

*This prospectus was approved by the Swedish Financial Supervisory Authority on 6 February 2024. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.*

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# **Titania Holding AB (publ)**

**PROSPECTUS REGARDING THE ADMISSION TO TRADING OF**

**SEK 525,000,000**

**SENIOR SECURED CALLABLE FLOATING RATE  
SUSTAINABLE BONDS**

**2023/2026**

**ISIN: SE0020998680**

**6 February 2024**

# IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Titania Holding AB (publ), Swedish reg. no. 556887-4274 (“**Titania Holding**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries, unless otherwise indicated by the context, the “**Group**”), in relation to the application for admission for trading of the Issuer’s SEK 525,000,000 senior secured callable floating rate sustainable bonds 2023/2026 with ISIN SE0020998680 (the “**Bonds**”), issued on 21 December 2023 (the “**Issue Date**”), in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively), on the sustainable bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). Concepts and terms defined in Section “*Terms and Conditions for the Bonds*” are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus.

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

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 admitting the Bonds to trading on Nasdaq Stockholm. This Prospectus may not be distributed in the US, Australia, Hong Kong, Japan, Canada, Switzerland, Singapore, South Africa or New Zealand or in any other jurisdiction where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (as amended, the “**U.S. Securities Act**”), and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as such terms are defined in regulations), except for “Qualified Institutional Buyers” (QIBs) within the meaning of Rule 144A under the U.S. Securities Act.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the 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. In this Prospectus, any references to “**SEK**” refer to Swedish Kronor.

This Prospectus may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the 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.

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

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# RISK FACTORS

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*In this section, a number of risk factors are illustrated, both risks pertaining to the Issuer and the Group's market risks, business risks, legal and regulatory risks, financial risks and risks relating to the Bonds. The purpose of this section is to enable a potential investor to assess the relevant risks related to an investment in the Bonds in order to make an informed investment decision. The risk factors set forth below are therefore limited to risks that, in the meaning of Regulation (EU) 2017/1129, are material and specific to the Issuer, the Group or the Bonds.*

*The manner in which the Issuer, the Group or the Bonds are affected by each risk factor is illustrated by way of an evaluation of the materiality of the relevant risk factor based on the relative probability of it occurring and the expected magnitude of its negative impact. Irrespective of the probability or magnitude of negative impact stated in relation to each risk factor, all risk factors included below have been assessed by the Issuer to be material and specific to the Issuer, the Group and the Bonds in the meaning of Regulation (EU) 2017/1129.*

*The risk factors are organised in several categories and the most material risk factors in a category are presented first under that category, whereas subsequent risk factors in the same category are not purported to be ranked in order of materiality.*

## RISKS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

### I. Risks related to the Group's business activities and industry

#### Risks relating to the Group's property development projects

The Group's operations mainly consists of (i) project development, (ii) production of new real property and (iii) management (Sw. *förvaltning*) of existing developed properties in the Stockholm region, which means that the Group operates within the entire value chain of the property market. The Group also sells legally binding building rights (Sw. *byggrätter*) to, e.g., tenant-owner associations (Sw. *bostadsrättsföreningar*). A large part of the Group's operations consists of property development projects, whose success depends on a number of factors, as further described below.

In order for the Group to successfully carry out property development projects, it is of great importance that zoning plans are obtained within the required deadlines. A delay in a zoning plan may also lead to delays for the project in general. Delays may also occur as a result of appeals against already approved zoning plans. In addition, projects may be cancelled due to the suspension of zoning plans, for example due to a change in political will, studies and/or changes in legislation. For example, the municipality's decision to adopt the Group's zoning plan for Prästviken in Botkyrka, Sweden, was recently overturned and cancelled and is now under review with the Land and Environment Court of Appeal (Sw. *mark- och miljööverdomstolen*). Should, the Land and Environment Court of Appeal reject the appealed cancellation, the zoning plan will be referred back to the initial review phase, entailing new and further proceedings in order for the Group's zoning plan to be approved and adopted. A delay in the Group's property development projects may entail that resources and capital are tied up in the project without the project in question providing the required return, which limits the Group's ability to carry out other profitable property development projects. Furthermore, there is a risk that the Group's property development projects will be cancelled, which could lead to investments made in these projects not yielding any return at all, which in turn could have a material adverse effect on the Group's revenues and the Issuer's ability to make payments under the Bonds.

In addition, the success of property development projects is to a large extent dependent on market demand and willingness as well as ability to pay for residential units. This is in turn dependent on the Group's customers' ability to obtain financing, the activity on the housing market and general development of price trends on the housing market as well as the property development market and the general development of the economic environment in Sweden. For example, the macro-economic environment during 2022 and 2023 with high levels

of inflation and increased interest rates had a negative effect on the market's general willingness and ability to pay for property development projects which resulted in a decreased number new development projects in general and for the Group. If the demand for the Group's development projects decreases, it could result in delayed or cancelled projects which may negatively affect the Group's revenues and in turn the Issuer's ability to make payments under the Bonds.

Furthermore, the Group is dependent on acquiring properties with the required building rights for the project in question. As of 30 September 2023, the Group had approximately 3,300 building rights in various stages of the zoning plan and/or building permit process in its building rights portfolio. If the Group proves unable to obtain or maintain the required permits and/or decisions or find suitable properties that can be acquired on acceptable terms, it may have a material adverse effect on the Group's prospects, as it would entail that the Group would not be able to carry out its property development projects. This could in turn result in fewer property development projects than expected being completed, which could have a material adverse effect on the Group's business and future revenues and the Issuer's ability to make payments under the Bonds.

Until a certain number of binding preliminary agreements regarding the transfer of tenant-owned apartments have been concluded, the Group usually has the right to cancel construction contracts entered into with external contractors. After these preliminary agreements have been concluded, the Group will be bound by the construction contracts with the external contractors, even in the event that the majority of the tenant owners who have entered into preliminary agreements fail to fulfil their obligations under the preliminary agreements. In such circumstances, the tenant-owner association will generally be obliged to compensate the Group for any damage suffered by the Group. However, the Group may not be able to receive full compensation for any damages incurred as a result of tenant-owned apartments not being able to be let to other buyers, as buyers are private individuals. Such a situation may result in a lower profit margin for the project in question, which would have a negative impact on the Group's revenues and cash flow and the Issuer's ability to make payments under the Bonds.

Property development projects are also subject to technical risks, including, for example, the risk of improper construction, hidden faults or defects, damage and/or pollution. If such technical problems occur, it may lead to delays in the planned property development projects and/or higher costs, which could have a material adverse effect on the Group's revenues and cash flow as well as the Issuer's ability to make payments under the Bonds.

### **Risks relating to the Group's failure to analyse and adapt to market demand and trends**

The majority of the Group's revenues are derived from the Group carrying out all steps in the development of a new property or building. The Group's revenues are consequently highly dependent on the demand for production of properties, primarily new housing properties in the Stockholm region, which in turn depends on, among other things, activity in the property market, fluctuations in housing prices in general and demographic factors such as the number of people moving to the region in which the Group operates. The demand for housing depends on a large number of factors, which can be difficult to analyse and quickly adapt to. There is a risk that the Group fails to develop housing within a price range, in a size and/or with a standard which is in line with market demand, which could lead to a lower occupancy rate or disposal of properties on unfavourable terms. If one or more of the above-mentioned risks were to materialise, it could have a material adverse effect on the Group's business, revenues and the Issuer's ability to make payments under the Bonds. Failure to analyse demand or market trends which results in the Group's property portfolio not matching demand, could also lead to a lower return on the Group's investments.

Furthermore, in the rental property market, it is of great importance that rent levels are considered reasonable in relation to prevailing market rents in order to avoid repayment obligations to tenants, which could lead to increased costs for the Group and have a negative impact on its revenues. In addition, any rent tribunal proceedings could give rise to negative publicity and potential damage to the Group's reputation.

### **Risks relating to rental income and rental development**

The Group owns a number of investment properties that are managed by the Group and the property value of the Group's investment properties amounted to approximately MSEK 1,600 as of 30 September 2023. These properties contain a significant number of housing units and a certain number of business premises that are rented out to the Group's tenants, which mostly consists of private persons and, to a lesser degree, businesses. There is no guarantee that the Group's tenants will renew or extend their leases when they expire, which could lead to a reduction in the Group's rental income and higher vacancy rates in the long term. If the occupancy rate or rental levels for these properties decreases, e.g. due to a general decrease in the housing deficit in the greater Stockholm area or for any other reason, it will have an adverse effect on the Group's revenues and the Issuer's ability to make payments under the Bonds.

Further, the ownership of rental properties is also associated with certain operating expenses. Several goods and services required for the maintenance of certain properties can only be purchased from a single supplier, which may affect the price level of such goods and services. Furthermore, operating expenses consist mainly of tariff-bound costs such as costs for electricity, refuse collection, water supply and heating. It is not certain that a cost increase can be compensated for by adjustments in lease agreements or rental increases through renegotiation of lease agreements. Ownership of rental properties is also associated with maintenance costs, which include costs required to maintain the standard of the properties in the long term. The occurrence of unforeseen and significant property operating and/or maintenance costs may have an adverse effect on the Group's revenues, margins and cash flow as well as the Issuer's ability to make payments under the Bonds.

These risks are further enhanced by the current negative macroeconomic trends such as the high inflation and high interest rates as they have a general negative effect on the Group's tenants and their ability to make payments to the Group as well as the currently high energy costs (for more information relating to macroeconomic risks, see section '*Risks relating to macroeconomic factors*' below).

### **Risks relating to acquisitions, sales and other transactions**

Property transactions are carried out within the framework of the Group's activities and the Group has purchased and divested properties with an aggregate agreed market value of approximately SEK 2,500 million since 2012. The acquisition and sale of properties are associated with uncertainty and risks. In the case of acquisitions of properties, for example, uncertainty exists with regard to the unforeseen costs for environmental restoration and remediation, unforeseen land conditions, reconstruction and technical problems, decisions by authorities and the emergence of disputes relating to the acquisition or state of the acquired property. Such uncertainties may lead to delays in projects or higher or unexpected costs for the properties or transactions. Furthermore, the Group is highly dependent on entering into purchase agreements regarding land acquisitions. Successful land acquisitions are crucial for the Group's business and consequently, the Group has to establish and maintain fruitful relationships with primarily municipalities and other land owners. If the Group fails to build and maintain such relationships, it could result in a lower return on the Group's investments, which in turn could have a material adverse effect on the Group's future revenues and cash flow as well as the Issuer's ability to make payments under the Bonds.

In the case of divestments of properties, there is uncertainties with regard to e.g. the price, potential delays, etc. If delays occur in the completion of the property due to, for example, technical issues, the purchaser may be entitled to request cancellation of the acquisition. Different claims may thus be directed at the Group, for example regarding fees for delays or claims with regard to the condition of the properties. Furthermore, if properties are sold at a lower price than expected or if the market value of the properties decreases, this could negatively affect the Group's financial position, revenues and cash flow and in turn the Issuer's ability to make payments under the Bonds.

In connection with an acquisition or disposal, the Group makes certain assumptions and judgements based on the information available at the time of acquisition, including assumptions about future rental income and operating expenses. These assumptions and judgements involve risks and uncertainties and may prove to be incorrect and thus result in the Group not achieving all the expected benefits of the transaction. Increased costs related to

misjudgements in relation to acquisitions and disposals, the materialisation of inherent risks and increased transaction and/or integration costs could adversely affect the Group's revenues and cash flow and in turn the Issuer's ability to make payments under the Bonds.

In addition to acquisition of properties, the Group may also from time to time acquire companies or businesses which is deemed to add to the Group's operations. For example, the Group acquired the housing module producer and property developer New Living in February 2023. Business acquisitions are subject to a number of inherent risks, including that expectations for future development, growth or synergies may prove wrong, despite that *due diligence* measures are carried out, and that important risks, such as, credit losses, customer liabilities, operational challenges, regulatory issues, tax issues, supplier issues, accounting issues, employment issues, unexpected expenses are overlooked or misjudged, or that uncertain or unlikely events, liabilities or costs materialize that worsen the outlook for a certain business. Unforeseen, unidentified or misjudged business acquisition related risks could have a significant negative impact on the Group's revenues and cash flow, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

### **Risks related to quality assurance of buildings**

Both the Group and its customers place high quality requirements on the properties that the Group develops and manages. In addition to requirements in relation to suppliers and contractors and quality system requirements with self-monitoring, the Group engages external independent inspectors to carry out inspections of all critical stages in the construction. The external inspectors are also responsible for keeping up to date with changes in regulations relating to approved structures, including structures that are approved but for which problems are known to exist. There is a risk that unforeseen construction defects in the Group's properties and housing units materialise, such as the failure of approved construction systems. For example, experience has shown that waterproofing on terraces is associated with risks in Sweden, due to problems with water ingress and frost cracking that later lead to leakage. Other construction systems that have been approved and used in Sweden, but which have later been found to be substandard or to pose health risks, are asbestos constructions, single-stage sealed facades and windscreens made of magnesium oxide. Whether due to circumstances within or outside the Group's control, a failure by the Group to assure the quality of its properties could lead to extensive and costly measures to remedy errors and deficiencies. This could result in increased costs for the Group and thus have a negative impact on the Group's profit margins and cash flow and ultimately the Issuer's ability to make payments under the Bonds. Furthermore, defects and deficiencies in the Group's properties may lead to disputes and claims for damages, as well as negative publicity for the Group and potential damage to its reputation.

### **Risks related to the Group's dependency on suppliers and other counterparties**

In order to carry out property development projects, the Group is dependent on being able to hire the necessary expertise on terms that are acceptable to the Group. The Group's property development projects are partly carried out by external contractors, which means that the Group is dependent on the availability of external suppliers and contractors and on the price levels for such services being reasonable. The availability of suppliers who provide such services and who fulfil the Group's requirements and expectations may be limited. There is therefore a risk that the Group will not be able to successfully engage new external parties in the event that any of the current suppliers resigns or if additional parties prove to be necessary for the Group's operations. There is also a risk that any of the current contractors engaged by the Group will be subject to restructurings, acquisitions or similar transactions, or closures, which could result in delays and cost increases for the services provided to the Group. In addition, the Group's reliance on external contractors entails certain project-related risks, such as delays, design errors, latent defects, other defects, damage and pollution. If one or more of the above-mentioned risks were to materialise, it could lead to higher construction and property costs, as well as other costs, for the Group which could have a material adverse effect on the Group's margins and cash flow and the Issuer's ability to make payments under the Bonds.

Furthermore, the ability to carry out property development projects on economically viable terms depends on all parties delivering according to plan, even when the parties consist only of the Group's subsidiaries. For example,



if a construction contract within a project cannot be completed by an agreed date, the customer may cancel the construction contract entered into between the Group (as developer) and the contractor. The termination of a contract may entail that the Group needs to carry out a procurement process with a new contractor on terms that are less favourable to the Group and may lead to claims for damages in the event that the planned buildings are to be let as tenant-owned apartments and individual buyers have already agreed on dates for accessing the residential units. If one or more of the above risks were to materialise, it could lead to increased costs for the Group, which could have a material adverse effect on the Group's margins and cash flows and the Issuer's ability to make payments under the Bonds.

### **Risks related to retention and recruitment of qualified personnel**

The Group is a relatively small organisation with approximately 20 employees. Attracting, motivating and retaining qualified personnel is thus crucial to the Group's success, future business and business plan. The Group is especially dependent on personnel with sufficient knowledge and experience in relation to management of projects and property development, construction, property financing and property acquisitions, including certain senior executives in the Issuer who possesses extensive expertise and knowledge in these fields. In order to attract, motivate and retain certain key employees within these fields, the Group may need to increase and/or pay remuneration to these individuals, with increased costs as a result which would have a negative effect on the Group's returns. If the Group cannot attract and retain qualified personnel in the future, this could have a material adverse effect on the Group's business and future prospects. This is especially true for the Group since it is a small organisation, which makes it particularly sensitive to the loss of, or inability to attract new, key personnel.

## **II. Market risks**

### **Risks relating to macroeconomic factors**

Macroeconomic factors such as lock down restrictions imposed in relation to the Covid-19 pandemic, the war in Ukraine, the high inflation during 2022 and 2023 and increased interest rates put in place by central banks to combat such inflation is affecting business globally, and it is expected to continue to do so for some time to come in the form of reduced production rates, disrupted value and logistic chains, lower product demand, increased production costs, increased financing costs, volatility on the capital markets etc. The property market is to a large extent affected by macroeconomic factors such as, inter alia, the general economic development, inflation and interest rate levels, the financial markets, the Stockholm property market, energy prices, growth, employment trends, level of production of new premises and residential properties, changes in infrastructure and population growth. Any market turbulence, in particular in the Stockholm property market, or downturns in the global economy could affect the financial position of customers of the Group and potentially impact their ability to conduct business with the Group and/or fulfil their obligations towards the Group. As households' financial capacity is also significantly affected by the general economic climate, the Group may also be affected by the demand for lower rents and increased vacancy rates, which may lead to lower rental income for the Group or non-payment. If one or more of these factors would be subject to a negative development, this may negatively affect the Group's operations. Market disruption in the Stockholm property market where the Group is active and an economic downturn in the global market as a whole may affect the Group and the Group's and its customers' financial position. Furthermore, deterioration in the global economy, decreased liquidity in the Swedish market for residential properties or decreased demand for the Group's products or services may also negatively affect the Group's revenues and in turn the Group's financial position. See also risk factors "*Risks relating to rental income and rental development*", "*Risks relating to the Group's property development projects*", "*Credit risk*", "*Interest rate risk*" and "*Risks relating to the value of the Group's properties*".

As described above, the Group is specifically exposed to market disruptions in the property market in the Stockholm region. During the year 2022, the market prices for residential units decreased and the sales volumes in Sweden in general and in Stockholm in particular were significantly lower compared to market prices and the sales volumes during the years 2020 and 2021. Continued increases in real interest rates or recession in the global market may affect the financial position of the Group's customers and thus their ability to enter into contracts with



the Group, which could have a material adverse effect on the Group's future revenues and cash flow and the Issuer's ability to make payments under the Bonds.

There are also political discussions concerning the property market, such as the reintroduction of property tax, amortisation requirements for tenant-owned apartments and free, market-based rent setting for rental apartments. Such changes may affect the implementation of ongoing and future property development projects, which could have a material adverse effect on the Group's future revenues and cash flow and the Issuer's ability to make payments under the Bonds.

### **Risks related to the Group operating in a competitive market**

The Group operates in the property market, which is characterised by significant competition. The Group's future competitiveness depends on, inter alia, the Group's ability to make competitive bids in relation to acquisitions, incur external financing at reasonable prices as well as the Group's general ability to predict changes in market conditions and to quickly adopt to these new conditions in order to meet current and future market needs.

There is a risk that the Group's competitors will engage in price competition, for example, by merging with other competitors or by implementing new initiatives, or that they will develop more competitive offerings than those of the Group, which could result in decreases in the Group's future revenues. The number of competitors may also increase and strengthen as a result of new strategies and/or improved financial positions of competing companies. Increased competition in the property market may lead to higher prices for building rights, as more market participants negotiate for the same building rights, which could lead to higher property acquisition costs for the Group. Competition in the property market may also reduce the Group's ability to obtain land allocations. Increased competition from existing and new market players, regardless of whether they are specialised or operate more broadly, as well as deteriorating competitive conditions, may lead to a reduction in the Group's revenues and a negative impact on rent levels and vacancy rates.

If one or more of the above risks were to materialise, it could cause the Group to lose market shares in the property market, which could have a material adverse effect on the Group's future revenues and cash flow as well as the Issuer's ability to make payments under the Bonds.

## **III. Risks related to the Group's financial situation**

### **Liquidity risk**

The Group is exposed to liquidity risk. Liquidity risk refers to the risk that a company cannot fulfil its payment obligations as they fall due (including in relation to refinancing of existing debts when they fall due). With the recently experienced deteriorated economic environment and times of unrest in the property market due to increased real interest rates as well as high levels of inflation rates, this risk becomes more apparent. In the event that existing resources do not fulfil the Group's liquidity needs, the Group may need to seek additional financing. Liquidity risk is thus closely linked to financing risk (*see risk factor "Financing risk"*). If the Group's existing resources prove to be insufficient for the Group to fulfil its payment obligations and the Group fails to obtain the necessary external financing on reasonable terms, the Group could be forced to incur external financing at high costs or otherwise on unfavourable terms or take other actions to generate necessary liquidity, for example by selling properties on unfavourable terms, all of which could lead to increased costs and have a material adverse effect on the Group's cash flow and the Issuer's ability to make payments under the Bonds.

### **Financing risk**

A large part of the Group's business consists of property development projects. The need for external financing exists particularly during the construction phase of a property development project, when capital is required to erect buildings on the acquired or leased land, as applicable. The Group also needs external financing during the initial development phase when acquiring land and preparing zoning plans for the final product. External financing in the initial development phase is usually provided in the form of a land loan (Sw. *marklån*) and in the latter construction phase, in the form of a construction loan (Sw. *byggnadskreditiv*). The financing requirement varies from project to project and depends on the timing of the project and the type of building to be constructed. As of

30 September 2023, the Group's long term debt amounted to approximately SEK 453 million, the Group's short term debt amounted to approximately SEK 883 million and the Group's interest bearing liabilities amounted to approximately SEK 1,222 million.

The Group's business model allows the Group to choose, as a project progresses, whether the property should be sold or remain in the Group's ownership and management on a long-term basis. In projects developed for sale, the debt financing is usually repaid in connection with the handover of the property. Upon handover, the Group receives payments from the buyer for investments made up until the time of the handover. The buyer usually also pays part of the project's profit at the same time. After the handover, the financing responsibility for the project is passed over to the buyer and upon completion of the project, the Group receives the bulk of the proceeds from the profit. In projects developed for long-term management and where the Group acquires land, a construction loan is utilised when the project enters the production phase.

There is a risk that the Group does not obtain the financing needed to initiate a project, regardless if the project is intended for immediate sale or long-term management, or if the property development is delayed or affected by unforeseen or higher costs due to factors within or outside the Group's control. Such circumstances may result in projects not being started at all, or projects not being completed before the debt matures, or increased costs not being covered by credit facilities granted.

Furthermore, there has recently been a significant increase in levels of inflation and interest rates which has caused a considerable increase in financing cost and the capital markets has been highly volatile which has had a general effect on the availability of financing. Further disruptions in the capital markets and interest rate volatility may negatively affect the Group's ability to obtain financing at an acceptable price or at all. If the Group is unable to obtain financing for development projects or acquisitions, it could have a material adverse effect on the Group's financial position and operations. The same applies in case of failure to extend or increase existing financing or failure to refinance existing financing. If the Group does not have sufficient cash and cash equivalents on the closing date for a property acquisition, a project may be lost, including the costs and other resources spent on the project in question. Furthermore, claims for damages may be brought against the Group if the Group has contracted contractors or suppliers for a project that is cancelled due to lack of liquidity. If the Group is only able to obtain financing on unfavourable terms it may result in increased financial costs, which could have a material adverse effect on the Group's business financial position, margins and cash flow as well as the Issuer's ability to make payments under the Bonds.

The Group's credit agreements further contain so-called covenants, mainly consisting of keeping the loan to value ratio at or above a certain level for each mortgaged property. In the event that the Group is in breach of these covenants, loans may fall due for payment prematurely which creates a need for further external financing in replacement thereof.

### **Credit risk**

The Group is subject to credit risk in relation to its counterparties, such as tenant-owner associations. Such counterparties can end up in a financial situation in which they are unable to pay agreed fees or other debts to the Group as such fees or debts fall due. The Group's credit risk is closely linked to macroeconomic factors (see risk factor "*Risks relating to macroeconomic factors*"). In the event that the Group's counterparties are unable or unwilling to fulfil their financial obligations to the Group, this may have a material adverse effect on the Group's revenues and cash flow as well as the Issuer's ability to make payments under the Bonds.

### **Interest rate risks**

The Group's operations are mainly financed by loans from credit institutions. The majority of the Group's indebtedness is attributable to the Group's project-related liabilities and to new property management loans (Sw. *förvaltningslån*) incurred with the Group's completed rental properties as collateral. As of 30 September 2023, the Group's total interest-bearing liabilities amounted to approximately SEK 1,222 million, of which a majority was linked to 3-month STIBOR. The applicable interest rates are affected by underlying market rates as well as credit

margins on the relevant loan amount. Interest rates have historically fluctuated due to, and are in the future likely to be affected by, a number of different factors. Such factors include macroeconomic factors as well as inflation expectations, the households' financial capacity and confidence, and monetary policy, as well as factors linked to the Group's operations and industry, such as demand for investment properties and residential units. Calculated as of 31 December 2022, an increase in 3-months STIBOR by one (1) percentage point would increase the Group's interest rate expense for the financial year by approximately SEK 10 million (from approximately SEK 54 million to approximately SEK 64 million). Increased interest rates could thus result in increased financial costs for the Group, which could have a material adverse effect on the Group's margins and cash flow and the Issuer's ability to make payments under the Bonds.

In addition, interest rates are an important factor for tenants' ability to pay rent and for the ability of the purchasers of the Group's projects finance their purchase from the Group on favourable terms. The high inflation during 2022 and 2023 has prompted central banks throughout the world, including the Swedish central bank, to increase interest rates and further interest rate increases may be implemented in the near future, which could have a negative effect on the Group's residential property portfolio. The Group would in such situation have to recognise losses due to market value adjustments, which would result in a corresponding decrease in the value of the Group's properties on the balance sheet. Furthermore, increases in interest rates may generally lead to a reduction in demand for residential properties and have a negative effect on the ability of potential buyers to finance property acquisitions. Increases in interest rates may also affect the demand for properties and housing as an investment, as the return may thus be considered to be better for other types of assets. Increased interest rates may also mean that the Group needs to dispose of properties at a loss, as higher interest rates would lead to generally lower purchasing power, which could also lead to that the Group's operations need to be scaled down. Should any of the above risks materialise, it could have a material adverse effect on the Group's financial position, future revenues and cash flow and the Issuer's ability to make payments under the Bonds.

### **Risks relating to the value of the Group's properties**

The Group is subject to risks relating to changes in value and incorrect valuations of its properties. As of 30 September 2023, the value of the Group's completed investment properties amounted to approximately SEK 826 million. The Group also has building rights for future investment properties and the building rights/future building rights are recognised at an estimated fair value in the Group's balance sheet.

The value of the Group's assets is affected by a number of property-specific factors such as occupancy rates, operating costs, unforeseen project-related deficiencies and costs and other project costs. The value of the Group's assets is also affected by market-specific factors such as yield requirements, capital costs, inflation and other factors that affect the value of properties. In addition, property valuations are based on a number of assumptions that may prove to be wholly or partially inaccurate. Such assumptions include property-specific assumptions regarding, inter alia, rent levels, occupancy rates and operating costs, as well as market-specific assumptions on macroeconomic developments, general economic trends, regional economic developments, employment rates, production rates for new properties, changes in infrastructure and inflation and interest rates. Consequently, there is a risk that the Group's valuations do not represent the current value of its properties or reflect the actual fair market value. The valuation methods that are currently accepted and have been used to compile valuation certificates for the Group's property portfolio may subsequently prove to be inappropriate. The basis of valuation may change over time, which could result in the value becoming increasingly difficult to assess for an investor, financial counterparty or other third party interested in the value of the Group's properties. Furthermore, it cannot be excluded that the underlying assumptions in previous or future property valuations may prove to be incorrect. There is thus a risk that the fair value of the Group's properties recognised in the balance sheet is not correct or that it may decrease in the future, which may mean that the value of the Group's property portfolio, and thus also the Group's financial position, is incorrectly reflected. Furthermore, a negative adjustment of the fair value of the Group's properties could have a negative impact on the Group's balance sheet.

In addition, the value of the Group's properties is affected by the possibility of selling parts of the property portfolio. If the Group needs to sell parts of its portfolio at short notice for any reason, such as to raise working capital or pay outstanding debts, the Group may not be able to sell part of its portfolio on favourable terms or at all. In an urgent sale, there may be a significant difference between the prices that can be obtained for the property or property portfolio being sold compared to what would normally be obtained for the property or property portfolio. Such a loss could have a material adverse effect on the Group's financial position and revenues. In addition, difficulties in disposing of properties on favourable terms may entail that the Group chooses, instead of disposing of the property, to raise additional debt financing, which would lead to higher financial costs and a lower equity ratio. A significant decrease in the market value of the properties would also have a negative impact on the Group's ability to dispose of its properties without incurring a loss, for example through a disposal at a lower price than estimated, which could have a material adverse effect on the Group's return on investments and thus its future revenues and cash flow as well as the Issuer's ability to make payments under the Bonds.

If the Group makes an impairment due to a decrease in the value of the properties, it could lead to, for example, a breach of covenants under the loans that the Group has entered into from time to time. This could lead to such loans falling due immediately and consequently affect the Group's business, earnings and financial position and ultimately the Issuer's ability to make payments under the Bonds. See risk factors "*Liquidity risk*" and "*Financing risk*".

## **IV. Legal, regulatory and social risks**

### **Risks relating to dependency on laws, permits and decisions**

The Group business is regulated and affected by a large number of laws and regulations, but also by a wide range of processes and decisions related to these laws and regulations at both political and official level. The Group is affected by, among other things, the rules in the Swedish Planning and Construction Act (Sw. *plan- och bygglag (2010:900)*), building standards, various safety regulations, as well as rules regarding permitted building materials, rules for K-marked buildings and various forms of cultural listings. These regulations have a significant impact on the Group's business and its ability to develop its properties in a desirable manner, including with respect to costs. Future changes in laws and regulations may result in the Group not being able to utilise the Group's properties as intended or only in a more costly or non-efficient manner, subject to delays.

In order for the Group's properties to be used and developed according to plan, various permits and decisions, including zoning plans and various types of property registrations, are required to be granted and issued by bodies such as municipalities and authorities and that are decided at both the political and official level. There is a risk that the Group is not granted permits for new construction, renovations or change of use of acquired properties or that the authorities do not make the decisions required to operate and develop the business in the desired manner. In addition, decisions can be appealed and lead to significant delays. Standard decision-making processes may change in a direction that is detrimental to the Group due to, for example, political discussions. Changes in already granted permits and plans may result in property development projects being delayed, becoming more costly or not being able to be implemented at all. Furthermore, changes in legislation may result in unexpected costs and limit the development of the Group's business. The Group is thus dependent on good relations with municipal authorities in the markets in which the Group operates, including in order to be allocated land.

If relations with these municipal authorities deteriorate, for example because the Group has not met expectations in a previous project regarding sustainability requirements, cityscape or other expectations, there is a risk that the Group will not receive a desired land allocation in the future. This would result in limitations on the development of the Group's operations.

If any of the above risks were to materialise, it could have a material adverse effect on the Group's revenues and the Issuer's ability to make payments under the Bonds.

### **Risks relating to rental regulations**

The Group is dependent on income from rental housing. During the nine-month period ending 30 September 2023, the Group's income from rental housing amounted to approximately SEK 25.3 million. Thus, a +/- 1 per cent. change in the Group's rental income would impact the Group's total income by approximately SEK +/- 253 thousand, and given that the Group strives to expand its rental business, changes in rent levels could have a greater impact in the future. The ability of the Group to increase rents under its tenancy agreements is indirectly limited to the legal principle of "utility value" (Sw. *Bruksvärdesprincipen*), which is a legal principle that requires rent levels to be proportionate to the quality and standard of the residential unit in question and that rent levels may only be increased to a level that is in line with the rent of other comparable housing. Accordingly, rents in relation to residential properties may only be subject to increases greater than the rate of inflation if the quality and standard of the Group's housing units have been improved, since the applicable utility value would be a benchmark used when determining if a rent is to be deemed unreasonable (Sw. "*oskälig*") if it would become subject to legal scrutiny. With respect to the Group's property development projects regarding improvements to the Group's existing rental properties, to the extent that the Group is or becomes constrained by applicable rental legislation, there may be a material adverse effect on the Group's ability to recover the costs related to improvements to such properties.

Tightening of applicable rental regulation in Sweden may have a negative impact on market rent levels in general. Any reduction in rent levels for the Group's properties as a result of lower rent levels in the market may have a negative impact on the Group's rental income and the value of the Group's properties, which in turn may have a material adverse effect on the Group's revenues, cash flow and financial position and ultimately the Issuer's ability to make payments under the Bonds.

### **Risks relating to occupational health and safety regulations**

The Group is subject to regulation in areas such as occupational health and safety issues. As construction is associated with inherent risks of personal injury, there is a risk that the Group's employees or employees of the Group's external subcontractors, working in the Group's production projects, suffer personal injuries, which may lead to the Group being deemed to be in breach of applicable labour law regulations and claims being brought on the Group, both of which could entail costs for the Group. Any personal injuries and breaches of occupational health and safety regulations could also cause damage to the Group's reputation and brand and the Group's future prospects. If any of the above risks were to materialise, it could have a material adverse effect on the Group's margins and cash flow and the Issuer's ability to make payments under the Bonds.

### **Risks related to processing of personal data**

The Group processes personal data relating to employees and tenants. The Group must therefore comply with applicable legislation regarding data protection including, but not limited to, the EU General Data Protection Regulation (EU 2016/679) ("**GDPR**"). The extensive data protection legislation requires, among other things, that the Group handles personal data in a secure manner and understands, monitors and documents how personal data is handled.

There can be no assurance that the Group's procedures concerning personal protection and other procedures for protecting personal data will be fully compliant with all applicable legislations. The processing of personal data is subject to complex and extensive regulation within the EU. Further, the application of GDPR and its implementation is subject to interpretation and development. There is a risk that these statutes will be interpreted and applied in a manner that is not in line with the Group's current data protection routines. The Group is thus subject to a risk that personal data will be used erroneously, lost, disclosed or processed in violation of the applicable rules concerning data protection and privacy by the Group or by a third party (contracted by the Group).

Breaches of applicable rules and regulations related to the processing of personal data may result in high fines or other sanctions from authorities, and/or damage the Group's reputation and, given the high maximum fines the Swedish Data Protection Authority can impose, such fines may have serious financial consequences for the Group. Failure, in whole or in part, to comply with the GDPR may result in penalties up to a maximum of EUR 20 million



or four (4) per cent of the Group's total annual turnover, whichever is higher. As of 31 December 2022, the Group's total annual turnover amounted to SEK 207 million (approximately EUR 17 million). Furthermore, a breach of data protection legislation may result in costly and lengthy disputes and negative publicity for the Group, which could result in the Group having to pay damages, incurring legal counsel costs and losing tenants, which would have a material adverse effect on the Group's margins and cash flow and the Issuer's ability to make payments under the Bonds.

### **Taxation risks**

The Group's operations is carried out in accordance with its interpretation of applicable laws, regulations and precedents within the tax field and in accordance with guidance from tax consultants.

Changes in the current tax legislation could result in an increased tax burden for the Group, which could affect its result and financial position. On 1 January 2019, a new tax legislation with regard to, inter alia, interest deduction limitations and corporate taxation entered into force. This legislation implies, inter alia, a general interest deduction limitation rule in the corporate sector meaning that net interest expenses is deductible only up to 30 per cent. of the taxpayer's EBITDA for tax purposes, subject to certain deviations. If the Group's net interest expenses represent a substantial portion in relation to its tax EBIT or tax EBITDA, the Group's tax burden could increase significantly which would negatively affect the Group's margins and cash flow as well as the Issuer's ability to make payments under the Bonds.

There is also a risk that the Group's financial reports, as a result of knowledge gaps, are non-optimized from a tax perspective which in addition to the direct increase in tax costs also affect future financing possibilities and bring with it a negative brand perception and/or legal penalties.

In March 2022 the Swedish Land Survey (Sw. *Lantmäteriet*) submitted the report "Stamp duty on acquisitions of real property by means of property formation measures" (Sw. *Stämpelskatt vid förvärv av fast egendom med hjälp av fastighetsbildningsåtgärder*) to the Swedish Government, in which it proposes a general stamp duty obligation when acquiring real property through certain property formation measures. If a general stamp duty obligation on acquisitions of real property through certain property formation measures is imposed, it could result in increased stamp duty costs for the Group when acquiring real property through property formation measures.

If the Group's interpretation of tax legislation and other tax regulations or their applicability is incorrect, if the Swedish Tax Agency (Sw. *Skatteverket*) successfully makes negative tax adjustments in respect of a business unit within the Group, or if applicable laws, treaties, regulations or interpretations thereof or the administrative practice in relation thereto change, including changes with retroactive effect, the Group's past and present handling of tax matters may be called into question. If the Swedish Tax Agency successfully asserts such claims, this could result in an increased tax expense, including tax penalties and interest, which may have a material adverse effect on the Group's margins and cash flow and ultimately the Issuer's ability to make payments under the Bonds.

### **Environmental risk**

Under certain conditions, the Group may be required to clean up land and carry out subsequent treatment of pollution or suspected pollution in land, water areas or groundwater in order to render the property in the state required under the Swedish Environmental Code (Sw. *miljöbalken (1998:808)*), which may be a costly endeavour. Furthermore, changes to environmental laws, rules and requirements could entail that the Group may incur higher costs for clean-up or subsequent treatment of properties acquired now or in the future. Furthermore, such changes could lead to higher costs or delays and may entail that the Group is unable to develop properties in a manner that is desirable for the Group. All such requirements could entail substantial costs for the Group and have a material adverse effect on the Group's margins and cash flow and ultimately the Issuer's ability to make payments under the Bonds.

In addition, unforeseen geological discoveries or unforeseen discoveries of endangered animal species in or adjacent to the place where a property development project is to be implemented could lead to the project being delayed, becoming more expensive or that it cannot be implemented at all, which could have a material adverse



effect on the Group's margins and cash flow and ultimately the Issuer's ability to make payments under the Bonds. Furthermore, it can be difficult to assess ground conditions prior to the commencement of ground works in a project, which can lead to unforeseen costs and impact on the intended project schedule.

## **RISK FACTORS SPECIFIC AND MATERIAL TO THE BONDS**

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

#### **Refinancing risk**

The Group finances its business by way of equity, bank financing and corporate bonds. As of 30 September 2023, the Issuer's equity amounted to approximately SEK 701 million whereas the total balance sheet liabilities amounted to approximately SEK 1,337 million.

The Group may be required to refinance its outstanding debt, including the Bonds. The Group's ability to refinance the Bonds at maturity depends on a number of factors, inter alia, market conditions, the availability of cash flows from operations, intra-group loan arrangements and access to additional debt financing. The Group's ability to refinance the Bonds or other debt is also restricted by that the Terms and Conditions allow incurrence of additional debt, in some cases provided that certain financial covenants are met (incurrence test). In addition, the Terms and Conditions impose restrictions in relation to the Group's debt financing arrangements, as certain financial covenants must be met when tested quarterly (maintenance test). Such restrictions as well as adverse developments in the credit markets and other future adverse developments, such as the further deterioration of the overall financial markets or a worsening of general economic conditions, could have a material adverse effect on the Group's ability to borrow funds as well as the cost and other terms of funding. There can be no assurance that such funds will be available at a commercially reasonable cost, or at all and consequently, there can be no assurance that the Group will be able to refinance the Bonds when they mature.

#### **Risks related to security, structural subordination and prioritised creditors**

The Issuer's obligations and liabilities towards the Bondholders under the Terms and Conditions are secured by pledges over Group's shares in certain Group Companies as well as certain intra-group loans. The shares that are provided as security for the benefit of Bondholders may provide for only limited repayment, in part because these shares may not be liquid and their value to other parties may be less than their value to the Group. Furthermore, the real property assets of the Group are to a material extent provided as security for loans related to the property assets and the creditors under such loans will enjoy first right and priority in payment from the proceeds of any enforcement sale of such real property assets. Meanwhile, the value of the pledged shares is to a large extent dependent on the value that would be retained by the relevant Group Company following an enforcement sale of such real property assets and the amount other financial liabilities of the relevant Group Company. As a result, the Bondholders may not recover full or any value in the case of an enforcement sale of such pledged shares. 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).

In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Issuer, as a shareholder, would be entitled to any payments or distributions which may ultimately be applied towards prepaying the Bonds. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries.

Furthermore, the value of any intra-group loan of the Group, which is subject to security in favour of the secured parties, is largely dependent on the relevant debtor's ability to repay such intra-group loan. Should the relevant debtor be unable to repay its debt obligations upon an enforcement of a pledge over the intra-group loan, the Bondholders may not recover the full or any value of the security granted over the intra-group loan. In addition, the security granted pursuant to intra-group loans is not subject to perfection due to the automatic release of such

security under certain conditions set out in the Terms and Condition. As such, the security over such intra-group loans is not effective against third parties.

Moreover, the security is 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 security.

### **Credit risk**

An investment in the Bonds carries a credit risk relating to the Issuer and the Group. The bondholders' ability to receive payment under the Terms and Conditions is therefore dependent upon the Issuer's and the Group's ability and willingness to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, a number of which have been discussed in previous risk factors.

An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would affect the Bonds' value negatively. Another aspect of the credit risk is that any deterioration in the financial position of the Group may reduce the Group's possibility to receive debt financing at the time of redemption of the Bonds.

### **Dependency on other companies within the Group**

The Issuer is a holding company and the Group's operations are mainly run through its subsidiaries. A significant part of the Group's assets and revenues relate to the Issuer's subsidiaries and associated entities. The Issuer's ability to make required payments of interest on its debts and funding is affected by the ability of its subsidiaries to transfer available funds to it, and hence the Issuer is dependent on its subsidiaries to fulfil its obligations under the Bonds. The transfer of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiary, including the relevant subsidiaries' financing arrangements. Furthermore, the Group Companies are legally separate entities and distinct from the Issuer, and have no obligation to fulfil the Issuer's obligations vis-à-vis its creditors. If the subsidiaries do not provide liquidity, or due to other circumstances, conditions, laws or regulations are prevented from providing liquidity to the Issuer, there is a risk that the Issuer will not be able to fulfil its obligations under the Bonds.

### **Interest rate risks and benchmarks**

The Bonds' value depends on several factors, one of the more significant over time being the level of market interest. Potential investors in the Bonds are hence dependent on a favourable and stable general market interest rate over time in order to sustain profitability in respect of its investment. The Bonds carry a floating rate interest of STIBOR plus a certain margin and is determined for each interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. An increase of the general interest rate level could adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the financial development at large and is outside the Group's control.

The determining interest rate benchmarks, such as STIBOR has been subject to regulatory changes such as the Benchmarks Regulation (Regulation (EU) 2016/1011 on indices used as benchmarks in financial and contracts or to measure the performance of investment funds) (the "**BMR**"). There is a risk that STIBOR will be discontinued, or that alternative benchmark rates will dominate market practice, leading to uncertainties in relation to the interest rate payable in relation to the Bonds. Increased or altered regulatory requirements and risks associated with the BMR (as amended) involve inherent risks as the effects cannot be fully assessed at this point in time. There is a risk that developments in relation to STIBOR cause volatility in STIBOR, which would affect the interest rate for the Bonds.

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

The Issuer intends to use the net proceeds of the issue of the Bonds in accordance with the Issuer's sustainability finance framework (the "**Sustainability Finance Framework**"), which aligns with the principles and guidelines for Green, Social and Sustainability Bonds by the International Capital Markets Association ("**ICMA**"). However, there is currently no unequivocal definition of, legal or otherwise, or market consensus as to what constitutes a

“sustainable” or an equivalently-labelled project. Accordingly, there is a risk that any projects, asset or uses defined in the Sustainability Finance Framework will not meet current or future investor expectations regarding such “sustainable” or other equivalently-labelled performance objectives, in particular as future developments or legal requirements as to the definitions of “sustainable”, whether according to applicable law or regulations or by such investor’s own by-laws, other governing rules or investment portfolio mandates, may change. Should such terms be developed in the future, the Group’s sustainability eligible projects may not reflect these developments.

A failure by the Issuer to apply the net proceeds of the Bonds in accordance with the Sustainability Finance Framework but would not give the investor a right to require that the Issuer shall repurchase or redeem any of their Bonds or give any right for the holders of the Bonds to receive compensation. Further, no Event of Default under the Terms and Conditions will occur should the Bonds no longer be defined as “sustainable” Bonds. Should the Issuer fail to apply the net proceeds in accordance with the Sustainability Finance Framework, it could result in the value of the Bonds decreasing and there is also a risk that investors would be in breach of any investment criteria, mandates or guidelines with which an investor is required to comply with and could result in remedies under the relevant investment criteria, mandates or guidelines, which could result in investors facing, inter alia, claims or reputational damages due to such breach. Any part of the net proceeds from the Bonds which is not used to finance or re-finance such sustainability eligible projects will not be permitted to be applied for any other uses, which would entail that the Issuer would incur interest costs on such funds without a corresponding benefit. Should any projects which have been financed with the net proceeds from the Bonds only partially, if at all, achieve the social or environmental benefits that motivated the investments in the Bonds, the Issuer’s reputation may deteriorate and may also be in conflict with the holders’ reasons for investing in the Bonds.

The European Commission has adopted the taxonomy regulation (Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment) which entered into force in full on 1 January 2023 (the “**Taxonomy Regulation**”). The Taxonomy Regulation entails stricter requirements in terms of assessing sustainable investments. The Taxonomy Regulation may affect the assessment of whether the Bonds are “sustainable”, and the Issuer’s non-compliance with the requirements under the Taxonomy Regulation may cause the Bonds ceasing to be defined as “sustainable”. Due to the rapidly changing market conditions for green and sustainable securities, there is a risk that current or future investor expectations will not be met which could negatively affect the secondary trading and value of the Bonds due to a decreased interest from investors with specific sustainability requirements. Furthermore, should such market conditions significantly change, there is a risk that an investor of the Bonds cannot trade its Bonds at attractive terms, or at all. In addition, the Issuer may lack comprehensive and satisfactory knowledge with respect to any investment, which may result in inaccurate or incomplete reporting of the allocation and impact of the use of proceeds of the Bonds and, furthermore, there may be discrepancies between the Issuer’s assessments and investor expectations.

## **II. Risks related to the admission of the Bonds to trading on a regulated market**

### **Risks related to admission to trading**

The Issuer has undertaken to ensure that the Bonds are listed on a regulated market within certain stipulated time periods, as defined in the Terms and Conditions, and the failure to do so provides each bondholders with a right of prepayment of its Bonds (put option).

There is a risk that the Bonds will not be admitted to trading on the relevant market place within the intended time frames or at all. If the Issuer fails to procure listing in time, investors holding Bonds on an investment savings account (Sv. ISK or IS-konto) will no longer be able to hold the Bonds on such account, thus affecting such investor’s tax situation.

### **Risks related to illiquid markets**

There is a risk that the market for trading in the Bonds will be illiquid even if the Bonds are admitted to trading. This may result in the bondholders being unable to sell their bonds, due to, for example, severe price fluctuations,

close down of the relevant market or trade restrictions imposed on the market, or at a price which entails a profit comparable to similar investments in an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds, if they are admitted for trading.

# THE BONDS IN BRIEF

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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 under Section “*Terms and Conditions for the Bonds*”, before a decision is made to invest in the Bonds.

## General

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Issuer .....	Titania Holding AB (publ), Swedish reg. no. 556887-4274.
Resolutions, authorisations and approvals .....	The Issuer’s board of directors resolved to issue the Bonds on 11 December 2023.
The Bonds offered.....	SEK 525,000,000 in an aggregate principal amount of senior secured callable floating rate sustainable bonds due 21 December 2026.
Nature of the Bonds .....	The Bonds constitute debt instruments (Sw. <i>skuldförbindelser</i> ), each of the type set forth in Chapter 1, Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i> ).
Number of Bonds .....	As of the date of this Prospectus, 420 Bonds have been issued. Only Bonds that have been issued at the date of approval of the Prospectus may be admitted to trading based on the Prospectus.
ISIN.....	SE0020998680.
Issue Date .....	21 December 2023.
Price .....	All Bonds issued on the Issue Date have been issued at an issue price of 97.00 per cent. of the Nominal Amount.
Interest Rate .....	Interest on the Bonds is paid at a rate equal to the sum of (a) three (3) months STIBOR, plus (b) 8.50 per cent. <i>per annum</i> , as adjusted by any application of Clause 20 ( <i>Replacement of Base Rate</i> ) in the Terms and Conditions. Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
Use of benchmark .....	Interest payable for the Bonds issued under the Terms and Conditions is calculated by reference to STIBOR.
Interest Payment Dates.....	Quarterly in arrears on 21 March, 21 June, 21 September and 21 December each year (with the first Interest Payment Date being on 21 March 2024 and the last Interest Payment Date being the Final Redemption Date, 21 December 2026). Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
Final Redemption Date .....	21 December 2026.
Nominal Amount.....	The initial nominal amount of each Bond is SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds was SEK 1,250,000.

Denomination.....	The Bonds are denominated in SEK.
Status of the Bonds .....	The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among them and at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except for obligations mandatorily preferred by regulation applying to companies generally.
Use of Proceeds.....	The Net Proceeds of the Bond Issue shall be applied in accordance with the principles set out in the Issuer's Sustainability Finance Framework, including but not limited to repurchasing and/or redeeming all of the Existing Bonds.

## Call Option

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Call Option.....	<p>The Issuer may redeem all of the Bonds in full on any Business Day falling on or after the Issue Date (being 21 December 2023) at the applicable Call Option Price together with accrued but unpaid Interest, in accordance with Clause 13.3 (<i>Early voluntary total redemption (call option)</i>) of the Terms and Conditions, the Call Option Price being:</p> <ul style="list-style-type: none"> <li>(a) if the call option is exercised on or after the Issue Date to, but not including, the First Call Date, an amount equivalent to the sum of (i) one hundred four and twenty-five hundredths (104.25) per cent. of the Nominal Amount and (ii) the remaining interest payments to, but not including, the First Call Date;</li> <li>(b) if the call option is exercised on or after the First Call Date to, but not including, the date falling twenty-four (24) months from the Issue Date, one hundred four and twenty-five hundredths (104.25) per cent. of the Nominal Amount;</li> <li>(c) if the call option is exercised on or after the date falling twenty-four (24) months from the Issue Date to, but not including, the date falling thirty (30) months from the Issue Date, one hundred two and fifty-five hundredths (102.55) per cent. of the Nominal Amount;</li> <li>(d) if the call option is exercised on or after the date falling thirty (30) months from the Issue Date to, but not including, the date falling thirty-three (33) months from the Issue Date, one hundred and eighty-five hundredths (100.85) per cent. of the Nominal Amount;</li> <li>(e) unless paragraph (f) below applies, if the call option is exercised after the date falling thirty-three (33) months from the Issue Date, one hundred and four hundred twenty-five thousandths (100.425) per cent. of the Nominal Amount; and</li> <li>(f) if the call option is exercised after the date falling thirty-three (33) months from the Issue Date, one hundred (100.00) per cent. of the Nominal Amount, provided that such early redemption is financed in full or in part by way of the Issuer issuing Market Loan(s),</li> </ul> <p>in each case together with accrued but unpaid Interest.</p>
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Call Option Following a Partial Prepayment	If the total aggregate outstanding Nominal Amount of the Bonds is under SEK 100,000,000 as a result of a partial prepayment of Bonds pursuant to Clause
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13.5 (*Mandatory Prepayment*) of the Terms and Conditions, the Issuer may redeem all, but not only some, of the Bonds in full. Such redemption shall be made at an amount equal to the applicable Call Option Price, but shall up until the First Call Date be redeemed at the price set out in paragraph (b) of the definition of Call Option Price of the Terms and Conditions (in each case together with accrued and unpaid interest), in accordance with Clause 13.4 (*Early voluntary total redemption following a partial prepayment (call option)*) of the Terms and Conditions.

## Put Option

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Put Option .....	Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (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, in accordance with Clause 13.6 ( <i>Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)</i> ) of the Terms and Conditions.
Change of Control .....	A Change of Control means the occurrence of an event or series of events whereby one or more Persons (other than a Main Shareholder) acting together, acquire control over the Issuer and where “control” means (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (b) 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.....	A De-listing means a situation where, (a) the Bonds, once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds), or (b) all of the Issuer’s shares cease to be listed and admitted to trading on an MTF or Regulated Market on which they are admitted to trading (save for the event of such shares being admitted to trading on a Regulated Market) or trading of all of the Issuer’s shares on the aforementioned stock exchange is suspended for a period of fifteen (15) consecutive Business Days.
Listing Failure .....	A Listing Failure means a situation where a situation where the Bonds issued in the Bond Issue have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within sixty (60) calendar days after the Issue Date.

## Undertakings

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Certain undertakings .....	<p>The Terms and Conditions contain a number of undertakings that restrict the ability of the Issuer and other Group Companies, including, among others:</p> <ul style="list-style-type: none"> <li>• restrictions on making distributions;</li> <li>• undertaking to have the Bonds admitted to trading within six (6) months after the Issue Date;</li> <li>• restrictions in relation to incurring Financial Indebtedness and providing security or guarantees;</li> <li>• restrictions on investments;</li> <li>• restrictions on divestments;</li> <li>• undertaking to at all times meet the Maintenance Test;</li> <li>• restrictions on disposals of assets;</li> <li>• restrictions on mergers and demergers;</li> <li>• restrictions on making any substantial changes to the general nature of the business carried out by the Group;</li> <li>• undertaking to keep the Properties in a good state of repair and maintenance;</li> <li>• undertaking to maintaining adequate insurances; and</li> <li>• restrictions on dealings with related parties.</li> </ul>
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Each of these covenants is subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for more information.

## Security

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Transaction security .....	<p>The Bonds are secured by first ranking security interests over the shares of certain Group Companies and in respect of any present and future material intragroup loans. Please refer to Clause 7.1 (<i>Transaction Security</i>) of the Terms and Conditions for further information on the transaction security.</p>
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## Miscellaneous

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Transfer restrictions .....	<p>The Bonds are freely transferable. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which such Bondholder may be subject (due to, <i>e.g.</i>, its nationality, its residency, its registered address or its place(s) of business). Bondholders are not permitted to transfer Bonds in the United States except (a) subject to an effective registration statement under the U.S. Securities Act, (b) to a person that the bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S under the U.S. Securities Act, (d) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available) and (e) pursuant to any other available exemption from registration under the U.S. Securities Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require</p>
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	confirming that such sale or transfer is in compliance with the U.S. Securities Act.
Credit rating .....	No credit rating has been assigned to the Bonds.
Admission to trading .....	Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be filed in connection with the Swedish Financial Supervisory Authority's approval of this Prospectus. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 8 February 2024. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 150,000. Only Bonds that have been issued as of the date of approval of the Prospectus may be admitted to trading based on the Prospectus.
Representation of the Bondholders .....	<p>Nordic Trustee &amp; Agency AB (publ), Swedish reg. no. 556882-1879, is acting as Agent for the Bondholders in relation to the Bonds and any other matter within its authority or duty in accordance with the Terms and Conditions.</p> <p>By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the Agent, set out in the Terms and Conditions. The Terms and Conditions are available at the Agent's office address, Norrlandsgatan 23, SE-111 43 Stockholm, Sweden, during normal business hours as well as at the Agent's website, <a href="http://www.nordictrustee.com">www.nordictrustee.com</a>.</p>
Governing law .....	The Bonds are governed by Swedish law.
Time-bar .....	The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void 3 years from the relevant due date for payment.
Clearing and settlement .....	The Bonds are connected to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. <i>VP-konto</i> ). No physical Bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.
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.
Sustainable Bonds .....	The Sustainability Finance Framework dated April 2023 applies to the Bonds. The Issuer's Sustainability Finance Framework may from time to time be subject to amendments by the Issuer. Any such amendments after the Issue Date will not be applicable to the Bonds and the Bondholders. A failure by the Issuer to apply the Net Proceeds of the Bonds in accordance with the Sustainability Finance Framework does not give the Bondholders a right to require that the Issuer shall repurchase or redeem any of their Bonds. Further, no Event of Default under the Terms and Conditions will occur should the

Bonds no longer be defined as “sustainable” Bonds. The relevant Bondholders are in such case not entitled to early repayment or repurchase of Bonds or other compensation.

For more detailed information about the Issuer’s Sustainability Finance Framework, please visit the Issuer’s website: [www.titania.se](http://www.titania.se).

The Sustainability Finance Framework dated April 2023 has been developed to align with the International Capital Market Association’s (ICMA) principles and guidelines for Green, Social and Sustainability Bonds as well as the principles for Green and Social Loans administered by the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA). ISS ICS has provided a second party opinion on Sustainability Finance Framework dated April 2023 verifying its credibility, impact and alignment with the ICMA and LMA principles. The Issuer will also assign an independent external party to review the management of proceeds annually, until full allocation of the proceeds.

The Sustainability Finance Framework dated April 2023 is adapted to the four recommended components of ICMA’s Principles; (i) use of proceeds, (ii) process for project evaluation and selection, (iii) management of proceeds and (iv) reporting. Any unallocated proceeds will temporary be placed in the liquidity reserve and managed accordingly by the Issuer.

In accordance with the Sustainability Finance Framework dated April 2023, an amount equivalent to the net proceeds of the Bonds shall be used to finance or refinance, in whole or in part, eligible projects providing social and environmental benefits (“**Eligible Projects**”). Such projects include (i) improved living conditions, life chances and safety in segregated or neighbourhood that has been categorized by the police or municipality as a “vulnerable”, “particularly vulnerable” or “risk” area, (ii) development of a greater variety in the supply of housing in an area dominated by rental apartments, or rented apartments, (iii) the construction of new residential buildings designed to achieve a net primary energy demand that is at least 10 per cent. lower than the level required by the national building regulation, (iv) existing buildings with an Energy Performance Certificate (EPC) of class A, and (v) installing energy efficiency equipment (such as energy efficient windows, doors and light sources, HVAC), instruments and devices for measuring, regulating and controlling the energy performance of building, charging stations for electric vehicles in buildings and renewable energy technologies (such as solar, wind turbines and storage units). The net proceeds of the Bonds will not be allocated to socially or environmentally harmful activities such as weapons and defence, gambling, tobacco, fossil energy production, nuclear energy generation or potentially environmentally harmful resource extraction (such as rare-earth elements or fossil fuels).

It should be noted that the Issuer may, in part, use the net proceeds of the Bonds to make any early voluntary redemption of the Bonds (in part or in full) and/or repurchase of Bonds prior to the final redemption date, which may

reduce funds designated for financing and refinancing of Eligible Projects and the sustainability performance of the Bonds.

The selection of Eligible Projects is managed by a dedicated group, the Sustainable Debt Committee (“**SDC**”). The SDC is chaired by the CFO and including the CEO and the Chief Sustainability Officer. The SDC is solely responsible for the decision to acknowledge the projects as “Eligible”, in line with the Eligibility Criteria in this Framework and in accordance with Issuer’s normal due diligence procedures and policies. Approved Eligible Projects will be tracked using a dedicated “Green and Social Register”. A decision to allocate net proceeds will require a consensus decision from the SDC, with the sustainability expert having veto power. The Issuer will use the Green and Social Register to monitor that an amount equal to the net proceeds from the Bonds is allocated to a portfolio of Eligible Projects.

The Issuer will annually, until full allocation and in the event of any material developments, provide investors with a publicly available Sustainable Debt Impact Report describing the allocation of proceeds and the social and environmental impact of the Eligible Projects. The Report will, to the extent feasible, also include a section methodology, baselines and assumptions used in impact calculations. The report will be published on the Issuer’s website on an annual basis.

## DESCRIPTION OF THE ISSUER AND THE GROUP

### Overview of the Issuer

Legal and commercial name.....	Titania Holding AB (publ)
Corporate reg. no. ....	556887-4274
LEI-code.....	54930092UHP0QCPUQW37
Date and place of registration....	13 March 2012, Sweden, with the Swedish Companies Registration Office (Sw. <i>Bolagsverket</i> )
Date of incorporation .....	12 March 2012
Legal form.....	Swedish public limited liability company
Jurisdiction and laws .....	The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i> ) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen (1995:1554)</i> )
Registered office .....	Stockholm
Head office and visiting address	Jakobsbergsgatan 22, SE-111 44 Stockholm, Sweden
Phone number.....	+46 (0)8 - 668 44 44
Website.....	www.titania.se (the information provided at the Issuer’s website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus)

### History and development

Year	Event
2002	<ul style="list-style-type: none"> <li>The Group’s operations commences as Einar Janson (the Company’s founder and CEO) starts a bathroom renovation business in the form of a sole proprietorship as a side business to his main occupation.</li> </ul>
2005	<ul style="list-style-type: none"> <li>The operations are incorporated in Titania AB (then under the name of Titania Bygg AB).</li> </ul>
2006	<ul style="list-style-type: none"> <li>The Group’s focus is directed towards larger scale contracting projects within, <i>inter alia</i>, piping, plumbing and bathroom renovation.</li> </ul>
2011	<ul style="list-style-type: none"> <li>The gross revenue of Titania AB is approximately MSEK 500 during the period.</li> </ul>
2012	<ul style="list-style-type: none"> <li>Titania AB is awarded its first land allocation by a Swedish municipality.</li> <li>The Company is incorporated and registered with the Swedish Companies Registration Office.</li> <li>The shares in Titania AB are transferred to the Company, which becomes the parent company of the Group.</li> </ul>
2016	<ul style="list-style-type: none"> <li>The Group’s first residential development project comprising 109 units in Täby is completed.</li> </ul>
2017	<ul style="list-style-type: none"> <li>The Group’s project “Modelvillan” receives the “Stockholm building of the year” award.<sup>1)</sup></li> </ul>



- 2021
  - The Company is transformed from a private limited liability company into a public limited liability company (Sw. *publikt aktiefbolag*).
  - Knut Pousette, the CEO of Fastpartner AB, is elected member of the board of directors of the Company.
  - The Company issues the SEK 400 million bonds 2021/2024.
  - The Company is listed on Nasdaq First North.
- 2022
  - The Company accedes to and starts construction on Täby Boulevard which includes 226 homes.
  - Sells a property in Malibu for 14.1 million USD.
- 2023
  - The Company issues the Bonds
  - The Company redeems in full the SEK 400 million bonds 2021/2024.

<sup>1)</sup> For more information, please visit: <https://start.stockholm/om-stockholms-stad/priser-och-utmarkelser/priser/arets-stockholmsbyggnad/>.

## Business and operations

### General

The Group develops new ecologically, socially and economically sustainable properties, creating work opportunities in projects, social inclusion in residential areas, and attractive and safe living environments for residents. The Group develops rental apartments and tenant owned apartments and premises, primarily within Stockholm county (Sw. *Stockholms län*). Titania's operations extend throughout the whole value chain within the real property industry and the Group possesses expertise in all steps in a property development project. Titania's operations are mainly focused to the Stockholm region and consist of (i) project development (ii) production and (iii) property self-management. However, the Group's main focus lies with carrying out property development projects and the construction of housing units in the form of rental apartments and tenant owned apartments. In cases where the Company constructs tenant owned apartments, the Company establishes tenant-owners associations, and then sells the tenant owned apartments through real property brokers.

The majority of the Group's revenue derives from when the Group is contracted as a turnkey contractor and carry out all the steps in the construction process, from early project development to functional buildings. The Group's costs are primarily linked to the raw materials and supplies necessary for the property production.

### Project development

Project development covers the entire spectrum from the preparation of local zoning plans, managing building permit application processes and designing of real property projects. Titania's approach is based on the Company having an overall overview of, and control over, its projects from start to finish, which ensures a cost-effective process and a high-quality end product. The Group only performs property development projects via public procurement, which means that the Group is not covered by any mandatory framework agreements.

In case of property development projects in which the Group acquire raw land, the process begins by a municipality issuing a planning notification (Sw. *planbesked*), i.e. confirming that the Group can carry out the project on the relevant site. Thereafter, the local planning process commences, where a number of surveys are carried out, including geological surveys and surveys of the ground condition. The local planning process can thus be regarded as a due diligence process.

In case of property development project in which the Group, acquires existing real properties, the Group brings in external expertise in necessary areas to conduct different kinds of due diligence of the relevant real property. The Group's extensive experience of performing contract work means that the Group itself possesses great expertise, which entails that a large part of the survey can be carried out within the Group's own organisation.

**Production**

Production refers to the actual construction of housing units. Titania possesses both construction-technical knowledge and knowledge of project management, procurement, etc., which means that the Company possesses the competence and the key functions that are central to their operations. The construction itself, on the other hand, takes place through the contracting of subcontractors.

**Self-management**

Since 2020, the Group has decided to expand its business model to include developing property for self-management in order to strengthen the balance sheet, generate a continuous cash flow and create long-term value growth. Property self-management refers to the management of the Group's own portfolio of rental apartments. Management includes everything from property management, technical management, financial management, handling of errors reports, etc. The company utilizes digital solutions and modern management methods in order to conduct the management in an efficient manner.

**Material agreements**

Neither the Issuer nor any other Group Company has entered into any material agreements that are not entered into in the ordinary course of its business, which could result in any Group Company being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Bondholders under the Terms and Conditions.

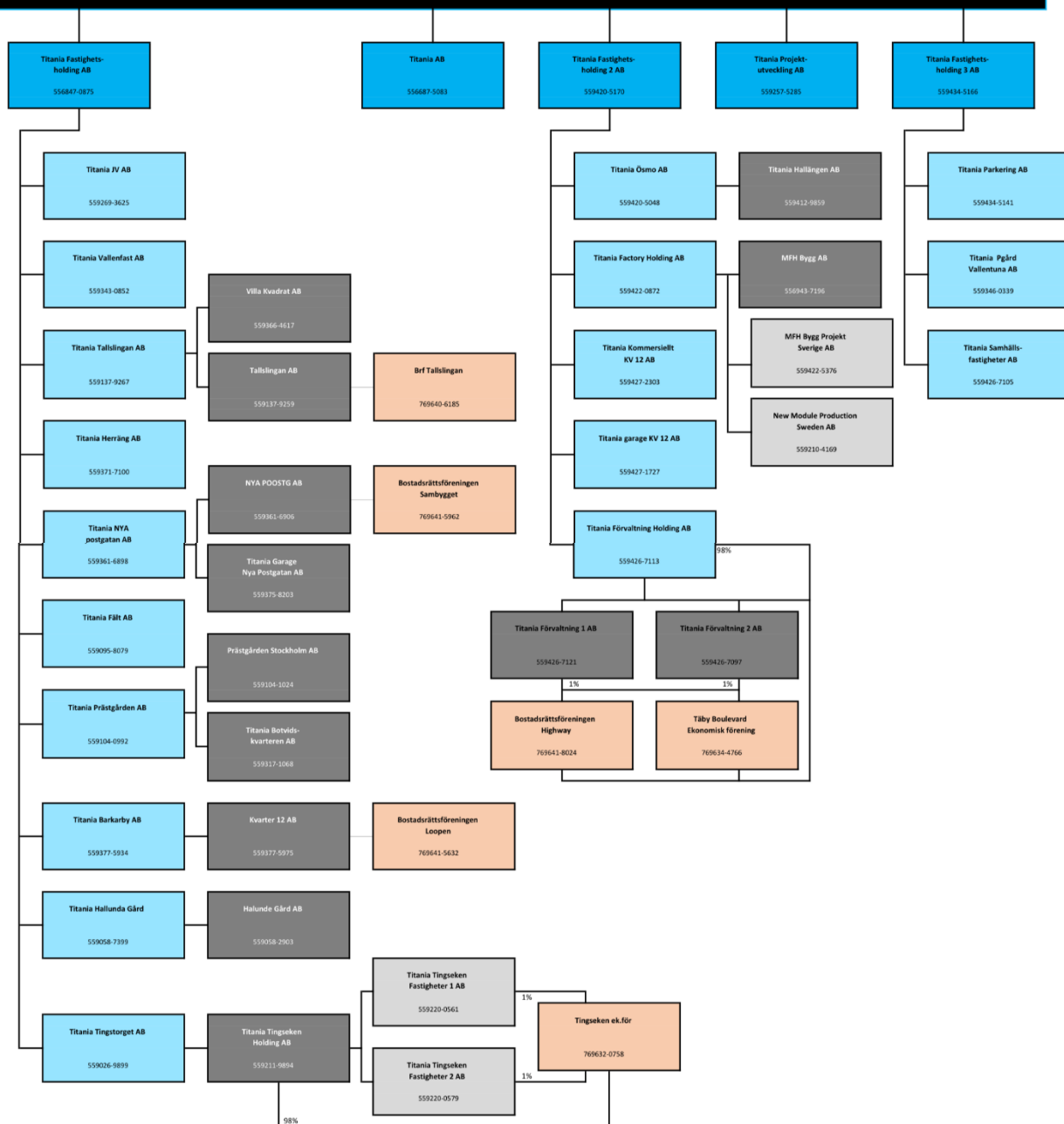
**Overview of the Group**

The legal structure of the Group is set out in the simplified group structure presented below (ownership percentage indicated where in cases where a Group Companies is not wholly-owned).

# TITANIA HOLDING AB (publ)

556887-4274

- Nivå 1
- Nivå 2
- Nivå 3
- Nivå 4
- Nivå 5
- Brf / Ek. förening
- Under likvidation
- Under namnändring



The Group's operations are conducted through, and the majority of revenues of the Issuer emanates from, the Issuer's operational subsidiaries. The Issuer is thus dependent on its subsidiaries, associated companies in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.

## Recent events particular to the Issuer

Except for the issuance of the Bonds and the redemption in full of the SEK 400 million bonds 2021/2024, there have been no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

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

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

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which financial information has been published to the date of this Prospectus and there have been no significant changes in the financial position of the Group which has occurred since the end of the last financial period for which the Group has published financial information, *i.e.* the period ending on 30 September 2023.

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

## **Governmental, legal or arbitration proceedings**

The Group has not been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the previous twelve (12) months from the date of this Prospectus, which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

## **Credit rating**

No credit rating has been assigned to the Issuer.

# OWNERSHIP STRUCTURE

## Ownership structure

According to the articles of association, the Company's share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000 divided into not less than 50,000,000 shares and not more than 200,000,000 shares. The Company's shares are denominated in SEK. As of the date of this Prospectus, the Company had an issued share capital of SEK 715,000 divided into 12,500,000 shares of series A and 59,000,000 shares of series B. Each share of series A carries ten votes and each share of series B carries one vote at general meetings in the Issuer. The Company's shares of series B are traded on Nasdaq First North, with trading symbol TITA B and ISIN SE0017132129. The table below sets out the ten largest shareholders of the Company, which has been verified on 27 December 2023.

Shareholders	Number of shares	Share capital (%)	Votes (%)
Einar Janson Invest AB	37,319,913	52.20	69.20
Nikan Ghahremani Invest AB	9,300,000	13.01	17.28
Futur Pension	7,661,094	10.71	4.16
Jacob Karlsson AB	7,507,500	10.50	4.08
Fjärde AP-fonden	3,750,000	5.24	2.04
PEG Capital Partners AB	822,438	1.15	0.45
Avanza Pension	759,710	1.06	0.41
Andra AP-fonden	644,000	0.90	0.35
Jeffrey Ghahremani	494,970	0.69	0.27
Nordnet Pensionsförsäkring	372,100	0.52	0.20

The largest indirect shareholder of the Issuer is the Company's founder and board member Einar Janson who holds 52.20 per cent. of the share capital and 69.20 per cent. of the votes in the Issuer indirectly through Einar Janson Invest AB (of which Einar Janson holds 97.50 per cent. of the shares and Mats Janson holds 2.50 per cent.).

The shareholders' influence is exercised through active participation in the decisions made at the general meetings of the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). In addition, the Issuer acts in compliance with the rules of Nasdaq First North Growth Market since the Issuer's class B shares are the admitted to trading on Nasdaq First North Growth Market.

## Shareholders' agreements

There are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

# THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

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## General

The division of duties between the board of directors and the CEO follows Swedish law and is set out in the rules of procedure for the board of directors and instructions for the CEO. The CEO and the CFO are responsible for the Issuer's ongoing management and operations, reports to the board of directors and are required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials. The board of directors and the executive management may be contacted through the Issuer at its head office at Jakobsbergsgatan 22, SE-111 44 Stockholm, Sweden.

## Board of directors

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

### Members of the board of directors

#### Knut Pousette

Knut has been chair of the board of directors since 2021.

*Other relevant assignments:* CEO of Aktiebolaget Fastator (publ), chair of the board of directors of Hembla AB, member of the board of directors of Skokloster Service AB, Envoyéns Förvaltnings AB, Fastator Motala Platen 8 AB, Företagsparken Höganäs 12 AB, Företagsparken Höganäs 12 AB, Fastator Södertälje 1 AB, LKF Fastigheter AB, NSH Holding AB, SBK Svenska Bostadskompaniet AB, Kvastå AM AB, Envoyéns Holding AB and Abamco Portfölj AB.

*Shareholding:* Knut holds 50,000 shares in the Issuer. Knut holds 446,148 warrants in warrant programme LTIP 2021/2024:1 and 300,000 warrants in warrant programme LTIP 2023/2027:1.

#### Gunilla Öhman

Gunilla has been a member of the board of directors since 2021.

*Other relevant assignments:* Member of the board of directors of Atvexa AB, Carrara Communication AB and Fasadgruppen Group AB (publ) as well as IR director of NCAB Group AB (publ), Nimbus Group AB and Profoto AB.

*Shareholding:* Gunilla holds 8,620 shares in the Issuer. Gunilla holds 44,615 warrants in warrant programme LTIP 2021/2024:1 and 100 000 warrants in warrant programme LTIP 2023/2027:1.

#### Einar Janson

Einar has been a member of the board of directors since 2012.

*Other relevant assignments:* Member of the board of directors of Einar Janson Invest AB as well as member of the board of directors, chair of the board of directors and/or CEO of several of its group companies.

*Shareholding:* Einar holds 97.50 per cent. of the shares in Einar Janson Invest AB which in turn holds 37,319,913 shares in the Issuer.



## **Executive management**

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

### **Members of the executive management**

#### **Einar Janson**

Einar has been CEO since 2012.

*Shareholding (own and closely related persons):* Please refer to the section “Board of Directors” above.

#### **Anders Söderlund**

Anders has been CFO since 2019.

*Shareholding (own and closely related persons):* Anders holds 225,000 shares in the Issuer. Anders holds 223,074 warrants in warrant programme LTIP 2021/2024:1 and 1,500,000 warrants in warrant programme LTIP 2023/2026:1.

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

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

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

## **Auditor**

The Issuer’s current auditor, KPMG AB, with Fredrik Sjölander as the auditor in charge, was the auditor for the consolidated audited annual report for the financial years ended 31 December 2021 and 31 December 2022. Fredrik Sjölander is a member of FAR (the professional institute for authorised public accountants in Sweden). KPMG AB was re-elected as the Issuer’s auditor at the annual general meeting 2023. The business address of KPMG AB is Vasagatan 15, SE-101 27 Stockholm, Sweden.

# SUPPLEMENTARY INFORMATION

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## Information about the Prospectus

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

## Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 21 December 2023 was resolved upon by the board of directors of the Issuer on 11 December 2023.

The board of directors of the Issuer is responsible for the information contained in the Prospectus. The board of directors of the Issuer declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The board of directors of the Issuer is responsible for the information given in the Prospectus only under the conditions and to the extent set forth in Swedish law.

## Information from third parties

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

## Interest of natural and legal persons involved in the bond issue

Arctic Securities AS, Danske Bank A/S, Danmark, Sverige Filial and Swedbank AB (publ) and their affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of Arctic Securities AS, Danske Bank A/S, Danmark, Sverige Filial and Swedbank AB (publ) and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

## Documents available for inspection

Copies of the following documents are available in paper format at the Issuer's head office during the validity period of this Prospectus as well as available in electronic format at the Issuer's website, [www.titania.se](http://www.titania.se).

- The Issuer's articles of association.
- The Issuer's certificate of registration.
- The Group's consolidated audited annual report for the financial year ended 31 December 2021, including the applicable audit report.
- The Group's consolidated audited annual report for the financial year ended 31 December 2022, including the applicable audit report.

# FINANCIAL INFORMATION

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## Historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2021 and 31 December 2022 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the financial years ended 31 December 2021 and 31 December 2022 derives from the Group's consolidated audited annual reports for the financial years ended 31 December 2021 and 31 December 2022, respectively.

## Accounting standards

The financial information for the financial years ended 31 December 2021 and 31 December 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations that have been issued by IFRS Interpretations Committee ("IFRS IC") as they have been adopted by the EU. Furthermore, the Group applies the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and RFR 1 "Supplementary accounting rules for groups" issued by the Swedish Financial Reporting Board.

## Auditing of the historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2021 and 31 December 2022 have been audited by KPMG AB, with Fredrik Sjölander as the auditor in charge. Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

## Incorporation by reference

The following information in the Group's consolidated audited annual reports for the financial years 2021 and 2022 is incorporated in this Prospectus by reference and is available at the Issuer's website, [www.titania.se/sv/investerare/finansiella-rapporter-och-presentationer/](http://www.titania.se/sv/investerare/finansiella-rapporter-och-presentationer/). For particular financial figures, please refer to the pages set out below.

Reference	Pages
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# TERMS AND CONDITIONS FOR THE BONDS

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## TERMS AND CONDITIONS



**Titania Holding AB (publ)**

**SEK 525,000,000**

**Senior Secured Callable Floating Rate Sustainable Bonds  
2023/2026**

ISIN: SE0020998680

LEI: 54930092UHP0QCPUQW37

Issue Date: 21 December 2023

## SELLING RESTRICTIONS

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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. 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, the “**U.S. Securities Act**”), and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons (as such terms are defined in regulations), except for “Qualified Institutional Buyers” (QIBs) within the meaning of Rule 144A under the U.S. Securities Act.

Swedbank AB (publ) is not a U.S. registered broker-dealer and accordingly Swedbank AB (publ) will only effect offers and sales of any bonds solely outside of the United States in accordance with Regulation S under the Securities Act.

## PRIVACY STATEMENT

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

The personal data collected will be processed by the Issuer, the Agent and the Issuing Agent for the following purposes (i) to exercise their respective rights and fulfil their respective obligations under the Finance Documents, (ii) to manage the administration of the Bonds and payments under the Bonds, (iii) to enable the Bondholders to exercise their rights under the Finance Documents and (iv) to comply with its obligations under applicable laws and regulations.

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

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

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

Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: [www.titania.se](http://www.titania.se), [www.nordictrustee.com](http://www.nordictrustee.com) and [www.arctic.com](http://www.arctic.com).

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# TERMS AND CONDITIONS

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## 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 Financial Instruments Accounts Act and through which a Bondholder 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 aggregate Nominal Amount of all Bonds owned by a Group Company, an Affiliate of a Group Company or any other person or entity owning any Bonds that has undertaken towards a Group Company or an Affiliate of a Group Company to vote for such Bonds in accordance with the instructions given by a Group Company or an Affiliate of a Group Company, in each case irrespective of whether such Person is directly registered as owner of such Bonds.

“**Advance Purchase Agreement**” means:

- (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than 120 calendar days after the date of supply; or.
- (b) any other trade credit incurred in the ordinary course of business.

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

“**Agency Agreement**” means the agreement entered into between the Agent and the Issuer prior to the Issue Date regarding *inter alia*, the remuneration payable by the Issuer to the Agent, or any replacement agency agreement entered into after the Issue Date between the Issuer and an Agent.

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

“**Base Rate**” means three (3) months STIBOR or any reference rate replacing STIBOR in accordance with Clause 20 (*Replacement of Base Rate*).

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

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

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 18.2 (*Bondholders’ Meeting*).

“**Bond Issue**” means the issue of the Bonds.

“**Business Day**” means a day in Sweden other than a public holiday. For the purpose of this definition, Saturdays, Sundays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year’s Eve (Sw. *nyårsafton*) shall be deemed to be public holidays.

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

“**Call Option Price**” means:

- (a) if the call option is exercised on or after the Issue Date to, but not including, the First Call Date, an amount equivalent to the sum of (i) one hundred four and twenty-five hundredths (104.25) per cent. of the Nominal Amount and (ii) the remaining interest payments to, but not including, the First Call Date;
- (b) if the call option is exercised on or after the First Call Date to, but not including, the date falling twenty-four (24) months from the Issue Date, one hundred four and twenty-five hundredths (104.25) per cent. of the Nominal Amount;
- (c) if the call option is exercised on or after the date falling twenty-four (24) months from the Issue Date to, but not including, the date falling thirty (30) months from the Issue Date, one hundred two and fifty-five hundredths (102.55) per cent. of the Nominal Amount;
- (d) if the call option is exercised on or after the date falling thirty (30) months from the Issue Date to, but not including, the date falling thirty-three (33) months from the Issue Date, one hundred and eighty-five hundredths (100.85) per cent. of the Nominal Amount;
- (e) unless paragraph (f) below applies, if the call option is exercised after the date falling thirty-three (33) months from the Issue Date, one hundred and four hundred twenty-five thousandths (100.425) per cent. of the Nominal Amount; and
- (f) if the call option is exercised after the date falling thirty-three (33) months from the Issue Date, one hundred (100.00) per cent. of the Nominal Amount, provided that such early redemption is financed in full or in part by way of the Issuer issuing Market Loan(s),

in each case together with accrued but unpaid Interest.

For the purpose of calculating the remaining interest payments pursuant to paragraph (a) above, it shall be assumed that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

“**Change of Control**” means the occurrence of an event or series of events whereby one or more Persons (other than a Main Shareholder) acting together, acquire control over the Issuer and where “**control**” means:

- (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or
- (b) 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 substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*) unless otherwise agreed between the Agent and the Issuer.

“**Construction Loan**” means a loan provided to a Group Company in order to finance the construction or renovation of buildings.

“**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.

“**CSD Regulations**” means the CSD’s rules and regulations applicable to the Issuer, the Agent and the Bonds from time to time.

“**De-listing**” means a situation where:

- (a) the Bonds, once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds); or
- (b) all of the Issuer’s shares cease to be listed and admitted to trading on an MTF or Regulated Market on which they are admitted to trading (save for the event of such shares being admitted to trading on a Regulated Market) or trading of all of the Issuer’s shares on the aforementioned stock exchange is suspended for a period of fifteen (15) consecutive Business Days.

“**Debt Register**” means the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds in which an owner of Bonds is directly registered or an owner’s holding of Bonds is registered in the name of a nominee.

“**Disposal Account**” means a bank account:

- (a) held in Sweden by the Issuer or a wholly-owned Subsidiary of the Issuer with a reputable bank;
- (b) subject to perfected security in favour of the Bondholders (represented by the Agent); and

- (c) from which no withdrawals may be made by any member of the Group except as contemplated by the Clause 13.5 (*Mandatory Prepayment*).

“**Escrow Account**” means a bank account held by the Issuer which has been pledged in favour of the Agent and the bondholders (represented by the Agent) under the Escrow Account Pledge Agreement.

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

“**Equity Ratio**” means the ratio of Total Equity to Total Assets to be calculated in accordance with the Accounting Principles as applicable from time to time.

“**Event of Default**” means an event or circumstance specified as such in Clause 17 (*Termination of the Bonds*).

“**Existing Bonds**” means the Issuer’s maximum SEK 500,000,000 senior secured callable floating rate bonds with ISIN SE0015530530 with first issue date on 16 March 2021.

“**Final Placing**” (Sw. *slutplacering*) means senior financing provided in relation to an investment property (Sw. *förvaltningsfastighet*).

“**Final Redemption Date**” means 21 December 2026.

“**Finance Documents**” means the Terms and Conditions, the Transaction Security Documents and the Agency Agreement as well as any other document designated to be a Finance Document by the Issuer and the Agent.

“**Finance Lease**” means any lease or hire purchase contract, to the extent a liability under which is or would have been treated as a finance lease in accordance with the Accounting Principles as applicable on the Issue Date (a lease which in the accounts of the Group is treated as an asset and corresponding liability).

“**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 Finance Lease;
- (c) receivables sold or discounted (other than on a non-recourse basis);
- (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 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) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

“**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).

“**Financial Statements**” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated financial statements of the Group or the quarterly interim unaudited unconsolidated financial statements of the Issuer, which shall be prepared and made available according to paragraphs (a) and (b) under Clause 14.1 (*Financial Statements*).

“**First Call Date**” means the date falling eighteen (18) months after the Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“**Force Majeure Event**” has the meaning set forth in Clause 27.1.

“**Group**” means the Issuer and each of its Subsidiaries from time to time.

“**Group Company**” means the Issuer or any of its Subsidiaries.

“**Hybrid Instruments**” means any subordinated (according to its terms) debt instruments issued by the Issuer which are, entirely or partly permitted to be accounted for as equity in accordance with the Accounting Principles at the date of issuance of the relevant subordinated instrument(s).

“**Incurrence Test**” has the meaning set forth in Clause 15.2 (*Incurrence Test*).

“**Incurrence Test Date**” has the meaning set forth in Clause 15.2 (*Incurrence Test*).

“**Initial Nominal Amount**” has the meaning set forth in Clause 3.3.

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 12.1 to 12.3.

“**Interest Payment Date**” means 21 March, 21 June, 21 September and 21 December 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 21 March 2024 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 Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means the Base Rate plus 850 basis points *per annum* as adjusted by any application of Clause 20 (*Replacement of Base Rate*).

“**Issue Date**” means 21 December 2023.

“**Issuer**” means Titania Holding AB (publ), reg. no. 556887-4274, Jakobsbergsgatan 22, SE-111 44, Stockholm, Sweden.

**“Issuing Agent”** means Arctic Securities AS, filial Sverige, reg. no. 516408-5366, Regeringsgatan 38, SE-111 56 Stockholm, Sweden, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**“Land Loan”** (Sw. *marklån*) means a loan provided to a Group Company in order to finance the purchase of undeveloped real property.

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

**“Main Shareholders”** means Einar Janson (personal identity no. 740109-0415) or his spouse or any of their direct heirs, by way of direct or indirect ownership of shares, and their respective Affiliates.

**“Maintenance Test”** has the meaning set forth in Clause 15.1 (*Maintenance Test*).

**“Mandatory Total Redemption”** has the meaning set forth in Clause 5.2.

**“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, under 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 obligations under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

**“Material Group Company”** means:

- (a) the Issuer; and
- (b) any other Group Company with assets representing more than five (5) per cent. of the Total Assets of the Group, calculated on a consolidated basis according to the latest consolidated Financial Statements (excluding goodwill and intra-group loans).

**“Material Intragroup Loan”** means any intra-group loan provided by the Issuer, directly or indirectly via intermediary Group Companies, to any PropCo who owns Tingseken or Täby where:

- (a) the term exceeds twelve (12) months; and
- (b) the principal amount, when aggregated with all other such intra-group loans with a term of at least twelve (12) months between the same creditor and the same debtor, exceeds SEK 10,000,000 (or its or its equivalent in any other currency or currencies),

provided however that no intra-group loan under any cash pool arrangements shall be (i) deemed to be a Material Intragroup Loan or (ii) aggregated with other intra-group loans for the purpose of paragraph (b) above.

“**MTF**” means any multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments (MiFID II), as amended).

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

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

“**Net Disposal Proceeds**” means the cash consideration actually received by any Group Company in relation to a disposal of Tingseken and/or Täby, less any (i) Financial Indebtedness incurred by any Group Company in relation to the relevant property which is repaid in connection with the disposal and (ii) reasonable expenses, costs, fees and any tax liabilities incurred by any Group Company with respect to such disposal.

“**Net Proceeds**” means the proceeds from the Bond Issue after deduction has been made for the transaction costs payable by the Issuer to the Issuing Agent and the joint bookrunners in respect of the issue of the Bonds on the Issue Date for the services provided in relation to the placement and issuance of the Bonds.

“**Nominal Amount**” means in respect of each Bond, the Initial Nominal Amount, less the aggregate amount by which that Bond has been prepaid pursuant to Clause 13.5 (*Mandatory Prepayment*).

“**Permitted Financial Indebtedness**” means any Financial Indebtedness:

- (a) incurred under the Finance Documents;
- (b) up until and including the first Business Day following the disbursement of the Net Proceeds from the Escrow Account, the Existing Bonds;
- (c) incurred under any Financial Indebtedness (save for the Existing Bonds) existing as of the Issue Date or any new Financial Indebtedness which refinances such Financial Indebtedness after the Issue Date, provided that (i) the new Financial Indebtedness is not provided on terms substantially adverse (however, for avoidance of doubt, taking into account the general market price level for available financing at any given time) compared to the terms of the existing Financial Indebtedness being refinanced and (ii) the Group’s aggregate Financial Indebtedness does not increase as a result of the refinancing;
- (d) in the form of 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 in respect of an underlying liability in the ordinary course of trade of a Group Company;
- (e) in the form of liabilities under any guarantee issued by the Issuer or a PropCo HoldCo for any of its Subsidiaries’ obligations under any Property Loan;
- (f) arising under a derivative transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made

under the Finance Documents (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes);

- (g) taken up from a Group Company;
- (h) incurred under any Shareholder Loans;
- (i) incurred under any Shareholder Bridge Loans;
- (j) incurred under any Market Loan if:
  - (i) such Market Loan is incurred to refinance the Bonds in full; or
  - (ii) the Incurrence Test is met on a *pro forma* basis and such Market Loan ranks *pari passu* with or is subordinated to the obligations of the Issuer under the Bonds and has a final redemption date or, if applicable, instalment dates which occur after the Final Redemption Date (for the avoidance of doubt, any issue of subsequent bonds (tap issues) under any of the Issuer's outstanding Market Loans shall be permitted);
- (k) incurred in the ordinary course of business of the Group under an Advance Purchase Agreement;
- (l) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company's business;
- (m) incurred pursuant to any Finance Lease, not otherwise permitted by paragraph (l) above, entered into by a Group Company in the ordinary course of the Group's business in an aggregate amount not at any time exceeding SEK 30,000,000 (or its equivalent in any other currency or currencies);
- (n) under any pension and tax liabilities incurred in the ordinary course of business;
- (o) arising under any Property Loan;
- (p) incurred in connection with the redemption of the Bonds in order to refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds; and
- (q) any other Financial Indebtedness not otherwise permitted by paragraphs (a) to (p) above, in an aggregate amount not exceeding SEK 10,000,000 (or its equivalent in any other currency or currencies).

**“Permitted Security”** means any Security:

- (a) provided in accordance with the Finance Documents;
- (b) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including cash pool arrangements;



- (c) provided in relation to any agreement under which a Group Company leases office space or other premises provided such lease constitutes Permitted Financial Indebtedness;
- (d) arising by operation of law or in the ordinary course of business of the Group (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (e) created for the purposes of securing obligations to the CSD in relation to the Bond Issue;
- (f) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds are to be transferred or agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full (a “**Refinancing**”), provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full;
- (g) created for the benefit of the financing providers in relation to a Refinancing, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Bonds in full;
- (h) renewed in relation to Financial Indebtedness which constitute Permitted Financial Indebtedness pursuant to paragraph (c) of the definition of Permitted Financial Indebtedness;
- (i) provided for any Property Loan in the form of:
  - (i) Security over the relevant PropCo HoldCo’s direct or indirect assets; or
  - (ii) Security over the shares or participations in the relevant PropCo HoldCo,
 in each case provided that the relevant PropCo HoldCo does not own any material assets other than those financed by the relevant Property Loan;
- (j) until redeemed in full, provided in relation to the Existing Bonds; and
- (k) 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 paragraphs (a) to (j) above) does not exceed SEK 10,000,000 (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.

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

- (a) Titania Tingstorget AB (reg. no. 559026-9899);
- (b) Titania Tingseken Holding AB (reg. no. 559211-9894);
- (c) Titania Tingseken Fastigheter 1 AB (reg. no. 559220-0561);

- (d) Titania Tingseken Fastigheter 2 AB (reg. no. 559220-0579);
- (e) Titania AB (reg. no. 556687-5083);
- (f) Titania Fastighetsholding AB (reg. no. 556847-0875); and
- (g) Titania Fastighetsholding 2 AB (reg. no. 559420-5170).

“**PropCo**” means a Group Company which is a registered owner (Sw. *lagfaren ägare*) of real property.

“**PropCo HoldCo**” means a Group Company which is not a PropCo and which directly owns shares in a PropCo.

“**Properties**” means real property (Sw. *fast egendom*) owned by the Group from time to time.

“**Property Loan**” means Land Loan, Construction Loan or Final Placing provided by a reputable Nordic bank or other reputable European lender.

“**Quotation Day**” means:

- (a) in relation to 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 Issue Date); or
- (b) in relation to any other period for which an Interest Rate is to be determined, two (2) Business Days before the first day of that period.

“**Record Date**” means the fifth (5<sup>th</sup>) Business Day prior to:

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 17.11 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) 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 13 (*Redemption and repurchase of the Bonds*).

“**Reference Date**” means 31 March, 30 June, 30 September and 31 December each year.

“**Regulated Market**” means any regulated market (as defined in Directive 2014/65/EU on markets in financial instruments (MiFID II), as amended).

“**Restricted Payment**” has the meaning set out in Clause 16.1.

“**Secured Parties**” means the Agent and the Bondholders.

“**Securities Account**” means the account for dematerialised securities (Sw. *avstämningsregister*) maintained by the CSD pursuant to the Financial Instruments Accounts Act in which an owner of such securities is directly registered or an owner’s holding of securities is registered in the name of a nominee.

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

“**Security Agent**” means Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden.

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

“**Shareholder Bridge Loan**” means any loan from a shareholder of the Issuer to the Issuer with a term not exceeding three (3) months and which fulfil the requirements items (a) and (c) but not item (b) of the definition of Shareholder Loan.

“**Shareholder Loan**” means any loan from a shareholder of the Issuer to the Issuer which:

- (a) pursuant to its terms, an intercreditor agreement and/or another subordination agreement (on terms and conditions satisfactory to the Agent), is subordinated to the obligations of the Issuer under the Terms and Conditions;
- (b) according to its terms have a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (c) according to its terms yield only payment-in-kind interest, save for payments of interest which are permitted Clause 16.1 (*Distributions*).

“**STIBOR**” means:

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

provided that if STIBOR is less than zero, it shall be deemed to be zero.

“**Subsidiary**” means, in relation to the Issuer, any legal entity (whether incorporated or not), in respect of which the Issuer, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners;
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or
- (d) exercises control as determined in accordance with the Accounting Principles.

“**Sustainability Finance Framework**” means the Issuer’s sustainability finance framework, as it is worded on the Issue Date.

“**Tingseken**” means the property Botkyrka Byamannen 2, located in Botkyrka kommun, Sweden.

“**Total Assets**” means the consolidated aggregate book value of the Group’s total assets according to the latest consolidated Financial Statements of the Group and in accordance with the Accounting Principles.

“**Total Equity**” means the sum of the total equity of the Group calculated on a consolidated basis, in each case according to the latest consolidated Financial Statements of the Group and in accordance with the Accounting Principles, provided however, that all Shareholder Loans and Shareholder Bridge Loans shall be deemed to be equity notwithstanding any accounting treatment to the contrary.

“**Transaction Security**” means the Security created or expressed to be created in favour of the Security Agent (acting on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

“**Transaction Security Documents**” means any document required to be delivered to the Agent under Clause 6.1 (*Conditions precedent for the Bond Issue*), Clause 6.2 (*Conditions precedent for disbursement from the Escrow Account*), Clause 7.1 (*Transaction Security*) and Clause 16.18 (*Additional Security*) as well as any other document that is designated as a Transaction Security Document by the Issuer and the Agent.

“**Täby**” means the property Täby Topasen 3, located in Täby kommun, Sweden.

“**Valuation**” means a full external valuation of a property owned the Group prepared and issued by an independent and reputable appraiser appointed by the Issuer in accordance with the valuation methods generally applied by Swedish property evaluators specifying the value of such property.

“**Value**” means the appraised fair market value of a real property according to the latest consolidated Financial Statements.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clauses 18.1 (*Request for decision*), 18.3 (*Written Procedure*) and 18.4 (*Majority, quorum and other provisions*).

## 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 law, 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 regulation 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, any 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](http://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 Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

1.2.6 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of the Terms and Conditions and may be updated without the consent of the Bondholders and the Agent (save for the privacy statement insofar it relates to the Agent).

1.2.7 Any Hybrid Instrument which is fully treated as equity in the balance sheet of the Issuer in accordance with the Accounting Principles shall, for the avoidance of doubt, not be deemed to constitute Financial Indebtedness or a Market Loan.

## 2. STATUS OF THE BONDS

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except for obligations mandatorily preferred by regulation applying to companies generally.

### **3. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS**

- 3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions.
- 3.3 The aggregate amount of the bond loan will be an amount of SEK 525,000,000 which will be represented by Bonds, each of an initial nominal amount of SEK 1,250,000 or full multiples thereof (the “**Initial Nominal Amount**”).
- 3.4 All Bonds are issued on a fully paid basis at an issue price of ninety-seven (97.00) per cent. of the Initial Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0020998680.

### **4. USE OF PROCEEDS**

An amount equivalent to the Net Proceeds of the Bond Issue shall be applied in accordance with the principles set out in the Issuer’s Sustainability Finance Framework, including but not limited to repurchasing and/or redeeming all of the Existing Bonds.

### **5. ESCROW OF PROCEEDS**

- 5.1 The Net Proceeds from the Bond Issue shall be deposited on the Escrow Account for application in accordance with Clause 4 (*Use of proceeds*). Prior to the transfer of Net Proceeds to the Escrow Account, the Escrow Account shall be pledged in favour of the Agent and the Bondholders (represented by the Agent).
- 5.2 If the conditions precedent set out in Part 2 (*Conditions precedent for disbursement from the Escrow Account*) of Schedule 1 (*Conditions precedent*) have not been fulfilled within sixty (60) Business Days from the Issue Date, the Issuer shall redeem all Bonds at one hundred and one (101.00) per cent. of the Nominal Amount together with any accrued but unpaid interest (a “**Mandatory Total Redemption**”). The Mandatory Total Redemption shall fall no later than thirty (30) calendar days after the ending of the sixty (60) Business Day period referred to above. The Net Proceeds held on the Escrow Account or, if the conditions precedent set out in Part 1 (*Conditions precedent for the Bond Issue*) of Schedule 1 (*Conditions precedent*) have not been fulfilled, by the Issuing Agent, shall in such case be applied to redeem the Bonds on behalf of the Issuer. Any shortfall shall be covered by the Issuer.
- 5.3 A Mandatory Total Redemption shall be made by the Issuer giving notice to the Bondholders and the Agent promptly following the date when the Mandatory Total Redemption is triggered

pursuant to Clause 5.2 above. Any such notice shall state the Redemption Date and the relevant Record Date.

## **6. CONDITIONS PRECEDENT**

### **6.1 Conditions precedent for the Bond Issue**

- 6.1.1 The Issuer shall provide to the Agent as soon as reasonably possible but in any event no later than 11.00 a.m. two (2) Business Days prior to the Issue Date (or such later time as agreed by the Agent), all of the documents and other evidence listed in Part 1 (*Conditions precedent for the Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).
- 6.1.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 6.1.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)). The Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 11.00 a.m. two (2) Business Days prior to the Issue Date (or later, if the Issuing Agent so agrees), provided however that the Issuing Agent and the Issuer may agree to postpone the Issue Date.
- 6.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clause 6.1.2, the Issuing Agent shall settle the issuance of the Bonds and on the Issue Date transfer the Net Proceeds of the Bond Issue to the Escrow Account.

### **6.2 Conditions precedent for disbursement from the Escrow Account**

- 6.2.1 The Agent's approval of the disbursement of the Net Proceeds from the Bond Issue from the Escrow Account is subject to the Agent being satisfied that it has received all of the documents and other evidence listed in Part 2 (*Conditions precedent for disbursement from the Escrow Account*) of Schedule 1 (*Conditions precedent*).
- 6.2.2 The Agent shall promptly confirm to the Issuer when it is satisfied that the conditions referred to in Clause 6.2.2 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)).
- 6.2.3 When the conditions referred to in Clause 6.2.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and Waivers*)), the Agent shall without delay instruct the account bank to transfer the Net Proceeds from the Escrow Account in accordance with the Issuer's instructions.

## **7. TRANSACTION SECURITY**

### **7.1 Transaction Security**

- 7.1.1 As continuing security for the due and punctual fulfilment of the present and future obligations and liabilities of the Issuer and/or the Group to the Secured Parties under the Finance Documents, together with all costs, charges and expenses incurred by any Secured Parties in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents, or any other document evidencing such liabilities, the Issuer grants (and

shall procure that any other Group Company (as applicable) grants) as first ranking security to the Secured Parties (as represented by the Agent) the Transaction Security on the terms set out in the Transaction Security Documents.

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

7.1.3 The Issuer shall ensure that first ranking Security is granted in favour of the Secured Parties in respect of:

- (a) security in respect of all the shares in Titania Tingstorget AB (reg. no. 559026-9899) granted by Titania Fastighetsholding AB (reg. no. 556847-0875);
- (b) security in respect of all the shares in Titania Tingseken Holding AB (reg. no. 559211-9894) granted by Titania Tingstorget AB (reg. no. 559026-9899);
- (c) security in respect of all the shares in Titania Tingseken Fastigheter 1 AB (reg. no. 559220-0561) granted by Titania Tingseken Holding AB (reg. no. 559211-9894);
- (d) security in respect of all the shares in Titania Tingseken Fastigheter 2 AB (reg. no. 559220-0579) granted by Titania Tingseken Holding AB (reg. no. 559211-9894);
- (e) security in respect of all the shares in Titania AB (reg. no. 556687-5083) granted by the Issuer;
- (f) security in respect of all the shares in Titania Fastighetsholding AB (reg. no. 556847-0875) granted by the Issuer;
- (g) security in respect of all the shares in Titania Fastighetsholding 2 AB (reg. no. 559420-5170) granted by the Issuer;
- (h) security in respect of any present and future Material Intragroup Loans; and
- (i) security over the Escrow Account,

in each case at the times contemplated by Clause 6 (*Conditions precedent*) and this Clause 7.

7.1.4 Except if otherwise decided by the Bondholders according to the procedures set out in Clause 18 (*Decisions by Bondholders*), the Agent is, without first having to obtain the Bondholders' 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 Bondholders' relative rights to the Transaction Security. The Agent is entitled to take all measures available to it according to the Transaction Security Documents.

7.1.5 All Transaction Security shall be subject to, and limited as required by, corporate benefit and financial assistance regulations and other applicable corporate law limitations.

7.1.6 The terms of the Transaction Security Documents in relation to any Material Intragroup Loans will permit:

- (a) payments of interest on such Material Intragroup Loans; and
- (b) payments of principal amounts under such Material Intragroup Loans, provided that such payments of principal amounts are (i) immediately applied in payment of interest



or principal amounts due under the Bonds or (ii) deposited on the Escrow Account pending payment of interest or principal amounts due under the Bonds.

in each case provided that no Event of Default is continuing or would occur upon the relevant payment.

## 7.2 Enforcement of Transaction Security

7.2.1 If the Bonds are declared due and payable according to Clause 17 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Bondholders' 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 Documents).

7.2.2 If a Bondholders' 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 Bondholders' 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 Bondholders, 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 Clause 18(*Decisions by Bondholders*), 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 Bondholders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.

7.2.3 Funds that the Agent receives (directly or indirectly) on behalf of Secured Parties 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 Secured Parties. The Agent shall promptly arrange for payments to be made to the Bondholders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 17.11(*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with this Clause 7.2.3, instruct the CSD to arrange for payment to the Bondholders.

7.2.4 For the purpose of exercising the rights of the Bondholders 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 Bondholders in accordance with Clause 7.2.3 above. To the extent permissible by law, the powers set out in this Clause 7.2.4 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 7.2.3 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 7.2.3 above to the Bondholders through the CSD.

### **7.3 Release of the Transaction Security**

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

7.3.2 Notwithstanding anything to the contrary in the Finance Documents (including, for the avoidance of doubt, any provision in relation to the release of any Transaction Security), the Security Agent shall, in connection to a divestment of Tingseken and/or Täby, release the Transaction Security created over any Material Intragroup Loans in respect of the PropCo or PropCos in relation to the divested property or properties (as applicable).

## **8. THE BONDS AND TRANSFERABILITY**

8.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.

8.2 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.

8.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.

8.4 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 Bondholder 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 Bondholder must ensure compliance with such restrictions at its own cost and expense.

8.5 For the avoidance of doubt and notwithstanding the above, a Bondholder 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 Bondholder hereunder in each case until such allegations have been resolved.

## **9. BONDS IN BOOK-ENTRY FORM**

9.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.

- 9.2 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 Financial Instruments Accounts Act.
- 9.3 The Issuer (and the Agent when permitted under the CSD Regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 9.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 9.5 At the request of the Agent, the Issuer shall promptly obtain information from the Debt Register and provide it to the Agent.
- 9.6 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. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 9.7 The Issuer (and the Agent when permitted under the CSD Regulations ) may use the information referred to in Clause 9.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

## **10. RIGHT TO ACT ON BEHALF OF A BONDHOLDER**

- 10.1 If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or, if applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.
- 10.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 10.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 10.1 and 10.2 and may assume that such document 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 or the Agent has actual knowledge to the contrary.
- 10.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw. *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

## **11. PAYMENTS IN RESPECT OF THE BONDS**

- 11.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 11.2 If a Bondholder 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 effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 11.3 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 12.4 during such postponement.
- 11.4 If payment or repayment is made in accordance with this Clause 11, 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, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 11.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the 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, public levy or similar.

## **12. INTEREST**

- 12.1 The Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.
- 12.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 12.3 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 12.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate. The 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.

## **13. REDEMPTION AND REPURCHASE OF THE BONDS**

### **13.1 Redemption at maturity**

The Issuer shall redeem all, but not some only, 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. If the Final Redemption Date is not a Business Day, the redemption shall to the extent permitted under the CSD Regulations occur on the Business Day following from an application of the Business Day Convention or, if not permitted under the CSD Regulations, on the first following Business Day.

### **13.2 Purchase of Bonds by Group Companies**

Each Group Company may, subject to applicable regulations, at any time and at any price purchase Bonds on the market or in any other way. Any 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 redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

### **13.3 Early voluntary total redemption (call option)**

13.3.1 The Issuer may redeem all, but not some only, of the Bonds in full at an amount equal to the applicable Call Option Price.

13.3.2 For the purpose of calculating the amount of the remaining interest payments pursuant to paragraph (a) of the definition of Call Option Price, it shall be assumed that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such redemption.

13.3.3 Redemption in accordance with Clause 13.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

### **13.4 Early voluntary total redemption following a partial prepayment (call option)**

13.4.1 If the total aggregate outstanding Nominal Amount of the Bonds is under SEK 100,000,000 as a result of a partial prepayment of Bonds pursuant to Clause 13.5 (*Mandatory Prepayment*), the Issuer may redeem all, but not only some, of the Bonds in full. Such redemption shall be made at an amount equal to the applicable Call Option Price, but shall up until the First Call Date be redeemed at the price set out in paragraph (b) of the definition of Call Option Price (in each case together with accrued and unpaid interest).

13.4.2 Redemption in accordance with Clause 13.4.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

### 13.5 **Mandatory Prepayment**

13.5.1 The Issuer shall procure that any Net Disposal Proceeds received by a Group Company are immediately deposited on a Disposal Account.

13.5.2 Any Net Disposal Proceeds shall, on or prior to the date falling thirty (30) Business Days following the Issuer's receipt of the Net Disposal Proceeds, be applied by the Issuer towards partial or full prepayment (as applicable) of outstanding Bonds at an amount equal to the applicable Call Option Price together with accrued and unpaid interest, by way of reducing the Nominal Amount of each Bond *pro rata* in accordance with the procedures of the CSD. Such partial or full prepayment (as applicable) of the Bonds shall be made by the Issuer giving not less than ten (10) Business Days' notice to the Bondholders and the Agent, where such notice shall state the relevant prepayment date on which the prepayment shall be made, the prepayment amount and the relevant Record Date.

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

13.6.1 Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (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 Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph 14.4(a)(i) of Clause 14.4 (*Information: miscellaneous*). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.

13.6.2 The notice from the Issuer pursuant to paragraph 14.4(a)(i) of Clause 14.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, 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 14.4(a)(i) of Clause 14.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 13.6.1.

13.6.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 13.6, the Issuer shall comply with the applicable

securities regulations and will not be deemed to have breached its obligations under this Clause 13.6 by virtue of the conflict.

- 13.6.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 13.6, if a third party in connection with the occurrence of a Change of Control, De-listing or Listing Failure, as applicable, offers to purchase all Bonds in the manner and on the terms set out in this Clause 13.6 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 13.6, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 13.6.5 Any Bonds repurchased by the Issuer pursuant to this Clause 13.6 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full.

## **14. INFORMATION UNDERTAKINGS**

### **14.1 Financial Statements**

The Issuer shall prepare and make available to the Agent and on its website:

- (a) as soon as they are available, but in any event within four (4) months after the end of each financial year:
- (i) the audited consolidated financial statements of the Group for that financial year; and
  - (ii) the annual audited unconsolidated financial statements of the Issuer for that financial year; and
- (b) as soon as they are available, but in any event within two (2) months after the end of each quarter of each of its financial years:
- (i) the unaudited consolidated financial statements or year-end report (Sw. *bokslutskommuniké*) (as applicable) of the Group for that financial quarter; and
  - (ii) the unaudited unconsolidated financial statements of the Issuer or year-end report (as applicable) for that financial quarter.

### **14.2 Requirements as to Financial Statements**

- 14.2.1 The Issuer shall prepare the Financial Statements 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 on which the Issuer's securities from time to time are listed, 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).
- 14.2.2 Each of the Financial Statements shall include a profit and loss account and a balance sheet. In addition, each of the consolidated Financial Statements shall include a cash flow statement and a management commentary or report from the Issuer's board of directors.



14.2.3 The Issuer shall make available a report of the use of proceeds of the Bonds in accordance with the Issuer's Sustainability Finance Framework to the Agent and on its website in connection with the publication of the annual audited consolidated Financial Statements.

### 14.3 **Compliance Certificate**

14.3.1 The Issuer shall issue a Compliance Certificate to the Agent signed by the Issuer:

- (a) when consolidated Financial Statements are made available to the Agent in accordance with paragraphs 14.1(a)(i) or 14.1(b)(i) of Clause 14.1 (*Financial Statements*);
- (b) in connection with the testing of an Incurrence Test; and
- (c) at the Agent's reasonable request, within twenty (20) calendar days from such request.

14.3.2 In each Compliance Certificate, the Issuer shall:

- (a) certify that, so far as it is aware, no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, or if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it; and
- (b) if provided in connection with:
  - (i) Financial Statements being made available, certify that the Maintenance Test is met as per the Reference Date to which the Compliance Certificate refers to, including calculations and figures in respect of the Maintenance Test, that the Maintenance Test is met as per the last day of the quarter to which the Compliance Certificate refers (and has not been breached since the last day of the relevant quarter to which the most recent Compliance Certificate refers);
  - (ii) the testing of the Incurrence Test, that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test; and
  - (iii) the annual audited unconsolidated financial statements of the Issuer being made available, inform the Agent of the date of the last Valuation pursuant to Clause 16.10.1.

### 14.4 **Information: miscellaneous**

The Issuer shall:

- (a) *promptly notify*:
  - (i) the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control, a De-listing or a Listing Failure; and
  - (ii) the Agent upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default,

and shall provide the Agent with such further information as it may reasonably request in writing following receipt of any such notice;

- (b) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions) and its Sustainability Finance Framework as well as the second opinion relating to its Sustainability Finance Framework available on its website; and
- (c) upon request by the Agent, provide the Agent with any information relating to a transaction made pursuant to Clause 16.7 (Disposal of assets) or Clause 16.8 (Mergers and demergers) which the Agent deems necessary (acting reasonably).

#### 14.5 **Restrictions**

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 14 (*Information undertakings*) if providing such information to the Agent and/or the Bondholders would not conflict with any applicable laws or the Issuer's registration contract with Nasdaq Stockholm or any other Regulated Market or recognised unregulated market on which the Issuer's securities from time to time are listed (as amended from time to time). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 14 (*Information undertakings*).

### 15. **FINANCIAL COVENANTS**

#### 15.1 **Maintenance Test**

The Maintenance Test shall be tested quarterly on each Reference Date from and including 31 December 2023, for as long as any Bond is outstanding, on the basis of the consolidated Financial Statements for the period ending on the relevant Reference Date and shall be reported in the Compliance Certificate delivered in connection with such Financial Statements.

The Maintenance Test is met if the Equity Ratio is equal to or higher than twenty-five (25) per cent.

#### 15.2 **Incurrence Test**

15.2.1 The Incurrence Test shall be applied in connection the incurrence of Financial Indebtedness or the making of a Restricted Payment which requires that the Incurrence Test is met, until and including the Final Redemption Date.

15.2.2 The Incurrence Test shall be tested on the date on which the relevant Financial Indebtedness is incurred or Restricted Payment is made (as applicable) (the "**Incurrence Test Date**").

15.2.3 The Incurrence Test is met if:

- (a) the Equity Ratio exceeds thirty (30) per cent.; and
- (b) no Event of Default is continuing or would occur upon the incurrence.

### 15.3 Calculation Principles

15.3.1 For the purpose of any Incurrence Test (without double counting):

- (a) the transaction which requires that the Incurrence Test is made shall be included in the calculations on a *pro forma* basis; and
- (b) the figures for Equity Ratio as of the last day of the period covered by the most recent Financial Statements shall be used, but adjusted so that (as applicable):
  - (i) entities, assets or operations acquired, disposed of or discontinued by the Group after the Reference Date and up until and including the Incurrence Test Date shall be included or excluded (as applicable), *pro forma*;
  - (ii) any Financial Indebtedness which will be directly or indirectly refinanced with the proceeds of a Market Loan (as applicable) shall be deducted from the net interest bearing debt;
  - (iii) any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*;
  - (iv) all Financial Indebtedness incurred under any Market Loan or Property Loan up to and including the relevant test date shall (to the extent not already included in the most recent Financial Statements) be included *pro forma*; and
  - (v) any equity raised or distributions made after the last day of the period covered by the most recent Financial Statements shall be included or excluded (as applicable), *pro forma*.

## 16. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 16.

### 16.1 Distributions

The Issuer shall not, and shall procure that none of the Subsidiaries will:

- (a) make or pay any dividend on its shares;
- (b) repurchase any of its own shares;
- (c) redeem its share capital or other restricted equity with repayment to shareholders;
- (d) repay principal or pay interest under any Hybrid Instruments or Shareholder Loans or pay interest under any Shareholder Bridge Loans; or
- (e) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the direct or indirect shareholders or any Affiliates of the Issuer,

(the transactions set out in paragraphs (a) to (e) above are together and individually referred to as a “**Restricted Payment**”), provided however that any such Restricted Payment may be

made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment, by:

- (i) any Group Company (other than the Issuer) if such Restricted Payment is made to a Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis or in a larger proportion to the Group;
- (ii) the Issuer of interest under Hybrid Instruments, provided that the Incurrence Test (calculated pro forma including the relevant Restricted Payment) is met;
- (iii) the Issuer, if such Restricted Payment is a payment of principal or interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by (i) the issuance of new Hybrid Instruments or (ii) any equity instrument; or
- (iv) the Issuer, provided that such Restricted Payment is mandatory by law for the protection of minority shareholders' rights and requested by a requisite minority of shareholders in accordance with Chapter 18, Section 11 of the Swedish Companies Act (Sw. aktiebolagslagen (2005:551)).

## 16.2 Admission to trading

Without prejudice to Clause 13.6 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*), the Issuer shall ensure that:

- (a) the Bonds issued in the Bond Issue 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 another Regulated Market) within six (6) months of the Issue Date (with an intention to complete the admission to trading within thirty (30) days of the Issue Date); and
- (b) the Bonds, once admitted to trading on the relevant Regulated Market, continue being listed thereon (however, taking into account the rules and regulations of the relevant 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).

## 16.3 Nature of business

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

## 16.4 Financial Indebtedness

16.4.1 The Issuer shall not, and shall procure that no other Group Company will:

- (a) incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Issuer and its Subsidiaries have a right to incur, maintain and prolong Financial Indebtedness which constitute Permitted Financial Indebtedness; or

- (b) exercise any right for early redemption of any Market Loan (other than in relation to the Bonds).

#### 16.5 **Negative Pledge**

The Issuer shall not, and shall procure that no Group Company will, create or allow to subsist, retain, provide, prolong or renew any security over any of its assets (present or future) to secure any Financial Indebtedness, provided however that the Group Companies have a right to create or allow to subsist, retain, provide, prolong and renew any Permitted Security.

#### 16.6 **New real property development projects**

The Issuer shall not, and shall procure that no Group Company will, invest in any current or future real property development projects outside of Sweden.

#### 16.7 **Disposals of assets**

Subject to the terms of the Transaction Security Documents, the Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of shares or other interests in any Group Company or of all or substantially all of its or any Group Company's assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

#### 16.8 **Mergers and demergers**

16.8.1 The Issuer shall not enter into any amalgamation, demerger, merger or reconstruction, save for any merger where the Issuer is the surviving entity.

16.8.2 The Issuer shall procure that no other Group Company will enter into any amalgamation, demerger, merger or reconstruction, unless the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

#### 16.9 **Maintenance of Properties**

The Issuer shall, and shall procure that each other Group Company will, keep the Properties in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice.

#### 16.10 **Property valuations**

16.10.1 The Issuer shall procure that a Valuation regarding the fair value of Properties representing at least ninety (90) per cent. of the Value (prior to such Valuation) is prepared each financial year (on a rolling twelve (12) months basis) and, if requested by the Agent, such Valuation is delivered in full to the Agent.

16.10.2 Without prejudice to Clause 16.10.1 above, the Issuer shall procure that a Valuation regarding the fair value of in respect of each property is prepared at least every second financial year (on a rolling twenty-four (24) months basis).

16.10.3 The Issuer shall further procure that the results of such Valuation(s), or (if available) any subsequent comparable Valuation(s) replacing such Valuation(s), are reflected in good faith and in accordance with the Group's valuation policy in the following Financial Statements.

16.11 **Insurance**

The Issuer shall, and shall procure that each other Group Company will, keep all its Properties insured to the extent customary for similar properties and businesses on the relevant geographical market with one or more reputable insurers.

16.12 **Maintenance Test**

The Issuer shall procure that the Maintenance Test is met on each Reference Date as long as any Bond is outstanding.

16.13 **Dealings with related parties**

The Issuer shall, and shall procure that each other Group Company will, 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.

16.14 **Compliance with laws**

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations applicable to them from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm and Nasdaq First North Growth Market (or any other Regulated Market or MTF on which the Issuer's securities from time to time are listed).

16.15 **Authorisations**

The Issuer shall, and shall procure that each other Group Company will, 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.

16.16 **Agency Agreement**

16.16.1 The Issuer shall, in accordance with the Agency 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 Agency Agreement.

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

16.17 **CSD related undertakings**

The Issuer shall keep the Bonds affiliated with a CSD and comply with all applicable CSD Regulations.

16.18 **Additional Security**

The Issuer shall upon the granting of a Material Intragroup Loan procure that such Material Intragroup Loan is made subject to Transaction Security in accordance with the terms of the Transaction Security Documents.

**17. TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 17 is an Event of Default (save for Clause 17.10 (*Termination*) and Clause 17.11 (*Distribution of proceeds*)).

17.1 **Non-payment**

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay is due to technical or administrative error and is remedied within five (5) Business Days of the due date.

17.2 **Maintenance Test**

The Issuer fails to comply with the Maintenance Test on any Reference Date.

17.3 **Other obligations**

17.3.1 The Issuer does not comply with any provision of the Finance Documents (other than as set out under Clause 4 (*Use of Proceeds*), Clause 14.2.3, Clause 17.1 (*Non-payment*) or Clause 17.2 (*Maintenance Test*)).

17.3.2 No Event of Default under Clause 17.3.1 above will occur if the failure to comply is capable of being remedied and is remedied within fifteen (15) Business Days of the earlier of:

- (a) the Agent giving notice to the Issuer; and
- (b) the Issuer becoming aware of the failure to comply.

17.4 **Cross-payment default and cross-acceleration**

17.4.1 Any Financial Indebtedness of a Group Company is not paid when due as extended by 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).

17.4.2 Any security interest securing Financial Indebtedness over any asset of any Group Company is enforced.

17.4.3 No Event of Default will occur under this Clause 17.4 if:

- (a) the Financial Indebtedness is owed by a Group Company to another Group Company;  
or

- (b) the aggregate amount of Financial Indebtedness falling within Clauses 17.4.1 and 17.4.2 above is equal to or less than SEK 5,000,000 (or its equivalent in any other currency or currencies).

## 17.5 **Insolvency**

### 17.5.1 Any Material Group Company:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) is declared to be unable to pay its debts under applicable law;
- (c) suspends making payments on its debts generally; or
- (d) by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under the Terms and Conditions) with a view to rescheduling its Financial Indebtedness.

17.5.2 A moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.

## 17.6 **Insolvency proceedings**

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

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (*Sw. företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company;
- (b) 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
- (c) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company.

### 17.6.2 Paragraph 17.6.1 above shall not apply to:

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

## 17.7 **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 5,000,000 and is not discharged within thirty (30) calendar days.



## 17.8 **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 the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.

## 17.9 **Cessation of business**

The Issuer or any other Material Group Company ceases to carry on its business, except if due to a permitted disposal permitted under Clause 16.7 (*Disposals of assets*) or a merger or demerger permitted under Clause 16.8 (*Mergers and demergers*), and provided, in relation to the cessation of business of a Group Company other than the Issuer, that such cessation is likely to have a Material Adverse Effect.

## 17.10 **Termination**

- 17.10.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 17.10.3 or 17.10.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, 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) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 17.10.2 The Agent may not terminate the Bonds in accordance with Clause 17.10.1 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). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 17.10.1.
- 17.10.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to Clause 17.1 (*Non-payment*)) up until the time stipulated in Clause 17.10.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 17.10.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 18 (*Decisions by Bondholders*). If the Bondholders 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 Bondholders 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.

- 17.10.5 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 18 (*Decisions by Bondholders*), 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 Bondholders 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.
- 17.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 17, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 17.10.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 17.10.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 17 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 18 (*Decisions by Bondholders*).
- 17.10.9 If the Bonds are declared due and payable in accordance with Clause 17.10.1, the Issuer shall redeem all Bonds with an amount per Bond together with a premium on the due and payable amount as set forth in the Call Option Price for the relevant period, and shall up until the First Call Date be at the price set out in paragraph (a) of the definition of Call Option Price (plus accrued and unpaid interest).

#### 17.11 **Distribution of proceeds**

17.11.1 If the Bonds have been declared due and payable in accordance with this Clause 17, all payments by the Issuer relating to the Bonds and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *firstly*, in or towards payment *pro rata* of:
- (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
  - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the protection of the Bondholders' rights as may have been incurred by the Agent;
  - (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 bondholders' 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, including any default interest.

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 Bondholders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- 17.11.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 17.11.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 17.11.1.
- 17.11.3 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 bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 17.11 as soon as reasonably practicable.
- 17.11.4 If the Issuer or the Agent shall make any payment under this Clause 17.11, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) 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 11.1 shall apply.

## **18. DECISIONS BY BONDHOLDERS**

### **18.1 Request for a decision**

- 18.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 18.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Bondholders' 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 Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

- 18.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given or the suggested decision is not in accordance with applicable regulations.
- 18.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 18.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 18.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 18.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 18.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 18.3.1. After a request from the Bondholders 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 Bondholders' Meeting in accordance with Clause 18.2.1. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

## 18.2 **Bondholders' Meeting**

- 18.2.1 The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholders' Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.
- 18.2.2 The notice pursuant to Clause 18.2.1 shall include:
- (a) the time for the meeting;
  - (b) the place for the meeting;
  - (c) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
  - (d) an agenda for the meeting (including the reasons for, and contents of, each request for a decision by the Bondholders and if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment);
  - (e) a form of power of attorney;

- (f) any applicable conditions precedent and conditions subsequent;
- (g) should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice; and
- (h) information on where additional information (if any) will be published.

Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting.

18.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the effective date of the notice.

18.2.4 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' 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 Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.

18.2.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in Person.

### 18.3 **Written Procedure**

18.3.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.

18.3.2 A communication pursuant to Clause 18.3.1 shall include:

- (a) each request for a decision by the Bondholders;
- (b) a description of the reasons for each request, and contents of, each proposal (including, if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment);
- (c) any applicable conditions precedent and conditions subsequent;
- (d) information on where additional information (if any) will be published;
- (e) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights;

- (f) 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;
- (g) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the effective date of the communication pursuant to Clause 18.3.1); and
- (h) if the voting shall be made electronically, instructions for such voting.

18.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 18.4.2 and 18.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 18.4.2 or 18.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

18.3.4 The Agent may, during the Written Procedure, provide information to the Issuer by way of updates whether or not quorum requirements have been met and about the eligible votes received by the Agent, including the portion consenting or not consenting to the proposal(s) or refraining from voting (as applicable).

#### 18.4 **Majority, quorum and other provisions**

18.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 10 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 18.3.2, in respect of a Written Procedure,

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

18.4.2 The following matters shall require consent of Bondholders representing at least sixty-six and two thirds ( $66\frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 16 (*Special undertakings*);
- (b) except as expressly regulated elsewhere in the relevant Finance Document, release any Transaction Security, in whole or in part;
- (c) waive a failure to meet the Maintenance Test or the Incurrence Test or an amendment to the definitions relating to the Maintenance Test or the Incurrence Test;
- (d) a mandatory exchange of the Bonds for other securities;
- (e) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer (other than as a result of an application of Clause 20 (*Replacement of Bonds Rate*));

- (f) a change of issuer under the Terms and Conditions;
  - (g) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
  - (h) amend the provisions in this Clause 18.4.2 or in Clause 18.4.3.
- 18.4.3 Any matter not covered by Clause 18.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2. This includes, but is not limited to, any amendment to or waiver of the terms of any Finance Document that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (d) of Clause 19.1) or a termination of the Bonds.
- 18.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 18.4.3.
- 18.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least twenty (20) per cent. or, in respect of a matter covered by Clause 18.4.2, at least fifty (50) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' 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.
- 18.4.6 If a quorum exists for some but not all of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- 18.4.7 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18.2.1) or initiate a second Written Procedure (in accordance with Clause 18.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 18.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 18.4.8 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 18.4.9 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 18.4.10 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such person is a Bondholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that vote in respect of the proposal at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

- 18.4.11 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 18.4.12 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 18.4.13 If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) 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.
- 18.4.14 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders 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 Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **19. AMENDMENTS AND WAIVERS**

- 19.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders as a group;
  - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
  - (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
  - (d) is necessary for the purpose of having the Bonds admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders;
  - (e) is made pursuant to Clause 20 (*Replacement of Base Rate*); or
  - (f) has been duly approved by the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.
- 19.2 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19.1, 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.

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

## **20. REPLACEMENT OF BASE RATE**

### **20.1 General**

20.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 20 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

20.1.2 If a Base Rate Event has occurred, this Clause 20 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

### **20.2 Definitions**

In this Clause 20:

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

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

**“Base Rate Amendments”** has the meaning set forth in Clause 20.3.4.

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

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and

the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;

- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*) containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

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

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

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

**“Successor Base Rate”** means:

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

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

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

- 20.3.1 Without prejudice to Clause 20.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 20.3.2.

- 20.3.2 If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate.
- 20.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 20.3.2, the Bondholders shall, if so decided at a Bondholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in Clause 20.3.2. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clause 20.3 to 20.6, the Agent (acting on the instructions of the Bondholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer's cooperation.
- 20.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").
- 20.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.
- 20.4 **Interim measures**
- 20.4.1 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:
- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
  - (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.
- 20.4.2 For the avoidance of doubt, Clause 20.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 20. This will however not limit the application of Clause 20.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 20 have been taken, but without success.

## 20.5 **Notices etc.**

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

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

20.6.1 No later than giving the Agent notice pursuant to Clause 20.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 20.3.3) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 20. The Successor Base Rate, the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.

20.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 20.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 20.

20.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 20. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

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

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

# 21. **THE AGENT**

## 21.1 **Appointment of the Agent**

21.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, 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 Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer, any legal or arbitration proceedings relating to the perfection (as applicable), preservation, protection or enforcement of the Transaction Security and in relation to any mandatory exchange of the Bonds for other securities (including, for the avoidance of doubt, a right for the Agent to subscribe for any such new securities on behalf of the relevant Bondholder).

- 21.1.2 By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 21.1.3 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 21.1.4 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 21.1.5 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 21.1.6 The Agent may act as agent or trustee for several issues of securities issued or other loans 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 Bondholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Transaction Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders.
- 21.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 21.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 21.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 21.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent

from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.

- 21.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:
- (a) after the occurrence of an Event of Default;
  - (b) for the purpose of investigating or considering:
    - (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; or
    - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
  - (c) in connection with any Bondholders' Meeting or Written Procedure;
  - (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

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 the Finance Documents shall be distributed in accordance with Clause 17.11 (*Distribution of proceeds*).

- 21.2.7 The Agent shall, as applicable, 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 the Finance Documents.

- 21.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor:
- (a) whether any Event of Default has occurred;
  - (b) the financial condition of the Issuer and the Group;
  - (c) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or
  - (d) whether any other event specified in any Finance Document has occurred or is expected to occur.

Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

- 21.2.9 The Agent shall review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 14.3.2 and as otherwise agreed between the Issuer and the Agent. The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 21.2.9.

- 21.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the

Agent reasonably considers necessary for the purpose of being able to comply with this Clause 21.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

- 21.2.11 Notwithstanding any other provision of the Finance Documents 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 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 Bondholders, 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 Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or if it refrains from acting for any reason described in Clause 21.2.12.
- 21.2.14 Upon the reasonable request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Bondholder 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. The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.
- 21.2.15 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default, which event shall be governed by Clause 17.10.3).

### 21.3 **Liability for the Agent**

- 21.3.1 The Agent may assume that the documentation and evidence delivered to it 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. No documents or evidence delivered in accordance with the Finance Documents are reviewed by the Agent from a legal or commercial perspective of the Bondholders.
- 21.3.2 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.

- 21.3.3 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 provided 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 Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 21.3.4 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, 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.
- 21.3.5 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 21.3.6 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

#### 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 Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' 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 or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (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 Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 21.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
- (a) the earlier of the notice of resignation was given or the resignation otherwise took place;  
or
  - (b) the Agent was dismissed through a decision by the Bondholders,
- the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.



- 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 the Finance Documents.
- 21.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) 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; and
  - (b) the period pursuant to paragraph (b) of Clause 21.4.4 having lapsed.
- 21.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 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 the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **22. THE ISSUING AGENT**

- 22.1 The Issuer shall when necessary appoint an 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. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.
- 22.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 22.3 The Issuing Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

## **23. THE CSD**

- 23.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- 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 Bondholder or the admission to trading of the Bonds on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

## **24. NO DIRECT ACTIONS BY BONDHOLDERS**

24.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the obligations or liabilities of such Group Company under the Finance Documents. 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 Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 21.1.3), 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 of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 21.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2.13 before a Bondholder 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 Bondholder's right to claim and enforce payments which are due to it under Clause 13.6 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## **25. TIME-BAR**

25.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' 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 limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (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 the Finance Documents:

- (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 to such address as notified by the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address 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 to such address as notified by the Issuer to the Agent by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Agent, to such e-mail address as notified by the Issuer to the Agent from time to time; and
- (c) if to the Bondholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on a date selected by the sending person which falls no more than five (5) Business Days prior to the date on which the notice or communication is sent, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders 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 the Finance Documents shall be sent by way of courier, personal delivery or letter (or, if between the Agent and the Issuer, by e-mail) and will only be effective:

- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1.1;
- (b) 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
- (c) in case of e-mail to the Agent or the Issuer, when received in legible form by the e-mail address specified in Clause 26.1.1.

26.1.3 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

### 26.2 Press releases

26.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 13.3 (*Early voluntary total redemption (call option)*), Clause 13.4 (*Early voluntary total redemption following a partial prepayment (call option)*), 13.5 (*Mandatory Prepayment*), paragraph 14.4(a)(i) of Clause 14.4 (*Information: miscellaneous*) or Clauses 17.10.3, 17.11.4, 18.4.14, 18.2.1, 18.3.1, 19.2, 20.5, 21.2.13 or 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 that the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## **27. FORCE MAJEURE**

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, natural disaster, insurrection, civil commotion, terrorism 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 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.

27.3 The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **28. ADMISSION TO TRADING**

28.1 The Issuer intends to have the Bonds 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 another Regulated Market) within thirty (30) calendar days from the Issue Date. Furthermore, if the Bonds have not been admitted to trading on Nasdaq Stockholm (or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market) within sixty (60) calendar days after the Issue Date, each Bondholder has a right of repurchase (put option) of all or some of its Bonds subject to and in accordance with Clause 13.6 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*).

28.2 The Issuer has in accordance with Clause 16.2 (*Admission to trading of Bonds*) undertaken to have the Bonds admitted to trading within six (6) months after the Issue Date 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).

## **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 City 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 Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
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## **SCHEDULE 1**

### **CONDITIONS PRECEDENT**

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#### **Part 1**

#### **Conditions Precedent for the Bond Issue**

##### **1. The Issuer**

- (a) Copies of the constitutional documents of the Issuer.
- (b) Copies of resolutions of the board of directors of the Issuer:
  - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
  - (ii) authorising a specified person or persons to execute the Finance Documents on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.

##### **2. Finance Documents**

- (a) Duly executed copies of the Terms and Conditions.
- (b) Duly executed copy of the Agency Agreement.
- (c) Duly executed copy of the Escrow Account Pledge Agreement, including evidence that the security purported to be created under the Escrow Account Pledge Agreement has been duly perfected in accordance with the terms of the Escrow Account Pledge Agreement.

## **Part 2**

### **Conditions Precedent for disbursement from the Escrow Account**

#### **1. The Issuer and other relevant Group Companies**

- (a) Copies of the constitutional documents of each party (for the avoidance of doubt, being a Group Company) other than the Agent being part to the Transaction Security Documents.
- (b) Copies of resolutions of the board of directors of each party (for the avoidance of doubt, being a Group Company) other than the Agent being part to the Transaction Security Documents:
  - (i) approving the terms of, and the transactions contemplated by, the Transaction Security Documents to which it is a party and resolving that it execute, deliver and perform such Transaction Security Documents;
  - (ii) authorising a specified person or persons to execute the relevant Transaction Security Documents on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Transaction Security Documents to which it is a party
- (c) Evidence in the form of an unconditional redemption notice that the Existing Bonds will be redeemed in full within one (1) Business Day following the disbursement from the Escrow Account and evidence by way of a release letter that any existing security in favour of the Existing Bonds have been or will be released and discharged upon redemption of the Existing Bonds.

#### **2. Finance Documents**

Evidence that the Transaction Security Documents in respect of all shares owned by a Group Company in each Pledged Group Company and of any present and future Material Intragroup Loans have been, or will be within one (1) Business Day following the disbursement from the Escrow Account, duly executed, together with evidence that the Transaction Security purported to be created under such Transaction Security Documents (other than any Transaction Security with respect to Material Intragroup Loans) has been or will be perfected in accordance with the terms of such Transaction Security Documents.

## SCHEDULE 2 FORM OF COMPLIANCE CERTIFICATE

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### COMPLIANCE CERTIFICATE

To: Nordic Trustee & Agency AB (publ) as Agent

From: Titania Holding AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

**Titania Holding AB (publ)**  
**SEK 525,000,000 Senior Secured Callable Floating Rate Sustainable Bonds 2023/2026**  
**with ISIN: SE0020998680**  
**(the “Bonds”)**

(1) We refer to the terms and conditions for the Bonds (the “**Terms and Conditions**”). This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

(2) **[Maintenance Test]**

We confirm that the Maintenance Test is met and that in respect of the Reference Date [date] (and has not been breached since the last day of the relevant quarter to which the most recent Compliance Certificate refer), Total Equity was SEK [●], Total Assets was SEK [●] and therefore the Equity Ratio was [●] per cent. (and should be equal to or higher than 25.00 per cent.).

Computations as to compliance with the Maintenance Test are attached hereto.]<sup>12</sup>

(3) **[Incurrence Test]**

This is an Incurrence Test in respect of [describe relevant Financial Indebtedness incurred or Restricted Payment made] (the “**Incurrence**”). We confirm that the Incurrence Test is met and that in respect of the Incurrence Test Date, being [date].

(a) *Equity Ratio*: Total Equity was SEK [●], Total Assets were SEK [●] and therefore the Equity Ratio was [●] (and should be higher than thirty (30) per cent.); and

(b) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or would occur upon the Incurrence,

in each case including the Incurrence on a pro forma basis and otherwise calculated in accordance with Clause 15.3 (*Calculation principles*).

Computations as to compliance with the Incurrence Test are attached hereto.]<sup>3</sup><sup>4</sup>

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<sup>1</sup> To include calculations of the Maintenance Test including any *pro forma* adjustments pursuant to Clause 15.1 (*Maintenance Test*).

<sup>2</sup> This section to be used if the Compliance Certificate is delivered in connection with the delivery of a Financial Statement.

<sup>3</sup> To include calculations of the Incurrence Test and any adjustments pursuant to Clause 15.2 (*Incurrence Test*).

<sup>4</sup> This section to be used if the Compliance Certificate is delivered in connection with an Incurrence Test.



**(4)** [We confirm that the date of the latest Valuation pursuant to Clause 16.10.1 of the Terms and Conditions was [date].]<sup>5</sup>

**(5)** [We confirm that, as far as we are aware, no Event of Default is continuing.]<sup>6</sup>

**Titania Holding AB (publ)**

\_\_\_\_\_

Name:

*Authorised signatory*

\_\_\_\_\_

Name:

*Authorised signatory*

<sup>5</sup> Should only be included in the Compliance Certificate delivered in connection with the delivery of the annual consolidated financial statements of the Issuer.

<sup>6</sup> Should be included in each Compliance Certificate. If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

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

Stockholm, \_\_\_\_\_ 2023

*The Issuer*

**Titania Holding AB (publ)**

\_\_\_\_\_  
Name:

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

Stockholm, \_\_\_\_\_ 2023

*The Agent*

**Nordic Trustee & Agency AB (publ)**

\_\_\_\_\_  
Name:

# ADDRESSES

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## Issuer

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Sweden

Tel: +46 (0)8 - 668 44 44

Web page: [www.titania.se](http://www.titania.se)

## Auditor

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## Joint Bookrunner

### **Swedbank AB (publ)**

Landsvägen, SE-172 63 Sundbyberg, Sweden

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## Agent

### **Nordic Trustee & Agency AB (publ)**

P.O. Box 7329, SE-103 90 Stockholm, Sweden

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## Issuing agent and Joint Bookrunner

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Web page: [www.arctic.com](http://www.arctic.com)

## Joint Bookrunner

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## Legal advisor

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## Central securities depository

### **Euroclear Sweden AB**

P.O. Box 7822, SE-103 97 Stockholm, Sweden

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