

This prospectus was approved by the Swedish Financial Supervisory Authority on 10 July 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the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.



Storskogen Group AB (publ)

PROSPECTUS REGARDING THE ADMISSION TO TRADING OF

SEK 1,250,000,000

SENIOR UNSECURED CALLABLE FLOATING RATE BONDS

2024/2027

ISIN: SE0022240974

10 July 2024

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Storskogen Group AB (publ), Swedish reg. no. 559223-8694 (“**Storskogen**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries (each a “**Group Company**”), unless otherwise indicated by the context, the “**Group**”), in relation to the application for admission for trading of the Issuer’s SEK 1,250,000,000 senior unsecured callable floating rate bonds 2024/2027 with ISIN SE0022240974 (the “**Bonds**”), issued under a framework of SEK 2,000,000,000, of which SEK 1,250,000,000 was issued on 7 June 2024 (the “**First Issue Date**”), in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively), on the corporate 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. The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Bond Issues equals SEK 2,000,000,000. Only Bonds that have been issued as of the date of approval of the Prospectus may be admitted to trading based on the Prospectus.

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 “**Securities Act**”), or any U.S. state securities laws 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 defined in Rule 902 of Regulation S under the Securities Act), except for “Qualified Institutional Buyers” 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) and the Issuer’s website (www.storskogen.com).

TABLE OF CONTENTS

| | |
|---|----|
| RISK FACTORS | 1 |
| THE BONDS IN BRIEF | 17 |
| DESCRIPTION OF THE ISSUER AND THE GROUP | 21 |
| OWNERSHIP STRUCTURE | 30 |
| THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS | 31 |
| SUPPLEMENTARY INFORMATION | 33 |
| FINANCIAL INFORMATION | 34 |
| TERMS AND CONDITIONS FOR THE BONDS | 35 |
| ADDRESSES | 92 |

RISK FACTORS

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

The risk factors are included herein based on the Issuer's assessment of the probability of their occurrence and the expected magnitude of their negative impact if they would occur. Irrespective of the probability or magnitude of the 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 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 each category are presented first in each category. Subsequent risk factors in the same category are not purported to be ranked in order of materiality or probability of occurrence.

RISKS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

Risks relating to Storskogen's business and industry

Storskogen is subject to risks relating to decreased market demand and other macroeconomic factors that are beyond Storskogen's control

The Group has three business areas, Services, Industry and Trade, and operates primarily in Sweden (48% of net sales in 2023), but also in various other countries, such as Norway, Denmark, Switzerland, Germany, Singapore and the United Kingdom. The Group depends on the products produced and the services rendered by the Group Companies being in demand by consumers and industrial purchasers, which in turn depends on factors such as functionality, price, design, and general market demand. The market demand is largely affected by macroeconomic factors outside the Group's control, including the macroeconomic conditions in Sweden, the other Nordic countries, the DACH region, the United Kingdom, Singapore and other countries where the Group operates as well as macroeconomic conditions in countries and regions in which the Group does not have Group Companies.

As the Group operates primarily in Sweden, its success is closely tied to general economic developments in Sweden. Negative developments in, or the general weakness of, the Swedish economy and, in particular, increasing levels of unemployment, may have a direct negative impact on the spending patterns of retail consumers in the country. For example, in relation to the Group's Trade and Services business areas, there is a risk that an economic slowdown in Sweden will lead to a decrease in consumer spending and lower end-customer demand for the Group's products and services. This, in turn, may lead to a decrease in the Group's net sales in Sweden, which currently represents a significant part of the Group's total net sales and, as such, may have a negative effect on the Group's cash flow and liquidity. Therefore, a weak economy or negative economic development, decrease in consumer confidence in Sweden or other adverse macroeconomic changes affecting households or SMEs in Sweden, could have an adverse effect on the Group's business, financial condition and results of operations.

In addition, conditions in the global capital market and the economy in general, such as consumption, business investment, public investment, the volatility and strength of the capital market, inflation or deflation, affect the Group's operations and the performance of each of the Group and the Group Companies. In the Trade business area, for example, the distributors and producers of products for the construction sector (e.g., SGD, a flooring distributor and Riviera, an awnings and blinds producer) have historically demonstrated sensitivity to a deteriorating economic climate because of the often related decrease in construction activity and hence in the demand of related products. In the Services business area, for example, the Engineering Services and Contracting Services as well as the Installation verticals have historically demonstrated sensitivity to a deteriorating economic climate when less projects are initiated on a national basis. In the Industry business area, for example, business units with exposure to the automotive sector (e.g., Elektroautomatik within Automation, Albin Components, Roleff, and SF Tooling within Industrial Technology, and Berco within Products) have typically demonstrated a high sensitivity to declining market conditions due to the generation of significant revenue from customers with strong purchase power, particularly focused on cost-cutting and continuous improvements.

On the other hand, in the Trade business area, for example, the Health and Beauty verticals demonstrated a lower sensitivity to the higher costs of living experienced during 2023 than the Home and Living and Sports, Clothing and Accessories verticals, which had a greater exposure to durable consumer goods. In the Services business area, for example, the Digital Services vertical has historically demonstrated a lower sensitivity to a deteriorating economic climate due to the long-term underlying digitalisation trend. In the Industry business area, for example, the business unit ARAT and the Automation vertical have historically demonstrated a lower sensitivity to a deteriorating economic climate because their production is knowledge-based, less dependent on labour cost and geared towards productivity enhancing investments.

There is a risk that previous consumer patterns change in the future, and that those business areas that currently have been or presently are subject to less cyclical influences show greater economic fluctuations in the future. The Trade business area was negatively affected during the year ended 2023 by higher costs of living causing Swedish households' disposable income to decline which had a negative impact on private consumption over the year. Similarly, demand for the products of the Industry business area may decline if the willingness of companies to invest and access to financing are disrupted as may be the case during global or local financial crises or due to increased macroeconomic uncertainty. In addition, inflation and, specifically, wage inflation may continue to increase the costs of the Group's businesses, in particular the costs of the Group's Services business area. The Group's adjusted EBITDA margin was negatively affected by the continued cost inflation

during the year ended 2023 and there can be no guarantee that cost inflation will not ramp up again in the future which, if cost increases cannot be fully compensated for by price increases, entails a risk for margin pressure.

Protracted declines in customer demand caused by uncertain economic conditions in one or more of the Group's markets or the deterioration of the financial condition of the Group Companies' customers could have a material adverse effect on the net sales of the Group Companies, which, together with a potential increase of the costs of Storskogen's business driven by inflation, would decrease the Issuer's cash flow and liquidity and thus its ability to make payments under the Bonds. A decrease in the net sales of the Group Companies could also entail a decline in the market value of the Company's direct and indirect holdings which could force the Company into write-downs, causing a corresponding cost in the profit and loss account, which could have a material adverse effect on the Group's profits and financial condition.

Storskogen is subject to risks relating to increased prices of raw materials and energy, disrupted supply chains and insufficient access to renewable energy

The Group is dependent on purchases of energy and certain Group Companies are dependent on purchases of raw materials such as wood and steel. The global market price for energy as well as raw materials sometimes fluctuates heavily, including due to economic and political risks and uncertainty, and it is difficult to foresee the price development. See also "*Storskogen faces continued economic and political risks and uncertainty in European and global markets, including due to armed conflict*". The Group does not use derivative instruments or similar to secure energy or raw material prices to any material extent. There is thus a risk that financial position and profits may be adversely affected by increased prices, which in turn could have a material adverse effect on the Group's ability to make payments under the Bonds if the price of energy and one or more raw materials that are needed in the Group's operations increases. Even if the Group uses derivative instruments to hedge energy and raw material prices, there is a risk that the measures taken fail at mitigating the risks to the Group's financial position and earnings. There is also a risk that Storskogen will not meet the Group's adopted climate targets due to insufficient access to renewable energy. Whereas Storskogen has a framework agreement for renewable and fossil-free energy, there is a major renewable energy shortage in some of Storskogen's geographical areas. There is a risk that the Group will not be able to obtain renewable energy in these geographic areas to a reasonable price, or at all, and thus not being able to meet its adopted climate targets which could have a material adverse effect on the Group's reputation and business.

Several of the raw materials and components that the Group Companies use in their operations as well as, under certain circumstances, energy, need to be transported from other geographical areas to the respective Group Companies. If there are disruptions in the supply chain, e.g. due to logistical difficulties, lack of raw materials and components, energy supply shortages or general delays, it may result in the Group Companies not being able to produce and deliver their products on time or at all. This could result in difficulties synchronizing the procurement of such raw materials with the Group Companies' production needs, which could in turn result in increased inventory or require production requalification or the postponement of certain development and manufacturing processes for their customers. Furthermore, the accumulation of inventory could place strains on the Group Companies' working capital requirements. For example, during the beginning of the year 2023, the inventory levels were generally high in all parts of the supply chain for the Group Companies in the Trade business area which contributed to a higher working capital requirement in the beginning of 2023.

Shortages or delays in the shipment of raw materials can also result in the prices of, and the costs of transporting, such raw materials and components as well as energy increasing. Increased cost of raw materials and energy may only be transferred to the consumer with a timing delay, if at all. In an environment of rising raw material prices, the Group Companies will constantly need to adjust sales prices in order to maintain sufficient profitability while demand can decline as customers postpone, decrease or cancel orders to contain costs. On the other end, if prices for raw materials decline, this could lead to an impairment of the carrying value of the Group Companies' inventory. These factors can in turn have an adverse effect on the Group Companies', and thus the Group's, financial position and profits. Also, due to the Group's long-term contractual arrangements, the Group may not be able to pass on such increased costs to the Group's customers, in part or at all. See also "*Storskogen is subject to risks relating to suppliers and customers*" and "*Storskogen is subject to risks relating to decreased market demand and other macroeconomic factors that are beyond Storskogen's control*". An increase in costs could negatively affect the Group's cash flow and liquidity, which could result in negative adverse effects on the Group's ability to make payments under the Bonds.

Storskogen faces continued economic and political risks and uncertainty in European and global markets, including due to armed conflict

The outlook for the global economy over the medium-term remains uncertain due to a number of factors including societal inequalities and changes, trade barriers, exchange controls and the increased possibility and/or continuation of trade wars, geopolitical tensions, pandemics, widespread political instability (including as a result of populism and nationalism, which may lead to protectionist policies, state and privately sponsored cyber and terrorist acts or threats, efforts to destabilize regimes or armed conflict), changes in inflation and rising interest rates and unfavourable financial conditions more generally, supply chain disruption, rising commodity prices, climate, environmental, social and other sustainability-related risk and global regional variations in the impact and responses to these factors. There is a risk that such geopolitical uncertainty could affect the Group's supply chains and result in undesirable price volatility for input goods and there can be no assurance that the Group will be able to take sufficient counter measures to control such risks. These conditions could also worsen due to a number of factors including macroeconomic deterioration, a global recession, stagflation in the global economy and/or the Eurozone, increased instability in the global financial system and concerns relating to further financial shocks or contagion, for example, due to economic concerns in emerging markets, market volatility or fluctuation in the value of certain currencies, new or extended economic sanctions, volatility in commodity prices or concern regarding sovereign debt. In particular, such events and conditions may lead to volatility in the prices for energy, including but not limited to oil and gas, and raw materials, such as steel and wood, which may lead to a material increase in the operating expenses of a number

of Group Companies and therefore significantly affect the results of operations of the Group Companies, which in turn may affect the Group's consolidated results. There can be no assurance that the pricing power of the Group Companies permits that price increases on energy and input goods can be fully compensated by price increases on the Group's goods and services. Such events and conditions may also lead to a, possibly significant, decrease of income, including non-disposable and disposable income, of the Group's direct and indirect customers, including retail consumers, who may no longer be able to buy the Group's goods and services at the current volume or at all, especially durable consumer goods. In addition, inflation and, specifically, wage inflation may continue to increase the costs of the Group's businesses, in particular the costs of its Services business area. Cost inflation remained high during the course of 2023 and there can be no guarantee that cost inflation will not ramp up again in the future which, if cost increases cannot be fully compensated for by price increases, there is a risk for margin pressure.

Further, unfavourable political, military or diplomatic events, including secession movements or the exit of other member states from the EU, and armed conflict, including the ongoing conflict between Russia and Ukraine as well as the armed conflict in Gaza, may disrupt geopolitical stability, prices for the supply of goods and services and cross-border financial transaction, including as a result of economic sanctions and embargos, and the responses to them by governments and markets. This may in turn negatively affect the Group's business, financial condition, results of operations and performance, including as a result of the indirect effect on regional or global trade and/or the Group's customers and suppliers.

The Group's businesses have limited exposure to Russia and Belarus and shortly after the onset of the war in Ukraine, the Group revised its view of business with companies in Russia due to the ongoing armed conflict between Russia and Ukraine and its consequences, including economic sanctions. The only Group Company that previously had operations in Belarus successfully unwound these activities during the fourth quarter of 2021. There can be no guarantee that the Group will not generate any revenues from sales to Russia or Belarus in the future and the Group's business, financial condition, results of operations and performance may be negatively affected by the ongoing conflict between Russia and Ukraine. For instance, the conflict caused an increase in food prices as well as shortages of materials for the production of wooden floors having a significant impact on certain specific businesses of Group Companies.

Some of the Group Companies have subsidiaries in Poland, Latvia, Lithuania or Estonia, accounting for approximately 1.9% of the Group sales for the year ended 31 December 2023. The subsidiaries in these countries have been severely and negatively affected by the ongoing conflict between Russia and Ukraine and its consequences, including by the indirect consequences of economic sanctions. In the future, these Group Companies may be further implicated, including by the further spread of the conflict into other countries and regions.

The Group's Services business area predominantly employs local work force and labour and has not been directly affected by the conflict between Russia and Ukraine and its consequences, including economic sanctions. However, future demand levels in the wake of the conflict between Russia and Ukraine is difficult to predict and there can be no guarantee that the business, financial condition, results of operations and performance of the Group's Services business area remain unaffected. For example, one of the customers of the Group Company Viametrics is H&M, which had to close its operations in Russia and Belarus as a consequence of Russia's invasion of Ukraine. In the past, Viametrics generated approximately 10% of its annual revenue, or approximately SEK 7 million, from sales to H&M. Approximately SEK 1 million of these annual sales was generated in connection with H&M's businesses in Russia and Belarus. The Group currently has no operations in Russia or Belarus but there can be no guarantee that the Group will not generate any revenues from sales to Russia or Belarus in the future and the business, financial condition, results of operations and performance of the Group's Industry business area may be negatively affected by the ongoing conflict between Russia and Ukraine. Within the Trade business area, the Group has a limited exposure to Russia and Belarus. As of today, the Group's permanent business relationships with businesses in these countries have ended and the Group expects to have only occasional customers from these countries.

Storskogen is subject to risks relating to suppliers and customers

In order to manufacture, sell and deliver goods and services, the Group Companies depend on external suppliers' availability, production, quality assurance and delivery. Incorrect or delayed deliveries, low quality deliveries that do not meet the Group Companies' expectations or non-deliveries from various suppliers could entail that the Group's deliveries in turn are delayed, incomplete or incorrect or that they have to be discontinued, which could result in reduced sales and an adverse impact on the Group's customer relations, which in turn could negatively affect the Group's cash flow and liquidity and its ability to make payments under the Bonds. For example, the products offered within the Trade business area, including in the verticals Health and Beauty, Home and Living and Niche Businesses, such as haircare products, flooring products, mini cranes, pet accessories, decorations, or coffee and ice cream machines, are usually ordered with a particular timeframe in mind and the business area's customers expect to have these products available at the delivery time agreed or are otherwise likely to incur losses or inconveniences. Moreover, there is a risk that defective or delayed deliveries or loss of one or several suppliers of such products can have negative consequences for the Group Companies' operations, financial position and earnings, which in turn could negatively affect the Group's financial position and earnings. Furthermore, certain strategies adopted by the Group Companies to address such potential delivery delays could also turn out to have a negative impact on their results and operations. During the beginning of 2023, for instance, various companies in the supply chain for Group Companies in the Trade business area had high inventory levels, placing strains on the Group's working capital needs. There is also a risk that suppliers do not comply with laws or other rules or their contractual obligations towards the Group, which could affect the Group in terms of its reputation and could lead to customers choosing to purchase products and/or services from other suppliers and providers as well as result in decreased sales for the Group. In the same way, certain Group Companies may be, or may in the future become, dependent on individual customer relationships, the loss of which could entail reduced sales volumes and revenues for the Group Companies affected. If losses of such material customers were to occur in relation to multiple Group Companies at once or within a short period of time,

it could have a material adverse effect on the Group's profits as the amount distributable to the Company could decrease, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

If one or more Group Companies are unable to deliver products or perform services in the condition and within the time agreed, for example as a result of delayed deliveries from suppliers, this may result in such Group Companies (and, in cases where there are parent company guarantees, also other Group Companies) having to pay fines and/or damages, entailing higher costs and a decreased cash flow, which in turn may have an adverse impact on the Issuer's ability to make payments under the Bonds.

Further, several larger companies are customers of multiple Group Companies in relation to different products and services. Such larger customers are often aware that the Group Companies belong to the Group and may view such Group Companies as the same entity for all intents and purposes. There is thus a risk that a delivery of a deficient product or the poor performance of a service by one Group Company will impair other Group Companies' relation with the customer which could lead to the customer ceasing doing business with the Group. Such occurrence could decrease the Group's sales and cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen's acquisition strategy is associated with risks and there are no guarantees that Storskogen will be able to carry out acquisitions as planned, with favourable conditions or at all

An essential part of the Group's business and growth strategy is to expand the Group's existing business through acquisitions of SMEs, which at the time of the acquisition are intended to be owned on a long-term basis with a potentially infinite ownership agenda at the time of acquisition. The Group operates on the basis of an active, although currently slower paced, acquisition strategy and a large part of the Group's growth is also in the future expected to depend on both strategic and other types of acquisitions, which appear to be profitable and, *inter alia*, enable the Group to expand the business within existing verticals and enter new markets in Sweden and other countries. Since 2012, the Group has acquired business units, which may consist of several Group Companies, that form a stand-alone unit within one of the business areas and which is managed by the Group, and numerous add-ons to existing business units, resulting in a Group consisting of 125 business units (as of 31 March 2024), within 14 verticals and in three business areas. During the first quarter of 2024, three add-on acquisitions were made to the Services business area. There is a risk that the Group's acquisition strategy will not have the desired effect or outcome which may have a material adverse effect on the Group's operations and, in turn, could negatively affect the Group's financial position and earnings. In addition, as the Group's liquidity and cash flow is dependent on macroeconomic factors beyond the Group's control such as general economic conditions or unfavorable global capital and credit markets, there is a risk that the Group may not have the financial resources necessary or the ability to obtain the necessary funds on satisfactory terms in order to maintain the Group's previous acquisition strategy pace.

The Group's exposure to such risks is further increased as the Group's M&A activities progress, if the Group would carry out larger and more costly acquisitions that entail larger financial commitments. If the above risks were to materialise, they could have a material adverse effect on the Group's operations and future prospects in terms of revenue and earnings from acquired companies, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Risks can also include difficulties in finding suitable target companies, including due to difficult market conditions caused by a volatile macroeconomic environment, which may lead to fewer companies meeting the Group's investment criteria. Once a target company has been identified, there is a risk that it is not possible to acquire such target company at favourable terms and conditions or at all and the Group may in these cases also incur advisor costs even though the acquisition process does not lead to the identified target company being acquired. In addition, there is also a risk that the Group makes incorrect commercial assessments in connection with acquisition processes and possible expansions in new geographical markets and/or business areas. This in turn may lead to the Group losing out on potentially favourable acquisitions, acquiring companies that do not live up to the Group's expectations and/or the Group expanding its operations in new geographies or business areas that do not lead to the positive effects that the Group intends to achieve with such expansion. Incorrect commercial assessments in connection with acquisitions or expansion may also result in increased costs that the Group cannot compensate for if the expected positive effects of such acquisitions or expansion do not materialise in whole or in part, which may have a material adverse effect on the Group's financial position and profits which could lead to a decrease in dividends being paid to the Issuer, thus having a material adverse effect on the Issuer's ability to make payments under the Bonds. See "*Storskogen is subject to risks relating to unknown circumstances or inadequate handling of such circumstances in connection with due diligence of acquisition targets*".

Acquisitions are at times large and complex and involve substantial costs for, *inter alia*, financing as well as financial, legal and other advisors, a large part of which is incurred by the Group as the bidder. There is a risk that the Group may incur costs even if the relevant acquisition, for various reasons, cannot be completed. The Group may also be unable to receive compensation from the sellers for such costs, for example, due to contractual or legal limitations. Such net increases in the costs of the Group could entail a decrease in the cash flow and liquidity of the Group, thus having a material adverse effect on the Issuer's ability to make payments under the Bonds.

In connection with acquisitions, it has been common practice for the Group to either enter into agreements regarding contingent considerations or leave a minority interest in the acquired company with the management of the acquired company. Such minority interest would usually be pledged to the Issuer. The terms and size of the contingent considerations are dependent on the performance of the relevant acquisition target and in some cases these contingent considerations do not have a set limit. Normally the contingent considerations are based on the average EBITA for the two to three years following the acquisition. The Group may therefore have to pay contingent considerations to the sellers of an acquisition target that are unexpectedly high, may not have been adequately provided for or may not be in line with the financial performance or the valuation of the relevant business. Similarly, the Group regularly grants put options to sellers regarding their remaining ownership in the acquisition target. Such put options give the seller in question the right to call upon the Group to purchase the minority shareholders' remaining

shares in the relevant Group Company (these put options are referred to as minority options within the Group). The terms of the minority options are most often dependent on the performance of the relevant acquisition target. Granting minority options, however, implies that the Group may have to buy a seller's (remaining) stake in an acquisition target at an unexpectedly high purchase price that may not have been adequately provided for or may not be in line with the financial performance or the valuation of the relevant business. If any of the above risks were to materialise, it could entail that the Group acquire companies at too high prices resulting in lower returns on investments over time and a decreased future cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to unknown circumstances or inadequate handling of such circumstances in connection with due diligence of acquisition targets

There is a risk that potential problems with a target company, such as required investments, outstanding commitments or future losses, are not detected in the course of the Group's financial, legal, organisational, ESG and operational review of the target company, for example due to fraud or incorrect information. Further, certain purchase agreements may lack sufficient warranties with respect to the identified and unidentified risks in connection with the acquisition. When conducting a due diligence review of a target company, reliance may be placed on public information, which often includes information provided by the target company itself, or on the analysis of external advisors. Public information or third-party sources may, however, be limited and could be inaccurate and/or misleading. Shortcomings in the due diligence by external advisors might lead to an overvaluation of the target company resulting in the payment by the Group of consideration in excess of the target company's actual value. Risks identified and considered prior to each acquisition can also be misjudged and have an adverse impact as regards the value and prospects of an acquisition target as well as cause unexpected costs. Hence, a target company may suffer from customer losses, regulatory problems, unforeseen costs or other unforeseen issues following the acquisition, such as a low order intake, unprofitable projects or low margins, or may have greater obligations or liabilities than originally estimated, which in turn may lead to the Group being forced to make additional capital contributions, may require that the relevant business unit in one way or another must limit or restructure its operations or management and may cause reputational damage to the Group. For example, at the beginning of 2020, misleading information was provided to the Group in connection with the acquisition of the former Group Company Svenska Tungdykargruppen, which had significant shortcomings in its financial reporting thus leading to a negative effect of around SEK 30 million to net financial items regarding the full year 2020.

Further, if due diligence reviews are carried out incorrectly or only with limited scope, the Group could acquire a company that does not meet its sustainability standards, which can cause additional costs in form of administrative penalties, fines or increased costs or harm the Group's reputation, especially given that the ambition of the Group is to acquire companies with a long-term sustainable business model. Deficiencies in acquired companies or failed integration attempts due to, for example, a misleading due diligence review can further lead to the entire Group's reputation being damaged. Any such damage to the Group's reputation could result in decreased revenue for the Group Companies due to customers actively opting to make their purchases from the Group's competitors, which in turn could decrease the cash flow, thereby harming the Issuer's ability to make payments under the Bonds. Damage to the Group's reputation may also make owners of potential target companies reluctant to sell their company to the Group at all, or only at an extra premium, which could be detrimental to the Group's future prospects and results of operations or lower the Group's return on investments, all of which could have a material adverse effect on the Group's cash flow and liquidity as well as the Issuer's ability to make payments under the Bonds.

Storskogen's growth may not materialise or yield the expected outcome

Since its inception, the Group has been growing rapidly through acquisitions, having an average annual net sales growth of 56% during the past four financial years. During the year ended 31 December 2023, the Group's growth rate decreased substantially due to a more slow-paced acquisition rate, certain divestments made previous years and a generally weaker macroeconomic environment. There is a risk that the Group due to, *inter alia*, market conditions and difficulty in finding and competing for appropriate target companies, will not be able to maintain the growth which the Group has experienced during its inception. See "*Storskogen's acquisition strategy is associated with risks and there are no guarantees that Storskogen will be able to carry out acquisitions as planned, with favourable conditions or at all*".

Integrating newly acquired businesses has required and will continue to require continued development of the Group's financial systems and management information control systems as well as internal processes. Information control systems are complex systems that require continuous development reflecting the business needs of the Group and the risks inherent to the Group's business.

When Storskogen acquires new companies, including in connection with so called add-on acquisitions where Storskogen integrates the target companies with one of the existing operations, it is important that Storskogen succeeds in retaining and attracting a qualified management as well as continuing to train and supervise the employees of the acquired company. Group Companies, in particular when newly acquired, may fail in complying with the internal reporting requirements of the Group and the Group may need to invest significant time and resources to ensure the integrity of its control function, including compliance with its reporting requirements. If the Group is unable to maintain adequate financial and management information control systems, internal processes and/or the integrity of its control function, the Group's governance, financial position, earnings, cash flow and liquidity may be negatively affected, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

A target company may also require significant executive management attention and resources and may therefore prevent the management from carrying out other measures required to manage the Group, which may ultimately lead to an inability of the Group to carry out further acquisitions or lead to a deterioration of the Group management's ability to effectively oversee the Group's other businesses. In the case of add-on acquisitions to existing businesses, there is also a risk that expected synergy and efficiency effects do not materialise to the extent that

has been anticipated, or at all, having negative effects on the Group's financial position, earnings, cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

In times of regular M&A activities, there is a risk that the Group's growth strategy does not leave sufficient resources or time to develop the Group's internal control systems and processes in the way that will be necessary for these to handle the Group's further growth and the risks associated with such growth. Failure to manage such growth risks could lead to increased operating costs and to Group Companies not meeting their respective strategic and financial targets, which could entail lower revenues and cash flows and may require the additional allocation of management resources and may therefore have a material adverse effect on the financial position and results of operation of the Group, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds. The continued growth of the Group may also require the implementation of new internal systems and formal procedures which may change the internal culture of the Group and may include a weakening of the entrepreneurial spirit within the Group.

During recent years, the Group has had a rapid geographical expansion with acquisitions in e.g. Singapore and the United Kingdom. There is a risk that the Group's more geographically dispersed portfolio may decrease synergies between the Group Companies and that best practices within the Group are not fully implemented. Further, the Group's historical geographical expansion has exposed the Group to new risks, such as trade restrictions, tariffs, quotas and other restrictions, as well as increased existing risks that could have material adverse effects on the Group. Given that the Group has only been active outside of the Nordic region for a limited time, it has been difficult to analyse these new environments. There is a risk that the Group has made incorrect commercial assessments in conjunction with the geographical expansion and its new initiatives in these markets. It is still too early to fully evaluate the Group's historical geographic expansion and the abovementioned risks could cause the Group to incur higher costs than necessary and result in a decreased cash flow and liquidity for the Group, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

In addition, the Group's geographical expansion may affect the Group's brand and reputation negatively as it will deviate from its past profile as a group with strong ties to local Swedish communities. This could make owners of prospective target companies reluctant to sell their companies to the Group, thus negatively affecting the Group's future cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Potential divestments of Group Companies may give rise to risks and costs

Despite the Group's intention to hold the Group Companies on a long-term basis, the business units and Group Companies that are not performing as expected or that do not fit into the Group's operations or the Group's long-term strategy may be divested. For example, the Group has recently divested the company AB Kranlyft in the Trade business area due to its limited growth potential in terms of sales and margins and, as described in the notice of written procedure to the Bondholders dated 26 June 2024 (the "**Notice**"), the Issuer has signed an agreement to carry out a divestment of a number of current Group Companies comprising nine business units, which have not performed in line with the Issuer's expectations in terms of the Group's financial targets and strategy (the "**Divested Companies**"), which will be done through a divestment of a majority stake in a newly established company ("**NewCo**") to which the Divested Companies will be transferred prior to the divestment (the "**Divestment**"). The Group is continuously reviewing its business units to determine whether certain Group Companies shall be divested and during the financial year ended 31 December 2023, eleven divestments were made with combined annual sales of SEK 1,875 million. Divestments may give rise to risks for costs and unforeseen events. In connection with divestments of Group Companies, the Group may be required to provide certain warranties to the purchaser in respect of the divested company's legal and financial position and development. Hence, there is a risk that the Group may need to compensate a purchaser for costs and losses incurred in the divested company, which could have a material adverse effect on the Group's financial position and profits and the Issuer's ability to make payments under the Bonds. Moreover, potential divestments may increase the Group's transaction related costs.

If the Group does elect to divest a business or a Group Company and management of the Group Company subject to potential divestments is involved in the transaction, a failure to sell all or parts of the Group's holdings may have a negative impact on management's engagement in such Group Company in the future.

Storskogen is exposed to deficiencies related to its internal control and decentralised organisation which may have an adverse effect on Storskogen's operations

The Group applies a decentralised organisational model, which means that the Group Companies are largely responsible for and conduct the business independently, and that the number of collaborations within the Group is limited. The Group applies the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) for the identification, assessment, and management of compliance risks. The Group's management governs, controls and monitors the activities of the Group Companies mainly by appointing the CEOs (or similar position) of the Group Companies and by continually monitoring the development based on, *inter alia*, a few key ratios and procedures for financial reporting. Storskogen is represented on the boards of all business units through the head of each respective business area or through Investment Directors and Investment Managers. The CEO of each business unit reports directly to Investment Directors and/or the head of each respective business area and the board of each business unit can make decisions on its own to a large extent and controls, together with the business unit's senior management, operations and responsibility for customers, sales, personnel and results. The Group is therefore dependent on the CEOs and management at the Group Company level and there is a risk that a decentralised organisation leads to shortcomings in the implementation and/or compliance with policies, guidelines and new initiatives and in reliable and efficient management, risk management and quality control of the production units. For example, production disturbances in the Group's businesses due to mismanagement and non-compliance with policies and guidelines for internal control could have a negative impact on the Group's operations, financial position and profits, all of having a negative effect on the amount of cash being generated by the Group Companies' businesses, which in turn may have a material adverse effect

on the Issuer's ability to make payments under the Bonds. There is also a risk that a lack of specific expertise in the various Group Companies, in areas such as law and finance, may lead to incomplete, slow or inaccurate business decisions, which entails a reputational risk for the Group.

Corporate governance in a decentralised organisation, such as the Group, sets high requirements for financial reporting and follow-up. The Group Companies use various accounting systems and each Group Company reports its data to the Company separately. There is a risk that data is not provided at all, not provided in a timely manner or is provided incompletely or inaccurately, or any combination of these, which in each case have significant negative consequences for the Group's operations, financial position, profits and cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

It may be difficult to establish effective and sufficient internal controls in a decentralised organisation. If the Group fails to maintain, or in newly acquired entities establish, adequate corporate governance and internal control, it may not be able to put its resources to their most efficient use and therefore incur higher cost than necessary, resulting in a decreased cash flow, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds. Deficiencies in the Group's internal control may also lead to irregularities in individual Group Companies not being detected which, *inter alia*, could lead to legal proceedings and costly investigations. Such deficiencies may also have a material adverse effect on the Group's ability to comply with financial covenants in its financing agreements. In addition, there is a risk that inadequate internal control will cause investors and lenders to lose confidence in the Group and its reported financial information, which could have a material adverse effect on the Group's ability to raise capital on reasonable terms or at all, which could reduce the Issuer's ability to make payments under the Bonds.

In line with the Group's growth strategy, the Group will become increasingly dependent on effective routines for corporate governance policies (including management of the execution of power of attorney and authorisation rules), accounting, finance, data processing and internal controls in each Group Company for the Group to deliver correct and reliable information on its operations and also to be able to prevent fraud, embezzlement or other illegal utilisation of the Group operations and resources from employees of the Group Companies. Regardless of these routines, the Group is exposed to the risk that staff act fraudulently or embezzling. For example, breaches of such routines occurred in connection with Storskogen's acquisition of Svenska Tungdykargruppen in 2020, when power of attorney and authorisation rules were abused immediately following Storskogen's succession. The Group policy is to report to the police any suspected cases of fraud or embezzlement, but such events and circumstances may result in damages, such as erroneous costs, which could result in financial loss, potential reputational damage and a material adverse effect on the Group's operations and the Issuer's ability to make payments under the Bonds. There can be no assurance that the Group will be able to maintain its routines or that all acquired companies will implement the routines correctly. Therefore there is a risk that the Group's decentralised organisation model proves unsuitable to meet future market challenges and that the Group's competitiveness and market position thus will be weakened. A weakened market position may result in sales losses for the Group, which would have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Notwithstanding the fact that the Group applies a decentralised organisational model with independent Group Companies, in some cases shortcomings in individual Group Companies may have a material adverse effect on the Group as a whole. This may for example occur if risks materialise in relation to several Group Companies at the same time, or if an individual Group Company acts in a way that has a detrimental effect on the entire Group. For example, an individual Group Company's violation of the GDPR or competition law rules may result in sanctions that are based on and aimed at the entire Group's revenue for a given year. In some cases, the Company has also entered into parent company guarantees for individual Group Companies. If the relevant Group Companies fail to meet their obligations, the Company may have to fulfil the parent company guarantees, which may lead to significant negative effects for the entire Group. In addition, the Company's financing agreements are subject to certain restrictions, prohibiting certain transactions with persons who are connected to certain jurisdictions or are otherwise subject to sanctions. If an individual Group Company does not comply with these restrictions, it may result in stakeholders becoming less willing to trade with the Group as well as the Company's lenders being entitled to terminate the Group's financing agreements, which may result in a material adverse effect on the Group. If any of the above risks materialise, it may have a material adverse effect on the Group's financial position and liquidity, as well as on the Group's reputation, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Competition for suitable acquisition targets may lead to Storskogen not being able to carry out acquisitions at a reasonable cost or at all

The Group has carried out 227 acquisitions of businesses and groups since its founding (as of 31 March 2024). During the last year the Group has continued to carry out acquisitions although at a lower pace than in the past and the Group will continue this lower acquisition rate until the Interest-bearing net debt/Adjusted RTM EBITDA will have decreased to the lower end of the Group's target range from 2.0x to 3.0x, (as of 31 March 2024 the Group's Interest-bearing net debt/Adjusted RTM EBITDA for the past 12-month period was 2.8x). It is central for the Group to be able to continue to acquire suitable acquisition targets at a reasonable cost. Due to the combination of interest rate increases, heightened inflation risk, volatile capital markets, geopolitical tensions and the armed conflict between Ukraine and Russia, the Group has witnessed a slowdown in the mergers and acquisitions markets. In the current environment, the performance of many potential acquisition targets is volatile and potential buyers find it difficult to access acquisition financing while sellers often have a fixed price expectation. In some segments, this development has resulted in lower profits and slightly lower acquisition multiples in the mergers and acquisitions markets. While the Group's M&A activities in its mature markets, such as Sweden, have continued at a slower pace, the Group also registered a high level of deal flow in its new markets, expanding its geographical presence in the DACH region, the United Kingdom and Singapore. However, there is a risk that the Group will be unable to acquire target companies due to increased financing costs as a result of continued high interest rates, that the pace with which the Group conducts acquisitions will further decline, or that the number of potential acquisition targets decreases, which would have a material adverse effect on the Group's continued growth and prospects. If the Group is not able to carry out acquisitions

at all, to the desired extent or at favourable terms, the Group's M&A-driven growth will stall further, which could lower the Group's returns on investments, thus having a material adverse effect on the Issuer's ability to make payments under the Bonds.

Competition for the Group Companies may have an adverse effect on Storskogen's operations and profits

The majority of the Group Companies operate in sectors with significant competition from local, national as well as international operators, such as, for example the Group Companies Berco, Albin Components and Alfta Kvalitetslego (which produce for the automotive industry) as well as Ashe (which sells clothes, shoes and equipment in the sports and leisure segment). Moreover, for example, in the Services business area, specifically in the Installation vertical and the Engineering Services vertical, Group Companies may be exposed to high price pressure due to low entrance barriers and the availability of foreign labour in local markets. In some cases, the Group Companies compete with operators who can offer a more complete range of products and services, are larger and have better access to financing, as well as greater financial, technical, marketing and personnel resources. The future competitiveness of each Group Company depends, *inter alia*, on their ability 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 services and products than those of the Group which could result in decreases in the overall sales numbers for the Group's services and products. There is a risk that the Group will not be able to develop or offer new competitive products and services successfully or that adaption to the new competitive situation requires costly investments, restructurings and/or price cuts. If the competition from existing and new operators increases or if the Group Companies are unable to meet demands for their products and services, it could have a negative impact on the respective Group Company's sales numbers, entailing lower revenues and a decreased cash flow, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

There is also a risk that the Group Companies' customers undergo structural changes, for example, by way of merging with other customers, and thereby obtaining a better negotiation position towards the Group. Such consolidation may lead to increased price pressure, Group Companies being forced to lower their prices or suffer decreased sales volumes and revenue, lost market shares and lowered margins for the Group, which if the competition would increase or if the customers would consolidate in relation to multiple Group Companies at once or during a short period of time, could have a material adverse effect on the Group's future revenue and financial position, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

There is no guarantee that Storskogen is able to retain and recruit key personnel and other employees to meet current or future needs at all or at a reasonable cost

The Group is dependent on the work, management, knowledge, experience and commitment among key individuals as well as other employees. The Group is sensitive to the loss of key personnel. When hiring new employees, the Group's experience has been that there is a shortage of qualified personnel with, for example, project and management skills or with accounting, IT and quality control management skills. There is a risk that such shortage may result in increased salary demands and therefore increased salary costs, which would decrease the Group's cash flow and have a material adverse effect on the Issuer's ability to make payments under the Bonds. There is also a risk that the Group, including Group Companies, fail to identify or attract the right people or that these cannot be retained in the future. Key employees may start working for competing companies or start their own competing businesses.

The Group is also dependent on senior management at the level of the Company and in many cases also at the level of the Group Companies, in each case including the relevant CEOs. The current management of the Group and of many Group Companies possesses extensive expertise and knowledge about the relevant business sectors as well as the operative businesses of the Group and the Group Companies.

There is a risk that the Group is unable to retain or attract CEOs for Group Companies. When acquiring a target, there is a risk that the Group has to offer high retention bonuses to ensure the current management of the target continues to manage the newly acquired Group Company. There is also a risk that the Group may have to offer other financial incentives, potentially unfavourable to the Group, to ensure that the existing management of a newly acquired Group Company remains in place. When unwinding a seller's involvement in the management of a Group Company, there is a risk that the Group is not able to attract a suitable successor, especially when Group Companies are located outside attractive metropolitan areas. The ability to recruit and retain qualified personnel is crucial for the future success and growth of the Group and its Group Companies. The Group's current projects and other development plans could be disrupted if the Group or certain of its Group Companies were to lose and not be able to replace its key employees.

Moreover, the loss of some key employees, especially in times of rapid expansion, can lead to an unsustainable workload for certain other key individuals, which in turn could lead to underperformance of the Group as a whole and that a need arises for costly short time recruitments, both of which could have a material adverse effect on the Group's operations and profits. If the Group or its Group Companies fail to identify, attract and retain competent personnel, this could have an adverse effect on the Group's or the relevant Group Companies' businesses, financial position and profits. As the Group continues to grow, the Group will have an enlarged recruitment need in the future. In such an event, should a large number of new hires be employed in a short period of time to facilitate growth or to replace key employees that leave the Group or the Group Companies could dilute the Group's corporate culture or the values held and endorsed by the Group.

Storskogen is subject to risks relating to workplace accidents and claims for compensation as a consequence of compliance deficiencies

Some of the Group's businesses, such as CS Riv & Håltagning, which provides demolition services ranging from bridges to entire buildings, or Swedstyle, which produces and sells smart office furniture, are subject to extensive laws and regulations regarding work environment and

are exposed to the risks that are naturally occurring in industry, trade, technical installation and service. This entails that the employees of such businesses must comply with strict safety regulations. During 2023, a total of 103 serious (but non-fatal) workplace incidents were reported by the Group to competent authorities. If the Group, its employees, its subcontractors or other third parties, fail to comply with applicable health and environmental standards across geographies, this can cause personal injury, death, damage to property and equipment, business interruption, and similar consequences which in turn can lead to claims for damages and, in certain extreme cases, criminal liability. These risks and other labour protection, health and safety risks entail responsibility exposures that may have an adverse effect on the Group's future margins, cash flow and liquidity, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to partly owned Group Companies

Certain Group Companies are not, directly or indirectly, wholly owned by the Group, but one or several other shareholders hold shares to a smaller extent. For example, the Group holds 95.0 per cent. of the shares in Scandia Steel Sweden AB, 91.0 per cent. of the shares in Båstad-Gruppen AB and 91.6 per cent. of the shares in Viometrics Group AB. The Group has in such cases entered into shareholders' agreements or similar arrangements with the relevant minority shareholder(s) through which the shareholders' internal relationships are governed. Under exceptional circumstances, such shareholders' agreements may contain provisions that entitle the minority shareholder to a fixed amount dividend. In addition, minority shareholders may exercise various statutory minority rights, for example, the right to dividends and mandatory buy-out. Under certain circumstances, the rights of minority shareholders may mean that the Group cannot exercise the level of control over a Group Company that would be desirable, for example in relation to changes in the operations due to new market conditions, or to raise new capital. There is also a risk that leakage may occur in situations where the Company is dependent on dividends from partly-owned Group Companies for e.g. payment of interest or principal amounts under the Group's financing. There is thus a risk that the relevant Group Company's financial position and earnings and cash flow are adversely affected, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Moreover, shareholders' agreements and similar arrangements may sometimes be difficult to enforce, specifically abroad. Although the Group regularly engages local legal counsel in connection with such agreements and arrangements, there is a risk that one or more provisions therein may be deemed invalid by a local court or authority, which could have an adverse effect on the Group's financial position and earnings if several shareholders' agreements are challenged and local courts and/or authorities do not find in favour of the Group. There is also a risk that the Group cannot control to what extent such Group Companies pay dividends and whether the Group may be obligated to make further contributions into such Group Companies. There is thus a risk that such Group Companies negatively affect the Group's profits, cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risk relating to its information technology ("IT") systems, financial, accounting and other data processing systems

The Group is exposed to certain risks attributable to the Group's IT systems. Any interruptions or errors in internal IT systems that are critical to the Group's operations could cause a significant decrease in the ability of the Group to carry out its operations. Further there is a risk of information security intrusion, such as cyber-attacks or fraud, in the Group's IT systems, including in external IT systems and websites. For instance, certain of the Group's employees have historically been subject to e.g. phishing e-mails and it can not be guaranteed that the Group will be able to identify and prevent similar cyber-attacks in the future. Such security intrusion could disrupt the Group's business and lead to leakage of confidential or sensitive information, including but not limited to trade secrets, financial and operative data or sensitive customer/supplier information. If information on, *inter alia*, the Group's financial development or trade secrets is unlawfully disclosed or distributed, there is a risk that the Group could be subject to liability, loss of business, litigation, government investigations or other losses. If the Group fails to maintain and develop the functionality and operation of its business-critical IT systems, the Group may not be able to use its financial, accounting or other data processing systems, which could have a material adverse effect on the Group's operations, financial position and cash flow, all of which could have a material adverse effect the Issuer's ability to make payments under the Bonds.

The Group relies on financial, accounting and other data processing IT systems. If any of these systems does not operate properly or is disabled, the Group could be unable to perform its bookkeeping, accounting, reporting and/or consolidation functions or, suffer financial loss. This may also lead to disruptions of the Group businesses, regulatory intervention or reputational damage. If several of the Group Companies' business systems, such as electronic communications, IT systems or other services are subject to disruptions at the same time, the Group as a whole could be materially affected. The Group's reporting system, the only common Group system into which all Group Companies report, may be particularly vulnerable to any disruptions. The Group does not have a common disaster recovery programme, and may therefore experience difficulties in mitigating the negative effects of any disruption. Insurance and other safeguards might also not be able to reimburse or protect the Group for its losses at all or only to some extent. In addition, the Group operates in businesses that are highly dependent on information systems and technology. For example, the e-commerce companies SGS, PerfectHair.ch and Vårdväskan as well as IVEO, Bombayworks and Agio within the vertical Digital Services would suffer significant harm in case of a complete shutdown, considering the nature of their businesses, which could result in sales decreases and/or higher costs than necessary, resulting in a decreased cash flow and liquidity in the Group, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

The Group's information systems and technology may not be able to continue to accommodate the Group's growth, and the cost of maintaining such systems may increase from its current level. Such failure to accommodate growth, or an increase in costs related to information systems, could negatively affect the Group's ability to carry on its operations as well as have a material adverse effect on the results of operations, cash flow and liquidity of the Group, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen's insurance coverage may not cover all potential losses and there are no guarantees that Storskogen is able to retain its current insurance coverage at a reasonable cost or at all

The Company has taken out a liability insurance for the board of directors and senior executives in the Company and the Group Companies. In addition, each Group Company is responsible for insuring its operations and property to the extent deemed necessary by the CEO of each respective Group Company. Given the Group's broad and diversified business, there is a risk that the Group's current insurance coverage scope is insufficient and/or that the Group's current insurance coverage is not sufficient for potential future needs, including but not limited to board of directors' liability insurance, property insurance and consequential loss insurance, and that the Group will not be able to maintain the existing insurance coverage at a reasonable cost, or at all, in the future. The coverage that the Group receives through the insurances can also be limited due to, for instance, amount limitations and requirements for excess payment. It can also be difficult and time-consuming to receive reimbursement from insurance companies concerning losses that are covered by the Group's insurances. Further, it is not certain that the Group can receive the entire lost amount from the insurance company. There is thus a risk that the Group's insurance coverage does not cover all potential losses, regardless the cause, or that relevant insurance coverage is not always available at an acceptable cost, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

If Storskogen fails in complying with applicable data protection regulations, Storskogen's compliance costs may increase and in the event of compliance deficiencies, Storskogen may become subject to significant fines and liable for damages

The Group handles personal data that primarily involves employees, customers, suppliers, shareholders, investors and job candidates, which means that the Group is required to comply with applicable privacy legislation regarding the collection and processing of such personal data. For example, in connection with share issues, the Company has collected and processed personal data of its investors, such as personal identification numbers and individual account numbers. In connection with due diligence reviews of potential acquisition targets, the Company may take part of the data the seller provides to the Company and the Company may therefore take part of a broad variety of personal data of the target company's employees, including sensitive personal data such as personal identification numbers and health issues. The Company at times uses services of third-party suppliers that may have offices outside of the EU, for example in the United States. There is a risk that suppliers, under the U.S. Cloud Act, are obligated to provide data to US authorities, which could include personal data regarding, for example, the Group's employees or shareholders. The GDPR entails extensive changes to the EU personal data regulation, with a strengthening of individual rights, stricter requirements on companies handling personal data and stricter sanctions with considerable administrative fines. The adherence to GDPR is of vital importance and deficiencies in compliance may lead to substantial fines. Such fines could amount to 4 per cent. of the Group's total turnover. As an illustrative example, 4 per cent. of the Group's total turnover equalled approximately SEK 1,440 million during the year ended 31 December 2023. In addition to this, Group Companies may also be liable to pay damages to individuals. Since most of the companies acquired by the Group are SMEs within the business to business market segment, compliance with data protection regulations has often not been a matter of priority for the previous owners. This means that required routines, systems and control functions may need to be implemented, which may be time consuming. There is therefore a risk that the Group is unable to efficiently implement such routines, systems and control functions that are needed to comply with legislation regarding privacy and handling of personal data, which could lead to increased compliance costs, fines, obligations to pay damages and reputational damage to the Group which may have an adverse effect on the Group's cash flow and liquidity as well as the Issuer's ability to make payments under the Bonds.

Risks relating to the Group's legal and regulatory environment

Storskogen is subject to risks relating to compliance with laws, regulations and standards

The Group's operations are subject to various regional, national and local laws and regulations, including competition and trade restriction regulations, environmental laws and standards, employment laws, anti-corruption laws, anti-money laundering, anti-dumping, accounting regulations and foreign direct investment regulations such as the Swedish Screening of Foreign Direct Investments Act (*Sw. lagen (2023:560) om granskning av utländska direktinvesteringar*), which in case of non-compliance can result in *inter alia* fines in an amount of up to SEK 100 million. These regulations are complex and frequently changed, and they have tended to become more extensive over time. The passing of new or amended laws or regulations, could require the Group to adopt more stringent standards, restrict its operational or strategic flexibility as well as require significant costs and investments, resulting in a decreased cash flow and a reduced liquidity for the Group, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

The Group's operations are subject to various environmental laws and permits, with which the Group must comply and in connection with which the Group may incur capital and operating costs in its efforts to comply. In the Trade business area, for example, Swedfarm requires permits for poultry breeding and environmental permits for the handling of the manure the animals produce and Imazo requires permits for the handling of pets. There can be no assurance that all Group Companies will at all times be able to retain and/or obtain the licenses and permits required to conduct their business activities. Moreover, there can be no assurance that all Group Companies will at all times be compliant with the applicable environmental laws, regulations and standards. In the Industry business area, for example, Berco, a company that produces superstructures on light trucks, is affected by the Worldwide Harmonised Light Vehicle Test Procedure ("WLTP") rules within the automotive industry. For example, deliveries from manufacturers of WLTP systems (which are systems for measuring fuel consumption) were severely delayed due to the implementation of the adjustment rules, which led to Berco not being able to produce and deliver its own products on time. There are more adjustment rules to be adopted and implemented in the automotive industry, which may affect the Group adversely. Non-compliance with any environmental laws and standards may harm the Group's reputation, in particular given that the Group has built its brand recognition around conducting its business in an environmentally conscious and sustainable manner. There can be no assurance that the

requirements of environmental laws and regulations and the associated cost of compliance will not increase in the future. Adapting operations to such changes may require the Group to incur costs that are difficult to anticipate, which, in turn, could decrease the Group's cash flow and liquidity, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

The Group's operations are subject to various employment laws and regulations, including but not limited with respect to anti-discrimination, health and safety and labour laws and regulations. If the Group's employees, distributors or suppliers, violate any of the applicable laws and regulations, the Group could experience increased costs or delays in the delivery of its products, be subject to fines, damages or penalties as well as orders and sanctions imposed by supervisory authorities and courts, thus reducing the Group's cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds. The employees of targets within the Industry or Services business areas may typically be unionised. The Group may therefore be subject to disputes with labour unions. The Group may also suffer reputational harm due to violations of labour regulations, which could reduce demand for its products and have a material adverse effect on the Group's operations and revenues and the Issuer's ability to make payments under the Bonds.

The Group is also required to comply with the provisions of anti-corruption laws, anti-money laundering and sanctions laws in jurisdictions in which it operates. There can be no assurance that the Group's current and past policies and control systems have been or will be able to detect or prevent all potential instances of illicit conduct, or that such policies have been or will be fully and consistently applied throughout the Group's organisation. While the Group seeks to exercise best practices in compliance with applicable laws, there can be no assurance that the Group's past and current policies and control systems have been, or are, able to detect or prevent all potential instances of illicit conduct. Any non-compliance with the provisions of anti-corruption laws, anti-money laundering and sanctions laws by the Group could result in decreased sales numbers and increased costs for the Group, both of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Breach of international trade sanction laws could result in fines, criminal penalties and other adverse effects on the Group's business

International economic and trade sanctions are complex and subject to frequent change, including in relation to jurisdictional reach and to the list of countries, entities, products and individuals subject to sanctions. Certain entities or products in the industries in which the Group operates are or may become the subject of various economic and trade sanctions administered by a variety of jurisdictions. For example, sanctions measures in respect of Russia target certain products that are common in the industries in which the Group operates, such as petroleum products. Countries and territories may also become the subject of sanctions resulting in stringent requirements for trade with such countries and territories, such as, for example, the Crimea Region of Ukraine, Belarus, Cuba, Iran, North Korea, Russia, Syria, Venezuela and the self-proclaimed Donetsk People's Republic and the self-proclaimed Luhansk People's Republic. In providing the Group's goods and services, the Group must comply with applicable sanctions laws.

While the Group has a sanctions policy in place, and regularly screen orders, suppliers and customers for sanction compliance, ensuring compliance with such controls and regulations may be difficult or costly and there is a risk that the Group could become subject to investigations or claims by authorities. If the Group fails to comply with international trade sanctions, the Group and its employees could be subject to civil or criminal penalties, including the possible loss of export licenses, monetary penalties, and, in extreme cases, imprisonment of responsible employees for violations of these laws. The Group may also be adversely affected through penalties, reputational harm, loss of access to certain markets, or otherwise.

Changes in international trade sanctions and other trade restrictions may delay the introduction and sale of the Group's goods and services in certain markets and prevent the Group's customers with international operations from using the Group's services. Any change in export or import regulations, economic sanctions or related laws, shifts in the enforcement or scope of existing regulations, or change in the countries, governments, persons or technologies targeted by such regulations, could result in decreased use of the Group's goods and services, or in the Group's decreased ability to export or sell its goods and services to existing or potential customers with international operations. Any violation of sanctions laws or decrease in the use of the Group's goods and services or limitation on the Group's ability to export or sell its goods and services would likely adversely affect the Group's business, financial condition and results of operations.

Storskogen is subject to risks relating to intellectual property

The Group's success also depends on its ability and the ability of the Group Companies to protect its and their intellectual property rights. The Group and the Group Companies have taken active measures to obtain protection of its and their respective intellectual property by obtaining patents and trademarks, which are usually held at the Group Company level, and by monitoring activities in its major markets. In addition to its patent and trademark portfolio, the Group relies on, *inter alia*, trade secrets, know-how, development of new products and technological development in combination with non-disclosure and other agreements to protect such intellectual property rights. However, the measures that the Group takes to protect its intellectual property may not effectively deter competitors or others from improper use of the Group's intellectual property. The Group may also need to expend significant resources in order to prevent infringement of its intellectual property or to litigate in order to protect its intellectual property rights. Any failure by the Group to establish its rights to, or manage and protect its intellectual property could lead to an increase of costs and a decrease in cash flow for the Group, both of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to risks relating to disputes and other legal proceedings that may be time consuming and costly

The Group Companies' operations are associated with a risk for disputes with, *inter alia*, customers, potential partners, suppliers, employees, authorities and potential company sellers that may assert that the Group has not fulfilled its legal, contractual or other obligations and may direct claims against the Group. There is a risk that a dispute or process of material nature may arise in the future which may have significant adverse effects on the Group's financial position and profits. The exposure to disputes, fines and other obligations that may be imposed by relevant authorities can also affect the Group's reputation, although the financial effects may not be substantial. Litigation procedures may also be time-consuming for the Group's management and be associated with costs related to legal advisers. As an example, the business area Services, especially in relation to larger tender contracts, is exposed to risk for alleged wrongful performed services and damages in relation thereto. In September 2021, a Group Company received a claim for damages of SEK 30 million (SEK 20 million in damages, SEK 10 million in penalty fee) for alleged wrongful clearing of trees in connection with certain construction work. In October 2022, that Group Company contested the claim by filing a lawsuit against the counterparty for withholding SEK 10 million of their payment in breach of the parties' agreement. The dispute was resolved with a mixed result where the counterparty had to pay approximately one third of the Group Company's claim. There can be no guarantee that any future disputes will have favorable results and in such cases certain Group Companies may have to pay significant sums in damages. There is also a risk that Group Companies involved in disputes will not have sufficient insurance coverage in case of large claims or that such coverage would not include e.g. potential penalty fees. In addition, procedures like this are often time consuming, may be costly to defend and may damage the Group and its reputation and brand (or the Group Company's).

Further, some of the Group Companies develop, produce and/or sell products of various kinds. Such Group Companies may be exposed to product liability in the event that the use of the relevant Group Companies' products do not meet the required standards and/or cause or can be feared to cause injuries to persons, animal or property. Such consequences can lead to the Group being subject to legal claims and to significant financial commitments as well as negative publicity, which could lead to higher costs, lower sales volumes and a reduced cash flow and liquidity, all of which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Storskogen is subject to tax risks and Storskogen's current tax situation may be subject to negative changes

The Group Companies are subject to taxation in Sweden and other jurisdictions, *inter alia*, Switzerland, Germany and the United Kingdom. During the financial years 2023, 2022 and 2021, Storskogen's reported tax expenses (as it affected the profit for the period) amounted to SEK 377 million, SEK 519 million and SEK 286 million, respectively. High interest rates impact the Group's effective tax rate, and during the previous year the corporate income tax rate in the UK increased from 19% to 25%. As of 31 March 2024, the Group has operational presence in 30 countries with 125 business units and some 400 legal entities across three business areas. Depending on operations and jurisdiction, each Group Company is subject to different tax regulations and tax laws that are constantly evolving across jurisdictions, which is adding to the complexity from a tax perspective, which entails a risk that the complexity results in errors in the Group Companies' tax management.

Non-compliance and if Group Companies make mistakes in their tax management, can lead to additional tax expenses for the Group and to tax surcharges, which may have a negative impact on the Group's cash flow and profits. For example, a former Group Company had misjudged its VAT-status which resulted in the former Group Company incorrectly deducting input VAT to an amount of approximately SEK 90 million from 2015 to 2021 (the former Group Company's suppliers should have invoiced the company without VAT in accordance with the rules regarding reverse charge). The former Group Company informed the Swedish Tax Agency and refunded the incorrectly deducted input VAT. Similar errors in the tax management of the Group Companies may be attributable to periods before the Group's acquisition of the any Group Company. If the Group makes mistakes in its tax management it could lead to further tax costs for the Group as well as tax surcharges, which could adversely affect the Group's profits, cash flow and liquidity, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

Further, there is a risk that tax authorities do not agree with the Group's perception and interpretation of laws, tax treaties, regulations and practices. The Group's current tax situation may therefore be subject to negative change. In connection with past, current or future acquisitions, the Group may also be exposed to liability for transfer taxes, including stamp tax, real estate transfer tax and/or levies for the formal registration of a transfer of title. In addition, the Group can be subject to retroactive adjustments that may have a negative impact on the Group's previously estimated tax. This may have an adverse effect on the Group's business, financial position and results. It is not possible to predict whether the Group will be subject to any new or changed tax regulations, or if the Group's perception and interpretation of such new or changed regulations will be correct. In addition, in the event of further geographical expansion, the Group may become exposed to additional tax regulations in additional jurisdictions, which may lead to increased compliance costs and increased tax rates, thus reducing the Group's cash flow. Group Companies may also be, from time to time, subject to tax audits or enquiries from tax authorities. Any failure in compliance with applicable regulations or tax authorities' instructions can, *inter alia*, lead to the payment of additional taxes, fees and/or fines, which could have a material adverse effect on the Group's cash flow and liquidity and the Issuer's ability to make payments under the Bonds.

Risks relating to the Group's financial situation

There are no guarantees that Storskogen can meet its financing needs for the day-to-day operations and future investments at a reasonable cost or at all

The Group is dependent on receiving financing from lenders and investors. The Group's financial needs include both the continuing operations as well as readiness for future investments. The access to financing is affected by factors such as the general access to capital and the Group's creditworthiness.

The Group may not at all times be able to obtain the funding necessary to pursue its acquisition and growth strategy; this may have a negative impact on the Group's operations, financial position and earnings. Moreover, if the Group's development departs from the existing strategic direction, this may lead to a situation where the Group needs to obtain more funds than expected. If the Group, under such circumstances, fails to raise enough funds on favourable terms, or at all, this may have a negative impact on future growth of the Group's operations and its ability to fulfil its financial obligations entailing reduced future cash flows and a decreased future liquidity, which in turn could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

The Company is party to a facility agreement with an international bank syndicate, entered into on 16 March 2024 which includes an unsecured EUR 400 million revolving credit facility (with an accordion option of EUR 43 million) and an unsecured syndicated term facility of EUR 330 million (the "**Facility Agreement**"). Pursuant to the terms of the Facility Agreement, there is a general restriction, subject to customary exceptions, on incurring or permitting to subsist financial indebtedness as well as certain other customary covenants.

There is a risk that the Company is unable to obtain adequate debt funding in order to supplement existing bonds or the Facility Agreement, in which case the Group would be forced to repay these debt instruments with equity funding, which may prove impossible to raise at a reasonable price or at all. Furthermore, if the Company raises additional funds by issuing additional equity securities, or through instruments convertible into equity securities, the existing shareholders may be significantly diluted. Further equity or debt financings may result in issuance of securities with priority as to liquidation and dividend and other rights more favourable than shares, imposition of debt covenants and repayment obligations, or other restrictions that may adversely affect the Company's business and result of operations. The existing bonds and Facility Agreement contain certain restrictive commitments and financial covenants, and if the Company does not fulfil these the lenders can demand prepayment in full. Prepayment in full can also be demanded in connection with other grounds for termination for the bondholders or the lenders (for example a sanctions event or a certain type of ownership change in the Company). If the above risk were to materialise, the Group may not have sufficient cash to meet its obligations. If the Group is unable to generate sufficient cash flow to service its debt, the Group may be required to sell some of its assets or operations. Therefore, while the exact timing and amount of the Group's future funding plans depend on many factors, it may consider asset divestments. However, there can be no assurance that any buyers will be identified or that transactions will be successfully consummated on terms and valuations acceptable to the Group or at all.

Storskogen is subject to risks relating to currency fluctuations and exchange rate differences

Currency risk means the risk of exchange rate fluctuations affecting the Group's financial position negatively. Currency risk can be divided into transaction exposure and translation exposure. Transaction exposure arises as a result of companies within the Group carrying out transactions in a different currency than the local currency, for instance by importing products for sale on the domestic market and/or by selling products in foreign currency. Translation exposure arises as the Group, through its foreign Group Companies, has net investments in foreign currencies. The Group can be exposed to negative effects when recounting the net result and net assets in such foreign Group Companies to the Group's reporting currency SEK.

Exchange rate differences (translation exposure) increased the Group's operating profit for the three months ended 31 March 2024 by SEK 24 million and increased the Group's net financial items by SEK 1 million for the same period, as compared to a decrease of SEK 11 million and increase of SEK 21 million, respectively, for the three months ended 31 March 2023. Such differences decreased the Group's operating profit for the year ended 31 December 2023 by SEK 34 million and decreased the Group's net financial items by SEK 55 million for the same period, as compared to an increase of SEK 27 million and SEK 19 million, respectively, for the year ended 31 December 2022. The Trade business area has significant purchasing exposure to the U.S. dollar and euro, as well as some exposure to the Japanese yen which exposes the Group for significant exchange rate risks since a majority of the Trade business area's sales are in SEK. For example, during the year ended 31 December 2023 the weakening of the SEK had a negative effect on the business area's profitability. Foreign exchange exposure related to sales are limited and include primarily euro, Norwegian krone and Danish krone. The Group partly hedges exposure to currency risk at the Group level and in the Group Companies. The total market value of the Group's outstanding foreign exchange hedging arrangements amounted to SEK 24 million at 31 March 2024. The currency risk of the Group has increased as the Group has expanded internationally. The Group is also exposed to foreign exchange risk related to, among others, the pound sterling, Swiss franc and Polish zloty. There is a risk that the risks associated with the hedging arrangements of newly acquired companies are not immediately identified and negatively affect the Group.

Storskogen is subject to risks relating to increased interest rates

As of 31 March 2024, the Group's interest-bearing net debt amounts to SEK 11,510 million (including long and short-term interest-bearing and leasing debt). The Group's interest rate levels are affected by underlying market rates which have historically fluctuated due to, and are in the future likely to be affected by, a number of different factors such as macroeconomic conditions, inflation expectations and monetary policies. As the Group's loans and bonds mainly accrue interest at floating rates, changes in interest rates can lead to increased interest expenses for the Group, and in turn a material adverse effect on the Group's cash flow, which could have a material adverse effect on the Group's ability to make payments on its debts, including the Bonds. In accordance with the Group's financial policy, the Group only partly (and thus not fully)

hedges its exposure to interest rate risk through interest rate derivatives in accordance with the Groups financial policy. By way of an example, if the 3-month STIBOR increased by 100 bps, the Group's interest expenses on interest bearing loans and capital markets instruments as of 31 March 2024 would increase by approximately SEK 73 million annually. In addition, if the Group's creditworthiness were to decrease in the future, potential lenders might demand an additional credit risk premium on the interest rates charged to the Group.

Any impairment of goodwill, other intangible assets or property, plant and equipment could have a material adverse effect on Storskogen's financial position and operating results

In connection with acquisitions, the Group carries out a purchase price analysis and value the acquired entity's identifiable assets and liabilities at fair value. If there is a discrepancy between the asset value and the purchase price paid by the Group, the Group reports the difference as goodwill. As of 31 December 2023 and 31 March 2024, the Group had SEK 18,763 million and SEK 18,916 million of goodwill, respectively, SEK 6,219 million and SEK 6,103 million of other intangible assets, such as customer relationships, patents, trademarks and technology-related intangible assets, respectively, and SEK 5,391 million and SEK 5,627 million of property, plant and equipment, respectively, on its balance sheet. Goodwill is subject to impairment reviews in accordance with IFRS. Any impairment charge on goodwill, other non-tangible assets or property, plant and equipment will be reported as a cost and have a negative impact on operating profit. For the year ended 31 December 2023, the Group did not incur any impairment losses.

Storskogen is subject to credit risks

Credit risk or counterparty risk means the risk of a counterparty in a financial transaction not fulfilling its obligations on the relevant day of maturity or at all. The Group's credit risk mainly includes claims on customers and advance payments to suppliers (commercial credit risk), but a certain credit risk also exists concerning the allocation of cash (financial credit risk). Despite the Group's finance policy stipulating that cash is only to be deposited with banks with high credit ratings, the Group faces financial credit risk. If the financial conditions of one or more of the Group's counterparties change negatively and it results in the counterparty not being able to fulfil its obligations towards the Group in time or at all, entailing major credit losses for the Group, it may have an adverse effect on the Group's cash flow and liquidity, which could have a material adverse effect on the Issuer's ability to make payments under the Bonds.

As part of the terms for the Divestment and in order to enable the Divestment, the Issuer will convert existing intra group loans currently outstanding to, and existing cash in bank (Sw. *kassa*) in, the Divested Companies to a SEK 200 million loan as well as an approximately SEK 40 million loan to NewCo (jointly, the "**Loans**"), both of which will remain outstanding after the completion of the Divestment. Provided that the Bondholders approve the request set out in the Notice, the Loans will be permitted provided that the outstanding amount does not exceed SEK 300,000,000 plus capitalised interest and accrued but not yet capitalized or paid interest. As the Issuer would be a creditor under such Loans, the Issuer is subject to credit risk in respect of NewCo (and indirectly the Divested Companies) and it cannot be guaranteed that NewCo will be able to repay the Loans (e.g. due to the Divested Companies not generating sufficient funds to distribute to NewCo or due to NewCo not receiving sufficient proceeds from divestment of Divested Companies). This risk is enhanced by the fact that the Loans will be subordinated to NewCo's obligations under any other financings incurred by NewCo. Furthermore, it cannot be guaranteed that security provided for the Loans in respect of NewCo's shares in the Divested Companies that will be directly owned by NewCo in an enforcement situation would provide sufficient proceeds to cover any outstanding amounts under the Loans, especially since the Loans will be subordinated as described above.

RISK FACTORS SPECIFIC AND MATERIAL TO THE BONDS

Risks related to the nature of the Bonds

Ability to service debt and credit risk

The Issuer's ability to service its debt under the Bonds will depend on the Issuer's ability to have liquid funds in order to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, some of which have been mentioned above, such as prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control.

If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling of assets, restructuring or refinancing of its debt or seeking additional equity capital.

The risk that the Group cannot service its debt obligations under the Bonds also implies a credit risk for investors in the Bonds. An increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' secondary market value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds, as it may cause the Issuer's credit profile to decrease, and consequently affect the Issuer's ability to repay the Bonds at maturity, as set out below under "*Refinancing risk*".

Refinancing risk

The Group finances its business, by way of equity and debt capital as well as bank financing. As of 31 March 2024, the Issuer's equity amounted to approximately SEK 20,739 million whereas the total balance sheet liabilities amounted to approximately SEK 24,333 million. Consequently, the Group may be required to refinance its outstanding debt, including the Bonds, from time to time. Debt capital funding is always associated

with the risk that it may not be possible to borrow the volume required at economically acceptable conditions or that attempts at refinancing using debt capital may fail totally or partially.

The Group's ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations and access to additional debt and equity financing. Further, a downgrade in the Group's credit rating may negatively affect the ability to obtain future financing to fund the operations and capital needs, which may affect the Group's liquidity. It may also increase the financing costs by increasing the interest rates of outstanding debt or the interest rates at which the Group is able to refinance existing debt or incur additional debt. In addition, restrictions in relation to the Group's debt financing arrangements as well as adverse developments in the credit markets and other future adverse developments, such as the 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.

Holding company risk

The Issuer is the ultimate parent company in the Group and does not carry out any income generating business operations of its own. This means that the Issuer's ability to make required payments on the Bonds and its other debts and funding (as well as financing its costs in general) is directly affected by the ability of its subsidiaries to transfer available cash resources to it. Such transfers of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the subsidiaries from time to time, which may increase as a result of the Group's expansion into new jurisdictions with differing legal requirements or due to subsidiaries not being directly or indirectly wholly-owned by the Issuer. There is also a risk that limitations or restrictions on the transfer of funds between companies within the Group becomes more restrictive in the event that the Group experiences difficulties with respect to liquidity and its financial position. If this risk was to materialise it would have a material adverse effect on the Issuer's ability to make payments under the Bonds and other financings as they fall due.

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. The Bonds bear a floating rate interest of STIBOR plus a margin per annum and the interest rate is therefore adjusted for changes in the level of the general interest rate. Hence, there is a risk that changes in the general interest rate levels significantly affect the market value of the Bonds.

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 instruments and financial contracts or to measure the performance of investment funds) (the "BMR"). The implementation of the BMR will lead to that certain previously used benchmarks will be discontinued, leading to that, among others, existing financing arrangements will have to be renegotiated or terminated. There is a risk that also 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. Should STIBOR be discontinued, the Terms and Conditions provides for an alternative calculation of the interest rate for the Bonds. There is a risk that such alternative calculation results in interest payments less advantageous for the bondholders or that such interest payment do not meet market interest rate expectations.

Risks related to the admission of the Bonds to trading on a regulated market

Risks related to admission to trading and liquidity

The Issuer has undertaken to ensure that the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within a certain time period as stipulated in the Terms and Conditions (or if such admission to trading is not possible to obtain or maintain, admitted to trading on another regulated market). However, there is a risk that the Bonds will not be admitted to trading.

Further, even if securities, including the Bonds, are admitted to trading on the relevant market, there is not always active trading in the securities. Hence, and considering that the nominal amount of each bond is relatively high (SEK 1,250,000), there is an intermediate risk that the market for trading in the Bonds will be illiquid even if the Bonds are admitted to trading. In addition, as the Bonds are traded over-the-counter (OTC) there is a risk for smaller volume of trades in the Bonds. The above risks may result in that the Bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if they are admitted for trading.

It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

Risks related to the Bondholders' rights and representation

Financing, priority rights and unsecured obligations

Subject to the provisions set out in the Terms and Conditions, the Issuer and its subsidiaries may maintain and incur additional financing and retain, provide or renew security over its current or future assets to secure such financing. Any such secured financing will rank senior to the Bonds and the security interests provided therefor will normally constitute a preferential claim on the borrower. Furthermore, if the Issuer's subsidiaries incur debt, the right to payment under the Bonds will be structurally subordinated to the right of payment relating to debt incurred by subsidiaries of the Issuer.

The Bonds constitute unsecured debt obligations of the Issuer and no present or future shareholder or subsidiary of the Issuer will guarantee the Issuer's obligations under the Bonds. If the Issuer becomes subject to any foreclosure, dissolution, winding-up, liquidation, bankruptcy or other insolvency proceedings, the Bondholders normally receive payment after any prioritised creditors, including those which are mandatorily preferred by law, have been paid in full. Furthermore, following prioritised creditors receiving payment in full, the Bondholders will have an unsecured claim against the Issuer for the amounts due under or in respect of the Bonds, which means that the Bondholders normally would receive payment pro rata with other unsecured creditors.

All of the above could have a negative impact on the Bondholders' recovery under the Bonds and there is a risk that a Bondholder loses the entire or parts of its investment in the event of the Issuer's liquidation, bankruptcy or company reorganisation.

Structural subordination and insolvency of subsidiaries

In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such company before the Issuer, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. Defaults by, or the insolvency of, certain subsidiaries or other associates of the Issuer may result in the obligation of the Issuer to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Issuer and its assets would not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise.

THE BONDS IN BRIEF

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

General

| | |
|--|---|
| Issuer..... | Storskogen Group AB (publ), Swedish reg. no. 559223-8694. |
| Resolutions, authorisations and approvals. | The Issuer’s board of directors resolved to issue the Bonds on 23 May 2024. |
| The Bonds offered | SEK 1,250,000,000 in an aggregate principal amount of senior unsecured callable floating rate bonds due 7 December 2027. |
| Nature of the Bonds | The Bonds constitute debt instruments (<i>Sw. skuldförbindelser</i>), each of the type set forth in Chapter 1, Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (<i>Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i>). |
| Number of Bonds..... | As of the date of this Prospectus, 1,000 Bonds have been issued. A maximum of 1,600 Bonds may be issued under the Terms and Condition. Only Bonds that have been issued at the date of approval of the Prospectus may be admitted to trading based on the Prospectus. |
| ISIN | SE0022240974. |
| Issue Date | 7 June 2024. |
| Price..... | The SEK 1,250,000,000 Bonds issued on 7 June 2024 were issued at an issue price of 100.00 per cent. of the Nominal Amount. |
| Interest Rate..... | Interest on the Bonds is paid at a rate equal to the sum of (i) the Base Rate, initially three (3) months STIBOR, plus (ii) 3.75 per cent. <i>per annum</i> , as adjusted by any application of Clause 20 (<i>Base Rate Replacement</i>) in the Terms and Conditions. Interest will accrue from, but excluding, the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant). |
| 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 7 March, 7 June, 7 September and 7 December each year (with the first Interest Payment Date being on 7 September 2024 and the last Interest Payment Date being 7 December 2027 or the last relevant Redemption Date). |
| Final Redemption Date | 7 December 2027. |
| 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 unsecured 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 | <p>The net proceeds of the Initial Bond Issue shall firstly be applied towards a partial repurchase of the Issuer’s outstanding Existing 2025 Bonds, by way of a tender offer or open market purchases and secondly be applied towards general corporate purposes, including acquisitions and Transactions Costs.</p> <p>The net proceeds from any Subsequent Bond Issue shall be used to finance repurchase(s) of Existing 2025 Bonds or Existing 2027 Bonds by way of tender offers or open market purchases and/or general corporate purposes (including capital expenditures and acquisitions).</p> |

Call Option

Call Option The Issuer may redeem all, but not some only, of the Bonds in full on any Business Day falling after the First Issue Date (being 7 June 2024) up to (but excluding) the Final Redemption Date (being 7 December 2027) at the applicable Call Option Amount together with accrued but unpaid Interest, in accordance with Clause 11.3 (*Early voluntary total redemption (call option)*) of the Terms and Conditions, the Call Option Amount being:

- (a) an amount equivalent to the sum of (i) 101.875 per cent. of the Nominal Amount and (ii) the remaining interest payments up until (but not including) the First Call Date, if the call option is exercised on or after the First Issue Date up to (but not including) the First Call Date;
- (b) 101.875 per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but not including) the date falling thirty-six (36) months after the First Issue Date;
- (c) subject to paragraph (d) below, 100.9375 per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty-six (36) months after the First Issue Date up to (but not including) the Final Redemption Date; or
- (d) one hundred (100.00) per cent. of the Nominal Amount if, the call option is exercised on or after the date falling thirty-nine (39) months after the First Issue Date up to (but not including) the Final Redemption Date, provided that such early redemption is financed in part or in full by way of the Issuer issuing Market Loan(s) in one or several issues.

For the purpose of calculating the remaining interest payments pursuant to (a) above it shall be assumed that the Interest Rate for the period from the relevant Redemption 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.

Put Option

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 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 11.4 (*Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)*) 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 (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

De-listing A De-listing means a situation where (i) the Issuer’s shares cease to be listed or admitted to trading on Nasdaq Stockholm or any other Regulated Market or trading of the Issuer’s shares on the relevant Regulated Market is suspended for a period of fifteen (15) consecutive Business Days, or (ii) once the Bonds are admitted to trading or listed on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds 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).

Listing Failure..... A Listing Failure means a situation where (i) the Initial Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the First Issue Date; or (ii) any Subsequent Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the relevant Issue Date,

in each case, with an intention to complete such admission to trading within thirty (30) calendar days from the relevant Issue Date (or, in each case, any shorter period required by law or applicable stock exchange regulations).

Undertakings

Certain undertakings The Terms and Conditions contain a number of undertakings that restrict the ability of the Issuer and other Group Companies, including, among others:

- restrictions on making distributions;
- restrictions in relation to incurring Financial Indebtedness and providing security or guarantees;
- restrictions in relation issuance of Market Loans;
- restrictions on disposals of assets;
- restrictions on providing loans to entities outside of the Group;
- restrictions on mergers and demergers;
- restrictions on making any substantial changes to the general nature of the business carried out by the Group; and
- restrictions on dealings with related parties.

Each of these covenants is subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for more information.

Miscellaneous

Transfer restrictions 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, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). The The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons, except for “Qualified Institutional Buyers” within the meaning of Rule 144A under 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 12 July 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 Nordic Trustee & 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.

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, 111 43 Stockholm, Sweden, during normal business hours as well as at the Agent’s website, www.nordictrustee.com.

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 three (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, 101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. *VP-konto*). No physical

Bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.

Risk factors

Investing in the Bonds involves substantial risks and prospective investors should refer to Section "*Risk Factors*" for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.

DESCRIPTION OF THE ISSUER AND THE GROUP

Overview of the Issuer

| | |
|--|---|
| Legal and commercial name | Storskogen Group AB (publ) |
| Corporate reg. no..... | 559223-8694 |
| LEI-code | 549300DL3K4HLJ41KD24 |
| Date and place of registration | 24 October 2019, Sweden, with the Swedish Companies Registration Office (Sw. <i>Bolagsverket</i>) |
| Date of incorporation | 20 August 2019 |
| 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 | Hovslagargatan 3, 111 48 Stockholm, Sweden |
| Telephone number | +46 (0)72-506 14 22 |
| Website | www.storskogen.com (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

Storskogen Industrier AB was founded in 2012 by Ronnie Bergström, Alexander Murad Bjärgård and Daniel Kaplan with an ambition to acquire profitable and stable SMEs that form the backbone of their respective economies. For example, in Sweden, Norway, Finland, Denmark and in the European Union, SMEs represented 61.2%, 71.4%, 59.6%, 60.8% and 56.4% of GDP in 2019, respectively. The founders' observed that fundamentally profitable and well-managed privately owned companies looking for a new owner for various reasons found it difficult to find a buyer for their business. These difficulties could, for example, stem from the fact that the companies were located far from metropolitan areas or industrial hubs or be due to the size of the companies, *i.e.*, a company could be too small for an industrial or private equity buyer but too large for a local buyer. This is where the idea behind Storskogen originated – to be the next generation owner of profitable and market leading SMEs.

Alexander Murad Bjärgård suggested the name Storskogen, big forest, in Swedish, because it reflected the original concept of buying Swedish companies from north to south, often in rural areas, and evoked associations to something permanent, natural and real.

By 2014, the Group had completed six acquisitions and the mergers and acquisitions (“**M&A**”) operations expanded into companies within trade and services. In 2014, Storskogen Utveckling AB was founded.

By 2016, the Group had completed 14 acquisitions. In 2016, the business areas of Trade, Industry and Services were formed and Storskogen 3 Invest AB was founded.

In 2017, the Group changed its capital raising strategy, carrying out larger share issues in order to finance several acquisitions and to enable an extensive M&A approach.

In 2019, the Company was established through the combination of Storskogen Industrier AB, Storskogen Utveckling AB and Storskogen 3 Invest AB to form a unified corporate structure. By this point, Storskogen Industrier AB, Storskogen Utveckling AB and Storskogen 3 Invest AB had completed 60 acquisitions in total since their respective founding.

In 2020, the Group made its first international acquisition in Norway (Frends AS) and established local presences in Germany, Switzerland and the United Kingdom to identify and pursue opportunities in those countries.

In 2021, the Group completed or entered agreements for a total of 65 acquisitions. Out of the 65 acquisitions, 40 were platform acquisitions (acquisitions that form new business units within the Group) and 25 were add-on acquisitions for the existing business units. The Group has also established investment teams in Denmark, Norway, Switzerland, the United Kingdom and Germany to further identify and pursue opportunities in these jurisdictions.

In June 2021, the Group acquired Artum AG and its subsidiaries in Switzerland and Germany, which comprised eight business units with operations in all three of the business areas. In May and November 2021, the Group issued senior unsecured notes due 14 May 2024, in the

amount of SEK 3 billion and senior unsecured notes due 1 December 2025, in the amount of SEK 2 billion, respectively, under Swedish-law governed frameworks.

Also, in October 2021, the Company was listed on Nasdaq Stockholm.

In 2022, the Group completed or entered agreements for a total of 54 acquisitions. Out of the 54 acquisitions, 31 were platform acquisitions (acquisitions that form new business units within the Group) and 23 were add-on acquisitions for the existing business units. The Group also established an investment team in Singapore to further identify and pursue opportunities in Asia and to support business units with presence and business activities in the region. During the first quarter of 2022, the Group modified the organization of its verticals. In the Services business area, the Group split the vertical Construction and Infrastructure into the verticals Infrastructure and Contracting Services, resulting in the seven verticals Infrastructure, Installation, Logistics, Engineering Services, Digital Services, HR and Competence as well as Contracting Services. In the Trade business area, the Group reorganized the Brands, Distributors and Producers verticals into the four verticals: Sport, Clothing and Accessories, Home and Living, Health and Beauty as well as Niche Businesses. In the Industry business area, the Group reallocated certain business units within the three verticals. These modifications did not materially impact the results or presentation of the three business areas compared to prior periods. In January 2022, the Group issued a further SEK 1 billion of senior unsecured notes due 1 December 2025, under its existing framework and, in September 2022, the Group entered into a EUR 300 million term facility. During the third quarter of 2022, the Group communicated a calibration of its short-term priorities to ensure resilience in volatile market conditions. This meant a continued focus on cash-flow and retaining a strong balance sheet, re-examining costs to ensure an efficient organization, an increased focus on operational excellence, and a slower acquisition pace to ensure sufficient financial headroom given the unpredictability of market developments. The Group is continuing and will continue to make acquisitions although at a slower pace than in the past until the Interest-bearing net debt /Adjusted RTM EBITDA has decreased to the lower end of the target range from 2.0x to 3.0x. Once the leverage target has been reached, the Group plans to use the strong organic cash flow to resume acquisition-driven growth while also relying on operational cash flow, debt and equity in line with the goal to maintain the leverage at the lower end of the target range.

In 2023, the Group completed or entered into agreements for a total of 12 acquisitions. Out of the 12 acquisitions, two were platform acquisitions and 10 were add-on acquisitions for the existing business units. The acquisitions were made in several geographical areas spread across Storskogen's three business areas. The largest acquisitions were the two platform acquisitions, AC Electrical and The Physics Café, in the Services business area. Eleven divestments were completed in 2023, with combined annual sales of approximately SEK 1.9 billion. These divestments were made in Sweden and Switzerland, in the Services and Trade business areas. The single largest divestment was of the business unit and painting group Dextry Group, in Services. In the first quarter of 2023, Storskogen extended both of its outstanding unsecured facility agreements in full, by one year each. The extension included both the revolving credit facility of EUR 1 billion that was entered into on 24 September 2021, which was extended until 24 September 2025, and the unsecured syndicated term facility agreement of EUR 300 million that was entered into on 23 September 2022, which was extended until 24 March 2025. After the extension, the revolving credit facility had another extension option of one year. Over the year, Storskogen issued SEK 2,000 million in bonds, which will mature in 2027. At the same time, SEK 3,000 million in outstanding bonds, with maturity in 2024, were fully redeemed by the Company. The Company's focus during the year was to decrease interest-bearing debt, and the strong cash flow from operating activities allowed for a SEK 2,759 million reduction in interest-bearing debt over the year. Going forward Storskogen focuses on generating long-term adjusted EBITA growth in its existing business units and continuing its growth by developing the Group and acquiring profitable companies with stable cash flows and strong market positions. To achieve its long-term strategy in the best possible manner, Storskogen remains focused on its cash flow and on maintaining a strong balance sheet. The Company has also increased its focus on operational excellence and ensuring an efficient organisation.

As of 31 March 2024, the Group has operational presence in 30 countries and with 125 business units across three business areas. On 31 March 2024 the Group had approximately 12,000 employees and net sales of SEK 35 billion (LTM). On 16 March 2024 Storskogen refinanced its previous revolving credit facility of EUR 1 billion (whereof 357 million was utilised as of 31 December 2023) and the unsecured syndicated term facility of EUR 300 million (whereof EUR 115 million was outstanding as of 31 December 2023). The facility agreements were replaced by a smaller unsecured facility agreement with a revolving credit facility of EUR 400 million, with an accordion option of EUR 43 million, and an unsecured syndicated term facility of EUR 330 million. During the period 1 January to 31 March 2024, the Group completed three add-on acquisitions, with combined annual sales of SEK 7 million. On 7 June 2024, Storskogen repurchased Existing 2025 Bonds in an aggregate amount of SEK 1.25 billion.

Business and operations

The Group is an international group of businesses active across three business areas, Trade, Industry, and Services. The Group is positioned to identify, acquire, and develop market leaders with sustainable business models over an infinite ownership horizon. The Group creates value by providing access to capital and strategic direction with active governance, and a decentralized operational model. The Group's shares are listed on Nasdaq Stockholm.

The Group's mission is to empower businesses to realize their full potential, and the Group is active within a broad field of industries and geographies. The Group has a long-term and sustainable perspective when acquiring and managing companies, which are intended to be owned on a long-term basis with a potentially infinite ownership agenda at the time of acquisition. The Group aims at continuing to build a profitable and resilient Group in which all members share a common focus on profitability, stable cash flows and obtaining and maintaining a strong market position. The Group's continuous work to grow and strengthen the Group Companies, once acquired, is central to achieving the vision to be the leading international owner of SMEs.

The Group Companies are organised into three business areas, and then into verticals in each business area, as follows:

| Business Area | Description | Vertical | Share of Net sales ¹ |
|-----------------|--|--|---------------------------------|
| Services | <ul style="list-style-type: none"> Focus on stable service companies with a clear niche and strong positions in their markets. Mainly B2B companies aimed at the public and private sectors. 57 business units and approximately 4,159 employees as of 31 March 2024. | <ul style="list-style-type: none"> Contracting services | 30% |
| | | <ul style="list-style-type: none"> Infrastructure Installation Digital Services Engineering Services Logistics HR and Competence | |
| Trade | <ul style="list-style-type: none"> Focus on trading companies with strong brands within their niches. Mainly distributors and wholesalers with both their own and external brands. 29 business units and approximately 2,422 employees as of 31 March 2024. | <ul style="list-style-type: none"> Home and Living | 28% |
| | | <ul style="list-style-type: none"> Health and Beauty Sports, Clothing and Accessories Niche Businesses | |
| Industry | <ul style="list-style-type: none"> Industrial companies (B2B) operating within automation systems, industrial technology and products. 39 business units and approximately 5,221 employees as of 31 March 2024. | <ul style="list-style-type: none"> Automation | 42% |
| | | <ul style="list-style-type: none"> Industrial Technology Products | |

Storskogen's vision in brief

The Group's vision is to be a leading international owner of small and medium-sized businesses. The Group aims to continue creating long-term profitable growth, both organically by supporting the development of the existing Group Companies, and by continuing to acquire profitable companies with stable cash flows and with a leading position in their respective markets so that the Group can continue to improve the resilience. To achieve the long-term strategy, the Group continuously focus on cash flow and maintaining a strong balance sheet as well as building business excellence and fostering the organizational efficiency.

Storskogen's strategy in brief

The strategy to implement the Group's vision is as follows:

Profitable growth and investment criteria

Bring and create value as an owner

A key part of the Group's strategy to create sustainable long-term cash generation, profits and profitable organic growth is based on decentralized decision-making, encouraging entrepreneurship at the Group Companies, professionalizing the management and operations of the Group Companies and taking a long-term, sustainability focused perspective when making business decisions.

Once the Group has acquired a business, the focus is on ensuring that the right team is in place and the team gets a sounding board in the form of a professional board and an owner who takes responsibility for supporting the Group Company's vision. The Group also gives Group Companies the opportunity to utilize the internal knowledge sharing network, which is found both within the central functions and within all of the business units. For company sellers, who are often family entrepreneurs, it is often important to sell to an owner who understands entrepreneurship and with whom they can work collaboratively to develop strategies to strengthen the business of their company. The Group was founded by entrepreneurs, and the values and corporate culture form a large part of the value creation as owners.

The Group also provides financial stability and capital to the Group Companies as required to maintain their long-term competitiveness. In addition, the Group puts in place a clear governance and reporting framework, which helps to monitor the progress of each Group Company. The Group empowers all of the business units to realize their full potential as the Group creates long-term value for the stakeholders. Part of the current strategy is the focus on carrying out add-on acquisitions to consolidate certain business units in the portfolio and achieve synergies such as lowered purchasing costs, strengthen customer and supplier offering or improved logistics and warehousing.

All business unit leaders have different goals and visions for the operations of their Group Companies. The Group works to be helpful and support the business leaders to reach these goals and visions via long-term ownership, product and business development. Some of the portfolio companies are roll-ups (*i.e.*, identified business units that acquire and merge smaller companies in the same industry to consolidate them into a larger company) where the management team is a driving force to create new and improved opportunities in their own market.

Focus on sustainable business models

The Group strives to acquire companies with a sustainable business model, prioritizing long-term results over short-term gains, maintaining a strong focus on responsible ownership, professionalism and business ethics, and having the right people in place. For the Group, sustainability

¹ Refers to each business area's share of the Group's net sales for the period 1 January–31 March 2024.

is a natural part of the decision-making process and has a sustainability committee which reports to the board of directors, the committee's work entails, *inter alia*, evaluating sustainability targets and strategies, reporting requirements and internal policies. The Group also integrates sustainability into the ongoing work of identifying, acquiring and developing companies. For the Group, companies that have a sustainable business model are those whose products and/or services are believed to remain relevant and attractive to customers, employees and/or society in the future. The Group abstains from investing in companies that generate a substantial part of their revenues from commercial gambling, pornography and the arms or tobacco industries. The Group also refrains from acquiring companies whose business models are considered to hinder the transition to a low-carbon society.

Acquisition of stable and profitable SMEs

Another part of the Group's strategy is to acquire stable SMEs, which meet the investment criteria with a common focus on long-term profitability, stable cash flows and obtaining and maintaining strong market positions in a diverse range of industries and geographies.

The Group's investment criteria aim to secure growth based on sustainable business models. The Group combine rigid criteria around certain fundamental business characteristics, while retaining some flexibility on the size of the targets and the margins.

For what the Group refers to as platform acquisitions, the fundamental criteria are that the businesses are headquartered in one of the focus markets and that they are low risk, strong cash flow businesses with a sustainable business model. This requires the businesses to have sustainable competitive advantages, to be active within niche markets with attractive long-term macro trends, to be active within stable industries, which are not subject to disruptive forces or political risks, to be stable and profitable and to have an ESG compliant business model. The key financial criteria are that the EV/LTM EBITA acquisition multiple of the potential target is between 3.0x and 12.0x (with a focus on targets with between 5.0x and 8.0x EV/LTM EBITA), that the Group typically acquires more than 70% of the shares in the relevant target (with the right to acquire up to 100% of the shares over time), that the average annual EBITA of the potential target is between SEK 1 million and SEK 250 million (with a focus on targets with average annual EBITA of between SEK 15 million and SEK 70 million) and that the potential target has a reachable EBITA margin of more than 10% (with a focus on targets with a yearly EBITA margin of more than 15%). However, the Group is flexible around the size and margins of such businesses.

The Group applies different fundamental and financial criteria for add-on transactions, which the Group regards as a key growth driver for the portfolio companies. The fundamental criteria applied are that there is a clear strategic rationale for the transactions, that there is achievable synergy potential and that the relevant target can be managed by the acquiring portfolio company. The financial acquisition criteria applied (with flexibility as to size and margin) are that the EV/LTM EBITA acquisition multiple of the potential target is between 3.0x and 12.0x (with a focus on targets with between 3.0x and 7.0x EV/LTM EBITA pre synergies), that the Group acquires more than 50% of the shares of the target (with the right to acquire 100% of the shares over time), that the average annual EBITA of the potential target is between SEK 1 million and SEK 50 million (with a focus on targets with average annual EBITA of between SEK 1 million and SEK 15 million) and that the potential target is profitable, with post synergies to improve the Business Unit's EBITA margin.

Divestments

The Group's ambition is to acquire companies with a potentially infinite ownership horizon and to fulfil the role of a long-term owner of companies that contribute to the Group's resilience and profitable growth. The business units and Group Companies are continuously evaluated based on performance and on how well they fit into the Group's long-term strategy. The Group works hard, systematically, and patiently together with the management teams of underperforming Group Companies to reverse the trend. However, the Group may consider divestments of certain business units or Group Companies, particularly in situations where the business is significantly underperforming, structurally and/or over an extended period of time, and the Group may not be best placed to bring it back to sound financial performance within a reasonable period of time and with reasonable effort and investments. The Group may also consider divestments with reference to business units or Group Companies that are no longer strategically aligned with the development the core long-term strategy in terms of sustainability, margin level or growth potential.

Material agreements

The Facilities Agreement

On 16 March 2024, the Company entered into an unsecured facility agreement with a revolving credit facility of EUR 400 million, with an accordion option of EUR 43 million, and an unsecured syndicated term facility of EUR 330 million (the "**Facilities Agreement**"). The revolving facility has a duration of approximately three years, with an extension option for up to two-years, and the syndicated term facility has a two-and-a-half year duration. The Facilities Agreement contains certain customary restrictive covenants for the Company and its subsidiaries, e.g. restrictions on dividends to shareholders, disposal of assets, mergers, acquisitions, the ability for subsidiaries to incur financial indebtedness, loans out, the ability to provide security and guarantees, insurance, changes in operations and commitments to comply with applicable laws and regulations. Moreover, the Facilities Agreement includes certain customary rights for the Lenders to terminate the Facilities Agreement and request payment of their commitments, including for defaults such as non-payment, misrepresentation, insolvency and cross default.

Bond loan 2021/2025

The Issuer has issued a senior unsecured callable bond loan 2021/2025 (the "**Existing 2025 Bonds**") in an amount of SEK 2 billion, within a total framework amount of SEK 5 billion. On 26 January 2022 the Issuer issued subsequent senior unsecured bonds of SEK 1 billion under the same framework. Additional bonds of SEK 2 billion can thus be issued on the same terms and conditions. The bonds carry an interest rate of

3-month STIBOR plus three hundred (300) basis points and have a final maturity date on 1 December 2025. The bonds were listed on Nasdaq Stockholm on 28 January 2022. The terms and conditions of the bonds contain, *inter alia*, restrictions on how the Issuer may incur financial indebtedness and provide security, as well as certain financial covenants which, *inter alia*, stipulate that the ratio of net interest bearing debt to EBITDA is less than 3.50:1 and that the interest coverage ratio exceeds 3.00:1 in connection with the incurrence of certain financial indebtedness or making of certain distributions. Further, the terms and conditions of the bonds include distributions restrictions, entailing that the Issuer may only pay annual dividends of a maximum of 50 per cent. of the Group's consolidated profits for the previous financial year and only provided that the Issuer fulfils certain financial covenants, which limits the Issuer's ability to pay dividends to its shareholders. On 7 June 2024, Storskogen repurchased Existing 2025 Bonds in an aggregate amount of SEK 1.25 billion.

Bond loan 2023/2027

The Issuer has issued a senior unsecured callable floating rate bond loan 2023/2027 (the "**Existing 2027 Bonds**") in an amount of SEK 2 billion, within a total framework amount of SEK 2 billion. The bonds carry an interest rate equal to the sum of the Base Rate, initially 3-month STIBOR plus 687.5 basis points and have a final maturity date on 22 March 2027. The bonds were listed on Nasdaq Stockholm on 31 July 2023. The terms and conditions of the bonds contain, *inter alia*, restrictions on how the Issuer may incur financial indebtedness and provide security, as well as certain financial covenants which, *inter alia*, stipulate that the ratio of net interest bearing debt to EBITDA is less than 3.50:1 and that the interest coverage ratio exceeds 3.00:1 in connection with the incurrence of certain financial indebtedness or making of certain distributions. Further, the terms and conditions of the bonds include distributions restrictions, entailing that the Issuer may only pay annual dividends of a maximum of 50 per cent. of the Group's consolidated profits for the previous financial year and only provided that the Issuer fulfils certain financial covenants, which limits the Issuer's ability to pay dividends to its shareholders.

Other than the Facilities Agreement, the Existing 2025 Bonds, the Existing 2027 Bonds and the Terms and Conditions of the Bonds, 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 Company is the ultimate parent company of the Group. 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 to generate profit and cash flow and to meet its obligations under the Terms and Conditions. The table below presents the Company's significant subsidiaries, their corporate registration number and registered office as well as the percentage of the shares and votes in each subsidiary held directly or indirectly by the Company.

| Subsidiary | Corporate registration number | Registered office | Shares and votes |
|--|-------------------------------|-----------------------------------|------------------|
| Storskogen Group International AB | 559248-2144 | Stockholm, Sweden | 100.0% |
| Storskogen Schweiz AG | CHE-348.450.254 | Zurich, Switzerland | 100.0% |
| Storskogen Schweiz Management AG ¹⁾ | CHE-252.503.539 | Zurich, Switzerland | 100.0% |
| PBT AG | 420519176 | Weinfelden, Switzerland | 100% |
| Wingert Foods GmbH | HRB204590 | Cuxhaven, Germany | 99.4% |
| EppsteinFoils Holding GmbH | HRB7345 | Eppstein, Germany | 99.6% |
| LNS Holding SA | CHE-116.025.868 | Neuchâtel, Switzerland | 100.0% |
| PerfectHair AG | CH-020.3.032.319-8 | Wallisellen, Switzerland | 81.5% |
| Vokus Personal AG | 345.876.556 | Zurich, Switzerland | 85.7% |
| Storskogen Deutschland GmbH | HRB 276478 | Munich, Germany | 100.0% |
| A&K Die Frische Küche GmbH | HRB 7911 | Recklinghausen, Germany | 100.0% |
| Christ & Wirth Haustechnik GmbH | HRB 17814 | Zwenkau, Germany | 80.0% |
| DIMABAY GmbH | HRB 155446 | Berlin, Germany | 74.9% |
| Hans Kämmerer GmbH | HRB 1753 | Wachtendonk, Germany | 85.0% |
| Roleff GmbH & Co. KG | 212 148 | Altbach, Germany | 95.1% |
| SF Tooling Group GmbH | 98 699 675 | Laichingen, Germany | 95.0% |
| Storskogen Danmark ApS | 42 150 290 | Copenhagen, Denmark | 100.0% |
| Danboring AS | 19 623 106 | Kjellerup, Denmark | 90.1% |
| Danmatic Automated Bakery Systems A/S | 12 509 707 | Viborg, Denmark | 75.0% |
| Fremco A/S | 30 81 54 16 | Frederikshavn, Denmark | 84.0% |
| INGENIØR NE A/S | 78 01 52 17 | Esbjerg, Denmark | 82.0% |
| Storskogen Suomi Oy | 3267436-8 | Esbo, Finland | 100.0% |
| Storskogen Nederland B.V. | 85 849 774 | Amsterdam, Netherlands | 100.0% |
| Storskogen Norge AS | 927 075 113 | Oslo, Norway | 100.0% |
| Fon Anlegg AS | 915 557 368 | Sandefjord, Norway | 90.1% |
| Nimbus Gruppen AS | 927 950 731 | Fredrikstad, Norway | 90.1% |
| THERMICA AS | 997 933 273 | Lierstranda, Norway | 80.0% |
| Vox Hair Concept AS | 996 589 129 | Porsgrunn, Norway | 80.0% |
| Storskogen Singapore Pte. Ltd | 202141432Z | Singapore, Singapore | 100.0% |
| CMTi Pte. Ltd | 199407655W | Singapore, Singapore | 70.0% |
| Storskogen UK Limited | 13 142 215 | London, United Kingdom | 100.0% |
| Extra UK Ltd | 3 001 918 | Northampton, United Kingdom | 80.0% |
| Fabco Sanctuary Ltd | 06552850 | London, United Kingdom | 80.0% |
| J&D Pierce Ltd | SC174690 | Glengarnock, United Kingdom | 80.0% |
| Julian Bowen Ltd | 02108701 | Kirky-in-Ashfield, United Kingdom | 80.0% |
| SGS Tool Group Ltd | 12 071 237 | Derby, United Kingdom | 80.0% |
| Stop Start Transport Ltd | 13 763 831 | Worcester, United Kingdom | 80.0% |
| Tornado Group Ltd | 5 240 005 | Millom, United Kingdom | 80.0% |
| Storskogen Industrier AB | 556803-3012 | Stockholm, Sweden | 100.0% |
| TK Logistik AB | 556707-8356 | Gothenburg, Sweden | 99.1% |
| Innovative Logistics Umeå AB | 556582-9420 | Holmsund, Sweden | 100.0% |
| IMS Maskinteknik AB | 556244-8349 | Enköping, Sweden | 100.0% |
| Berco Produktion i Skellefteå AB | 556393-7969 | Skellefteå, Sweden | 100.0% |
| ÄMV Production AB | 556627-2927 | Åsele, Sweden | 100.0% |
| Gullängets Mekaniska Verkstad AB | 556474-2764 | Örnsköldsvik, Sweden | 100.0% |
| Storskogen 3 Invest AB | 559080-4273 | Stockholm, Sweden | 100.0% |
| Imazo AB | 556196-2951 | Vara, Sweden | 100.0% |
| Södra Infragruppen Sverige AB | 556815-0667 | Kristianstad, Sweden | 100.0% |
| Stål och Rörmontage i Sölvesborg AB | 556292-0453 | Sölvesborg, Sweden | 100.0% |
| Stockholms Rörexpress AB | 556676-2711 | Skarpnäck, Sweden | 94.0% |
| SGD Sveriges Golv Distributörer AB | 556445-3529 | Växjö, Sweden | 100.0% |
| Plåthuset i Mälardalen AB | 556311-2050 | Enköping, Sweden | 100% |
| Smederna Sverige AB | 556415-2568 | Tumba, Sweden | 90.1% |
| SAMUS Holding AB | 559030-3094 | Skara, Sweden | 100.0% |

| | | | |
|--|-------------|-------------------------|--------|
| BR Solutions AB | 556251-0817 | Hisings Kärra, Sweden | 90.1% |
| Swedstyle AB | 556272-5134 | Vaggeryd, Sweden | 100.0% |
| Enrival AB | 556689-0207 | Lund, Sweden | 86.0% |
| INBEGO AB | 556294-1558 | Älmhult, Sweden | 90.1% |
| IDATA AB | 556618-8396 | Värnamo, Sweden | 100.0% |
| ARAT AB | 556922-2697 | Kungsbacka, Sweden | 99,5% |
| Elektroautomatik i Sverige AB | 556100-1008 | Gothenburg, Sweden | 100% |
| Noa:s Snickeri i Tibro AB | 556389-5290 | Tibro, Sweden | 100.0% |
| Båstad-Gruppen AB | 556519-6135 | Ängelholm, Sweden | 91.0% |
| Albin Components AB | 556312-5656 | Kristinehamn, Sweden | 100.0% |
| NetRed AB | 556596-8640 | Tidaholm, Sweden | 91.0% |
| Roslagsgjuteriet AB | 559052-2032 | Herräng, Sweden | 100.0% |
| Storebrogjuteriet AB | 556525-0049 | Storebro, Sweden | 100.0% |
| Elcommunication Sweden AB | 556582-3753 | Karlshamn, Sweden | 100% |
| C.S Riv och Håltagning AB | 556529-8766 | Hisings Backa, Sweden | 90.1% |
| ByWe Group AB ²⁾ | 559382-6232 | Västra Frölunda, Sweden | 92.0% |
| Jata Cargo AB | 556542-2895 | Malmö, Sweden | 90.1% |
| Alfta Kvalitetsindustri AB | 559206-3787 | Alfta, Sweden | 90.1% |
| Riviera Markiser & Persienner AB | 556432-5685 | Partille, Sweden | 100% |
| TRELLEGRÄV AB | 556454-9391 | Trelleborg, Sweden | 90.1% |
| A Lot Decoration Sweden AB | 556698-0131 | Falköping, Sweden | 100% |
| VästMark Entreprenad AB | 556816-5350 | Gothenburg, Sweden | 90.1% |
| Tepac Entreprenad AB | 556646-7980 | Stockholm, Sweden | 92.0% |
| Stockholms Internationella Handelsskola AB | 556578-6497 | Stockholm, Sweden | 100.0% |
| Bergendahls El Gruppen AB | 556529-8493 | Gothenburg, Sweden | 90.1% |
| Svenska Grindmatriser AB | 556258-8839 | Linköping, Sweden | 95.0% |
| M J Contractor AB | 556492-6904 | Upplands Väsby, Sweden | 95.0% |
| IVEO AB | 556791-6811 | Stockholm, Sweden | 69.4% |
| Pierre Entreprenad i Gävle AB | 556582-9784 | Gävle, Sweden | 90.1% |
| Örnsberg El, Tele & Data Aktiebolag | 556347-0037 | Trångsund, Sweden | 90.1% |
| Ockelbo Kabelteknik AB | 556675-2019 | Ockelbo, Sweden | 100.0% |
| Tjällmo Grävmaskiner AB | 556337-3652 | Borensberg, Sweden | 100.0% |
| Strand i Jönköping AB | 556385-9197 | Jönköping, Sweden | 95.0% |
| Allan Eriksson Mark AB | 556437-3669 | Sala, Sweden | 100.0% |
| Såg- & Betongborrning i Uddevalla Aktiebolag | 556226-4043 | Uddevalla, Sweden | 100.0% |
| Strigo AB | 556921-5360 | Västervik, Sweden | 90.2% |
| Primulator AS | 918 375 643 | Oslo, Norway | 100.0% |
| AGIO System och Kompetens i Skandinavien AB | 556650-2968 | Luleå, Sweden | 90.1% |
| Bombayworks AB | 556720-9357 | Stockholm, Sweden | 90.1% |
| Scandia Steel Sweden AB | 559272-9320 | Stockholm, Sweden | 95.0% |
| Harrysson Entreprenad Aktiebolag (HEAB) | 556273-9762 | Hallsberg, Sweden | 100% |
| Lindberg Stenberg Arkitekter AB | 556250-6609 | Stockholm, Sweden | 90.1% |
| Vårdväskan AB | 556880-1939 | Falkenberg, Sweden | 90.1% |
| Ecochange AB | 556239-4618 | Norrköping, Sweden | 90.1% |
| Newton Kompetensutveckling AB | 556464-7989 | Stockholm, Sweden | 100.0% |
| Aktiebolaget Wibe | 556034-6495 | Mora, Sweden | 100.0% |
| Zymbios Logistics Contractor AB | 556681-8653 | Kumla, Sweden | 90.1% |
| Ashe Invest AB | 559059-3868 | Gothenburg, Sweden | 85.0% |
| AE5 2012 Holding AB (Brenderup) | 556951-8011 | Jönköping, Sweden | 98.7% |
| Kumla Handtagsfabrik AB | 559156-8331 | Stockholm, Sweden | 93.4% |
| DeroA AB | 559088-9639 | Stockholm, Sweden | 87.1% |
| Buildercom Group AB | 559064-1410 | Stockholm, Sweden | 100.0% |
| Viametrics Group AB | 559018-4155 | Stockholm, Sweden | 91.6% |
| SoVent Group AB | 559138-8789 | Stockholm, Sweden | 95.9% |
| VINAB, Verkstadsindustri i Norr AB | 556690-0832 | Gällivare, Sweden | 90.1% |
| Vikingsun AB | 556492-4362 | Stockholm, Sweden | 95.0% |
| 2M2 Group AB | 556688-3772 | Båstad, Sweden | 90.1% |
| Hudikhus AB | 556101-7715 | Hudiksvall, Sweden | 70.0% |
| Brandprojektering Sverige AB | 556984-7444 | Skövde, Sweden | 71,2% |

| | | | |
|--|-------------|-----------------------|--------|
| Hedson Technologies International AB | 556450-9874 | Arlöv, Sweden | 97.9% |
| Nitro Consult Aktiebolag | 556131-5770 | Stockholm, Sweden | 100.0% |
| VSH Holding AB (Swedwise) | 556825-6423 | Karlstad, Sweden | 82.4% |
| PR Home of Scandinavia AB | 556614-9323 | Borås, Sweden | 70.0% |
| Session MAP AB | 556782-3868 | Uddevalla, Sweden | 70.0% |
| Scandinavian Cosmetics Group AB | 559209-0533 | Malmö, Sweden | 95.9% |
| Acreto AB | 556681-5469 | Gothenburg, Sweden | 80.0% |
| Hans Löfqvist Engineering AB | 556196-1706 | Örebro, Sweden | 95.1% |
| Storskogen Utveckling AB | 556970-1229 | Stockholm, Sweden | 100.0% |
| Schalins Ringar AB | 556161-6110 | Östersund, Sweden | 100.0% |
| Tunga Lyft i Sverige AB | 556713-3243 | Arlöv, Sweden | 100.0% |
| Jacob Lindh AB | 556689-6576 | Lund, Sweden | 90% |
| Swedfarm AB | 556498-9688 | Linghem, Sweden | 100.0% |
| AC Electrical Services Group Limited | 09989395 | Lancashire, England | 80.0% |
| Weidinger GmbH | 811 262 551 | Maisach, Germany | 100.0% |
| Motavo Group AS (f.d. VOX Hair Concept AS) | 996 589 129 | Porsgrunn, Norway | 80.0% |
| Xod Box Pte. Ltd. | 200406647E | Singapore, Singapore | 65.0% |
| PV Systems AB | 556671-1437 | Tidaholm, Sweden | 100.0% |
| The Physics Cafe Pte. Ltd. | 201404177D | Singapore, Singapore | 65.0% |
| Teodoliten Förvaltning AB | 556676-7611 | Varberg, Sweden | 100.0% |
| Agnesbergs Grävtjänst i Kungälv AB | 556408-5677 | Kungälv, Sweden | 100.0% |
| HOJ TWS AB | 556231-0713 | Tranås, Sweden | 100.0 |
| NORDIC WHEEL & AUTOSUPPLY AB | 556624-1807 | Kungsbacka, Sweden | 90.1% |
| C.S Riv & Håltagning AB | 556529-8766 | Hisings Backa, Sweden | 100% |

1) Novus Partners AG was merged with Artum AG, which thereafter changed its name to Storskogen Schweiz Management AG during 2022.

2) BAFRAL Holding AB changed its name to ByWe Group AB during 2022.

Recent events particular to the Issuer

On 16 March 2024, the Issuer entered into a binding agreement to refinance the previous revolving credit facility of EUR 1 billion (whereof EUR 357 million was utilised as of 31 December 2023) maturing on 24 September 2025, with an unutilised one-year extension option, and the unsecured syndicated term facility of EUR 300 million (whereof EUR 115 million was outstanding as of December 31 2023) maturing on 24 March 2025. These have been replaced by a smaller unsecured facility agreement with a revolving credit facility of EUR 400 million, with an accordion option of EUR 43 million, and an unsecured syndicated term facility of EUR 330 million. The revolving credit facility has a duration of approximately three years, with an extension option for up to two-years, and the syndicated term facility has a two-and-a-half year duration.

On 27 May 2024, the Issuer launched a voluntary tender offer to the holders the Existing 2025 Bonds, whereby the Issuer offered to repurchase its outstanding Existing 2025 Bonds for a cash amount of 101.00 per cent. of the nominal amount plus accrued but unpaid interest (the “**2025 Tender Offer**”), subject to a transaction cap equal to the aggregate nominal amount of the initial aggregate nominal amount of the Bonds. The final outcome of the 2025 Tender Offer was announced by Storskogen on 30 May 2024 and the settlement date for 2025 Tender Offer was 7 June 2024. Through the 2025 Tender Offer, Storskogen repurchased Existing 2025 Bonds in an aggregate nominal amount of SEK 1.25 billion.

On 25 June 2024, the Issuer announced by way of press release that the Issuer has entered into an agreement to divest nine business units and simultaneously announced a non-cash impairment of approximately SEK 920 million in the second quarter of 2024 as a result of the divestment. As a consequence of the divestment, Storskogen has initiated written procedures under its outstanding bonds, including the Bonds, pursuant to notices of written procedure dated 26 June 2024 to request that the holders of such bonds (including the Bondholders) approve waivers of certain loans out restrictions and dividend restrictions under their respective terms and conditions.

Except for as set out above, 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.

Other than the 2025 Tender Offer as set out in the Section “*Recent events particular to the Issuer*”, there have been no significant changes in the financial position or performance of the Group since the end of the last financial period for which financial information has been published, *i.e.* the period ending on 31 March 2024.

Governmental, legal or arbitration proceedings

Storskogen has not been party to any regulatory proceedings, legal proceedings or arbitration proceeding (including proceedings which have not yet been settled or which, to Storskogen's knowledge, are in danger of being initiated) which may or has recently had a material effect on the Group’s financial position or profitability during the previous twelve months. However, please see the section “*Risk factors—Risks relating to the Group’s legal and regulatory environment—Storskogen is subject to risks relating to disputes and other legal proceedings that may be time consuming and costly*” for more information regarding legal proceedings in connection with acquisitions carried out by the Group.

Credit rating

On 8 June 2023, the Issuer’s BB credit rating with a negative outlook was affirmed by S&P Global Ratings. S&P Global Ratings Europe Limited is a credit rating agency established within the EU and registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended.

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 1,000,000,000 shares and not more than 4,000,000,000 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 859,906.915501 divided into 148,001,374 shares of series A and 1,538,090,617 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 Stockholm, with trading symbol STOR B and ISIN SE0016797732. The table below sets out the ten largest shareholders of the Company, which has been verified either on 26 April 2024, 30 April 2024 or 21 May 2024.

| Shareholders | Share capital | Votes |
|--------------------------------|---------------|--------|
| Daniel Kaplan ¹⁾ | 4.43% | 13.93% |
| Alexander Murad Bjärgård | 3.58% | 13.19% |
| Ronnie Bergström ²⁾ | 3.16% | 13.18% |
| Peter Ahlgren | 2.97% | 11.77% |
| AMF Pension & Fonder | 8.87% | 4.96% |
| Swedbank Robur Fonder | 4.29% | 2.40% |
| Futur Pension | 4.29% | 2.40% |
| Movestic Livförsäkring AB | 4.18% | 2.33% |
| Vanguard | 3.02% | 1.69% |
| Philian Invest AB | 2.15% | 1.20% |
| Others | 59.06% | 32.95% |

1) Including shares held by Firm Factory AB

2) Including shares held by Ängsmon AB

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)*). Since the Issuer's shares of series B are admitted to trading on Nasdaq Stockholm, the Issuer also acts in compliance with the Nordic Main Market Rulebook for Issuers of Shares and the Swedish Corporate Governance Code.

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

General

The division of duties between the board of directors and the CEO follows Swedish law and is set out in internal rules and instructions within the Company. The CEO and the members of the Company's executive management 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 Hovslagargatan 3, 111 48 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 and their significant assignments outside the Issuer, which are relevant for the Issuer.

Members of the board of directors

Annette Brodin Rampe

Chair of the board of directors since 2022.

Other relevant assignments: CEO of ImagineCare AB, board member of Pion Group AB (formerly Poolia AB), Ferronordic AB and Episurf Medical AB.

Louise Hedberg

Member of the board of directors since 2019.

Other relevant assignments: CEO and chair of the board of directors of Penny to Pound Aktiebolag. Board member of East Capital SICAV (Lux), East Capital (Lux) General Partner S.à r.l., Espiria SICAV (Lux), SEB Investment Management AB, P Capital Partners and RCO Group AB. Deputy board member of Hayman AB.

Johan Thorell

Member of the board of directors since 2019.

Other relevant assignments: CEO and board member of Gryningskust Holding AB and subsidiaries. Chair of the board of directors of Kallebäck Property Invest AB. Board member of Atrium Ljungberg AB (publ), AB Sagax, Hemsö Fastighets AB and K2A Knaust & Andersson Fastigheter AB (publ).

Alexander Murad Bjärgård

Member of the board of directors since 2019.

Other relevant assignments: Board member of Firm Factory Network AB. Deputy board member of Kullengubben Advokat AB.

Robert Belkic

Member of the board of directors since 2023.

Other relevant assignments: CFO Polarium Energy Solutions. Board member of Vimian Group AB.

Executive management

The section below presents the members of the executive management, including the year each person became a member of the executive management.

Members of the executive management

Christer Hansson

CEO since 2024.

Other relevant assignments: Board member of Scalata AB and Scalata Invest AB.

Lena Glader

CFO since 2019.

Other relevant assignments: Board member of Fortnox Aktiebolag and Tagehus Holding AB.

Alexander Murad Bjärgård

EVP, Head of M&A and Corporate Development since 2017.

Other relevant assignments: Please refer to the section “Board of directors” above.

Peter Ahlgren

EVP, Head of Business Area, Services since 2014.

Other relevant assignments: CEO of Ribbylund Management AB. Deputy CEO of Firm Factory Network AB. Board member of Firm Factory Network AB and Ribbylund Management AB.

Fredrik Bergegård

EVP, Head of Business Area, Industry since 2021.

Other relevant assignments: Deputy board member of Mountainfarm AB and Priti Intressenter AB. Board member of MIAGC AB. Chairman of Improve Tec Hönö AB.

Mikael Neglén

EVP, Head of Storskogen DACH since 2020.

Other relevant assignments: Board member of AH Holding AG (Arzthaus).

Philip Löfgren

EVP, Head of Storskogen UK since 2020.

Other relevant assignments: None.

Åsa Murphy

EVP, Head of Business Area, Trade since 2024.

Other relevant assignments: Board member of Autoservice Mullsjö AB and BizStrat AB.

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, 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 in the Issuer. 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

Ernst & Young Aktiebolag (“EY”) was re-elected as the Company’s auditor at the annual general meeting on 8 May 2024 until the end of the annual general meeting 2025. Åsa Lundvall, authorised public accountant and member of FAR (the professional institute for authorised public accountants in Sweden), is the auditor in charge since 2021. EY has been the Company’s auditor since 2019. EY’s office address is Hamngatan 26, SE-111 47 Stockholm, Sweden.

SUPPLEMENTARY INFORMATION

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 or the quality of the Bonds that is 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 7 June 2024 was resolved upon by the board of directors of the Issuer on 23 May 2024.

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

Nordea Bank Abp, Danske Bank A/S, Danmark, Sverige Filial, Swedbank AB (publ), Skandinaviska Enskilda Banken AB (publ) and DNB Markets, a part of DNB Bank ASA, 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 Nordea Bank Abp, Danske Bank A/S, Danmark, Sverige Filial, Swedbank AB (publ), Skandinaviska Enskilda Banken AB (publ) and DNB Markets, a part of DNB Bank ASA 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.storskogen.com.

- 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 2022, including the applicable audit report.
- The Group's consolidated audited annual report for the financial year ended 31 December 2023, including the applicable audit report.

FINANCIAL INFORMATION

Historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2022 and 31 December 2023 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 2022 and 31 December 2023 derives from the Group's consolidated audited annual reports.

Accounting standards

The financial information for the financial years ended 31 December 2022 and 31 December 2023 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 2022 and 31 December 2023 have been audited by Ernst & Young Aktiebolag with Åsa Lundvall 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 ended 31 December 2022 and 31 December 2023 is incorporated in this Prospectus by reference and is available at the Issuer's website, www.storskogen.com. Please refer to the pages set out below. Information in the documents below, which is not incorporated by reference, is either covered elsewhere in this Prospectus, or is deemed by the Company not to be relevant for investors in the Bonds.

| Reference | Pages |
|--|---------|
| The Group's consolidated annual report 2023 | |
| Consolidated income statement | 69 |
| Consolidated balance sheet | 70 |
| Consolidated changes in equity | 71–72 |
| Consolidated cash flow statement | 73 |
| Accounting principles | 78–83 |
| Notes | 78–123 |
| Auditor's report | 129–132 |
| The Group's consolidated annual report 2022 | |
| Consolidated income statement | 64 |
| Consolidated balance sheet | 65 |
| Consolidated changes in equity | 66–67 |
| Consolidated cash flow statement | 68 |
| Accounting principles | 73–80 |
| Notes | 73–121 |
| Auditor's report | 127–130 |

TERMS AND CONDITIONS FOR THE BONDS

TERMS AND CONDITIONS



Storskogen Group AB (publ)

Maximum SEK 2,000,000,000

**Senior Unsecured Callable Floating Rate Bonds
2024/2027**

ISIN: SE0022240974

First Issue Date: 7 June 2024

SELLING RESTRICTIONS

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

Swedbank is not a U.S. registered broker-dealer and accordingly Swedbank will only effect offers and sales of the Bonds solely outside of the United States in accordance with Regulation S.

PRIVACY STATEMENT

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 has 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.storskogen.com, www.nordictrustee.com and www.nordea.com.

TABLE OF CONTENTS

| Clause | Page |
|---|-------------|
| 1. DEFINITIONS AND CONSTRUCTION | 1 |
| 2. STATUS OF THE BONDS | 14 |
| 3. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS | 14 |
| 4. USE OF PROCEEDS | 15 |
| 5. CONDITIONS PRECEDENT | 15 |
| 6. THE BONDS AND TRANSFERABILITY | 16 |
| 7. BONDS IN BOOK-ENTRY FORM | 16 |
| 8. RIGHT TO ACT ON BEHALF OF A BONDHOLDER | 16 |
| 9. PAYMENTS IN RESPECT OF THE BONDS | 17 |
| 10. INTEREST | 18 |
| 11. REDEMPTION AND REPURCHASE OF THE BONDS | 18 |
| 12. INFORMATION UNDERTAKINGS | 20 |
| 13. FINANCIAL COVENANTS | 21 |
| 14. SPECIAL UNDERTAKINGS | 23 |
| 15. TERMINATION OF THE BONDS | 26 |
| 16. DECISIONS BY BONDHOLDERS | 31 |
| 17. AMENDMENTS AND WAIVERS | 36 |
| 18. THE AGENT | 36 |
| 19. THE ISSUING AGENT | 41 |
| 20. BASE RATE REPLACEMENT | 41 |
| 21. THE CSD | 44 |
| 22. NO DIRECT ACTIONS BY BONDHOLDERS | 45 |
| 23. TIME-BAR | 45 |
| 24. NOTICES AND PRESS RELEASES | 46 |
| 25. FORCE MAJEURE | 47 |
| 26. GOVERNING LAW AND JURISDICTION | 48 |
| | |
| Schedule | Page |
| SCHEDULE 1 CONDITIONS PRECEDENT | 49 |
| SCHEDULE 2 FORM OF COMPLIANCE CERTIFICATE | 51 |

TERMS AND CONDITIONS

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, a Main Shareholder or any other person or entity owning any Bonds that has undertaken towards a Group Company, an Affiliate of a Group Company or a Main Shareholder to vote for such Bonds in accordance with each instruction given from time to time by a Group Company, an Affiliate of a Group Company or a Main Shareholder, 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 one hundred twenty (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 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 on or prior to the First Issue Date between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and the Agent.

“**Agent**” means the Bondholders’ agent under these Terms and Conditions and, if relevant, the Finance Documents, 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 (*Base Rate Replacement*).

“**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, including the Initial Bonds and any Subsequent Bonds.

“**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 16.2 (*Bondholders’ Meeting*).

“**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 Amount**” means:

- (a) an amount equivalent to the sum of (i) 101.875 per cent. of the Nominal Amount and (ii) the remaining interest payments up until (but not including) the First Call Date, if the call option is exercised on or after the First Issue Date up to (but not including) the First Call Date;
- (b) 101.875 per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but not including) the date falling thirty-six (36) months after the First Issue Date;
- (c) subject to paragraph (d) below, 100.9375 per cent. of the Nominal Amount if the call option is exercised on or after the date falling thirty-six (36) months after the First Issue Date up to (but not including) the Final Redemption Date; or
- (d) 100.00 per cent. of the Nominal Amount if, the call option is exercised on or after the date falling thirty-nine (39) months after the First Issue Date up to (but not including) the Final Redemption Date, provided that such early redemption is financed in part or in full by way of the Issuer issuing Market Loan(s) in one or several issues.

For the purpose of calculating the remaining interest payments pursuant to (a) above it shall be assumed that the Interest Rate for the period from the relevant Redemption 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.

“**Cash and Cash Equivalents**” means cash and cash equivalents of the Group in accordance with the applicable Accounting Principles.

“**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.

“**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.

“**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.

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

- (a) the Issuer’s shares cease to be listed or admitted to trading on Nasdaq Stockholm or any other Regulated Market or trading of the Issuer’s shares on the relevant Regulated Market is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) once the Bonds are admitted to trading or listed on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds 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).

“**EBITDA**” means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Statement(s):

- (a) *before deducting* any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) *before deducting* any Net Finance Charges;
- (c) *before taking into account* any extraordinary items and any non-recurring items which are not in line with the ordinary course of business of the Group (“**Exceptional Items**”), in an aggregate amount not exceeding seven and five tenths (7.50) per cent. of EBITDA for the Reference Period (prior to any adjustments for Exceptional Items);
- (d) *before taking into account* any Transaction Costs;
- (e) *not including* any accrued interest owing to any Group Company;
- (f) *not including* any accrued interest on any Subordinated Debt;

- (g) *before taking into account* any unrealised gains or losses on any derivative instrument (other than any derivative instruments which are accounted for on a hedge account basis);
- (h) *after adding back or deducting*, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) *not including* any revaluation of amounts payable under contractual non-interest bearing earn-out payments relating to acquisitions made by the Group regardless of how such earn-out payments are accounted for in the Accounting Principles;
- (j) *after deducting* the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (k) *after adding back or deducting*, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group;
- (l) *before deducting* any amounts received under business interruption insurance (or its equivalent); and
- (m) *after adding back* any amount attributable to the amortisation, depreciation or depletion of assets of Group Companies.

“Employee Ownership Program” means any employee ownership program approved by the general meeting of the Issuer, whereby the Issuer has an obligation to deliver matching shares and/or performance shares to participating employees under the program and where the Issuer's obligations are secured by the Issuer repurchasing own shares (subject to the board of directors being authorised by the general meeting of the Issuer to resolve to repurchase such shares) which may subsequently be transferred free of charge to participants in the program or applied towards hedging of costs of the Issuer, mainly social security contributions, attributable to such program.

“Event of Default” means an event or circumstance specified as such in Clause 15 (*Termination of the Bonds*).

“Existing 2025 Bonds” means the Issuer's maximum SEK 5,000,000,000 senior unsecured callable floating rate bonds 2021/2025 with ISIN SE0017084650.

“Existing 2027 Bonds” means the Issuer's maximum SEK 2,000,000,000 senior unsecured callable floating rate bonds 2023/2027 with ISIN SE0020358026.

“Final Redemption Date” means 7 December 2027.

“Finance Charges” means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any Group Company according to the latest Financial Statements (calculated on a consolidated basis) other than Transaction Costs, interest in respect of any Subordinated Debt, interest on any loan owing to any Group Company and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a

hedge accounting basis and including the interest (but not the capital) element of payments in respect of Finance Leases.

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

“**Finance Lease**” means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet 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 (not including receivables sold 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, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (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;
- (g) any amount payable under any contractual earn-out payments relating to acquisitions made by the Group regardless of how such earn-out payments are accounted for in the Accounting Principles; and
- (h) (without double counting) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) 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) of Clause 12.1 (*Financial Statements*).

“**First Call Date**” means the date falling twenty-one (21) months after the First Issue Date.

“**First Issue Date**” means 7 June 2024.

“**Force Majeure Event**” has the meaning set forth in Clause 25.1.

“**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) 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 13.1 (*Incurrence Test*).

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

“**Initial Bond Issue**” has the meaning set forth in Clause 3.3.

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 10.1 to 10.3.

“**Interest Coverage Ratio**” means the ratio of consolidated EBITDA to Net Finance Charges.

“**Interest Payment Date**” means 7 March, 7 June, 7 September and 7 December each year (with the first Interest Payment Date on 7 September 2024 and the last Interest Payment Date being the last relevant Redemption Date) or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

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

“**Interest Rate**” means the Base Rate plus 375 basis points *per annum* as adjusted by any application of Clause 20 (*Base Rate Replacement*). For the avoidance of doubt, if the Interest Rate is below zero then the Interest Rate will be deemed to be zero.

“**Issue Date**” means the First Issue Date or any date when Subsequent Bonds are issued pursuant to these Terms and Conditions, as agreed between the Issuing Agent and the Issuer.

“**Issuer**” means Storskogen Group AB (publ), a public limited liability company incorporated in Sweden with reg. no. 559223-8694.

“**Issuing Agent**” means Nordea Bank Abp, filial i Sverige, reg. no. 516411-1683, or another party replacing it as Issuing Agent, in accordance with these Terms and Conditions.

“**Listing Failure**” means a situation where:

- (a) the Initial Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the First Issue Date; or
- (b) any Subsequent Bonds have not been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market within sixty (60) calendar days after the relevant Issue Date,

in each case, with an intention to complete such admission to trading within thirty (30) calendar days from the relevant Issue Date (or, in each case, any shorter period required by law or applicable stock exchange regulations).

“Main Shareholder” means each of Daniel Kaplan (personal identity no. 710429-0312), Ronnie Bergström (personal identity no. 600806-1456), Alexander Bjärgård (personal identity no. 740401-0436) and Peter Ahlgren (personal identity no. 720608-0330) or any of their spouses or any of their direct heirs, by way of direct or indirect ownership of shares, and their respective Affiliates.

“Market Loan” means any loan or other indebtedness where an entity issues commercial papers, certificates, 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 other regulated or unregulated recognised 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 to perform and comply with its payment obligations and/or other undertakings under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

“Material Group Company” means:

- (a) the Issuer; and
- (b) any Subsidiaries which individually or in the aggregate represent more than five (5.00) per cent. of the Group’s consolidated sales according to the annual audited Financial Statements for the previous financial year and which during the Reference Period ending on 31 December the following financial year have been subject to any event specified in Clauses 15.3(a), 15.4, 15.5, 15.6(a), 15.7 and 15.9(b).

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

“Net Finance Charges” means, for the Reference Period, the Finance Charges according to the latest Financial Statements:

- (a) *after deducting* any interest payable for that Reference Period to any Group Company; and
- (b) *after deducting* any interest income of the Group relating to Cash and Cash Equivalents.

“Net Interest Bearing Debt” means the consolidated interest bearing Financial Indebtedness of the Group less Cash and Cash Equivalents in accordance with the Accounting Principles (for the avoidance of doubt, excluding any Bonds owned by the Issuer, guarantees, bank guarantees, Hybrid Instruments, Subordinated Debt, claims subordinated pursuant to a subordination agreement on terms and conditions satisfactory to the Agent and interest bearing Financial Indebtedness borrowed from any Group Company and including, in the case of Finance Leases only, their capitalised value).

“Net Proceeds” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue after deduction has been made for the transaction costs payable by the Issuer to the relevant Issuing Agent and the bookrunner(s) in respect of the Initial Bonds (or any other bookrunners,

arrangers or issuing agent in respect of any Subsequent Bonds) (if they have requested that their respective fees and costs shall be deducted) for the services provided in relation to the placement and issuance of the Bonds.

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

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

- (a) incurred under the Finance Documents (save for any Subsequent Bonds);
- (b) taken up from a Group Company (including under any cash pool arrangements);
- (c) arising under a foreign exchange transaction or commodity derivatives for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under any Permitted Debt or in connection with any acquisition or disposal permitted under these Terms and Conditions, but not any transaction for investment or speculative purposes;
- (d) arising under any interest rate hedging transactions in the ordinary course of business or in respect of payments to be made under any Permitted Debt or in connection with any acquisition or disposal permitted under these Terms and Conditions, but not any transaction for investment or speculative purposes;
- (e) incurred as a result of any Group Company acquiring, or having acquired, another entity or asset and which is due to that such acquired entity, any subsidiary of it, or any such asset holds indebtedness, provided however that such indebtedness:
 - (i) is repaid, refinanced or reclassified with Financial Indebtedness constituting Permitted Debt pursuant paragraphs (a) to (d) above or (f)(i) or (g) to (s) below, in each case no later than one hundred eighty (180) calendar days from the date of completion of the relevant acquisition (the “**Grace Period**”); or
 - (ii) if such indebtedness is in the form of a Market Loan, (A) is redeemed in full during the Grace Period, and (B) if such redemption during the Grace Period is not permitted, or only permitted by paying a make-whole amount (e.g., an amount corresponding to all remaining interest payments up to the earliest permitted redemption date which is not subject to make-whole) to the holders of that Market Loan, as soon as practicably possible once permitted or permitted without paying such make-whole amount, and provided however that the Incurrence Test is met on a *pro forma* basis on the last day of the Grace Period if that Market Loan remains outstanding at such time and that such Market Loan may not be extended beyond its original maturity;
- (f) incurred by a Group Company as a result of a vendor loan or promissory note in connection with an acquisition made by the Group, provided that such Financial Indebtedness, (i) if incurred by the Issuer, (A) is settled in full by way of set-off against new shares in the Issuer within ninety (90) calendar days after the incurrence or (B) does not exceed fifty (50.00) per cent. of the total purchase price of the relevant acquisition and has a term not exceeding twelve (12) months and meets the Incurrence Test on a *pro*

forma basis or (ii) if incurred by another Group Company than the Issuer, is repaid, or otherwise refinanced or reclassified with Financial Indebtedness constituting Permitted Debt pursuant paragraphs (a) to (d) above or (g) to (s) below, in each case no later than ninety (90) calendar days after the incurrence;

- (g) arising under any non-interest bearing (i) earn-out payments regardless of how such earn-out payments are accounted for in the Accounting Principles or (ii) minority option rights pursuant to an agreement entered into with any minority interest holders in a Group Company on, to the Issuer, reasonable commercial terms, in each case relating to acquisitions made by the Group;
- (h) incurred in the ordinary course of business under Advance Purchase Agreements;
- (i) incurred by the Issuer if such Financial Indebtedness is incurred as a result of a Subsequent Bond Issue and meets the Incurrence Test on a *pro forma* basis);
- (j) incurred by the Issuer if such Financial Indebtedness (i) is unsecured and ranks *pari passu* with or is subordinated to the obligations of the Issuer under the Finance Documents and (ii) meets the Incurrence Test on a *pro forma* basis;
- (k) of the Group under any pension and tax liabilities incurred in the ordinary course of business;
- (l) incurred by the Issuer for the purpose of refinancing the Bonds in full provided that the net proceeds of such Financial Indebtedness shall be kept on an escrow account until such refinancing shall be made;
- (m) 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;
- (n) incurred pursuant to any Finance Leases, not otherwise permitted by paragraph (m) 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 thirty (30.00) per cent. of EBITDA, where EBITDA shall be adjusted as set out in Clause 13.2 (*Calculation Principles*), and provided however that the Issuer shall be entitled to refer to EBITDA that has been calculated for any, current or previous, Reference Period ending after the First Issue Date;
- (o) incurred under any Subordinated Debt;
- (p) incurred under any Permitted Issuer Financing;
- (q) incurred under any Permitted Subsidiary Financing;
- (r) incurred under the Existing 2025 Bonds;
- (s) incurred under the Existing 2027 Bonds; and
- (t) not permitted by paragraphs (a) to (s) above, in an aggregate amount not at any time exceeding *five* (5.00) per cent. of EBITDA, where EBITDA shall be adjusted as set out in Clause 13.2 (*Calculation Principles*) (all such Financial Indebtedness is together referred to as the "**Permitted Basket**").

“Permitted Issuer Financing” means any bilateral or syndicated term loans, bridge facilities, revolving credit facilities, working capital facilities, guarantees or other assurances against financial loss or other similar financing arrangements (including but not limited to any overdraft facilities and/or ancillary facilities) provided to the Issuer by one or more reputable Nordic or international banks, financial institutions, trusts, funds or other lenders, in an aggregate maximum amount of EUR 1,300,000,000 (or its equivalent in other currencies).

“Permitted Security” means any guarantee or Security:

- (a) provided in accordance with the Finance Documents;
- (b) arising by operation of law or in the ordinary course of business (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);
- (c) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;
- (d) provided in relation to paragraph (c) of the definition Permitted Debt and provided for interest rate hedging transactions set out in paragraph (d) of the definition Permitted Debt;
- (e) incurred as a result of any Group Company acquiring another entity or asset and which is due to that such acquired entity, or any subsidiary of it, has provided security or that such acquired asset is secured, provided that the debt secured with such security is Permitted Debt in accordance with paragraph (e) of the definition Permitted Debt and that such security is released or replaced by security constituting Permitted Security pursuant to paragraphs (a) to (d) above or (f) to (j) below, in each case no later than at the time such Permitted Debt must be repaid or refinanced;
- (f) (i) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds in full are intended to be received or (ii) agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full, provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full;
- (g) provided in relation to any lease agreement entered into by a Group Company as set out in paragraph (m) of the definition Permitted Debt, but not consisting of security interest in shares of any Group Company;
- (h) provided in relation to any Finance Lease, not otherwise permitted by paragraph (g) above, permitted pursuant to paragraph (n) of the definition Permitted Debt, but not consisting of security interest in shares of any Group Company;
- (i) provided in relation to any Permitted Subsidiary Financing; and
- (j) provided in relation to the Permitted Basket.

“Permitted Subsidiary Financing” means any bilateral or syndicated term loans, bridge facilities, revolving credit facilities, working capital facilities, guarantees or other assurances against financial loss or other similar financing arrangements (including but not limited to any

overdraft facilities and/or ancillary facilities but excluding, for the avoidance of doubt, Market Loans) entered into by a Subsidiary with one or more reputable banks, financial institutions, trusts, funds or other lenders, in an aggregate amount not at any time exceeding thirty (30.00) per cent. of EBITDA, where EBITDA shall be adjusted as set out in Clause 13.2 (*Calculation Principles*).

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof, or any other entity, whether or not having a separate legal personality.

“**Quotation Day**” means in relation to:

- (a) an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or, in respect of the first Interest Period, two (2) Business Days before the First Issue Date); or
- (b) 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 (5th) 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 15.11 (*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 11 (*Redemption and repurchase of the Bonds*).

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

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

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

“**Restricted Payment**” has the meaning ascribed to it in Clause 14.1.

“**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.

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

“**STIBOR**” means:

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

“**Subordinated Debt**” means any loan incurred by a Group Company, if such loan:

- (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 Finance Documents;
- (b) according to its terms has a final redemption 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 and/or cash interest that is payable after the Final Redemption Date.

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

“**Subsequent Bond Issue**” means any issue of Subsequent Bonds.

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

- (a) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50.00) 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.

“**Transaction Costs**” means all fees, costs and expenses, stamp, registration and other taxes incurred by a Group Company directly or indirectly in connection with (i) the Initial Bond Issue or a Subsequent Bond Issue, (ii) the admission to trading of the Bonds (including Subsequent Bonds) on the relevant Regulated Market, (iii) the establishment of any Permitted Debt, (iv) any acquisition or divestment made by the Group (for the avoidance of doubt, excluding any payment of purchase price and earn-out payments) or (v) any rights issue or directed share issue by the Issuer.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 16.3 (*Written Procedure*).

1.2 Construction

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any law, regulation, rule or official directive (whether or not having the force of law but, if not having the force of law, which is generally adhered to) 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 from time to time; 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). 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 these 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.

2. STATUS OF THE BONDS

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured 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 up to SEK 2,000,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 and integral multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 1,250,000,000 (the “**Initial Bond Issue**”).
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0022240974.
- 3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 2,000,000,000, always provided that no Event of Default is continuing or would result such issue and that the Incurrence Test (calculated *pro forma* including the Subsequent Bond Issue). Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds. The price of any Subsequent Bonds may be set at the Nominal Amount, at a discount to or at a higher price than the Nominal Amount.

4. USE OF PROCEEDS

- 4.1 The net proceeds of the Initial Bond Issue shall firstly be applied towards a partial repurchase of the Existing 2025 Bonds by way of a tender offer or open market purchases and secondly be applied towards general corporate purposes, including acquisitions and Transactions Costs.
- 4.2 The net proceeds from any Subsequent Bond Issue shall be used to finance repurchase(s) of Existing 2025 Bonds or Existing 2027 Bonds by way of tender offers or open market purchases and/or general corporate purposes (including capital expenditures and acquisitions).

5. CONDITIONS PRECEDENT

5.1 Conditions Precedent for the Initial Bond Issue

- 5.1.1 The Issuer shall provide to the Agent, no later than 11.00 a.m. three (3) Business Days prior to the First 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 Initial Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).
- 5.1.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been received (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)). The First Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Days prior to the First Issue Date (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent, the Issuer and the CSD agree to postpone the First Issue Date.
- 5.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clause 5.1.2, the Issuing Agent shall on the First Issue Date settle the issuance of the Initial Bonds and transfer the Net Proceeds of the Initial Bond Issue to an account designated by the Issuer.

5.2 Conditions Precedent for a Subsequent Bond Issue

- 5.2.1 The Issuer shall provide to the Agent, no later than 11.00 a.m. three (3) Business Days prior to any date when the Subsequent Bonds are issued (or such later time as agreed by the Agent), all of the documents and other evidence listed in Part 2 (*Conditions precedent for a Subsequent Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).
- 5.2.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.2.1 have been received (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)). The relevant Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Days prior to the relevant Issue Date (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent, the Issuer and the CSD agree to postpone the relevant Issue Date.
- 5.2.3 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.2.2, the Issuing Agent shall settle the issuance of any Subsequent Bonds and pay the Net Proceeds of such Subsequent Bond Issue to an account designated by the Issuer on the Issue Date in respect of such Subsequent Bonds.

6. THE BONDS AND TRANSFERABILITY

- 6.1 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.
- 6.2 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.
- 6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.

7. BONDS IN BOOK-ENTRY FORM

- 7.1 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.
- 7.2 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.
- 7.3 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.
- 7.4 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.
- 7.5 At the request of the Agent, the Issuer shall promptly obtain information from the Debt Register and provide it to the Agent.
- 7.6 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.
- 7.7 The Issuer (and the Agent when permitted under the CSD Regulations) may use the information referred to in Clause 7.3 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.

8. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 8.1 If any person other than a Bondholder (including the owner of a Bond, if such person is not the Bondholder) wishes to exercise any rights under the Finance Documents, it must obtain a power

of attorney or other authorisation from the Bondholder or a successive, coherent chain of powers of attorney or authorisations starting with the Bondholder and authorising such Person.

- 8.2 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.
- 8.3 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 8.1 and 8.2 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.
- 8.4 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.

9. PAYMENTS IN RESPECT OF THE BONDS

- 9.1 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 an Interest Payment Date or other 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.
- 9.2 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. If a bank account has not been registered on the applicable Record Date for the relevant payment, no payment will be effected by the CSD to such Bondholder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Bondholder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- 9.3 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 10.4 during such postponement.
- 9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer 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 has actual knowledge of the fact that the payment was made to the wrong person.
- 9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable

withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

10. INTEREST

- 10.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 10.2 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.
- 10.3 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).
- 10.4 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 (200.00) 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.

11. REDEMPTION AND REPURCHASE OF THE BONDS

11.1 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.

11.2 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.

11.3 **Early voluntary total redemption (call option)**

11.3.1 The Issuer may redeem all, but not some only, of the Bonds in full on any Business Day falling after the First Issue Date up to (but excluding) the Final Redemption Date at the applicable Call Option Amount together with accrued but unpaid Interest.

11.3.2 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

11.4.1 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 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 (a)(i) of Clause 12.4 (*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.

11.4.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 12.4 (*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 (a)(i) of Clause 12.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.4.1.

11.4.3 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 11.4, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.

11.4.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 11.4, 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 11.4 (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 11.4, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

- 11.4.5 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer'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.

12. INFORMATION UNDERTAKINGS

12.1 Financial Statements

12.1.1 The Issuer shall 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.

12.1.2 The Issuer shall procure that the aggregate Nominal Amount held by the Issuer, including any amount of Bonds cancelled by the Issuer, is clearly stated in each interim report published by the Issuer pursuant to Clause 12.1.1(b).

12.2 Requirements as to Financial Statements

12.2.1 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, 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).

12.2.2 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.

12.3 Compliance Certificate

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

- (a) in connection with the incurrence of any new Financial Indebtedness or the making of any Restricted Payment, which requires that the Incurrence Test is met; and
- (b) at the Agent's request, within twenty (20) calendar days from such request.

12.3.2 In each Compliance Certificate, the Issuer shall:

- (a) certify that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it; and
- (b) if provided in connection with an application of the Incurrence Test, include calculations and figures in respect of the Net Interest Bearing Debt to EBITDA and Interest Coverage Ratio (calculated *pro forma* and in accordance with the Calculation Principles).

12.4 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 such notice;
- (b) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on its website; and
- (c) provide the Agent with any information which the Agent deems necessary (acting reasonably) relating to (i) all disposals made pursuant to Clause 14.7 (*Disposals of assets*) during the relevant financial year if the Annual Disposal Threshold is exceeded, (ii) any merger or demerger of any Material Group Company/ies as stipulated in Clause 15.6 (*Mergers and demergers*) or (iii) any cessation of business in relation to the Issuer or any Group Company/ies as stipulated in Clause 15.9 (*Cessation of business*).

12.5 Restrictions

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 12 (*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, as applicable). 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 12 (*Information undertakings*).

13. FINANCIAL COVENANTS

13.1 Incurrence Test

- 13.1.1 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.
- 13.1.2 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**”).
- 13.1.3 The Incurrence Test is met if:
- (a) the ratio of Net Interest Bearing Debt to EBITDA is less than 3.50:1;
 - (b) the Interest Coverage Ratio exceeds 3.00:1; and
 - (c) no Event of Default is continuing or would occur upon the relevant incurrence, distribution or payment (as applicable),

in each case calculated in accordance with the Calculation Principles.

13.2 **Calculation Principles**

- 13.2.1 For the purpose of the Incurrence Test (without double counting):
- (a) The calculation of the ratio of Net Interest Bearing Debt to EBITDA shall be made as per the relevant Incurrence Test Date.
 - (b) The Net Interest Bearing Debt shall be measured on the relevant Incurrence Test Date, but include the new Financial Indebtedness (and any Financial Indebtedness owed by any entity acquired with such Financial Indebtedness) and exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred, in each case provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce Net Interest Bearing Debt). EBITDA shall be calculated as set out below.
 - (c) The calculation of the Interest Coverage Ratio shall be made for the Reference Period ending on the last day of the period covered by the most recent Financial Statement.
 - (d) The figures for EBITDA, Finance Charges and Net Finance Charges for the Reference Period ending on the last day of the period covered by the most recent Financial Statement (including any new Financial Indebtedness, for the avoidance of doubt, always including the Financial Indebtedness incurred under the Initial Bond Issue and any previous Subsequent Bond Issues and excluding any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness, in each case on a *pro forma* basis) shall be used for the Incurrence Test, but adjusted so that:
 - (i) entities, assets or operations acquired, disposed of or discontinued by the Group during the Reference Period, or after the end of the Reference Period but before the relevant Incurrence Test Date (as applicable), shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period; and
 - (ii) any entity, asset or operation to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period.

14. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set forth in this Clause 14.

14.1 Distributions

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

- (a) pay any dividends in respect of its shares;
- (b) repurchase any of its own shares (other than for the purpose of (i) repurchasing or redeeming any minority interest holders in any Group Company or (ii) securing any of its obligations or costs under any Employee Ownership Program);
- (c) redeem its share capital or other restricted equity with repayment to shareholders (other than to any minority interest holders in any Group Company for the purpose of increasing the Group's ownership share in the relevant Group Company);
- (d) repay principal or pay interest under any shareholder loan (for the avoidance of doubt, not including payment under vendor loans, promissory notes or earn-out payments relating to acquisitions made by the Group), Hybrid Instruments or Subordinated Debt; or
- (e) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to a direct or indirect shareholder 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:

- (A) any Group Company if such Restricted Payment is made to another Group Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, (i) is made on a *pro rata* basis or (ii) if not made on a *pro rata* basis as a result of any Group Company waiving its right to receive its *pro rata* share, follows from an agreement entered into with any minority interest holders in the relevant Group Company on, to the Issuer, reasonable commercial terms;
- (B) the Issuer if such Restricted Payment constitutes payment of interest under Hybrid Instruments, provided that such Hybrid Instruments have been initially issued pursuant to a customary public offering of hybrid instruments in the Nordic capital markets on terms and conditions customary for such transaction;
- (C) the Issuer, provided that (i) the Incurrence Test (calculated pro forma including the relevant Restricted Payment) is met and (ii) at the time of such Restricted Payment, the aggregate amount of all Restricted Payments of the Group in a financial year (including the Restricted Payment in question, but excluding any Restricted Payment made in accordance with paragraphs (A) above and (D)

below, does not exceed fifty (50.00) per cent. of the Group's consolidated net profit (Sw. *årets resultat*), in each case calculated according to the annual audited Financial Statements for the previous financial year (and without accumulation of profits from previous financial years);

- (D) the Issuer if such Restricted Payment constitutes payment of principal or interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by an issuance of new Hybrid Instruments, an incurrence of Subordinated Debt or an equity injection in cash by way of a share issue in the Issuer or an unconditional shareholder contribution to the Issuer; and
- (E) 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)*).

14.2 **Admission to trading of Bonds**

Without prejudice to Clause 11.4 (*Mandatory repurchase due to a Change of Control, De-listing or Listing Failure (put option)*), the Issuer shall ensure that:

- (a) the Initial Bonds are admitted to trading on the corporate 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 twelve (12) months after the First Issue Date; and
- (b) any Subsequent Bonds are admitted to trading on the relevant Regulated Market promptly and not later than four (4) months after the relevant Issue Date (unless the Subsequent Bonds are issued before the date falling twelve (12) months after the First Issue Date in which case such Subsequent Bonds shall be admitted to trading within the later of (A) twelve (12) months after the First Issue Date and (B) the date falling four (4) months after the relevant Issue Date).

14.3 **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 First Issue Date.

14.4 **Financial Indebtedness**

The Issuer shall not, and shall procure that none of the Subsidiaries will incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Group Companies have a right to incur, maintain and prolong Financial Indebtedness which constitute Permitted Debt.

14.5 **Loans out**

The Issuer shall not, and shall procure that none of the Subsidiaries will, provide any loan to any party, save for (i) to another Group Company, (ii) in the ordinary course of business of the relevant Group Company or (iii), if not permitted by item (i) or (ii) above, in an aggregate amount not at any time exceeding SEK 100,000,000 (or its equivalent in other currencies).

14.6 **Negative Pledge**

The Issuer shall not, and shall procure that none of the Subsidiaries will, provide, prolong or renew any security over any of its/their assets (present or future) to secure any loan or other indebtedness, provided however that the Group Companies have a right to provide, prolong and renew any Permitted Security.

14.7 **Disposals of assets**

The Issuer shall not, and shall procure that none of the Subsidiaries will, sell or otherwise dispose of shares in any Subsidiaries which individually or in the aggregate represent more than five (5.00) per cent. of the Group's consolidated sales according to the annual audited Financial Statements for the previous financial year (the "**Annual Disposal Threshold**"), or of all or substantially all of its or such Subsidiaries' 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.

14.8 **Dealings with related parties**

The Issuer shall, and shall procure that the Subsidiaries 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.

14.9 **Compliance with laws and regulations**

The Issuer shall, and shall procure that the Subsidiaries will, comply with all laws and regulations to which it may be subject from time to time (including, but not limited to, the rules and regulations of any Regulated Market on which the Issuer's securities from time to time are listed), if failure to do so has or is reasonably likely to have a Material Adverse Effect.

14.10 **Authorisations**

The Issuer shall, and shall procure that the Subsidiaries 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, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

14.11 **Agency Agreement**

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

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

14.12 **CSD related undertakings**

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

15. **TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 15 is an Event of Default (save for Clause 15.10 (*Termination*) and Clause 15.11 (*Distribution of proceeds*)).

15.1 **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 its due date.

15.2 **Other obligations**

- (a) The Issuer does not comply with any provision of these Terms and Conditions in any other way than as set out under Clause 15.1 (*Non-payment*).
- (b) No Event of Default under paragraph (a) 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:
 - (i) the Agent giving notice to the Issuer; and
 - (ii) the Issuer becoming aware of the failure to comply,provided that if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written notice.

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

- (a) Any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (b) Any security interest securing Financial Indebtedness over any asset of any Material Group Company/ies is enforced.
- (c) No Event of Default will occur under this Clause 15.3 if:
 - (i) the Financial Indebtedness is owed by a Group Company to another Group Company; or

- (ii) the aggregate amount of Financial Indebtedness falling within paragraphs (a) to (b) above is equal to or less than SEK 75,000,000 (or its equivalence in other currencies).

15.4 **Insolvency**

- (a) Any Material Group Company/ies:
 - (i) is unable or admits inability to pay its debts as they fall due;
 - (ii) is declared to be unable to pay its debts under applicable law;
 - (iii) suspends making payments on its debts generally; or
 - (iv) by reason of actual or anticipated financial difficulties, commences negotiations with its creditors generally (other than under the Terms and Conditions) with a view to rescheduling its Financial Indebtedness.
- (b) A moratorium is declared in respect of the Financial Indebtedness of any Material Group Company/ies.

15.5 **Insolvency proceedings**

- (a) Any corporate action, legal proceedings or other procedures are taken in relation to:
 - (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company/ies;
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company/ies or any of its/their assets; or
 - (iii) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company/ies.
- (b) Paragraph (a) above shall not apply to:
 - (i) 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
 - (ii) in relation to the members of the Group other than the Issuer, solvent liquidations.

15.6 Mergers and demergers

- (a) A decision is made that any Material Group Company/ies shall be merged or demerged into a company which is not a Group Company if such merger and/or demerger has or is reasonably likely to have a Material Adverse Effect; or
- (b) the Issuer merges with any other Person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity.

15.7 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/ies having an aggregate value equal to or exceeding SEK 75,000,000 (or its equivalence in other currencies) and is not discharged within thirty (30) calendar days.

15.8 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.

15.9 Cessation of business

- (a) The Issuer ceases to carry on its business; or
- (b) any Material Group Company/ies (save for the Issuer) ceases to carry on its business, except if due to
 - (i) a permitted disposal permitted under Clause 14.7 (*Disposals of assets*); or
 - (ii) a merger or demerger permitted under Clause 15.6 (*Mergers and demergers*),in each case provided that such cessation is likely to have a Material Adverse Effect.

15.10 Termination

- 15.10.1 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 (50.00) 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 15.10.3 or 15.10.5, 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.
- 15.10.2 The Agent may not terminate the Bonds in accordance with Clause 15.10.1 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 15.10.1.

- 15.10.3 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 15.1 (*Non-payment*)) up until the time stipulated in Clause 15.10.4 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.
- 15.10.4 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 16 (*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.
- 15.10.5 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 16 (*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.
- 15.10.6 If the Bondholders instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 15.10.7 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.
- 15.10.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 16 (*Decisions by Bondholders*).
- 15.10.9 If the Bonds are declared due and payable in accordance with Clause 15.10.1, 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 Amount for the relevant period, and shall up until the First Call Date be at the price set out in paragraph (a) of the definition Call Option Amount (plus accrued and unpaid interest).

15.11 Distribution of proceeds

15.11.1 If the Bonds have been declared due and payable in accordance with this Clause 15, all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *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 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 these Terms and Conditions, 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.

15.11.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.11.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.11.1.

15.11.3 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 15.11 as soon as reasonably practicable.

15.11.4 If the Issuer or the Agent shall make any payment under this Clause 15.11, 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 9.1 shall apply.

16. DECISIONS BY BONDHOLDERS

16.1 Request for a decision

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10.00) 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.
- 16.1.3 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.
- 16.1.4 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.
- 16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Issuer or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall upon request provide the Issuer or the convening Bondholder(s) with the information available in 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. The Issuer or Bondholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.
- 16.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 16.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 16.3.1. After a request from the Bondholders pursuant to Clause 18.4.3, 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 16.2.1. 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.

16.2 **Bondholders' Meeting**

16.2.1 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 complete notice 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.

16.2.2 The notice pursuant to Clause 16.2.1 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) a form of power of attorney;
- (e) the agenda for the meeting;
- (f) any applicable conditions precedent and conditions subsequent;
- (g) the reasons for, and contents of, each proposal;
- (h) if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
- (i) if a notification by the Bondholders is required in order to attend the Bondholders' Meeting, information regarding such requirement; and
- (j) 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.

16.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.

16.2.4 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 and advisors 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.

16.2.5 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.

16.3 **Written Procedure**

16.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication 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.

16.3.2 A communication pursuant to Clause 16.3.1 shall include:

- (a) each request for a decision by the Bondholders;
- (b) a description of the reasons for and contents of, each proposal (including, if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment) each request;
- (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 thirty (30) Business Days from the effective date of the communication pursuant to Clause 16.3.1); and
- (h) if the voting shall be made electronically, instructions for such voting.

16.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

16.3.4 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).

16.4 **Majority, quorum and other provisions**

16.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*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 Record Date specified in the communication pursuant to Clause 16.3.2, 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.
- 16.4.2 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 16.3.2:
- (a) waive a breach of or amend an undertaking set out in Clause 14 (*Special undertakings*);
 - (b) a mandatory exchange of the Bonds for other securities;
 - (c) 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 (*Base Rate Replacement*));
 - (d) amend the provisions in Clause 15.11;
 - (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
 - (f) amend the provisions in this Clause 16.4.2 or in Clause 16.4.3.
- 16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than fifty (50.00) 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 16.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (d) of Clause 17.1) or a termination of the Bonds.
- 16.4.4 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 16.4.3.
- 16.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least twenty (20.00) 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.
- 16.4.6 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.
- 16.4.7 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 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), 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. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 16.4.7, the date of request of the second Bondholders' Meeting pursuant to Clause 16.2.1 or second Written Procedure pursuant to Clause 16.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 16.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.

- 16.4.8 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 these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 16.4.9 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.
- 16.4.10 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.
- 16.4.11 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 the Issuer or the other Bondholders.
- 16.4.12 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.
- 16.4.13 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates as per the Record Date for voting, 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.
- 16.4.14 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.

17. AMENDMENTS AND WAIVERS

17.1 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 corporate 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) has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders; or
- (f) the Agent is satisfied that such amendment or waiver is made pursuant to Clause 20 (*Base Rate Replacement*).

17.2 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 17.1, 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.

17.3 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.

18. THE AGENT

18.1 Appointment of the Agent

18.1.1 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 including, for the avoidance of doubt, any legal or arbitration proceeding relating 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). By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.

- 18.1.2 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.
- 18.1.3 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.
- 18.1.4 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.
- 18.1.5 The Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

18.2 **Duties of the Agent**

- 18.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents.
- 18.2.2 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.
- 18.2.3 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.
- 18.2.4 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.
- 18.2.5 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.
- 18.2.6 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; or

- (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents (including for the purpose of deciding whether the conditions set out in Clause 17.1 are fulfilled).

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 15.11 (*Distribution of proceeds*).

- 18.2.7 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.
- 18.2.8 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.

- 18.2.9 The Agent shall (a) review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 12.3.2 and as otherwise agreed between the Issuer and the Agent and (b) verify that the Issuer according to its reporting in the Compliance Certificate meets the relevant financial covenant(s) or tests. 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 18.2.9.
- 18.2.10 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 18.2.10. 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.
- 18.2.11 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.
- 18.2.12 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.

- 18.2.13 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 18.2.12.
- 18.2.14 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 (unless, in the opinion the Agent, such request is vexatious or frivolous). The Agent may require that the requesting Bondholder or the Issuer 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.
- 18.2.15 Subject to any 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 15.10.3).

18.3 **Liability for the Agent**

- 18.3.1 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.
- 18.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts 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.
- 18.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to 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.
- 18.3.4 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.
- 18.3.5 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.

18.4 Replacement of the Agent

- 18.4.1 Subject to Clause 18.4.6, 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.
- 18.4.2 Subject to Clause 18.4.6, 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.
- 18.4.3 A Bondholder (or Bondholders) representing at least ten (10.00) 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.
- 18.4.4 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.
- 18.4.5 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.
- 18.4.6 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 18.4.4 having lapsed.
- 18.4.7 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.
- 18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, 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.

19. THE ISSUING AGENT

- 19.1 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.
- 19.2 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.
- 19.3 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.

20. BASE RATE REPLACEMENT

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

- 20.2.1 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 minimise any transfer of economic value from one party to another as a result of a replacement of the Base Rate.

“**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 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); or
- (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*), or in respect of EURIBOR, from the equivalent entity with insolvency or resolution powers over the Base Rate Administrator, containing the information referred to in (b) above.

“**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 (*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 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 determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating 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 (i) a Base Rate Event has occurred or (ii) a Base Rate Event Announcement has been made and the announced Base Rate Event will occur within six (6) months, 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 determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate.
- 20.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 20.3.2, within thirty (30) calendar days, 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.
- 20.3.4 The Independent Adviser shall also 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 determined 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, taking into account any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

20.4 **Interim measures**

- 20.4.1 If Base Rate Event has occurred but no Successor Base Rate and Adjustment Spread have been determined prior to the relevant Quotation Day in relation to the next succeeding Interest Period, 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.

20.5 Notices

The Issuer shall promptly following the determination 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 24 (*Notices and press releases*) and the CSD. The notice shall also include the time when the amendments will become effective.

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 a duly authorised signatory of the Issuer confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined 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 determination, 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 Terms and Conditions 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 Terms and Conditions.

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 the Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

21. THE CSD

21.1 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.

21.2 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 corporate 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 Swedish Securities

Market Act (Sw. *lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

22. NO DIRECT ACTIONS BY BONDHOLDERS

- 22.1 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.
- 22.2 Clause 22.1 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 18.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 18.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.13 before a Bondholder may take any action referred to in Clause 22.1.
- 22.3 The provisions of Clause 22.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 11.4 (*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.

23. TIME-BAR

- 23.1 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.
- 23.2 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.

24. NOTICES AND PRESS RELEASES

24.1 Notices

24.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or 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.

24.1.2 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 24.1.1;
- (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1; 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 24.1.1.

24.1.3 Any notice which shall be provided to the Bondholders in physical form pursuant to these Terms and Conditions may, at the discretion of the Agent, be limited to:

- (a) a cover letter, which shall include:
 - (i) all information needed in order for Bondholders to exercise their rights under the Finance Documents;
 - (ii) details of where Bondholders can retrieve additional information;
 - (iii) contact details to the Agent; and

- (iv) an instruction to contact the Agent should any Bondholder wish to receive the additional information by regular mail; and
 - (b) copies of any document needed in order for Bondholder to exercise their rights under the Finance Documents.
- 24.1.4 Any notice or other communication to the Bondholders pursuant to the Finance Documents shall be in English.
- 24.1.5 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.
- 24.2 **Press releases**
- 24.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 11.3 (*Early voluntary total redemption (call option)*), Clause 11.4 (*Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)*), paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*) or Clauses 15.10.3, 15.11.4, 16.2.1, 16.3.1, 16.4.14, 17.2, 18.2.13, 18.4.1 or 20.5 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 24.2.2 In addition to Clause 24.2.1, 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.

25. **FORCE MAJEURE**

- 25.1 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.
- 25.2 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.
- 25.3 The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

26. GOVERNING LAW AND JURISDICTION

- 26.1 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.
- 26.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 26.3, be determined by Swedish courts and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 26.3 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.
-

SCHEDULE 1

CONDITIONS PRECEDENT

Part 1

Conditions Precedent for the Initial Bond Issue

1. Corporate documents

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer.
- (b) A copy of a resolution of the board of directors of the Issuer:
 - (i) approving the terms of, and the transactions contemplated by, the documents set out in Section 2(a) to (b) below and resolving that it execute, deliver and perform such documents;
 - (ii) authorising a specified person or persons to execute the documents set out in Section 2(a) to (b) below 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 documents set out in Section 2(a) to (b) below.

2. Finance Documents

- (a) A duly executed copy of the Terms and Conditions.
- (b) A duly executed copy of the Agency Agreement.

Part 2

Conditions Precedent for a Subsequent Bond Issue

1. Corporate documents

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer.
- (b) A copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into documents necessary in connection therewith.

2. Miscellaneous

- (a) A Compliance Certificate from the Issuer confirming that 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 from the Subsequent Bond Issue.
- (b) Such other documents and evidence as is agreed between the Agent and the Issuer.

SCHEDULE 2 FORM OF COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

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

From: Storskogen Group AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

Storskogen Group AB (publ)
Maximum SEK 2,000,000,000 senior unsecured callable floating rate bonds 2024/2027
with ISIN: SE0022240974 (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) **[Incurrence Test**

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

(a) *Net Interest Bearing Debt to EBITDA*: The Net Interest Bearing Debt was SEK [●], EBITDA was [●] and therefore the ratio Net Interest Bearing Debt to EBITDA was [●] (and should be less than 3.50:1);

(b) *Interest Coverage Ratio*: The consolidated EBITDA was SEK [●], the Net Finance Charges were [●] and therefore the Interest Coverage Ratio was [●] (and should exceed 3.00:1)

(c) 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 Relevant Event,

in each case including the Relevant Event on a *pro forma* basis and otherwise calculated in accordance with Clause 13.2 (*Calculation principles*).

Computations as to compliance with the Incurrence Test are attached hereto.¹²

(3) [We confirm that, as far as we are aware, no Event of Default is continuing.]³

¹ To include calculations of the Incurrence Test and any adjustments pursuant to Clause 13.2.

² This section to be used if the Compliance Certificate is delivered in connection with an Incurrence Test.

³ 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.

Storskogen Group AB (publ)

Name:
Authorised signatory

Name:
Authorised signatory

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

Stockholm, _____ 2024

The Issuer

Storskogen Group AB (publ)

Name:

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

Stockholm, _____ 2024

The Agent

Nordic Trustee & Agency AB (publ)

Name:

ADDRESSES

Issuer

Storskogen Group AB (publ)
Hovslagargatan 3, 111 48 Stockholm, Sweden
Web page: www.storskogen.com

Issuing Agent and Joint Bookrunner

Nordea Bank Abp
Smålandsgatan 17, 105 71 Stockholm, Sweden
Web page: www.nordea.com

Joint Bookrunners

Danske Bank A/S, Danmark, Sverige Filial
P.O. Box 7523, 103 92 Stockholm, Sweden
Web page: danskebank.se

Swedbank AB (publ)
Malmskillnadsgatan 23, 111 57 Stockholm, Sweden
Web page: www.swedbank.com

DNB Bank ASA Filial Sverige
Regeringsgatan 59, 111 56 Stockholm, Sweden
Web page: dnb.se

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8, 111 47 Stockholm, Sweden
Web page: sebgrou.se

Legal advisor

Gernandt & Danielsson Advokatbyrå KB
P.O. Box 5747, 114 87 Stockholm, Sweden
Web page: www.gda.se

Agent

Nordic Trustee & Agency AB (publ)
P.O. Box 7329, 103 90 Stockholm, Sweden
Web page: www.nordictrustee.com

Central securities depository

Euroclear Sweden AB
P.O. Box 191, 101 23 Stockholm, Sweden
Web page: www.euroclear.com