Dependence on suppliers

the Group is relies on its suppliers in order to carry out its operations, in particular in the vehicle and energy sectors, and is therefore exposed to the risk of decreased competition among suppliers, adverse changes to supply terms, price increase and the suppliers' failure to meet supply demand. The Group relies on vehicle manufacturers for the timely delivery of buses suitable to meet PTA contract specifications. Failure to source buses that meet the required specifications could render the Group subject to contractual penalties or failure to win tenders.

In addition there is a risk that existing or future PTA contracts contain penalty provisions where the levels of penalty does not correspond to the reclaimable sums in case of the supplier's breach of contract, and the Group may therefore be unable to fully recoup the losses due to the imposition of penalties. Agreements are also entered into with third parties at Group level in respect of fuel, lubricants, spare parts and maintenance on behalf of the subsidiaries. Individual subsidiaries within the Group may also enter into direct agreements in relation to certain suppliers. Such operating subsidiaries are highly dependent on regular fuel deliveries and other supplies in order to conduct reliable traffic. There is a risk that one or more suppliers

fails deliver in accordance with its obligations or otherwise transact with the Group or operating subsidiaries on terms favourable to the Group or at all, which could lead to, *inter alia*, additional costs, indirect profit losses or impaired reputation. Should such risks materialise, it could have a material adverse effect on the Group's business, financial condition and results of operations.

New technology

The group is active in the development of, for example, optimising of transport solutions (*i.e.* integration of various forms of transport services via apps), autonomous buses and sustainable business operations. The Group is also expanding its operations involving electrical buses. The growing market for public transport is driven by more connected, urbanised, and mobile society and the development of the public transportation sector is also furthered by trends such as electrification, sustainability and autonomous driving. In order to meet new and existing demand from PTAs and end-customers driven by such trends, the Group needs to engage in and develop new or improved technologies and solutions. Hence, the Group's future success, and the ability to attract and retain customers, is dependent on its ability to successfully adapt to such trends, especially in relation to services and products that promote sustainability and connectivity. Adaptation to new or improved technology and changing standards may require the Group to commit significant funding to replace, upgrade, modify or adapt its existing services, processes and technology, which could negatively impact the Group's business, financial condition and results of operations. Should the Group fail to adapt to new technologies and changing standards it may have a material adverse effect on the Group's business, financial condition and results of operations.

Dependence on IT systems

The Group relies on the stability, security and availability of its own and external providers' IT systems for all aspects of its business, including its daily operational management, traffic planning and coordination, invoicing, ticket sales and reservations for passengers, and financial reporting. The Group also processes personal, confidential and proprietary data and therefore relies on the secure processing, storage and transmission of such information as well as robust measures and systems for protection of data and information security. The Group is thus dependent on the efficient and uninterrupted operation of the Group's IT systems. Should the group suffer significant disruptions due to failure, loss of data, or any other personal data incidents caused by internal or external factors, whether or not within the Group's control, such as human error, unauthorised access, computer viruses, natural hazards, power loss, security breaches or other similarly disruptive events, it could result in service interruption, misappropriation of confidential information, process failure or other operational difficulties. Should such events occur, the Group it could be held liable towards third parties as well as authorities (such as data protection authorities) and may incur additional costs, which would

lead to losses and could result in reputational damage, which, in turn, could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks related to security incidents

As the Group operates in the public sphere being responsible for public transport of large numbers of passengers, the Group is exposed to the risk of operational safety incidents, including acts of terrorism and other acts of violence. Any operational or other safety incident involving loss of life or significant damage to property or assets, or harm to any person relating to the Group's services, could result in a loss of public confidence in the Group. In addition, any such operational or other safety incidents relating to other public transport operators' services, especially of buses, could result in that the Group is associated with conducting similar business operations, which by association, could cause a loss of public confidence in the Group. Any such loss in public confidence, as well as costs incurred due to significant damage to property or assets, or harm to any person, could have a material adverse effect on the Group's business, financial condition and results of operations. Furthermore, such events may impact the ability of the Group to win and retain contracts. Safety incidents also give risk resulting in suspension or termination of the Group's operations, which in turn, would have a material adverse effect on the Group's business, financial condition and results of operations.

Maintenance costs and insurance

In addition, the Group's business and operations depend upon the accurate and timely performance of its equipment, in particular its fleet of buses and depots. There is a risk that the Group's buses would be damaged due to accidents caused by its own drivers, third-party drivers, weather conditions or other similar damage. Should the group choose not to utilise its insurance coverage for such loss in order to reduce premium costs, the group may incur substantial additional costs for repairs. In addition, as the Group's buses and facilities age, their performance or effectiveness may weaken, which may lead to decreased productivity, delays or costly maintenance. In the event that the Group is unable to replace, maintain or repair its buses and facilities in advance, the Group will face decreased asset performance, as well as increased maintenance costs, delays and lost revenue due to unscheduled stoppages. Any decrease in the performance of the Group's assets, or significant expenses incurred in repairing damage, could negatively impact its business, financial condition and results of operations.

There is a risk that the Group's insurance will not be sufficient to cover the expected or unexpected maintenance costs or that the Group will be able to renew its existing insurance on commercially reasonable terms, or at all. Any damage caused by the Group that is not materially covered by insurance could have a material adverse effect on the Group's business, financial conditions and results of operation. Any

claims the Group makes under its insurance policies, or the occurrence of an event or events resulting in a significant number of claims being made, may also affect the availability of insurance and increase the premiums the Group pays for its coverage, which, in turn, may have a material adverse effect on the Group's business, financial condition and results of operations.

Dependency on management and key employees.

The Group depends on its continuing ability to attract and retain qualified and experienced managers and key employees for its business development and management. The Group relies on its senior managers to execute its operational strategies and to identify and pursue new business opportunities and relies on local managers for its day-to-day operations. The Group's ability to hire and retain qualified employees depends on a number of factors, some of which are outside the Group's control. The loss of a manager or any other key employee may result in a loss of institutional know-how and may significantly delay or prevent the achievement of the Group's development objectives or implementation of its business strategy. If the Group is unable to hire or retain qualified and experienced managers and key employees, this could have a material adverse effect on its business, financial condition and results of operations.

Labour costs

Labour costs represent a major operating expense for the Group. Labour costs vary depending on a number of factors, some of which are outside the Group's control, such as unemployment levels, prevailing wage rates applied by competitors to the Group and collective bargaining arrangements. The Group is to some extent compensated for increased labour costs by way of periodical contract fee adjustments based on macro-economic factors. There is a risk that such index adjustments fail to reflect the actual costs incurred by the Group. In addition, a shortage of qualified employees may require the Group to increase its wages and employee benefits to compete more effectively for employees. An increase in wages would reduce the Group's profitability, which could have a material adverse effect on its business, financial condition and results of operations.

Dependence on availability of bus drivers

The Group is heavily dependent on the availability of bus drivers and may suffer a temporary or long-term shortage of bus drivers. Such shortage may be due to, *inter alia*, competition within the transport sector for trained drivers, a decrease in attractiveness to pursue a career as a bus driver, strikes, changes in unionisation or failure to meet increased demand in the number of bus drivers needed for bus services. During periods of driver shortages, the Group may be forced to pay extra overtime compensation. The Group may also have to increase salaries or benefits to attract additional drivers. In addition, the Group may be forced to reduce its supply of services due to driver shortages, in which case the Group could be subject to

penalties and fines by the relevant PTA pursuant to the terms of the Group's contracts. If the Group is unable to provide bus services as a result of a shortage of bus drivers, this could have a material adverse effect on its business, financial condition and results of operations. Furthermore, the Group's reputation as a bus operator could be impaired if it is unable to fulfil its contractual obligations due to driver shortages, which could hinder the Group's ability to win new contracts with PTAs.

Collective bargaining agreements and trade unions

The Group's workforce is largely unionised, and in all of the Group's geographical segments, collective bargaining agreements are applied in relation to the Group's employees. The Group's is therefore dependent on well-functioning and healthy relationships with works councils and trade unions. The prevalence of works councils and trade unions may limit the Group's flexibility in dealing with its workforce and ultimately lead to increased operating costs. Furthermore, collective bargaining agreements are subject to periodic renegotiation, and there is a risk that strikes, work stoppages and interruptions occur if the Group is unable to renew the collective bargaining agreements on satisfactory terms or if the Group's industrial relations deteriorate. A lengthy strike or other work stoppage by the Group's employees could substantially affect the Group's ability to conduct its operations and complete its contractual obligations, which could result in deterioration of revenues and profits earned under contracts as well as result in delays that could incurring penalties. The terms and conditions of existing or renegotiated agreements could also increase the Group's costs or otherwise affect its ability to fully implement future operational changes to enhance its efficiency and performance. This could have a material adverse effect on the Group's business, reputation, financial condition and results of operations.

Regulatory risks

The Group's operate in several jurisdictions and local areas, and as such involves a number of complex, demanding and evolving legal, administrative and regulatory requirements relating to, *inter alia*, criminal and civil laws, public procurement, tax laws, building laws, land use, environmental law, health and safety regulations, competition law and employment law. In relation to this regulatory environment, the Group is required to obtain certain operating permits, including transport permits. The Group incurs capital and operating expenditures and other costs in the ordinary course of business in complying with applicable laws and regulations, including taking part in minor disputes. Violations of, or changes in, relevant law, regulations or policies, or the interpretation thereof, or delays in such interpretations being delivered, may delay or increase the cost of ongoing contracts or may result in unexpected fines, damages, prohibition on operations and other penalties. In particular, as the Group interact with public authorities, it is subject to various anti-bribery, anti-competition and anti-corruption laws. If a person discharging certain

managerial responsibilities in the Group is found to have violated such regulatory regimes, such as bribery or corruption, the Group might be prohibited from taking part in tender processes in one or several countries. Should any of the above risks materialise, it could have a material adverse effect on the Group's business, financial condition and results of operations.

Environmental laws and regulations and environmental damage

The Group is subject to extensive and constantly evolving international and local environmental laws and regulations in the jurisdictions in which it operates, including laws and regulations governing air emissions, waste water discharge, the storage, handling and transportation of chemicals and hazardous substances and the remediation of environmental damage. Such regulations may vary between the Group's different geographical segments as well as between various local traffic areas within one certain jurisdiction in which the Group operates. Any new, amended or changes environmental regulations, whether or not of international, domestic or local character, may require the Group to modify its operations, to incur unbudgeted costs in order to comply, or incur fines or penalties in case of violations, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

The vast majority of the Group's depots and other facilities are leased from third parties. If environmental damage is discovered during the time that the Group operates such facilities, it may be difficult or impossible to establish whether the damage was caused by the Group or by a previous operator of the property. As a result, there is a risk that the Group may be jointly and severally liable for the costs associated with environmental damage caused by previous operators. Any expenses relating to repair of the Group's facilities and environmental clean-up could have a material adverse effect on the Group's business, financial condition and results of operations.

Claims, litigation and third-party challenges in tendering processes

In its ordinary course of business, the Group are from time to time involved in disputes with PTAs and other parties, such as disputes over contract interpretation, tender awards, personal injury and employment matters, some of which result in litigation. It is also generally common in the tendering business to be involved in legal disputes in terms of public procurement processes that are challenged either by the competitors in the tendering process. Disputes of this kind may be time consuming and involve considerable costs and could, in turn, have a material adverse effect on the Group's business, financial condition and results of operations. Litigation proceedings could result in the Group being subject to penalties or damages, the payment of which, or the reputational damage resulting thereof, could have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, awards under public tender processes may be subject to challenge or rescission based on actual or alleged procedural deficiencies in the tender process, even after the Group has made significant expenditures associated with winning such tenders. Moreover, public sector and utilities contracts awarded in breach of EU public procurement rules may be cancelled, according to law. There is a risk that the Group will face challenges of tender awards won by the Group. If the Group would fail to successfully secure a contract in any re-tendering process, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Exposure to legislative changes, tax changes and tax disputes

Changes in the legislation governing any aspect of the Group's business and legislation governing acquisitions, taxes or the environment, or changes in case law applicable to the Group's business, could result in unexpected costs or losses and could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business may also be affected by changes in the accounting rules applicable from time to time, including for example IFRS and other international accounting standards. This might entail uncertainty regarding the Group's accounting, financial reporting and internal control and might affect the Group's accounted profit, balance sheet and equity, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in tax legislation as well as other governmental levies, may affect the conditions for the Group's business and may adversely and unexpectedly affect the Group's financial results. Legislative work is continuously ongoing with regard to laws and regulations and established practice concerning the taxation of companies. On 14 June 2018, the Swedish Parliament adopted the Swedish Government's proposals for a new tax legislation with regard to, *inter alia*, interest deduction limitations. The proposals for the new tax legislation follow from the Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market. In brief, the new legislation implies the following:

- A general interest deduction limitation rule in the corporate sector will apply meaning that net interest expenses, i.e. the difference between the taxpayer's interest income and deductible interest expenses, is to be deductible only up to 30 per cent. of the taxpayer's EBITDA for tax purposes.
- As an alternative rule, interest deductions of up to a limit of SEK 5 million will always be deductible for tax purposes.
- The corporate income tax rate will be reduced from 22 per cent. to 21.4 per cent. for the financial years commencing after 31 December 2018 and to 20.6 per cent. for the financial years commencing after 31 December 2020.

- It will be possible to offset a taxpayer's net interest expenses against net interest income of an affiliated group company with which the company may exchange group contributions for tax purposes.
- In relation to interest deduction limitation rules for interest costs on loans between affiliated companies, interest costs on loans to affiliated companies will only be deductible if the affiliated company is either a resident in the EEA, in a country with which Sweden has a concluded double tax treaty or is subject to a tax rate of at least 10 per cent. on the interest income. No deduction is allowed if the primary reason for the debt is for the group to receive a substantial tax benefit.

The new rules entered into force on 1 January 2019 and are to be applied in relation to the financial year starting on or after 1 January 2019. The proposals have been adopted but the manner in which the new legislation will be interpreted and applied is still uncertain. Similar tax regulation amendments, subject to certain differences, are also being implemented in Denmark, Finland and Norway.

Any aforementioned tax regulation amendments could limit the Group's ability to make interest deductions for financial costs. Depending on the Group's capital structure at the time for application of the new regime could have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in current or future tax regulations may imply limitations to the possibilities of making interest deductions or utilising the Group's tax loss carry-forward. Changes in the ownership of the Group's subsidiaries may also result in restrictions, wholly or in part, on the right to use tax losses carried forward. Changing conditions for depreciations for tax purposes or possibilities to be able to utilise tax losses carried forward could bring about a future change in the Group's tax position. An increased tax burden or other possible changes in regulations concerning ownership, operation and lease of real estate property could have a material adverse effect on the Group's business, financial position and results.

From time to time, the Group's tax payments may be subject to review or investigation by tax authorities of the jurisdictions in which the Group operates. If any tax authority successfully challenges the Group's operational structure, intercompany pricing policies, the taxable presence of its subsidiaries in certain jurisdictions, or if the Group loses a material tax dispute in any country, or any tax challenge of the Group's tax payments is successful, the effective tax rate on its earnings could increase substantially and the Group's earnings and cash flows be materially adversely affected. In addition, the Group is subject to possible retroactive adjustments to its previously assessed taxation. A challenge to the Group's tax position by the relevant authorities could lead that the Group incurs additional taxes, reassessments and, potentially, fines. Should any of these risks materialise, it could have a material adverse effect on the Group's business, financial condition and results of operations.

Financial risks

Credit and counterparty risk

The term credit and counterparty risk means the risk of loss if the other party to a contract should not meet its obligations. The Group's financial transactions give rise to credit risks in relation to financial counterparties. The Group's finance policy states that credit risk shall be limited by only accepting counterparties with high credit ratings and through established limits. Insofar the Group's counterparties do not comprise of clients with high credit ratings, such as municipal and county council-owned PTAs, there is a risk that the Group's counterparties fail to meet its payment obligations vis-à-vis the Group, which, in turn, could have a material adverse effect on the Group's business, financial condition and results of operations.

Liquidity risk

Liquidity risk is defined as the risk that cash and cash equivalents are not available or that financing cannot be obtained when required. The Group has a working capital facility expiring on 31 December each year. The credit facility is of a 364 days nature, when it is generally extended by the bank after credit approval. Furthermore, the Group conducts its liquidity management via intra-Group receivables, liabilities and the Group's cash pool. If cash and cash equivalents cannot be raised by financing through extension of the working capital facility, by utilising the cash pool, cannot be raised at all, or cannot be raised on reasonable terms or only at a materially increased cost, this could have a material adverse effect on Group's business, financial condition and results of operations

Refinancing risks

The Group sources its material assets, buses, through external financing arrangements. Since the financing contracts are entered into for a duration of ten years and the Group acquires the buses as the financing agreement expires, there are no refinancing risks in relation to buses. The group has historically, and may in the future, in addition to the Bonds, seek financing or refinancing of outstanding debt at such time. The Group's ability to obtain necessary financing on reasonable terms depends on a number of factors, including the prevailing conditions of the capital and credit markets, interest rates, the Group's creditworthiness and credit rating, and its capacity to assume more debt at such time. As a result, there is a risk that the Group may be unable to secure financing on reasonable terms, or at all, at any particular time, and the Group's inability to do so could have a material adverse effect on its business, financial condition and results of operations.

Interest expense risk

Interest rate risk refers to the risk that fluctuations in market interest rates will negatively affect the Group's net interest income. The rate at which interest rate fluctuations affect net interest income depends on the fixed interest period of the

financing agreements, which is generally 90 days. The Group is primarily exposed to interest rate risk through the Group's arrangements for bus financing, since these financing agreements are based on a variable market rate of interest plus a fixed interest rate margin. Interest rate risk is partially compensated by the inflation component of revenue indexation in the traffic contracts, and also via a specific interest rate component in the index basket of some traffic contracts. An increased level of interest rates and increased interest costs could have a material adverse effect on Group's business, financial condition and results of operations. Furthermore, should the Group fail to properly estimate current or future fluctuations, fail to effectively mitigate any risks associated with interest rate fluctuation such as the wrongful implementation of the Group's hedging policy, it could render additional costs and losses, which, in turn could have a material adverse effect on Group's business, financial condition and results of operations.

Currency and exchange rate risks

Currency exposure arises in connection with payment flows in foreign currency (transaction exposure) and with the translation of foreign subsidiaries' income statements and balance sheets to SEK (translation exposure). Several of the Group's operating subsidiaries, prepare their financial statements in currencies other than SEK (the Group's reporting currency). The subsidiaries receive all revenues and pay all major expenses in local currency, including payments under lease agreements, which are entered centrally, on behalf of the subsidiaries, but in local currency. The Group translates the income statements of its operating subsidiaries into SEK in accordance with the average exchange rate during the relevant financial period. Consequently, the Group's results of operations and financial condition are affected by fluctuations in the exchange rate between the several currencies. The Group's finance policy states that currency exposure may be hedged. Furthermore, the Group is exposed to exchange rate fluctuations through its purchases of diesel, which is traded in the international commodities markets in USD. This currency risk can be hedged by entering into diesel derivatives in local currency.

The Group's currency exposure on translation of foreign subsidiaries is normally not hedged, but the Group may wish to hedge such risks in the future. Should the Group fail to estimate the effects of, or fail to, as applicable, implement any hedging initiatives, the Group may incur additional costs or other losses, which, in turn, could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks related to the Bonds

Credit risk

An investment in the Bonds carries a credit risk relating to the Company and the Group. The investor's ability to receive payment under the Terms and Conditions of the Bonds is therefore dependent upon the Company'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 Company's and the Group's financial position is affected by several factors, a number of which have been discussed above.

An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would affect the Bonds' value negatively. Furthermore, a weakened financial condition could reduce the Company's creditworthiness and thereby limit its scope for financing its debt when the Bonds mature.

Refinancing risk

The Company may desire to refinance certain or all of its outstanding debt under the Bonds. The Company's ability to successfully refinance its debt obligations is dependent on the conditions of the capital market and the Group's financial condition at such time. Furthermore, the Group's access to financing sources may not be available on acceptable terms, or at all. The Group's inability to refinance its debt obligations on acceptable terms, or at all, could have a material adverse effect on the Company's and the Group's business, financial position and results of operations and on the bondholders' recovery under the Bonds. An investor would thus face the risk of not receiving full payment at the relevant maturity of the Bonds, with the claim on the Company remaining. Furthermore, a weakened creditworthiness defined as a Rating Downgrade in the Terms and Conditions for the Bonds, meaning a rating below Investment Grade rating (as defined in the Terms and Conditions for the Bonds), results in that the Company must meet certain conditions in order to fulfil the Incurrence test (as defined in the Terms and Conditions of the Bonds) which is necessary in order to incur certain debt. Should a Rating Downgrade occur, the Group may not be able to seek such financing to refinance outstanding debt obligations.

Interest risk

The value of the Bonds depends on several factors, one of which the most important is the level of market interest rates. Investments in the Bonds involve a risk that the market value of the Bonds may be adversely affected by changes in market interest rates.

Risks related to the security package

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer. This means that in the event of bankruptcy, re-organisation or winding-up of the Issuer, the bondholders normally receive payment after any priority creditors have been fully paid, to the extent that the bondholders' claim is not secured by the transaction security for the Bonds (the "**Transaction Security**").

The Transaction Security consists of (i) a pledge agreement in respect of all shares in BusCo and (ii) a pledge agreement in respect of the intra-group loans made from the Issuer to BusCo with the net proceeds of the Bonds and (if an Intercreditor

Agreement (as defined below) is entered into) the net proceeds of certain other market loans and may be shared with certain other creditors of the Issuer (as further described under “Risks relating to a shared security package” below).

Further, there is a risk that the proceeds from any enforcement of the pledged assets would not be sufficient to satisfy all amounts then due on or in respect of the Bonds. Certain of the pledged assets may be illiquid and have no readily ascertainable market value. For example, the shares that are secured for the benefit of bondholders may provide for only limited repayment of the Bonds, in part because these shares may not be liquid and their value to other parties may be less than their value to the Group. It is not certain that the secured assets will be saleable, or, even if saleable, that there will not be delays in the realisation of the value thereof. As a result, the bondholders may not recover full or any value in the case of an enforcement sale of such pledged shares. Moreover, if the Issuer issues additional Bonds, the security position of the current bondholders may be impaired. If the proceeds from 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 remaining assets (if any), which may have a material adverse effect on the bondholder’s recovery under the Bonds.

Moreover, the Transaction Security will be subject to laws protecting debtors and creditors generally, including restrictions on fraudulent conveyance or voidable preference and hardening periods applicable under relevant bankruptcy laws. These restrictions may give an insolvency receiver or other creditors a right to challenge or void the Transaction Security, which may have a material adverse effect on the bondholder’s recovery under the Bonds.

Each investor should be aware that there is a risk that an investor in the Bonds may lose all or part of their investment if the Issuer, BusCo or any other material subsidiary of the Issuer is declared bankrupt or otherwise subject to insolvency proceedings.

Risks relating to a shared security package

The Transaction Security may be shared with other parties. If the Issuer issues a new market loan, the proceeds of which are applied towards financing BusCo, the Issuer may request that the Issuer, the Security Agent (as defined below), the Agent and the agent in respect of such new market loan (the “**New Bonds Agent**”) enter into an intercreditor agreement (the “**Intercreditor Agreement**”) providing for *pari passu* ranking and *pro rata* sharing of the Transaction Security between the Bonds and such new market loan.

The bondholders (and the other secured creditors) will be represented by a security agent in all matters relating to the Transaction Security (the “**Security Agent**”). The Security Agent will take enforcement proposals and instructions primarily from the Agent (representing the bondholders) and the New Bonds Agent. However, if the

Agent wishes to enforce the Transaction Security, the Agent may first have to consult with the other secured creditors for a certain time period after which the Agent may propose (but not immediately instruct) the Security Agent to take such action. This also means that other secured party may give enforcement instructions to the Security Agent and the Security Agent may be obliged to enforce the security without the prior consent of the bondholders.

Furthermore, the Security Agent may act in a manner that the bondholders believe is to their detriment; 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.

Moreover, although the Intercreditor Agreement contains provisions for the sharing of the Transaction Security between the secured parties, if a secured party receives enforcement proceeds or other payments in excess of what is stipulated by the Intercreditor Agreement, such secured party is obligated to share such proceeds or payments. However, it is not certain that such provision is enforceable or that a bankruptcy administrator of such secured party would respect the Intercreditor Agreement which potentially could adversely affect the other secured parties.

Security over assets granted to third parties

The Group may, subject to limitation in the Terms and Conditions, incur additional financial indebtedness and provide security for such indebtedness. In the event of bankruptcy, re-organisation or winding-up of the Issuer, the bondholders will be subordinated in right of payment out of the assets being subject to security. In addition, if any such third party financier holding security provided by the Group would enforce such security due to a default by any Group Company under the relevant finance documents, such enforcement could have a material adverse effect on the Group's business, financial position and results of operations and on the bondholders' recovery under the Bonds.

Risks related to green bonds

The Company intends to use the Net Proceeds of the Initial Bond Issue as well as the Net Proceeds of any Subsequent Bonds for the purposes described in the Company's green bond framework (the "**Green Bond Framework**") in force as at the relevant Issue Date. As such, Bonds are issued to comply with the Green Bond Framework as it appears on the Issue Date for the relevant Bonds and any changes made to the Green Bond Framework after the initial issuance of the Bonds will not influence the Bonds issued in the Initial Bond Issue. However, the Company's Green Bond Framework as well as the prevailing market practices and market standards for green bonds may develop or change after the issuance of the Bonds, which may entail changes in the Green Bond Framework applicable in relation to any Subsequent Bonds and may also entail changed conditions for the Company.

There is currently no clear definition of, whether legal or otherwise, or market consensus as to what constitutes, a “green” or an equivalently-labelled project or what is precisely required for that a particular project may be defined as “green” or equivalently labelled. Accordingly, there is a risk that any projects, asset or uses defined in the Green Bond Framework will not meet current or future investor expectations regarding such “green” or other equivalently-labelled performance objectives. There is also a risk that future developments in the definitions of “green” projects, towards which proceeds may be applied in accordance with the Green Bond Framework, render the eligible projects for the Bond Issue, as described in the Green Bond Framework, obsolete.

The proceeds from the Bond Issue are to be applied in accordance with the Green Bond Framework. There is a risk that such use of proceeds cannot satisfy present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor is required to comply, whether according to applicable law or regulations or by such investor’s own by-laws, other governing rules or investment portfolio mandates, (*inter alia* with regard to any direct or indirect environmental, sustainability or social impact of any projects, assets or uses that are described in the Green Bond Framework). Furthermore, the Bonds categorise as a different type of bond investment than such debt instruments that a presumptive bond investor may have invested in historically. There is a risk that the Bonds issued in accordance with the Green Bond Framework do not correspond to, or otherwise meet, the expectations of investors, the current request for such investments on the market for bonds in general or green bonds in particular or that investors may lack the mandate to invest in green bonds.

A failure by the Company to meet the Green Bond Framework does not constitute an Event of Default under the Terms and Conditions for the Bonds. Bondholders do not either have a put option or any other right to prepayment in case of the Company’s failure to comply with the Green Bond Framework. Hence, there is a risk that the expectations of investors, insofar such expectations are related to the compliance with the Green Bond Framework, are not met.

Risks related to third party certification

The Company has appointed CICERO Center for International Climate Research (“CICERO”) for an independent, research-based evaluation of the Company’s Green Bond Framework to determine its environmental robustness. The evaluation has resulted in a second opinion dated on 24 January 2019 (“the “**Second Opinion**”). CICERO is neither responsible for how the Green Bond Framework is implemented and followed up by investors, authorities (as applicable) or other stakeholders, nor is CICERO responsible for the outcome of investments in projects described as eligible projects in the Green Bond Framework. There is a risk that the suitability or reliability of any opinions issued by CICERO or any other third party, which may be made available in connection with the Bond Issue or the issue of Subsequent Bonds,

may be questioned by the Company, a potential investor, the bondholders or any third party. As any such opinion or certification only is current as of the date that opinion was initially issued, there is a risk that such opinion or certification may be deemed irrelevant at a later stage or by any investors in the Bonds. Furthermore, the providers of such opinions and certifications are currently not subject to any specific regulatory or other regime or oversight, and there is a risk that such providers will be deemed as not being reliable or objective in the future.

Risks related to listing on the Sustainable Bond List of Nasdaq Stockholm

The Company intends to seek for listing of the Bonds on the Sustainable Bond List of Nasdaq Stockholm. In order to be eligible for such listing, certain commercial criteria have to be met, including the filing of the Green Bond Framework and any external review, such as the Second Opinion. The Bonds are not de-listed if the Company fails to comply with such requirements, but there is a risk that the Bonds are removed from the Sustainable Bond List of Nasdaq Stockholm and are instead listed on the Corporate Bond List of Nasdaq Stockholm. Should such removal of the Bonds from the Sustainable Bond List of Nasdaq Stockholm occur, there is a risk that the expectations of investors, insofar such expectations are related to the listing on the Sustainable Bond List of Nasdaq Stockholm, are not met, which in turn could impair the secondary trading in the Bonds.

European Benchmarks Regulation

The process of the calculation of STIBOR and other interest rate benchmarks are subject to certain regulatory initiatives, whereof some have been implemented and others are to be implemented. The most important initiative is the Benchmarks Regulation (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 “**Benchmarks Regulation**”). The Benchmarks Regulation regulates the provision of benchmarks, contribution of input data for the purpose of determining a benchmark and the operation of benchmarks within the EU.

Since the Benchmarks Regulation has only been applicable for a limited period of time and certain provisions are still subject to transitional periods, the effects of the regulation cannot be fully assessed. There is a risk that the Benchmarks Regulation may affect how interest rate benchmarks are calculated and developed. This, in turn, may give rise to increased volatility for some interest rate benchmarks. In addition, the increased administrative requirements and associated regulatory risks may decrease the incentives to participate in the determination of interest rate benchmarks or may result in that the publishing of certain benchmarks will cease. Should this occur in relation to the interest rate benchmark applied to the Bonds, it could adversely affect the bondholders’ ability to assess their investments in the Bonds.

Liquidity risk

The Company has undertaken to apply for listing of the Bonds on Sustainable Bond List on Nasdaq Stockholm. There is a risk that the Bonds will not be admitted and remain admitted to trading, and even if the Bonds are admitted to trading on a regulated market, active trading in the Bonds does not always occur. This may result in that a bondholder is unable to sell its Bonds at the desired time or at prices yielding a return comparable with similar investments for which there is an existing and effective second market. A lack of liquidity in the market may therefore adversely affect the market value of the Bonds.

It should also be noted that during certain periods it may be difficult or impossible to sell the Bonds due to e.g. severe price fluctuations, closure of the marketplace in question or trading restrictions imposed for a certain period of time.

The market price of the Bonds may be volatile

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's and its competitors' operating income, adverse business development, changes to the regulatory environment in which the Group operates, changes in financial estimates by security analysts and actual or expected sale of a large number of Bonds, as well as other factors. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations which, if repeated in the future, could adversely affect the market price of the Bonds.

Currency risk

The Bonds will be denominated and payable in SEK. If investors in the Bonds measure their investment return by reference to a currency other than SEK, an investment in the Bonds will entail foreign exchange-related risks. For example, possible significant changes in the value of the SEK relative to the currency by reference to which investors measure the return on their investments 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 Company 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.

The Bonds may not be a suitable investment for all investors

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 material 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.

Dependence on subsidiaries and structural subordination and insolvency of subsidiaries

All material assets are held by fleet companies and operating revenues are generated in subsidiaries of the Company. The subsidiaries are legally separate from the Company and have no obligation to make payments to the Company of any surpluses generated from their business. The subsidiaries' ability to make payments is restricted by, among other things, the availability of funds, corporate restrictions and local law. Should the value of the business conducted in the subsidiaries decrease, and/or should the Company not receive sufficient income from its subsidiaries, the investors' ability to receive payment under the Terms and Conditions may be adversely affected.

In the event of insolvency, liquidation or a similar event relating to one of the Company's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such company before the Company, as a shareholder, would be entitled to any payments. The bondholders are therefore subordinated to any creditors of any subsidiary.

Risks related to early redemption, put option and call option

The Company has reserved the possibility to redeem all outstanding Bonds before the final redemption date. In such an event, the investors would not receive the same return from the Bonds from the same period of time, as opposed to if redemption would not have occurred prematurely. There is a risk that in such case, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to reinvest at a significantly lower interest.

Further, the Terms and Conditions include provisions that, in certain events, entitle any bondholders to demand mandatory early prepayment of their Bonds. It is

possible that the Company will not have sufficient funds at the time of the mandatory prepayment to make the required redemption of Bonds, which in such case will be impossible to undertake towards the investors.

No action against the Company and bondholders' representation

The Agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Company. However, there is a risk that a bondholder could bring its own actions against the Company (in breach of the Terms and Conditions). Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all bondholders. The actions of the Agent in such matters could impact a bondholder's rights under the Terms and Conditions in a manner that would be undesirable for some of the bondholders.

Clearing and settlement in Euroclear's book-entry system

The Bonds will be registered in the dematerialised uncertificated form with Euroclear Sweden AB ("**Euroclear**"). No global, definitive or other physical notes will be issued. Clearing and settlement relating to trade in the Bonds will be carried out within Euroclear's book-entry system, as well as payment of interest and redemption of principals. Investors are therefore dependent on the functionality of Euroclear's account-based system.

Bondholders' meeting

The Terms and Conditions include certain provisions concerning bondholders' meetings, which may be held in order to decide matters concerning the interests of the bondholders. These provisions allow specified majorities to bind all bondholders, including bondholders who have not attended and voted at the meeting in question, or who have not voted the same way as the required majority for a resolution passed at a duly convened and completed bondholders' meeting. Consequently, the actions of the majority in such matters could impact a bondholder's rights in a manner that would be undesirable for some of the bondholders.

Amended or new legislation

This material as well as the Terms and Conditions are based on Swedish law in effect at the day of these risk factors. Any future changes in legislation, changes of administrative practice or case law may have a negative effect on the market value of the Bonds.

Ability to comply with the Terms and Conditions

The Company will be required to comply with the Terms and Conditions. Events beyond the Company's control, including changes in the economic and business condition in which the Group operates, may affect the Company'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.

Restrictions on the transferability of the Bonds

The Bonds have not been and will not be registered under the Securities Act, or any U.S. state securities laws. Subject to certain exemptions, a bondholder may not offer or sell the Bonds in the United States. The Company has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to effect any exchange offer for the Bonds in the future. Furthermore, the Company has not registered the Bonds under any other country's securities laws. Each potential investor must observe and obey the transfer restrictions that apply to the Bonds. It is each bondholder's obligation to ensure, at its own cost and expense, that its offers and sales of Bonds comply with all applicable securities laws. Due to these restrictions, there is a risk that a bondholder cannot sell its Bonds as desired.

Conflicts of interest

The issuing agent has 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. The issuing agent may thus in the future have relations with the Group other than those arising from its role in the issue of the Bonds. The issuing agent may, for example, provide services related to financing other than through the issue of the Bonds, such as investment banking services for, or other commercial dealings with, the Group. Consequently, there is a risk that conflicts of interest may arise in the future which could adversely affect the Group's ability to renew or maintain existing financing or obtain further financing and in turn have a material negative effect on the Group's operations, earnings and financial position.

Responsible for the information in the Prospectus

The Issuer issued the Bonds on 13 February 2019. This Prospectus has been prepared in relation to the Issuer applying for admission to trading of the Bonds on Nasdaq Stockholm, in accordance with the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council and the rules and regulations in Chapter 2 of the Swedish Financial Instruments Trading Act, each as amended.

The Issuer is responsible for the information given in this Prospectus. The Issuer confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Issuer's knowledge, in accordance with the actual conditions and that no information has been omitted which may distort the picture of the Issuer. The information in the Prospectus and in the documents incorporated by reference which derive from third parties has, as far as the Issuer is aware and can judge on basis of other information made public by the respective third party, been correctly represented and no information has been omitted which may serve to render the information misleading or incorrect.

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 the facts and contains no omissions likely to affect its import.

Solna on 8 March 2019

Nobina 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, included in full in this Prospectus, before a decision is made to invest in the Bonds.

Concepts and terms defined in section “*Terms and Conditions for the Bonds*” are used with the same meaning in this section unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

General

Issuer	Nobina AB (publ), a public limited liability company incorporated under the laws of Sweden with reg.no. 556576-4569.
Resolutions, authorisations and approvals	The Company’s board of directors resolved to issue the Bonds on 19 December 2018.
The Bonds offered.....	Up to SEK 700,000,000 in an aggregate principal amount of senior secured floating rate green bonds due 2024. As at the date of this Prospectus, SEK 500,000,000 of the Bonds have been issued (the “ Initial Bonds ”). The Bonds are debt instruments (Sw. <i>skuldförbindelser</i>) of the type set forth in Chapter 1 Section 3 of the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i>), which confirms that each Holder has a claim against the Issuer and which are intended for public market trading.
Number of Bonds	Maximum 350. At the date of this Prospectus, 250 Bonds have been issued.
ISIN	SE0012194165.
First Issue Date.....	13 February 2019.
Subsequent Bond Issue	Subject to certain requirements being met, the Issuer may at one or more occasions after the First Issue Date issue additional Bonds under the Terms and Conditions until the total amount issued under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 700,000,000. Subsequent Bonds shall be issued subject

	to the same Terms and Conditions and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the initial Bonds shall apply also to additional Bonds.
Price.....	All bonds issued on the First Issue Date have been issued at an issue price of 100 per cent. of the Nominal Amount. Subsequent Bonds may be issued below par, at par or above par.
Interest and Interest Rate.....	Interest on the Bonds is paid at a rate equal to the sum of (i) 3 months STIBOR plus (ii) 1.55 per cent. <i>per annum</i> . 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).
Interest Payment Dates.....	Quarterly in arrears on 13 February, 13 May, 13 August and 13 November each year, with the first Interest Payment Date being 13 May 2019 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)). Interest will accrue from (but excluding) the First Issue Date, ending on (and including) the next succeeding Interest Payment Date, and, in respect of Subsequent Bonds, each period beginning on (but excluding) the Interest Payment Date falling immediately prior to their issuance and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
Final Redemption Date.....	13 February 2024.
Initial Nominal Amount	The Bonds have a nominal amount of SEK 2,000,000. The minimum permissible investment in connection with the Initial Bond Issue is SEK 2,000,000.
Status of the Bonds.....	The Bonds are denominated in SEK. The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all other direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them, except obligations which are

	preferred by mandatory provisions of law. The Bonds are secured by the Transaction Security
Use of Proceeds.....	The Net Proceeds of the Initial Bond Issue and any Subsequent Bond Issue shall be applied to fund or refinance the purchase of eligible green assets in BusCo, in accordance with the Issuer's Green Bond Framework.
Security	
Security	As continuing security for the due and punctual fulfilment of the Issuer's and the Group's obligations under the Finance Documents, the Issuer shall grant first ranking security pursuant to: <ul style="list-style-type: none"> (a) the pledge agreement entered into on or about the First Issue Date between the Issuer and the Agent in respect of all shares in BusCo; and (b) the pledge agreement entered into on or about the First Issue Date between the Issuer and the Agent in respect of intra-group loans from the Issuer to BusCo made with (i) the Net Proceeds of the Bonds and (ii) (if an Intercreditor Agreement is entered into) the net proceeds of any Eligible New Bonds. <p>See Clause 6 ("<i>Transaction Security</i>") of the Terms and Conditions.</p>
Intercreditor Agreement	If requested by the Issuer in connection with the issue by the Issuer of Eligible New Bonds, the Issuer, the Agent, the Security Agent and the relevant New Bonds Agent shall enter into an intercreditor agreement providing for (i) <i>pari passu</i> senior ranking of the Bonds and any Eligible New Bonds and (ii) the Transaction Security being shared between the Bonds and such Eligible New Bonds, subject to and in accordance with the principles set out in Appendix A (Intercreditor Principles) of the Terms and Conditions.
New Security and guarantees	A Group Company may grant additional Security or Guarantees for any Bonds or Eligible New Bonds. Any new Security created or Guarantees granted in respect of any Secured Obligation shall be extended to and shared between the Secured Creditors on a <i>pro rata</i>

basis and in accordance with the ranking and priority set forth in the Intercreditor Agreement, if entered into.

Redemption and re-purchase

Redemption at maturity.....	The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest. See further Clause 12.1 (<i>Redemption at maturity</i>) of the Terms and Conditions.
The Group's repurchase of Bonds	Each Group Company may at any time purchase Bonds. See further Clause 12.2 (<i>The Group's purchase of Bonds</i>) of the Terms and Conditions.
Early voluntary redemption (call option)	The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day from the date falling six (6) months before the Final Redemption Date up to (but excluding) the Final Redemption Date at the Nominal Amount, together with accrued but unpaid interest, provided that the aggregate outstanding Nominal Amount of the Bonds are refinanced in full by way of the Issuer issuing a new Market Loan in which the Holders shall have the possibility to participate (subject to the Issuer's decision on allocation). See further Clause 12.3 (<i>Early voluntary redemption by the Issuer (call option)</i>) of the Terms and Conditions.
Mandatory repurchase due to a Change of Control Event, De-listing Event or Listing Failure (put option).....	Upon a Change of Control Event, De-listing Event or Listing Failure occurring, each Holder shall have the right to request that all, or some only, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the relevant event. See further Clause 12.4 (<i>Mandatory repurchase due to a Change of Control Event, De-listing Event or Listing Failure (put option)</i>) of the Terms and Conditions.
Change of Control Event.....	A Change of Control Event means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and

where “**control**” means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

De-listing Event A De-listing Event means the occurrence of an event or series of events whereby (i) the shares in the Issuer are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market; or (ii) trading in the shares in the Issuer on Nasdaq Stockholm (or any other Regulated Market) is suspended for a period of fifteen (15) consecutive Business Days.

Listing Failure Event..... A Listing Failure Event means the situation where the Initial Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within 60 calendar days after the First Issue Date.

Holders’ rights

Decisions by Holders Any request made from the Issuer or a Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount for a decision by the Holders on a matter relating to the Terms and Conditions shall be directed to the Agent and dealt with at a Holders’ Meeting or by way of a Written Procedure, as determined by the Agent.

Holders’ Meeting The Agent shall convene a Holders’ Meeting by sending a notice thereof to each Holder no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s).

Written Procedure The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) by sending a communication to each such Person who is registered as a Holder on the Business Day prior to the date on which the communication is sent.

Covenants

Certain covenants The Terms and Conditions contain a number of covenants (special undertakings) which, for so long as any Bond remains outstanding, impose restrictions upon

the Issuer and other Group Companies, including, among others:

- restrictions on making distributions;
- an undertaking to ensure that the Bonds are listed within 12 months after the First Issue Date, that any Subsequent Bonds are listed on the relevant Regulated Market within sixty (60) days after the issuance of such Subsequent Bonds (unless issued before the date falling twelve (12) months after the First Issue Date, in which case such Subsequent Bonds shall be listed within twelve (12) months after the First Issue Date), and that any Initial Bonds and Subsequent Bonds remain listed for as long as any Bond is outstanding;
- restrictions on making any substantial changes to the general nature of the business carried on by the Group;
- a negative pledge, restricting BusCo of granting security on Financial Indebtedness;
- restrictions on the incurrence of Financial Indebtedness (as defined in the Terms and Conditions) by BusCo;
- restrictions to issue Market Loans, subject to certain exceptions;
- restrictions on the disposal of assets;
- restrictions on dealings with certain related parties of the Group, such as direct and indirect shareholder; and
- undertakings to compliance with laws, compliance with certain information undertakings, adherence to Agent agreement and upholding of the Bonds' affiliation with a CSD.

Each of these undertakings is subject to exceptions and qualifications. See further Clause 14 (*Special Undertakings*) of the Terms and Conditions.

Miscellaneous

Transfer restrictions

The Bonds are freely transferable. All Bond transfers are subject to the Terms and Conditions and the Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.

Holders may be subject to purchase or transfer restrictions under local laws to which a bondholder may be subject. Each Holder must, at its own cost and expense, inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

Listing	Application for listing of the Bonds on the sustainable bond list of Nasdaq Stockholm will be filed in connection with the SFSA's approval of this Prospectus. Subsequent Bonds may be admitted to trading as a result of a Subsequent Bond Issue. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 12 March 2019.
Agent.....	Nordic Trustee & Agency AB (publ), reg.no. 556882-1879, P.O. Box 7329, 103 90, Stockholm, Sweden.
Security Agent.....	Nordic Trustee & Agency AB (publ), reg.no. 556882-1879, P.O. Box 7329, 103 90, Stockholm, Sweden.
CSD.....	The Bonds are connected to the account-based system of Euroclear Sweden AB, registration number 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Holders on a securities account (Sw. <i>VP-konto</i>). No physical notes have been or will be issued. Payment of principal, interest and, if applicable, withholding of preliminary tax will be made through Euroclear's book-entry system.
Governing law of the Bonds.....	Swedish law.
Time-bar.....	The right to receive repayment of the principal of the Bonds shall be time-barred and become void 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 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.

The Group and its operations

Introduction

The Group is the Nordic region's largest privately owned public transport company. The Group's expertise lies in prospecting, tendering and active management of public bus transport contracts. The Group delivers public transport services in Sweden, Denmark, Norway and Finland. The Group employs around 11,000 people and is headquartered in Solna, Sweden.

The Issuer

Nobina AB (publ) (*i.e.* the Issuer) is a limited liability company incorporated in Sweden with reg. no 556576-4569, having its registered address and head office at Armégatan 38, SE-171 71 Solna, Sweden and is the ultimate parent of the Group. The Issuer and the Group operate under the firm "Nobina". The Issuer was formed on 9 September 1999 and registered with the Swedish Companies Registrations Office on 17 September 1999 and conducts its business in accordance with the laws of Sweden.

Share capital, shares, ownership, legal structure and governance

Share capital and shares

The Company's shares are listed on Nasdaq Stockholm, Mid Cap, with the ticker Nobina. As of the date of this Prospectus, the Company's share capital amounted to SEK 318,080,456.71 divided among 88,355,682 shares, all of which are ordinary shares. The holders of ordinary shares are entitled to one (1) vote per share. The shares are denominated in SEK.

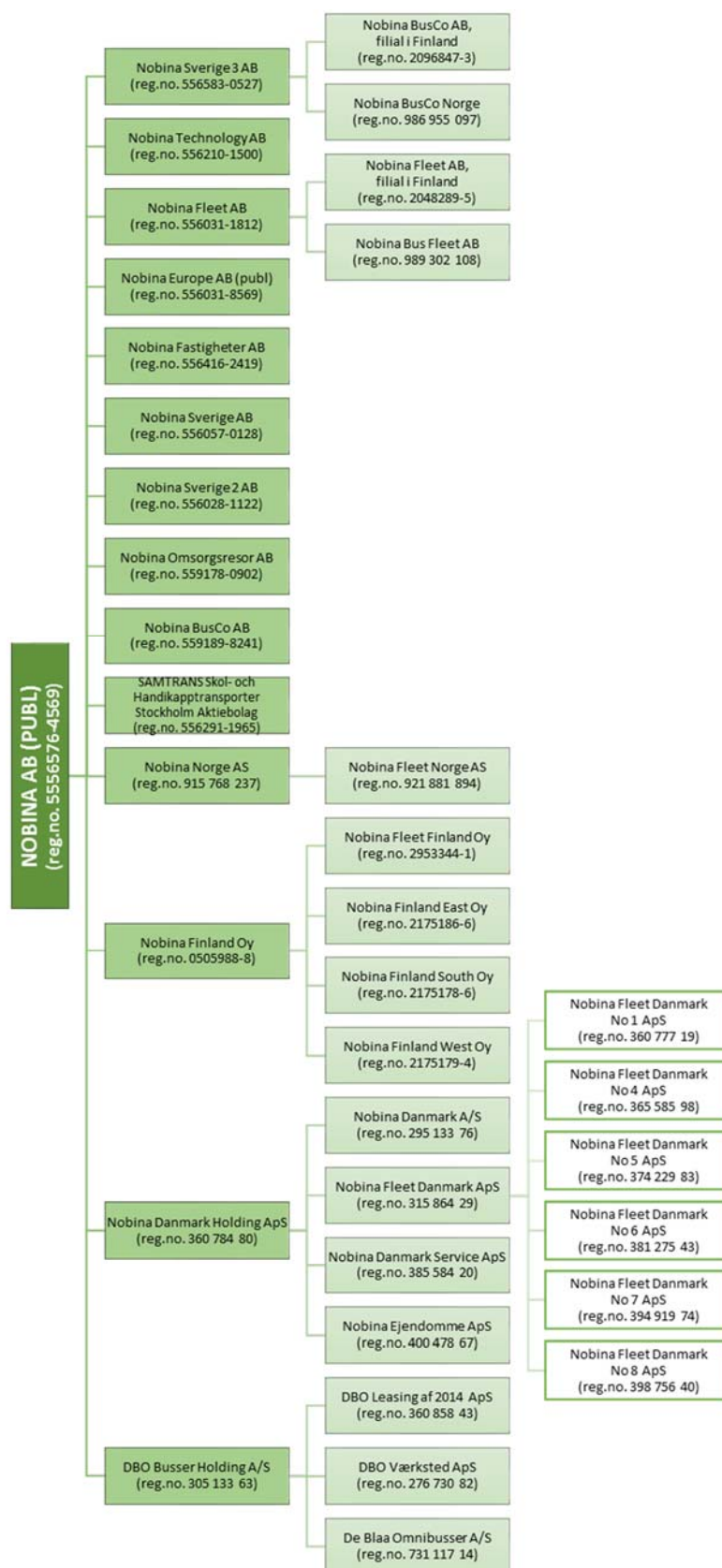
Ownership

As of 30 November 2018, the Company had 18,042 shareholders and the Company had 1,246,654 treasury shares. The ten largest shareholders as of 30 November 2018 held, in aggregate 30,139,276 shares, corresponding to 31.4 per cent. of the shares and the votes in the Company. The largest shareholder was JP Morgan Asset Management, holding 10.0 per cent. of the shares and the votes in the Company.

Legal structure

The Issuer is the ultimate parent company of the Group, consisting of several wholly-owned operating companies set out in the group structure chart below:

Legal structure chart



A large share of the business operations carried out by the Group are carried out by the subsidiaries. Since the majority of the revenue of the Group therefore is derived from the Issuer's operational subsidiaries, the Issuer is dependent upon its subsidiaries.

The Company is currently carrying out a reorganisation of certain of its operational subsidiaries, whereby the branches in Finland and Norway are to be liquidated. The branches are to be replaced by the recently established legal entities Nobina Fleet Finland OY and Nobina Fleet Norge AS.

Governance

The shareholders' influence is exercised through active participation in the decisions made at general meetings of the Group. To ensure that the control over the Issuer is not abused, the Issuer complies with the Swedish Companies Act. In addition, the Issuer acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the board of directors of the Issuer.

Business and operations

History and development of the Group

The basis for the Group as of today was set already in 1911, through the incorporation of the company SJ Buss. In 1990, the company Swebus was founded by way of a merger including the companies SJ Buss, GDG and Postens Diligenstrafik. In 1994, the first expansion outside of Sweden into Finland took place. In 2008, the Group expanded into Denmark. In 2009, the Group adopted the firm "Nobina", and the Nobina Group was listed on Nasdaq Stockholm in 2015/2016. In 2018, the Group's green bond framework was top rated by the Center for International Climate Research, CICERO, and received a "Dark Green" shading.

Business overview

The Group's business is to provide public bus transport services to regional public bus transportation authorities ("PTAs") in Sweden, Norway, Finland and Denmark. PTAs are publicly funded entities through which municipalities and counties provide local public transportation services. Most of the Group's income consists of remuneration for scheduled bus traffic and is attributable to contracts with PTAs. The Group also provides bus for train traffic, event traffic and coach hire.

Operations and market segments

As at the date of this Prospectus, the Group operates through approximately 110 PTA contracts spread over 32 traffic areas in the Nordic region. In Sweden, the Group is the largest privately owned public bus service operator and has a presence in more than a hundred towns and cities across the country. The largest clients are in the three major metropolitan areas: Stockholm, Gothenburg and Malmö. In Helsinki, the Group is the largest bus company, and is hence one of Finland's largest bus

operators. In Denmark and Norway, the Group holds a challenger position, with smaller market shares and presence mainly in larger cities.

Business model and contracts

The Group conducts its business under contracts allocated through public tendering processes. The Group's business model is based on a structured tender process in combination with active contract management and the contract portfolio is managed by maintaining a balance between each contract's identified risk level and its estimated return. The Company's contracts with PTAs are long-term contracts, with terms typically between five to ten years, usually with extension options.

Most of the Company's PTA contracts provide for fixed compensation, typically based on a predetermined number of kilometres, hours driven and/or the buses in service, subject to price indexation and contractually-permitted or agreed variations. The Group's contracts can also be designed so that compensation is based on the number of passengers, so called incentive contracts. In certain cases, the traffic contracts also include variable increments for estimated and received quality and performance compensation for completed traffic production.

Bus fleet

The Group's bus fleet comprises of approximately 3,600 buses and the asset value of the bus fleet amounts to about SEK 5.1 billion which represents about 65 per cent. of the total assets of the Group. The average age of the fleet varies over time and is related to the development of the traffic contracts. The technical lifetime of a bus varies up to 15–20 years from a European perspective.

Sustainability and new technology

Being an integrated and natural part of the Group's business model, the Group's sustainability agenda is based on UN's Global Compact Sustainable Development Goals as well as legislation, certifications and internal values and guidelines. The Group's biggest contribution lies in the nature of its core business; by providing attractive transportation solutions, the Group increases the use of public transportation over the use of private cars, which reduces greenhouse gas emissions. Besides clean transportation, the sustainability agenda also includes social sustainability and efforts to ensure sustainable and livable cities.

Furthermore, the Group's continuously works with resource efficiency, for example by limiting fuel use by the launch and implementation of the eco-driving concept "the Green Journey" which is a method of driving that increases comfort and reduces fuel consumption. The Group is also active in testing and opting for new fuel types, which has led to a rapid reduction in fossil fuel use in favour of HVO, RME, biogas, electricity, etc. To reach the political goal of having 90 per cent. of the buses in traffic in Sweden run on renewable energy by 2020, traffic companies must adapt bus fleets and increase the share of buses that run on renewable fuel. On a Group level, some

72 per cent. of the Group's 3,600 buses run on renewable fuel. In Sweden the percentage of buses operated on renewable fuel exceeds 95 per cent. including an increasing number of electric buses.

Furthermore, the Group is involved in projects for the development of autonomous buses and has, in Sweden, initiated scheduled services with autonomous buses in Barkarbystaden.

Significant adverse changes and recent events

Except for the foregoing and the issuance of the Bonds, there have been no recent events particular to the Company, which are to a material extent relevant to the evaluation of the Company's solvency.

The last audited financial report was the annual report 2017/2018 for the Issuer and the Group. There has been no material adverse change in the prospects of the Issuer or the Guarantors since the date of publication of its last audited financial reports and, no significant change in the financial or market position of the Group since the end of the last financial period for which audited or interim financial information has been published.

Shareholders' agreements

As far as the Issuer and the Guarantors are aware, there are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

Litigation

The Company has an ongoing dispute against Länstrafiken Örebro for faulty gas quality. The dispute is not expected by the Company to have a material adverse effect on the Company or the Group.

During the financial year 2017, litigation was initiated by Nobina Finland Oy AB against HSL, the PTA in Helsinki, regarding the application of limits to the allocation of won contracts and also during the year litigation regarding a less favourable depot location. The Group has appealed HSL's award decision and the use of limitation criteria when allocating a contract.

Apart from the foregoing, during the previous twelve months the Company has neither been involved in, nor is it aware of, any governmental, legal or arbitration proceedings that have had or may have, significant effects on the Company's or the Group's financial position or profitability. The Company is not aware of any such proceedings that are pending or threatened and that could lead to the Company or any member of the Group becoming a part to such proceedings.

Material agreements

Other than the Terms and Conditions of the Bonds and apart from what is stated below, the Issuer is not party to any material agreement outside the ordinary course

of business which could result in that counterparties of such agreements having a right or an obligation that could materially affect the Issuer's ability to fulfil its obligations under the Bonds.

The following is a description of the material agreements to which the Issuer is a party and considered as outside the ordinary course of business. The following summary does not purport to describe all of the applicable terms and conditions of such arrangements.

Intercreditor Agreement

In connection with the issuance of the Bonds, certain transaction security were granted in favour of the secured parties. The transaction security documents, consisting of a pledge over the shares in the Issuer's subsidiary, BusCo, and a pledge in respect of an intra-group loan from the Issuer to its subsidiary, BusCo, made with net proceeds of the Bonds, has been entered into in accordance with the Transaction Security Documents (as defined in the Terms and Conditions for the Bonds).

As stipulated in the Terms and Conditions of the Bonds, if requested by the Issuer in connection with the issue by the Issuer of Eligible New Bonds (as defined in the Terms and Conditions of the Bonds), certain parties, *inter alios*, the Issuer, the Agent, the Security Agent and any New Bonds Agent, shall enter into an intercreditor agreement (the "**Intercreditor Agreement**") subject to certain intercreditor principles ("**Intercreditor Principles**"), set out in the Terms and Conditions for the Bonds. The Intercreditor Principles provides for (i) *pari passu* senior ranking of the Bonds and any Eligible New Bonds and (ii) the Transaction Security (as defined in the Terms and Conditions for the Bonds) being shared between the Bonds and such Eligible New Bonds.

According to the Intercreditor Principles, the proceeds of any Enforcement Action (as defined in the Intercreditor Principles) shall be paid to the Security Agent for application in the following order of priority: *firstly*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by any Group Company to the Security Agent, *secondly*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by any Group Company to the Issuing Agent, the Agent and any New Bonds Agent, *thirdly*, towards payment *pro rata* of accrued interest unpaid under the Finance Documents, *fourthly*, towards payment *pro rata* of principal under the Finance Documents, *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents and *lastly*, after the Final Discharge Date, in payment of the surplus (if any) to the relevant Group Company or other person entitled to it (all capitalised terms as defined in the Intercreditor Principles).

The Intercreditor Principles, and hence any future Intercreditor Agreement, further contains customary provisions regarding, *inter alia*, the role of the security agent,

additional debt and security, enforcement, payment block, application of recoveries and sharing among the finance parties.

Board of directors, senior management and auditors

Information on the members of the board of directors and the senior management for the Issuer, including significant assignments outside the Group which are relevant for the Group, is set forth below and, unless otherwise explicitly stated, represents the situation as per the date of this Prospectus.

The board of directors of the Company currently consists of 5 members. The address of the members of the Issuer's board of directors is c/o Nobina AB (publ), Armégatan 38, SE-171 71 Solna, Sweden.

Board of directors

Jan Sjöqvist

Born in 1948 and member and chairman of the board of directors of the Issuer since 2005. Current assignments outside the Group include: Chairman of the Board of Aditro Logistics AB. As of 28 February 2018, Jan Sjöqvist holds 193,737 shares in the Issuer.

John Allkins

Born in 1949 and member of the board of directors of the Issuer since 2013. Current assignments outside the Group include: Board member and Chairman of the Audit Committee of Renold plc. As of 28 February 2018, John Allkins holds 54,963 shares in the Issuer.

Liselott Kilaas

Born in 1959 and member of the board of directors of the Issuer since 2017. Current assignments outside the Group include: Board member of DNV-GL, Orkla, Norska pensionsfonden Nordic and TioHundra and Memira. As of 28 February 2018, Liselott Kilaas held no shares in the Issuer.

Monica Lingegård

Born in 1962 and member of the board of directors of the Issuer since 2017. Current assignments outside the Group include: CEO of Samhall AB, Chairman of the Board of SSC and Board member of Orio, Almega and Humana. As of 28 February 2018, Monica Lingegård held no shares in the Issuer.

Graham Oldroyd

Born in 1961 and member of the board of directors of the Issuer since 2014. Current assignments outside the Group include: Chairman of the Board of Ideal Standard International NV. Board member of Henderson Alternative Strategies Trust Plc (publ.) and of PHS Group Investments Ltd and commissioner at the Church of Commissioners For England. As of 28 February 2018, Graham Oldroyd holds 34,375 shares in the Issuer.

Bertil Persson

Born in 1961 and member of the board of directors of the Issuer since 2018. Current assignments outside the Group include: Board member of Cristian Berner Tech Trade AB and Senior Advisor of Odin Fonder and Senior Advisor Hjalmarsson & Partners. As of the date of this prospectus, Bertil Persson held no shares in the Issuer.

Senior management*Magnus Rosén*

Born in 1962 and President and CEO of Nobina AB since 2017. As of 28 February 2018, Magnus Rosén holds 30,000 shares in the Issuer.

Jan Bosaeus

Born in 1960 and MD at Nobina Sverige AB since 2002, VP of Nobina AB since 2009, VP of Swebus Express AB since 2017. As of 28 February 2018, Jan Bosaeus holds 210,913 shares in the Issuer.

Henrik Dagnäs

Born 1970 and MD at Nobina Sverige since 2018. As of 28 February 2018, Henrik Dagnäs holds 11,758 shares in the Issuer.

Anna Jonasson

Born in 1970 and Operational support since 2016 and HR director since 2018. As of 28 February 2018, Anna Jonasson holds 5,900 shares in the Issuer.

Per Skärgård

Born in 1957 and CFO at Nobina AB since 2004, VP of Nobina AB since 2009. As of 28 February 2018, Per Skärgård holds 217,878 shares in the Issuer.

Martin Pagrotsky

Born in 1974 and General Counsel and Chief Compliance Officer since 2006. As of 28 February 2018, Martin Pagrotsky holds 66,844 shares in the Issuer.

Jan Volsdal

Born in 1974 and MD at Nobina Norge AS since 2017. As of 28 February 2018, Jan Volsdal holds 4,000 shares in the Issuer.

Niels Peter Nielsen

Born in 1965 and MD at Nobina Danmark A/S since 2011. As of 28 February 2018, Niels Peter Nielsen holds 79,005 shares in the Issuer.

Tomas Hansson

Born in 1986 and Director Business Development & Corporate Functions since 2018. As of 28 February 2018, Tomas Hansson holds 19,000 shares in the Issuer.

Auditors

The Group's financial statements for the financial years 2017/2018 and 2016/2017 which have been incorporated in this Prospectus by reference, have been audited by PricewaterhouseCoopers AB, having its visiting address at Torsgatan 21, 113 21, Stockholm, and with Michael Bengtsson as auditor in charge. Michael Bengtsson is an authorised auditor and a member of FAR

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

Conflicts of interests

Other than ownership of shares in the Company as set out above, none of the members of the board of directors or the senior management of the Issuer has a private interest that potentially may be in conflict with the interests of the Group.

Although there are currently no conflicts of interest, it cannot be excluded that conflicts of interest may come to arise between companies in which members of the board of directors or the senior management have duties, as described above, and the Group.

Financial interests

Several members of the board of directors and all members of the senior management have financial interests in the Group through their direct and/or indirect holdings of shares in the Issuer.

Overview of financial reporting and documents incorporated by reference

The Issuer's consolidated annual reports for the financial years 2017/2018 and 2016/2017 have been incorporated in this Prospectus by reference. The information incorporated by reference includes the consolidated financial statements for the Group as well as the financial statements for the Company and is to be read as part of this Prospectus.

The consolidated financial statements for the financial years 2017/2018 and 2016/2017 have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU and the application of RFR 1 "Supplementary Accounting Rules for Groups" associated interpretations issued by the Swedish Financial Reporting Board and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*). The accounting principles applied in the preparation of the Group's consolidated financial statements have been consistently applied to all the years presented, unless otherwise explicitly stated.

The Issuer's consolidated annual reports for the financial years 2017/2018 and 2016/2017 have been audited by the Group's auditor and the respective auditor's reports have been incorporated into this Prospectus by reference. Other than the auditing of the Group's annual reports as stated above, the Group's auditor has not audited or reviewed any other parts of this Prospectus.

In this Prospectus the following documents are incorporated by reference. The documents have been submitted to the Swedish Financial Supervisory Authority and the documents regarding the Issuer have been made public.

The Group's consolidated annual report for the financial year 2017/2018 is incorporated in this Prospectus by reference. For particular financial figures, please refer to the pages set out below.

<i>Reference</i>	<i>Pages</i>
The Group's consolidated income statement	67
The Group's consolidated balance sheet	68–69
The Group's statement on changes in equity	70
The Group's consolidated cash flow statement	71
The Company's consolidated income statement	72

The Company's consolidated balance sheet	73
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Information on and definition of performance measures	110–111

The Group's consolidated annual report for the financial year 2016/2017 is incorporated in this Prospectus by reference. For particular financial figures, please refer to the pages set out below.

<i>Reference</i>	<i>Pages</i>
The Group's consolidated income statement	67
The Group's consolidated balance sheet	68–69
The Group's statement on changes in equity	70
The Group's consolidated cash flow statement	71
The Company's consolidated income statement	72
The Company's consolidated balance sheet	73
The Company's statement on changes in equity	74
The Company's consolidated cash flow statement	75
Notes	76–104
Independent auditor's report	106–108
Information on and definition of performance measures	110–111

The Issuer's consolidated annual reports mentioned above are available in electronic form on the Issuer's web page www.nobina.com and can also be obtained from the Issuer in paper format in accordance with section "*Documents available for inspection*" below.

Investors should read all information which is incorporated in the Prospectus by reference. Information in the above documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in the Bonds or is covered elsewhere in the Prospectus.

Other information

Clearing and settlement

The Bonds are connected to the account-based system of Euroclear Sweden AB, registration number 556112-8074, P.O. Box 191, SE-101 23 Stockholm. This means that the Bonds are registered on behalf of the Holders 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

On 18 December 2018, the Company was assigned an investment grade credit rating of BBB- (stable outlook) from Fitch Ratings, which is an international credit rating institute. The credit rating is effective as of the date of the Prospectus.

Table of Fitch Ratings

Investment grade	AAA
	AA+
	AA
	A+
	A
	A-
	BBB+
	BBB
	BBB-
	Non-investment grade
BB	
BB-	
B+	
B	
B-	
CCC+	

Representation of the holders

Nordic Trustee & Agency AB (publ) (*i.e.* the Agent) acts as the Holders' agent in all matters relating to the Bonds and the Terms and Conditions, and Holders authorise the Agent (or any person replacing the Agent in accordance with the Terms and Conditions of the Bonds) to act on their behalf in any legal or arbitration proceedings relating to the Bonds held by such Holder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring

Bonds, each subsequent Holder confirms such appointment and authorisation for the Agent to act on its behalf.

An agreement was entered into between the Agent and the Issuer on or about the First Issue Date regarding, inter alia, the remuneration payable to the Agent. The rights, obligations and the representation of the Agent are set forth in the Terms and Conditions and the Agent Agreement. The Terms and Conditions are set out herein and are further available at the Issuer's web page, www.nobina.com, and the Agent Agreement is available at the office of the Agent during normal business hours.

Interest of natural and legal persons involved in the Bond Issue

The Joint Bookrunners and/or its affiliates have engaged in, and may in the future engage in, investment banking and/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 and/or its affiliates 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.

Listing costs

The total expenses of the admission to trading of the Initial Bonds are estimated to amount to SEK 120,000.

Documents available for inspection

Copies of the following documents are available at the Company's head office in paper format during the validity period of this Prospectus.

- The Company's articles of association.
- The Company's certificate of registration.
- The Company's consolidated annual report for the financial year 2017/2018.
- The Company's consolidated annual report for the financial year 2016/2017.

The documents listed above are also available at the Company's website, www.nobina.com.

Terms and Conditions for the Bonds

**TERMS AND CONDITIONS FOR
NOBINA AB (PUBL)
MAXIMUM SEK 700,000,000
SENIOR SECURED FLOATING RATE GREEN BONDS 2019/2024
ISIN: SE0012194165**

First Issue Date: 13 February 2019

The distribution of this document and the private placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are 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, 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.

TERMS AND CONDITIONS FOR
NOBINA AB (PUBL)
MAXIMUM SEK 700,000,000
SENIOR SECURED FLOATING RATE GREEN BONDS
2019/2024
ISIN: SE0012194165

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

“**Accounting Principles**” means the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

“**Adjusted Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate of a Group Company, irrespective of whether such Person is directly registered as owner of such Bonds.

“**Affiliate**” means, in relation to any Person, (i) any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person or (ii) any close relative to 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. For the purpose of this definition, “**close relative**” to such specified Person means father, mother, husband, wife, partner or children.

“**Agent**” means the Holders’ agent under these Terms and Conditions from time to time; initially Nordic Trustee & Agency AB (publ), reg.no. 556882-1879, P.O. Box 7329, 103 90, Stockholm, Sweden.

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

“**Bond**” means debt instruments (Sw. *skuldförbindelser*), each representing the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act, issued by the Issuer under these Terms and Conditions.

“**BusCo**” means Nobina BusCo AB, a limited liability company incorporated under the laws of Sweden with reg.no. 559189-8241.

“**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.

“**Calculation Principles**” means the principles set forth in Clause 13.2 (*Calculation Principles*).

“**Cash and Cash Equivalents**” means cash and cash equivalents of the Group in accordance with the most recent consolidated Financial Report.

“**Central Securities Depositories and Financial Instruments Accounts Act**” means the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument).

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where “**control**” means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“**Compliance Certificate**” means a certificate, in the form agreed with the Agent, signed by the CFO, CEO or another authorised signatory of the Issuer certifying (i) 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 and (ii) if provided in

connection with an application of the Incurrence Test, that the Incurrence Test is met and including calculations and figures in respect of the Equity Ratio and the Interest Cover Ratio.

“**Consolidated EBITDA**” means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities 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) *before taking into account* any Exceptional Items;
- (d) *not including* any accrued interest owing to any Group Company;
- (e) *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;
- (f) *before taking* into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (g) *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; and
- (h) *after adding back* any amount attributable to the amortisation, depreciation or depletion of assets of Group Companies.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB, reg.no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden.

“**De-listing Event**” means the occurrence of an event or series of events whereby:

- (a) the shares in the Issuer are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market; or

- (b) trading in the shares in the Issuer on Nasdaq Stockholm (or any other Regulated Market) is suspended for a period of fifteen (15) consecutive Business Days.

“**Eligible New Bond**” means any Market Loan issued by the Issuer, the net proceeds of which shall be applied in full to finance BusCo.

“**Equity**” means the sum of the aggregate amount which in accordance with the Accounting Principles would be shown in the latest consolidated Financial Report of the Group as the shareholders’ equity of the Group.

“**Equity Ratio**” means the ratio of Equity to Total Assets.

“**Event of Default**” means an event or circumstance specified in Clause 15.1.

“**Exceptional Items**” means any exceptional, one off, non-recurring or extraordinary items (including any Transaction Costs) which are not in line with the ordinary course of business of the Group.

“**Final Redemption Date**” means 13 February 2024.

“**Finance Charges**” means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness (excluding any Exceptional Items) whether paid, payable or capitalised by any Group Company according to the latest Financial Report(s) (calculated on a consolidated basis) without taking into account any Transaction Costs and/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 the Terms and Conditions, the Agent Agreement, the Transaction Security Documents, the Intercreditor Agreement (if entered into) and any other document designated to be a Finance Document by the Issuer and the Agent.

“**Financial Indebtedness**” means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability;
- (c) 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 are met);

- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark 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);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in paragraphs (a) to (f) above.

“Financial Report” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to paragraphs ((a) and (b) of Clause 14.10.1.

“First Issue Date” means 13 February 2019.

“Force Majeure Event” has the meaning set forth in Clause 27.

“Green Bond Framework” means the Issuer’s green bond framework, as it is worded on the Issue Date of the relevant Bonds.

“Group” means the Issuer and all of the Subsidiaries from time to time.

“Group Company” means each member of the Group.

“Holder” 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.

“Holders’ Meeting” means a meeting among the Holders held in accordance with Clause 18 (*Holders’ Meeting*).

“**Incurrence Test**” has the meaning set forth in Clause 13.1 (*Incurrence Test*).

“**Initial Bond**” means any Bond issued on the First Issue Date.

“**Initial Bond Issue**” has the meaning set forth in Clause 2.1.

“**Intercreditor Agreement**” means any intercreditor agreement entered into between, *inter alios*, the Issuer, the Agent, the Security Agent and any New Bonds Agent pursuant to Clause 6.2 (*Intercreditor Agreement*).

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 11.1 to 11.3.

“**Interest Cover Ratio**” means the ratio of Consolidated EBITDA to Net Finance Charges.

“**Interest Payment Date**” means 13 February, 13 May, 13 August and 13 November each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 13 May 2019 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)).

“**Interest Period**” means each period beginning on (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) and, in respect of Subsequent Bonds, each period beginning on (but excluding) the Interest Payment Date falling immediately prior to their issuance and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means STIBOR plus the Margin. For the avoidance of doubt, if STIBOR plus the Margin is less than zero, the Interest Rate shall be deemed to be zero.

“**Investment Grade Rating**” means a long-term rating equal to or better than BBB- from Fitch, BBB- from S&P or Baa3 from Moody’s or their equivalents from any other reputable rating agency.

“**Issue Date**” means the First Issue Date and any subsequent date when a Subsequent Bond Issue is made.

“**Issuer**” means Nobina AB (publ), a public limited liability company incorporated under the laws of Sweden with reg.no. 556576-4569.

“**Issuing Agent**” means Swedbank AB (publ) (reg.no. 502017-7753), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Listing Failure**” means the situation where the Initial Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within 60 calendar days after the First Issue Date.

“**Margin**” means 1.55 per cent. *per annum*.

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial papers, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on a Regulated Market or recognised unregulated market place.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the Issuer’s ability or willingness to perform and comply with its payment obligations under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

“**Material Group Company**” means each of:

- (a) the Issuer;
- (b) BusCo; and
- (c) any Subsidiary of the Issuer representing more than ten (10.00) per cent. of either (i) the Total Assets of the Group on a consolidated basis (for the avoidance of doubt, excluding any intra-group transactions) or (ii) the net profit of the Group according to the latest consolidated Financial Report.

“**Nasdaq Stockholm**” means the Regulated Market of Nasdaq Stockholm AB, reg.no. 556420-8394, SE-105 78 Stockholm, Sweden.

“**Net Finance Charges**” means, for the Reference Period, the Finance Charges according to the latest consolidated Financial Report, after deducting any interest payable for the relevant period to any Group

Company and any interest income relating to Cash and Cash Equivalents of the Group.

“Net Proceeds” means:

- (a) in relation to the Initial Bond Issue, the proceeds from the Bond Issue which, after deduction has been made for the Transaction Costs payable by the Issuer in relation to the placement and issuance of the Initial Bonds; and
- (b) in relation to any Subsequent Bond Issue, the proceeds from the Subsequent Bond Issue which, after deduction has been made for Transaction Costs payable by the Issuer in relation to the placement and issuance of such Subsequent Bonds.

“New Bonds Agent” means the bondholders’ agent under the terms and conditions of any Eligible New Bonds.

“Nominal Amount” has the meaning set forth in Clause 2.1.

“Permitted Debt” means any Financial Indebtedness:

- (a) which is not permitted to be outstanding pursuant to the Terms and Conditions, provided that it will be refinanced in full with the Net Proceeds of the Bond Issue in connection with the disbursement of the Net Proceeds to the Issuer;
- (b) incurred in the ordinary course of trade of BusCo;
- (c) related to any agreements under which BusCo leases commercial property (Sw. *kommersiella fastigheter*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of BusCo’s business;
- (d) under any loan made from the Issuer to BusCo with the Net Proceeds or the net proceeds of any Eligible New Bond;
- (e) under any unsecured loan made from the Issuer to BusCo with the net proceeds of any bridge-to-bond financing which is refinanced with the net proceeds of an Eligible New Bond within one (1) year of its incurrence;
- (f) taken up from a Group Company under any cash-pooling arrangements;
- (g) incurred under (i) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit

periods which are normal for the relevant type of project contracts, or (ii) any other trade credit incurred in the ordinary course of business of the Group; or

- (h) not permitted by paragraphs (a) to (g) above, in an amount not at any time exceeding SEK 5,000,000 (or its equivalent in any other currency or currencies) in aggregate for the Group.

“Permitted Security” means any security:

- (a) arising under or pursuant to the Finance Documents;
- (b) arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any member of the Group;
- (c) provided that the Intercreditor Agreement has been entered into by the relevant New Bonds Agent, arising under or in respect of any Eligible New Bond;
- (d) arising under any netting or set-off arrangement entered into by BusCo in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances (including under any cash pooling arrangements);
- (e) arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to BusCo in the ordinary course of trading and on the supplier’s standard or usual terms and not arising as a result of any default or omission by any member of the Group; or
- (f) securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of security given by any member of the Group other than any permitted under items (a) to (e) above) does not exceed SEK 5,000,000 (or its equivalent in any other currency or currencies).

“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.

“**Quotation Day**” means, in relation to (i) an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or in respect of the first Interest Period, two (2) Business Days before the First Issue Date), or (ii) any other period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

“**Rating Downgrade**” has the meaning ascribed to that term in Clause 13.1.2.

“**Record Date**” means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Holders is to be made under Clause 16 (*Distribution of proceeds*) or (iv) 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 12 (*Redemption and repurchase of the Bonds*).

“**Reference Date**” means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding.

“**Reference Period**” means each period of twelve (12) consecutive calendar months ending on a Reference Date.

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

“**Restricted Distribution**” has the meaning set forth in Clause 14.1 (*Distributions*).

“**Secured Creditors**” means the Agent and the Holders.

“**Secured Obligations**” means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Pledgor to the Secured Creditors under or in connection with the Finance Documents together with all costs, charges and expenses incurred by the Secured Creditors in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents or any other document evidencing or securing any such liabilities.

“**Securities Account**” means the account for dematerialised securities maintained by the CSD pursuant to the Central Securities Depositories and Financial Instruments Accounts Act in which (i) an owner of such

security is directly registered (Sw. *direktregistrerad ägare*) or (ii) an owner's holding of securities is registered in the name of a nominee (Sw. *förvaltare*).

“**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 the Agent in its capacity as security agent for the Holders under the Transaction Security Documents.

“**SEK**” means the lawful currency of Sweden.

“**STIBOR**” means:

- (a) the applicable percentage rate per annum displayed on Nasdaq Stockholm's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in SEK and for a period comparable to the relevant Interest Period; or
- (b) if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period and (ii) the applicable screen rate for the shortest period (for which that screen rate is available) which exceeds that Interest Period, as of or around 11 a.m. on the Quotation Date; or
- (c) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and/or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if 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 SEK offered in the Stockholm interbank market for the relevant period.

“**Subsequent Bond Issue**” has the meaning set forth in Clause 2.2.

“**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, (i) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body or (iv) exercises control as determined in accordance with the Accounting Principles.

“**Total Assets**” means, by reference to the latest consolidated Financial Report of the Group, the consolidated book value of all assets of the Group.

“**Transaction Costs**” means all fees, costs and expenses incurred by a Group Company in connection with the Initial Bond Issue or a Subsequent Bond Issue and the listing of the Bonds (including Subsequent Bonds) on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market.

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

“**Transaction Security Documents**” means each of:

- (a) the pledge agreement entered into on or about the First Issue Date between the Issuer and the Agent in respect of all shares in BusCo; and
- (b) the pledge agreement entered into on or about the First Issue Date between the Issuer and the Agent in respect of intra-group loans from the Issuer to BusCo made with (i) the Net Proceeds of the Bonds and (ii) (if an Intercreditor Agreement is entered into) the net proceeds of any Eligible New Bonds.

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 19 (*Written Procedure*).

1.2 **Construction**

- 1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) 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;
- (d) a provision of law is a reference to that provision as amended or re-enacted; and
- (e) a time of day is a reference to Stockholm time.

1.2.2 An Event of Default is continuing if it has not been remedied or waived.

1.2.3 When ascertaining whether a limit or threshold specified in SEK 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 SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

1.2.4 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.

1.2.5 No delay or omission of the Agent or of any Holder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

2. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS

2.1 The aggregate amount of the bond loan will be an amount of up to SEK 700,000,000 which will be represented by Bonds, each of a nominal amount of SEK 2,000,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 500,000,000 (the “**Initial Bond Issue**”). All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount. The ISIN for the Bonds is SE0012194165. The minimum permissible investment in connection with the Initial Bond Issue is SEK 2,000,000.

- 2.2 The Issuer may at one or more occasions after the First Issue Date issue additional Bonds (each such issue a “**Subsequent Bond Issue**”) amounting in total up to the difference of SEK 700,000,000 and the volume issued in the Initial Bond Issue provided that the Incurrence Test (calculated *pro forma* including such issue) is met. Subsequent Bonds shall benefit from and be subject to these Terms and Conditions and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date shall apply also to Subsequent Bonds, which also otherwise shall have the same rights as the Initial Bonds. The price of Subsequent Bonds may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed SEK 700,000,000.
- 2.3 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 2.4 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 2.5 By subscribing for Bonds, each initial Holder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Holder confirms these Terms and Conditions.

3. STATUS OF THE BONDS

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all other direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them, except obligations which are preferred by mandatory provisions of law. The Bonds are secured by the Transaction Security.

4. USE OF PROCEEDS

The Net Proceeds of the Initial Bond Issue and any Subsequent Bond Issue shall be applied to fund or refinance the purchase of eligible green assets in BusCo, in accordance with the Issuer’s Green Bond Framework.

5. CONDITIONS PRECEDENT FOR DISBURSEMENT

5.1 Conditions Precedent for the Initial Bonds

- 5.1.1 The Issuing Agent shall pay the Net Proceeds of the Initial Bond Issue to the Issuer on the later of (i) the First Issue Date and (ii) the date on which the Agent notifies the Issuing Agent that it is satisfied that it has received the following:

- (a) the articles of association and certificates of registration of the Issuer and BusCo;
- (b) a copy of a resolution from the board of directors of the Issuer, or a certified extract thereof, approving the Initial Bond Issue, the terms of the Finance Documents and resolving to enter into such documents and any other documents necessary in connection therewith (as applicable);
- (c) a copy of each Finance Document (excluding, for the avoidance of doubt, the Intercreditor Agreement) duly executed by the Issuer;
- (d) evidence that the Transaction Security has been granted by the Issuer and either has been or will be perfected in accordance with the terms of the Security Documents;
- (e) evidence that any Financial Indebtedness which is not permitted to be outstanding pursuant to these Terms and Conditions (if any) will be refinanced in full with the Net Proceeds of the Bond Issue in connection with the disbursement of the Net Proceeds to the Issuer; and
- (f) an agreed form Compliance Certificate.

5.1.2 When the Agent is satisfied that the conditions precedent for disbursements set out in Clause 5.1.1 have been received, the Agent shall send a confirmation to the Issuing Agent thereof.

5.2 **Conditions Precedent for Subsequent Bonds**

5.2.1 The Issuing Agent shall pay the Net Proceeds from any Subsequent Bond Issue to the Issuer on the later of (i) the Issue Date in respect of such Subsequent Bonds and (ii) the date on which the Agent notifies the Issuing Agent that it is satisfied that it has received the following:

- (a) a copy of a board resolution of the Issuer approving the Subsequent Bond Issue and resolving to enter into documents necessary in connection therewith;
- (b) if a Rating Downgrade has occurred and is continuing, a certificate from the Issuer confirming that the Incurrence Test (calculated *pro forma* including such Subsequent Bond Issue) is met; and
- (c) such other documents and information as may be agreed between the Agent and the Issuer.

5.2.2 When the Agent is satisfied that the conditions precedent for disbursements set out in Clause 5.2.1 have been received, the Agent shall promptly send a confirmation to the Issuing Agent thereof.

5.3 **Responsibility for documentation**

The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 5.1 (*Conditions Precedent for the Initial Bonds*) and Clause 5.2 (*Conditions Precedent for Subsequent Bonds*) 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 or evidence. The Agent does not have any obligation to review the documentation and evidence set out as conditions precedent from a legal or commercial perspective of the Holders.

6. TRANSACTION SECURITY

6.1 **Transaction Security**

6.1.1 As continuing security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants as first ranking security to the Secured Creditors (as represented by the Agent) the Transaction Security on the terms set out in the Transaction Security Documents.

6.1.2 The Security Agent shall hold the Transaction Security on behalf of the Secured Creditors in accordance with the Transaction Security Documents.

6.1.3 The Issuer shall ensure that the Transaction Security Documents and all documents relating thereto are duly executed in favour of the Agent and the Holders (as represented by the Agent) and that such documents are legally valid, perfected, enforceable and in full force and effect according to their terms. The Issuer shall execute and/or procure the execution of such further documentation as the Agent may reasonably require in order for the Holders and the Agent to at all times maintain the security position envisaged under the Finance Documents.

6.1.4 Except if otherwise decided by the Holders according to the procedures set out in Clauses 17 (Decisions by Holders), 18 (Holders' Meeting) and 19 (Written Procedure), the Agent is, without first having to obtain the Holders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security or for the purpose of settling the various Holders' relative rights to the Transaction Security. The Agent is entitled to take all measures available to it according to the Transaction Security Documents.

6.2 **Intercreditor Agreement**

6.2.1 If requested by the Issuer in connection with the issue by the Issuer of Eligible New Bonds, the Issuer, the Agent, the Security Agent and the relevant New Bonds Agent shall enter into an intercreditor agreement providing for (i) *pari passu* senior ranking of the Bonds and any Eligible New Bonds and (ii) the Transaction Security being shared between the Bonds and such Eligible New Bonds, subject to and in accordance with the principles set out in Appendix A (*Intercreditor Principles*) of these Terms and Conditions.

6.2.2 Notwithstanding anything in these Terms and Conditions or any other Finance Document to the contrary, if an Intercreditor Agreement is entered into pursuant to Clause 6.2.1, the terms of the Intercreditor Agreement will, from and including the due execution of the Intercreditor Agreement by each party thereto, prevail if there is a conflict between the terms between these Terms and Conditions or any other Finance Document and the terms of the Intercreditor Agreement, including, without limitation, in respect of the ranking and priority of the Holders vis-à-vis other creditors of the Issuer, the procedure and timing for enforcement of the Transaction Security, terms relating to the application of proceeds of enforcement of the Transaction Security, amendments and waivers of the Finance Documents and the release of Transaction Security.

6.3 **Enforcement of Transaction Security**

6.3.1 If the Bonds are declared due and payable according to Clause 15 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Holders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Transaction Security Document).

6.3.2 If a Holders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security, the Agent is obligated to take actions in accordance with the Holders' decision regarding the Transaction Security. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in the Finance Documents, the Agent shall not enforce the Transaction Security. If the Holders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security in accordance with the procedures set out in Clauses 17 (*Decisions by Holders*), 18 (*Holders' Meeting*) and 19 (*Written Procedure*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction

Security. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Holders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.

6.3.3 Funds that the Agent receives (*directly or indirectly*) on behalf of the Holders in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Holders. The Agent shall promptly arrange for payments to be made to the Holders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 16 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with this Clause 6.3.3, instruct the CSD to arrange for payment to the Holders.

6.3.4 For the purpose of exercising the rights of the Holders and the Agent under the Finance Documents and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Holders in accordance with Clause 6.3.3 above. To the extent permissible by law, the powers set out in this Clause 6.3.4 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney, which the Agent deems necessary for the purpose of carrying out its duties under Clause 6.3.3 above (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Agent's request, provide the Agent with a written power of attorney empowering the Agent to change the bank account registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 6.3.3 above to the Holders through the CSD.

6.4 **Release of Transaction Security**

The Security Agent may release Transaction Security in accordance with the terms of the Finance Documents.

7. THE BONDS AND TRANSFERABILITY

- 7.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 7.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 7.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 7.4 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 Holder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Holder must ensure compliance with such restrictions at its own cost and expense.
- 7.5 For the avoidance of doubt and notwithstanding the above, a Holder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Holder hereunder in each case until such allegations have been resolved.

8. BONDS IN BOOK-ENTRY FORM

- 8.1 The Bonds will be registered for the Holders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 8.2 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 Central Securities Depositories and Financial Instruments Accounts Act.
- 8.3 The Issuer and the Agent 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.

- 8.4 For the purpose of or in connection with any Holders' 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. If the Agent does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent.
- 8.5 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 Holders.
- 8.6 At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Agent.
- 8.7 The Issuer and the Agent may use the information referred to in Clause 8.3 only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions and shall not disclose such information to any Holder or third party unless necessary for such purposes.

9. RIGHT TO ACT ON BEHALF OF A HOLDER

- 9.1 If any Person other than a Holder wishes to exercise any rights under these Terms and Conditions, it must obtain a power of attorney or other proof of authorisation (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.
- 9.2 A Holder may issue one or several powers of attorney to third parties or other proof of authorisation to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under these Terms and Conditions in relation to the Bonds for which such representative is entitled to represent the Holder and may further delegate its right to represent the Holder by way of a further power of attorney.
- 9.3 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 Clauses 9.1 and 9.2 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.

10. PAYMENTS IN RESPECT OF THE BONDS

- 10.1 Any payment or repayment under these Terms and Conditions, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Holder on the Record Date prior to the relevant payment 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.
- 10.2 If a Holder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Holder at the address registered with the CSD on the Record Date. 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 to the Persons who are registered as Holders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 10.3 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 in accordance with Clause 11.4 during such postponement.
- 10.4 If payment or repayment is made in accordance with this Clause 10, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount.
- 10.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or any Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax.

11. INTEREST

- 11.1 The Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any Subsequent Bond will, however, carry Interest at the Interest Rate from, but excluding, the Interest Payment Date falling immediately prior to its issuance up to and including the relevant Redemption Date.

- 11.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Holders on each Interest Payment Date for the preceding Interest Period.
- 11.3 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).
- 11.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions 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 200.00 basis points higher than the applicable 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.

12. REDEMPTION AND REPURCHASE OF THE BONDS

12.1 Redemption at maturity

The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption Date (or, to the extent such day is not a Business Day and if permitted under the CSD's applicable regulations, on the Business Day following from an application of the Business Day Convention, and otherwise on the first following Business Day) with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

12.2 The Group's purchase of Bonds

Each Group Company may at any time purchase Bonds. Bonds held by a Group Company may at such Group Company's discretion be retained or sold, but not cancelled, except in connection with a full redemption of the Bonds.

12.3 Early voluntary redemption by the Issuer (call option)

- 12.3.1 The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day from the date falling six (6) months before the Final Redemption Date up to (but excluding) the Final Redemption Date at the Nominal Amount, together with accrued but unpaid interest, provided that the aggregate outstanding Nominal Amount of the Bonds are refinanced in full by way of the Issuer issuing a new Market Loan in which the Holders shall have the possibility to participate (subject to the Issuer's decision on allocation).

- 12.3.2 Redemption in accordance with Clause 12.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders and

the Agent. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

12.4 **Mandatory repurchase due to a Change of Control Event, De-listing Event or Listing Failure (put option)**

12.4.1 Upon a Change of Control Event, De-listing Event or Listing Failure occurring, each Holder shall have the right to request that all, or some only, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the relevant event pursuant to paragraph (f) of Clause 14.10.1. The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, De-listing Event or Listing Failure.

12.4.2 The notice from the Issuer pursuant to paragraph (f) of Clause 14.10.1 shall specify the repurchase date and include instructions about the actions that a Holder needs to take if it wants Bonds held by it to be repurchased. If a Holder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by 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 paragraph (f) of Clause 14.10.1. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 12.4.1.

12.4.3 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 12.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 12.4 by virtue of the conflict.

12.4.4 Any Bonds repurchased by the Issuer pursuant to this Clause 12.4 may at the Issuer's discretion be disposed of in accordance with Clause 12.2 (*The Group's purchase of Bonds*).

13. **INCURRENCE TEST**

13.1 **Incurrence Test**

13.1.1 The Incurrence Test shall be made in connection with the issue by the Issuer of any new Market Loan (including any Subsequent Bonds and

any Eligible New Bonds) and shall be calculated in accordance with the Calculation Principles.

13.1.2 For the purpose of these Terms and Conditions, a “Rating Downgrade” shall be deemed to have occurred if:

- (a) the Investment Grade Rating assigned to the Issuer, the Group or the Bonds is withdrawn or otherwise not provided and an Investment Grade Rating is not subsequently reinstated by any reputable rating agency within twenty (20) Business Days; or
- (b) the Investment Grade Rating assigned to the Issuer, the Group or the Bonds is lowered one or more rating categories such that the Issuer, the Group or the Bonds is no longer assigned an Investment Grade Rating and the rating is not subsequently upgraded to an Investment Grade Rating by a reputable rating agency within twenty (20) Business Days,

and shall be deemed to be continuing for as long as the Issuer, the Group or the Bonds is not re-assigned an Investment Grade Rating.

13.1.3 The Incurrence Test is met if:

- (a) if a Rating Downgrade has occurred and is continuing;
- (b) the Interest Cover Ratio is equal to or higher than 2.50:1.00;
- (c) the Equity Ratio is higher than ten (10) per cent.; and
- (d) no Event of Default is continuing or would result from:
 - (i) the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing; or
 - (ii) the transaction which requires that the Incurrence Test is met.

13.2 **Calculation Principles**

13.2.1 For the purpose of the Incurrence Test, the figures set out in the most recent Financial Report (including when necessary, financial statements published before the First Issue Date) published prior to the transaction which requires that the Incurrence Test is met shall be used for the purpose of calculating the Equity Ratio and the Interest Cover Ratio, including the transaction which requires that the Incurrence Test is met on a pro forma basis.

13.2.2 For the purpose of calculating the Interest Cover Ratio, Consolidated EBITDA in relation to the relevant Reference Period shall be adjusted by:

- (a) *including* the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as Consolidated EBITDA) of a member of the Group (or attributable to a business or assets) acquired during the Reference Period for that part of the Reference Period prior to its becoming a member of the Group or (as the case may be) prior to the acquisition of the business or assets, such that it is included for the entire Reference Period; and
- (b) *excluding* the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as Consolidated EBITDA) attributable to any member of the Group (or to any business or assets) disposed of during the Reference Period for that part of the Reference Period, such that it is excluded for the entire Reference Period.

14. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the special undertakings set forth in this Clause 14.

14.1 Distributions

- (a) Subject to paragraph (b) below, the Issuer shall procure that BusCo will not:
 - (i) pay any dividend on shares;
 - (ii) repurchase any of its own shares;
 - (iii) redeem its share capital or other restricted equity with repayment to shareholders;
 - (iv) repay principal or, if an Event of Default has occurred and is continuing, pay interest under any intra-group loans; or
 - (v) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to BusCo's direct and indirect shareholders or the Affiliates of such direct and indirect shareholders,

the transactions set out in paragraphs (i) to (v) above together and individually being referred to as a “**Restricted Distribution**”.

- (b) Notwithstanding paragraph (a) above, provided that no Event of Default is continuing or would occur as a result of such Restricted Distribution, BusCo may:
- (i) during a financial year make Restricted Distributions to the Issuer in an aggregate amount not exceeding BusCo's net profits for its foregoing financial year in accordance with the relevant annual audited financial statements of BusCo; and
 - (ii) make a Restricted Distribution to the Issuer, if such Restricted Distribution consists of a group contribution, provided that no cash or other funds are transferred from BusCo as a result thereof (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, and provided that such Restricted Distribution, net of the tax effect, is subsequently converted into or re-injected as a shareholder's contribution to BusCo as soon as practically possible.

14.2 **Listing of Bonds**

The Issuer shall ensure that:

- (a) without prejudice to Clause 12.4 (*Mandatory repurchase due to a Change of Control Event, De-listing Event or a Listing Failure*), the Initial Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market, in each case within twelve (12) months of the First Issue Date; and
- (b) provided that the Initial Bonds have been admitted to trading, any Subsequent Bonds are listed on the relevant Regulated Market within twenty (20) Business Days of the relevant Issue Date (unless Subsequent Bonds are issued before the date falling twelve (12) months before the First Issue Date, in which case such Subsequent Bonds shall be listed within twelve (12) months after the First Issue Date),

and shall take all measures required to ensure that the Initial Bonds (and any Subsequent Bonds as applicable), once listed on a Regulated Market, continue being listed such Regulated Market for as long as any Bond is outstanding (however, taking into account the rules and regulations of that Regulated Market and the CSD (as amended from

time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

14.3 **Change of business**

The Issuer shall procure that no substantial change is made to the general nature of the business as carried out by the Group on the First Issue Date.

14.4 **Negative Pledge**

The Issuer shall procure that BusCo will not provide, prolong or renew any security over any of its assets (present or future) to secure Financial Indebtedness, provided however that BusCo shall have a right to provide, retain, prolong or renew any Permitted Security.

14.5 **Financial Indebtedness**

The Issuer shall procure that BusCo does not incur any new, or maintain or prolong any existing, Financial Indebtedness, provided however that BusCo shall have a right to incur, maintain or prolong Financial Indebtedness which is Permitted Debt.

14.6 **Market Loans**

- (a) Subject to paragraph (b) below, the Issuer shall not and shall procure that no Group Company issues any Market Loan.
- (b) Notwithstanding paragraph (a) above, the Issuer may issue a Market Loan provided that:
 - (i) such Market Loan:
 - (A) is an Eligible New Bond; or
 - (B) (if it is not an Eligible New Bond) has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
 - (ii) if a Rating Downgrade has occurred and is continuing, the Incurrence Test (calculated pro forma including such Market Loan) is met.

14.7 **Disposals of assets**

- (a) Subject to paragraph (b) below, the Issuer shall not, and shall procure that none of the Subsidiaries will:
 - (i) sell, transfer or otherwise dispose of shares in any Material Group Company or of all or substantially all

of its or any Material Group Company's assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries; or

- (ii) merge or demerge any Material Group Company, into a company which is not a Group Company;

unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at arm's length terms and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

- (b) Notwithstanding paragraph (a) above:
 - (i) the Issuer shall not sell, transfer or otherwise dispose of its shares in BusCo; and
 - (ii) the Issuer shall procure that BusCo does not sell, transfer or otherwise dispose of any assets, unless the transaction is made in the ordinary course of business of BusCo and at arm's length terms or, in respect of any disposal of a bus, at recorded book value, provided that the net proceeds of any disposal of a bus is re-invested or designated to be re-invested in accordance with the Issuer's Green Bond Framework.
- (c) The Issuer shall notify the Agent of any transaction set out in paragraph (a)(i) or (a)(ii) above in accordance with Clause 14.10.2.

14.8 **Dealings with related parties**

- (a) The Issuer shall, and shall procure that its Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding when such shareholder is another Group Company) and/or any Affiliates of such direct and indirect shareholders at arm's length terms.
- (b) The Issuer shall procure that BusCo's leasing income in respect of any lease granted by BusCo to another Group Company over the lifetime of such lease is equal to or higher than the aggregate of:
 - (i) depreciation in value of the leased assets (calculated in accordance with the Accounting Principles);
 - (ii) BusCo's interest expenses for its funding of the leased assets; and

- (iii) to the extent such costs are borne by BusCo, maintenance costs in respect of the leased assets.

14.9 **Compliance with laws etcetera**

The Issuer shall, and shall procure that its Subsidiaries:

- (a) comply in all material respects with all laws and regulations applicable from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed; and
- (b) obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company.

14.10 **Information undertakings**

14.10.1 The Issuer shall:

- (a) prepare and make available the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer to the Agent and on its website not later than 120 days after the expiry of each financial year;
- (b) prepare and make available the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer to the Agent and on its website not later than 60 days after the expiry of each relevant interim period;
- (c) prepare and make available a report of the use of proceeds of the Bonds in accordance with the Issuer's Green Bond Framework to the Agent and on its website in connection with the publication of the annual audited unconsolidated financial statements of the Issuer;
- (d) issue a Compliance Certificate to the Agent:
 - (i) in connection with the incurrence of any new Market Loan (including any Eligible New Bond or any Subsequent Bonds) which requires that the Incurrence Test is met; and

- (ii) at the Agent's request, within fifteen (15) Business Days from such request;
- (e) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions), its Green Bond Framework and the second opinion relating to its Green Bond Framework available on its website;
- (f) promptly notify the Agent (and, as regards a Change of Control Event, a De-listing Event or a Listing Failure, the Holders) upon becoming aware of the occurrence of a Change of Control Event, a De-listing Event, a Listing Failure or 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 a combination of any of the foregoing) constitute an Event of Default), and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice;
- (g) promptly notify the Agent and the bondholders if an Investment Grade Rating is no longer assigned to the Issuer, the Group and/or the Bonds by way of publication of a press release; and
- (h) prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm (or any other Regulated Market, as applicable) (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).

14.10.2 The Issuer shall notify the Agent of any such material transaction which is not within the ordinary course of business as referred to in Clause 14.7 (Disposals of assets) and the Issuer shall, upon request by the Agent, provide the Agent with:

- (a) any information relating to such transaction which the Agent deems necessary (acting reasonably), and
- (b) a determination from the Issuer which states whether the transaction is carried out on an arm's length basis and on terms and conditions customary for such transaction or not and whether it has a Material Adverse Effect or not.

The Agent may assume that any information provided by the Issuer is correct, and the Agent shall not be responsible or liable for the

adequacy, accuracy or completeness of such information. The Agent is not responsible for assessing if the transaction is carried out on an arm's length terms and on terms and conditions customary for such transaction and whether it has a Material Adverse Effect, but is not bound by the Issuer's determination under sub-paragraph (ii) above.

14.11 **Agent Agreement**

14.11.1 The Issuer shall, in accordance with the Agent Agreement:

- (a) pay fees to the Agent;
- (b) indemnify the Agent for costs, losses and liabilities;
- (c) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and
- (d) not act in a way which would give the Agent a legal or contractual right to terminate the Agent Agreement.

14.11.2 The Issuer and the Agent shall not agree to amend any provisions of the Agent Agreement without the prior consent of the Holders if the amendment would be detrimental to the interests of the Holders.

14.12 **CSD related undertakings**

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

15. **TERMINATION OF THE BONDS**

15.1 The Agent is entitled to, and shall following a demand in writing from a Holder (or Holders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a Person who is a Holder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Holders, be made by them jointly) or following an instruction or decision pursuant to Clause 15.6 or 15.7, on behalf of the Holders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration), if:

- (a) **Non-payment:** The Issuer fails to pay an amount on the date it is due in accordance with these Terms and Conditions unless its failure to pay is due to technical or administrative error and is remedied within five (5) Business Days of the due date;

- (b) **Other obligations:** The Issuer does not comply with the Finance Documents in any other way than as set out under paragraph (a) above, unless the non-compliance is:
- (i) capable of being remedied; and
 - (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance,

provided that if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request;

- (c) **Cross-default and cross-acceleration:**
- (i) Any creditor of an Eligible New Bond becomes entitled to declare such Eligible New Bond due and payable prior to its specified maturity as a result of an event of default (however described);
 - (ii) any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described); or
 - (iii) any security interest securing Financial Indebtedness over any asset of any Material Group Company is enforced,

provided however that (A) the amount of Financial Indebtedness referred to under paragraph (i), (ii) and/or (iii) above, individually or in the aggregate exceeds an amount corresponding to SEK 30,000,000 and (B) this paragraph (c) does not apply to any Financial Indebtedness owed to a Group Company;

- (d) **Insolvency:**
- (i) Any Material Group Company 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 the Finance Documents) with a view to rescheduling its Financial Indebtedness; or
 - (ii) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company;

- (e) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedures are taken (other than (i) 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 and (ii), in relation to Subsidiaries of the Issuer other than BusCo, solvent liquidations) in relation to:
- (i) 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;
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets; or
 - (iii) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company;
- (f) **Mergers and demergers:** a decision is made that any Material Group Company shall be merged or demerged if such merger or demerger is likely to have a Material Adverse Effect, provided that:
- (i) a merger involving the Issuer or BusCo, where the Issuer or BusCo (as applicable) is not the surviving entity, shall always be considered an Event of Default; and
 - (ii) neither the Issuer nor BusCo may be demerged;
- (g) **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 having an aggregate value equal to or exceeding SEK 30,000,000 and is not discharged within thirty (30) calendar days;
- (h) **Impossibility or illegality:** It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Documents or if the obligations under these Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable; or

- (i) **Cessation of business:** The Issuer ceases to carry on its business and provided, in relation to the discontinuation of a Material Group Company other than the Issuer, that such discontinuation is likely to have a Material Adverse Effect.
- 15.2 The Agent may not terminate the Bonds in accordance with Clause 15.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently).
- 15.3 If the right to terminate 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 termination to be deemed to exist.
- 15.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 15.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 15.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 15.1 and provide the Agent with all documents that may be of significance for the application of this Clause 15.
- 15.5 The Issuer is only obliged to inform the Agent according to Clause 15.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such a conflict would exist pursuant to the listing contract with Nasdaq Stockholm (or any other Regulated Market, as applicable) or otherwise, the Issuer shall however be obliged to either seek the approval from Nasdaq Stockholm (or any other Regulated Market, as applicable) 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 Clause 15.4.
- 15.6 If the Agent has been notified by the Issuer or has otherwise determined that there is a default under these Terms and Conditions according to Clause 15.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or determination, the Holders of the default and (ii) decide, within twenty (20) Business Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in

Clause 17 (*Decisions by Holders*). If the Holders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Holders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- 15.7 If the Holders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 17 (*Decisions by Holders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Holders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 15.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Holders' pursuant to Clause 17 (*Decisions by Holders*).
- 15.10 If the Bonds are declared due and payable, the Issuer shall redeem all Bonds with an amount per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount (plus accrued and unpaid Interest).

16. DISTRIBUTION OF PROCEEDS

- 16.1 If the Bonds have been declared due and payable in accordance with Clause 15 (*Termination of the Bonds*), all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of:
- (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent;
 - (ii) other costs, expenses and indemnities of the Agent relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the protection of the Holders' rights;

- (iii) any non-reimbursed costs incurred by the Agent for external experts; and
 - (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a Holders' Meeting or a Written Procedure;
- (b) *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);
 - (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
 - (d) *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 (a) to (d) above shall be paid to the Issuer. The application of proceeds in accordance with paragraphs (a) to (d) above shall, however, not restrict a Holders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- 16.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1.
- 16.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Holders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16 as soon as reasonably practicable.
- 16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the Holders of any such payment at least fifteen (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 10.1 shall apply.

17. DECISIONS BY HOLDERS

17.1 A request by the Agent for a decision by the Holders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Holders' Meeting or by way of a Written Procedure.

17.2 Any request from the Issuer or a Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Holder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Holders' Meeting or by way of 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 Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.

17.3 The Agent may refrain from convening a Holders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Holders 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 laws.

17.4 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 9 (*Right to act on behalf of a Holder*) from a Person who is, registered as a Holder:

- (a) on the Business Day specified in the notice pursuant to Clause 18.3, in respect of a Holders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 19.3, in respect of a Written Procedure,

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

17.5 The following matters shall require consent of Holders representing at least two thirds ($\frac{2}{3}$) of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3:

- (a) waive a breach of or amend an undertaking set out in Clause 14 (*Special undertakings*);

- (b) a release of the Transaction Security in whole or in part, except in accordance with the terms of the relevant Security Documents;
- (c) a mandatory exchange of Bonds for other securities;
- (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
- (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
- (f) amend the provisions in this Clause 17.5, in Clause 17.6 or in Clause 17.7.

17.6 Any matter not covered by Clause 17.5 shall require the consent of Holders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a), (b), (c) or (d) of Clause 20.1) or a termination of the Bonds or the enforcement of the Transaction Security in whole or in part.

17.7 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.5, and otherwise twenty (20.00) per cent. of the Adjusted Nominal Amount:

- (a) if at a Holders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

17.8 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in Clause 17.7 shall not apply to such second Holders' Meeting or Written Procedure.

- 17.9 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 these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.10 A Holder 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.
- 17.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Holders that consent at the relevant Holders' 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.
- 17.12 A matter decided at a duly convened and held Holders' Meeting or by way of Written Procedure is binding on all Holders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Holders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Holders.
- 17.13 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Holders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.14 If a decision shall be taken by the Holders on a matter relating to these Terms and Conditions, 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) their 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 of a Group Company.
- 17.15 Information about decisions taken at a Holders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Holders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Holders' Meeting or Written Procedure shall at the request of a Holder be sent to it by the Issuer or the Agent, as applicable.

18. HOLDERS' MEETING

18.1 The Agent shall convene a Holders' Meeting by sending a notice thereof to each Holder no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons). If the Holders' Meeting has been requested by the Holder(s), the Agent shall send a copy of the notice to the Issuer.

18.2 Should the Issuer want to replace the Agent, it may convene a Holders' Meeting in accordance with Clause 18.1 with a copy to the Agent. After a request from the Holders pursuant to Clause 21.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Holders' Meeting in accordance with Clause 18.1.

18.3 The notice pursuant to Clause 18.1 shall include:

- (a) time for the meeting;
- (b) place for the meeting;
- (c) a specification of the Business Day on which a Person must be registered as a Holder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the notice pursuant to Clause 18.1);
- (d) agenda for the meeting (including each request for a decision by the Holders); and
- (e) a form of power of attorney.

Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.

18.4 The Holders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.

18.5 If the Agent, in breach of these Terms and Conditions, has not convened a Holders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene the Holders' Meeting itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD and, if no Person to open the Holders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.

- 18.6 At a Holders' Meeting, the Issuer, the Holders (or the Holders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Holders' Meeting. The Holders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Holders' Meeting instead of the Holder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Holder.
- 18.7 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Holders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Holders to vote without attending the meeting in person.

19. WRITTEN PROCEDURE

- 19.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(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 Holder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Holder(s), the Agent shall send a copy of the communication to the Issuer.
- 19.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 19.1 to each Holder with a copy to the Agent.
- 19.3 A communication pursuant to Clause 19.1 shall include:
- (a) each request for a decision by the Holders;
 - (b) a description of the reasons for each request;
 - (c) a specification of the Business Day on which a Person must be registered as a Holder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 19.1);
 - (d) 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;

- (e) the stipulated time period within which the Holder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the effective date of the communication pursuant to Clause 19.1); and
- (f) if the voting shall be made electronically, instructions for such voting.

19.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD.

19.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 17.5 or 17.6 (as applicable) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.5 or 17.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

20. AMENDMENTS AND WAIVERS

20.1 The Issuer and the Agent (acting on behalf of the Holders) may agree to amend these Terms and Conditions or waive any provision in these Terms and Conditions, provided that:

- (a) the Agent is satisfied that such amendment or waiver is not detrimental to the interest of the Holders;
- (b) the Agent is satisfied that such amendment or waiver is made solely for the purpose of rectifying obvious errors and mistakes;
- (c) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
- (d) such amendment or waiver is necessary for the purpose of listing the Bonds on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided such amendment or waiver does not materially adversely affect the rights of the Holders; or
- (e) such amendment or waiver has been duly approved by the Holders in accordance with Clause 17 (*Decisions by Holders*).

- 20.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to these Terms and Conditions. It is sufficient if such consent approves the substance of the amendment or waiver.
- 20.3 The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 20.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 20.4 An amendment or waiver to these Terms and Conditions shall take effect on the date determined by the Holders' Meeting, in the Written Procedure or by the Agent, as the case may be.

21. APPOINTMENT AND REPLACEMENT OF THE AGENT

21.1 Appointment of Agent

- 21.1.1 By subscribing for Bonds, each initial Holder appoints the Agent to act as its agent in *all* matters relating to the Bonds and these Terms and Conditions, and authorises the 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 Holder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. företagsrekonstruktion) or bankruptcy (Sw. konkurs) (or its equivalent in any other jurisdiction) of the Issuer including, for the avoidance of doubt, any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security. By acquiring Bonds, each subsequent Holder confirms such appointment and authorisation for the Agent to act on its behalf.
- 21.1.2 Each Holder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney or other proof of authorisation, as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions. The Agent is under no obligation to represent a Holder which does not comply with such request.
- 21.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance, that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions.

- 21.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in these Terms and Conditions and the Agent Agreement, and the Agent's obligations as agent and security agent under these Terms and Conditions are conditioned upon the due payment of such fees and indemnifications.
- 21.1.5 The Agent may act as agent and/or security agent for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.
- 21.2 **Duties of the Agent**
- 21.2.1 The Agent shall represent the Holders in accordance with the Finance Documents, including, inter alia, holding the Transaction Security pursuant to the Transaction Security Documents on behalf of the Secured Creditors and, where relevant, enforcing the Transaction Security on behalf of the Holders. However, the Agent is not responsible for the contents, due execution, legal validity, perfection or enforceability of the Finance Documents. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent.
- 21.2.2 To the extent permissible by applicable regulations (as decided by the Agent, acting in its sole discretion), upon written instruction by a Holder the Agent may (at the discretion of the Agent) distribute to the other Holders any information from such instructing Holder, provided that such information relates to the Bonds or the identity of the instructing Holder. The Agent may require that the instructing Holder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed.
- 21.2.3 When acting in accordance with these Terms and Conditions, the Agent is always acting with binding effect on behalf of the Holders. The Agent shall carry out its duties under these Terms and Conditions in a reasonable, proficient and professional manner, with reasonable care and skill.
- 21.2.4 The Agent's duties under these Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with these Terms and Conditions and upon instructions from the Holders, unless otherwise set out in these Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Holders.
- 21.2.5 The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Group Companies with 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.

- 21.2.6 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under these Terms and Conditions.
- 21.2.7 The Agent shall treat all Holders equally and, when acting pursuant to these Terms and Conditions, act with regard only to the interests of the Holders 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 these Terms and Conditions and the Agent Agreement.
- 21.2.8 The Agent shall be entitled to disclose to the Holders 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 Holders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 21.2.9 The Agent is entitled to engage external experts when carrying out its duties under these Terms and Conditions. The Issuer shall on demand by the Agent pay all costs for external experts engaged (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Holders under these Terms and Conditions, (iii) when the Agent is to make a determination under these Terms and Conditions or (iv) in connection with a Written Procedure or Bondholders' Meeting. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 16 (Distribution of proceeds).
- 21.2.10 The Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under these Terms and Conditions.
- 21.2.11 Notwithstanding any other provision of these Terms and Conditions to the contrary, the Agent is not 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.
- 21.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with

instructions of the Holders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent 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.

- 21.2.13 The Agent shall give a notice to the Holders (i) before it ceases to perform its obligations under these Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agent Agreement, or (ii) if it refrains from acting for any reason described in Clause 21.2.12.

21.3 **Limited liability for the Agent**

- 21.3.1 The Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.

- 21.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts addressed to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Holders to delay the action in order to first obtain instructions from the Holders.

- 21.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to these Terms and Conditions to be paid by the Agent to the Holders, provided that the Agent 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 the Agent for that purpose.

- 21.3.4 The Agent shall have no liability to the Holders for damage caused by the Agent acting in accordance with instructions of the Holders given in accordance with Clause 15.1 or Clause 17 (Decisions by Holders).

- 21.3.5 The Agent is not liable for information provided to the Holders by or on behalf of the Issuer or by any other person.

- 21.3.6 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, these Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Holders under these Terms and Conditions.

21.4 **Replacement of the Agent**

- 21.4.1 Subject to Clause 21.4.6, the Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a

successor Agent at a Holders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

- 21.4.2 Subject to Clause 21.4.6, if the Agent is insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within 10 Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 21.4.3 A Holder (or Holders) representing at least 10.00 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 Holder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Holders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Holders that the Agent be dismissed and a new Agent appointed.
- 21.4.4 If the Holders have not appointed a successor Agent within 90 calendar days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Holders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 21.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under these Terms and Conditions.
- 21.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 21.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of these Terms and Conditions but shall remain entitled to the benefit of these Terms and Conditions and remain liable under these Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Holders shall have the same rights and obligations amongst themselves under these Terms and Conditions as they would have had if such successor had been the original Agent.

- 21.4.8 In the event that there is a change of the Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under these Terms and Conditions and the Agent Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

22. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

- 22.1 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.
- 22.2 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.

23. APPOINTMENT AND REPLACEMENT OF THE CSD

- 23.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.
- 23.2 The CSD may retire from its assignment or 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 retires or is dismissed and provided also that the replacement does not have a negative effect on any Holder or the listing of the Bonds listed on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

24. NO DIRECT ACTIONS BY HOLDERS

- 24.1 A Holder may not take any action or take any legal steps whatsoever against the Issuer or another Group Company or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to these Terms and Conditions, 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 or a Subsidiary in relation to any of the liabilities of the Issuer under these Terms and Conditions. Such steps may only be taken by the Agent.

24.2 Clause 24.1 shall not apply if the Agent has been instructed by the Holders in accordance with these Terms and Conditions 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 Holder to provide documents in accordance with Clause 21.1.2), 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 these Terms and Conditions or the Agent Agreement or by any reason described in Clause 21.2.12, such failure must continue for at least 40 Business Days after notice pursuant to Clause 21.2.13 before a Holder may take any action referred to in Clause 24.1.

24.3 The provisions of Clause 24.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 12.4 (*Mandatory repurchase due to a Change of Control Event or Listing Failure (put option)*) or other payments which are due by the Issuer to some but not all Holders.

25. TIME-BAR

25.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void 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 3 years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Holders' right to receive payment has been time-barred and has become void.

25.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new time-bar period of 10 years with respect to the right to receive repayment of the principal of the Bonds, and of 3 years with respect to the right to receive payment of Interest (excluding capitalised Interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

26. NOTICES AND PRESS RELEASES

26.1 Notices

- 26.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) 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 such email address as notified by the Agent to the Issuer from time to time;
 - (b) 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 such email address as notified by the Issuer to the Agent from time to time; and
 - (c) if to the Holders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (to the extent practically possible) or letter for all Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Agent.
- 26.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 26.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 26.1.1.
- 26.1.3 Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.
- 26.2 **Press releases**
- 26.2.1 Any notice that the Issuer or the Agent shall send to the Holders pursuant to Clauses 12.3, 0, 14.10.1 (f), 15.6, 17.15, 18.1, 19.1, 20.3, 21.2.13 and 21.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 26.2.2 In addition to Clause 26.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice the Agent may send to the Holders 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 Holders 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 Holders, the Agent shall be entitled to issue such press release.

27. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 27.1 Neither the Agent nor 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 or the Issuing Agent itself takes such measures, or is subject to such measures.
- 27.2 The Issuing Agent shall have no liability to the Holders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 27.3 Should a Force Majeure Event arise which prevents the 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.
- 27.4 The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

28. LISTING

The Issuer has undertaken to list the Initial Bonds within twelve (12) months after the First Issue Date on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) in accordance with Clause 14.2 (*Listing of the Bonds*). However, the Issuer will use its best efforts to list the Initial Bonds within thirty (30) calendar days from the First Issue Date. Further, if the Initial Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within sixty (60) calendar days from the First Issue Date, each Holder has a right of repayment (put option) of its Bonds in accordance with Clause 12.4 (*Mandatory repurchase due to a Change of Control Event or Listing Failure (put option)*).

29. GOVERNING LAW AND JURISDICTION

- 29.1 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.

- 29.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 29.3, be determined by Swedish courts and the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 29.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Holders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

We hereby certify that the above Terms and Conditions are binding upon ourselves.

Place: _____

NOBINA AB (PUBL)
as Issuer

Name:

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

Place: _____

NORDIC TRUSTEE & AGENCY AB (PUBL)
as Agent

Name:

APPENDIX A Intercreditor Principles

for Nobina AB's (publ) up to SEK 700,000,000 Senior Secured Floating Rate Green Bonds (the "Bonds") and any Eligible New Bonds

These intercreditor principles shall be read together with the terms and conditions for the Bonds (the "**Terms & Conditions**"). Unless otherwise defined in these intercreditor principles (the "**Intercreditor Principles**"), terms defined in the Terms & Conditions shall have the same meaning herein.

General: If Nobina AB (publ) (the "**Issuer**") would issue any Eligible New Bonds prior to the Final Redemption Date, the Issuer may request that the Issuer, the Security Agent, the Agent and any New Bonds Agent (as defined below) enter into an intercreditor agreement (the "**Intercreditor Agreement**") in order to establish the relative rights between the relevant creditors.

The Transaction Security will, to the extent permitted by applicable law and practically possible, be a single security package for the Bonds and any Eligible New Bonds shared on a *pari passu* and *pro rata* basis and the Security Agent will be appointed to hold the Transaction Security on behalf of each of the Secured Creditors.

The Intercreditor Agreement will, amongst other things, reflect the principles set out in these Intercreditor Principles and otherwise be documented in accordance with Swedish market practice for a transaction of this nature.

Parties: The Intercreditor Agreement will be entered into between:

- (a) Nobina AB (publ) (the "**Issuer**");
- (b) Nordic Trustee & Agency AB (publ) for itself and in its capacity as security agent for the Secured Creditors (the "**Security Agent**");
- (c) Nordic Trustee & Agency AB (publ) for itself and in its capacity as agent for the Holders (the "**Agent**"); and
- (d) the relevant New Bonds Agent(s) for itself and in its capacity as agent for any bondholders in respect of any Eligible New Bonds.

Definitions: "**Bonds Creditors**" means the creditors under the Bonds Finance Documents.

"**Bonds Debt**" means all indebtedness outstanding under the Bonds Finance Documents.

"**Bonds Finance Documents**" means the Terms & Conditions, the Agent Agreement, the Security Documents, the Intercreditor Agreement and any other document designated to be a Bonds Finance Document by the Issuer and the Agent.

"**BusCo**" means Nobina BusCo AB (reg. no. 559189-8241).

"**Debt**" means the Bonds Debt or the New Bonds Debt.

"**Eligible New Bonds**" has the meaning ascribed to it in the Terms & Conditions.

"**Enforcement Action**" means any action of any kind to:

- (e) demand payment which has fallen due, declare prematurely due and payable or otherwise seek to accelerate payment of or place on demand all or any part of any Debt or Guarantee (other than as a result of it becoming unlawful for a Secured Creditor to perform its obligations under, or of any voluntary or mandatory prepayment under, the Finance Documents);
- (f) recover all or any part of any Debt (including by exercising any set-off, save as required by law and normal netting and set-off transactions in the ordinary course of business);

- (g) exercise or enforce any enforcement right under the Transaction Security, in each case granted in relation to (or given in support of) all or any part of any Debt;
- (h) petition for (or take or support any other step which may lead to) an Insolvency Event; or
- (i) sue, claim or bring proceedings against the Issuer, any Guarantor or any Group Company in respect of recovering any Debt.

“**Event of Default**” means any event or circumstance specified as such in the Terms & Conditions or any New Bonds Terms & Conditions (however described and, for the avoidance of doubt, after the expiration of any applicable grace period, the giving of a notice and making of a determination (as applicable) in respect of the default giving rise to that Event of Default). An Event of Default is “**continuing**” if it has not been remedied or waived.

“**Final Discharge Date**” means the date when all principal, interest and any other costs or outstanding amounts under the Finance Documents have been irrevocably discharged in full and that all commitments under the Finance Documents have been cancelled or terminated.

“**Finance Documents**” means the Bonds Finance Documents and any New Bonds Finance Documents.

“**Guarantor**” means any Group Company which has provided a Guarantee.

“**Guarantee**” means any guarantee or indemnity provided by a Group Company for any Secured Obligation.

“**Insolvency Event**” means that:

- (j) any Material Group Company 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 the Finance Documents) with a view to rescheduling its Financial Indebtedness;
- (k) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company; or
- (l) any corporate action, legal proceedings or other procedures are taken (other than (i) 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 and (ii), in relation to Subsidiaries of the Issuer other than BusCo, solvent liquidations) in relation to:
 - (i) 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;
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets; or
 - (iii) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company.

“**New Bonds Agent**” means the bondholders’ agent under any New Bonds Terms & Conditions.

“**New Bonds Creditors**” means the creditors under any New Bonds Finance Documents.

“**New Bonds Debt**” means all indebtedness outstanding under any New Bonds Finance Documents.

“**New Bonds Finance Documents**” means any New Bonds Terms & Conditions, the Security Documents, the Intercreditor Agreement and any other document designated to be a New Bonds Finance Document by the Issuer and a New Bonds Agent.

“**New Bonds Terms & Conditions**” means the terms and conditions in respect of any Eligible New Bonds.

“**Payment Block Event**” means that a Representative serves:

- (m) a written notice to the Issuer, the Security Agent, the Agent and any New Bonds Agent that an Event of Default relating to any of the following events or circumstances has occurred under any Finance Document:
 - (i) non-payment;
 - (ii) cross default;
 - (iii) insolvency;
 - (iv) insolvency proceedings;
 - (v) creditor’s process;
 - (vi) impossibility or illegality; or
 - (vii) cessation of business; or
- (n) a written notice of acceleration to the Issuer, the Security Agent, the Bonds Agent and any New Bonds Agent.

“**Representative**” means:

- (o) in respect of the Bonds, if a decision has been taken in the relevant matter in accordance with the quorum and majority requirements of the Terms & Conditions, the Agent; and
- (p) in respect of any Eligible New Bonds, if a decision has been taken in the relevant matter in accordance with the quorum and majority requirements of the relevant New Bonds Terms & Conditions, the relevant New Bonds Agent,

in each case, for the purpose of calculating the Bonds Debt and any New Bonds Debt, excluding any Bonds or Eligible New Bonds held by a Group Company or an Affiliate of a Group Company, irrespective of whether such Person is directly registered as owner of such bonds.

“**Secured Creditors**” means the Agent, any New Bonds Agent, the Security Agent, the Bonds Creditors and any New Bonds Creditors, provided in the case of any New Bonds Creditors that the relevant New Bonds Agent has entered into or acceded to the Intercreditor Agreement.

“**Secured Obligations**” means all obligations of the Group outstanding to the Secured Creditors from time to time under the Finance Documents, both actual and contingent.

“**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 Enforcement Objective**” means maximising, so far as is consistent with prompt and expeditious realisation of value from enforcement of the Transaction Security and any Guarantees, the recovery by the Secured Creditors, always provided that such enforcement is made in compliance with the fiduciary duties (Sw. *vårdplikten*) of the Security Agent.

“**Security Documents**” means:

- (q) the Share Pledge Agreement;
- (r) the intra-group loan pledge agreement between the Security Agent and the Issuer made with the Net Proceeds of the Bonds and (if an Intercreditor Agreement is entered into) with the net proceeds of any Eligible New Bonds; and
- (s) any other security document entered into by a Group Company pursuant to the Finance Documents.

“**Share Pledge Agreement**” means the share pledge agreement between the Security Agent and the Issuer in respect of all shares in BusCo.

“**Share Security**” means the Security created under the Share Pledge Agreement.

“**Transaction Security**” means the Security provided to the Secured Creditors under the Security Documents.

Ranking and priority:

Each of the parties to the Intercreditor Agreement will agree that the Secured Obligations owed by the Group to the Secured Creditors shall rank *pari passu* in right and priority of payment between all Debt.

New Security and guarantees:

A Group Company may grant additional Security or Guarantees for any Bonds or Eligible New Bonds. Any new Security created or Guarantees granted in respect of any Secured Obligation shall be extended to and shared between the Secured Creditors on a *pro rata* basis and in accordance with the ranking and priority set forth above.

Repurchases of Bonds and Eligible New Bonds:

If a default (however described) has occurred and is continuing under the Bonds or any Eligible New Bonds, a redemption, repurchase or other repayment of the Bonds or any Eligible New Bonds may only be made if each Bond and Eligible New Bond is redeemed or repurchased on a *pro rata* basis.

Appointment of Security Agent:

Each of the Secured Creditors will appoint and authorise the Security Agent to hold and to act as its agent with respect to the Security Documents, to the extent permitted by applicable law.

The Intercreditor Agreement will contain customary terms as regards indemnities in favour of the Security Agent and the replacement and resignation of the Security Agent.

Release of Transaction Security and Guarantees:

The Security Agent may at any time release the Transaction Security or any Guarantees in accordance with the terms of the relevant Finance Documents or, if not permitted by the relevant Finance Documents, with the consent of a Representative in respect of each of the Bonds and each Eligible New Bonds. For the avoidance of doubt, any Transaction Security or Guarantee will always be released *pro rata* between the Secured Creditors and the remaining Transaction Security will continue to rank *pari passu* between the Secured Creditors as set forth in the Security Documents and the Intercreditor Agreement.

Enforcement:

The Intercreditor Agreement will contain provisions regulating the Secured Creditors' respective rights to vote and instruct the Security Agent to enforce the Transaction Security, according to the following principles:

(t) Enforcement Actions and Enforcement Instructions

- (i) Other than as expressly permitted by the terms of the Intercreditor Agreement, no Secured Creditor may independently accelerate, seek payment and exercise other rights and powers to take Enforcement Actions under the Finance Documents.
- (ii) The Security Agent may refrain from enforcing the Transaction Security or take other Enforcement Actions unless:
 - (1) during the Standstill Period, instructed otherwise by way of a Super Majority Instruction; or
 - (2) after the lapse of the Standstill Period or if no proceeds from an enforcement of the Transaction Security or any Guarantees have been received by the Security Agent within 2 months from the end of the Standstill Period, instructed otherwise by a Representative.
- (iii) Provided that an Event of Default has occurred and is continuing and subject to paragraph (b) below, the person entitled to do so at the relevant time pursuant to sub-paragraphs (a)(i)(A)-(B) above:
 - (1) may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Transaction Security as it sees fit, provided that the instructions are consistent with the Security Enforcement Objective; and
 - (2) shall be entitled to deliver an Enforcement Proposal.
- (iv) The Security Agent is entitled to rely on and comply with instructions given in accordance with this paragraph (a).

(u) Consultation

- (i) If a person entitled to do so at the relevant time pursuant to sub-paragraphs (a)(i)(A)-(B) above wishes to issue Enforcement Instructions, such person shall deliver a copy of those proposed Enforcement Instructions (an “**Enforcement Proposal**”) to the Security Agent and the Security Agent shall promptly forward such Enforcement Proposal to the Agent and each New Bonds Agent (other than the person who delivered the Enforcement Proposal).
- (ii) Subject to paragraph (b)(iii) below, if the Security Agent has received Conflicting Enforcement Instructions from persons entitled to deliver Enforcement Proposals at the relevant time pursuant to sub-paragraphs (a)(i)(B) above, the Security Agent shall promptly notify the Representatives and the Representatives will consult with each other and the Security Agent (as the case may be) in good faith for a period of not less than ten (10) Business Days (or such shorter period as the Representatives may agree) (the “**Consultation Period**”) from the earlier of (A) the date of the latest such Conflicting Enforcement Instruction and (B) the date falling ten (10) Business Days after the date on which the

original Enforcement Proposal is delivered in accordance with paragraph (b)(i) above, with a view to agreeing instructions as to enforcement.

- (iii) Neither Representative shall be obliged to consult in accordance with paragraph (b)(ii) above if:
 - (1) the Transaction Security or any Guarantees have become enforceable as a result of an Insolvency Event; or
 - (2) each of the Representatives agree that no Consultation Period is required.
- (iv) If consultation has taken place during the Consultation Period, or in case of paragraph (b)(iii) above, there shall be no further obligation to consult and the Security Agent may act in accordance with the instructions as to enforcement then or previously received from the Representative representing the highest aggregate nominal amount of Debt or, if each Representative represents an equal aggregate nominal amount of Debt, the Representative in respect of the Bonds (the “**Instructing Party**”) and the Instructing Party may issue instructions as to enforcement to the Security Agent at any time thereafter.
- (v) If a Secured Creditor (acting reasonably) considers that the Security Agent is enforcing the Transaction Security in a manner which is not consistent with the Security Enforcement Objective, such Secured Creditor shall give notice to the other Secured Creditors after which the Representatives and the Security Agent shall consult for a period of twenty (20) days (or such lesser period that the Secured Creditors may agree) with a view to agreeing on the manner of enforcement.

(v) **Miscellaneous**

- (i) When the Share Security has become enforceable, the Security Agent shall have the right, in its sole discretion and in addition to any other remedies provided in the Finance Documents or by applicable law, to enforce all or any part of the Share Security and exercise any of the rights conferred on it by this Agreement or by law to realise the Share Security, or any part thereof, by private or public sale or auction, assumption of ownership or in any other manner as the Security Agent in its sole discretion deems appropriate and permitted by applicable law, in each case to the full extent necessary to satisfy the outstanding claims under the Secured Obligations.
- (ii) Without prejudice to paragraph (c)(i) above and to the extent deemed consistent with the Security Enforcement Objective by the Security Agent (acting in its sole discretion):
 - (1) the Issuer or any of its Affiliates may participate in any sale process and make offers for any acquisition of the security assets on the same terms as all other persons who participate in the auction or any transaction where all or part of the shares are to be sold without an auction (private sale) (other than enforcement by way of self-assumption (Sw. *självinträde*)); and
 - (2) the parties acknowledge that for the purpose of maximising the value realised from any enforcement of the Share Security and, in particular, any subsequent realisation of BusCo’s assets, a sale of the assets to the Group or a peer of the Group as a going concern,

where a sale of the assets as a going concern shall be construed as a sale where the assets being subject to such sale are used or designated to be used under contracts with public transport authorities following that sale, may be most consistent with the Security Enforcement Objective and may be prejudiced by piece-by-piece sales of BusCo's assets.

- (iii) Upon an enforcement of the Transaction Security or any Guarantee, the proceeds shall be distributed in accordance with section "*Application of Enforcement Proceeds*" set out below.
- (iv) Any Enforcement Action required to be taken by the Representative in accordance with an agreed Enforcement Instructions pursuant to paragraph (b) above, shall be taken by such Representative at the request of the Security Agent.
- (v) All security and/or guarantees or arrangement having similar effects may be released by the Security Agent, without the need for any further referral to or authority from anyone, upon any enforcement provided that the proceeds are distributed in accordance with the provisions set out in the Intercreditor Agreement.
- (vi) Funds that the Security Agent receives (directly or indirectly) in connection with the enforcement of the Transaction Security shall constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate account on behalf of the Secured Creditors or the Issuer (as the case may be). The Security Agent shall promptly arrange for payments to be made in accordance with the application of proceeds set forth in the Intercreditor Agreement.
- (vii) Nothing herein shall preclude the rights of the Agent or any New Bonds Agent to join or intervene in or otherwise support any proceedings arising from insolvency proceedings or do such other things as may be necessary to maintain a claim or security, always as long as such action does not adversely affect the rights of the other Secured Creditors or the Security Agent and is not inconsistent with its obligations contained in the Intercreditor Agreement and each of the Agent and any New Bonds Agent shall give prompt notice to the other of any action taken by it to join, intervene or otherwise support any such proceedings.
- (viii) For the avoidance of doubt, customary provisions regarding permitted (or required) actions once an Insolvency Event has occurred to be included in the Intercreditor Agreement.

"Conflicting Enforcement Instructions" means instructions (or proposed instructions) as to enforcement of the Transaction Security or the taking of any Enforcement Action delivered to the Security Agent by a Representative that are inconsistent as to the manner of enforcement (including any inconsistency as to the timeframe for realising value from an enforcement of the Transaction Security or the Guarantees or a distressed disposal), it being understood that, for the purpose of triggering the consultation requirements under paragraph (b)(ii) above only and not for any other purpose, the failure to give instructions by either Representative will be deemed to be an instruction inconsistent with any other instructions given.

"Enforcement Instructions" means instructions as to enforcement (including the manner and timing of enforcement) given by a Representative or by way of a Super Majority Instruction to the Security Agent provided that instructions not to undertake

enforcement or an absence of instructions as to enforcement shall not constitute “Enforcement Instructions”.

“**Standstill Period**” means the period beginning on the date (the “**Standstill Start Date**”) the Agent or any New Bonds Agent serves the Security Agent a notice of an Event of Default and ending on the earlier to occur of:

- (w) the date falling two (2) months after the Standstill Start Date;
- (x) the date of an Insolvency Event (other than an Insolvency Event directly caused by any action taken by or at the request or direction of a Secured Creditor); and
- (y) the expiry of any other Standstill Period outstanding at the date such first mentioned Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy).

“**Super Majority Instruction**” means that the Agent and each New Bonds Agent (and not only some of them) delivers to the Security Agent the results of decisions regarding the enforcement of the Transaction Security or any Guarantees taken in accordance with the Terms & Conditions and the New Bonds Terms & Conditions (as applicable), where, in aggregate, more than 50 per cent. of the Debt represented in such decisions have decided to take Enforcement Action, in each case excluding any Bonds or Eligible New Bonds held by a Group Company or an Affiliate of a Group Company, irrespective of whether such Person is directly registered as owner of such bonds.

**Application of
Enforcement
Proceeds:**

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 Guarantee or proceeds received in connection with bankruptcy or other insolvency proceedings) shall be paid to the Security Agent for application in the following order:

- (z) *firstly*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by any Group Company to the Security Agent;
- (aa) *secondly*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by any Group Company to the Issuing Agent, the Agent and any New Bonds Agent;
- (bb) *thirdly*, towards payment *pro rata* of accrued interest unpaid under the Finance Documents;
- (cc) *fourthly*, towards payment *pro rata* of principal under the Finance Documents;
- (dd) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents; and
- (ee) *lastly*, after the Final Discharge Date, in payment of the surplus (if any) to the relevant Group Company or other person entitled to it.

The payment waterfall provisions shall apply regardless of any Transaction Security or Guarantee not being (for whatever reason) valid or enforceable in respect of the relevant Secured Creditor.

Turnover:

The Intercreditor Agreement shall include provisions for turnover of funds in the event of any Secured Party receiving payment in conflict with the Intercreditor Agreement, after action has been initiated to enforce the Transaction Security, any Guarantee or any other Enforcement Action.

Should any funds payable to the Security Agent under the turnover provisions not be paid to the Security Agent, such amount shall be considered in any application of enforcement proceeds and such Secured Party's share in any such application may be reduced accordingly.

Payment Block:

Following a Payment Block Event and for as long as it is continuing or up until a written notice from the relevant Secured Creditors to the Security Agent to the contrary, no payments may be made under the Finance Documents (notwithstanding any other provisions to the contrary herein) (a "**Payment Block**"), except for in accordance with Section "*Application of Enforcement Proceeds*". For the avoidance of doubt, the failure by the Issuer to make any timely payments due under the Bonds or any Eligible New Bonds shall constitute an Event of Default under the relevant Finance Documents and the unpaid amount shall carry default interest in accordance with the relevant Finance Documents.

Upon the occurrence of a Payment Block, any amounts paid or recovered under the Finance Documents shall be paid to the Security Agent and applied in accordance with Section "*Application of Enforcement Proceeds*" above.

Exercise of voting rights:

(ff) Each Secured Creditor agrees with the Security Agent that it will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any Group Company as instructed by the Security Agent.

(gg) The Security Agent shall give instructions for the purposes of paragraph (a) above as directed by the person entitled to give instructions pursuant to section "*Enforcement*" above.

Modification of Finance Documents:

Each Secured Creditor may amend or waive the terms of the Finance Documents for the Secured Obligations owed to such Secured Creditor (other than the Intercreditor Agreement or any Transaction Security documents) in accordance with their terms at any time.

No amendment or waiver may be made or given that has the effect of changing or which relates to an amendment to any material term of the Intercreditor Agreement (including to the order of priority under the Intercreditor Agreement) without the prior written consent of the Agent (acting on behalf of the relevant Representatives), the New Bonds Agent (acting on behalf of the relevant Representatives) and the Security Agent.

The prior consent of each Representative is required to authorize any amendment or waiver of, or consent under, any Transaction Security which would affect the nature or scope of the security assets or the manner in which the proceeds of enforcement of the Transaction Security are distributed.

Miscellaneous:

The Agent and the New Bonds Agent shall have a duty to inform the other creditor classes of any default which is continuing, event of default or acceleration.

The Group Companies shall use all reasonable endeavours to facilitate any necessary establishment of new security or change of the Transaction Security pursuant to the Intercreditor Agreement.

Governing Law and jurisdiction:

Swedish law and Swedish courts.

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