This prospectus was approved by the Swedish Financial Supervision Authority on 16 April 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the event of significant new factors, material mistakes or material inaccuracies does not apply when the prospectus is no longer valid.

NOBA BANK GROUP AB (PUBL)

Prospectus for admission to trading of SEK 799,500,000 Floating Rate Additional Tier 1 Notes with ISIN NO0013177964

Important information

This prospectus (the "**Prospectus**") has been prepared by NOBA Bank Group AB (publ) with registration number 556647-7286 (the "**Issuer**" or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) "**NOBA**" or the "**Group**"), in relation to the application for admission to trading of the Issuer's SEK 799,500,000 Floating Rate Additional Tier 1 Notes with ISIN NO0013177964 issued on 19 March 2024 (the "**Notes**") on the corporate bond list of Nasdaq Stockholm AB ("**Nasdaq Stockholm**").

Words and expressions defined in the terms and conditions for the Notes (the "**Terms and Conditions**") have the same meanings when used in this Prospectus, unless expressly stated or otherwise follows from the context. "**DKK**" refers to Danish kroner**,** "**EUR**" refers to Euro, "**NOK**" refers to Norwegian kroner and "**SEK**" refers to Swedish kronor. "**M**" refers to million(s) and "**bn**" refers to billion(s).

Notice to investors

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (the "**SFSA**", 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 SFSA that the information in this Prospectus is accurate or complete.

No person has been authorised to provide any information or make any statements other than those contained in this Prospectus. Should such information or statements nevertheless be furnished, it/they must not be relied upon as having been authorised or approved by the Issuer and the Issuer assumes no responsibility for such information or statements. The publication of this Prospectus does not imply that the information in this Prospectus is correct and current as at any date other than the date of this Prospectus or that there have not been any changes in the Issuer's or the Group's business since the date of this Prospectus. If the information in this Prospectus becomes subject to any material change, such material change will be made public in accordance with the provisions governing the publication of supplements to prospectuses in the Prospectus Regulation.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Notes in any jurisdiction. It has been prepared solely for the purpose of admitting the Notes 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 Notes are therefore required to inform themselves about, and to observe, such restrictions. The Notes 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 Notes 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).

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer's auditor. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents that are incorporated by reference and possible supplements to this Prospectus. This Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Prospectus.

Forward-looking statements and market data

This Prospectus may contain certain forward-looking statements that reflect the Issuer's current views or expectations with respect to future events and financial and operational performance. The words "intend", "estimate", "expect", "may", "plan", "anticipate" or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Although the Issuer believes that these statements are based on reasonable assumptions and expectations, the Issuer cannot give any assurances that such statements will materialise. Because these forward-looking statements involve known and unknown risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statement.

Factors that could cause the Issuer's and the Group's actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in the section "*Risk factors*". The forward-looking statements included in this Prospectus apply only to the date of the Prospectus. The Issuer undertakes no obligation to publicly update or revise any forward- looking statements, whether as a result of new information, future events or otherwise, other than as required by law. Any subsequentforward-looking information that can be ascribed to the Issuer and the Group or persons acting on the Issuer's behalf is subject to the reservations in or referred to in this section.

The Prospectus may contain market data and industry forecasts, including information related to the sizes of the markets in which the Group participates. The information has been extracted from a number of sources. Although the Issuer regards these sources as reliable, the information contained in them has not been independently verified and therefore it cannot be guaranteed that this information is accurate and complete. However, as far as the Issuer is aware and can assure by comparison with other information made public by these sources, no information has been omitted in such a way as to render the information reproduced incorrect or misleading. In addition to the above, certain data in the Prospectus is also derived from estimates made by the Issuer.

TABLE OF CONTENTS

RISK FACTORS

In this section, material risk factors are illustrated and discussed, including NOBA's economic and market risks, operational risks, finance risks, legal and regulatory risks, as well as risks relating to the Notes. The Issuer's assessment of the materiality of each risk factor is based on the probability of their occurrence and the expected magnitude of their negative impact. The description of the risk factors below is based on information available and estimates made on the date of this Prospectus. The risk factors are presented in categories where the most material risk factors in a category are presented first under that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.

RISKS RELATING TO THE ISSUER

Economic and market risks

Risks relating to the current macroeconomic environment

NOBA is exposed to general market conditions and the level of economic activity in the countries in which it operates, as such conditions and activity affect its customer base. The economic conditions globally and in the markets in which NOBA operates may be affected by, among other things, inflation, interest rates, unemployment level, household disposable income, household indebtedness, the state of the housing market, housing prices, and foreign exchange markets.

The Nordic region is NOBA's most important market. NOBA has a customer base of approximately 2 million private customers, of which a large majority are in the Nordics. Accordingly, NOBA is predominantly affected by the economic environment in the Nordic region. Due to the high level of consumer indebtedness in the Nordic region, primarily related to average mortgage loans being high relative to income, NOBA is affected by fluctuations on the housing market and interest rates on mortgage loans in the Nordic countries. During 2023, as a response to higher inflation, central banks in general have increased interest rates. The European Central Bank (ECB), Sweden's Central Bank (Sw. *Riksbanken*), the Norwegian Central Bank (Nw. *Norges Bank*) and the Danish Central Bank (Da. *Danmarks Nationalbank*) did all follow this pattern during 2023, implementing higher interest rates. This has affected interest rates for mortgage- and consumer loans in the markets in which NOBA operates, adversely affecting consumption and consumers' ability to repay their mortgages and loans. During the financial year ended on 31 December 2023, NOBA's credit losses corresponded to 3.9 per cent of average lending, compared to 3.0 per cent during the financial year ended on 31 December 2022. The increased percentage of credit losses was partly driven by higher provisions relating to loans in Stage 1 and reflects an increasingly challenging economic environment for many consumers. A prolonged downturn in the economic environment in Europe, primarily in the Nordic region, may further increase credit losses for NOBA.

Geopolitical factors may also affect the Nordic countries as well as the global economy and thereby affect NOBA. Recently, global tension including several wars and conflicts, such as Russia's invasion of Ukraine and the conflict between Israel and Hamas, has caused uncertainty in both the financial and real economic markets. Whilst NOBA does not provide any consumer lending, nor does it have any employees in Russia, Belarus, Ukraine, Israel or Palestine and is not directly affected by the above-mentioned conflicts, increased tension and uncertainty and other geopolitical factors that affect the macroeconomic environment and financial markets may have an adverse effect on NOBA's operations or ability to obtain financing on advantageous terms. Similar uncertainty in the financial markets may also be caused by other incidents including, more recently, the outbreak of public health pandemics and epidemics or outbreaks of diseases.

Further, reduced customer confidence or a decline in consumption, or a negative change in the use of, or attitude towards, consumer credit in the Nordic region would have an adverse effect on NOBA's ability to generate net interest income and new lending.

The degree to which a downturn or deterioration in macroeconomic conditions in the Nordic region may affect NOBA is uncertain and presents a highly significant risk to the size of NOBA's loan portfolio, NOBA's ability to attract and maintain customers in order to maintain or increase its income and profits as well as NOBA's credit losses.

Risks related to NOBA's product offering

NOBA derives its income almost entirely from unsecured personal loans, mortgage loans, equity release mortgages and credit card services. Therefore, there is a risk that changes affecting NOBA's ability to offer these products in any of its geographical markets will require NOBA to reduce or restrict its primary operations and amend its current business model. Examples of such changes include, but are not limited to:

- changes in laws and regulations, for example, reducing the statute of limitations for debt collection, limiting the interest rates on loans or otherwise affecting the terms of loans or the activities of loan providers;
- decreases in demand for NOBA's loans due to, among other factors, macroeconomic conditions;
- increases in default rates for NOBA's loans due to, among other factors, macroeconomic conditions;
- decreases in demand for NOBA's loans due to competition, damage to NOBA's reputation or other factors; and
- decreases in demand for NOBA's credit card services due to, among other factors, macroeconomic conditions.

Furthermore, compared to competitors that have a more diversified product portfolio, NOBA will be more exposed to adverse changes in macroeconomic conditions or other factors affecting the personal loan market, mortgage loan market, the credit card market and equity release mortgages.

NOBA's business model is focused on efficient data management, statistical analysis, a test-and-learn approach and quantitative decision making. As a result, NOBA's business model for personal loans is best suited for countries where highly relevant data is available for customer targeting and conducting credit assessments, including with effective legal debt collection systems and a culture that promotes repayment. Therefore, NOBA's ability to expand its business beyond its current markets is dependent on environments supportive of its business model or adaptations that accounts for differences in other markets.

Should the environment in any of its current markets change to no longer support its business model, and if NOBA were no longer able to offer loans as it currently does, or at all, NOBA may be required to change its business model or restrict or cease its operations, with decreased income and declined results of operations as a consequence. The degree to which any of the negative consequences related to changes in NOBA's product offering may affect NOBA is uncertain and presents a significant risk to NOBA's business and financial position.

Personal loans

As personal loans are generally used for debt consolidation and general consumption, there is a risk that the demand for NOBA's personal loan products will be adversely affected by changes in consumer trends, levels of consumption, demographic patterns, customer preferences and financial conditions, all of which are affected by general macroeconomic conditions in the markets in which NOBA operates. For example, growth in gross domestic product ("**GDP**") has generally resulted in increased demand for personal loans. There is a risk that a decrease in GDP or in GDP growth will adversely affect demand for NOBA's personal loan products.

High unemployment levels in the markets where NOBA operates would reduce the number of customers who qualify for NOBA's loan and credit products and result in increased credit losses, which would in turn adversely affect NOBA's ability to maintain the size of its loan portfolio and to improve loan performance with respect to new loans. Accordingly, a severe deterioration in global or regional economic conditions would adversely affect demand for the products and services offered by NOBA. Reduced consumer confidence and spending may decrease the demand for NOBA's consumer loans which could materially adversely affect the business prospects and financial condition of NOBA.

Furthermore, there is a risk that changes in macroeconomic conditions could force NOBA to scale down or suspend personal lending operations. In 2008 and 2009, NOBA suspended its personal lending operations in all of its markets (at the time, Sweden, Norway, Finland and Denmark) and focused on collections in response to the global economic downturn and tightening of available funding from financial institutions and the capital markets. NOBA resumed new personal lending operations in Norway and Sweden in 2010 and in Finland in 2011 as macroeconomic conditions improved. NOBA has, through the acquisition of and subsequent merger with Bank Norwegian ASA ("**Bank Norwegian**"), also resumed its personal lending operations in Denmark. If NOBA would suspend personal lending operations for an extended period of time in the future in response to macroeconomic conditions or other factors, it would adversely affect NOBA's ability to maintain and grow its personal loan portfolio. The degree to which negative development in the macroeconomic conditions in the Nordic region may affect NOBA is uncertain and presents a significant risk for a negative development on demand for personal loans originated by NOBA.

There may also be political and legal developments affecting the demand for NOBA's personal loan products, see section *Legal and regulatory risks*.

Mortgage loans

House prices may be negatively affected by, for example, changes in regulations affecting the mortgage market directly or indirectly or by a quick rise in interest rates or unemployment levels (see further "*Risks relating to the current macroeconomic environment*"). Amortisation requirements on residential mortgages were implemented by the SFSA on

1 June 2016, and more stringent amortisation requirements were implemented on 1 March 2018. Any such new requirements may have an adverse effect on house prices, in particular in urban areas where market values are higher and have contributed to a reduction in lending growth.

NOBA offers mortgage loans in Sweden and Norway, which are secured by mortgages on real properties or rights in co-op apartments. Should there be a significant downturn in the value of real properties or apartments in Sweden or Norway, such downturn would generally result in a deterioration in credit quality and the recoverability of mortgage loans of NOBA. In addition, there are certain other circumstances that may affect the level of credit losses, acceleration and payments of interest and principal amounts, such as changes regarding taxation and/or changes in the political environment. Adverse changes in the credit quality of NOBA's borrowers and counterparties would affect the recoverability and value of its assets and require an increase in NOBA's provisions for bad and doubtful debts and other provisions which in turn would have an adverse effect on NOBA's business, financial condition and/or results of operations. The degree to which negative development of the Swedish and Norwegian mortgage market may affect NOBA is uncertain and presents a significant risk for a negative development on demand for mortgage loans originated by NOBA.

Equity release mortgages

NOBA's equity release mortgages (*Sw. kapitalfrigöringskrediter*) include a "No negative equity guarantee" which means that NOBA's claim is limited to the proceeds from the sale of the property and the borrower is not liable to cover a potential shortfall if the proceeds from the sale of the property are not sufficient to cover the loan. Although NOBA has highly conservative loan-to-value ("**LTV"**) levels with average LTVs of 33 per cent for equity release mortgages as of 31 December 2023, a significant drop in house prices would materially impact borrowers' ability to make full repayment which would result in deteriorating credit quality.

The equity release mortgages are granted to individuals of at least sixty years of age. Accordingly, NOBA operates within a market where borrowers more commonly may suffer from certain age-related conditions. There is a risk that, upon death of a borrower, relatives of the deceased may claim that the deceased did not have presence of mind or was misled at the entry into the contract and, on such ground, legally challenge the contract (under the Act on Contracts Concluded Under the Influence of a Mental Disorder (Sw. *lag (1924:323) om verkan av avtal, som slutits under påverkan av en psykisk störning*) and the Swedish Contracts Act (Sw. *avtalslagen (1915:218)*). Thus, there is a risk that NOBA will, from time to time, become involved in judicial and administrative proceedings in relation to the above, or similar practices, and such proceedings could, if not merely relating to isolated incidents, prove to be time-consuming, disrupt normal operations, involve large amounts and result in significant costs. Equity release mortgages are a complex product and there is also a risk that NOBA does not comply with the increased regulatory requirements that apply to this type of mortgages.

Credit cards

Credit cards are an important source of income for NOBA as it receives commission income from credit card usage. Credit card activity is particularly relevant as an income source for the Norwegian branch of NOBA (the "**Branch**"), and as of 31 December 2023, out of the Branch's total customer base of approximately 1.7 million customers, approximately 1.1 million were credit card customers, and credit card loans amounted to NOK 16.1 billion. Credit card activity varies depending on spending in general among consumers. Particularly, lower airline and holiday spending tend to lower the usage of the Branch's credit cards. As a result, factors reducing consumers' travelling and time spent abroad is likely to reduce the Branch's credit card usage. As an example, the Branch experienced a negative growth in demand for its credit card services in 2020, considered to be mainly due to lower spending related to COVID-19. Short-term or long-term trends among consumers, including increased environmental concerns in relation to travelling, could also adversely affect the Branch's credit card usage.

Credit and counterparty risks

NOBA's main credit and counterparty risk is that the customers cannot service their debt, and with regards to mortgage loans and equity release mortgages, that the relevant sales proceeds are not sufficient to repay the loans. A certain degree of delinquencies and impairments is anticipated. Credit risk also includes concentration risk, i.e. the risk relating to large exposures to a group of inter-linked customers. In addition, NOBA is exposed to risks associated with the uncontrolled deterioration in the credit quality of its customers which can be driven by, for example, socio-economic or customer-specific factors linked to economic performance. Since NOBA derives a large part of its business from the Nordic countries and since the economies of these countries are partly correlated, NOBA is also exposed to some Nordic concentration risk.

Before NOBA approves any loan, a thorough credit assessment is conducted of the loan application in accordance with its credit policies and applicable laws and regulations. The credit assessment process comprises a combination of policy rules, referral rules, internal credit rating models and a calculation of affordability. Further, NOBA has undertaken extensive research to predict future potential impairments and credit losses on which NOBA's lending model is based and there is a risk that these estimates prove to be inaccurate. The Branch's procedure for assessing customers' creditworthiness is

largely automated, with loan applications being approved automatically based on online input from the customer and third-party verifications (such as Experian for income and personal financial information, and others for real property values). There are inherent risks associated with online processing of loan applications and reliance on criteria where the information is provided by the customers, without personal contact. Consequently, NOBA is exposed to risks relating to the accuracy and completeness of the Branch's financial models on which the automated credit decision is based, as well as risks relating to the reliability of the input provided by the customers, which could assign a creditworthiness to customers which is too high, thereby increasing NOBA's credit risk towards its customers. As of 31 December 2023, NOBA's total loans to the general public amounted to SEK 110,121 million. In total for the financial year ended 31 December 2023, NOBA reported SEK 3,907 million in net credit losses, corresponding to 3.9 per cent of average lending. An increase in the level of credit losses will have an adverse impact on NOBA's business, financial condition and results of operations.

NOBA is also exposed to counterparty risk in that NOBA would suffer a loss in the event of default by a bank counterparty or an issuer of securities held by NOBA. The risk arises as a result of occasional cash deposits placed with clearing banks or invested in securities and the use of derivative financial instruments with banks. A default occurs when a bank or other financial institutions or issuer of securities fails to honour payments as they fall due and such default could have an adverse impact on NOBA's business, financial condition and results of operations.

Additionally, a substantial, and increasing, share of the loan documentation (including the loan agreements) of NOBA's loans are digitally signed by its customers. Under Norwegian law, digitally signed documents normally require a court order in order to complete enforced collection of collateral as opposed to physical loan agreements. In the event of a wide increase in defaults and enforced collections, NOBA is exposed to risk of delay in collection proceedings, in Norway in particular, which could in turn imply further deterioration in the value of underlying assets, thus increasing NOBA's losses on loans, which could in turn have a material adverse effect on NOBA's financial condition, results of operations and/or future prospects.

Competition in the financial services industry

The markets in which NOBA operates are characterised by a high degree of competition and fragmentation, and a strong growth in demand for both personal loans and mortgage loans in these markets, which has led to increased competition between lenders. NOBA's competitors can be broadly categorised into two groups: full-service banks and niche loan providers. In addition, NOBA also competes with other forms of short-term financing providers, such as peer-to-peer lenders and credit card providers. Competition in NOBA's markets is primarily based on the amount of the monthly payment and the other terms of the loan including interest rate, size, term and other features, as well as the quality of service in terms of speed, simplicity and availability.

As a niche loan provider which derives most of its income from personal loans, mortgage loans, equity release mortgages and credit card services, NOBA is dependent on such loan products unlike those of NOBA's competitors that have a more diversified product offering.

NOBA faces the risk that full-service banks operating in its markets, which offer a broad range of products and services through widespread retail office networks and online, may increase their focus on personal loans or equity release products. The full-service banks operating in NOBA's markets typically enjoy well-established market positions, extensive branch networks and high customer awareness. Almost all of NOBA's customers have a relationship with at least one of the full-service banks through payment accounts or other banking products. Therefore, there is a risk that the full-service banks operating in NOBA's markets could have significant competitive advantages over niche personal loan providers, such as NOBA. Furthermore, certain large financial institutions have significantly more available funds to lend or a lower cost of funding than NOBA, which could enable them, among other things, to offer loans with lower interest rates or longer terms than NOBA offers.

Niche personal loan providers are typically focused, with a narrow offering in comparison to full-service banks. NOBA considers niche personal loan and equity release providers to be its main competitors as they target similar groups and provide similar sized loans and interest rates as NOBA.

If NOBA is unable to successfully compete with other lenders, demand for NOBA's loan products would likely decrease, or NOBA would be required to reduce the interest rates that it charges on its loan products in order to maintain demand, which would have a material adverse effect on NOBA's net interest margin.

Operational risks

Risks relating to cyber attacks

NOBA's operations rely on the secure processing, storage and transmission of confidential and private information in

computer systems and networks, which is vulnerable to unauthorised access or malicious hacking, computer viruses or other malicious code or external attacks. Different threats to the security of NOBA's information is likely to increase, as cyber-criminals, rogue states and other intruders are becoming increasingly sophisticated and increase their scope of potential cyber attacks. Recently, a number of companies on the markets in which NOBA operates have become the subjects of such attacks, resulting in business disruptions, customer claims and significant reputational damage. NOBA has approximately 630 employees and cooperates with, and uses, a significant number of partners and suppliers in its day-to-day operations, some of which have access to certain parts of NOBA's IT-systems. Cyber attacks or fraudulent actions may involve employees or consultants of NOBA or third-party suppliers or partners with NOBA which are partly out of NOBA's control but critical to NOBA's operations. The occurrence of any of these events could have an adverse effect of NOBA's business and financial position.

IT-intrusions and cyber attacks may involve unauthorised access or disclosure of private data, which NOBA is required to protect or secure by certain means. For instance, NOBA is subject to personal data protection regimes, including the EU General Data Protection Regulation 2016/679/EU ("**GDPR**"). Non-compliance with requirements of GDPR may result in actions and administrative fines imposed by the Swedish Authority for Privacy Protection (Sw. *Integritetsskyddsmyndigheten*) and the corresponding authorities in the other countries where NOBA operates. Infringements may also result in liability towards individuals suffering damages as a result of the infringement.

NOBA has implemented operational security measures to defend systems and networks against cyber-attacks, and adopted a control framework based on CIS (Center for Internet Security) as well as performs regular security scans. However, given the nature of cyber attacks and the uncertainty of the future development of such, there is a risk that NOBA's measures may not be sufficient to prevent cyber attacks and the damage that may be caused as a result of such attacks.

IT failure risks

NOBA's business depends on its ability to process a large number of transactions efficiently and accurately. NOBA's ability to develop business intelligence systems, to monitor and manage collections, to maintain financial and operating controls, to monitor and manage its risk exposures, to keep accurate records, to provide high-quality customer service and to develop and sell profitable products and services in the future depends on the success of its business continuity planning, the uninterrupted and efficient operation of its information and communications systems, including its information technology, NOBA's monitoring and protective measures and the successful development and implementation of new systems. NOBA may expand its business further into the European market, and NOBA may be required to adapt or develop its information and communication systems due to the conditions on the relevant markets. As is the case for information technology systems generally, losses could result from inadequate or failed internal control processes and protection systems, human error, fraud or external events that interrupt normal business operations. This could result in a loss of data and a failure to provide quality service to customers. NOBA has in place business continuity and disaster recovery plans for all critical processes and services to guard against service disruptions, which plans could prove to be not adequate at all times.

If any of the above risks materialise, the interruption or failure of NOBA's information technology and other systems could impair NOBA's ability to provide its services effectively causing direct financial loss and may compromise NOBA strategic initiatives. Technology failure or underperformance could also increase NOBA's litigation and regulatory exposure or require it to incur higher administrative costs (including remediation costs). Further, an irrecoverable loss of any customer database would be expensive and time-consuming to endeavour to retrieve or recreate and would have an adverse effect on NOBA's operations and financial situation.

While NOBA's scenario stress testing demonstrates that the Bank's has the ability to withstand extended periods of stress, the degree to which IT failures may affect NOBA is uncertain, which constitutes a highly significant risk to NOBA's operations and financial situation.

Risks relating to a potential intra-group merger

During the third quarter 2023, NOBA and its owners initiated a strategic review to support NOBA in its future development. In this context, and as a step to simplify the group structure and reduce administrative costs, the Board of Directors of each of NOBA Holding AB (publ) ("**NOBA Holding**"), NOBA Group AB (publ) ("**NOBA Group**") and the Issuer resolved, on 28 March 2024, to approve and adopt a joint merger plan for the implementation of an intra-group merger. The merger will be implemented with the Issuer as the surviving company and NOBA Holding and NOBA Group as the transferring companies. The Issuer is per the date of this Prospectus wholly-owned by NOBA Group, which in turn is wholly-owned by NOBA Holding. The shareholders of NOBA Holding have approved the joint merger plan and the implementation of the merger is conditional upon, amongst other, required permissions and approvals from the Swedish Financial Supervisory Authority in respect of the merger being obtained. It is likely that NOBA's current permission from the SFSA to deduct foreign currency goodwill and intangible assets related to the acquisition of Bank Norwegian on

consolidated and solo level will be affected by the intra-group merger, and, as a result, NOBA is planning to apply for a new permission for a corresponding exemption in accordance with Article 352.2 of the EU Capital Requirements Regulation (CRR). The process for obtaining a renewed permission may involve uncertainties, be time-consuming and, in order to be granted, cause requirements to be imposed on NOBA. Any decision to complete the intra-group merger, or other actions to simplify and streamline the group structure, may have adverse financial and operational effects for NOBA.

Risks relating to the integration process following the completed merger between NOBA and Bank Norwegian

In connection with the completion of the merger between Bank Norwegian and NOBA at the end of 2022, the work of integrating their respective businesses and IT systems involved risks and uncertainties some of which are still relevant as full implementation, transformation and integration is yet ongoing in certain parts. For example, any interruptions or ineffective performance of the respective businesses' IT systems due to the integration could impair NOBA's ability to provide its services effectively causing direct financial loss.

NOBA's operations are dependent on its ability to handle, process and report accurately and efficiently a high volume of complex transactions across numerous and diverse products and services, in different currencies and subject to several legal and regulatory regimes. In its day-to-day operations, NOBA applies multiple internal processes, routines and procedures which form an integral part of the functionality, internal control and quality-assurance framework of NOBA. The integration process following the completed merger between NOBA and Bank Norwegian has introduced several changes and presented various challenges to the internal operating procedures that were previously applied by NOBA and Bank Norwegian acting as stand-alone entities, and now operating as a combined entity. Remaining integration and transformation work could also divert resources from the day-to-day operations. Failure to uphold efficient and well-functioning internal operating procedures could have a material adverse impact on NOBA-s operations and financial situation.

Reputational risk

Reputational risk is the risk that an event or circumstance adversely impacts NOBA's reputation among customers, owners, employees, authorities and other parties resulting in reduced income. The reputational risk for is primarily related to consumer expectations regarding NOBA's products, the delivery of its services, and the ability to meet regulatory and consumer protection obligations related to these products and services. Effects on NOBA's reputation typically originate from internal factors, but also from external partners, suppliers, merchants or even competitors. Consumer protection bodies, consumer advocacy groups, certain media reports and a number of regulators and elected officials in the consumer loan markets in which NOBA conducts business have from time-to-time advocated government action to prohibit or severely restrict certain types of short-term consumer lending or credit card debt. These efforts have often focused on lenders that target consumers who have short term liquidity needs and, in many cases, low levels of personal savings and incomes, and charge interest rates and fees which, on an annualised basis, are much higher than those charged by credit card issuers or banks to more creditworthy consumers. There is a risk that NOBA could be adversely affected by negative publicity associated with other loan-, credit card- or ecommerce businesses, both in general, and specifically relating to its own business, or the business of other companies operating in these segments which are targeted by consumer advocacy groups or regulatory authorities. Reputational risk can be substantially damaging to NOBA's operations since NOBA's brands, Nordax, Bank Norwegian and Svensk Hypotekspension, are well-established, and if such risk were to materialise to such an extent that consumers chose competitors to NOBA it would materially adversely affect the total income and growth, which in turn would adversely affect its results of operations and financial condition.

Reputational risk constitutes a highly significant risk to the business and results of operations of NOBA.

Reliance on third-parties

NOBA's business relies in part on certain service and business process outsourcing and other partners. For example, another bank acts as NOBA's clearing bank and payment services provider. NOBA has outsourced activities, such as mailing, printing, scanning and forwarding applications, as well as important IT-related services. NOBA has also outsourced its internal audit function and NOBA relies on third-party debt collectors in each of the countries in which it operates. There is a risk that NOBA is unable to replace these relationships on commercially reasonable terms, or at all. Seeking alternate relationships also risks being time consuming and resulting in interruptions to NOBA's business. Significant failure of NOBA's third-party providers to perform their services in accordance with NOBA's standards, and any extensive deterioration in or loss of any key relationships would have a material adverse effect on NOBA's business, financial condition and result of operations.

Furthermore, NOBA is exposed to the risk that its outsourcing partners and other third parties commit fraud with respect to the services that NOBA has outsourced to them, that they fail to comply with applicable laws and regulations, such as data protection requirements, or fail to otherwise provide their agreed services to NOBA. If these third parties, to a

significant extent, violate laws, other regulatory requirements or important contractual obligations to NOBA, or otherwise act inappropriately in the conduct of their business, NOBA's business and reputation would be negatively affected. In such cases, NOBA also faces the risk of penalties being imposed. Moreover, despite having implemented processes and procedures aimed at identifying and managing risks when on-boarding new outsourcing partners and other third parties, as well as monitoring how outsourcing partners and other third parties operate their businesses, and having established exit plans, there is a risk that such processed and procedures do not detect the occurrence of any violations for a substantial period of time, which would exacerbate the effects of such violations. The degree to which any negative consequences related to third-party providers may affect NOBA is uncertain, which constitutes a highly significant risk to NOBA's reputation and business.

Ongoing change of core banking system

NOBA is in the process of replacing its former core banking system used for the operations under the Nordax brand with core banking systems supplied by Banqsoft AS (which have already been used for the Branch's operations under the Bank Norwegian brand). Migration to Banqsoft has recently been executed in respect of the Nordax personal loan products and the Nordax mortgage loan product in Norway and migration of the Nordax mortgage loan product in Sweden as well as the Nordax deposit products to Banqsoft is ongoing and is expected to be fully completed by the end of Q1 2025 (deposit NO and FI by Q2 2024 and deposit SE and mortgage loan SE by Q1 2025). There is a risk that the planned benefits cannot be realised in full, or that the implementation, transition, or migration of remaining operations is not successful or has negative customer, operational or other negative impact. The degree to which any negative consequences related to the change of core banking system may affect NOBA is uncertain, which constitutes a significant risk to NOBA's operations and business.

Relationships with credit intermediaries

Credit intermediaries are a significant marketing channel for NOBA. Dealing with credit intermediaries and cooperation partners entails various risks to NOBA. There is a risk that NOBA's methods and procedures for overseeing how its credit intermediaries and other cooperation partners interact with prospective customers are inadequate. Consequently, NOBA faces certain risks related to the conduct of the credit intermediaries and cooperation partners with which it does business. If NOBA's credit intermediaries or cooperation partners are found to have violated applicable conduct regulations or standards in the intermediation of NOBA's loan products, NOBA's reputation could be harmed.

NOBA's credit intermediary partners are typically price comparison websites that enable potential borrowers to benchmark all loan providers affiliated with the credit intermediary against each other and then refer the loan applicant to the chosen loan provider. The incentives of credit intermediaries may not always align with those of NOBA, which could adversely affect the volume and quality of loan applicants that credit intermediaries refer to NOBA. For example, credit intermediaries may promote the loan products of NOBA's competitors to the detriment of NOBA's loan products. Furthermore, a key value proposition of NOBA's personal loan products is a low monthly payment. If credit intermediaries were to focus on other features, such as interest rates, when benchmarking loans for potential borrowers, it could adversely affect the volume and quality of applicants that credit intermediaries refer to NOBA. The degree to which risks relating to relationships with credit intermediaries may materialise is uncertain, which constitutes a significant risk for NOBA's income and result of operations.

Risks related to intellectual property

NOBA uses trademarks and other intellectual property as a part of its operational business. Because of its use of intellectual property, NOBA may rely on trademark and copyright protection, non-disclosure agreements, license agreements, employment agreements and certain other agreements and laws to protect such current and future use of intellectual property. However, there is a risk that the measures taken will not effectively protect its intellectual property from infringement, for example due to lack of sufficient restrictive covenants in employment agreements. Despite precautions taken by NOBA to protect its intellectual property rights, unauthorized third parties may attempt to obtain or claim ownership of its intellectual property. In addition, NOBA may fail to discover infringement of its intellectual property, or any steps taken (or that will be taken) by it may not be sufficient to protect its intellectual property rights or prevent others from seeking to invalidate NOBA's intellectual property. Any failure to protect and enforce NOBA's intellectual property rights could have a material adverse effect on the business.

In addition, NOBA is using various external technical solutions and systems, and might from time to time be reliant on technology, know-how, patents and other intellectual property rights which are held by third parties or restricted by third parties holding such intellectual property rights. Consequently, NOBA could be deemed to infringe on third-party intellectual property rights, which could lead to legal claims regarding the ownership and use of intellectual property rights.

Any claims made by or against NOBA related to intellectual property rights, regardless of the merit or resolution of such

claims, may result in reputational damage or significant costs, time and focus in resolving or defending such claims, causing a material adverse effect on NOBA.

Finance risks

Liquidity and financing risks

NOBA is subject to liquidity risk. Liquidity risk is the risk that NOBA will not be able to meet its payment obligations at maturity at all or without significant cost increases. If access to funding is constrained for a prolonged period of time, competition for retail deposits and the cost of accessing the capital markets would increase and, therefore, have a material adverse effect on NOBA's net interest margin. Funding risks can be exacerbated by enterprise-specific factors, such as over-reliance on a particular source of funding or changes in NOBA's creditworthiness, or by market-wide phenomena, such as market dislocation. There is a risk that the funding structure employed by NOBA is inefficient should its funding levels significantly exceed its funding needs, which risks giving rise to increased funding costs that may not be sustainable in the long term.

Retail deposits are a significant source of funding for NOBA. As of 31 December 2023, NOBA's total balance sheet liabilities amounted to SEK 118,074 million on a consolidated basis out of which deposits from the general public comprised the largest part, totalling SEK 96,788 million. Should NOBA experience an unusually high and/or unforeseen level of withdrawals, this would adversely affect NOBA's liquidity since it will be required to repay a significant amount on demand. Further, it would require increased funding from other sources and there is a risk that such increased funding would not be available on for NOBA acceptable terms, or at all, which could have a material adverse effect on NOBA's financial position and results.

The debt capital markets are also a significant source of funding for NOBA. As of 31 December 2023, NOBA (together with its indirect parent company NOBA Holding had outstanding wholesale funding i.e. senior secured and senior unsecured in a total amount of SEK 16.6 billion and capital instruments in a total amount of SEK 3.1 billion. NOBA's ability to successfully refinance its outstanding notes, or raise additional funding through the debt capital markets, depends on the conditions of the debt capital markets as well as NOBA's financial condition and creditworthiness. There is a risk that NOBA will not be able to raise additional funding in the future on for NOBA acceptable terms, or at all, which could have a material adverse effect on NOBA's financial position and results.

NOBA sources part of its funding in the wholesale markets through issuing notes on the asset-backed securities ("**ABS"**) and mortgage-backed securities ("**MBN**") markets as well as through warehouse funding facilities with international banks secured primarily by portfolios of personal loans, mortgage loans or equity release mortgages. The availability of ABS/MBN and/or warehouse funding depends on a variety of factors, including the credit quality of NOBA's assets securing the ABSs/MBNs or warehouse funding facilities, market conditions, the general availability of credit, NOBA's ability to raise funding through other sources, the volume of trading activities, the overall availability of credit to the financial services industry and rating agencies' assessment of NOBA's ABSs/MBNs. These and other factors could limit NOBA's ability to obtain funding through ABSs/MBNs and warehouse funding facilities, which could adversely affect NOBA 's ability to maintain or grow its loan portfolio as well as its net interest margin.

Failure to manage these or any other risks relating to the cost and availability of funding could adversely affect NOBA's ability to maintain or grow its loan portfolio and have an adverse effect on NOBA's financial position and results of operations.

Exposure to currencies

NOBA operates in Sweden, Norway, Finland, Denmark, the Netherlands, Spain and Germany. As a result, NOBA generates income in SEK, NOK, EUR and DKK. However, NOBA's reporting currency is SEK while the Branch's reporting currency is NOK and, as a consequence, NOBA is exposed to currency translation risk to the extent that its assets, liabilities, incomes and expenses are denominated in currencies other than SEK and NOK as well as the translation risk arising from the reporting currency mismatch between the Branch and NOBA. Consequently, there is a risk that increases and decreases in the value of the SEK versus NOK, EUR and DKK and NOK versus SEK, EUR and DKK will affect the amount of these items in NOBA's consolidated financial statements, even if their value has not changed in the original currency. As of 31 December 2023, NOBA's net exchange rate exposure amounted to NOK 132 million, EUR 2 million and DKK 8 million.

Fluctuations in currencies, particularly the SEK/NOK/EUR/DKK exchange rates, thus have a significant impact on NOBA's operating profits and cash flows.

Interest rate risk

NOBA is subject to interest rate fluctuations. Changes in interest rate levels, yield curves and spreads could affect NOBA's lending and deposit spreads. NOBA is exposed to changes in the spread between the interest rates payable by it on deposits or its funding costs, and the interest rates that it charges on loans to its customers as well as interest rates that are applicable to its other assets. While the interest rates payable by NOBA on deposits and other funding and the interest rates that it charges on loans to customers are primarily variable, there is a risk that NOBA will not be able to re-price its variable rate assets and liabilities at the same time, giving rise to re-pricing gaps in the short or medium term. Such delays in re-pricing loans given to its customer can, *inter alia*, occur due to NOBA having an obligation to notify customers in advance of increases in interest rates. Changes in the competitive environment could also affect spreads on NOBA's lending and deposits. As discussed above (see further "*Risks relating to the current macroeconomic environment*"), in 2023, central banks in general have increased interest rates, which consequently have led to increases in market interest rates. The increase in interest rates has also affected NOBA's funding costs. To the extent NOBA is unable to adjust its interest rates on the loan products it offers, the increased funding costs will likely adversely affect NOBA's net interest margin, which would have an adverse effect on NOBA's net earnings.

NOBA's equity release mortgages are all variable-rate loans based on 3-month STIBOR and interest is capitalised through the life-time of the loan. Higher than expected rates of 3-month STIBOR would therefore result in greater interest capitalisation, increasing the risk of the loan amount being greater than the sales proceeds of the property and in turn resulting in credit losses. Due to the high level of consumer indebtedness in the Nordic region being primarily related to a high amount of real estate mortgage loans, increases in the interest rates on mortgage loans in the Nordic countries in general could also lead to decreased demand for NOBA's lending products and a negative impact on NOBA's customers' ability to service their debts due to an increase in mortgage loan default rates, which could adversely affect NOBA's results of operations and loan impairment levels.

In 2023, NOBA's interest payments received and interest expenses paid totalled SEK 11,507 million and SEK 3,514 million, respectively. Interest rate risks thus present a significant risk to NOBA's cost levels, financial position and results of operations.

Risks related to credit ratings

As of the date of this Prospectus, NOBA is rated BBB (long-term) and N3 (short-term) by Nordic Credit Rating AS ("**NCR**"). NCR is established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended). Since NOBA is dependent upon the debt capital markets as a source of debt capital, any downgrade of NOBA's credit rating would likely increase NOBA's borrowing costs, adversely affect its liquidity position, limit its access to the debt capital markets, undermine confidence in and the competitive position of NOBA, and/or limit the range of counterparties willing to enter into transactions with NOBA. The degree to which the risks related to a potential downgrade of NOBA's credit rating may affect NOBA is uncertain and presents a significant risk to the Issuer's financial position.

Goodwill from the acquisition of Bank Norwegian may need to be impaired

In connection with NOBA's acquisition of Bank Norwegian in 2021, a purchase price allocation analysis was prepared, in which Bank Norwegian's identifiable assets and liabilities are valued at fair value. The difference between this fair value and the consideration paid to the sellers of Bank Norwegian is recognised as goodwill on the consolidated balance sheet. Goodwill is not amortised. Instead, an impairment loss is recognised as needed. Impairment testing is carried out at least once per year and as soon as there are indications that the carrying amount exceeds the recoverable amount. A possible impairment loss related to the acquisition of Bank Norwegian could have a material adverse effect on the Issuer's balance sheet as well as income statement and total value.

Legal and regulatory risks

Risks relating to regulatory requirements and regulatory changes

NOBA's operations are subject to legislation, regulations, codes of conduct and government policies and general recommendations in the jurisdictions in which it operates and in relation to the products it markets and sells. NOBA, as a Swedish bank, is subject to supervision by the Swedish FSA with regard to, among other things, capital adequacy, including capital ratios and liquidity rules as well as rules on internal governance and control (with several of such requirements applying also on a consolidated level for NOBA). The Swedish FSA is responsible for supervision of NOBA on a consolidated level, while the Norwegian FSA has supervisory responsibilities for the Branch on a standalone basis with respect to those parts of Norwegian legislation that applies to branches such as e.g. compliance with Norwegian anti-money laundering legislation. Moreover, NOBA is subject to supervision of the local FSAs with respect to such operations that are subject to local laws in each of those geographical markets where NOBA conducts cross-border activities.

In addition, as for any provider of financial services to consumers, NOBA's offering is occasionally reviewed by consumer

authorities. In Sweden, the Swedish Consumer Agency (Sw. *Konsumentverket*) safeguards the interests of consumers and monitors consumer interests and the Swedish Authority for Privacy Protection (Sw. *Integritetsskyddsmyndigheten*) works to protect the privacy of private individuals. The same applies in Norway, where the Norwegian Consumer Council (No. *Forbrukerrådet*) and Consumer Authority (No. *Forbrukertilsynet*) monitors and safeguards the interests of consumers and the Norwegian Data Protection Authority (No. *Datatilsynet*) works to protect the privacy of individuals. Since NOBA conducts its operations on a cross-border basis in the other Nordic countries, Germany, the Netherlands and in Spain, consumer agencies and councils in these countries have jurisdiction over certain aspects of NOBA's business, including marketing and selling practices, advertising, general terms of business and legal debt collection operations.

NOBA is also subject to directly applicable EU regulations and EU directives that are implemented through local legislation. Significant failures to comply with applicable laws and regulations could expose NOBA to sanctions from the Swedish FSA or other regulators, monetary fines and other penalties, damages and/or the voiding of contracts and affect NOBA's reputation. Ultimately, NOBA's banking licence, on which NOBA's operations are highly dependent, could be revoked. The loss or suspension of its licence would require NOBA to cease its banking operations which would have an adverse effect on NOBA's business, financial condition and results of operations.

NOBA's subsidiary Svensk Hypotekspension AB ("**SHP**") has a mortgage credit company (Sw. *bostadskreditinstitut*) licence issued by the Swedish FSA and SHP is obliged to follow Swedish rules and regulations applicable to mortgage credit companies. Failure to do so could lead to the Swedish FSA imposing sanctions on SHP similar to those discussed in relation to NOBA above. In case of material violations, the Swedish FSA can, as an ultimate measure, revoke SHP's licence. The Swedish FSA may also issue remarks and warnings, which may be combined with monetary fines. Any such sanction could have an adverse effect on NOBA's business, financial condition and results of operations.

There have been several legislative developments during the past years that affect NOBA's operations and this legislative development is expected to continue. For example, a new Financial Contracts Act aiming at improving protection for borrowers in the consumer loan market entered into force in January 2023 in Norway and the Swedish FSA has previously published new guidelines relating to the provision of consumer credits (including in respect of the credit assessment process). The Swedish government has presented a memorandum (Fi2024/00174) proposing to limit the right to deduct interest expenses for loans that are unsecured and do not meet certain requirements. The amendments are proposed to come into force on 1 January 2025, and may make it less attractive for consumers to take out unsecured personal loans, which could affect NOBA's operating profit. Also, the Swedish Government have published an Official Report (SOU 2023:38) on regulatory proposals to prevent riskful lending, including stricter rules on moderate marketing and creditworthiness assessments and caps on interest rates and costs. The new requirements are proposed to enter into force on 1 January 2025.

Many of the regulatory requirements that apply to NOBA are based on EU regulations, which often are implemented with national modifications and different timing in the Nordic market. Among other things, NOBA will have to comply with the Digital Operational Resilience Regulation (EU) 2022/2554 from 17 January 2025, which sets out comprehensive requirements on management of information and communication technology risks and incidents, including testing of digital operational resilience and oversight of critical third-party providers. The Second Consumer Credit Directive (Directive (EU) 2023/2225/EC replacing Directive 2008/48/EC) shall be implemented by 20 November 2026 and is expected to significantly affect NOBA's operations in several areas, including with regards to customer information, new rules of conduct and caps on interest rates and costs. Further, the new legislative package of AML rules, including a new regulation and a new directive, is also expected to have a major impact on NOBA's operations. The revised set of AML rules is not finalised and has not gone through the EU legislative process and is therefore still subject to change, but is expected to enter into force during 2024.

In addition, NOBA's operations are affected by the new interest rate cap regulations Finland (15 per cent plus a reference interest published by the Bank of Finland biannually) applicable from 1 October 2023. Furthermore, there are limited opportunities in Finland for lenders to charge consumer fees in respect of credit costs other than interest. Stricter regulatory restrictions on the advertising and marketing of consumer credits were also imposed from 1 October 2023 Although the effects of the new legislation are not yet completely noticeable, there is a risk that the regulation will have a negative impact on NOBA's interest rate level and ability to offer consumer credit. Such effects could have a negative impact on NOBA's loan portfolio, revenue and results of operations. NOBA is unable to predict with certainty what regulatory changes can be imposed in the future as a result of regulatory initiatives in the countries in which NOBA operates. Such changes risk having a material adverse effect on, among other things, NOBA's product range and activities, the sales and pricing of NOBA's products as well as NOBA's profitability and capital adequacy and can give rise to increased costs of compliance. In addition, there is a risk that NOBA misinterprets or misapplies applicable laws and regulations (current, new and amended), especially due to the increasing quantity and complexity of legislation. Any significant misinterpretations of applicable laws or regulations may lead to adverse consequences for NOBA.

Furthermore, since NOBA is a niche loan provider, adverse changes in the regulatory environment could have a greater negative impact on NOBA's business, financial condition and results of operations as compared to, for example, full-service banks, which have a more diversified product offering. NOBA incurs, and expects to continue to incur, significant costs and expenditures, to comply with the increasingly complex regulatory environment. The degree to which any negative consequences related to managing these legal and regulatory risks is uncertain and present a highly significant risk to NOBA's reputation and business.

Regulatory capital and liquidity requirements

NOBA is subject to capital adequacy and liquidity regulations, which aim to put in place a comprehensive and risk-sensitive legal framework to ensure enhanced risk management among financial institutions. These regulations are regularly reviewed and amended by the Basel Committee on Banking Supervision and by the EU. Regulations which have impacted NOBA and are expected to continue to impact NOBA currently include, among others, the Basel III framework, the EU Capital Requirements Directive 2013/36/EU ("**CRD IV**"), as amended by Directive (EU) 2019/878 ("**CRD V**"), and the EU Capital Requirements Regulation 11(99) (EU) No. 575/2013 ("**CRR**"), as amended by Regulation (EU) 2019/876 ("**CRR II**") and, as a response to the COVID-19 pandemic, by Regulation (EU) 2020/873. CRR and CRD IV are supported by a set of binding technical standards developed by the European Banking Authority ("**EBA**"). NOBA is subject to liquidity requirements, including Liquidity Coverage Ratio requirements and Net Stable Funding Ratio requirements, in its capacity as a credit institution supervised by the Swedish FSA, including a statutory requirement to maintain sufficient liquidity to enable it to discharge its obligations as they fall due. The Swedish FSA has issued regulations on liquidity, such as FFFS 2014:21 and FFFS 2010:7, which NOBA needs to comply with.

The capital adequacy framework includes, *inter alia*, minimum capital requirements for the components in the capital base with the highest quality, common equity tier 1 ("**CET1**") capital, additional tier 1 capital and tier 2 capital. CRR II also introduces a binding leverage ratio requirement (i.e. a capital requirement independent from the riskiness of the exposures, as a backstop to risk-weighted capital requirements) for all institutions subject to CRR. In addition to the minimum capital requirements, CRD IV provides for further capital buffer requirements that are required to be satisfied with CET1 capital. Certain buffers may be applicable to NOBA as determined by the Swedish FSA. There may also be additional capital requirements in the form of Pillar 2 requirements or Pillar 2 guidance, which are determined as part of the Swedish FSA's supervisory review and evaluation process (SREP) and is a bank-specific recommendation. The Pillar 2 guidance is formally non-binding, but the SREP assessment may be complemented by other supervisory measures. The Swedish FSA has various options at its disposal, including e.g. the issuance of fines and sanctions, directives to order an institution to reduce its exposure to risk, raise more capital, hold more liquidity or improve its governance or risk management.

The countercyclical buffer rate is a capital requirement which varies over time and is to be used to support credit supply in adverse market conditions. During the beginning of the COVID-19 pandemic in 2020, the Swedish FSA and its Nordic counterparties lowered the countercyclical buffer rate to release capital in the financial system. The Swedish FSA, the Norwegian Central Bank and the Danish FSA have since raised the countercyclical buffer rates to 2.5% in March 2023, the Swedish FSA raised the countercyclical buffer rate to a neutral 2% during June 2023 and the German FSA raised the countercyclical buffer to 0.75% in February 2023. The changes to the countercyclical buffer rate have had an impact on NOBA's overall capital requirements.

Norwegian banks are subject to a systemic risk buffer ("**SyRB**") requirement decided by the Norwegian Ministry of Finance (as advised by the Norwegian Central Bank). The requirement was initially set to 3% of total risk exposure amount but will from end of year 2023 be set to 4.5% of the credit risk exposure amount that stems from Norwegian exposures. The Norwegian SyRB was reciprocated by the Swedish FSA in October 2022, which means that the Norwegian SyRB applies to Swedish banks with Norwegian exposures above a materiality threshold. The threshold was set to 32 bn NOK risk exposure amount, as recommended by the European Systemic Risk Board, (ESRB). NOBA's Norwegian exposures do not exceed this threshold.

In March 2023 the ESRB, on the request of the Norwegian Ministry of Finance, lowered its recommended materiality threshold to 5 bn NOK risk exposure amount. The Swedish FSA reciprocated the Norwegian Ministry of Finance decision to maintain a 4.5 percent systemic risk buffer for exposures in Norway in June 2023. Therefore, the Norwegian systemic risk buffer requirement has become applicable to NOBA for the Norwegian exposure starting from and including 31 December 2023.

A breach of the combined buffer requirements (including the countercyclical buffer mentioned above) is likely to result in restrictions on certain discretionary capital distributions by NOBA, for example dividend and coupon payments on CET1 and tier 1 capital instruments. However, NOBA is not currently considered to be systemically important institution and is thus not subject to the buffer requirement for systemically important institutions, nor is NOBA subject to the systemic risk buffer requirements. It is however possible that NOBA will be designated a systemically important institution (in which case buffer requirements can apply also to NOBA) or subject to SyRB requirements in the future (see also below

regarding Norwegian SyRB requirements and potential effects of the acquisition of Bank Norwegian on the supervision of, and the regulatory requirements applicable to, NOBA).

The conditions of NOBA's business as well as external conditions are constantly changing and the full set of capital adequacy rules applicable to Swedish financial institutions continues to evolve. For the foregoing reasons, NOBA and/or any other entity within its consolidated situation can be required to raise regulatory capital in the future. Such capital, whether in the form of debt financing, hybrid capital or additional equity, is not always available on attractive terms, or at all.

Serious or systematic deviations by NOBA from the above regulations would most likely lead to the Swedish FSA determining that NOBA's business does not satisfy the statutory soundness requirement for credit institutions and their consolidated situation and thus imposing sanctions on the relevant entity or entities within NOBA. Further, any increase in the capital and liquidity requirements could have a negative effect on NOBA's liquidity (should its revenue streams not cover continuous payments to be made under its issued capital), funding (should it not be able to raise funding on attractive terms, or at all), financial condition (should liquidity and funding be negatively affected) and results of operations (should its costs increase). The degree to which regulatory capital and liquidity requirements risks may affect NOBA is uncertain and presents a highly significant risk to NOBA's funding and liquidity position.

The Swedish FSA categorises credit institutions into different supervisory categories based on e.g. an institution's systemic importance and the extent of any cross-border activities, taking into account the credit institution's size, structure and internal organisation, as well as the nature, scope and complexity of its activities. The merger with Bank Norwegian has resulted in NOBA becoming significantly larger, and the Swedish FSA may change the supervisory category applicable to NOBA (or otherwise change the supervision practice applied vis-à-vis NOBA) which could result in e.g. higher frequency and scope of supervisory actions. Further, as stated above, there is a risk that NOBA becomes subject to additional capital and liquidity requirements in the future.

In April 2019, Regulation (EU) 2019/630 of the European Parliament and of the Council of 17 April 2019 amending the CRR as regards minimum loss coverage for non-performing exposures (**NPL Backstop**) entered into force requiring financial institutions, such as NOBA, to make deductions from its CET1 capital to cover for non-performing loans ("**NPLs**") on its regulatory balance sheet and effectively hold increased capital in the future for certain NPL exposures. In the aftermath of the COVID-19 pandemic, the European Commission issued an action plan intended to prevent a future build-up of NPLs. On 13 December 2021, the EBA followed up the action plan with proposed amendments to the regulatory technical standards on credit risk adjustments supplementing the CRR, relating to the calculation of risk weight of defaulted exposures. The amendments change the recognition for Article 127(1) of the CRR of credit risk adjustments to account for the transaction price upon a sale of an NPL. The degree to which the above requirements may affect NOBA is uncertain and presents a risk to, among other things, NOBA's financial condition and composition of funds.

Anti-money laundering, counter-terrorism financing and fraudulent behaviour

Counteracting money laundering and terrorist financing is a highly prioritised area within the EU and the regulatory framework is continuously updated to prevent the financial system from being used for money laundering and terrorist financing. Criminal activity within the banking industry, in which NOBA operates, has been increasingly uncovered in recent years. This area, not least the issue of money laundering has received particularly intense media scrutiny in the last few years. NOBA is, as a bank, subject to a regulatory framework which requires it to take measures to counteract money laundering and terrorist financing within its operations. There is a risk that NOBA's procedures, internal control functions and guidelines to counteract money laundering and terrorist financing are not sufficient or adequate to ensure that NOBA complies with the regulatory framework. This may result from, for example, insufficient procedures, internal control functions or guidelines, or errors by employees, suppliers or counterparties, which risk resulting in a failure to comply with the anti-money laundering regulatory framework. Failure to comply with the requirements could result in legal implications. As such, the Group is subject to thematic reviews from time to time, which supervisory authorities carry out in the ordinary course. As an example, in 2021, the Norwegian Financial Supervisory Authority initiated a thematic review with regards to sanction screening practices in which the Branch, among others, participated. The review has not yet been completed.

If NOBA would become subject to material sanctions, remarks or warnings and/or fines imposed by the Swedish or Norwegian FSA, this would cause significant, and potentially irreparable, damage to the reputation of NOBA and, as a result, NOBA's business, financial position and results of operations can be adversely affected. NOBA's operations are contingent upon NOBA's banking licence, thus making such consequences a significant risk for NOBA. The degree to which non-compliance with anti-money laundering may affect NOBA is uncertain and presents a significant risk to NOBA's reputation, financial condition and results of operations. There is also a risk of fraudulent activities affecting NOBA's operations, e.g., loans applied for in someone else's name or unauthorised transactions, which may result in NOBA having to refund transactions or write off loans.

The extent to which NOBA may be affected by non-compliance with anti-money laundering, counter-terrorist financing and fraudulent behaviour is uncertain and represents a significant risk to NOBA's reputation, financial condition and results of operations.

The Bank Recovery and Resolution Directive

NOBA is subject to the Bank Recovery and Resolution Directive (2014/59/EU) ("**BRRD**") (which was amended by Directive (EU) 2019/879 ("**BRRD II**") on 27 June 2019 where most of the new rules in BRRD II started to apply mid-2021). The BRRD legislative package establishes a framework for the recovery and resolution of credit institutions and, *inter alia*, requires EU credit institutions (such as NOBA) to produce and maintain recovery plans setting out the arrangements that are to be taken to restore the long-term viability of the institution in the event of a material deterioration of its financial condition.

The BRRD contains a number of resolution tools and powers which may be applied by the resolution authority (in Sweden, the Swedish National Debt Office (Sw. *Riksgälden*) and the Norwegian FSA in Norway) upon certain conditions for resolution being fulfilled. These tools and powers (used alone or in combination) include, *inter alia*, a general power to write-down all or a portion of the principal amount of, or interest on, certain eligible liabilities, whether subordinated or unsubordinated, of the institution in resolution and/or to convert certain unsecured debt claims including the Notes into other securities, which securities could also be subject to any further application of the general bail-in tool. This means that most of such failing institution's debt (including the Notes) could be subject to write-down and/or conversion, except for certain classes of debt, such as certain deposits and secured liabilities. In addition to the power to write-down and/or convert debt when the conditions for resolution have been fulfilled, the BRRD provides for relevant authorities to have the power, before any resolution action is taken, to permanently write-down or convert into equity certain capital instruments at the point of non-viability (including the Notes). Ultimately, the authority has the power to take control of a failing institution and, for example, transfer the institution to a private purchaser or to a publicly controlled entity pending a private sector arrangement. All these actions can be taken without any prior shareholder (or other) approval.

Certain institutions subject to the BRRD are required to hold debt instruments in addition to what is otherwise required under the capital requirements in order to ensure that there is a sufficient amount of own funds and debt instruments available for write-down and/or conversion for the authorities to be able to use the bail-in tool referred to above. Such debt instruments may further be required to be subordinated to an institution's senior debt. NOBA is currently not subject to any of these requirements. It cannot be ruled out that these or similar requirements will apply also to NOBA in the future. Such requirements could have a negative effect on e.g. NOBA's liquidity, funding, financial condition and results of operations.

It is not possible to predict exactly how the powers and tools of the Swedish authorities described in the BRRD, as implemented in Sweden by, *inter alia*, the Resolution Act (Sw. *Lag (2015:1016) om resolution*), will affect NOBA or the noteholders. The powers and tools given to the Swedish and Norwegian authorities are numerous and the exercise of any of those powers or any suggestion of such exercise would, therefore, materially adversely affect the rights of the noteholders (should the Notes be written-down or converted to other securities), the price or value of the Notes at their nominal amount) and/or the ability of NOBA to satisfy its obligations under the Notes (should the resolution authority take control over NOBA in certain scenarios). Accordingly, the degree to which amendments to BRRD or application of BRRD may affect NOBA is uncertain and presents a highly significant risk to NOBA's funding and compliance costs.

Risks relating to changes to legislation concerning debt collection

NOBA's recoveries on non-performing loans depend primarily on the effectiveness of the legal debt collection systems, including laws and case law regarding debt collection, debt restructuring and personal bankruptcy, in the countries in which it operates. Recoveries are also dependent on the commitment by and the efficiency of NOBA's third-party debt collection partners. One of the main tools available to NOBA to collect on non-performing loans are wage garnishment, and changes that cause a significant deterioration for lenders to the wage garnishment system in NOBA's geographical markets would adversely affect NOBA's ability to collect on its past due loans. NOBA's ability to collect on its past due loans could also be adversely affected by changes in debt restructuring or personal bankruptcy laws if, for example, other creditors are granted priority over personal loan providers in restructurings or bankruptcies.

NOBA's business could also be adversely affected by changes in laws regarding statutes of limitations on debt collection. In Sweden, Norway and Denmark the statute of limitations for debt collection is ten years and it can be renewed through acknowledgement of the debt by the customer (usually through payment), the creditor making a claim in writing or otherwise notifying the debtor in writing, or through legal action. In Finland, the absolute statute of limitations for debt collection is 15 years from the first collection effort. There is a risk that the statute of limitations on debt collection can be shortened, or the ability to extend the statute of limitations can be restricted or abolished, in the countries in which NOBA operates, which would adversely affect NOBA's ability to collect from defaulting customers.

The degree to which the aforementioned legislation changes may affect NOBA is uncertain and presents a significant risk to NOBA's cost levels and results of operations.

Risks relating to the Payment Services Directive

Following the merger with Bank Norwegian, NOBA is considered a payment service provider as defined in the Payment Services Directive ("**PSD2**") (Directive (EU) 2015/2366) due to the payment services conducted from the Branch. PSD2 stipulates, *inter alia*, that a bank is obliged to provide open access to payment account information to third-party providers ("**TPP**s") at the request of its customers. This means that customers have the right to receive their data from their bank in a format that is easy for the TPPs to input and process, typically through application programming interfaces ("**API's**"). PSD2 also requires strong customer authentication of customers when they are, *inter alia*, accessing their payment accounts online and initiating payments online. Due to the relatively complex regulatory landscape and group structure of NOBA, where NOBA is responsible under Swedish implementation of PSD2 and Swedish FSA supervision of payment services provided from a non-EU member state to several EU member states on a cross-border basis, there is a risk that NOBA's measures to comply with the rules in PSD2 and other payment related regulations are insufficient. The Swedish Government has recently commissioned the Swedish FSA to report on the supervision of PSP's application of the anti-fraud provisions in the Payment Services Act (Sw. *lagen (2010:751) om betaltjänster*). The Swedish FSA shall provide its report to the Swedish Ministry of Finance no later than 31 May 2024.

Risks relating to changes in accounting standards

From time to time, the International Accounting Standards Board (the "**IASB**"), the EU and other regulatory bodies change the financial accounting and reporting standards that govern the preparation of NOBA's financial statements. These changes are sometimes difficult to predict and could materially impact how NOBA records and reports its results of operations and financial condition. There is a risk that changes in accounting standards have an adverse effect on NOBA's financial reporting, and thereby its results of operations and financial condition.

For example, in July 2014, the IASB issued a new accounting standard, International Financial Reporting Standard 9 (Financial Instruments) ("**IFRS 9**"), which became effective from 1 January 2018 and replaced IAS 39. IFRS 9 provides principles for classification of financial instruments, and provisioning for expected credit losses which are mandatory, and therefore fully implemented by NOBA, as of 1 January 2018. As a group offering consumer lending products, provisions for expected credit losses are important for NOBA in relation to its exposure to default and expected credit losses. However, recognition and measurement of financial instruments as regulated in IFRS 9 is a complex area with significant judgement to determine the loan loss provisions. Therefore, changes in assessments of the provisioning can have a material impact on the result and the capital ratios. As a result of applying IFRS 9, allowances for credit losses increased by SEK 177 million for NOBA as of 1 January 2018. The impact on equity was SEK 138 million. The increase in allowances for credit losses was driven by the IFRS 9 requirement to also hold provisions for assets without a significant increase in credit risk (stage 1 as defined in the IFRS 9 standard) as opposed to IAS 39 that requires provisions for losses incurred. Accordingly, new IFRS and other financial accounting and reporting standards may have a significant impact on NOBA's results and financial position.

EU General Data Protection Regulation

As a financial group aimed primarily at individuals, NOBA processes large quantities of personal data on its customers. Such processing of personal data is subject to extensive regulation and scrutiny following the implementation of GDPR, as of 25 May 2018. Any administrative and monetary sanctions (including administrative fines of up to (i) the higher of EUR 20 million or (ii) four per cent. of NOBA 's total global annual turnover) or reputational damage due to incorrect implementation or breach of the GDPR would adversely impact NOBA's business, financial condition and results of operations. The degree to which non-compliance with applicable requirements may affect NOBA is uncertain and presents a significant risk to NOBA's operations and reputation.

Disputes and legal proceedings

From time to time, NOBA may be subject to legal proceedings, claims and disputes in jurisdictions where it is active. NOBA operates in a regulatory environment and business segment that exposes it to potentially significant litigation and regulatory risks caused by requirements of compliance with complex regulations and, at times, negative sentiment towards consumer lending. As a result of the litigation and regulatory risk, NOBA may in the future become involved in various disputes and legal, administrative and governmental proceedings in the Nordic region or in other jurisdictions that potentially could expose it to significant losses and liabilities. Proceedings relating to NOBA's regulated businesses may expose it to increased regulatory scrutiny and oblige it to accept constraints that involve additional costs or otherwise put NOBA at a competitive disadvantage. Such claims, disputes and proceedings are often subject to several uncertainties and their outcomes often difficult to predict, particularly in the earlier stages of a case or an investigation. There is further a

risk that the results of any investigation, proceeding, litigation or arbitration brought by private parties, regulatory authorities or governments are difficult for NOBA to predict. In addition, if an unfavourable decision were to be given against NOBA, significant fines, damages and/or negative publicity risk adversely affecting NOBA's business, financial condition and results of operations.

The outcome of any future potential proceedings, claims and disputes may vary and are uncertain, and could adversely affect NOBA's costs and reputation.

Tax risks

NOBA's business and transactions, including internal transactions, are conducted in accordance with NOBA's interpretation of applicable laws, tax treaties, regulations, case law and requirements of the tax authorities. In this regard it can inter alia be noted that NOBA in recent years has been involved in significant transactions including the acquisition of Bank Norwegian and the following merger resulting in the establishment of the Branch. Such transactions generally entail inherent tax issues to be monitored, for example, in relation to transfer pricing, exit taxation and VAT. NOBA acts with a high level of transparency in relation to the relevant tax authorities and for certain issues this may also include proactively initiating a contact with the relevant tax authorities to confirm the tax treatment. Further, NOBA seeks external advice on tax matters on a regular basis, to properly identify and monitor tax risks. There is however a risk that NOBA's interpretation of applicable laws, tax treaties, regulations, case law or other rules or administrative practice is incorrect, or that such rules or practice will change, possibly with retroactive effect.

New legislation introducing a risk tax for credit institutions in Sweden entered into force on 1 January 2022. The risk tax is applicable for Swedish credit institutions with total liabilities at the beginning of the year, including liabilities allocated to foreign branches, exceeding a certain threshold amount which for 2024 is SEK 184 billion. When calculating liabilities in relation to the threshold amount, liabilities in all credit institutions within the same group shall be summarized. The risk tax rate is 0.06 percent of a basis being the total liabilities at the beginning of the year exclusive of provisions, untaxed reserves and some subordinated debt. NOBA's total liabilities amounted to SEK 118,074 million as of 31 December 2023. There is a risk that the risk tax, if applicable to NOBA in the future, would increase NOBA's costs.

In 2023, NOBA's reported tax on profit totalled SEK 328 million and its effective tax rate was 21.7 per cent. NOBA's tax situation for previous, current and future years may change as a result of legislative changes such as the one mentioned, decisions made by the tax authorities or as a result of changed tax treaties, regulations, case law or requirements of the tax authorities. Such decisions or changes, potentially with retroactive effect, could have an adverse effect on NOBA's tax position, financial condition and results of operations.

RISKS RELATING TO THE NOTES

Credit risks

If the Issuer's financial position deteriorates, it is likely that the credit risk associated with the Notes will increase as there would be an increased risk that the Issuer cannot fulfil its obligations under such Notes. The Issuer's financial position is affected by numerous risk factors, as outlined above in the section "*Finance risks*". An increased credit risk can result in the market pricing Notes with a higher risk premium, which can adversely affect the value of such Notes. Another aspect of the credit risk is that a deteriorated financial position can result in a lower credit worthiness, which can affect the Issuer's ability to refinance the Notes and other existing debt, which in turn can adversely affect the Issuer's operations, result and financial position.

Structural subordination and dependence on upstreaming of funds

NOBA's business primarily consists of providing personal loans, mortgage loans, equity release mortgage loans and credit card services. Part of the loans provided by NOBA in its loans operations are held by, and funded in, the Issuer's subsidiaries. Such subsidiaries have generally created security over such loans in favour of their respective funding partners as security for such funding. The Issuer is reliant on the financial performance of its subsidiaries and their ability to make dividend distributions and other payments, to enable it to meet its payment obligations (including making payments under Notes). All subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments or to make funds available for such payments. Group contributions, dividend distributions or other financials flows may also be limited due to tax constraints making financial transfers more difficult or expensive. No present or future subsidiary, or other member of the Group, will guarantee or provide any security for the Issuer's obligations under Notes. As mentioned above (see "*Regulatory capital and liquidity requirements*"), there may also be regulatory limitations in certain situations to make dividend distributions, which may apply to NOBA.

The Issuer is not prohibited from issuing further debt, which may rank *pari passu* or with priority to the Notes

There is no restriction on the amount or type of debt that the Issuer (or any other company in the Group) may issue or incur that ranks *pari passu* or with priority to the Notes. There are no limitations on security in the Terms and Conditions which limit the ability of the Issuer to provide security for other debt obligations, other than in respect of debt instruments issued by the Issuer which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a regulated market (excluding covered bonds). The incurrence of any debt ranking with priority to the Notes and/or being secured may reduce the amount recoverable by Noteholders in the event of the voluntary or involuntary liquidation, resolution or bankruptcy of the Issuer.

The Noteholders may only accelerate the Notes in the event of liquidation or bankruptcy of the Issuer

The Issuer has no obligation to redeem the Notes, except in the event of the liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, and Noteholders have no other option to redeem the Notes at any time. Hence, if the Issuer would default on any other obligation under the Terms and Conditions, for example if the Issuer would fail to ensure that the Notes are admitted to trading on the corporate note list of Nasdaq Stockholm within sixty (60) days from the Issue Date (as defined in the Terms and Conditions), the Noteholders would not be able to accelerate the Notes or otherwise request prepayment or redemption of the nominal amount of the Notes.

Further, a new owner could, directly or indirectly, acquire 50 per cent or more of the shares in the Issuer or otherwise, directly or indirectly, establish control over 50 per cent or more of the shares and/or votes in the Issuer, thereby, directly or indirectly, controlling the Issuer. Such event would not give rise to the right to require redemption or prepayment of the Notes or any other additional rights of the Noteholders. A change in the direct or indirect ownership of the Issuer could adversely affect the Issuer's operations, result and financial position and/or the market value or liquidity of the Notes.

European Benchmarks Regulation

Interest payable for the Notes will be calculated by reference to a certain benchmark, being STIBOR, as defined in the Terms and Conditions. The process of the calculation of STIBOR and other interest rate benchmarks, such as LIBOR, have been subject to legislator attention. As a result, a number of legislative measures have been taken, whereof some have been implemented and others are going to be implemented. The most important initiative on the subject matter is the so called Benchmarks Regulation that entered into force on 1 January 2018 in the EU / 20 December 2019 in Norway and which regulates the provision of a benchmark, contribution of input data for the purpose of determining a benchmark and the operation of benchmarks within the EEA.

There is a risk that the Benchmarks Regulation may affect how interest rate benchmarks are calculated. This in turn may give rise to increased volatility for some interest rate benchmarks. In addition, the increased administrative requirements and the associated regulatory risks may decrease the will of some parties to participate in the determination of interest rate benchmarks or to the fact that certain interest rate benchmarks will cease to be published entirely. If this happen to a benchmark that is applicable to Notes, i.e. STIBOR, this may have an adverse effect on the relevant Noteholders' investment. The Terms and Conditions provide that the interest rate benchmark STIBOR, which applies for the Notes, can be replaced as set out therein, upon the occurrence of a Base Rate Event which includes if STIBOR ceases to be calculated or administered. However, there is a risk that such replacement is not made in an effective manner and consequently, if STIBOR ceases to be calculated or administered, an investor in the Notes would be adversely affected. The potential elimination of STIBOR or any other benchmark, or changes in the manner of administration of any benchmark could require or result in an adjustment to the interest provisions of the Terms and Conditions through a Noteholders' Meeting or Written Procedure in accordance with section 17 of the Terms and Conditions. The outcome of such Noteholders' Meeting or Written Procedure cannot be determined in advance and the outcome may be detrimental to the value of the Notes. Hence, any amendment of the interest provisions presents a significant risk to the value of a Noteholder's investment. The degree to which amendments to and application of the Benchmarks Regulation and/or any cessation of interest rate benchmarks may affect Noteholders is uncertain and presents a significant risk to the return on a Noteholder's investment.

The Issuer may substitute, variate the terms of or redeem the Notes on the occurrence of a Capital Disqualification Event or Tax Event

The Issuer may in certain circumstances, at its option, but in each case subject to obtaining the prior consent of the Swedish FSA, redeem Notes upon the occurrence of a Capital Disqualification Event or Tax Event at par together with accrued interest. Upon the occurrence of a Capital Disqualification Event or Tax Event, the Issuer may also substitute, or vary the terms of, the Notes.

There is a risk that Noteholders will not be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in Notes.

Call options in respect of the Notes is subject to the prior consent of the Swedish FSA

The market risk with an investment in notes increases the longer the term is, since it is more difficult to overview how market interest rates will develop with a longer term. The market risk also increases with a longer term since the fluctuation in the price of a note is greater for a note with a longer term than for a note with a shorter term. Under the Terms and Conditions for the Notes, the Issuer has the option to redeem the Notes. If the Issuer considers it favourable to exercise such a call option, the Issuer must obtain the prior consent of the Swedish FSA.

Noteholders have no rights to call for the redemption of Notes and should not invest in such Notes with the expectation that the Issuer will exercise its call option. The Swedish FSA will base its evaluation of the regulatory capital position of the Issuer and certain other factors at the relevant time. There is a risk that the Swedish FSA will not permit such a call or that the Issuer will not exercise such a call. Noteholders should be aware that they may be required to bear the financial risks of an investment in Notes for a long period of time (see further "*The Notes constitute perpetual obligations*").

Risks related to admission to trading, liquidity and the secondary market

The Issuer shall ensure that the Notes are admitted to trading on the corporate note list of Nasdaq Stockholm within sixty (60) days from the Issue Date (as defined in the Terms and Conditions) or, if such admission to trading is not possible to obtain, admitted to trading on another regulated market within the same time period. However, the Issuer is dependent upon the prior approval of the listing from Nasdaq Stockholm as well as the Swedish FSA approving the prospectus required for purpose of listing the Notes on Nasdaq Stockholm. There is a risk that the Notes will not be admitted to trading in time, or at all. If the Issuer would fail to ensure that the Notes are admitted to trading on the corporate note list of Nasdaq Stockholm within sixty (60) days from the Issue Date, the Noteholders would not be able to accelerate the Notes or otherwise request prepayment or redemption of the nominal amount of the Notes. Even if the Notes are admitted to trading on the aforementioned market, active trading in the Notes does not always occur and a liquid market for trading in the Notes might not occur even if the Notes are listed. This may result in the Noteholders not being able to sell their Notes 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 Notes. Further, the nominal value of the Notes may not be indicative compared to the market price of the Notes if the Notes are admitted to trading on Nasdaq Stockholm. It should also be noted that during a given time period it may be difficult or impossible to sell the Notes on the secondary market on reasonable terms, or at all, due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

The Issuer's obligations under the Notes are deeply subordinated

The Notes constitute unsecured, deeply subordinated obligations of the Issuer. In the event of the voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, the rights of the holders of Notes to payments on or in respect of the Notes (which in the case of any payment of principal shall be to payment of the then nominal amount of the Notes only) shall at all times rank junior to any present and future claims of any unsubordinated creditors of the Issuer and any subordinated creditors whose rights rank or are expressed to rank in priority to the Notes, including, for the avoidance of doubt, holders of any instruments which constitute tier 2 capital of the Issuer.

In the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, there is a risk that the Issuer does not have enough assets remaining after payments to senior ranking creditors to pay amounts due under the Notes.
No Noteholder who is indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of the Notes (including any damages awarded for breach of any obligations under the Terms and Conditions, if any are payable) held by such Noteholder.

As a result of the above, there is a risk that the holders of Notes will lose some or all of their investment in the Notes. Although the Notes may pay a higher rate of interest than comparable notes which are not subordinated or which are subordinated but not so deeply, there is a significant risk that an investor in the Notes will lose all or some of its investment in the event of a voluntary or involuntary liquidation or bankruptcy of the Issuer. Accordingly, in a worst case scenario, the value of the Notes may be reduced to zero.

As noted in the risk factor "*The Bank Recovery and Resolution Directive*" above, there is a risk of the Notes being written-down or converted into other securities in a resolution scenario or at the point of non-viability.

Interest payments on the Notes may be cancelled by the Issuer

Any payment of interest in respect of the Notes shall be payable only out of the Issuer's Distributable Items (as defined in the Terms and Conditions) and (i) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the Applicable Capital Regulations (as defined in the Terms and Conditions), or (ii) will be mandatorily cancelled if and to the extent so required by the Applicable Banking Regulations, including the applicable criteria for Additional Tier 1 Capital instruments (as defined in the Terms and Conditions).

Any cancellation of interest (in whole or in part thereof) shall in no way limit or restrict the Issuer from making any payment of interest or equivalent payment or other distribution in connection with any instrument ranking junior to the Notes (including, without limitation, any CET1 capital) of the Issuer or in respect of any other Additional Tier 1 Capital instruments. In addition, the Issuer may without restriction use funds that could have been applied to make such cancelled payments to meet its other obligations as they become due.

As a result of the above, there is a risk that the payment of interest is cancelled, which would adversely affect the holders of Notes. Following any such cancellation of interest, holders of Notes shall have no right thereto or to receive additional interest or compensation. Furthermore, no cancellation of interest in accordance with the Terms and Conditions shall constitute a default in payment or otherwise under the Notes or entitle holders of Notes to take any action to cause the Issuer to be declared bankrupt or for the liquidation, winding-up or dissolution of the Issuer. Accordingly, in a worst-case scenario, no interest may be paid in respect of the Notes.

Any actual or anticipated cancellation of interest on the Notes will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest cancellation provisions of the Notes, the market price of the Notes is likely to be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation and also more sensitive generally to adverse changes in the Issuer's financial condition.

The Notes constitute perpetual obligations

The Notes are perpetual, meaning that they have no specified maturity date. The Issuer has no obligation to redeem the Notes except in the event of liquidation or bankruptcy, and the holders of Notes have no other option to redeem the Notes at any time. Therefore, there is a risk that the holders of Notes may be required to bear the financial risks of the investment in the Notes for a long period of time and they may not recover their investment before a redemption of the Notes (if any) at the discretion of the Issuer (in particular if there is no active trading in the Notes on the secondary market). There is a risk that holders of Notes will lose their entire, or parts of their, investments, if the Issuer chooses not to redeem the Notes (see further "*Redemption in respect of the Notes is subject to the prior consent of the Swedish FSA*" and "*Risks related to admission to trading, liquidity and the secondary market*".)

Loss absorption following a Trigger Event

If at any time the CET1 ratio of (a) the Issuer is less than 5.125 per cent or (b) the Issuer Consolidated Situation (as defined in the Terms and Conditions) is less than 7.00 per cent, as determined by the Issuer and/or the Swedish FSA, this constitutes a Trigger Event (as defined in the Terms and Conditions) and the total nominal amount of the Notes shall be written down by an amount sufficient to restore the CET1 ratio of (a) if relating to the Issuer, to at least 5.125 and (b) if relating to the Issuer Consolidated Situation, to at least 7.00 per cent, as applicable, provided that the nominal amount of each Note may not be written down below SEK 0.01. The write down of the Notes is likely to result in a holder of Notes losing some or all of its investment.

The Issuer and/or the Swedish FSA may determine that a Trigger Event has occurred on more than one occasion and the reduced nominal amount of each Note may be written down on more than one occasion. Further, during any period when the then nominal amount of a Note is less than the initial nominal amount, interest will accrue on and the Notes will be redeemed at the reduced nominal amount of the Notes.

The Issuer's and/or the Swedish FSA's calculation of the CET1 ratio of the Issuer, and therefore its determination of whether a Trigger Event has occurred, shall be binding on the holders of Notes, who shall have no right to challenge the published figures detailing the CET1 ratio of the Issuer.

RESPONSIBILITY FOR THE INFORMATION IN THE PROSPECTUS

The Issuer issued the Notes on 19 March 2024. This Prospectus has been prepared in relation to the Issuer applying for admission to trading on the corporate bond list of Nasdaq Stockholm of the SEK 799,500,000 Floating Rate Additional Tier 1 Notes with ISIN NO0013177964 (the Notes).

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Notes and the performance of its obligations relating thereto. The issuance of the Notes has been authorised by resolution by the board of directors of the Issuer on 23 February 2024.

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

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, to the best of its knowledge, the information contained in this 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, to the extent provided by law, responsible for the information contained in this Prospectus.

Any information in this Prospectus which has been sourced form a third party has been accurately reproduced and, as for 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.

Stockholm on 16 April 2024

NOBA Bank Group AB (publ)

The board of directors

THE NOTES IN BRIEF

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

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

General

Issuer.....	NOBA Bank Group AB (publ), reg. no. 556647-7286.
Resolutions, authorisations and approvals.....	The Issuer's board of directors resolved to issue the Notes on 23 February 2024.
The Notes offered.....	SEK 799,500,000 Floating Rate Additional Tier 1 Notes.
Number of Notes.....	533 Notes.
ISIN.....	NO0013177964.
Issue Date.....	19 March 2024.
Nature of the Notes.....	The Notes constitute additional tier 1 capital (Sw. *primärkapitaltillskott*) as defined in Part Two, Title I, Chapter 3 of the Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as the same may be amended or replaced from time to time, as amended by Regulation (EU) 2019/876.
No maturity.....	The Notes constitute perpetual obligations of the Issuer and have no fixed datefor redemption. The Issuer may only redeem the Notes at its discretion in the circumstances described in the Terms and Conditions. The Notes are not redeemable at the option of the Noteholders at any time.
Price.....	All Notes are issued on a fully paid basis at an issue price of 100.00 per cent.of the Nominal Amount.
Interest Rate.....	Interest on the Notes is paid at a rate equal to the sum of three (3) months STIBOR plus 9.25 per cent. *per annum*. Interest will accrue from (and including) the Issue Date.
Use of benchmark and Benchmark Regulation.....	Amounts payable under the Notes (as defined herein) are calculated by reference to STIBOR, which is provided by the Swedish Financial BenchmarkFacility. As of the date of this Prospectus, the Swedish Financial Benchmark Facility appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority and is authorised to operate as a benchmark administrator pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011).

Interest Payment Date.....	19 March, 19 June, 19 September and 19 December each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention (with the first Interest Payment Date falling on 19 June 2024 and the last Interest Payment Date being the relevant Redemption Date).
Nominal Amount.....	Each Note has a nominal amount of SEK 1,500,000 and the minimum permissible investment in connection with the Note Issue was SEK 1,500,000.
Status and ranking of the Notes.....	The Notes are denominated in SEK. The Notes constitute Additional Tier 1 Capital of the Issuer Consolidated Situation. The Notes constitute unsecured and subordinated liabilities of the Issuer and shall, as regards the right to receive periodic payments (to the extent not cancelled) or repayment of capital in the event of the liquidation (Sw. *likvidatio*n) or bankruptcy (Sw. *konkurs*) of the Issuer, rank: (a) pari passu without any preference among themselves; (b) pari passu with (i) any present or future liabilities or capital instruments of the Issuer which constitute Additional Tier 1 Capital of the Issuer Consolidated Situation and (ii) any other liabilities or capital instruments of the Issuer that rank or are expressed to rank *pari passu* with the Notes; (c) senior to holders of all classes of the Issuer's shares in their capacity as such holders; and (d) junior to any present and future claims of (i) depositors of the Issuer, (ii) any other unsubordinated creditors of the Issuer, and (iii) any subordinated creditors of the Issuer whose rights rank or are expressed to rank in priority to the Notes, including, for the avoidance of doubt, holders of notes which constitute Tier 2 Capital of the Issuer Consolidated Situation.
Interest cancellation.....	Any payment of Interest in respect of the Notes shall be payable only out of and up to the Issuer's Distributable Items and: (a) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant tothe Applicable Capital Regulations; and (b) will be mandatorily cancelled to the extent so required by the Applicable Capital Regulations, including the applicable criteria for Additional Tier 1 Capital instruments. The Issuer shall give notice to the Noteholders in accordance with Clause 25 of the Terms and Conditions of any such cancellation of a payment of Interest, which notice might be given after the date on which the relevant payment of Interest is scheduled to be made. Notwithstanding the foregoing, failure to give such notice shall not prejudice the right of the Issuer not to pay Interest as described above and non-payment of any amount of interest scheduled to be paid on an Interest Payment Date will constitute evidence of cancellation of the relevant payment, whether or not notice of cancellation has been given by the Issuer. Following any cancellation of Interest as described above, the right of the Noteholders to receive accrued Interest in respect of any such Interest Period will terminate and the Issuer will have no further obligation to pay such Interest or to pay interest thereon, whether or not payments of Interest in respect of subsequent Interest Periods are made, and such unpaid Interest will not be deemed to have "accrued" or been earned for any purpose.

Write-down upon a Trigger Event	If at any time a Trigger Event occurs the Issuer will irrevocably cancel any accrued and unpaid interest in respect of the Notes to (but excluding) the Write-Down Date (as defined below) in accordance with Clause 10 of the Terms and Conditions (including if payable on the Write-Down Date); and on the Write-Down Date (without any requirement for the consent or approval of the Noteholders), reduce the then Total Nominal Amount or the Issuer's payment obligation under the Notes in accordance with Clause 11.1 of the Terms and Conditions (such reduction a "**Write-Down**"). Such cancellation and reduction shall take place on a date selected by the Issuer in consultation with the SFSA (the "Write-Down Date") but no later than one month following the occurrence of the relevant Trigger Event unless, in accordance with the Applicable Capital Regulations, the SFSA has agreed with the Issuer in writing that such reduction and cancellation may occur after a longer period, in which case, on such date as agreed with the SFSA. A Write-Down shall be made either as a reduction of the Total Nominal Amount or by means of a pooling factor, where the Issuer's payment obligation under each Note shall be reduced to a certain percentage of the Nominal Amount and in each case such Write-Down shall be considered to be an unconditional capital contribution (Sw. *ovillkorat kapitaltillskott*) and shall be made in consultation with the SFSA and in accordance with the rules of the CSD. The amount of the reduction of the Total Nominal Amount on the Write-Down Date shall (save as otherwise required by the SFSA) equal the amount of a Write-Down that would restore the CET1 ratio of the Issuer to at least 5.125 per cent, and the CET1 ratio of the Issuer Consolidated Situation to at least 7.00 per cent., in each case at the point of such Write-Down, provided that the maximum reduction of the Total Nominal Amount shall be down to a Nominal Amount per Note corresponding to SEK 1. A Write-Down in accordance with Clause 11.1 of the Terms and Conditions shall be made taking into account any preceding or imminent write-down or conversion of corresponding or similar loss absorbing instruments (if any) issued by the Issuer, including but not limited to Additional Tier 1 Capital instruments (other than the Notes). For the avoidance of doubt, the Nominal Amount of each Note shall, upon the Write-Down of the Total Nominal Amount described above, be written down on a pro rata basis. A Write-Down may occur on more than one occasion and the Notes may be written-down on more than one occasion. Any Write-Down shall not constitute an Acceleration Event. For the purposes of determining whether a Trigger Event has occurred, the Issuer will (i) calculate the CET1 ratio of the Issuer Consolidated Situation based on information (whether or not published) available to management of the Issuer, including information internally reported within the Issuer pursuant to its procedures for ensuring effective ongoing monitoring of the capital ratios of the Issuer Consolidated Situation and (ii) calculate and publish the CET1 ratios of the Issuer Consolidated Situation on at least a quarterly basis. For the avoidance of doubt, it is noted that the occurrence of a Trigger Event may also be determined by the SFSA (or any agent appointed for such purpose by the SFSA), in which case the determination may be made in accordance with the internal rules and processes applied by the SFSA from time to time. "**Trigger Event**" means if, at any time, the CET1 ratio of the Issuer or the Issuer Consolidated Situation, as calculated in accordance with the Applicable Capital Regulations, is less than 5.125 per cent., in the case of the Issuer, or is less than 7.00 per cent., in the case of the Issuer Consolidated Situation, in each case as calculated in accordance with the Applicable Capital Regulations and as determined by the Issuer and/or the SFSA (or any agent appointed for such purpose by the SFSA).

Reinstatement of the Notes.....	Following a Write-Down, the Issuer may, at its absolute discretion, reinstate the Notes, subject to compliance with any maximum distribution limits set out in, and otherwise in accordance with, the Applicable Capital Regulations. Unless a write-up of the Nominal Amount of the Notes is permitted and possible in accordance with the rules of the CSD, reinstatement shall be made by way of issuing new notes that qualify as Additional Tier 1 Capital to the relevant Noteholders. Any such new note issuance shall specify the relevant details of the manner in which such new note issuance shall take effect and where the Noteholders can obtain copies of the new terms and conditions of the new notes. Such new notes shall be issued without any cost or charge to the Noteholders and shall be made in accordance with the rules of the CSD.
Use of Proceeds.....	The proceeds from the issue of the Notes shall be used for general corporate purposes of the Issuer, including acquisitions.

Call Option

Early redemption at the option of the Issuer	Subject to Clause 12.6 of the Terms and Conditions and giving notice in accordance with Clause 12.7 of the Terms and Conditions, the Issuer may redeem all (but not some only) of the Notes (a) on the First Call Date, (b) at any time in the three month period prior to and including the Interest PaymentDate falling on or nearest to 5.25 years after the Issue Date, or (c) on any Interest Payment Date falling after the First Call Date at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest thereon to (but excluding) the date fixed for redemption.
Call option.....	Subject to Clause 12.6 of the Terms and Conditions and giving notice in accordance with Clause 12.7 of the Terms and Conditions if a Capital Disqualification Event or Tax Event has occurred, the Issuer may: (a) redeem all, but not some only, of the outstanding Notes on any Interest Payment Date at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest thereon to (but excluding) the date fixed for redemption; or (b) substitute or vary the terms of all (but not some only) of the outstanding Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain, as applicable, Qualifying Capital Notes.
Capital Disqualification Event	The occurrence of, at any time on or after the Issue Date, a change in the regulatory classification of the Notes that results or would be likely to result in the exclusion of Notes from the Additional Tier 1 Capital of the Issuer and/or the Issuer Consolidated Situation or the reclassification of the Notes asa lower quality form of regulatory capital, *provided that*: (a) the SFSA considers such a change to be sufficiently certain; (b) the Issuer demonstrates to the satisfaction of the SFSA that the regulatory reclassification of the Notes was not reasonably foreseeable at the Issue Date; and (c) such exclusion or reclassification is not a result of any applicable limitation on the amount of such Additional Tier 1 Capital contained in the Applicable Capital Regulations.

Tax Event.....	The occurrence of any change in, or amendment to, the laws or regulations of Sweden, or any change in the application or official interpretation of such lawsor regulations, which change or amendment becomes effective on or after theIssue Date, resulting in that the Issuer is, or becomes, subject to a significant amount of additional taxes, duties or other governmental charges or civil liabilities with respect to the Notes, provided that the Issuer satisfies the SFSAthat such change in tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date.
Miscellaneous	
Transfer restrictions.....	The Notes are freely transferable. The Noteholders may be subject to purchase or transfer restrictions with regard to the Notes under local laws to which a Noteholder may be subject. The Notes have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.
Admission to trading.....	Application for admission to trading of the Notes on the corporate bond list of Nasdaq Stockholm will be filed in connection with the SFSA's approval ofthis Prospectus. The earliest date for admitting the Notes to trading on Nasdaq Stockholm is on or about 17 April 2024. The total expenses of the admission to trading of the Notes are estimated to amount to approximately SEK 150,000.
Rating……..	Nordic Credit Rating (NCR) has assigned the Notes a "BB-"credit rating.
Agent.....	Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden, is acting as Agent for the Noteholders in relation to the Notes, and if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions. An Agency Agreement was entered into between the Agent and the Issuer prior to the Issue Date regarding, among others, the remuneration payable to the Agent. The Agent Agreement is available at the Agent's office address (Norrlandsgatan 23, SE- 111 43 Stockholm). The rights and obligations of the Agent are set forth in the Terms and Conditions. The Terms and Conditions are available at the Agent's office address, Norrlandsgatan 23, SE-111 43 Stockholm, Sweden, during normal business hours as well as at the Agent's website, www.nordictrustee.com.
Clearing and settlement.....	The Notes are connected to the account-based system of VerdipapirsentralenASA, Norwegian reg. no. 985 140 421, Postboks 1174 Sentrum, 0107, Oslo, Norway. This means that the Notes are registered on behalf of the Noteholders on their respective Securities Accounts. No physical Notes havebeen or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Verdipapirsentralen ASA's book-entrysystem.
Governing law of the Notes.....	Swedish law.
Time-bar……..	The right to receive repayment of the principal of the Notes 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 inrespect of which the Noteholders' right to receive payment has been time- barred and has become void.
Risk factors.....	Investing in the Notes 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 Notes.

THE GROUP AND ITS OPERATIONS

General information about NOBA

The Issuer

The Issuer, NOBA Bank Group AB (publ), with Swedish corporate registration number 556647-7286 and Legal Entity Identifier Code 21380057HUGFEAF25W84, was incorporated in Sweden on 15 July 2003 and registered with the Swedish Companies Registration Office (*Bolagsverket*) on 26 August 2003. The Issuer's registered office is located at Gävlegatan 22 in Stockholm. The Issuer is a public limited liability banking company (*publikt bankaktiebolag*).

The Issuer's website is www.noba.bank. The information on the website is not a part of this Prospectus, unless that information is incorporated by reference into this Prospectus.

Under its current Articles of Association, the Issuer's share capital shall be not less than SEK 50,000,000 and not more than SEK 200,000,000, divided into not fewer than 50,000,000 shares and not more than 200,000,000 shares. The Issuer has only one class of shares. The Issuer's registered share capital is SEK 72,676,783 represented by 72,676,783 shares.[1]

Regulatory history of the Issuer

On 27 January 2004, the Issuer was granted a licence as a credit market company (*kreditmarknadsbolag*) to conduct financing business under the Swedish Financing Business Act (*lag (1992:1610) om finansieringsverksamhet*), subsequently replaced by the Swedish Banking and Financing Business Act (*lag (2004:297) om bank- och finansieringsrörelse*). On 5 December 2014, the Issuer was granted a licence to conduct banking business under the Swedish Banking and Financing Business Act.

Main activities of NOBA

NOBA's main business consists of lending to the general public. NOBA conducts its business in Sweden and on a cross-border basis in Norway, Finland, Denmark, the Netherlands, Spain and Germany, and is from time to time evaluating the possibility to enter into new geographical markets.

Under the brands Bank Norwegian and Nordax, NOBA offers personal loans in Sweden, Norway, Finland and Denmark. Under the Nordax brand, loans secured against residential property are offered in Sweden and Norway. Through the subsidiary SHP, NOBA also offers loans secured against residential property to Swedes aged 60 and older. Finally, NOBA also offers credit cards in Sweden, Norway, Finland, Denmark and Germany under the Bank Norwegian brand.

NOBA also, through the brands Bank Norwegian and Nordax as well as via partners, offers savings accounts to the general public in Sweden, Norway, Finland, Denmark, Germany, Spain and the Netherlands. These are covered by the Swedish deposit guarantee scheme and, with regards to deposits in the Branch by Norwegian depositors, also by the Norwegian deposit guarantee scheme. Deposits in savings accounts are also one element of NOBA's diversified financing platform, which also consists of asset-backed securities, financing against collateral from international banks, bonds, equity and subordinated liabilities.

As of 31 December 2023, the Issuer's lending to the public amounted to SEK 110,121 million and deposits amounted to SEK 96,788 million. Lending growth has been steady since 2011 growing from SEK 6.6bn at the end of 2011 with an average compounded annual growth rate of 26 per cent until the end of 2023.

[1] On 28 March 2024, an extraordinary general meeting in the Issuer resolved to amend the number of shares through a combined reverse share split and share split, decreasing the number of shares to 2,403,815, as well as to adopt new Articles of Association for the Issuer to enable the change in the number of the shares, whereby the limits on the number of shares are amended to no less than 2,000,000 and no more than 8,000,000. The change in number of shares and adoption of the new Articles of Association is conditional upon approval by the SFSA of the new Articles of Association as well as registrations with the Swedish Companies Registration Office (the "**SCRO**"). The approval from the SFSA and subsequent registrations with the SCRO are expected to be completed in June 2024.

NOBA's personal loans are issued to customers made up of individuals who, based on the absence of historical losses, are deemed to pose a low risk and have high creditworthiness. The loan customers are typically middle-aged with incomes above or in-line with the national average for household incomes. They are also close to or above the national averages for home ownership and do not have a record of non-payment.

NOBA's mortgages are primarily issued to customers with an employment form other than a traditional full-time position e.g. part-time workers, self-employed persons, freelancers etc. Other target groups are individuals with limited credit history or people who have a payment remark. All groups are individuals who might have problems being granted a mortgage loan from a full-service bank and the offer comes with a higher interest rate than a regular mortgage in such a bank.

NOBA's equity release products offered through SHP are issued to elderly persons wanting to release equity from properties with a significant over-value. The equity release mortgage is life-long and non-amortising. All interest is capitalised during the life of the loan and repaid together with the principal at the time of repayment, usually when the borrowers either sell their property or decease. All customers benefit from a 'No negative equity guarantee', which guarantees that the borrower can never owe an amount higher than the market value of their home.

NOBA's business model centers around responsible lending based on a centralized platform, digital competence, partnerships and with a vast experience of credit underwriting. It also comprises a diversified set of distribution channels. These are made up of direct channels such as online channels, direct marketing and existing customers and indirect channels such as loan intermediaries.

Legal structure of the Group

The Issuer is part of a corporate group in which NOBA Holding is the ultimate parent.[2] The Issuer is a wholly-owned subsidiary of the holding company NOBA Group which in turn is a wholly-owned subsidiary of the holding company NOBA Holding. The object of the two holding companies' business is to own and manage securities and to conduct other business compatible therewith.

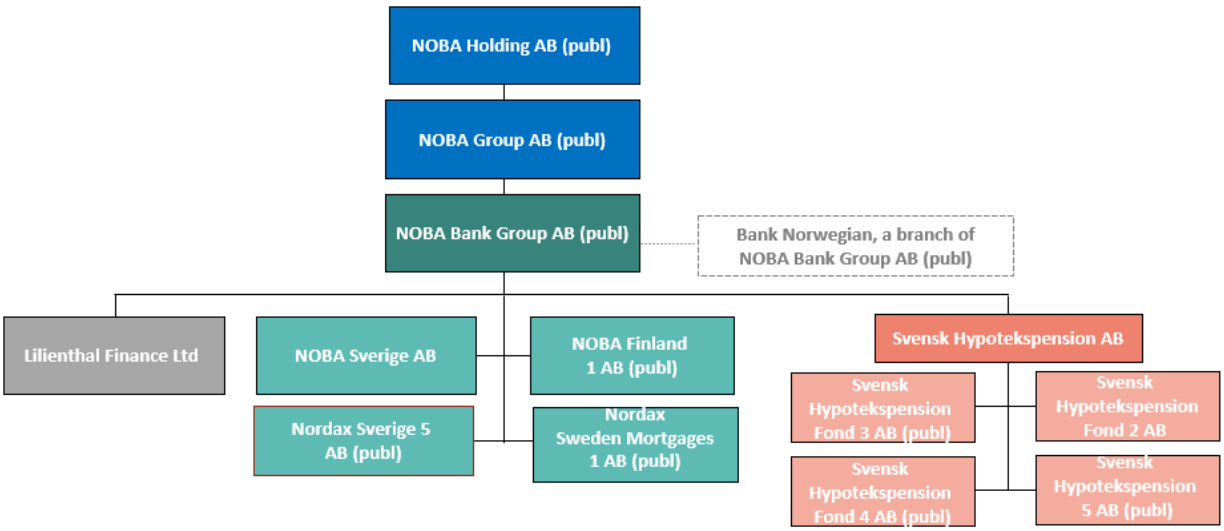
Following a voluntary offer to the shareholders of Bank Norwegian and the commencement of a compulsory redemption procedure, since 3 November 2021, NOBA became the owner of 100 per cent of the shares in Bank Norwegian. On 30 November 2022, Bank Norwegian and the Issuer were consolidated through a legal merger (with the Issuer as the surviving entity) and Bank Norwegian's business is continued through a Norwegian branch.

The Group operates through the Issuer, the Issuer's funding subsidiaries (as of the date of this Prospectus four subsidiaries), its subsidiary SHP and SHP's funding subsidiaries (as of the date of this Prospectus four subsidiaries), the Issuer's subsidiary Lilienthal Finance Ltd and the Issuer's Norwegian branch. In December 2019, NOBA acquired approximately 9 per cent of the mortgage institution Stabelo.

As part of the Issuer's funding strategy, consumer loans and equity release mortgages are continuously transferred from the Issuer and SHP to their respective funding subsidiaries and pledged as security for bilateral warehouse facilities or asset-backed securities.

[2] The Board of Directors of NOBA Holding, NOBA Group and the Issuer have on 28 March 2024, resolved to sign a joint merger plan for the implementation of an intra-group merger. The merger will be implemented with the Issuer as the surviving company and NOBA Holding and NOBA Group as the transferring companies. The Issuer is currently wholly-owned by NOBA Group, which in turn is wholly-owned by NOBA Holding.

Legal structure of the Group and the holding companies (as per the date of this Prospectus):



Owners

In February 2018, Nordic Capital Fund VIII[3] ("**Nordic Capital**") and Sampo plc[4] ("**Sampo**"), through NOBA Holding[5], announced a recommended mandatory public cash offer to the shareholders in NOBA Group to acquire all outstanding shares in NOBA Group. After the expiry of the acceptance period and a compulsory redemption of certain remaining shares, NOBA Holding holds 100 per cent of the shares and votes in NOBA Group. NOBA Group's shares were delisted from Nasdaq Stockholm, the last day of trading being 24 April 2018. In connection with the Issuer's acquisition of Bank Norwegian, Nordic Capital Fund IX[6] invested in NOBA Holding and is consequently an indirect shareholder of the Group alongside Nordic Capital Fund VIII and Sampo.

The Issuer and its shareholders each comply with applicable rules and regulation (such as the Swedish Companies Act) to ensure that the control over the Issuer is not abused. In order to prevent shareholders from abusing power due to the ownership structure and control of the Issuer, the Issuer has also adopted a policy regarding closely related party transactions.

Relevant legislation

The Issuer is a public limited liability banking company and as such regulated by the Swedish Companies Act (*aktiebolagslagen (2005:551)*) and its articles of association. As a banking company, the Issuer is subject to the supervision of the Swedish FSA and regulated by *inter alia* by the Swedish Banking and Financing Business Act, the Swedish Deposit Insurance Act (*lag (1995:1571) om insättningsgaranti*) and the Swedish Insurance Distribution Act (*lag (2018:1219) om försäkringsdistribution*).The Issuer is further regulated by the CRR II, the Swedish Supervision of Credit and Investment Firms Act (*lag (2014:968) om särskild tillsyn över kreditinstitut och värdepappersbolag*) and the Swedish Act on Capital Buffers (*lag 2014:966) om kapitalbuffertar*) which implements CRD IV. The capital adequacy requirements are measured both on the

[3] "Nordic Capital Fund VIII" refers to Nordic Capital VIII Limited, a limited liability company established in accordance with the laws of Jersey, having its registered office at 26 Esplanade, St Helier, Jersey, JE2 3QA, Channel Islands, acting in its capacity as General Partner of Nordic Capital VIII Alpha, L.P. and Nordic Capital VIII Beta, L.P. "Nordic Capital" refers to Nordic Capital Fund VIII and/or any or all of its predecessor or successor funds or continuation vehicles (depending on the context).

[4] "Sampo" refers to Sampo plc, a public limited liability company incorporated under the laws of Finland with reg. no. 0142213-3 and registered address at Fabianinkatu 27, 00100 Helsinki.

[5] At the time named NDX Intressenter AB.

[6] "Nordic Capital Fund IX" refers to Nordic Capital IX Limited, a limited liability company established in accordance with the laws of Jersey, having its registered office at 26 Esplanade, St Helier, Jersey, JE2 3QA, Channel Islands, acting in its capacity as General Partner ofNordic Capital IX Alpha, L.P. and Nordic Capital IX Beta, L.P.

level of the Issuer and on the consolidated situation which the Issuer reports to the Swedish FSA, consisting, as of the date of this Prospectus, of NOBA Holding, NOBA Group, the Issuer, NOBA Sverige AB, NOBA Finland 1 AB (publ), Nordax Sverige 5 AB (publ), Nordax Sweden Mortgages 1 AB (publ), Lilienthal Finance Ltd., SHP, Svensk Hypotekspension Fond 2 AB, Svensk Hypotekspension Fond 3 AB (publ), Svensk Hypotekspension Fond 4 AB (publ) and Svensk Hypotekspension 5 AB (publ).

In addition to laws and official regulations, the Issuer has a number of internal governing documents that govern the day-to-day management of the company. These are adopted by the board of directors or the CEO and include inter alia the rules of procedures for the board of directors, instructions for the CEO, the governance and enterprise risk management policy, the credit policies and instructions, the remuneration policy, the outsourcing policy, the financial risk policy, the liquidity contingency plan, the complaints management policy, the financial crime policy and the information security policy.

Trend information

There has been no material adverse change in the prospects of the Issuer since 31 December 2022, being the date of publication of the latest audited financial information of the Group.

There has been no significant change in the financial performance of the Group since 31 December 2023, being the end of the last financial period for which financial information has been published to the date of the Prospectus.

Significant change

There has been no significant change in the financial position of the Group since 31 December 2023, being the end of the last financial period for which interim financial information has been published to the date of the Prospectus.

Current disputes

No member of the Group is currently, and has not within the last twelve months been, subject to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatening so far as the Issuer is aware) which may have, or have in such period had, a significant adverse effect on the Issuer's or the Group's financial position or profitability.

Members of the Group are however subject to supervisory reviews and investigations as well as parties to lawsuits and other disputes from time to time in the course of their normal operations.

Material agreements

The Issuer has not concluded any material agreement outside of its ordinary course of business which may materially affect the Issuer's ability to fulfil its obligations under issued Notes.

Credit rating

As of the date of this Prospectus, the Issuer is rated BBB (long-term) and N3 (short-term) by Nordic Credit Rating AS. NCR is established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended).

Board of directors

The board of directors of the Issuer consists of eight ordinary members. The table below sets out the name and current position of each board member.

Name	Position	Appointed
Hans-Ole Jochumsen	Chairman	2018
Christopher Ekdahl	Member	2018
Henrik Källén	Member	2018
Christian Frick	Member	2018
Ville Talasmäki	Member	2018
Ricard Wennerklint	Member	2020
Daniella Bertlin	Member, employee representative	2022
Ragnhild Wiborg	Member	2023

Hans-Ole Jochumsen

Born 1957 in Denmark. Chairman of the Board.
Principal education: MSc in Economics, Copenhagen University, Denmark
Other on-going principal assignments: Senior Advisor in the company Alkymi.io, member of the Advisory Board of Concordium AG and Industrial Advisor in Airfinity Ltd (UK).

Christopher Ekdahl

Born 1980 in Sweden. Non-Executive Director.
Principal education: MSc in Engineering Physics, Lund University, Sweden and École Centrale Paris, France.
Other on-going principal assignments: Principal in NC Advisory AB, adviser to the Nordic Capital Funds. Board member of Stabelo Group AB.

Henrik Källén

Born in 1968 in Sweden. Non-Executive Director.
Principal education: Master of Laws (LL.M), Stockholm University, Sweden.
Other on-going principal assignments: Chairman of the board of *inter alia* Zensum AB. Board member of *inter alia* DPOrganizer AB, Fondab AB and MM Holding AB. Industrial advisor through own company Kallen Advisory AB.

Christian Frick

Born in 1976 in Sweden. Non-Executive Director.
Principal education: MSc in Economics and Business Administration, Stockholm School of Economics and the Stockholm University School of Business, Sweden.
Other on-going principal assignments: Partner in NC Advisory AB, adviser to Nordic Capitals funds.

Ville Talasmäki

Born in 1975 in Finland. Non-Executive Director.
Principal education: MSc in Economics and Business Administration, Turku School of Economics and Business Administration, Finland and Warwick Business School, England.
Other on-going principal assignments: Group Chief Investment Officer and Group Executive Committee Member of Sampo plc and board member of If P&C Insurance Holding Ltd (publ), If P&C Insurance Ltd (publ) and Finance Finland. Deputy board member of Varma Mutual Pension Insurance Company.

Ricard Wennerklint

Born in 1969 in Sweden. Non-Executive Director.
Principal education: Business Administration and Finance, Stockholm School of Economics, Sweden.
Other on-going principal assignments: Chief of Strategy/Group Executive Vice President at Sampo plc, Sampo Abp filial i Sverige and member of the Sampo Group Executive Committee. Chairman of the board of

Topdanmark A/S, Denmark and Hastings Group Holdings Limited, UK. Board member of If P&C Insurance Holding Ltd.

Daniella Bertlin

Born in 1999 in Sweden. Non-Executive Director.
Principal education: Bachelor of Science in Business Administration, Stockholm University, Sweden.
Other on-going principal assignments: Process Developer Payments at NOBA.

Ragnhild Wiborg

Born 1961. Non-Executive Director.
Principal education: Bachelor of Science in Economics, major in International Business, Stockholm School of Economics, Sweden.
Other on-going principal assignments: Chairman of the board of Energia AS, Cerebrum Invest AS and board member of Intrum AB (publ), Rana Gruber ASA, Kistefos AS, Jesem AS and Brunsbica AS.

Senior Management team

Name	Position
Jacob Lundblad	Chief Executive Officer
Mats Benserud	Branch Manager and Branch Chief Financial Officer
Markus Kirsten	Director of Credit Risk and Analytics
Malin Frick	Head of HR
Hanna Belander	Chief Marketing Officer
Fredrik Mundal	Chief Commercial Officer
Malin Jönsson	Chief Operating Officer
Patrick MacArthur	Chief Financial Officer
Kristina Tham Nordlind	Chief Legal Counsel
Adam Wiman	Chief Technology Officer
Olof Mankert	Chief Risk Officer (adjunct member of senior management team)

Jacob Lundblad

Born 1978 in Sweden. CEO since 2017.
Principal education: Degree of Master in Business Administration, Degree of Bachelor of Business Law, School of Economics and Management, Lund University, Sweden.
Other on-going principal assignments: Board member and CEO of Nordax Sverige 5 AB (publ), Nordax Sweden Mortgages 1 AB and NOBA Finland 1 AB (publ). Chairman of the board of Svensk Hypotekspension AB, Svensk Hypotekspension Fond 2 AB, Svensk Hypotekspension Fond 3 AB (publ), Svensk Hypotekspension Fond 4 AB (publ) and Svensk Hypotekspension 5 AB (publ). Board member of NOBA Sverige AB. CEO of NOBA Holding AB (publ) and NOBA Group AB (publ).

Mats Benserud

Born 1983 in Norway. Branch Manager and Branch Chief Financial Officer since 2023 (Bank Norwegian Head of Treasury and IR 2018-2022, Branch CFO since 2022 and also Group Head of IR during 2023).
Principal education: Master of Science in Economics and Business Administration, Norwegian School of Economics (NHH), Norway.
Other on-going principal assignments: Chairman of the Board in Fornes Benserud Invest AS.

Markus Kirsten

Born 1982 in Sweden. Director of Credit Risk and Analytics since 2019.
Principal education: Degree of Master in Computer Science from Royal Institute of Technology, Stockholm Sweden with exchange studies in mathematics from Indian Institute of Technology, Mumbai, India
Other on-going principal assignments: Board member of Molnify AB, Kirsten Holding AB and Kirsten Development AB. Deputy board member of Vunder HoldCo AB.

Malin Frick

Born 1986 in Sweden, Head of HR since 2014.
Principal education: Philosophy Bachelor's Degree in Human Resource Management and Development, Linköping University, Sweden, further studies in Business and Leadership at Swinburne University, Melbourne, Australia.
Other on-going principal assignments: -

Hanna Belander

Born 1977 in Sweden. Chief Marketing Officer since 2020.
Principal education: Master's Degree in Media & Communication, Jönköping University, Sweden.
Other on-going principal assignments: -

Fredrik Mundal

Born 1976 in Norway. Chief Commercial Officer since 2024 (Bank Norwegian Head of Marketing and Customer Service 2016-2022 and Chief Marketing Officer Norwegian Branch 2022-2023).
Principal education: College Degree in business administration and IT, University of Agder, Norway.
Other on-going principal assignments: -

Malin Jönsson

Born 1971 in Sweden. Chief Operating Officer since 2018 (Operations Director 2016-2018).
Principal education: Master's Degree in International Economics, Linköping University, Sweden.
Other on-going principal assignments: Board member of Nordax Sweden Mortgages I AB (publ), Svensk Hypotekspension AB, Svensk Hypotekspension Fond 2 AB, Svensk Hypotekspension Fond 3 AB (publ), Svensk Hypotekspension Fond 4 AB (publ) and Svensk Hypotekspension 5 AB (publ).

Patrick MacArthur

Born 1980 in Sweden. Chief Financial Officer since 2018.
Principal education: MSc in Business Administration, School of Economics in Stockholm and Master of Laws (LL.M), Lund University, Sweden.
Other on-going principal assignments: Chairman of the board of NOBA Sverige AB, Nordax Sverige 5 AB (publ), Nordax Sweden Mortgages 1 AB and NOBA Finland 1 AB (publ). Board member of Svensk Hypotekspension AB, Svensk Hypotekspension Fond 2 AB, Svensk Hypotekspension Fond 3 AB (publ), Svensk Hypotekspension Fond 4 AB (publ) and Svensk Hypotekspension 5 AB (publ).

Kristina Tham Nordlind

Born 1972 in Sweden. Chief Legal Counsel since 2007.
Principal education: Master of Laws (LL.M), Stockholm University, Sweden and Diplôme d'Etudes Universitaires Générales (droit), Université du Havre, France.
Other on-going principal assignments: -

Adam Wiman

Born 1986 in Sweden. Chief Technology Officer since 2019.
Principal education: Master of Science, Engineering Physic, Faculty of Engineering at Lund University (LTH), Sweden (including exchange semester at University of Illinois Urbana Champaign, USA)
Other on-going principal assignments: -

Olof Mankert

Born 1979 in Sweden. Chief Risk Officer since 2016.
Principal education: Master of Laws (LL.M), Stockholm University, Sweden.
Other on-going principal assignments: -

Additional information on the board and the management team

Business address

The office address of the board of directors and the management team is the registered office of the Issuer.

Conflicts of interest

Ricard Wennerklint and Ville Talasmäki are board members of If P&C Insurance Holding Ltd as well as members of the Sampo Group Executive Committee, and Ville Talasmäki is also a board member in If P&C Insurance Ltd (publ). Sampo is a shareholder in NOBA. If P&C Insurance Holding Ltd (or its subsidiaries) and Sampo may from time to time invest in notes issued by NOBA. These assignments could under certain circumstances potentially impose a conflict of interest in relation to Ricard Wennerklint and Ville Talasmäki being board members in the Issuer.

Due to Henrik Källén's board assignment in MM Holding AB, Henrik will not participate in the board of director's decisions in any questions concerning Consector AB. NOBA and Consector AB has a cooperation related to credit mediation.

Due to Ragnhild Wiborg's board assignment in Intrum AB (publ), Ragnhild will not participate in the board of director's decisions in any questions concerning Intrum AB (publ) or any of its subsidiaries. NOBA cooperates with subsidiaries in the Intrum Group with regards to debt collection services and from time to time sells portfolios of NPLs to such subsidiaries.

Other than described above, no conflicts of interest exist between the private interests and other duties of the board members or the management team and their duties towards the Issuer.

Auditors

At the 2023 Annual General Meeting, Deloitte AB (Rehnsgatan 11, 113 57 Stockholm, Sweden) was re-elected auditor of the Issuer for the period until the end of the Annual General Meeting 2024. Malin Lüning, born 1980, is the Auditor-in-Charge and is a Chartered Accountant and member of FAR, the professional institute for accountants in Sweden. Deloitte AB has audited the Issuer's annual reports for the financial years 2021 and 2022.

SUPPLEMENTARY INFORMATION

Incorporation by reference

The following information has been incorporated into this Prospectus by reference and should be read as part of this Prospectus:

The Issuer's annual report for 2021	as regards the audited consolidated financial information and the audit report page 35 for income statement, page 37 for balance sheet, page 38 for cash flow statement, page 40 for changes in equity capital, pages 42-88 for notes and pages 92-95 for the audit report.
The Issuer's annual report for 2022	as regards the audited consolidated financial information and the audit report page 46 for income statement, page 50 for balance sheet, page 51 for cash flow statement, page 53 for changes in equity capital, pages 55-108 for notes and pages 112-115 for the audit report.
The Issuer's year-end report for 2023	as regards the consolidated financial information on page 13 for income statement, page 17 for statement of financial position, page 18 for statement of cash flows, page 20 for statement of changes in equity and pages 23-62 for notes.

Information in the above documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in the Notes or is covered elsewhere in the Prospectus.

The consolidated financial statements included in the Issuer's annual reports for 2021 and 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. In addition, the Group applies the amendments stipulated by the Swedish Annual Accounts for Credit Institutions and Securities Companies Act (1995:1559), the Swedish Financial Reporting Board's Recommendation RFR 1 Supplementary Accounting Regulations for Groups, and the Swedish Financial Supervisory Authority's Regulations and General Guidelines regarding Annual Reports at Credit Institutions and Securities Companies (FFFS 2008:25).

Documents available

Copies of the following documents can be obtained from the Issuer in paper format upon request during the validity period of this Prospectus at NOBA's head office, and is also available in electronic format at the Issuer's website www.noba.bank.

- The Issuer's Certificate of Registration and Articles of Association
- The Group's consolidated audited annual report for the financial year ended 31 December 2021, including the applicable audit report
- The Group's consolidated audited annual report for the financial year ended 31 December 2022, including the applicable audit report
- The Group's unaudited year-end report for the period 1 January – 31 December 2023
- This Prospectus
- The Terms and Conditions for the Notes

Certain material interests

Skandinaviska Enskilda Banken AB (publ) and Nordea Bank Abp (the "**Joint Lead Managers**") have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Group in the ordinary course of business. Therefore, conflicts of interest may exist or may arise as a result of the Lead Managers having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

TERMS AND CONDITIONS

NOBA Bank Group AB (publ)

SEK 799,500,000
Floating Rate Additional Tier 1 Notes

ISIN: NO0013177964

LEI: 21380057HUGFEAF25W84

Issue Date: 19 March 2024

SELLING RESTRICTIONS

No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes 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 Notes 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 Notes 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.

PRIVACY STATEMENT

Each of the Issuer, the Agent and the Paying Agent may collect and process personal data relating to the Noteholders, the Noteholders' representatives or agents, and other persons nominated to act on behalf of the Noteholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Notes). The personal data relating to the Noteholders 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 Paying 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 Notes and payments under the Notes, (iii) to enable the Noteholders 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 Paying 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 Paying Agent (as applicable). Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

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

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Agent or the Paying 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 Paying Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: www.noba.bank, and www.nordictrustee.com.

TABLE OF CONTENTS

TERMS AND CONDITIONS

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

"**Acceleration Event**" has the meaning ascribed to it in Clause 15 (*Acceleration of the Notes*).

"**Account Operator**" means a bank or other party duly authorised to operate as an account operator (No. *Kontofører)* with Verdipapirsentralen ASA, and through which a Noteholder has opened a Securities Account in respect of its Notes.

"**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) as applied by the Issuer.

"**Additional Tier 1 Capital**" means additional tier 1 capital (Sw. *primärkapitaltillskott*) as defined in Chapter 3 of Title I of Part Two of the CRR and/or any other Applicable Capital Regulations at the relevant time.

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

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

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

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

"**Applicable Capital Regulations**" means at any time the laws, regulations, directives, requirements, guidelines and policies relating to capital adequacy which from time to time are applicable to the Issuer or the Issuer Consolidated Situation, including, without limiting the generality of the foregoing, the CRD and any delegated act adopted by the European Commission thereunder, as well as the legal acts, regulations, requirements, guidelines, regulatory technical standards and policies relating to capital adequacy as then applied in Sweden by the SFSA and/or any successor (whether or not such requirements, guidelines, regulatory technical standards or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Issuer Consolidated Situation).

"**Base Rate**" means STIBOR or any reference rate replacing STIBOR in accordance with Clause 19 (*Replacement of Base Rate*).

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

"**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 CSD 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 CSD Business Day.

"**Capital Disqualification Event**" means, at any time on or after the Issue Date, there is a change in the regulatory classification of the Notes that results or would be likely to result in the exclusion of Notes from the Additional Tier 1 Capital of the Issuer and/or the Issuer Consolidated Situation or the reclassification of the Notes as a lower quality form of regulatory capital, *provided that*:

(a) the SFSA considers such a change to be sufficiently certain;

(b) the Issuer demonstrates to the satisfaction of the SFSA that the regulatory reclassification of the Notes was not reasonably foreseeable at the Issue Date; and

(c) such exclusion or reclassification is not a result of any applicable limitation on the amount of such Additional Tier 1 Capital contained in the Applicable Capital Regulations.

"**CET1 Capital**" means common equity tier 1 capital of the Issuer or the Issuer Consolidated Situation, respectively, as calculated by the Issuer in accordance with Chapter 2 of Title II of Part Two of the CRR and/or any other Applicable Capital Regulations at such time.

"**CET1 ratio**" means, at any time;

(a) in relation to the Issuer, the ratio (expressed as a percentage) of the aggregate amount of the CET1 Capital of the Issuer at such time divided by the Risk Exposure Amount of the Issuer at such time,

(b) in relation to the Issuer Consolidated Situation the ratio (expressed as a percentage) of the aggregate amount of the CET1 Capital of the Issuer Consolidated Situation at such time divided by the Risk Exposure Amount of the Issuer Consolidated Situation at such time,

in each case calculated by the Issuer in accordance with the CRD requirements and any applicable transitional arrangements under the Applicable Capital Regulations.

"**CRD**" means the legislative package consisting of:

(a) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended by Directive 2019/878/EU of the European Parliament and of the Council of 20 May 2019 as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures;

(b) the CRR; and

(c) any regulatory capital rules, regulations or other requirements implementing (or promulgated in the context of) the foregoing which may from time to time be introduced, including, but not limited to, delegated or implementing acts or regulations (including

technical standards) adopted by the European Commission, national laws and regulations, adopted by the SFSA and guidelines issued by the SFSA, the European Banking Authority (EBA) or any other relevant authority, which are applicable to the Issuer or the Group, as applicable,

in each case as the same may be amended or replaced from time to time.

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as the same may be amended or replaced from time to time, as amended by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements.

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Notes, initially Verdipapirsentralen ASA, Norwegian reg. no. 985 140 421, Postboks 1174 Sentrum, 0107, Oslo, Norway, or another party replacing it, as CSD, in accordance with these Terms and Conditions.

"**CSD Business Day**" means a day on which the relevant CSD settlement system is open and the relevant Note currency settlement system is open.

"**CSD Regulations**" means the CSD's rules and regulations applicable to the Issuer, the Agent and the Notes from time to time.

"**Distributable Item**" means (subject to as otherwise defined in the Applicable Capital Regulations), as at any Interest Payment Date, the amount of the profits of the Issuer for the financial year ended immediately prior to such Interest Payment Date, plus any profits brought forward and reserves available for that purpose before distributions to holders of own funds instruments (Sw. *kapitalbasinstrument*) of the Issuer excluding, for the avoidance of doubt, distributions to holders of any Tier 2 Capital instruments, less any losses brought forward, profits which are non-distributable pursuant to any applicable legislation or the Issuer's articles of association and sums placed to non-distributable reserves in accordance with applicable legislation or the Issuer's articles of association, those profits, losses and reserves being determined on the basis of the individual audited annual financial statements of the Issuer in respect of such financial year and not on the basis of its consolidated accounts.

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

"**Finance Documents**" means the Terms and Conditions and any other document designated to be a Finance Document by the Issuer and the Agent (acting on its own behalf and on behalf of the Noteholders).

"**First Call Date**" means the Interest Payment Date falling five (5) years after the Issue Date (being 19 March 2029).

"**Force Majeure Event**" has the meaning set forth in Clause 26.1.

"**Group**" means the Issuer and its Subsidiaries from time to time.

"**Group Company**" means each of the Issuer and any of its Subsidiaries.

"**Insolvent**" means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 6-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Noteholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (Sw. *lag (2022:964) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

"**Interest**" means the interest on the Notes calculated in accordance with Clauses 10.1 to 10.1.3.

"**Interest Payment Date**" means 19 March, 19 June, 19 September and 19 December each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention (with the first Interest Payment Date falling on 19 June 2024 and the last Interest Payment Date being the relevant Redemption Date).

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

"**Interest Rate**" means 3-month STIBOR plus the Margin as adjusted by any application of Clause 19 (*Replacement of Base Rate*), however if three (3) months STIBOR plus Margin is below (0) zero, the interest rate will be deemed to be (0) zero.

"**Issue Date**" means 19 March 2024.

"**Issuer**" means NOBA Bank Group AB (publ), a public limited liability company incorporated in Sweden with reg. no. 556647-7286.

"**Issuer Consolidated Situation**" means the Issuer and those entities (if any) which from time to time are part of the Issuer's prudential consolidated situation, as such term is used in the Applicable Capital Regulations, from time to time.

"**Manager**" means each of Nordea Bank Abp, incorporated in Finland with reg. no. 858394-9 and Skandinaviska Enskilda Banken AB (publ), incorporated in Sweden with reg. no. 502032-9081.

"**Margin**" means 9.25 per cent. *per annum.*

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

"**Nominal Amount**" has the meaning set forth in Clause 3.4.

"**Note**" means (i) a debt instrument (Sw. *skuldförbindelser*), each for the Nominal Amount issued by the Issuer and which are governed by and issued under these Terms and Conditions and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the CSD Regulations.

"**Noteholder**" 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 Note.

"**Noteholders' Meeting**" means a meeting among the Noteholders held in accordance with Clause 17.2 (*Noteholders' Meeting*).

"**Note Issue**" has the meaning set forth in Clause 3.4.

"**Paying Agent**" means the paying agent under these Terms and Conditions from time to time; initially NT Services AS, reg. no. 916 482 574, Kronprinsesse Märthas plass 1, N-0160 Oslo, Norway.

"**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.

"**Qualifying Capital Notes**" means securities issued directly by the Issuer following a substitution or variation of the Notes in accordance with Clause 12.4(b) that have terms not materially less favourable to investors, certified by the Issuer acting reasonably (having consulted with an independent investment bank or independent financial adviser of international standing), than the terms of the Notes (immediately prior to the relevant substitution or variation), provided that they shall:

(a) include a ranking at least equal to the Notes;

(b) have at least the same Interest Rate and the same Interest Payment Dates as those applying to the Notes;

(c) have the same redemption rights as the Notes (including the same call dates as the Notes);

(d) preserve any existing rights under the Notes to any accrued interest which has not been paid but which has not been cancelled in respect of the period from (and including) the Interest Payment Date last preceding the date of the relevant substitution or variation of the Notes;

(e) are assigned (or maintain) the same or higher credit ratings as were assigned to the Notes (if any) immediately prior to the relevant substitution or variation of the Notes; and

(f) comply with the then current requirements for Additional Tier 1 Capital contained in the Applicable Capital Regulations.

If the Notes were admitted to trading and listed on a Regulated Market immediately prior to the relevant substitution or variation, the Issuer shall use reasonable efforts to ensure that the relevant Qualifying Capital Notes are admitted to trading and listed on a Regulated Market within sixty (60) days from their issuance.

"**Quotation Day**" means:

(a) in relation to an Interest Period for which an Interest Rate is to be determined, two (2) CSD Business Days before the immediately preceding Interest Payment Date (or, in respect of the first Interest Period, two (2) CSD Business Days before the Issue Date); or

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

"**Record Date**" means in relation to any payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the CSD Regulations from time to time.

"**Redemption Date**" means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 12 (*Redemption and repurchase of the Notes*).

"**Regulated Market**" means any regulated market as defined in Directive 2014/65/EU on markets in financial instruments (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR), as amended.

"**Risk Exposure Amount**" means, at any time, with respect to the Issuer or the Issuer Consolidated Situation (as the case may be), the aggregate amount of the risk weighted assets (or any equivalent or successor term) of the Issuer or the Issuer Consolidated Situation, respectively, calculated by the Issuer in accordance with the Applicable Capital Regulations at such time. For the purposes of this definition, the term "risk weighted assets" means the risk weighted assets or total risk exposure amount, as calculated by the Issuer, in accordance with the Applicable Capital Regulations applicable to the Issuer or the Issuer Consolidated Situation.

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

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

"**SEK**" denotes the lawful currency of Sweden.

"**SFSA**" means the Swedish financial supervisory authority (Sw. *Finansinspektionen*) or such other governmental authority in Sweden having primary banking supervisory authority with respect to the Issuer or, if the Issuer becomes subject to primary bank supervision in a jurisdiction other than Sweden, the relevant governmental authority in such other jurisdiction having primary banking supervisory authority with respect to the Issuer.

"**STIBOR**" means:

(a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for SEK and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;

(b) if no rate as described in paragraph (a) is available for the relevant Interest Period, the rate determined by the Agent by linear interpolation between the two closest rates for STIBOR fixing (rounded upwards to four decimal places), 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 SEK;

(c) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Agent, for deposits of SEK 100,000,000 for the relevant period; or

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

"**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) per cent. of the total number of votes held by the owners;

(b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners;

(c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or

(d) exercises control as determined in accordance with the Accounting Principles.

"**Tax Event**" means, as a result of any change in, or amendment to, the laws or regulations of Sweden, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, resulting in that the Issuer is, or becomes, subject to a significant amount of additional taxes, duties or other governmental charges or civil liabilities with respect to the Notes, provided that the Issuer satisfies the SFSA that such change in tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date.

"**Tier 2 Capital**" means tier 2 capital (Sw. *supplementärkapital*) as defined in Part Two, Title 1, Chapter 4 of the CRR and/or any other Applicable Capital Regulations.

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

"**Trigger Event"** means if, at any time, the CET1 ratio of the Issuer or the Issuer Consolidated Situation, as calculated in accordance with the Applicable Capital Regulations, is less than 5.125 per cent., in the case of the Issuer, or is less than 7.00 per cent., in the case of the Issuer Consolidated Situation, in each case as calculated in accordance with the Applicable Capital Regulations and as determined by the Issuer and/or the SFSA (or any agent appointed for such purpose by the SFSA).

"**Written Procedure**" means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 17.3 (*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 time of day is a reference to Stockholm time;

(d) a "**regulation**" includes any law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department; and

(e) a provision of regulation is a reference to that provision as amended or re-enacted.

1.2.2 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.

1.2.3 No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

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

2 STATUS AND RANKING OF THE NOTES

2.1 The Notes are intended to constitute Additional Tier 1 Capital of the Issuer and the Issuer Consolidated Situation. The Notes will constitute unsecured and subordinated liabilities of the Issuer and shall, as regards the right to receive periodic payments (to the extent not cancelled) or repayment of capital in the event of the liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, rank:

(a) *pari passu* without any preference among themselves;

(b) *pari passu* with (i) any present or future liabilities or capital instruments of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Additional Tier 1 Capital of the Issuer and the Issuer Consolidated Situation and (ii) any other liabilities or capital instruments of the Issuer that rank or are expressed to rank *pari passu* with the Notes;

(c) senior to holders of all classes of the Issuer's shares in their capacity as such holders; and

(d) junior to any present and future claims of (i) depositors of the Issuer, (ii) any other unsubordinated creditors of the Issuer, and (iii) any subordinated creditors of the Issuer whose rights rank or are expressed to rank in priority to the Notes, including, for the avoidance of doubt, holders of Notes which constitute Tier 2 Capital of the Issuer and the Issuer Consolidated Situation.

2.2 The Issuer reserves the right to issue further Additional Tier 1 Capital and other subordinated Notes and obligations in the future, which may rank *pari passu* with the Notes as well any capital instruments of the Issuer, which may rank junior to the Notes or any capital instruments which may rank senior to the Notes.

3 THE AMOUNT OF THE NOTES AND UNDERTAKING TO MAKE PAYMENTS

3.1 The Notes are denominated in SEK and each Note is constituted by these Terms and Conditions. Subject to these Terms and Conditions, the Issuer undertakes to repay the Notes, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.

3.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to these Terms and Conditions and by acquiring Notes each subsequent Noteholder confirms these Terms and Conditions.

3.3 Each Noteholder acknowledges and accepts that any liability of the Issuer towards a Noteholder under the Notes may be subject to bail-in action, including conversion or write-down, in accordance with

Directive 2014/59/EU and Directive 2019/879/EU establishing a framework for the recovery and resolution of credit institutions and investment firms as amended or replaced from time to time.

3.4 The aggregate amount of the note loan will be an amount of SEK 799,500,000 (the "**Note Issue**") which will be represented by Notes, each of a nominal amount of SEK 1,500,000 or full multiples thereof (as adjusted by any Write Down and reinstatement made pursuant to Clause 11 (*Loss absorption and discretionary reinstatement*)) (the "**Nominal Amount**").

3.5 All Notes are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount.

3.6 The minimum permissible investment in connection with the Note Issue is SEK 1,500,000.

3.7 The ISIN for the Notes is NO0013177964.

4 USE OF PROCEEDS

The proceeds from the issue of the Notes shall be used for general corporate purposes of the Issuer, including acquisitions.

5 CONDITIONS FOR DISBURSEMENT

5.1 The Issuer shall provide to the Agent, no later than the Issue Date, the following:

(a) a copy of the articles of association and certificate of registration 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 Terms and Conditions and the Agency Agreement, and resolving that it executes, delivers and performs the Terms and Conditions and the Agency Agreement;

(ii) authorising a specified person or persons to execute the Terms and Conditions and the Agency Agreement 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 Terms and Conditions and the Agency Agreement;

(c) a duly executed copy of the Terms and Conditions; and

(d) a duly executed copy of the Agency Agreement.

5.2 The Agent shall confirm to the Manager when it is satisfied that the conditions in Clause 5.1 have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)).

5.3 Following receipt by the Manager of the confirmations in accordance with Clause 5.2, the Manager shall settle the issuance of the Notes and pay the proceeds of the Note Issue to the Issuer on the Issue Date.

6 THE NOTES AND TRANSFERABILITY

6.1 By virtue of being registered as a Noteholder (directly or indirectly) with the CSD, each Noteholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with by the Agent, the Noteholders or any other third party.

6.2 The Notes are freely transferable. All Note transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Note transferees upon completed transfer.

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

6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

6.5 For the avoidance of doubt and notwithstanding the above, a Noteholder which allegedly has purchased Notes in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Noteholder hereunder in each case until such allegations have been resolved.

7 NOTES IN BOOK-ENTRY FORM

7.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical Notes will be issued. Accordingly, the Notes will be registered in accordance with the relevant securities legislation and the CSD Regulations. Registration requests relating to the Notes shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Noteholders and their holdings of Notes at the relevant point of time.

7.2 Subject to the CSD Regulations, the Issuer and the Agent shall at all times be entitled to obtain information from the Debt Register.

7.3 Subject to the CSD Regulations, for the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Paying Agent shall be entitled to obtain information from the Debt Register.

7.4 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.2 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 Noteholder or third party unless necessary for such purposes.

7.5 The Issuer will at all times ensure that the registration of the Notes in the CSD is correct and shall immediately upon any amendment or variation of these Terms and Conditions give notice to the CSD of any such amendment or variation.

8 RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

8.1 If any Person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Noteholder or, if applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.

8.2 A Noteholder 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 Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.

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 Noteholder who is the nominee (Sw. *förvaltare*) with respect to a Note and the owner of such Note, 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 NOTES

9.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Noteholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.

9.2 If a Noteholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account, such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.

9.3 Any specific payment instructions, including foreign exchange bank account details, to be connected to the Noteholder's account in the CSD must be provided by the relevant Noteholder to the Paying Agent (either directly or through its Account Operator in the CSD) within five CSD Business Days prior to a payment date. Depending on any currency exchange settlement agreements between each Noteholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

9.4 Notwithstanding anything to the contrary in these Terms and Conditions, the Notes shall be subject to, and any payments made in relation thereto shall be made in accordance with, the CSD Regulations.

9.5 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.

9.6 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Note 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 AND INTEREST CANCELLATION

10.1 Interest

10.1.1 Subject to Clause 10.2 and Clause 11, the Notes will bear Interest at the Interest Rate calculated on the Nominal Amount from (and including) the Issue Date up to (but excluding) the relevant Redemption Date.

10.1.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.

10.1.3 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).

10.2 Interest cancellation

10.2.1 Any payment of Interest in respect of the Notes shall be payable only out of and up to the Issuer's Distributable Items and:

(a) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the Applicable Capital Regulations; and

(b) will be mandatorily cancelled to the extent so required by the Applicable Capital Regulations, including the applicable criteria for Additional Tier 1 Capital instruments.

10.2.2 The Issuer shall give notice to the Noteholders in accordance with Clause 25 (Notices) of any such cancellation of a payment of Interest, which notice might be given after the date on which the relevant payment of Interest is scheduled to be made. Notwithstanding the foregoing, failure to give such notice shall not prejudice the right of the Issuer not to pay Interest as described above and non-payment of any amount of interest scheduled to be paid on an Interest Payment Date will constitute evidence of cancellation of the relevant payment, whether or not notice of cancellation has been given by the Issuer.

10.2.3 Following any cancellation of Interest as described above, the right of the Noteholders to receive accrued Interest in respect of any such Interest Period will terminate and the Issuer will have no further obligation to pay such Interest or to pay interest thereon, whether or not payments of Interest in respect of subsequent Interest Periods are made, and such unpaid Interest will not be deemed to have "accrued" or been earned for any purpose.

10.2.4 Failure to pay such interest (or the cancelled part thereof) in accordance with this Clause 10 shall not constitute an event of default or the occurrence of any event related to the insolvency of the Issuer or entitle Noteholders to take any action to cause the Issuer to be declared bankrupt or for the liquidation, winding-up or dissolution of the Issuer.

10.3 Calculation of Interest in case of Write-Down or reinstatement

10.3.1 Subject to Clause 10.2 (*Interest cancellation*), in the event that a Write-Down (as defined in Clause 11.1) occurs during an Interest Period, Interest will accrue on the Nominal Amount (as adjusted pursuant to such Write-Down).

10.3.2 Subject to Clause 10.2 (*Interest cancellation*), in the event that a reinstatement of the Notes occurs pursuant to Clause 11.3 (*Reinstatement of the Notes*), Interest shall begin to accrue on the reinstated Nominal Amount.

10.3.3 In connection with a Write-Down or reinstatement pursuant to Clause 11 (*Loss absorption and discretionary reinstatement*), the Issuer shall inform the Paying Agent and the CSD of an adjusted interest rate that shall be applied on the next Interest Payment Date, in order for the Noteholders to receive an amount of Interest equivalent to the Interest Rate on the Notes so written down or written up (as applicable).

10.4 No penalty interest

Under no circumstances shall any penalty (Sw. *dröjsmålsränta*) interest be payable by the Issuer in respect of the Notes.

11 LOSS ABSORPTION AND DISCRETIONARY REINSTATEMENT

11.1 Write-Down upon a Trigger Event

11.1.1 If at any time a Trigger Event occurs the Issuer will irrevocably cancel any accrued and unpaid interest in respect of the Notes to (but excluding) the Write-Down Date (as defined below) in accordance with Clause 10 above (including if payable on the Write-Down Date), and on the Write-Down Date (without any requirement for the consent or approval of the Noteholders), reduce the then Total Nominal Amount or the Issuer's payment obligation under the Notes in accordance with this Clause 11.1 (such reduction a "**Write-Down**").

11.1.2 Such cancellation and reduction shall take place on a date selected by the Issuer in consultation with the SFSA (the "Write**-Down Date"**) but no later than one month following the occurrence of the relevant Trigger Event unless, in accordance with the Applicable Capital Regulations, the SFSA has agreed with the Issuer in writing that such reduction and cancellation may occur after a longer period, in which case, on such date as agreed with the SFSA.

11.1.3 A Write-Down shall be made either as a reduction of the Total Nominal Amount or by means of a pooling factor, where the Issuer's payment obligation under each Note shall be reduced to a certain percentage of the Nominal Amount and in each case such Write-Down shall be considered to be an unconditional capital contribution (Sw. *ovillkorat kapitaltillskott*) and shall be made in consultation with the SFSA and in accordance with the rules of the CSD.

11.1.4 The amount of the reduction of the Total Nominal Amount on the Write-Down Date shall (save as otherwise required by the SFSA) equal the amount of a Write-Down that would restore the CET1 ratio of the Issuer to at least 5.125 per cent., and the CET1 ratio of the Issuer Consolidated Situation to at least 7.00 per cent., in each case at the point of such Write-Down, provided that the maximum reduction of the Total Nominal Amount shall be down to a Nominal Amount per Note corresponding to SEK 1.

11.1.5 A Write-Down in accordance with this Clause 11.1 shall be made taking into account any preceding or imminent write-down or conversion of corresponding or similar loss absorbing instruments (if any) issued by the Issuer or any other member of the Issuer Consolidated Situation, including but not limited to Additional Tier 1 Capital instruments (other than the Notes).

11.1.6 For the avoidance of doubt, the Nominal Amount of each Note shall, upon the Write-Down of the Total Nominal Amount described above, be written down on a pro rata basis.

11.1.7 A Write-Down may occur on more than one occasion and the Notes may be written-down on more than one occasion. Any Write-Down shall not constitute an Acceleration Event.

11.1.8 For the purposes of determining whether a Trigger Event has occurred, the Issuer will (i) calculate the CET1 ratio of the Issuer or the Issuer Consolidated Situation (as applicable) based on information (whether or not published) available to management of the Issuer, including information internally reported within the Issuer pursuant to its procedures for ensuring effective ongoing monitoring of the capital ratios of the Issuer or the Issuer Consolidated Situation and (ii) calculate and publish the CET1 ratios of the Issuer or the Issuer Consolidated Situation on at least a quarterly basis. For the avoidance of doubt, it is noted that the occurrence of a Trigger Event may also be determined by the SFSA (or any agent appointed for such purpose by the SFSA), in which case the determination may be made in accordance with the internal rules and processes applied by the SFSA from time to time.

11.2 Trigger Event Notice

11.2.1 Upon the occurrence of a Trigger Event, the Issuer shall immediately inform the SFSA and shall as soon as practicable following the occurrence of a Trigger Event and in any event not later than five (5) Business Days following such occurrence give notice (a "**Trigger Event Notice**") to the Noteholders and the Agent in accordance with Clause 25 (Notices), which notice, in addition to specifying that a Trigger Event has occurred shall specify:

(a) the Write-Down Date; and

(b) if then determined, the amount to be written down in accordance with Clause 11.1 (*Write-Down upon a Trigger Event*) ("**Write-Down Amount**"). If the Write-Down Amount has not been determined when the Trigger Event Notice is given, the Issuer shall, as soon as reasonably practicable following such determination, notify Noteholders and the Agent of the Write-Down Amount.

11.2.2 Notwithstanding paragraph 11.2.1 above, failure to give a Trigger Event Notice shall not prejudice any Write-Down of the Notes.

11.3 Reinstatement of the Notes

11.3.1 Following a Write-Down, the Issuer may, at its absolute discretion, reinstate the Notes, subject to compliance with any maximum distribution limits set out in, and otherwise in accordance with, the Applicable Capital Regulations.

11.3.2 Unless a write-up of the Nominal Amount of the Notes is permitted and possible in accordance with the rules of the CSD, reinstatement shall be made by way of issuing new Notes that qualify as Additional Tier 1 Capital to the relevant Noteholders. Any such new Note issuance shall specify the relevant details of the manner in which such new Note issuance shall take effect and where the Noteholders can obtain copies of the new terms and conditions of the new Notes. Such new Notes

shall be issued without any cost or charge to the Noteholders and shall be made in accordance with the rules of the CSD.

11.3.3 A reinstatement in accordance with this Clause 11.3 shall be made taking into account any preceding or imminent reinstatement of corresponding or similar loss absorbing instruments issued by the Issuer or any other member of the Issuer Consolidated Situation, including but not limited to Additional Tier 1 Capital instruments (other than the Notes).

11.3.4 For the avoidance of doubt, at no time may the reinstated Total Nominal Amount exceed the original Total Nominal Amount of the Notes (if issued in full), being SEK 799,500,000.

11.3.5 For the avoidance of doubt, any reinstatement of the Notes shall be made on a *pro rata* basis.

11.3.6 If the Issuer decides to reinstate the Notes, the Issuer shall notify the Noteholders and the Agent in accordance with Clause 25 (*Notices*) prior to such reinstatements becoming effective.

12 REDEMPTION AND REPURCHASE OF THE NOTES

12.1 Perpetual Notes

The Notes constitute perpetual obligations of the Issuer and have no fixed date for redemption. The Issuer may only redeem the Notes at its discretion in the circumstances described herein. The Notes are not redeemable at the option of the Noteholders at any time.

12.2 Early redemption at the option of the Issuer

Subject to Clause 12.6 (*Consent from the SFSA*) and giving notice in accordance with Clause 12.7 (*Notice of early redemption, substitution or variation*), the Issuer may redeem all (but not some only) of the Notes (a) on the First Call Date, (b) at any time on a Business Day in the three month period prior to and including the Interest Payment Date falling on or nearest to 5.25 years after the Issue Date, or (c) on any Interest Payment Date falling after the First Call Date at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest thereon to (but excluding) the date fixed for redemption.

12.3 Purchase of Notes by the Issuer

Subject to Clause 12.6 (*Consent from the SFSA*), the Issuer, or any member of the Group may at any time on or following the First Call Date and at any price purchase Notes on the market or in any other way. Any Notes held by the Issuer or any member of the Group may be retained, sold or cancelled, provided that such action has been approved by the SFSA (if and to the extent then required by the Applicable Capital Regulations).

12.4 Early voluntary total redemption or substitution or variation due to Capital Disqualification Event or Tax Event (call option)

Subject to Clause 12.6 (*Consent from the SFSA*) and giving notice in accordance with Clause 12.7 (*Notice of early redemption, substitution or variation*), if a Capital Disqualification Event or Tax Event has occurred, the Issuer may:

(a) redeem all, but not some only, of the outstanding Notes on any Interest Payment Date at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest thereon to (but excluding) the date fixed for redemption; or

(b) substitute or vary the terms of all (but not some only) of the outstanding Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain, as applicable, Qualifying Capital Notes.

12.5 Early redemption amount

The Notes shall be redeemed at a price per Note equal to the Nominal Amount together with accrued but unpaid interest (to the extent not cancelled).

12.6 Consent from the SFSA

The Issuer may not redeem, purchase, substitute or adjust, as contemplated by this Clause 12, any outstanding Notes without the prior written consent of the SFSA (if and to the extent then required under the Applicable Capital Regulations) and in accordance with the Applicable Capital Regulations. Any refusal by the SFSA to give its permission shall not constitute an event of default for any purpose.

12.7 Notice of early redemption, substitution or variation

12.7.1 Redemption, substitution or variation in accordance with Clause 12.2 (*Early redemption at the option of the Issuer*) and Clause 12.4 (*Early voluntary total redemption or substitution or variation due to Capital Disqualification Event or Tax* Event (call option)) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent. Any notice of redemption shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, subject to the Applicable Capital Regulations and approval of the SFSA, at the Issuer's discretion contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Notes in full at the applicable amount on the specified Redemption Date.

12.7.2 Notwithstanding Clause 12.7.1 above,

(a) if a Trigger Event is outstanding, no notice of redemption, substitution or variation may be given until the Trigger Event has been cured; and

(b) if a Trigger Event occurs following a notice being given in accordance with paragraph (a) above but prior to the relevant redemption, substitution or variation of the Notes, such notice shall be of no force and effect and Clause 11.1(*Write-Down upon a Trigger Event*) shall apply, and, for the avoidance of doubt, no redemption, substitution or variation shall occur.

13 INFORMATION TO NOTEHOLDERS

13.1 Financial Statements

The Issuer shall make available to the Agent and the Noteholders by way of press release and by publication on its website:

(a) as soon as they are available, but in any event within five (5) months after the expiry of each financial year, the audited consolidated financial statements of the Group for that financial year; and

(b) as soon as they are available, but in any event within two (2) months after the end of the second and fourth quarter of each of its financial years:

(i) the consolidated financial statements or year-end report (Sw. *bokslutskommuniké*) (as applicable) of the Group for such period; and

(ii) a report on regulatory capital of the Issuer and the Issuer Consolidated Situation (if applicable).

13.2 Information; miscellaneous

The Issuer shall:

(a) 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);

(b) procure that each of the Financial Statements include a profit and loss account and a balance sheet and a cash flow statement; and

(c) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions) available on its website.

14 ADMISSION TO TRADING

The Issuer:

(a) shall use reasonable efforts to ensure that the Notes are admitted to trading on the corporate bond list of Nasdaq Stockholm within thirty (30) days from the Issue Date or, if such admission to trading is not possible to obtain, admitted to trading on another Regulated Market within sixty (60) days; and

(b) once the Notes are admitted to trading on a Regulated Market, shall use reasonable effort to maintain such admission as long as the Notes are outstanding (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other relevant Regulated Market, as applicable, and the CSD preventing trading in the Notes in close connection to the redemption of the Notes).

15 ACCELERATION OF THE NOTES

15.1 Neither a Noteholder or the Agent have a right to accelerate the Notes or otherwise request prepayment or redemption of the Nominal Amount of the Notes, except in the event of liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer (an "**Acceleration Event**").

15.2 If an Acceleration Event has occurred, the Agent is, following the instruction of the Noteholders, authorised to

(a) by notice to the Issuer, declare all, but not only some, of the Notes due for payment together with any other amounts payable under the Finance Documents (except any Interest cancelled in accordance with Clause 10.2), immediately or at such later date as the Agent determines; and

(b) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

15.3 The Issuer shall as soon as possible notify the Agent of the occurrence of an Acceleration Event and the Agent shall notify the Noteholders of an Acceleration Event as soon as possible when the Agent received actual knowledge of the Acceleration Event.

15.4 In the event of an acceleration of the Notes upon an Acceleration Event, the Issuer shall redeem all Notes at an amount equal to the Nominal Amount of the Notes.

15.5 No payments will be made to the Noteholders before all amounts due, but unpaid, to all other creditors of the Issuer ranking ahead of the Noteholders as described in Clause 2 (Status and Ranking of the Notes) have been paid by the Issuer, as ascertained by the judicial liquidator (Sw. likvidator) or bankruptcy administrator (Sw. konkursförvaltare).

15.6 In the event of the liquidation (Sw. likvidation), bankruptcy (Sw. konkurs) or resolution (Sw. resolution) of the Issuer, no Noteholder shall be entitled to exercise any right of set-off or counterclaim against monies owed by the Issuer in respect of the Notes held by such Noteholder.

16 DISTRIBUTION OF PROCEEDS

16.1 All payments by the Issuer relating to the Notes and the Terms and Conditions following an acceleration of the Notes in accordance with Clause 15 (*Acceleration of the Notes*), 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 (other than any indemnity given for liability against the Noteholders);

(ii) other costs, expenses and indemnities relating to the acceleration of the Notes or the protection of the Noteholders' rights;

(iii) any non-reimbursed costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2.6; and

(iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure;

(b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes not cancelled in accordance with Clause 10.2 (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 Notes; and

(d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Terms and Conditions.

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

16.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1, such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1.

16.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes constitute escrow funds according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16 as soon as reasonably practicable.

16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

17 DECISIONS BY NOTEHOLDERS

17.1 Request for a decision

17.1.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.

17.1.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.

17.1.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Noteholders 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.

17.1.4 The Agent shall not be responsible for the content of a notice for a Noteholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.

17.1.5 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.1.3 being applicable, the Person requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written

Procedure, as the case may be, itself. If no Person has been appointed by the Agent to open the Noteholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.

17.1.6 Should the Issuer want to replace the Agent, it may convene a Noteholders' Meeting in accordance with Clause 17.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 17.3.1. After a request from the Noteholders pursuant to Clause 20.4.3, 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 Noteholders' Meeting in accordance with Clause 17.2.1. The Issuer shall inform the Agent before a notice for a Noteholders' 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.

17.2 Noteholders' Meeting

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

17.2.2 The notice pursuant to Clause 17.2.1 shall include:

(a) the time for the meeting;

(b) the place for the meeting;

(c) an agenda for the meeting (including each request for a decision by the Noteholders);

(d) a form of power of attorney; and

(e) should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

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

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

17.2.4 At a Noteholders' Meeting, the Issuer, the Noteholders (or the Noteholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Noteholders' Meeting. The Noteholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Noteholders' Meeting instead of the Noteholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Noteholder.

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

17.3 Written Procedure

17.3.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(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 Noteholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Noteholder(s), the Agent shall send a copy of the communication to the Issuer.

17.3.2 A communication pursuant to Clause 17.3.1 shall include:

(a) each request for a decision by the Noteholders;

(b) a description of the reasons for each request;

(c) a specification of the Business Day on which a Person must be registered as a Noteholder in order to be entitled to exercise voting rights;

(d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;

(e) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 17.3.1); and

(f) if the voting shall be made electronically, instructions for such voting.

17.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 17.4.2 and 17.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.4.2 or 17.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

17.4 Majority, quorum and other provisions

17.4.1 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 Noteholder*) from a Person who is, registered as a Noteholder:

(a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or

(b) on the Business Day specified in the communication pursuant to Clause 17.3.2, in respect of a Written Procedure,

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

17.4.2 The following matters shall require consent of Noteholders representing at least sixty-six and two thirds ($66^{2}/_{3}$) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2:

(a) a change of the terms of Clauses 2.1, 15.1 or 16.1;

(b) a mandatory exchange of the Notes for other securities (other than as contemplated in Clause 11 and Clause 12).

(c) reduce the Nominal Amount, Interest Rate or Interest which shall be paid by the Issuer (other than as a result of an application of Clause 19 (*Replacement of Base Rate*));

(d) amend any payment day for principal or Interest or waive any breach of a payment undertaking, *provided that* any early redemption, amortisation or repurchase of the Notes shall always be subject to the Applicable Capital Regulations and the prior consent of the SFSA; or

(e) amend the provisions in this Clause 17.4.2 or in Clause 17.4.3.

17.4.3 Any matter not covered by Clause 17.4.2 shall require the consent of Noteholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2. 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 (f) of Clause 18.1) or an acceleration of the Notes.

17.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Noteholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Noteholders' Meeting shall be appointed by the Noteholders in accordance with Clause 17.4.3.

17.4.5 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.4.2 and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

(a) if at a Noteholders' 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.

If a quorum exists for some but not all of the matters to be dealt with at a Noteholders' Meeting or by a Written Procedure, decisions may be taken in matters for which a quorum exists.

17.4.6 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 17.2.1) or initiate a second Written Procedure (in accordance with Clause 17.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 17.4.5 shall not apply to such second Noteholders' Meeting or Written Procedure.

17.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.

17.4.8 A Noteholder holding more than one (1) Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

17.4.9 If any matter decided in accordance with this Clause 17 would require consent from the SFSA, such consent shall be sought by the Issuer.

17.4.10 The Noteholders may not resolve to make amendments to these Terms and Conditions if the Issuer, after consultation with the SFSA, considers that a change in the Terms and Conditions would be likely to result in the exclusion of the Notes from the Additional Tier 1 Capital of the Issuer or the Issuer Consolidated Situation (an "**Additional Tier 1 Exclusion Event**"). A resolution by the Noteholders to amend these Terms and Conditions is not valid if the Issuer, after consultation with the SFSA, considers that such an amendment would be likely to result in an Additional Tier 1 Exclusion Event.

17.4.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

17.4.12 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure or how they voted. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.

17.4.13 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.

17.4.14 If a decision shall be taken by the Noteholders 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 Notes owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Note is owned by a Group Company or an Affiliate of a Group Company.

17.4.15 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders 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 Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

18 AMENDMENTS AND WAIVERS

18.1 The Issuer and the Agent (acting on behalf of the Noteholders) 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 Noteholders;

(b) is made solely for the purpose of rectifying obvious errors and mistakes;

(c) is made pursuant to Clause 19 (*Replacement of Base Rate*);

(d) is required by the SFSA for the Notes to satisfy the requirements for Additional Tier 1 Capital under the Applicable Capital Regulations as applied by the SFSA from time to time;

(e) is required by applicable regulation, a court ruling or a decision by a relevant authority;

(f) is necessary for the purpose of having the Notes admitted to trading on the corporate Note 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 Noteholders; or

(g) has been duly approved by the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Noteholders.

18.2 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 18.1, 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 the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

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

19 REPLACEMENT OF BASE RATE

19.1 General

19.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Noteholders in accordance with the provisions of this Clause 19 shall at all times be made by such Independent Adviser, the Issuer or the Noteholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

19.1.2 If it is or would be unlawful at any time under any applicable regulation or would contravene any applicable licensing requirements to determine the Base Rate in accordance with any of the provisions set forth in this Clause 19, the first subsequent permissible fallback shall apply.

19.2 Definitions

In this Clause 19:

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

(a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or

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

"**Base Rate Amendments**" has the meaning set forth in Clause 19.3.4.

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

(a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;

(b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;

(c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;

(d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Noteholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);

(e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*); or

(f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

"**Base Rate Event Announcement**" means a public statement or published information as set out in paragraphs (a) 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 in each case appointed by the Issuer at its own expense.

"**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*).

"**Successor Base Rate**" means:

(a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of Additional Tier 1 Capital, 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.

19.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments

19.3.1 Without prejudice to Clause 19.3.2, upon a Base Rate Event Announcement, the Issuer may (acting at its own discretion), if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer's expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 19.3.2.

19.3.2 If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate.

19.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 19.3.2, the Noteholders shall, if so decided at a Noteholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser for the purposes set forth in Clause 19.3.2. If an event of default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clause 19.3 to 19.6, the Agent (acting on the instructions of the Noteholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer's cooperation.

19.3.4 The Independent Advisor shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").

19.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

19.4 Interim measures

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

(a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or

(b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.

19.4.2 For the avoidance of doubt, Clause 19.4.1 shall only apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 19. This will however not limit the application of Clause 19.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 19 have been taken, but without success.

19.5 Notices etc.

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Paying Agent and the Noteholders in accordance with Clause 25 and the CSD. The notice shall also include information about the effective date of the amendments. If the Notes are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

19.6 Variation upon replacement of Base Rate

19.6.1 No later than giving the Agent notice pursuant to Clause 19.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 19.3.3) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 19. The Successor Base Rate, the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Paying Agent and the Noteholders.

19.6.2 The Issuer and the Agent shall, at the request and expense of the Issuer, but subject to receipt by the Agent of the certificate referred to in Clause 19.6.1, without the requirement for any consent or approval of the Noteholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 19.

19.6.3 The Agent and the Paying Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 19. Neither the Agent nor the Paying Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Paying 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 Paying Agent in the Finance Documents (in each case in any material respect).

19.7 Limitation of liability for the Independent Adviser

Any Independent Adviser appointed pursuant to Clause 19.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

20 THE AGENT

20.1 Appointment of the Agent

20.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes 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 Notes held by such Noteholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.

20.1.2 Each Noteholder 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 Noteholder which does not comply with such request.

20.1.3 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.

20.1.4 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.

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

20.2 Duties of the Agent

20.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents.

20.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent is never acting as an advisor to the Noteholders or the Issuer. Any advice or opinion from the Agent does not bind the Noteholders or the Issuer.

20.2.3 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.

20.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders 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.

20.2.5 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 Noteholders 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.

20.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:

(a) after the occurrence of an Acceleration Event;

(b) for the purpose of investigating or considering:

(i) an event or circumstance which the Agent reasonably believes is or may lead to an Acceleration Event; 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 Noteholders under the Finance Documents;

(c) in connection with any Noteholders' 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.

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 16 (*Distribution of proceeds*).

20.2.7 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.

20.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor:

(a) whether any Acceleration Event has occurred;

(b) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or

(c) whether any other event specified in any Finance Document has occurred.

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.

20.2.9 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 20.2.9. Other than as set out above, the Agent shall neither be liable to the Issuer or the Noteholders 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.

20.2.10 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.

20.2.11 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 Noteholders, 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.

20.2.12 The Agent shall give a notice to the Noteholders 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 20.2.11.

20.2.13 The Agent may instruct the CSD to split the Notes to a lower nominal amount in order to facilitate partial redemptions, restructuring of the Notes or other situations where such split is deemed necessary.

20.2.14 Upon the reasonable request by a Noteholder, the Agent shall promptly distribute to the Noteholders any information from such Noteholder which relates to the Notes (at the discretion of the Agent). The Agent may require that the requesting Noteholder 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 Noteholder disclose the identity of any other Noteholder who has consented to the Agent in doing so.

20.2.15 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Noteholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information.

20.3 Liability for the Agent

20.3.1 The Agent will not be liable to the Noteholders 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.

20.3.2 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 Noteholders to delay the action in order to first obtain instructions from the Noteholders.

20.3.3 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 Noteholders, 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.

20.3.4 The Agent shall have no liability to the Issuer or the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with the Finance Documents.

20.3.5 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 Noteholders under the Finance Documents.

20.4 Replacement of the Agent

20.4.1 Subject to Clause 20.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

20.4.2 Subject to Clause 20.4.6, if the Agent is Insolvent, 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.

20.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.

20.4.4 If the Noteholders 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 Noteholders,

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.

20.4.5 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.

20.4.6 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 20.4.4 having lapsed.

20.4.7 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 Noteholders 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.

20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, 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.

21 THE PAYING AGENT

21.1 The Issuer appoints the Paying Agent to manage certain specified tasks relating to the Notes, under these Terms and Conditions, in accordance with the legislation, rules and regulations applicable to the Issuer, the Notes and/or under the CSD Regulations.

21.2 The Paying Agent may retire from its appointment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Paying Agent at the same time as the old Paying Agent retires or is dismissed. If the Paying Agent is Insolvent, the Issuer shall immediately appoint a new Paying Agent, which shall replace the old Paying Agent as paying agent in accordance with these Terms and Conditions.

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

22 THE CSD

22.1 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 Notes.

22.2 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 Noteholder or any admission to trading of the Notes. The replacing CSD must be authorised to professionally conduct clearing operations and be authorised as a central securities depository in accordance with applicable law.

23 NO DIRECT ACTIONS BY NOTEHOLDERS

23.1 A Noteholder 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.

23.2 Clause 23.1 shall not apply if the Agent has been instructed by the Noteholders 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 Noteholder to provide documents in accordance with Clause 20.1.2), 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 20.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.12 before a Noteholder may take any action referred to in Clause 23.1.

24 TIME-BAR

24.1 The right to receive repayment of the principal of the Notes 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 Noteholders' right to receive payment has been time-barred and has become void.

24.2 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 Notes, 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.

25 NOTICES

25.1 Notices

25.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

(a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address as notified by the Agent to the Issuer from time to time;

(b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or 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 Noteholders, shall be given at their addresses as registered with the CSD, on the date such person shall be a Noteholder in order to receive the communication or if such date is not specified, on the Business Day prior to dispatch, and by either courier delivery (if practically possible) or letter for all Noteholders. A notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.

25.1.2 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 25.1.1;

(b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1; 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 25.1.1,

and any such notice shall be made in English.

25.1.3 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

26 FORCE MAJEURE

26.1 Neither the Agent nor the Paying 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 Paying Agent itself takes such measures, or is subject to such measures.

26.2 Should a Force Majeure Event arise which prevents the Agent or the Paying Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

26.3 The provisions in this Clause 26 apply unless they are inconsistent with applicable securities regulations which provisions shall take precedence.

27 GOVERNING LAW AND JURISDICTION

27.1 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.

27.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 27.3, be determined by Swedish courts and the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

27.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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ADDRESSES

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CSD

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