

ELLOS HOLDING AB (PUBL)

**PROSPECTUS FOR THE ADMISSION TO TRADING OF SEK 750,000,000
SENIOR SECURED CALLABLE FLOATING RATE BONDS**

ISIN: SE0012827996

26 June 2025

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the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.

IMPORTANT INFORMATION

This prospectus (the "**Prospectus**") has been prepared by Ellos Holding AB (publ) with registration number 559495-4116, (the "**Issuer**" or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) "**Ellos Holding**" or the "**Group**"). This Prospectus has been prepared in connection with the application for admission to trading of bonds on the corporate bond list of Nasdaq Stockholm ("**Nasdaq Stockholm**").

The previous issuer, Ellos Group AB (publ), registration number 559175-1325, issued a total of 1,500 secured bonds in the total amount of SEK 1,500,000,000 on 25 July 2019 which were thereafter admitted to trading on Nasdaq Stockholm (the "**Bonds**"). On 25 July 2024 the Bonds matured and were de-listed from Nasdaq Stockholm. Following the de-listing of the Bonds, certain written procedures have taken place and agreements have been entered into with the holders of the Bonds, including a change of the debtor of the Bonds to the Issuer, entailing that the aggregate nominal amount of the Bonds is now SEK 750,000,000 with a nominal amount of SEK 500,000. The intention is to re-admit the Bonds to trading on the corporate bond list of Nasdaq Stockholm. In this Prospectus, the "**Terms and Conditions**" refers to the terms and conditions of the Bonds (set out in section "**Terms and Conditions**" below). Words and expressions defined in the Terms and Conditions have the same meanings when used in this Prospectus, unless expressly stated or otherwise follows from the context.

This Prospectus has been prepared by the Issuer and approved and registered by the Swedish Financial Supervisory Authority (the "**SFSA**", Sw. *Finansinspektionen*) pursuant to 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**"). Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase bonds in any jurisdiction. It has been prepared solely for the purpose of admitting the Bonds to trading on Nasdaq Stockholm. This Prospectus may not be distributed in the US, Australia, Hong Kong, Japan, Canada, Switzerland, Singapore, South Africa or New Zealand or in any other jurisdiction where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and are subject to U.S. tax law requirements. The Bonds will 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 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. In this Prospectus, any references to "**SEK**" refer to Swedish Kronor.

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

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

This Prospectus is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

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SUMMARY

INTRODUCTIONS AND WARNINGS

<i>Introduction and warnings</i>	<p>This summary should be read as an introduction to this prospectus (the "Prospectus"). Any decision to invest in the securities should be based on a consideration of this Prospectus as a whole by the investor.</p> <p>The investor could lose all or part of the invested capital. Where a claim relating to the information in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the cost of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to persons who produced this summary, including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the securities.</p>
<i>Issuer information</i>	<p>Ellos Holding AB (publ) (the "Issuer" or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) "Ellos Holding" or the "Group") is a public limited liability company registered in Sweden with registration number 559495 4116, having its registered address at Box 961, 501 10 Borås, Sweden and the registered office of the board of directors is the municipality of Borås. The Issuer's legal and commercial name is Ellos Holding AB (publ) and its LEI-code is 1595UU5YMU4S61M2UO26.</p>
<i>Competent authority</i>	<p>This Prospectus was approved by the Swedish Financial Supervisory Authority (Sw. <i>Finansinspektionen</i>) (the "SFSA") on 26 June 2025. The SFSA's visiting address is Sveavägen 44, SE-111 34 Stockholm, Sweden and its postal address is P.O. Box 7821, SE-103 97 Stockholm, Sweden. The SFSA's telephone number is +46 (0) 8 408 980 00 and its website is www.fi.se.</p>

KEY INFORMATION ON THE ISSUER

<i>Who is the issuer of the securities?</i>	
<i>Issuer information</i>	<p>The Issuer is a public limited liability company registered in Sweden with registration number 559495-4116, having its registered address at Box 961, 501 10 Borås, Sweden and the registered office of the board of directors is the municipality of Borås. The Issuer's LEI-code is 1595UU5YMU4S61M2UO26. The Issuer is governed by Swedish law including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i>) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen (1995:1554)</i>). The Issuer's website is www.ellosgroup.com and its phone number is +46 (0)33-16 00 00.</p>
<i>Principal activities</i>	<p>Ellos Holding is a Nordic online shopping destination, offering homeware for the modern home and a wide range of fashion products. The Group's online stores Ellos, Jotex and Homeroom are established in their core customer segment, the woman in the middle of life, and the Group operates in the Nordic countries and in selected markets in Europe. Through the various online stores' offerings, Ellos Holding addresses two major markets, fashion and home furnishings online. The offering is, in Sweden, Norway, Denmark and Finland, supported by Ellos Holding's own integrated payment and financing solution Elpy.</p>
<i>Major shareholders</i>	<p>The shareholders' influence is exercised through participation in the decisions made at the general meetings of the Issuer. As of the date of the Prospectus, the Issuer is not, directly or indirectly, controlled by any individual shareholder, but the major shareholders Sissener, Storm Capital (together with Morten Eivindsson Astrup) and Pareto (through several entities) have, by controlling approximately 17, 17 and 12 percent of the votes in the Issuer, respectively, a substantial influence over matters that are subject to approval by the shareholders of the Issuer and may thus, if they were to act together, exercise control over the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the Issuer's articles of association and external regulations such as the Swedish Companies Act.</p>
<i>Board members and senior management</i>	<p>The Issuer's board of directors consists of Morten E. Astrup (chair), Joakim Friedman and Hans Ohlsson, as well as the employee representatives Hans Lindau and Åsa Tobrant and deputies Amanda Gabriëlsson and Satu Tervo.</p> <p>As the Issuer is not an operational company, it does not have an operational management. Instead, the senior management of the Group is employed in the subsidiary Ellos AB. The Group's senior management thus consists of Hans Ohlsson (CEO), Johan Stigson (CFO), Markus Andersson (CIO), Alexandra Dornérus (Business Development Manager), Sofia Ekensten (Brand Director of Ellos), Marie Fall (People-</p>

	& Culture Director), Johan Kromer (Global Sourcing Director and Collection Director), Magnus Malmström ¹ (Business Area Manager Elpy) and Mathias Parkhagen (Logistics and Supply Director).		
Auditor	Ernst & Young Aktiebolag ("EY") has been the Issuer's auditor since the Issuer was formed in 2024. The auditor in charge is Andreas Mast (born 1979). Andreas Mast is a member of FAR. The business address of EY is Box 7850, SE-103 99 Stockholm, Sweden.		
What is the key financial information regarding the issuer?			
Key financial information in summary	The Issuer has prepared an audited annual report for the period 15 October 2024 to 31 December 2024 as well as an unaudited interim report for the period 1 January – 31 March 2025. The financial reports have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and interpretations that have been issued by IFRS Interpretations Committee as they have been adopted by the EU. Furthermore, the Group applies the Swedish Annual Accounts Act (Sw. årsredovisningslagen (1995:1554)) and RFR 1 "Supplementary accounting rules for groups" issued by the Swedish Financial Reporting Board. The interim report for the period 1 January – 31 March 2025 has, in addition, been prepared in accordance with IAS 34 Interim Financial Reporting.		
	Key income statement items		
	SEK million (unless otherwise stated)	For the period 15 October to 31 December 2024	For the three months ended 31 March 2025
	Net sales	997.8	801.6
	Results of operations	19.9	14.4
	Profit for the period	-71.6	-14.0
	Key statement of financial position items		
	SEK million (unless otherwise stated)	As of 31 December 2024	As of 31 March 2025
	Total assets	3,365.4	3,244.7
	Total equity	727.3	711.3
Total liabilities	2,638.1	2,533.4	
Key statement of cash flows items			
SEK million (unless otherwise stated)	For the period 15 October to 31 December 2024	For the three months ended 31 March 2025	
Cash flow from operating activities	35.7	-63.6	
Cash flow from investing activities	1.3	-4.0	
Cash flow from financing activities	145.3	-18.8	
Cash flow for the period	182.3	-86.4	
What are the key risks that are specific to the issuer?			
Key risks that are specific to the Issuer	Weak macroeconomic conditions in the Nordic countries, including geopolitical unrest, may negatively affect the demand for Ellos Holding's products		
	The industries in which Ellos Holding operates are generally affected by the general economic climate among consumers in relevant geographies. Examples of macroeconomic factors that may affect Ellos Holding include interest rates, the introduction of tariffs affecting global trade, such as those being implemented by the current U.S. administration, inflation, employment levels and energy and fuel prices, as these factors generally affect consumers' financial situation. Consumer purchasing power decreases during periods of economic downturn when disposable income is lower, leading to lower consumer demand. A weakening of consumer purchasing power may negatively affect the demand for goods that are not critical to the fulfilment of basic needs and thus easier to do without, such as fashion and home furnishing products. Geopolitical conflicts that directly or indirectly affect consumers in the countries in which Ellos Holding operates, leading to increased unrest and reduced confidence in the future, may also lead to changes in consumer behaviour whereby a smaller portion of consumers' disposable income is spent on fashion and home furnishing products and thus negatively affect the demand for Ellos Holding's products. A recession, or otherwise weak economic development among consumers in the Nordic		

¹ Magnus Malmström has terminated his employment in the Group and will leave the senior management following the end of a notice period of six months from the termination date 7 April 2025.

markets, or geopolitical unrest may thus have a negative impact on the demand for the products offered by Ellos Holding and the ability to maintain desirable price levels and thus on Ellos Holding's growth opportunities, net sales and operating results.

The markets for fashion and home furnishing products are highly competitive and fragmented

The markets for fashion and home furnishing products are highly competitive with both local and international actors. Ellos Holding's competitors may benefit from competitive advantages and gain market shares at Ellos Holding's expense. Such competitive advantages may consist of competitors having greater financial resources, stronger brands or greater geographical reach than Ellos Holding and thus benefiting from, among other things, economies of scale to increase their presence and thus profitability. A factor contributing to the significant competition in online shopping is that consumers can easily and quickly compare prices, assortments, delivery times and sales conditions, such as return policies, among different online retailers before making a purchase decision, which may entail difficulties in applying more favourable conditions than those applied by competitors. As online shopping enables consumers to also take advantage of offers from foreign operators, Ellos Holding is also subject to competition from other companies that are not necessarily established through a physical presence in the geographical markets where Ellos Holding operates. The significant competition may reduce Ellos Holding's market share in the markets in which the Issuer operates and adversely affect Ellos Holding's ability to maintain desirable price levels and may thereby have an adverse effect on Ellos Holding's net sales, results of operations and future prospects.

Ellos Holding's net sales and profit are in part attributable to the payment solutions and financial services provided by the Issuer

As part of its business model and customer offering, Ellos Holding's online stores provide integrated payment solutions under the brand Elpy in the form of, among other things, invoice and instalment payments, which means that customers can be granted credit when purchasing products from Ellos Holding. The Group co-operates with Resurs Bank in the financing and administration of such customer credits. Ellos Holding also markets personal loans and related insurance products in cooperation with Resurs Bank and Solid Försäkringsaktiebolag (and other insurance companies in relation to other insurance products). The customer credits administered in cooperation with Resurs Bank generate significant revenue for Ellos Holding. As the revenue from the factoring agreements is variable, Ellos Holding is indirectly exposed to credit risks, such as customers' ability to pay and solvency and interest rate risks. There is also a risk that the portion of customers choosing to pay via various forms of direct payments increases and that credit penetration thus fall. Lower credit penetration would likely have a negative impact on Ellos Holding, particularly on the Group's profitability.

Ellos Holding is exposed to price increases and price fluctuations when purchasing

Ellos Holding's products are largely manufactured in Asia, with the largest volumes being manufactured in China, India and Bangladesh. The cost of goods sold is dependent on, among other things, the price of commodities. As Ellos Holding does not have any agreements regarding fixed prices, commodity prices, in particular for cotton and oil, can cause significant fluctuations in costs for Ellos Holding. These commodity prices are influenced by the global market and are mainly priced in USD. Price volatility is mainly due to fluctuations in customer demand, supply and speculation, which can sometimes be exacerbated by reduced production due to natural disasters, political or financial instability or unrest. Furthermore, in the event of increases in inflation, there is a risk that Ellos Holding, its suppliers and other actors in the supply and production chain will be affected and a risk that such potential price increases cannot be passed on to end customers. Since Ellos Holding purchases products from all over the world, the Issuer is exposed to risks in connection with the transport of goods from suppliers to Ellos Holding's warehouse in Viared outside Borås. There is a risk that transport is not available at a reasonable cost, in due time or at all. Geopolitical unrest can also negatively affect maritime transport, both in terms of price levels and transit times. If price increases for products and freight cannot be passed on to consumers, increased costs of goods sold may have a negative impact on Ellos Holding's gross margins and thus results of operations.

Ellos Holding provides payment solutions and financial services that constitute regulated activities that require authorisation

Ellos Holding offers certain financial services to its customers in the form of credit granting and insurance brokerage. The provision of such financial services is subject to regulatory requirements and consumer protection rules. As the Group provides financial services in Sweden, Norway, Denmark and Finland, Ellos Holding is obliged to comply with such requirements in several different jurisdictions and take into account the specific regulatory aspects that apply if financial services are offered on a cross-border basis. The granting of credit by Ellos Holding in the form of invoicing and instalments is subject to, among other things, requirements for credit assessments and documentation. Failure to comply with these or other applicable legal requirements could lead to action by regulators and potentially affect the validity and

	<p>enforceability of certain credit agreements, which could, where relevant, have an adverse effect on Ellos Holding's financial position and results of operations. In recent years, consumer protection issues have received increased attention from a regulatory perspective in the Nordic countries. For example, the Swedish Ministry of Justice has proposed a new Consumer Credit Act and an amendment to the Payment Services Act has entered into force on 1 July 2020. There is a risk that new rules, including the application thereof, may lead to, for example, declining conversion rates or reduced credit penetration, which may have an adverse impact on Ellos Holding's profitability, results of operations and financial position.</p> <p>Trade, import and export restrictions may have a negative impact on Ellos Holding's business</p> <p>Ellos Holding's sourcing of own brands is mainly made from suppliers in Asia, primarily from China, India and Bangladesh. The availability of materials and products may decrease and Ellos Holding's sourcing costs may increase in the event of the introduction of various forms of restrictions such as import and/or export restrictions in jurisdictions relevant to Ellos Holding. Reduced access to materials and products and/or increased sourcing costs may have a negative impact on Ellos Holding's business and results of operations. Furthermore, Ellos Holding's sales may be adversely affected by the introduction of various forms of import or export restrictions or tariffs in markets where Ellos Holding conduct sales and lead to reduced sales and lower margins, which may have a negative impact on results of operations.</p> <p>Ellos Holding may face difficulties in financing its operations</p> <p>Ellos Holding's main sources of liquidity are, and are expected to remain, cash flow from operating activities and borrowings from external lenders. There is a risk that Ellos Holding will not generate sufficient profits and cash flows to finance its operations or refinance its indebtedness, and that Ellos Holding as a result may need to raise additional capital through, for example, bank loans or debt financing on the debt capital market. There is a risk that future financing will not be available at an acceptable price, or at all, and that existing debt cannot be refinanced when it falls due, which could lead to demands for immediate repayment or claims by creditors on pledged assets. In addition, adverse developments in the credit markets, such as a general downturn in the financial markets or a deterioration in general economic conditions, could adversely affect Ellos Holding's ability to raise new loans and adversely affect the costs and other terms of financing. Lack of sufficient financing for operations or increased costs or unfavourable terms of financing or refinancing could have an adverse effect on Ellos Holding's business, financial condition and results of operations.</p> <p>Ellos Holding is exposed to credit risks, mainly in relation to customers' inability to pay</p> <p>Consumer credit is an important part of Ellos Holding's business model and most of the Group's credit risk within relates to trade receivables. The Group's trade receivables are predominantly private customers, which are sold daily to Resurs Bank, and a few corporate customers. Although trade receivables are continuously sold at nominal value under the factoring agreements with Resurs Bank, Ellos Holding's remuneration from the factoring agreements is dependent on the portion of receivables not paid in the trade receivables portfolio. Ellos Holding is therefore indirectly exposed to a credit risk in relation to consumers who do not fulfil their payment obligations. Ellos Holding is also exposed to credit risks related to the inability of the counterparties with whom Ellos Holding has deposited cash and other financial assets to fulfil their obligations. If the measures taken by Ellos Holding to manage credit risks should prove to be insufficient, this could have a negative impact on Ellos Holding's financial position and results.</p>
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KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?	
<i>Governing law, type, class and ISIN</i>	The 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. The Bonds are senior secured callable floating rate bonds. There is no offering to purchase, subscribe for or sell the Bonds with ISIN SE0012827996.
<i>Currency, denomination, par value, the number of securities and the terms of the securities</i>	The Bonds have a nominal amount of SEK 500,000 and the minimum permissible investment upon issuance of the Bonds is SEK 500,000. The Bonds are denominated in SEK. As of the date of this Prospectus, 1,500 Bonds have been issued in an aggregate principal amount of SEK 750,000,000. The Final Redemption Date of the Bonds is 28 November 2028 pursuant to the Terms and Conditions.

<i>Interest and interest payments dates</i>	Interest on the Bonds is paid at an Interest Rate equal to three (3) months STIBOR plus the Floating Rate Margin equal to 5.00 per cent per annum subject to the Floating Rate Step Up equal to an increase of 2.00 per cent per annum to be added to the Floating Rate Margin as described in the Terms and Conditions and the Interest Rate shall for the avoidance of doubt never be less than zero (0). Interest is payable quarterly in arrear on 28 February, 28 May, 28 August and 28 November each year with the first Interest Payment Date being on 28 February 2025. The last Interest Payment Date shall be the Final Redemption Date or, to the extent any such day is not a Business Day, the Business Day following from an application of the Business Day Convention.
<i>Status of the bonds</i>	Subject to an intercreditor agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application, and without any preference among them.
<i>Rights attached to the securities</i>	<p>Redemption at maturity</p> <p>The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption Date (or, to the extent such day is not a Business Day and if permitted under the CSD's applicable regulations, on the Business Day following from an application of the Business Day Convention, and otherwise on the first following Business Day) with an amount per Bond equal to one hundred (100.00) per cent. of the Nominal Amount together with accrued but unpaid Interest.</p> <p>Mandatory repurchase due to a Change of Control Event or Asset Disposal Event (put option)</p> <p>Upon a Put Option Event occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to (a) in respect of a Change of Control Event, one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest and (b) in respect of an Asset Disposal Event, one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest for an amount up to the Asset Disposal Put Option Amount, in each case during a period of fifteen (15) Business Days following a notice from the Issuer of the relevant event. The fifteen (15) Business Days' period may not start earlier than upon the occurrence of the Change of Control Event or Asset Disposal Event (as applicable).</p> <p>Time-bar</p> <p>The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been time-barred and has become void.</p>
<i>Transferability</i>	The Bonds are freely transferable. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which a Bondholder may be subject. The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.
Where will the securities be traded?	
<i>Admission to trading</i>	The Issuer will submit an application for listing of the Bonds on the corporate bond list of Nasdaq Stockholm or any other regulated market (as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended) in connection with the approval of the Prospectus by the SFSA.
Is there a guarantee attached to the securities?	
<i>The guarantee</i>	The Issuer has entered into a guarantee and adherence agreement originally dated 25 March 2020, between the Issuer, each Guarantor and the Security Agent pursuant to which the Secured Obligations will be guaranteed by the Guarantors (the " Guarantee and Adherence Agreement "), pursuant to which each Guarantor, unconditionally, irrevocably, jointly, and severally, guarantees as principal and as for its own debit (Sw. <i>såsom för egen skuld</i>) the full punctual payment and performance of the Issuer's and each other relevant obligor's obligations under or in connection with the Senior Finance Documents (as defined in the Intercreditor Agreement). The Guarantees provided under the Guarantee and Adherence Agreement are subject to the terms of the Intercreditor Agreement and to certain limitations under applicable law. The Guarantee and Adherence Agreement is available upon request of the Issuer.
<i>Description of the Guarantors</i>	As of the date of the Prospectus, the Guarantors comprise the following twelve of the Issuer's directly and indirectly held subsidiaries: Ellos Group Nordic AB (publ), a Swedish public limited liability company with reg.no. 559318-3618 and LEI code 549300J34R086MUOX024, Ellos Group Holding AB (publ), a Swedish public limited liability company with reg.no. 556857-8511, Ellos Group Sweden AB, a Swedish limited

	liability company with reg.no. 556217-1925 and LEI code 5493000Z2KUKJR6Y7R50, Ellos AB, a Swedish limited liability company with reg.no. 556044-0264 and LEI code 549300FI5F6RXRUVIY69, Jotex Sweden AB, a Swedish limited liability company with reg.no. 556249-7106, Ellos Norway AS, a Norwegian limited liability company with reg.no. 832005622, Ellos Finland Oy, a Finnish limited liability company with reg.no. 1442131-6, Ellos Denmark A/S, a Danish limited liability company with reg.no. 24927814, Ellos 1 AB is as Swedish limited liability company with reg.no. 556783-8858, Ellos 2 AB, a Swedish limited liability company with reg.no. 556713-8077, Ellos 3 AB, a Swedish limited liability company with reg.no. 556831-9114 and FAAD Aktiebolag, a Swedish limited liability company with reg.no. 559027-6407.
<i>Key financial information of the Guarantors</i>	As all Guarantors are directly or indirectly wholly-owned subsidiaries of the Issuer, they are included in the consolidated financial statements prepared by the Issuer in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and interpretations that have been issued by IFRS Interpretations Committee as they have been adopted by the EU. Furthermore, the Group applies the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen</i> (1995:1554)) and RFR 1 "Supplementary accounting rules for groups" issued by the Swedish Financial Reporting Board. The interim report for the period 1 January – 31 March 2025 has, in addition, been prepared in accordance with IAS 34 Interim Financial Reporting. The Group and the Issuer were formed in 2024 and have applied IFRS since inception. The key financial information relevant to the assessment of the Guarantors' ability to fulfil their obligations under the Guarantee and Adherence Agreement is therefore included in the Issuer's consolidated financial information.
<i>Material risk factors pertaining to the guarantee</i>	<p>Risks related to the transaction security and guarantees</p> <p>There is a risk that the proceeds of any enforcement sale or enforcement of the Guarantees will be insufficient to satisfy all amounts then owed to the Secured Parties. There is also a risk that the security over the shares in the subsidiaries in the Group becomes less valuable or ineffective due to intercompany debt owing to the Issuer from the subsidiaries in the Group.</p> <p>Risks related to the enforcement of the guarantees</p> <p>If a subsidiary which shares are pledged in favour of the Secured Parties is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares that are subject to such share pledge may then have limited value because all of the subsidiary's obligations must first be satisfied, potentially leaving little or no remaining assets in the subsidiary for the Secured Parties. As a result, the Secured Parties may not recover full or any value in the case of an enforcement sale of such pledged shares. In addition, the value of the shares subject to the pledge may decline over time.</p> <p>Security granted to secure the Bonds may be unenforceable</p> <p>The security may be unenforceable if (or to the extent), for example, the granting of the security was considered to be economically unjustified for such security providers (corporate benefit requirement). The security may also be limited in value, among others, to avoid a breach of the corporate benefit requirement. Furthermore, the Transaction Security and Guarantees will be subject to certain limitations relating to financial assistance in the relevant jurisdictions.</p>
What are the key risks that are specific to the securities?	
<i>Key risks related to the securities</i>	<p>Credit and refinancing risks</p> <p>An investment in the Bonds carries a credit risk in relation to the Issuer. The ability of the holders of Bonds to receive payment under the Terms and Conditions of the Bonds is dependent upon the Issuer's ability to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and financial position. An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would have an adverse effect on the value of the Bonds. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group would be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring its debt or seeking additional equity and/or debt financing. Another aspect of credit risk is that a decline in the financial position of the Group may reduce the prospects of the Group to receive financing at the time of maturity of the Bonds. The Group's ability to successfully refinance the Bonds is dependent on the conditions of the debt and equity capital markets and the Group's financial position at the time such refinancing is carried out. In the event the Issuer is unable to refinance the Bonds or other outstanding debt of the Group, or if such financing can only be obtained on unfavourable terms, this could have an adverse effect on the Issuer's ability to repay the Bonds at maturity or any other early redemption or repurchase of the Bonds.</p> <p>Risk related to put options</p> <p>According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each Bondholder (put option) if certain events occur (including a Change of Control Event as defined in the</p>

	<p>Terms and Conditions). There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and this adversely affect all Bondholders and not only those that choose to exercise the put option.</p> <p>Risks related to the intercreditor arrangements</p> <p>Under the Terms and Conditions, the Issuer may incur certain additional debt under inter alia certain financing provided to the Group for general corporate purposes of the Group as well as certain hedging arrangements, which may share the Transaction Security and the Guarantees with the Bonds. Such hedging arrangements will rank <i>pari passu</i> with the Super Senior Bonds, and the Super Senior Debt (each term as defined in an intercreditor agreement) and such hedging arrangements will rank senior to the Bonds, in each case in right and priority of payment in case of an enforcement of the Transaction Security or the Guarantees. Consequently, certain other debt providers have higher ranking right to the proceeds of an enforcement of the Transaction Security and Guarantees and the holders' of Bonds recovery from an enforcement may therefore be substantially reduced.</p> <p>The Security Agent may at any time (without the prior consent of all Bondholders), acting on instructions of the Secured Parties, release the Transaction Security and Guarantees in accordance with the terms of the Intercreditor Agreement. There is a risk that the Security Agent and/or any secured party entitled to give enforcement instructions will act in a manner or give instructions not preferable to the holders of the Bonds or the holders of the Super Senior Bonds, respectively. Furthermore, there is a risk that the security will not at all times cover the outstanding claims of all Secured Parties under the Intercreditor Agreement.</p> <p>No action against the Issuer and Bondholders' representation</p> <p>In accordance with the Terms and Conditions, the Agent will represent all Bondholders in all matters relating to the Bonds and the Bondholders are prevented from taking actions on their own against the Issuer or any other member of the Group. There is a risk that an individual Bondholder, in certain situations, may take unilateral action against the Issuer or any other member of the Group (in breach of the Terms and Conditions), which could negatively impact an acceleration of the Bonds or other action against the Issuer or any other member of the Group. Furthermore, under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all Bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a Bondholder's rights under the Terms and Conditions in a manner that is undesirable for some of the Bondholders.</p>
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KEY INFORMATION ON THE ADMISSION TO TRADING ON NASDAQ STOCKHOLM

<i>Under which conditions and timetable can I invest in this security?</i>	
<i>Details of the admission to trading on Nasdaq Stockholm</i>	The Prospectus relates to the admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm. The Prospectus does not contain and does not constitute an offer or solicitation to buy or sell Bonds.
<i>Listing costs</i>	The aggregate cost for the admission to trading of the Bonds is estimated to be in an amount of SEK 200,000.
<i>Expenses charged to the Bondholders by the Issuer</i>	No costs will be borne by the Bondholders.
<i>Why is this Prospectus prepared?</i>	
<i>Rationale for the admission to trading on Nasdaq Stockholm</i>	The Prospectus has been prepared to enable the Bonds to be admitted to trading on the corporate bond list of Nasdaq Stockholm, which is a requirement under the Terms and Conditions.
<i>Use of Proceeds</i>	The Issuer shall use the net proceeds for general corporate purposes of the Group.
<i>Interests of advisors</i>	Advokatfirman Cederquist KB acts as legal advisor to the Issuer in connection with the admission to trading of the Bonds and has not conflicting interests with the Issuer.

RISK FACTORS

In this section, material risk factors are presented, including the Issuer's business and industry risks, legal and regulatory risks, financial risks as well as risks related to the Bonds. The risk factors described below are limited to risks specific to Ellos Holding and the Bonds that are considered material to making an informed investment decision. The materiality of the risk factors has been assessed based on the likelihood of their occurrence and the expected magnitude of their adverse effects. The risk factors considered to be most material are presented first within each category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. The description of the risk factors below is based on information available and judgements made as of the date of this Prospectus. Irrespective of the probability or magnitude of negative impact stated in relation to each risk factor, all risk factors included below have been assessed by the Issuer to be material and specific to the Issuer and the Bonds in the meaning of Regulation (EU) 2017/1129.

RISK FACTORS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

RISKS RELATED TO THE GROUP'S BUSINESS AND INDUSTRY

Weak macroeconomic conditions in the Nordic countries, including geopolitical unrest, may negatively affect the demand for Ellos Holding's products

Ellos Holding is a Nordic online shopping destination, offering home furnishing products for the modern home as well as a wide product assortment within fashion. The Group operates the online stores Ellos, Jotex and Homeroom, aimed at consumers in the Nordics and on chosen European markets. The customer offering is supported in Sweden, Norway, Denmark and Finland by Ellos Holding's integrated payment solution Elpy. The industries in which Ellos Holding operates are generally affected by the general economic climate among consumers in relevant geographies. Examples of macroeconomic factors that may affect Ellos Holding include interest rates, the introduction of tariffs affecting global trade, such as those being implemented by the current U.S. administration, inflation, employment levels and energy and fuel prices, as these factors generally affect consumers' financial situation. Consumer purchasing power decreases during periods of economic downturn when disposable income is lower, leading to lower consumer demand. A weakening of consumer purchasing power may negatively affect the demand for goods that are not critical to the fulfilment of basic needs and thus easier to do without, such as fashion and home furnishing products. Geopolitical conflicts that directly or indirectly affect consumers in the countries in which Ellos Holding operates, leading to increased unrest and reduced confidence in the future, may also lead to changes in consumer behaviour whereby a smaller portion of consumers' disposable income is spent on fashion and home furnishing products and thus negatively affect the demand for Ellos Holding's products. Ellos Holding has historically seen that geopolitical unrest, such as Russia's invasion of Ukraine, has led to reduced demand for the Group's products. A recession, or otherwise weak economic development among consumers in the Nordic markets, or geopolitical unrest may thus have a negative impact on the demand for the products offered by Ellos Holding and the ability to maintain desirable price levels and thus on Ellos Holding's growth opportunities, net sales and operating results.

In 2022 and 2023, increased inflation had a negative impact on the economic situation in large parts of the world. During the same period, several of the world's central banks raised key interest rates to mitigate high inflation, including in Ellos Holding's geographical markets, which led to significantly higher market interest rates. A tighter monetary policy with higher interest rates led to a reduction in consumers' scope for spending and a need to prioritise among expenses. Ellos Holding estimates that the online retail market in Sweden, which is the Group's largest geographical market, declined in 2023 with a particularly weak development for home furnishing products and furniture. In line with this development, Ellos Holding's net sales decreased by approximately SEK 200 million during the period 2021 to 2023, during a turbulent time for consumers caused by weak macroeconomic conditions. While inflation levels showed a declining trend in 2024 in the Nordics, there is uncertainty regarding future inflation and interest rate levels and consumer economic performance. Weak macroeconomic conditions in the Nordic countries affecting consumers may therefore have a negative impact on Ellos Holding's business, financial position and results of operations.

The markets for fashion and home furnishing products are highly competitive and fragmented

The markets for fashion and home furnishing products are highly competitive with both local and international actors, which can be both actors with a particularly strong profile in online retailing or actors that have traditionally

been active in retailing with physical stores but have in recent years developed a competitive offering in online retailing. Examples of different competitors of Ellos Holding are (i) local and international online platforms with similar customer offerings to Ellos Holding, (ii) multinational actors offering a wide range of various retail products and consumer durables online and seeking to increase their market penetration in a range of categories including fashion and home furnishing products, (iii) vertically integrated retailers and (iv) niche actors with strong positions in certain segments.

Ellos Holding's competitors may benefit from competitive advantages and gain market shares at Ellos Holding's expense. Such competitive advantages may consist of competitors having greater financial resources, stronger brands or greater geographical reach than Ellos Holding and thus benefiting from, among other things, economies of scale to increase their presence and thus profitability. Competitors may also have more customer data or better analytical tools to optimise pricing, drive customers to their online stores, convert a higher number of visitors to the online stores into customers or offer more personalised shopping experiences. Some discount actors selling fashion, home furnishing products and other consumer-oriented product offerings online and based in other continents than Ellos Holding, for example in China, may have different prerequisites for their business compared to Ellos Holding, such as in terms of quality metrics, profitability requirements and sustainability, and thus offer lower price levels than those offered by Ellos Holding. The technological and digital development also mean that the use of artificial intelligence and machine learning as well as communication and sales through various social media are becoming increasingly important competitive factors for online-based offers. Increased competition may result in Ellos Holding losing business opportunities or market shares, and result in a decline in the Group's profitability.

A factor contributing to the significant competition in online shopping is that consumers can easily and quickly compare prices, assortments, delivery times and sales conditions, such as return policies, among different online retailers before making a purchase decision, which may entail difficulties in applying more favourable conditions than those applied by competitors. As online shopping enables consumers to also take advantage of offers from foreign operators, Ellos Holding is also subject to competition from operators that are not necessarily established through a physical presence in the geographical markets where Ellos Holding operates.

The significant competition may reduce Ellos Holding's market share in the markets in which the Issuer operates and adversely affect Ellos Holding's ability to maintain desirable price levels and may thereby have an adverse effect on Ellos Holding's net sales, results of operations and future prospects.

Ellos Holding's net sales and profit are in part attributable to the payment solutions and financial services provided by the Issuer

As part of its business model and customer offering, Ellos Holding's online stores provide integrated payment solutions under the brand Elpy in the form of, among other things, invoice and instalment payments, which means that customers can be granted credit when purchasing products from Ellos Holding. The Group co-operates with Resurs Bank in the financing and administration of such customer credits. Ellos Holding also markets personal loans and related insurance products in cooperation with Resurs Bank and Solid Försäkringsaktiebolag (and other insurance companies in relation to other insurance products). The customer credits administered in cooperation with Resurs Bank generate significant revenue for Ellos Holding. As the revenue from the factoring agreements is variable, Ellos Holding is indirectly exposed to credit risks, such as customers' ability to pay and solvency and interest rate risks (see also "*Financial risks - Ellos Holding is exposed to credit risks, mainly in relation to consumers' inability to pay*" and "*Financial risks - Ellos Holding is exposed to interest rate risks that may affect financial income and expenses, cash flow and/or results*").

Both the factoring agreements entered into with Resurs Bank regarding financial services and the cooperation agreement regarding the marketing of personal loans on behalf of Resurs Bank run until 30 June 2027. The agreements contain for the industry customary grounds for termination, for example due to a material breach of contract that is not remedied within a reasonable time in accordance with the agreements. In addition, Resurs Bank has the right to unilaterally terminate the agreements if this is necessary due to changes in laws or regulatory requirements that are beyond Resurs Bank's control. If the agreements were to be terminated before they expire, or if they were to expire without being extended or renewed, it could have a negative impact on Ellos Holding's operations, not least with regard to the payment solutions and financial services that Ellos Holding currently offers. There is also a risk that a change to another partner would entail less favourable terms than the current ones and could also entail additional costs for Ellos Holding to integrate a new solution. It is not certain that Ellos Holding

can identify an alternative partner that fulfils the criteria necessary to provide the payment solutions and financial services that Ellos Holding is currently able to provide as part of its business model and customer offering.

Resurs Bank has the discretion to make certain independent decisions in its management of Ellos Holding's credits. There is a risk that Resurs Bank's interests are not aligned with those of Ellos Holding, which could have a negative impact on Ellos Holding's operations and net sales. There is also a risk that the portion of customers choosing to pay via various forms of direct payments increases and that credit penetration thus fall. Lower credit penetration would likely have a negative impact on Ellos Holding, particularly on the Group's profitability.

Ellos Holding is exposed to price increases and price fluctuations when purchasing

Ellos Holding's total cost of goods sold amounted to SEK 2,025.1 million in 2023, and included, among else, costs for the purchase of goods, freight and packaging. Ellos Holding's products are largely manufactured in Asia, with the largest volumes being manufactured in China, India and Bangladesh. The cost of goods sold is dependent on, among other things, the price of commodities. As Ellos Holding does not have any agreements regarding fixed prices, commodity prices, in particular for cotton and oil, can cause significant fluctuations in costs for Ellos Holding. These commodity prices are influenced by the global market and are mainly priced in USD. Price volatility is mainly due to fluctuations in customer demand, supply and speculation, which can sometimes be exacerbated by reduced production due to natural disasters, political or financial instability or unrest. Furthermore, in the event of increases in inflation, there is a risk that Ellos Holding, its suppliers and other actors in the supply and production chain will be affected and a risk that such potential price increases cannot be passed on to end customers. Since Ellos Holding purchases products from all over the world, the Issuer is exposed to risks in connection with the transport of goods from suppliers to Ellos Holding's warehouse in Viared outside Borås. Transport of Ellos Holding's products from suppliers to Ellos Holding's warehouse mainly involves sea freight, with road transport used for shorter distances. The use of air freight is rare, accounting for only a small share of Ellos Holding's inbound shipments. There is a risk that transport is not available at a reasonable cost, in due time or at all. Geopolitical unrest can also negatively affect maritime transport, both in terms of price levels and transit times. If price increases for products and freight cannot be passed on to consumers, increased costs of goods sold may have a negative impact on Ellos Holding's gross margins and thus results of operations.

Ellos Holding is exposed to risks in its IT systems and to cyber-attacks and other unauthorised intrusions into its IT systems

Ellos Holding is highly dependent on IT systems for its operations and thus on the functionality, capacity and availability of the IT systems. Such IT systems include systems for sales and logistics, accounting and financial reporting, as well as inventory and working capital management. Ellos Holding's IT infrastructure is based on a combination of cloud-based and on-prem solutions. Ellos Holding is dependent on certain external service providers, for example for cloud-based infrastructure, for the functioning of its IT systems. The dependence on external service providers exposes Ellos Holding to certain risks, including the risk that key service providers are unable to deliver their services in line with agreed service level or at all. Cyber-attacks or other unauthorised intrusions into the systems of external service providers may lead to disruptions in the functionality of Ellos Holding's operations and/or provide unauthorised access to sensitive data. Any disruption in the services provided by external service providers or cyber-attacks or other unauthorised intrusions may have a negative impact on Ellos Holding's operations, for example by not being able to maintain certain functions and causing disruptions for Ellos Holding's customers.

Problems with hardware, such as computer and network components, can arise from, for example, manufacturing defects, accidents, wear and tear and overloading, as well as cyber-attacks, data breaches and other forms of sabotage, which can be difficult to predict and prevent. Ellos Holding also has limited control over the functionality of services provided by external service providers, such as cloud-based infrastructure. In recent years, developments have increasingly involved integration between different IT systems, which at the same time has led to greater complexity and that disruptions in a single function or system can entail a negative impact on other parts of the IT infrastructure.

Although Ellos Holding has, in part, technically redundant solutions, Ellos Holding's IT platform can be exposed to security incidents and unforeseen operational disruptions, as Ellos Holding has experienced historically. For example, Ellos Holding was subject to a DDOS attack in December 2020 that caused a seven-hour outage of the Group's websites. Malware, viruses, hacking and phishing have become more common in the industry in which Ellos Holding operates and are also occurring on an increased scale as part of the geopolitical turmoil between

different states and spheres of interest. The occurrence of cyber-attacks and other security incidents may lead to disruptions in Ellos Holding's ability to provide its products and services as well as provide unauthorised access to, or lead to loss of, data. In addition, failures to maintain the functionality, reliability, IT security and availability of Ellos Holding's online stores could damage Ellos Holding's reputation among customers and Ellos Holding's ability to retain existing customers and attract new customers. Ellos Holding may have to incur significant costs to protect against or remediate cyber-attacks, which could have an adverse impact on its business and results of operations. Shortcomings in Ellos Holding's IT security may result, and have historically resulted, in Ellos Holding having difficulty or failing to maintain the confidentiality and integrity of personal data and other sensitive information in certain situations. In connection with data breaches, Ellos Holding has worked with troubleshooting and incident management to avoid similar security breaches from happening again. If Ellos Holding fails to maintain the confidentiality and integrity of personal data and other sensitive information, it could adversely affect Ellos Holding's reputation, brand and business. Any threats to Ellos Holding's IT security could also expose Ellos Holding to litigation and fines and/or damages that could have a negative impact on Ellos Holding's financial position and results of operations (see also "*Legal and regulatory risks - Improper processing of personal data may result in Ellos Holding being liable to pay fines or being subject to other legal sanctions*").

Ellos Holding is dependent on key employees and the ability to attract and retain qualified employees

Ellos Holding is dependent on its group management, key employees and other qualified employees, and thus the ability to attract and retain such employees. Several key employees within Ellos Holding have been active within the Group for many years and thus have long experience and valuable knowledge, both from the fashion and home furnishing products industry in general but also from the specific conditions that apply to Ellos Holding. Competition for qualified employees is particularly significant for employees with technical and digital skills, where Ellos Holding competes with several other employers. Other employers may compete on compensation levels and other benefits, location of employment, development opportunities, co-ownership and other factors, which may require Ellos Holding to invest significant amounts to attract new employees and to retain existing key employees. There is also a risk that competitors recruit Ellos Holding's employees, resulting in employee losses and increased employee costs for Ellos Holding to hire new people or to retain existing ones.

If Ellos Holding fails to recruit, train, motivate and retain its group management, key employees and other qualified employees, it may have an adverse effect on Ellos Holding's business and results of operations.

Efficient and optimised routines for logistics, deliveries and returns are central to Ellos Holding's operations

A successful online retail business requires efficient and optimised logistics. Packing, outbound shipping and receiving of products are carried out at Ellos Holding's warehouses and logistics centres in Viared outside Borås. Ellos Holding is exposed to risks related to disruptions in mechanical equipment and logistics operations, for example due to fires, natural disasters or downtime, which can cause significant disruptions in Ellos Holding's operations. Insurance policies relating to property or business interruption may prove insufficient to cover such losses, damages and disruptions and may therefore have an adverse effect on the results of operations and financial position of Ellos Holding. In addition, if Ellos Holding continues to expand its operations, additional logistics capacity may be required in the future. There is no assurance that such additional logistics capacity can be made available by expanding Ellos Holding's existing facilities in Viared outside Borås and the need for any higher capacity may require additional investments. Furthermore, there is a risk that Ellos Holding may not be able to achieve the intended economies of scale in its operations. If Ellos Holding fails to successfully and efficiently operate and optimise its logistics, it may lead to overcapacity or capacity shortages and increased costs, which in turn may have a negative impact on Ellos Holding's financial position and results of operations.

A key part of logistics management for Ellos Holding is to have efficient transport to and from the Group's logistics centre in Viared, not least for onward transport to customers or, if dropshipping² is used, when a third party transports the product directly to the customer. Transport of products from Ellos Holding's warehouses to Ellos Holding's customers is mainly carried out by road transport, which is handled by external logistics companies. Transport disruptions can, among other things, increase the delivery time to customers. Transport costs may also increase, which may lead to an increase in Ellos Holding's freight costs, including costs for customer returns. As online retail companies develop their businesses and customer experiences, delivery to the customer's home,

² Dropshipping means that goods are delivered directly from the manufacturer, wholesaler or retailer to the customer.

workplace or other preferred final destination (so-called "*last-mile*") becomes increasingly relevant. If Ellos Holding, including its dropshipping partners, is unable to manage transport and delivery to customers in a cost-effective and sustainable manner and in accordance with customers' delivery preferences, it may have a negative impact on the customer experience and ultimately affect Ellos Holding's net sales and operating profit.

Efficient returns management with attractive terms for consumers is also a key factor in online retail and forms part of the business model when selling fashion products, in particular in online retail. The return rate is typically high in the fashion segment compared to many other goods and it is both time-consuming and costly for Ellos Holding to handle returns in a satisfactory manner, both from the customer's perspective and from a sustainability perspective. If Ellos Holding fails to effectively manage returns and meet its customers' expectations or if the percentage of returns were to increase for various reasons, such as changes in customer behaviour or customers taking advantage of Ellos Holding's return policies, it could lead to higher costs and have a negative impact on the customer experience and ultimately affect Ellos Holding's net sales and results of operations.

Demand for fashion products is influenced by consumer trends as well as seasonality and weather conditions

Ellos Holding's success is linked to its ability to recognise and adapt to changing trends and consumer preferences and to develop new and attractive products in a timely manner, particularly in the fashion segment. Consumer preferences for design, quality, durability and price tend to change rapidly and Ellos Holding may fail in its analysis of assortment choices and demand. Ellos Holding has a wide range of products in different categories and styles within fashion and home furnishing products, which places high demands on the Group's inventory. Furthermore, lead times for manufacturing and sourcing Ellos Holding's products vary between external brands, seasonal products and temporary collections. Demand for products can change significantly between the time the products are ordered or manufactured and when they are sold, for example due to fluctuations in consumer preferences but also due to weather conditions. Competitors may be better positioned to place orders and have shorter lead times and thus be able to adapt more easily to changes in trends and consumer demand. As a result, Ellos Holding may fail to meet customer demand due to assortment choices and quantities ordered. If the Group misjudges consumer trends or fails to sell existing products, it may result in excess inventory of certain products and that these need to be priced down or considered obsolete, leading to reduced net sales and profitability, as well as missed sales opportunities of other products. As of 31 December 2024, Ellos Holding's inventories had a net book value of SEK 661.7 million.

Demand for Ellos Holding's products, in particular clothing purchasing behaviour, varies during the calendar year due to seasonality. Weather conditions during a given period of time can affect demand and can make marketing campaigns less effective if they are not adapted to the weather and outdoor conditions. For example, in the event of persistent summer weather in the Nordics that continues into September or even longer, weather conditions are likely to have a negative impact on sales of autumn fashion during the same period. In addition, fluctuations are further increased by special shopping or promotional occasions, mainly in the fourth quarter of the calendar year when promotions such as "Singles Day" and "Black Friday" occur, as these occasions tend to generate temporary surges in sales. Failure to sell on such shopping or promotional occasions could have a significant impact as the fourth quarter is the single most important quarter for Ellos Holding's net sales during the calendar year. If Ellos Holding fails to sell during such campaigns, or if the weather conditions do not follow the expected seasonal changes during the calendar year, it could have a negative impact on the Issuer's net sales and results of operations and also affect how net sales and results of operations are distributed between different quarterly periods.

Ellos Holding is exposed to risks related to sustainability

In recent years, a trend among consumers has been an increased focus on sustainability, which in fashion and home furnishing has manifested itself in increased demands on the choice of materials, the possibility of reuse or recycling, and on how products are produced and transported to the consumer. The focus on sustainability is not only driven by increased consumer awareness, but is also supported by legislative initiatives at national and EU level to put pressure on different industries to operate in a manner sustainable in the long-term. In relation to the fashion industry, an increased focus on sustainability may also involve questioning the rapid consumption of fashion products, especially those that are not considered environmentally sustainable, resulting in reduced sales. For online retailers, in particular, returns management and delivery methods to customers can be key areas for sustainability efforts. Ellos Holding's ability to run a long-term profitable business depends to some extent on its ability to address and manage increased sustainability requirements, both in terms of new regulatory requirements

and consumer preferences. Ellos Holding's sourcing of products from countries in other continents with low manufacturing costs, such as China, India and Bangladesh, could be perceived as less well adapted to an increased striving for local production and shorter transports within the framework of the transition to increased sustainability and leads to Ellos Holding being subject to risks in the supply chain related to social, product-related and environmental aspects such as human rights, labour conditions, product quality and emissions and chemical issues as well as problems related to bribery and corruption.

Living and working conditions in the countries where Ellos Holding's own brand products are manufactured may entail a greater risk that one or more of Ellos Holding's suppliers act in violation of Ellos Holding's Code of Conduct, whereby the distance to suppliers may make it more difficult for Ellos Holding to exercise direct control. If a supplier does not meet the requirements set out in the Code of Conduct, for example in terms of human rights, labour conditions, product quality, bribery, corruption or environmental protection, there is a risk of negative publicity and damage to Ellos Holding's reputation, even if Ellos Holding chooses to terminate its relationship with the supplier.

As part of increased sustainability requirements, legislative initiatives are underway with additional requirements for companies to audit their value and supply chains in addition to previously adopted requirements for increased transparency on sustainability in companies' reporting. These regulations place increased requirements on Ellos Holding to ensure that its operations are in line with an increased focus on sustainability, which may mean increased costs, and thus reduced profitability for Ellos Holding.

Ellos Holding may fail to market its products and drive traffic to its online stores via digital marketing channels

The strength and attractiveness of Ellos Holding's brands is an important factor in the sale of Ellos Holding's fashion and home furnishing products, which in turn is affected by how well Ellos Holding succeeds in its marketing. There is a risk that Ellos Holding's marketing campaigns do not have sufficient impact and do not succeed in strengthening the brands and thereby do not contribute to generating visitors to the Group's online stores, converting them into customers, increasing awareness of Ellos Holding and its brands, or maintaining customer loyalty with Ellos Holding. Ellos Holding's marketing costs constitute a significant cost item and the Group is therefore dependent on effective marketing in relevant channels.

The online retail industry is increasingly using data-driven analysis of customer behaviour and automation and personalisation of offers and marketing. Such processes make it possible, albeit subject to applicable legal restrictions, for Ellos Holding to use information to increase the efficiency and accuracy of its marketing activities. The legal restrictions that apply to the use of information are constantly changing and developing and there is a risk that Ellos Holding's analysis and use of information is not accurate or is perceived as irrelevant and thus does not strengthen the brands or contribute to increased sales. An important parameter for driving visitors to Ellos Holding's online stores is to use various traffic services, such as Google AdWords and Meta Ads, as well as social media, and may also include search engine marketing (SEM) and search engine optimisation (SEO), retargeting, remarketing, and price comparison websites. Data-driven marketing through various social media is largely done through a number of global actors, including Alphabet (Google) and Meta Platforms (Facebook), and Ellos Holding is therefore to some extent dependent on these actors for its marketing reach. In recent years, the services offered by, for example, Alphabet and Meta Platforms have become subject to additional regulation at EU level, which may affect how effectively Ellos Holding can utilise the services provided by these actors. If Ellos Holding fails to effectively market its fashion and home furnishing offerings through digital marketing channels, it may have a negative impact on Ellos Holding's business and adversely affect Ellos Holding's financial position and results of operations.

Furthermore, the use of tracking technologies, such as cookies (both first-party and third-party), pixels, etc., for the purpose of automating and customising marketing and offers, is subject to regulatory requirements. Ellos Holding thus needs to ensure, among other things, that affected consumers are provided with clear and sufficient information and that valid consents are obtained (where necessary) to comply with applicable data protection requirements, see further in the section "*- Legal and regulatory risks - Improper processing of personal data may result in Ellos Holding being liable to pay fines or being subject to other legal sanctions*".

Ellos Holding is exposed to risks related to failure by suppliers to fulfil their obligations to the Issuer

Ellos Holding has no own production and its products are largely manufactured in Asia, with the largest volumes being manufactured in China, India and Bangladesh. Ellos Holding uses, and is to some extent dependent on, third

party services from Global Sustainable Sourcing Limited ("**GSS**"), which is Ellos Holding's main sourcing agent assisting in relation to procurement matters. The geopolitical challenges of recent years, including the COVID-19 pandemic and Russia's invasion of Ukraine, have demonstrated the vulnerability of global sourcing and supply chains to similar events.

As Ellos Holding to a significant extent sources its products from Asia, the Issuer is exposed to supply chain disruptions as Ellos Holding cannot easily replace existing suppliers, such as GSS, at short notice and may need to re-plan the sourcing of collections and seasonal products. Disruptions in the supply chain may therefore have an adverse impact on Ellos Holding's ability to conduct its business and may, if they persist, have an adverse impact on the Group's net sales, lead to increased costs and reduced customer satisfaction if Ellos cannot deliver goods on time or offer the same range of products, which may in turn affect the Group's financial position and results of operations.

There is furthermore a risk that Ellos Holding's suppliers are unable to fulfil their obligations to Ellos Holding. It is of importance for Ellos Holding's business and reputation that the Group's suppliers fulfil agreed production quotas, quality standards and delivery times. Although Ellos Holding conducts recurring supplier assessments and requires all new suppliers to sign its Code of Conduct to ensure a responsible and sustainable supply chain, Ellos Holding has neither full visibility into the manufacturing process nor the ability to monitor the manufacturing process on site. For example, if a supplier were to violate local labour laws or have poor labour conditions, this could have a negative impact on Ellos Holding's reputation and brands (see also the risk factor "*Ellos Holding is exposed to risks related to sustainability*" above).

Shortcomings in Ellos Holding's customer service can negatively impact customer satisfaction and loyalty

A satisfied and loyal customer base is important for Ellos Holding's sales, with Ellos Holding's customer service influencing customer satisfaction and the willingness of customers to shop again in Ellos Holding's online stores. Ellos Holding handles various customer service matters using a number of means of communication. Inadequate customer service, or customers' perception that the service is inadequate, regarding, for example, handled complaints can have a negative impact on customer satisfaction and customer loyalty. Since Ellos Holding uses external partners for transport to the customer's home, workplace or other preferred final destination (so-called "*last-mile*"), disruptions, delays or other obstacles may occur in the delivery to the end customer that are beyond Ellos Holding's control. If Ellos Holding's customers perceive that the customer service provided by such external partners is inadequate, for example in terms of information about delayed deliveries, such deficiencies may have a negative impact on the impression of Ellos Holding, even though the quality of the external partner's customer service is beyond Ellos Holding's control. Deficiencies in Ellos Holding's customer service or the customer treatment of the external suppliers that Ellos Holding uses for deliveries may have a negative impact on the Group's net sales and future growth.

Ellos Holding is exposed to risks related to the resale of products, such as product liability and reputational risks

Ellos Holding offers a wide range of products in fashion and home furnishing, including beauty products and electronics. The products offered are both Ellos Holding's own products but also products from external brands. There is a risk that the products offered may cause harm or personal injury to customers. Although Ellos Holding believes that its operations comply in all material respects with applicable laws and regulations, the sale of defective products may result in product recalls, product liability claims and/or Ellos Holding being forced to pay damages or penalties. The wide range of products, combined with the fact that many of the products offered are not Ellos Holding's own products, may increase the risk of defective, faulty or harmful products being sold, as it may be difficult for Ellos Holding to have effective control over all products and production chains. Even if a recall of a particular product appears unfounded or if a legal action against Ellos Holding is unsuccessful, the negative publicity resulting from the event could have a negative impact on Ellos Holding and its brands' reputation. If one or more of these risks were to materialise, they could also result in increased costs to respond to such claims or actions, or adversely affect sales, and thereby have a negative impact on Ellos Holding's financial position and results of operations.

LEGAL AND REGULATORY RISKS

Ellos Holding provides payment solutions and financial services that constitute regulated activities that require authorisation

Ellos Holding offers certain financial services to its customers in the form of credit granting and insurance brokerage. The provision of such financial services is subject to regulatory requirements and consumer protection rules. As the Group provides financial services in Sweden, Norway, Denmark and Finland, Ellos Holding is obliged to comply with such requirements in several different jurisdictions and take into account the specific regulatory aspects that apply if financial services are offered on a cross-border basis.

The granting of credit by Ellos Holding in the form of invoicing and instalments is subject to, among other things, requirements for credit assessments and documentation. These requirements mean that a company may only grant credit to a consumer that the consumer in question is deemed to be able to afford. The credit provider must therefore assess whether the consumer can repay the credit granted and pay the interest due on the credit. As regards the documentation requirements for consumer credits, these include providing the consumer with certain information before the purchase and imposing certain requirements on the storage of the credit agreement. The credit assessments of other operators in relation to certain credits have been challenged where, according to the relevant supervisory authorities, they have been based on insufficient information, resulting in penalties. The outcome of such processes in relation to other actors may also affect the requirements placed on Ellos Holding in terms of credit assessments and documentation. Failure to comply with these or other applicable legal requirements could lead to action by regulators and potentially affect the validity and enforceability of certain credit agreements, which could, where relevant, have an adverse effect on Ellos Holding's financial position and results of operations.

The insurance policies brokered by Ellos Holding include payment protection insurance. Ellos Holding's subsidiary Ellos AB is a tied insurance intermediary, that has been registered with the Swedish Financial Supervisory Authority to conduct cross-border operations in the other Nordic countries where the Group offer its financial services. Insurance intermediation poses risks to both the Issuer's reputation and business if the intermediation is carried out in violation of applicable laws and regulations, which entails a risk that regulators may order the Group to cease operations and other types of sanctions. If any of these risks materialise, it could have a negative impact on Ellos Holding's financial position and results of operations.

Ellos Holding's subsidiary Ellos Denmark A/S holds a permit from the Danish Financial Supervisory Authority ("**Finanstilsynet**") as required by the Danish Consumer Credit Act (Dk. *Lov om forbrugslånsvirksomheder*) for companies offering consumer credit. As a result, Ellos Denmark A/S is subject to supervision by Finanstilsynet. If the Issuer fails to comply with or correctly implement legal requirements, this may result in sanctions or the revocation of the permit. If Finanstilsynet were to impose sanctions or, as a last resort, revoke the permit for any reason, it could have a negative impact on Ellos Holding's net sales and results of operations, and ultimately on its financial position and ability to conduct its business.

As mentioned above, certain consumer protection rules are applicable in relation to Ellos Holding. In recent years, consumer protection issues have received increased attention from a regulatory perspective in the Nordic countries. For example, in the first quarter of 2025, new rules relating to consumer credit came into effect, including extensive amendments to the Consumer Credit Act (Sw. *Konsumentkreditlagen (2010:1846)*) to counteract risky lending and over-indebtedness. The latter include measures to strengthen consumer protection in the marketing and sale of credit, limitations and conditions for pricing of credit and limitations on extending the duration of credits. There is a risk that these or other new rules, including the application thereof, may lead to, for example, declining conversion rates or reduced credit penetration, which may have an adverse impact on Ellos Holding's profitability, results of operations and financial position. Any new requirements introduced may subject Ellos Holding to additional authorisation requirements or stricter rules regarding operational capacity and risk management, which in turn could lead to increased compliance costs and potentially necessitate changes to Ellos Holding's current business model.

Moreover, in October 2024 the Swedish Ministry of Justice published its report on the implementation of the newly adopted Directive on credit agreements for consumers (Consumer Credit Directive). The report includes a proposal for a new Consumer Credit Act, where the act's scope of application is proposed to be expanded, in comparison with the current act, by reducing and revising the number of exemptions in the current act. It is proposed that only the activity of granting of credit agreements that fall within the definition of deferred payments, is to be exempted from the act's requirements on credit assessments. In the case of deferred payments offered by suppliers of goods

or providers of services which are not micro, small or medium-sized enterprises, and where the conclusion of contracts with consumers for the sale of goods or supply of services are made through distance contracts, the exclusion from the scope of the credit assessment requirement shall apply only where the payment is to be entirely executed within 14 days of the delivery of the goods or services, and provided that the credit agreement is not sold to a third party within the credit term. As Ellos Holding's current credit offering do not fall within the aforementioned definition of deferred payments, there is a risk that these new rules, if adopted, may lead to, for example, declining conversion rates or reduced credit penetration, which may have an adverse impact on Ellos Holding's profitability, results of operations and financial position. In addition, the newly adopted Consumer Credit Directive also includes a requirement for member states to ensure that providers of consumer credits are subject to adequate admission processes, and to registration and to supervision arrangements set up by an independent competent authority. As a result, the Swedish report also includes a proposal to remove the current exemption from the authorisation requirement for suppliers of goods or providers of services that offer deferred payments to consumers. No proposals on how to implement the aforementioned requirement has yet been published by the legislators in the other Nordic countries where the Group provides consumer credits. If adopted, this new authorisation requirement for Ellos Holding will include stricter rules regarding operational capacity and risk management, which in turn could lead to increased compliance costs and potentially necessitate changes to Ellos Holding's current business model.

Furthermore, an amendment to the Payment Services Act (Sw. *Betaltjänstlagen (2010:751)*) entered into force on 1 July 2020, introducing a new provision on the display of online payment services, requiring payment service providers to ensure that non-credit payment methods are presented before credit payment methods. In 2022, the Consumer Ombudsman (Sw. *Konsumentombudsmannen*) brought an injunction action against Ellos AB before the Patent and Market Court (Sw. *patent- och marknadsdomstolen*) since the Consumer Ombudsman considered that Ellos AB's point-of-sale solution had not been adapted to the amendments to the Payment Services Act. Ellos AB successfully challenged the Consumer Ombudsman's action in the Patent and Market Court, and the court rejected the Consumer Ombudsman's action in its entirety. The Consumer Ombudsman appealed the Patent and Market Court's judgement to the Patent and Market Court of Appeal, which also rejected the Consumer Ombudsman's action in its entirety. The Patent- and Market Court of Appeal was appealed by the Consumer Ombudsman to the Supreme Court, which granted a leave to appeal in April 2025. If the Supreme Court would rule in favour of the Consumer Ombudsman, there is a risk that Ellos AB would need to present payment options that do not involve credit being granted before its own payment options, such as invoice and instalment payment. There is a risk that such presentation could lead to reduced customer conversion and that fewer customers choose to utilise the deferral options, thereby negatively affecting Ellos AB's credit penetration. If this risk were to materialise, it could have negative effects on Ellos AB's profitability, earnings and financial position.

Trade, import and export restrictions may have a negative impact on Ellos Holding's business

Ellos Holding's sourcing of own brands is mainly made from suppliers in Asia, primarily from China, India and Bangladesh. The availability of materials and products may decrease and Ellos Holding's sourcing costs may increase in the event of the introduction of various forms of restrictions such as import and/or export restrictions in jurisdictions relevant to Ellos Holding. Ellos Holding's sourcing costs may also increase in the event of the introduction of, for example, customs duties, quotas or special events such as the introduction of embargoes or similar events. Reduced access to materials and products and/or increased sourcing costs may have a negative impact on Ellos Holding's business and results of operations.

Furthermore, Ellos Holding's sales may be adversely affected by the introduction of various forms of import or export restrictions or tariffs in markets where Ellos Holding conduct sales and lead to reduced sales and lower margins, which may have a negative impact on results of operations.

Ellos Holding may fail to protect and defend its intellectual property rights and may risk infringing third party intellectual property rights

Ellos Holding's business depends, among other things, on its ability to register and otherwise protect and defend its intellectual property rights. Ellos Holding hold several registered trademarks such as Ellos, Jotex, Homeroom and Elpy as well as certain domain names and other intellectual property rights. The value of these brands is an important asset for Ellos Holding.

Fashion and home furnishing designers and other designers tend to follow similar trends and there is a risk that Ellos Holding's own design may be reminiscent of other designers' and companies' products. Other designers or companies may therefore claim that Ellos Holding is infringing their intellectual property rights. Furthermore, Ellos

Holding has no control over whether products from external brands offered on the Group's online stores potentially infringe the intellectual property rights of other designers or companies. Like any other company operating in the fashion industry, Ellos Holding is regularly subject to claims and disputes regarding infringement of third-party intellectual property rights relating to products provided through the Group's online stores. Sometimes Ellos Holding's applications for registration of new intellectual property rights are also contested. The costs of prosecuting or defending any infringement can be significant, irrespective of whether or not the claim has merit. An outcome in favour of claims of infringements against Ellos Holding may, among other things, lead to damages and/or that Ellos Holding is forced to cease its use of such intellectual property that has been proven to infringe another party's intellectual property. If Ellos Holding is unable to effectively protect its intellectual property rights or is indemnified under the terms of its agreements with third party brands against intellectual property infringement by such third parties, and/or if an infringement claim is brought against Ellos Holding, it may result in increased costs and have an adverse effect on Ellos Holding's business, financial condition and results of operations.

Taxation rules or the interpretation and application of tax-related legislation may have an adverse effect on Ellos Holding's business, financial position and results of operations

Ellos Holding's operations are conducted through subsidiaries in Sweden, Norway, Finland and Denmark and intra-group transactions occur between these companies. Applicable tax legislation may change and tax or customs authorities in relevant countries may make judgements and decisions that differ from Ellos Holding's or its advisors' interpretations regarding, for example, intra-group transactions. Such decisions may also have retroactive effect.

For example, on 28 May 2024, the Norwegian Customs Service (No. *Tolletaten*) delivered a decision according to which the price premium applied by Ellos Holding to the sale of goods between Ellos AB and Ellos Norway AS before the goods are cleared through customs was too low, with the result that Ellos Holding must pay additional Norwegian customs. The decision relates to sales of goods to Ellos Norway AS since 2019. Ellos Holding does not share the Norwegian Customs Service's assessment of the size of the surcharge and has therefore appealed the decision. As of the date of the Prospectus, the appeal is still pending. Should the matter be finally decided to Ellos Holding's disadvantage, it would lead to increased costs for Ellos Holding in the form of additional customs related to sales to Ellos Norway AS in previous years, and risk incurring increased costs for customs on future sales to Norway.

In the income tax return for the financial year 2020, Ellos AB has made a deduction of SEK 158.6 million and submitted an open claim, related to the bankruptcy of several Belgian and Dutch businesses ultimately owned by FNG NV (Ellos Holding's former owner). The cost is related to a framework agreement for the purchase of goods between FNG Group NV (the supplier) and FNG Nordic Buying Platform BV (with FNG Nordic Buying Platform BV acting on behalf of the former FNG Nordic AB, now Ellos Holding AB (publ), and its subsidiaries, including Ellos AB) (the buyer). The deduction and a comment thereon were reported in the tax return. In a decision on penalty tax on 19 October 2021, the Swedish Tax Agency announced that Ellos AB was denied deductions for these costs and the Issuer was taxed with SEK 20.5 million and a penalty tax of SEK 14.5 million. The tax has been paid by Ellos AB pending a final decision, while the company has been granted an extension to pay the penalty tax. Ellos AB appealed the Swedish Tax Agency's decision and in April 2024 the appeal was upheld by the Administrative Court in Jönköping and the decision was cancelled. The Administrative Court's judgement was appealed by the Swedish Tax Agency to the Administrative Court of Appeals where it remains ongoing and consequently, there is a risk that Ellos AB will have to pay the penalty tax of SEK 14.5 million and that Ellos AB will not recover the tax paid.

If any tax authority conducts a tax audit of companies within the Group, there is a risk that Ellos Holding's past and current interpretation and application of tax rules will be questioned. Should any tax authority find that Ellos Holding in any way does not comply with applicable tax legislation, it could lead to disputes and to Ellos Holding being forced to pay higher taxes than estimated, penalty tax and other penalties, which could adversely affect Ellos Holding's results. Investigations by tax authorities may also lead to negative publicity for Ellos Holding, which may have a negative impact on Ellos Holding's reputation.

Improper processing of personal data may result in Ellos Holding being liable to pay fines or being subject to other legal sanctions

In the course of its business, Ellos Holding handles large amounts of personal data about its customers on a daily basis. Personal data collected in the context of its activities, as well as through the use of cookies on its online stores, is processed for several purposes, including to provide the customer with personalised offers. In the case

of Ellos Holding's credit and insurance brokerage activities, certain privacy-sensitive categories of personal data are processed, such as personal data relating to creditworthiness processed in connection with credit reports.

The EU Regulation 2016/679/EU on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "**GDPR**") sets out extensive requirements that Ellos Holding must comply with, including obligations regarding the need to have a lawful basis for processing personal data, information requirements for data subjects, documentation of policies and procedures, maintaining security to protect personal data, notification of personal data breaches, and more. These obligations affect the processing of personal data from the outset, i.e. from the first data collection, and apply to continued processing until the personal data is deleted or destroyed. The obligations under the GDPR require consistent internal controls and a robust compliance framework, as well as adequate due diligence and contractual arrangements with the third-party service providers that process personal data on behalf of Ellos Holding. If the personal data being processed is of a privacy-sensitive nature, the obligations to protect and maintain the confidentiality and integrity of the personal data are higher.

In addition, informed consent of the data subject is required for the placement of cookies and similar technologies on a user's digital device, the purpose of which is, among others, to enable direct electronic marketing and statistics and analytics collection. Regulators are increasingly paying attention to cookies and tracking technologies. Upcoming legislative proposals at EU level indicate that existing national legislation transposing the ePrivacy Directive is likely to be replaced by an EU ePrivacy Regulation (EPR). Changes in laws regarding the use of cookies and similar technologies may lead to costs, require system changes and limit the effectiveness of Ellos Holding's marketing activities.

To ensure ongoing compliance with the GDPR, Ellos Holding needs to allocate specific internal resources, and to some extent engage external advisors, to the work of, for example, monitoring, evaluating and controlling Ellos Holding's processing of personal data, which can be both costly and time-consuming. In addition, Ellos Holding's measures to maintain the confidentiality and integrity of personal data and proprietary information may prove to be inadequate. Ellos Holding may also fail to ensure that personal data is processed with a valid legal basis under the GDPR. For example, Ellos Holding has been subject to certain personal data breaches in the past, some of which have been reported to the relevant supervisory authorities by Ellos Holding, and the Group is from time to time subject to enforcement actions by the relevant supervisory authorities.

If Ellos Holding fails to comply with legislation, regulations and guidelines, industry standards or codes of conduct, decisions to which Ellos Holding may be subject, or other legal obligations relating to privacy, data protection or information security, it could adversely affect Ellos Holding's business. This could lead to claims, enforcement or actions against Ellos Holding by authorities or others, which could result in Ellos Holding being required to pay significant fines and/or damages, which could have a negative impact on Ellos Holding's financial position and results of operations. In addition, Ellos Holding may be required to change its operations and/or cease processing, or modify, certain data, thereby also adversely affecting Ellos Holding's net sales and results of operations. The GDPR and national legislation in the EEA Member States impose a strict data protection compliance regime that includes severe administrative fines up to a maximum of EUR 20 million or four per cent of a Group's annual worldwide turnover for failure to comply with these data protection rules.

Ellos Holding is subject to risks related to consumer and marketing law regulations

Ellos Holding's marketing and sales of fashion and home furnishing products means that the business is subject to a number of consumer and marketing law regulations, of which EU law regulations form the basis for national legislation, such as the Consumer Sales Act (Sw. *konsumentköplagen* (2022:260)), the Distance Contracts and Off-Premises Contracts Act (Sw. *lagen* (2005:59) *om distansavtal och avtal utanför affärslokaler*), the Marketing Act (Sw. *marknadsföringslagen* (2008:486)), the Price Information Act (Sw. *prisinformationslagen* (2004:347)), the Consumer Contracts Act (Sw. *lag* (1994:1512) *om avtalsvillkor i konsumentförhållanden*) and, to some extent, national consumer protection and marketing rules in countries other than Sweden where Ellos Holding conducts sales and directs its marketing. Ellos Holding's compliance with these regulations is monitored by national and local authorities, which in Sweden include the Swedish Advertising Ombudsman, the Swedish Consumer Agency, the Consumer Ombudsman and the National Board for Consumer Disputes. As Ellos Holding also sells beauty products from external brands, Ellos Holding may also be subject to legislation for cosmetic products.

Unauthorised actions under the above regulations include, among other things, the use of unauthorised contractual terms, the use of unfair, misleading and/or aggressive marketing methods, and non-compliance with certain

obligations to provide information to consumers. If Ellos Holding acts in a manner that is in breach of, or may be perceived to be in breach of, the above regulations, there is a risk of legal sanctions or other consequences, such as Ellos Holding being subject to complaints from customers, injunctions from authorities, penalties of up to four per cent of the Group's total net sales in the event of improper marketing actions, or being involved in legal and administrative proceedings, which would risk having a negative impact on Ellos Holding's reputation and the demand for its products.

FINANCIAL RISKS

Ellos Holding may face difficulties in financing its operations

Ellos Holding's main sources of liquidity are, and are expected to remain, cash flow from operating activities and borrowings from external lenders. As of 31 March 2025, the Group had issued bonds in a total amount of SEK 1,163.8 million and its interest costs under the bonds during the three-month period ended 31 March 2025 amounted to SEK 20.4 million. Furthermore, Ellos Holding has pledged the shares of group companies under its financing arrangements. There is a risk that Ellos Holding will not generate sufficient profits and cash flows to finance its operations or refinance its indebtedness, and that Ellos Holding as a result may need to raise additional capital through, for example, bank loans or debt financing on the debt capital market. There is a risk that future financing will not be available at an acceptable price, or at all, and that existing debt cannot be refinanced when it falls due, which could lead to demands for immediate repayment or creditors taking actions to enforce any security that they may have. In addition, adverse developments in the credit markets, such as a general downturn in the financial markets or a deterioration in general economic conditions, could adversely affect Ellos Holding's ability to raise new loans and adversely affect the costs and other terms of financing.

Lack of sufficient financing for operations or increased costs or unfavourable terms of financing or refinancing could have an adverse effect on Ellos Holding's business, financial condition and results of operations. In addition, Ellos Holding may face difficulties in financing its investments, which could prevent the realisation of the Group's strategic plans and result in Ellos Holding being forced to forego future business opportunities. This could in turn have a negative impact on Ellos Holding's competitiveness.

Ellos Holding is exposed to credit risks, mainly in relation to customers' inability to pay

As further described in the section *"Risks related to Ellos Holding's business and industry – Ellos Holding's net sales are in part attributable to the payment solutions and financial services provided by the Issuer"* above, consumer credit is an important part of Ellos Holding's business model. Most of the Group's credit risk relates to trade receivables. The Group's trade receivables are predominantly attributable to private customers, which are transferred to Resurs Bank, and a few corporate customers. The Group had no single corporate customer accounting for more than 8.6 percent of the outstanding trade receivables as of 31 December 2024. Although trade receivables are continuously sold at nominal value under the factoring agreements with Resurs Bank, Ellos Holding's remuneration from the factoring agreements is dependent on the portion of receivables not paid in the trade receivables portfolio. Ellos Holding is therefore indirectly exposed to a credit risk in relation to consumers who do not fulfil their payment obligations. In the event that the proportion of customers who are unable to fulfil their payment obligations is higher than average, this may have a negative impact on Ellos Holding's net sales with a certain time lag.

Ellos Holding is also exposed to credit risks related to the inability of the counterparties with whom Ellos Holding has deposited cash and other financial assets to fulfil their obligations. If the measures taken by Ellos Holding to manage credit risks should prove to be insufficient, this could have a negative impact on Ellos Holding's financial position and results.

Ellos Holding is exposed to fluctuations in exchange rates

Ellos Holding is exposed to currency risks, i.e. the risk that exchange rate fluctuations will have a negative impact on its cash flow and financial position, earnings or balance sheet since the Group mainly operates in the Nordic countries and certain European countries but makes purchases from Asia and Europe. Exchange rate fluctuations affect Ellos Holding's earnings when sales and purchases in foreign subsidiaries are made in different currencies (transaction exposure) and when Ellos Holding's consolidated income statement and balance sheet items are translated from foreign currency to Ellos Holding's reporting currency, which is SEK (translation exposure).

Ellos Holding generates a significant portion of its sales in SEK, EUR, NOK and DKK and incurs a significant portion of its expenses, not least related to purchasing, in USD and to a lesser extent in EUR. To the extent that Ellos Holding incurs expenses in one currency and generates sales in another, its profit margins may be affected by changes in the exchange rates between the two currencies and also affect the extent to which Ellos Holding can offer competitive prices. In general, an increase in the exchange rate of USD against SEK or a decrease in the exchange rate of EUR, NOK and DKK against SEK has a negative impact on Ellos Holding's margins and net sales. Historically, Ellos Holding has entered into forward contracts for forecasted currency flows arising from imports into Sweden and exports from Sweden of goods and services, to protect itself against transaction and currency risks but does not currently hedge currencies as usual or not at all, which has increased the currency risk significantly. To the extent that Ellos Holding is unable to hedge the transaction exposure, fluctuations in exchange rates may result in a negative impact on Ellos Holding's earnings and financial position. As of 31 December 2024, a +10% change in the SEK exchange rate in relation to the currencies Ellos generates its sales in would have resulted in an impact on profit before tax of SEK 0.8 million based on the translation of trade payables and external and internal trade receivables in foreign currency.

In its consolidated financial statements, Ellos Holding must translate assets, liabilities, income and expenses into SEK at current exchange rates. Consequently, increases and decreases of SEK compared to the other currencies will affect the amount of these items in the consolidated financial statements, even if the value of the items has not changed in the original currency. These translations could affect Ellos Holding's financial position or results of operations and the comparability of Ellos Holding's results for different periods.

Impairment of intangible assets may have a negative impact on Ellos Holding's financial position and results

The value of Ellos Holding's intangible assets mainly consists of customer relationships and brands which as of 31 December 2024, amounted to SEK 192.4 million and SEK 859.5 million, respectively, as well as goodwill in an amount of SEK 394.4 million resulting from the acquisition of Ellos Group Nordic AB (publ). Goodwill and other intangible assets are tested at least once a year to identify any impairment requirements. Assumptions about the future, growth, profitability and financing are important parameters for valuing customer relationships and brands and there is a risk that such assumptions will change in the future. If future impairment tests would result in impairment in the value of goodwill or other intangible assets, this could have a negative impact on Ellos Holding's financial position and results.

Ellos Holding is exposed to interest rate risks that may affect financial income and expenses, cash flow and/or results

Ellos Holding is exposed to interest rate risk, i.e. the risk that the value of financial instruments, interest-bearing assets and liabilities, and income, expenses and cash flows will change due to changes in market interest rates. Ellos Holding is also exposed to interest rate risk through interest-bearing borrowings, which constitute one of Ellos Holding's sources of financing alongside equity and cash flow from operating activities. The interest-bearing borrowings consist mainly of three bonds, the Bonds maturing on 28 November 2028, a SEK 255.0 million bond maturing on 28 November 2026 and a bond of SEK 158.8 million maturing on 28 November 2026, all with variable interest rates. The average fixed-rate period for the Group's external loans as of 31 December 2024 was three months. If interest rates rise by +1 per cent in all countries where the Group has loans or investments, the estimated impact on total financial items would be approximately SEK 11.6 million before tax.

Ellos Holding may from time to time finance its operations by borrowing funds and a portion of Ellos Holding's cash flow may therefore be used to pay interest liabilities. Ellos Holding's exposure to interest rate risk, alongside Ellos Holding's borrowings, is mainly attributable to the factoring agreements with Resurs Bank, where increased borrowing costs generally reduce the remuneration payable by Resurs Bank.

Changes in interest rates affect Ellos Holding's interest expenses and can lead to changes in fair value, changes in cash flows and fluctuations in Ellos Holding's earnings. This may in turn have a negative impact on Ellos Holding's financial position and results.

Applicable interest rate levels from time to time are further a factor affecting consumers' economic situation and willingness to spend, see above under "*Weak macroeconomic conditions in the Nordic countries, including geopolitical unrest, may negatively affect the demand for Ellos Holding's products*".

RISK FACTORS SPECIFIC AND MATERIAL TO THE BONDS

RISKS RELATED TO THE NATURE OF THE BONDS

Credit and refinancing risks

An investment in the Bonds carries a credit risk in relation to the Issuer. The ability of the holders of Bonds (the "**Bondholders**") to receive payment under the terms and conditions of the Bonds (the "**Terms and Conditions**") is dependent upon the Issuer's ability to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and financial position. Furthermore, since the Group's cash generating operations are carried out in the Group companies, the Issuer's ability to meet its payment obligations under the Bonds is dependent on the value generated in the businesses of such Group companies, and in turn such Group companies' ability to transfer available distributable funds to it. Any transfers to the Issuer from the Group companies, e.g., in form of dividends or other distributions, revenues, intra-group loans may be restricted or prohibited by law and/or contractual arrangements, including each such Group company's financing arrangements.

An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would have an adverse effect on the value of the Bonds. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group would be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring its debt or seeking additional equity and/or debt financing. There is a risk that the Group will not be able to effect any of these remedies on satisfactory terms or at all. Another aspect of credit risk is that a decline in the financial position of the Group may reduce the prospects of the Group to receive financing at the time of maturity of the Bonds.

The Group's ability to successfully refinance the Bonds is dependent on the conditions of the debt and equity capital markets and the Group's financial position at the time such refinancing is carried out. In the event the Issuer is unable to refinance the Bonds or other outstanding debt of the Group, or if such financing can only be obtained on unfavourable terms, this could have an adverse effect on the Issuer's ability to repay the Bonds at maturity or any other early redemption or repurchase of the Bonds.

Risk related to put options

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each Bondholder (put option) if certain events occur (including a Change of Control Event as defined in the Terms and Conditions),

There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and this adversely affect all Bondholders and not only those that choose to exercise the put option.

Benchmark Regulation

The Bonds' value depends on several factors, one of the more significant over time being the level of market interest. Interest payable under the Terms and Conditions is calculated by reference to STIBOR. The process for determining STIBOR and other interest-rate benchmarks is currently subject to certain regulatory action, some of which have already been implemented by way of legislation, whereas other remain to be effected. The most extensive initiative in this respect is the adoption of the Benchmark Regulation (Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014) (the "**BMR**"). The BMR addresses the provision of benchmarks, the contribution of input data to benchmarks and the use of benchmarks within the European Union and certain previously used benchmarks have, or will, through the BMR, been discontinued. There is a risk that also STIBOR will be discontinued, or that alternative benchmark rates will dominate market practice, leading to uncertainties in relation to the interest rate payable in relation to the Bonds. Any upcoming replacement of STIBOR, and/or other developments in relation to STIBOR, could result in volatility in STIBOR and the calculation of the interest rate payable under the Terms and Conditions. This could in turn adversely affect an investment in the Bonds due to such alternative calculation potentially resulting in interest payments less advantageous for a Bondholder or that such interest payment does not meet market expectation in respect of interest payments.

If an investor holds Bonds which are not denominated in the investor's currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding

The Issuer will pay principal and interest on the Bonds in SEK. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **"Investor's Currency"**) other than SEK. These include the risk that exchange rates may significantly change (including changes due to devaluation of SEK or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to SEK would decrease (1) the Investor's Currency equivalent yield on the Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Bonds and (3) the Investor's Currency-equivalent market value of the Bonds.

RISKS RELATED TO SECURITY

Risks related to the transaction security and guarantees

The obligations under the Bonds are secured by way of first priority security in respect of pledges over shares and certain current and future intra-group loans in respect of the Issuer and each Guarantor (as defined in the Terms and Conditions) (the **"Guarantors"**) as well as pledges over trade receivables or business mortgages, in respect of each Guarantor (jointly, the **"Transaction Security"**). Furthermore, each Guarantor will irrevocably and unconditionally, jointly and severally, as principal obligor, guarantee to the Secured Parties (as defined in the Terms and Conditions) the punctual performance of all Group companies' obligations under the Finance Documents (each as defined in the Terms and Conditions) (the **"Guarantees"**). There is a risk that the proceeds of any enforcement sale in respect of the Transaction Security or enforcement of the Guarantees will be insufficient to satisfy all amounts then owed to the Secured Parties. There is also a risk that the security over the shares in the subsidiaries in the Group becomes less valuable or ineffective due to intercompany debt owing to the Issuer from the subsidiaries in the Group.

The Bondholders will be represented by the Agent as security agent (the **"Security Agent"**) in all matters relating to the Transaction Security. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the Transaction Security. Further, the Transaction Security may be subject to certain hardening periods during which times the Bondholders do not fully, or at all, benefit from the Transaction Security.

Subject to the terms of the Intercreditor Agreement (as defined below), the Security Agent is entitled to enter into agreements with the Issuer or a third party or take any other actions necessary for the purpose of maintaining, releasing or enforcing the Transaction Security and the Guarantees or for the purpose of settling, among others, the Bondholders' rights to the security. Although there is a limitation that such actions shall not be taken if the Security Agent deems the action to be detrimental to the interests of the Bondholders, there can be no assurance that actions will not be taken that may be considered to be detrimental in the view of some or all of the Bondholders.

Risks related to the intercreditor arrangements

Under the Terms and Conditions, the Issuer may incur certain additional debt under *inter alia* certain financing provided to the Group for general corporate purposes of the Group (the **"Super Senior Financing"**) as well as certain hedging arrangements, which may share the Transaction Security and the Guarantees with the Bonds. Such hedging arrangements will rank *pari passu* with the Super Senior Bonds, and the Super Senior Debt (each term as defined in the Intercreditor Agreement) (the **"Super Senior Bonds"** and the **"Super Senior Debt"**, respectively) and such hedging arrangements will rank senior to the Bonds, in each case in right and priority of payment in case of an enforcement of the Transaction Security or the Guarantees pursuant to the terms of an intercreditor agreement entered into, *inter alia*, the Security Agent and certain other creditors of the Group (the **"Intercreditor Agreement"**). Consequently, certain other debt providers (including creditors under any Super Senior Financing) have higher ranking right to the proceeds of an enforcement of the Transaction Security and Guarantees and the holders' of Bonds recovery from an enforcement may therefore be substantially reduced. Furthermore, the Intercreditor Agreement contains payment block provisions which, under certain circumstances and for certain periods of time, prohibit payments of interest and principal under the Bonds following a Payment Block Event (as defined in the Intercreditor Agreement).

The Security Agent may at any time (without the prior consent of all Bondholders), acting on instructions of the Secured Parties, release the Transaction Security and Guarantees in accordance with the terms of the Intercreditor Agreement. Although the Transaction Security and Guarantees shall be released *pro rata* between the Secured Parties and continue to rank *pari passu* between the Secured Parties, such release will impair the security interest and the secured position of the Bondholders.

The Security Agent may take enforcement instructions from certain of the Secured Parties. However, the holders of the Bonds and the holders of the Super Senior Bonds, respectively, will only be able to give enforcement instructions to the Security Agent in certain situations and there can be no assurance that the holders will be able to control the enforcement procedure. There is a risk that the Security Agent and/or any secured party entitled to give enforcement instructions will act in a manner or give instructions not preferable to the holders of the Bonds or the holders of the Super Senior Bonds, respectively.

If the outstanding obligations of the Group towards other secured creditors than the Bondholders increase, the security position of the Bondholders may be impaired. Furthermore, there is a risk that the security will not at all times cover the outstanding claims of all Secured Parties under the Intercreditor Agreement.

Risks related to the enforcement of the Transaction Security and the Guarantees

The holders of Bonds will receive proceeds from an enforcement of the Transaction Security only after obligations of other Secured Parties secured on a super senior basis have been repaid in full. The Transaction Security and Guarantees may also be subject to certain limitations on enforcement (in addition to those set out in the Intercreditor Agreement) and may be limited by applicable Swedish or other relevant law or subject to certain defences that may limit its validity and enforceability.

If a subsidiary which shares are pledged in favour of the Secured Parties is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares that are subject to such share pledge may then have limited value because all of the subsidiary's obligations must first be satisfied, potentially leaving little or no remaining assets in the subsidiary for the Secured Parties. As a result, the Secured Parties may not recover full or any value in the case of an enforcement sale of such pledged shares. In addition, the value of the shares subject to the pledge may decline over time.

The value of any intra-group loan of the Group, which is subject to security in favour of the Secured Parties, is largely dependent on the relevant debtor's ability to repay such intra-group loan. Should the relevant debtor be unable to repay its debt obligations upon an enforcement of a pledge over the intra-group loan, the Secured Parties may not recover the full or any value of the security granted over the intra-group loan.

The value of the business mortgages issued by a subsidiary of the Issuer, which are subject to security in favour of the Secured Parties, are dependent on the value of the assets held by such subsidiary at the time of the enforcement. Other than as may be set out in the Terms and Conditions, the subsidiary may dispose of its assets which will affect the value of the subsidiary's assets which are subject to the business mortgage. In addition, should the subsidiary separately pledge any assets, such assets will be carved-out from the assets covered by the business mortgage. Should this occur, the value of the granted security under the Transaction Security will be adversely affected and there is a risk that the Secured Parties will not receive an amount corresponding to the amounts of the business mortgages.

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

Security granted to secure the Bonds may be unenforceable or enforcement of the Transaction Security and Guarantees may be delayed

The insolvency laws of Sweden or other applicable jurisdictions may preclude or limit the right of the Bondholders from recovering payments under the Bonds. The enforceability of the Transaction Security and the Guarantees may be subject to uncertainty. The security may be unenforceable if (or to the extent), for example, the granting of the security was considered to be economically unjustified for such security providers (corporate benefit requirement). The security may also be limited in value, among others, to avoid a breach of the corporate benefit requirement. Furthermore, the Transaction Security and Guarantees will be subject to certain limitations relating to financial assistance in the relevant jurisdictions.

The security may not be perfected, among others, if the Security Agent or the relevant security provider is not able to or does not take the actions necessary to perfect or maintain the perfection of any such security, or if the pledgor has a right to dispose of assets subject to security. Such failure may result in the invalidity of the relevant Transaction Security and Guarantee or adversely affect the priority of such security interest, including a trustee in bankruptcy and other creditors who claim a security interest in the same security.

If the Issuer is unable to service its debt obligations under the Bonds and a court renders a judgment that the security granted in respect of the Bonds is unenforceable, the Bondholders may not be able to recover the amounts owed to them under the Bonds. In addition, any enforcement may be delayed due to any inability to sell the security assets in an enforcement procedure.

Security over assets granted to third parties

The Issuer and its subsidiaries may, subject to certain limitations, from time to time incur additional financial indebtedness and provide additional security for such indebtedness. In the event of bankruptcy, re-organisation or winding-up of the Issuer, the Bondholders will be subordinated in right of payment out of the assets being subject to security. For information on similar events of a subsidiary, please refer to risk factor "*Insolvency of subsidiaries and structural subordination*" below.

Insolvency of subsidiaries and structural subordination

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

Further, the Group operates in various jurisdictions and in the event of bankruptcy, insolvency, liquidation, dissolution, re-organisation or similar proceedings involving the Issuer or any of its subsidiaries, bankruptcy laws other than those of Sweden could apply. The outcome of insolvency proceedings in foreign jurisdictions is difficult to predict and could have a material and adverse effect on the potential recovery in such proceedings, which in turn carries a risk in relation to the Bondholders not receiving payment under the Bonds.

RISKS RELATED TO THE BONDHOLDERS' RIGHTS AND REPRESENTATION

No action against the Issuer and Bondholders' representation

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

To enable the Agent to represent Bondholders in court, the Bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all Bondholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all Bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a Bondholder's rights under the Terms and Conditions in a manner that is undesirable for some of the Bondholders.

THE BONDS IN BRIEF

This section contains a general and broad description of the Bonds. It does not claim to be comprehensive or cover all details of the Bonds. Potential investors should therefore carefully consider this Prospectus and any supplements or documents incorporated by reference (see the section "Overview of financial reporting and documents incorporated by reference") and the full Terms and Conditions of the Bonds, which can be found below in the section "Terms and Conditions", before a decision is made to invest in the Bonds.

Concepts and terms defined in section "Terms and Conditions" 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	Ellos Holding AB (publ), reg. no. 559495-4116.
Resolutions, authorisations and approvals	The Issuer's board of directors resolved to issue the Bonds on 25 July 2019. The listing of the Bonds was authorised by a resolution of the board of directors of the Issuer on 28 November 2024.
The Bonds to be admitted to trading	SEK 750,000,000 in an aggregate principal amount of senior secured callable floating rate bonds.
Nature of the Bonds	The Bonds constitute debt instruments (Sw. <i>skuldförbindelser</i>), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act.
Number of Bonds	As of the date of this Prospectus, 1,500 Bonds have been issued.
ISIN	SE0012827996.
Issue Date	25 July 2019.
Price	All Bonds issued on the Issue Date have been issued at an issue price of 100.00 per cent. of the Nominal Amount.
Nominal Amount	The Bonds have a nominal amount of SEK 500,000 and the minimum permissible investment upon issuance of the Bonds is SEK 500,000.
Final Redemption Date	28 November 2028.
Denomination	The Bonds are denominated in SEK.
Status of the Bonds	Subject to the Intercreditor Agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least pari passu with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application, and without any preference among them.
Use of Proceeds	The Issuer shall use the net proceeds for general corporate purposes of the Group.

Decisions by Bondholders

The Bonds entitle Bondholders representing at least ten (10.00) per cent. of the Adjusted Nominal Amount to request a decision of the Bondholders. Such decisions are rendered by way of Bondholders' Meeting or a Written Procedure. Valid decision requires the consent of Bondholders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Bondholders are voting, and in respect of certain matters a qualified majority of at least two thirds (2/3) of the Adjusted Nominal Amount for which the Bondholders are voting is required. Quorum exists if the Bondholders represent at least twenty (20.00) per cent. of the Adjusted Nominal Amount.

Benchmark Regulation

Amounts payable under the Bonds are calculated by reference to STIBOR, which is provided by the Swedish Financial Benchmark Facility. 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).

Listing

Application shall be made to list the Bonds on the corporate bond list of Nasdaq Stockholm.

Listing costs

The aggregate cost for the admission to trading of the Bonds is estimated to be in an amount of SEK 150,000.

INTEREST RATE**Interest Rate**

Interest on the Bonds is paid at an Interest Rate equal to three (3) months STIBOR plus the Floating Rate Margin equal to 5.00 per cent per annum subject to the Floating Rate Step Up equal to an increase of 2.00 per cent per annum to be added to the Floating Rate Margin as described in the Terms and Conditions and the Interest Rate shall for the avoidance of doubt never be less than zero (0).

Default Interest

If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from, but excluding, the due date up to and including the date of actual payment at a rate which is three hundred (300) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead. See further Clause 12.4 (*Interest*) of the Terms and Conditions.

Interest Payment Dates

Interest is payable quarterly in arrear on 28 February, 28 May, 28 August and 28 November each year with the first Interest Payment Date being on 28 February 2025. The last Interest Payment Date shall be the Final Redemption Date or, to the extent any such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

**REDEMPTION AND
REPURCHASE OF THE BONDS**

Redemption at maturity	The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption Date (or, to the extent such day is not a Business Day and if permitted under the CSD's applicable regulations, on the Business Day following from an application of the Business Day Convention, and otherwise on the first following Business Day) with an amount per Bond equal to one hundred (100.00) per cent. of the Nominal Amount together with accrued but unpaid Interest.
The Group Companies' purchase of Bonds	Any Group Company may, subject to applicable law, at any time and at any price purchase Bonds. See further Clause 13.2 (<i>Purchase of Bonds</i>) of the Terms and Conditions.
Early voluntary redemption by the Issuer (call option)	The Issuer may redeem all (or part) of the Bonds at the call option amounts set out in Clause 13.3 (<i>Early voluntary redemption by the Issuer (call option)</i>) of the Terms and Conditions.
First Call Date	The Interest Payment Date falling in November 2026 or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.
Call Option Amount	The Issuer may redeem all (or part) of the Bonds at the following call option amounts (together with accrued but unpaid interest) on any Business Day from and including: (a) the Effective Date (i.e. 28 November 2024) to, but not including, the First Call Date, at a price equal to the Make Whole Amount; (b) the First Call Date to, but not including, the Interest Payment Date in May 2027 at a price equal to 103,78 % per cent. of the Nominal Amount for each redeemed Bond; (c) the Interest Payment Date in May 2027 to, but not including, the Interest Payment Date in November 2027 at a price equal to 102,84 % per cent. of the Nominal Amount for each redeemed Bond; (d) the Interest Payment Date in November 2027 to, but not including, the Interest Payment Date in May 2028 at a price equal to 101,89 % per cent. of the Nominal Amount for each redeemed Bond; (e) the Interest Payment Date in May 2028 to, but not including, the Interest Payment Date in August 2028 at a price equal to 100,95 % per cent. of the Nominal Amount for each redeemed Bond; (f) the Interest Payment Date in August 2028 to, but not including, the Redemption Date at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond.
Mandatory repurchase due to a Change of Control Event or Asset Disposal Event (put option)	Upon a Put Option Event occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to (a) in respect of a Change of Control Event, one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest and (b) in respect of an Asset Disposal Event, one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest for an amount up to the Asset Disposal Put Option Amount, in each case during a period of fifteen (15) Business Days following a notice from the Issuer of the relevant event. The fifteen (15) Business Days' period may not start earlier than upon the occurrence of the Change of Control Event or Asset Disposal Event (as applicable).

MISCELLANEOUS

Transfer restrictions

The Bonds are freely transferable. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which a Bondholder may be subject. The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.

Admission to trading

The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within 12 months of the Effective Date (i.e. within 12 months from 28 November 2024) and thereafter remain listed on the corporate bond list of Nasdaq Stockholm or any other regulated market (as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended) until the Bonds have been redeemed in full. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 30 June 2025.

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

Governing law of the Bonds

Swedish law.

Time-bar

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

Risk factors

Investing in the Bonds involves substantial risks and prospective investors should refer to section "*Risk factors*" in this Prospectus

for a description of certain factors that they should carefully consider before deciding to invest in the Bonds.

Credit rating

No credit rating has been assigned to the Bonds.

DESCRIPTION OF THE GROUP AND THE GUARANTORS

INTRODUCTION TO THE ISSUER

Ellos Holding AB (publ) is a public limited liability company registered in Sweden with registration number 559495-4116, having its registered address at Box 961, 501 10 Borås, Sweden and the registered office of the board of directors is the municipality of Borås. The Issuer's legal and commercial name is Ellos Holding AB (publ) and its LEI-code is 1595UU5YMU4S61M2UO26. The Issuer was formed on 21 August 2024 and registered with the Swedish Companies Registration Office on 3 September 2024. The Issuer is governed by Swedish law including, but not limited to, the Swedish Companies Act (Sw. *aktiebolagslagen* (2005:551)) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen* (1995:1554)).

The Issuer's website is www.ellogroup.com and its phone number is +46 (0)33-16 00 00. The information provided at the Issuer's website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus.

The Issuer intends to finance its business operations by way of funds generated by its current and future direct or indirect business operations, by the proceeds from the Bonds as well as by potential future bank financing.

LEGAL STRUCTURE

The Issuer is a newly established holding company and the parent company of the Group. The Issuer was established solely for the purpose of ensuring adequate recapitalisation of the Group. Since the Issuer as of the date of this Prospectus is not conducting any operations, but is solely owning and managing its subsidiaries, the Issuer is dependent on the Guarantors and/or other operating companies of the Group to generate revenues and profit for the Issuer to be able to fulfil its payment obligations under the Bonds.

The previous parent company of the Group, Ellos Group AB (publ) filed for bankruptcy in September 2024 when it could not repay the Bonds when they matured in July 2024 and no agreement could be reached with its creditors. Following the bankruptcy, the Issuer, owned by a group of Bondholders, acquired all shares in Ellos Group Nordic AB from the bankruptcy estate and assumed the debt under the outstanding Bonds as part of the purchase price. Hence, after the acquisition, the Issuer under the Bonds is the new parent company of the Group.

As of the day of this Prospectus, the Group consists of one (1) directly and eleven (11) indirectly wholly owned subsidiaries, of which nine (9) are incorporated in Sweden, one (1) in Norway, one (1) in Finland, and one (1) in Denmark. The Group also includes three (3) branches. All Guarantors are wholly-owned subsidiaries within the Group.

SHARE CAPITAL, SHARES, OWNERSHIP STRUCTURE AND GOVERNANCE

On the day of this Prospectus, the Issuer's share capital amounted to SEK 793,326,500 divided among 793,326,500 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

The shareholders' influence is exercised through participation in the decisions made at the general meetings of the Issuer. As of the date of the Prospectus, the Issuer is not, directly or indirectly, controlled by any individual shareholder, but the major shareholders Sissener, Storm Capital together with Morten Eivindssøn Astrup and Pareto (through several entities) have, by controlling approximately 17, 17 and 12 percent of the votes in the Issuer, respectively, a substantial influence over matters that are subject to approval by the shareholders of the Issuer and may thus, if they were to act together, exercise control over the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the Issuer's articles of association and external regulations such as the Swedish Companies Act.

THE GROUP'S BUSINESS AND OPERATIONS

About the Group

Ellos Holding is a Nordic online shopping destination, offering homeware for the modern home and a wide range of fashion products. The Group's online stores Ellos, Jotex and Homeroom are established in their core customer segment, the woman in the middle of life, and the Group operates in the Nordic countries and in selected markets in Europe. The product offering includes both own and external brands. Through the various online stores' offerings,

Ellos Holding addresses two major markets, fashion and home furnishings online, and reaches individuals in high-purchase customer segments who consume for themselves, their family and their home. During the full-year period ended 31 December 2023, 60 per cent of net sales were attributable to home furnishings and 40 per cent to fashion.

The offering is, in Sweden, Norway, Denmark and Finland, supported by Ellos Holding's own integrated payment and financing solution Elpy, which enables Ellos Holding to manage the entire customer journey and thereby offer a smoother shopping experience that, according to Ellos Group, creates and strengthens customer loyalty.

Ellos Holding operates in Sweden, Norway, Denmark and Finland, as well as in the neighbouring geographical markets such as Germany, the Netherlands, Poland and Austria. The operations are conducted from Ellos Holding's headquarters in Viared outside Borås, which is connected to the Group's warehouse and logistics centre with the capacity to deliver to most addresses in the Nordic region and Northern Europe within short lead times.

History and development of the Issuer and the Group

Ellos was founded in 1947 by Olle Blomqvist and the first mail order catalogue was published in 1953. The current head office, in Viared outside Borås, was opened in 1978. Ellos established its operations in Norway and Finland in the 1980s and in 1988 the ICA Group acquired the company. Its competitor Josefssons was acquired in 1996 and later integrated as part of the Ellos offer. In 1996, the Group's first website was launched and in 1999 the Group launched its first online platform. In 2004, the then curtain and textile focussed Jotex was acquired and what is now the Ellos Group was formed. Nordic Capital Fund VII acquired Ellos Group in 2013, and in 2014 Ellos Group acquired the menswear-focused online store Stayhard, which was later divested in 2022 to fully focus on its core customer group, i.e. the midlife woman. With Nordic Capital Fund VII as the main owner, Ellos Holding began a transformation to become a pure online retail group with the launch of a new online platform in 2017 and with gradually increased capacity at the warehouse and logistics centre in Viared outside Borås. In 2019, Ellos Holding was sold to the fashion group FNG, which further developed the Group and launched Jotex in Germany and Poland in 2020, and in the Netherlands and Austria in 2021. Following claims against FNG from the previous owners of the previous parent company Ellos Group AB (publ), a settlement was reached pursuant to which Nordic Capital Fund VII became the main owner of Ellos Group again in 2022. In July 2024 the Bonds matured and no re-financing of the Bonds were agreed with the holders of the Bonds at that time. Consequently, in September 2024, the previous issuer of the Bonds and parent company of the Group, Ellos Group AB (publ), filed for bankruptcy and the holders of the Bonds became new owners of the Group through the Issuer.

Strategy and online stores

Strategy

Ellos Holding's strategy is to drive profitable growth and accelerate value creation and innovation. The Issuer has identified and will mainly focus on the following strategic drivers: i) growing the core customer segment, ii) increasing product margin through improvements in the value chain, and iii) streamlining marketing and utilising the scalability of the cost base. Furthermore, Ellos Holding believes that in a longer perspective there is an opportunity to continue to grow profitably by making strategic acquisitions.

Online stores

Ellos is a well-established online fashion and homeware retailer in the Nordic online retail market and is the largest online retailer within the Ellos Group. Ellos primarily targets women in the 30-60 age group who are looking for affordable and modern homeware and trendy fashion. Ellos endeavours to constantly offer established women a commercial and up-to-date range of fashion and home furnishings that is always affordable, newsworthy and relevant. Ellos' cornerstones are good fit, value for money, a basic range and a simple and customer-friendly shopping experience. Ellos is established in Sweden, Norway, Finland and Denmark, but also sells some products in the US through licence agreements.

Jotex is a well-known and prominent home furnishing brand in the Nordic region and offers an entirely proprietary range. The largest geographical market is Sweden. All of Jotex's net sales were attributable to home furnishings. Jotex's offering is based on ease of shopping, a wide range of styles, a basic offering, attractive prices and value for money. The product range is aimed at consumers in the 30-60 age group who are interested in home furnishings. Jotex is also established with its own online stores in Norway, Denmark and Finland and during the end of 2020 Jotex expanded to Germany and Poland and during the beginning of 2021 the expansion to Austria and the Netherlands continued.

Homeroom was launched in spring 2018 in Sweden and in December the same year Homeroom was launched in Norway, Finland and Denmark. Homeroom brings together a wide range of furniture and homeware from more than 200 different Nordic and European brands in one place and also offers homeware products from Ellos and Jotex's own designs. The aim is to make it easy for customers to shop for homeware online. Homeroom therefore offers a wide range of styles, affordable products and always with flexible home delivery regardless of size and weight to make it as smooth as possible for customers. Homeroom targets a broad audience and has a product offering that is attractive to consumers of all ages. The largest geographical market is Sweden. All of Homeroom's net sales were attributable to home furnishings.

MATERIAL AGREEMENTS

Except as described below, as of the date of the Prospectus, none of the Issuer nor the Guarantors have entered into any material contracts outside the ordinary course of their business which could have a material impact on their abilities to meet the obligations under the Bonds.

Agreement with Resurs Bank

As part of its business model, Ellos Holding offers payment solutions and other financial services. As part of the offering of these services, Ellos Group has signed factoring agreements regarding the transfer of accounts receivable to Resurs Bank and a co-operation agreement with Resurs Bank regarding the marketing of certain personal loan, insurance and credit card products.

Factoring agreements

The factoring agreements regulate Ellos Holding's daily assignments of receivables from customers who have used Ellos Holding's invoice or instalment payment solutions for purchases from the Ellos, Jotex or Homeroom e-commerce sites. The Group's compensation consists of a fixed price corresponding to the nominal value of the transferred receivables. In addition, Ellos Holding receives monthly variable remuneration from Resurs Bank based on the return the credit generates through the co-operation. Furthermore, Ellos Holding pays a factoring fee to Resurs Bank, which collects and administers the receivables. The factoring fee is based on a percentage of the outstanding credit portfolio. Ellos Holding provides guarantees regarding the receivables in connection with the transfers. The factoring agreements contain commitments for Ellos Holding not to enter into co-operation with any other party regarding similar services. The agreements are valid until 30 June 2027 and are automatically extended for 12 months at a time unless terminated with 12 months' notice.

Co-operation agreements

The co-operation agreement gives Resurs Bank an exclusive right to sell and market unsecured loans, insurance products related to such loans and credit card products to Ellos Holding's customers, through Ellos Holding's communication channels. For this co-operation, Ellos Holding receives commission based on the respective product and the remuneration is dependent on the product sold. The loan products are marketed under both the Ellos Group and Resurs Bank brands. The co-operation agreement contains commitments for Ellos Holding not to participate in activities that compete with the financing products provided by Resurs Bank. The cooperation agreement is valid until 30 June 2027 and is automatically extended for 12 months at a time unless terminated with 12 months' notice.

Financing agreements

Intercreditor agreement

The Issuer and the Guarantors have entered into an intercreditor agreement dated 28 November 2024 (the "**Intercreditor Agreement**") with Nordic Trustee & Agency AB (publ) as original bonds agent, original super senior agent and original security agent for the purposes of setting out the ranking and priority of payment in respect of indebtedness incurred under the Bonds, the Super Senior Debt, intragroup debt and shareholder debt, in the following order:

- *first*, the Super Senior Debt (*pari passu* between all indebtedness under the Super Senior Debt) and the Senior Debt (*pari passu* between all indebtedness under the Senior Debt);
- *secondly*, any liabilities raised in the form of Intragroup Debt; and
- *thirdly*, any liabilities raised in the form of Shareholder Debt.

Guarantee and adherence agreement

The Group has entered into a guarantee and adherence agreement originally dated 25 March 2020, between the Issuer, each Guarantor and the Security Agent (as amended and/or amended and restated from time to time) pursuant to which the Secured Obligations will be guaranteed by the Guarantors and any additional guarantor having acceded thereto (the "**Guarantee and Adherence Agreement**"), pursuant to which each Guarantor, unconditionally, irrevocably, jointly, and severally, guarantees as principal and as for its own debit (Sw. *såsom för egen skuld*) the full punctual payment and performance of the Issuer's and each other relevant obligor's obligations under or in connection with the Senior Finance Documents (as defined in the Intercreditor Agreement). The Guarantees provided under the Guarantee and Adherence Agreement are subject to the terms of the Intercreditor Agreement and to certain limitations under applicable law. The Guarantee and Adherence Agreement is available upon request of the Issuer.

Super senior bonds

On 9 February 2024, the Issuer issued SEK 255,000,000 super senior secured callable floating rate bonds 2024/2026 with ISIN SE0021486917 under certain terms and conditions as amended and restated on 28 November 2024 (i.e the Super Senior Bonds). The Super Senior Bonds bear a floating interest rate of STIBOR 3 months plus 350 basis points *per annum* subject to a certain floating rate step up of 200 basis points *per annum* if certain financing has not been established within twelve (12) months of the amendment date of the terms and conditions for the Super Senior Bonds. The Super Senior Bonds mature on 28 November 2026. The Super Senior Bonds rank ahead of the Bonds in right and priority of payment according to the Intercreditor Agreement.

Liquidity bonds

On 14 October 2024, the Issuer issued SEK 158,750,000 super senior secured callable floating rate bonds 2024/2026 with ISIN SE0023112867 under certain terms and conditions as amended and restated on 28 November 2024 (the "**Liquidity Bonds**"). The Liquidity Bonds bear a floating interest rate of STIBOR 3 months plus 350 basis points *per annum* subject to a certain floating rate step up of 200 basis points *per annum* if certain financing has not been established within twelve (12) months of the amendment date of the terms and conditions for the Liquidity Bonds. The Liquidity Bonds mature on 28 November 2026. The Liquidity Bonds rank ahead of the Bonds in right and priority of payment according to the Intercreditor Agreement.

GUARANTORS

As described above under the heading "*Guarantee and adherence agreement*" the Issuer's obligations under the Bonds are guaranteed by the Guarantors (and any material Group Company that have acceded to the Guarantee and Adherence Agreement from time to time). As of the date of the Prospectus, the Guarantors comprise twelve of the Issuer's directly and indirectly held subsidiaries. A general description of each Guarantor is provided below.

Ellos Group Nordic AB (publ)

Ellos Group Nordic AB (publ) is a Swedish public limited liability company operating under the laws of Sweden with reg.no. 559318-3618 and LEI code 549300J34R086MUOX024. Its registered office is in the municipality of Stockholm, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden, Sweden. Ellos Group Nordic AB (publ) can be reached at telephone number +46(0)33-16 00 00. Ellos Group Nordic AB (publ) was incorporated in Sweden on 11 May 2021 and registered by the Swedish Companies Registration Office on 19 May 2021. In accordance with the articles of association of Ellos Group Nordic AB (publ), adopted on 8 July 2022, the object of the company is to, directly or indirectly own and manage shares, securities and other movable property as well as real property, and to directly and/or indirectly carry out retail sales activities in relation primarily textile and ready-to-wear clothing products and other activities compatible therewith. The object of the company is also to provide and invoice management services.

As of the day of this Prospectus, Ellos Group Nordic AB (publ)'s share capital amounted to SEK 500,000 divided among 500,000 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

Ellos Group Holding AB (publ)

Ellos Group Holding AB (publ) is a Swedish public limited liability company operating under the laws of Sweden with reg.no. 556857-8511. Its registered office is in the municipality of Stockholm, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden. Ellos Group Holding AB (publ) can be reached at telephone number +46(0)33-16 00 00. Ellos Group Holding AB (publ) was incorporated in Sweden on 21 June 2011 and registered by the Swedish Companies Registration Office on 1 July 2011. In accordance with the articles of association of Ellos Group Holding AB (publ), adopted on 26 November 2019, the objects of the company are to own and administer shares, value papers and other movable property as well as real property, directly and indirectly carry out trading mainly with textile and ready-to-wear clothing products and other activities compatible therewith.

As of the day of this Prospectus, Ellos Group Holding AB (publ)'s share capital amounted to SEK 506,859.70 divided among 40,548,776 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

Ellos Group Sweden AB

Ellos Group Sweden AB is a Swedish limited liability company operating under the laws of Sweden with reg.no. 556217-1925 LEI code 5493000Z2KUKJR6Y7R50. Its registered office is in the municipality of Borås, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden. Ellos Group Sweden AB can be reached at telephone number +46(0)33-16 00 00. Ellos Group Sweden AB was incorporated in Sweden on 15 March 1982 and registered by the Swedish Companies Registration Office on 23 April 1982. In accordance with the articles of association of Ellos Group Sweden AB, adopted on 3 June 2021, the objects of the company are to administer real and movable estate and supply groupwide services as well as conduct any other activities compatible therewith.

As of the day of this Prospectus, Ellos Group Sweden AB's share capital amounted to SEK 100,000 divided among 1,000 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

Ellos AB

Ellos AB is a Swedish limited liability company operating under the laws of Sweden with reg.no. 556044-0264 and LEI code 549300FI5F6RXRUVIY69. Its registered office is in the municipality of Borås, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden. Ellos AB can be reached at telephone number +46(0)33 16 00 00. Ellos AB was incorporated in Sweden on 22 June 1944 and registered by the Swedish Companies Registration Office on 24 July 1944. In accordance with the articles of association of Ellos AB, adopted on 9 October 2013, the objects of the company are to conduct trade, mainly mail-order trade, preferably with textile and clothing goods, sports and leisure articles, gardening articles and plants, gift articles, technical articles, tools and capital goods such as household and home furnishing articles, watches, photographs, music, radio and TV articles. Furthermore, the company shall conduct credit activities (however, not such activities as referred to in the Banking and Financing Business Act (2004:297)), buy, sell and manage real estate, shares, units and securities, and conduct other activities compatible with the above-mentioned activities.

As of the day of this Prospectus, Ellos AB's share capital amounted to SEK 64,160,000 divided among 5,858,000 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

Jotex Sweden AB

Jotex Sweden AB is a Swedish limited liability company operating under the laws of Sweden with reg.no. 556249-7106. Its registered office is in the municipality of Borås, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden. Jotex Sweden AB can be reached at telephone number +46(0)33-16 00 00. Jotex Sweden AB was incorporated in Sweden on 3 September 1984 and registered by the Swedish Companies Registration Office on 19 September 1984. In accordance with the articles of association of Jotex Sweden AB, adopted on 3 June 2013, the objects of the company are to own and administer shares, administer loan for purchase of goods on credit, conduct trading with home furnishing as well as conduct any other activities compatible therewith.

As of the day of this Prospectus, Jotex Sweden AB's share capital amounted to SEK 500,000 divided among 5,000 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

Ellos Norway AS

Ellos Norway AS is a Norwegian limited liability company operating under the laws of Norway with reg.no. 832005622. Its registered office is in the municipality of Oslo, Norway, and its head office is located at Wergelandsveien 7, c/o Intertrust (Norway) AS, 0167 Oslo, Norway. Ellos Norway AS can be reached at telephone number +47 66 99 76 76. Ellos Norway AS was incorporated in Norway on 20 April 1982 and registered by the Norwegian Companies Registration Office on 6 June 1988. In accordance with the articles of association of Ellos Norway AS, adopted on 7 February 2024, the objects of the company are mail-order business as well as what is associated therewith and the company may by investment or in other ways take an interest in other ventures.

As of the day of this Prospectus, Ellos Norway AS's share capital amounted to NOK 11,750,000 divided among 235 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in NOK.

Ellos Finland Oy

Ellos Finland Oy is a Finnish limited liability company operating under the laws of Finland with reg.no. 1442131-6. Its registered office is in the municipality of Helsinki, Finland, and its head office is located at Ödegårdsgatan 6, 50464 Borås, Sweden. Ellos Finland Oy can be reached at telephone number +4633160000. Ellos Finland Oy was incorporated in Finland on 5 December 1997 and registered by the Finnish Companies Registration Office on 22 December 1997. In accordance with the articles of association of Ellos Finland Oy, adopted on 31 July 2018, the objects of the company are to engage in mail-order sales, to own and hold shares and participations in other companies, to offer group services to subsidiaries and to offer general management and financing and other activities compatible therewith to subsidiaries and other companies, to engage in financing activities in respect of the granting of credit to natural persons and to engage in debt collection and insurance brokerage. In addition, the company's activities include holding, leasing and trading of shares entitling to ownership and possession of real estate and commercial, office, industrial and residential property, as well as consulting activities for the above-mentioned sectors.

As of the day of this Prospectus, Ellos Finland Oy's share capital amounted to EUR 2,102,349.08 divided among 12,500 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in EUR.

Ellos Denmark A/S

Ellos Denmark A/S is a Danish limited liability company operating under the laws of Denmark with reg.no. 24927814. Its registered office is in the municipality of Copenhagen, Denmark, and its head office is located at c/o CSC (Denmark) ApS, Sundkrogsgade 21, 2100 København Ø. Ellos Denmark A/S can be reached at telephone number +46(0)33-16 00 00. Ellos Denmark A/S was incorporated in Denmark and registered by the Danish Companies Registration Office on 16 December 1975. In accordance with the articles of association of Ellos Denmark A/S, adopted on 3 June 2013, the objects of the company are to trade in textile and card products, financing.

As of the day of this Prospectus, Ellos Denmark A/S's share capital amounted to DKK 50,000 divided among 50 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in DKK.

Ellos 1 AB

Ellos 1 AB is a Swedish limited liability company operating under the laws of Sweden with reg.no. 556783-8858. Its registered office is in the municipality of Borås, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden. Ellos 1 AB can be reached at telephone number +46(0)33-16 00 00. Ellos 1 AB was incorporated in Sweden on 24 April 2009 and registered by the Swedish Companies Registration Office on 11 June 2009. In accordance with the articles of association of Ellos 1 AB, adopted on 7 September 2022, the objects of the company are to own and manage movable property and to conduct activities compatible therewith.

As of the day of this Prospectus, Ellos 1 AB's share capital amounted to SEK 140,000 divided among 1,400 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

Ellos 2 AB

Ellos 2 AB is a Swedish limited liability company operating under the laws of Sweden with reg.no. 556713-8077. Its registered office is in the municipality of Borås, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden. Ellos 2 AB can be reached at telephone number +46(0)33-16 00 00. Ellos 2 AB was incorporated in Sweden on 16 October 2006 and registered by the Swedish Companies Registration Office on 25 October 2006. In accordance with the articles of association of Ellos 2 AB, adopted on 7 September 2022, the objects of the company are to conduct e-commerce and trade in clothing, shoes, accessories and grooming products mainly aimed at men and to conduct activities compatible therewith.

As of the day of this Prospectus, Ellos 2 AB's share capital amounted to SEK 100,000 divided among 1,000 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

Ellos 3 AB

Ellos 3 AB is a Swedish limited liability company operating under the laws of Sweden with reg.no. 556831-9114. Its registered office is in the municipality of Stockholm, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden. Ellos 3 AB can be reached at telephone number +46(0)33-16 00 00. Ellos 3 AB was incorporated in Sweden on 9 December 2010 and registered by the Swedish Companies Registration Office on 13 December 2010. In accordance with the articles of association of Ellos 3 AB, adopted on 24 November 2024, the objects of the company are to own and administer shares, value papers and other movable property, directly and indirectly carry out trading mainly with textile and clothing products and other activities consistent therewith.

As of the day of this Prospectus, Ellos 3 AB's share capital amounted to SEK 50,000 divided among 50,000 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

FAAD Aktiebolag

FAAD Aktiebolag is a Swedish limited liability company operating under the laws of Sweden with reg.no. 559027-6407. Its registered office is in the municipality of Herrljunga, Sweden, and its head office is located at Ödegårdsgatan 6, SE-504 64 Borås, Sweden. FAAD Aktiebolag can be reached at telephone number +46(0)33-16 00 00. FAAD Aktiebolag was incorporated in Sweden 17 September 2015 and registered by the Swedish Companies Registration Office on 23 September 2015. In accordance with the articles of association of FAAD Aktiebolag, adopted on 23 March 2020, the objects of the company are to engage in the manufacture and sale of clothing and accessories as well as consultancy, lectures in design, layout, sourcing of fabrics and producers, textile education and fashion and styling and activities related therewith.

As of the day of this Prospectus, FAAD Aktiebolag's share capital amounted to SEK 50,000 divided among 500 ordinary shares. The holders of ordinary shares are entitled to one vote per share. The shares are denominated in SEK.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT OF THE ISSUER AND THE GUARANTORS

Information on the members of the board of directors and the senior management for the Issuer and the Guarantors, including significant assignments outside the Group, is set forth below.

The business address and contact address for all members of the board of directors and the senior management of the Issuer and the Guarantors is Box 961, SE-501 10 Borås, Sweden.

THE ISSUER

BOARD OF DIRECTORS

Morten E. Astrup

Born in 1975. Chairman and member of the board of directors of the Issuer since 2024.

Current material assignments outside the Group include: CIO and Founding Partner at Storm Capital.

Joakim Friedman

Born in 1979. Member of the board of directors of the Issuer since 2024.

Current material assignments outside the Group include: Member of the board of directors of Rainbow Bay AB and JMF Holding AB.

Hans Ohlsson

Born in 1971. Member of the board of directors and CEO of the Issuer since 2024.

Current material assignments outside the Group include: Chairman and member of the board of directors of MV Farm AB. Member of the board of directors of Enklare Ekonomi Sverige AB, HABEOH Holding AB and Skepparharen Bolån AB.

Hans Lindau

Born in 1967. Member of the board of directors of the Issuer since 2025 (employee representative).

Current material assignments outside the Group include: Member of the board of directors of the non-profit association TYA, Transportfackens Yrkes- och Arbetsmiljönämnd.

Åsa Tobrant

Born in 1967. Member of the board of directors of the Issuer since 2025 (employee representative).

No current material assignments outside the Group.

Amanda Gabrielsson

Born in 1987. Deputy member of the board of directors of the Issuer since 2025 (employee representative).

No current material assignments outside the Group.

Satu Tervo

Born in 1977. Deputy member of the board of directors of the Issuer since 2025 (employee representative).

No current material assignments outside the Group.

SENIOR MANAGEMENT

As the Issuer serves as a holding company, and does not conduct any operations other than holding shares in the Group companies, the senior management is employed in the subsidiary Ellos AB. The senior management of the Group is therefore described under the subsidiary and Guarantor Ellos AB. Each subsidiary/Guarantor does not have its own senior management, but it is the same as in Ellos AB.

THE GUARANTORS

Information on the members of the board of directors and the senior management of the Guarantors, including significant assignments outside the Guarantor, respectively, is set forth below.

ELLOS AB

Board of directors

Hans Ohlsson

Born in 1971. Chairman and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

Johan Stigson

Born in 1979. Member of the board of directors.

No current material assignments outside the Group.

Senior management

Hans Ohlsson

Born in 1971. Hans Ohlsson is CEO and President of the Group since 2013.

Current material assignments outside the Group include: See under "Board of directors" above.

Johan Stigson

Born in 1979. Johan Stigson is CFO of the Group since 2013.

No current material assignments outside the Group.

Markus Andersson

Born in 1979. Markus Andersson is CIO of the Group since 2021.

Current material assignments outside the Group include: Acting chairman of the board of directors of E-handelsstaden Borås Ekonomisk förening and advisor to Blugiallo AB.

Alexandra Dornérus

Born in 1989. Alexandra Dornérus is Business Development Manager of the Group since 2020.

Current material assignments outside the Group include: Member of the board of directors of Belid Holding AB and IOGT-NTO Miljonlotteriet.

Sofia Ekensten

Born in 1976. Sofia Ekensten is Brand Director of Ellos since 2024.

No current material assignments outside the Group.

Marie Fall

Born in 1976. Marie Fall is People- & Culture Director of Ellos since 2025.

Current material assignments outside the Group include: Member of the board of directors of Belonging and Inclusion Institute AB.

Johan Kromer

Born in 1971. Johan Kromer is Global Sourcing Director and Collection Director of the Group since 2016.

No current material assignments outside the Group.

Magnus Malmström³

Born in 1973. Magnus Malmström is Business Area Manager Elpy since 2023.

No current material assignments outside the Group.

Mathias Parkhagen

Born in 1981. Mathias Parkhagen is Logistics and Supply Director of the Group since 2017.

No current material assignments outside the Group.

ELLOS GROUP NORDIC AB (PUBL)**Board of directors****Johan Stigson**

Born in 1979. Chairman and member of the board of directors.

No current material assignments outside the Group.

Hans Ohlsson

Born in 1971. CEO and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

ELLOS GROUP HOLDING AB (PUBL)**Board of directors****Johan Stigson**

Born in 1979. Chairman and member of the board of directors.

No current material assignments outside the Group.

Hans Ohlsson

Born in 1971. CEO and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

³ Magnus Malmström has terminated his employment in the Group and will leave the senior management following the end of a notice period of six months from the termination date 7 April 2025.

ELLOS GROUP SWEDEN AB

Board of directors

Hans Ohlsson

Born in 1971. Chairman and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

Johan Stigson

Born in 1979. Member of the board of directors.

No current material assignments outside the Group.

JOTEX SWEDEN AB

Board of directors

Johan Stigson

Born in 1979. Chairman and member of the board of directors.

No current material assignments outside the Group.

Hans Ohlsson

Born in 1971. Member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

ELLOS NORWAY AS

Board of directors

Hans Ohlsson

Born in 1971. Chairman and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

Johan Stigson

Born in 1979. Member of the board of directors.

No current material assignments outside the Group.

ELLOS FINLAND Oy

Board of directors

Hans Ohlsson

Born in 1971. Chairman and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

Johan Stigson

Born in 1979. Member of the board of directors.

No current material assignments outside the Group.

ELLOS DENMARK A/S

Board of directors

Johan Stigson

Born in 1979. Chairman and member of the board of directors.

No current material assignments outside the Group.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

Markus Andersson

Born in 1979. Member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer – Senior management" above.

ELLOS 1 AB

Board of directors

Hans Ohlsson

Born in 1971. Chairman and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

Johan Stigson

Born in 1979. Member of the board of directors.

No current material assignments outside the Group.

ELLOS 2 AB

Board of directors

Hans Ohlsson

Born in 1971. Chairman and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

Johan Stigson

Born in 1979. Member of the board of directors.

No current material assignments outside the Group.

ELLOS 3 AB

Board of directors

Hans Ohlsson

Born in 1971. Chairman and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Johan Stigson

Born in 1979. Member of the board of directors.

No current material assignments outside the Group.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

FAAD AKTIEBOLAG

Board of directors

Hans Ohlsson

Born in 1971. Chairman and member of the board of directors.

Current material assignments outside the Group include: See under "The Issuer - Board of directors" above.

Johan Stigson

Born in 1979. Member of the board of directors.

No current material assignments outside the Group.

Mathias Parkhagen

Born in 1981. Member of the board of directors.

No current material assignments outside the Group.

CONFLICTS OF INTERESTS

None of the members of the board of directors or the senior management of the Issuer or the Guarantors has a private interest that may be in conflict with the interests of the Issuer.

Morten E. Astrup represents a creditor to the Issuer. A creditor to the Issuer could under certain circumstances have interests which are in conflict with the interests of the Issuer.

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

FINANCIAL INTERESTS

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

LEGAL AND SUPPLEMENTARY INFORMATION

INFORMATION ABOUT THE PROSPECTUS

The Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (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 quality of the Bonds that are subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

AUTHORISATIONS AND RESPONSIBILITY STATEMENT

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the listing of the Bonds and the performance of its obligations relating thereto. The listing of the Bonds was authorised by a resolution of the board of directors of the Issuer on 28 November 2024.

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 this 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 and declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

CREDIT RATING

The Issuer has no credit rating from a credit rating institute.

SIGNIFICANT ADVERSE CHANGES, TREND INFORMATION AND RECENT EVENTS

There has been no material adverse change in the prospects of the Issuer or of the Guarantors since 31 December 2024.

There have been no significant changes in the financial performance or financial position of the Issuer or the Guarantors since the end of the last financial period for which financial information has been published to the date of this Prospectus.

There have been no recent events or trends particular to the Issuer or the Guarantors which are to a material extent relevant to the evaluation of the Issuer's or the Guarantors' solvency or its prospects during the current financial year.

There have been no material changes of the Issuer's or the Guarantors' financing structure since the end of the financial year ended on 31 December 2024.

SHAREHOLDERS' AGREEMENTS

As far as the Issuer is aware, there is a shareholders' agreement between the shareholders of the Issuer, i.e. the holders of the Bonds. The shareholders' agreement does however not contain any provisions which could result in a change of control of the Issuer.

LITIGATION

From time to time, the Group is involved in disputes, claims and administrative proceedings that arise in the Group's operating activities, in relation to tax matters and otherwise. The Issuer has not, during the past twelve months, been and is not aware of any governmental, legal or arbitration proceedings which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

INTERESTS OF ADVISORS

Advokatfirman Cederquist KB acts as legal advisor to the Issuer in connection with the admission to trading of the Bonds and has not conflicting interests with the Issuer.

INFORMATION ON TAXATION

Tax legislation in the investor's home member state and the member state of the Issuer may affect any income from the Bonds.

FINANCIAL REPORTING, AUDITING OF THE HISTORICAL FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE

The Issuer's financial information and auditor

The Issuer has prepared an audited annual report for the period 15 October 2024 to 31 December 2024 as well as an unaudited interim report for the period 1 January – 31 March 2025, which are incorporated by reference into this Prospectus. The financial reports have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and interpretations that have been issued by IFRS Interpretations Committee as they have been adopted by the EU. Furthermore, the Group applies the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and RFR 1 "Supplementary accounting rules for groups" issued by the Swedish Financial Reporting Board. The interim report for the period 1 January – 31 March 2025 has, in addition, been prepared in accordance with IAS 34 Interim Financial Reporting.

Ernst & Young Aktiebolag ("EY") has been the Issuer's auditor since the Issuer was formed in 2024. The auditor in charge is Andreas Mast (born 1979). Andreas Mast is a member of FAR. The annual general meeting held on 15 May 2025 re-elected EY as the Issuer's auditor until the end of the next annual general meeting. The business address of EY is Box 7850, SE-103 99 Stockholm, Sweden. Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

The Guarantors' financial information and auditors

Described below is certain financial information in relation to each of the Guarantors' financial statements and auditors' reports for the financial years 2024 and 2023.

Ellos Group Nordic AB (publ)

The financial information of Ellos Group Nordic AB (publ) for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos Group Nordic AB (publ)'s auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

Ellos Group Holding AB (publ)

The financial information of Ellos Group Holding AB (publ) for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos Group Holding AB (publ)'s auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

Ellos Group Sweden AB

The financial information of Ellos Group Sweden AB for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos Group Sweden AB's auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

Ellos AB

The financial information of Ellos AB for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos AB's auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

Jotex Sweden AB

The financial information of Jotex Sweden AB for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen* (1995:1554)) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Jotex Sweden AB's auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

Ellos Norway AS

The financial information of Ellos Norway AS for the financial years 2024 and 2023 has been prepared in accordance with the Norwegian Accounting Act (No. *regnskapsloven*) and Norwegian generally accepted accounting principles (No. *god regnskapsskikk*). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos Norway AS' auditor Ernst & Young AS (address at Dr. Hansteinsgate 13, 3044 Drammen, Norway). The auditor in charge is Marianne Fidjestøl Haraldseth. Marianne Fidjestøl Haraldseth is an authorised public accountant (No. *statsautorisert revisor*).

Ellos Finland Oy

The financial information of Ellos Finland Oy for the financial years 2024 and 2023 has been prepared in accordance with the Finnish Accounting Act (Sw. *Bokföringslagen*) and Finnish generally accepted accounting principles (Sw. *finsk bokföringssed*). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos Finland OY's auditor Ernst & Young Oy (address at Högbergsgatan 32-34, FI-00130 Helsinki, Finland). The auditor in charge is Eija Niemi-Nikkola. Eija Niemi-Nikkola is an authorised public accountant.

Ellos Denmark A/S

The financial information of Ellos Denmark A/S for the financial years 2024 and 2023 has been prepared in accordance with the Danish Financial Statements Act applying to medium-sized reporting class C entities. The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos Denmark A/S's auditor EY Godkendt Revisionspartnerselskab (address at Cortex Park Vest 3, 5230 Odense M, Denmark). The auditor in charge is Søren Smedegaard Hvid. Søren Smedegaard Hvid is an authorised public accountant.

Ellos 1 AB

The financial information of Ellos 1 AB for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen* (1995:1554)) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos 1 AB's auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

Ellos 2 AB

The financial information of Ellos 2 AB for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen* (1995:1554)) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos 2 AB's auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

Ellos 3 AB

The financial information of Ellos 2 AB for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen* (1995:1554)) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by Ellos 2 AB's auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

FAAD Aktiebolag

The financial information of FAAD Aktiebolag for the financial years 2024 and 2023 has been prepared in accordance with the Swedish Annual Accounts Act (Sw. *årsredovisningslagen* (1995:1554)) and K3 – Årsredovisning och koncernredovisning (BFNAR 2012:1). The financial statements and accounting records for the financial years 2024 and 2023 have been audited by FAAD Aktiebolag's auditor EY (address at Box 7850, SE-103 99 Stockholm, Sweden). The auditor in charge is Andreas Mast. Andreas Mast is a member of FAR.

Documents incorporated by reference

The Issuer's audited annual report for the period 15 October 2024 to 31 December 2024 and its unaudited interim report for the period 1 January – 31 March 2025 are incorporated by reference in this Prospectus. The Guarantors' consolidated annual reports for the financial years 2024 and 2023 have been incorporated into this Prospectus by reference and have been audited by the auditor of each Guarantor. Copies of the annual reports that are incorporated by reference have been submitted to the SFSA.

Document	Page
Ellos Holding AB's audited annual report for the period 15 October 2024 to 31 December 2024	<ul style="list-style-type: none">- 63 (Statement of profit/loss and report of comprehensive income)- 64 (Statement of financial position)- 65 (Statement of changes in equity)- 66 (Statement of cash flows)- 72-96 (Notes to the financial statements)- 100-102 (Auditor's report)
Ellos Holding AB's unaudited interim report for the period 1 January – 31 March 2025	<ul style="list-style-type: none">- 6 (Statement of profit/loss and report of comprehensive income)- 7 (Statement of financial position)- 8 (Statement of changes in equity)- 9 (Statement of cash flows)- 12 (Notes to the financial statements)
Ellos Group Nordic AB (publ)'s audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none">- 4 (Statement of profit/loss)- 5-6 (Statement of financial position)- 2 (Statement of changes in equity)- 7-11 (Notes to the financial statements)- 16-17 (Auditor's report)
Ellos Group Nordic AB (publ)'s audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none">- 4 (Statement of profit/loss)- 5-6 (Statement of financial position)- 2 (Statement of changes in equity)- 7-11 (Notes to the financial statements)- 16-17 (Auditor's report)
Ellos Group Holding AB (publ)'s audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none">- 4 (Statement of profit/loss)- 5-6 (Statement of financial position)- 2 (Statement of changes in equity)- 7-11 (Notes to the financial statements)- 16-17 (Auditor's report)
Ellos Group Holding AB (publ)'s audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none">- 4 (Statement of profit/loss)- 5-6 (Statement of financial position)- 3 (Statement of changes in equity)- 7-13 (Notes to the financial statements)- 14-15 (Auditor's report)
Ellos Group Sweden AB's audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none">- 4 (Statement of profit/loss)- 5-6 (Statement of financial position)- 2 (Statement of changes in equity)

Document	Page
Ellos Group Sweden AB's audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 7-12 (Notes to the financial statements) - 14-15 (Auditor's report) - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity) - 7-12 (Notes to the financial statements) - 14-15 (Auditor's report)
Ellos AB's audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 6 (Statement of profit/loss) - 7-8 (Statement of financial position) - 9 (Statement of changes in equity) - 10 (Statement of cash flows) - 11-25 (Notes to the financial statements) - 27-28 (Auditor's report)
Ellos AB's audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 7 (Statement of profit/loss) - 8-9 (Statement of financial position) - 10 (Statement of changes in equity) - 11 (Statement of cash flows) - 12-26 (Notes to the financial statements) - 28-29 (Auditor's report)
Jotex Sweden AB's audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 5 (Statement of profit/loss) - 6-7 (Statement of financial position) - 8 (Statement of changes in equity) - 9 (Statement of cash flows) - 10-18 (Notes to the financial statements) - 20-21 (Auditor's report)
Jotex Sweden AB's audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 7 (Statement of profit/loss) - 8-9 (Statement of financial position) - 10 (Statement of changes in equity) - 11 (Statement of cash flows) - 12-23 (Notes to the financial statements) - 24-25 (Auditor's report)
Ellos Norway AS' audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 11 (Statement of cash flows) - 7-10 (Notes to the financial statements) - 14-15 (Auditor's report)
Ellos Norway AS' audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 11 (Statement of cash flows) - 7-10 (Notes to the financial statements) - 14-15 (Auditor's report)
Ellos Finland Oy's audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 3 (Statement of profit/loss) - 4 (Statement of financial position) - 5-8 (Notes to the financial statements) - 15-16 (Auditor's report)
Ellos Finland Oy's audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 3 (Statement of profit/loss) - 4 (Statement of financial position) - 5-8 (Notes to the financial statements) - 15-16 (Auditor's report)

Document	Page
Ellos Denmark A/S' audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 9 (Statement of profit/loss) - 10 (Statement of financial position) - 11 (Statement of changes in equity) - 12 (Statement of cash flows) - 13-18 (Notes to the financial statements) - 3-4 (Auditor's report)
Ellos Denmark A/S' audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 9 (Statement of profit/loss) - 10 (Statement of financial position) - 11 (Statement of changes in equity) - 12 (Statement of cash flows) - 13-18 (Notes to the financial statements) - 4-5 (Auditor's report)
Ellos 1 AB's audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity) - 7-13 (Notes to the financial statements) - 14-15 (Auditor's report)
Ellos 1 AB's audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity) - 7-13 (Notes to the financial statements) - 14-15 (Auditor's report)
Ellos 2 AB's audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity) - 7-12 (Notes to the financial statements) - 13-14 (Auditor's report)
Ellos 2 AB's audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity) - 7-12 (Notes to the financial statements) - 13-14 (Auditor's report)
Ellos 3 AB's audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity) - 7-12 (Notes to the financial statements) - 13-14 (Auditor's report)
Ellos 3 AB's audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity) - 7-12 (Notes to the financial statements) - 13-14 (Auditor's report)
FAAD Aktiebolag's audited annual report for the financial year ended 31 December 2024	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity) - 7-12 (Notes to the financial statements) - 13-14 (Auditor's report)
FAAD Aktiebolag's audited annual report for the financial year ended 31 December 2023	<ul style="list-style-type: none"> - 4 (Statement of profit/loss) - 5-6 (Statement of financial position) - 2 (Statement of changes in equity)

Document**Page**

- 7-12 (Notes to the financial statements)
- 13-14 (Auditor's report)

The Issuer's financial reports incorporated by reference are available at the Issuer's website at <https://www.ellogroup.com/en/about-us/financial-reports-presentations>. The Guarantor's financial reports mentioned above are available in electronic form on the Issuer's website www.ellogroup.com/en/about-us/ellogroup-ab/bond and can also be obtained from the Issuer in paper format in accordance with the section "*Documents available for inspection*" below.

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

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents can be obtained from the Issuer in paper format upon request during the validity period of this Prospectus at the Issuer's head office and at the Issuer's website www.ellogroup.com.

- Each of the Issuer's and Guarantors' articles of association.
- Each of the Issuer's and Guarantors' certificates of registration.
- The Issuer's audited annual report for the period 15 October 2024 to 31 December 2024.
- The Issuer's unaudited interim report for the period 1 January – 31 March 2025.
- The Guarantors' audited annual reports for the financial year ended 31 December 2024 and 2023, including the applicable audit reports.
- The Terms and Conditions of the Bonds.
- The Guarantee and Adherence Agreement.

TERMS AND CONDITIONS

ELLOS HOLDING AB (PUBL)

SEK 750,000,000

SENIOR SECURED CALLABLE FLOATING RATE

BONDS 2019/2028

ISIN: SE0012827996

Issue Date: 25 July 2019

as amended and restated pursuant to amendment and restatement agreements dated 21 February 2022, 9 February 2024, 14 October 2024 and 28 November 2024

The distribution of this document and the private placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.

PRIVACY STATEMENT

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

The personal data collected will be processed by the Agent for the following purposes:

- (a) to exercise its rights and fulfil its obligations under these Terms and Conditions and the Agency Agreement;
- (b) to manage the administration of the Bonds and payments under the Bonds;
- (c) to enable the Bondholders to exercise their rights under these Terms and Conditions; and
- (d) to comply with its obligations under applicable laws and regulations.

The processing of personal data by the Agent in relation to items (a)–(c) is based on its legitimate interest to exercise its rights and to fulfil its obligations under these Terms and Conditions and the Agency Agreement. In relation to item (d), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Agent. Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

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

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Agent. In addition, data subjects have the right to:

- (a) request that personal data is rectified or erased;
- (b) object to specific processing;
- (c) request that the processing be restricted; and
- (d) 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 Agent's address, and the contact details for its data protection officers (if applicable), are found on its website www.nordictrustee.com.

TERMS AND CONDITIONS FOR
ELLOS HOLDING AB (PUBL)
SEK 750,000,000
SENIOR SECURED CALLABLE FLOATING RATE BONDS 2019/2028
ISIN: SE0012827996

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

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

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

"Advance Purchase Agreement" means:

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

"Affiliate" means, in respect of any Person, any other Person directly or indirectly, controlling or controlled by or under direct or indirect common control or management with such specified Person, including for the avoidance of doubt any investment manager, investment adviser, or any Related Fund of such specified Persons. 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, provided for the avoidance of doubt the Agent or a Bondholder shall not be deemed to be Affiliates of the Issuer as a result of any indirect control which the Agent or a Bondholder may exercise solely as a result of the Issuer being indirectly controlled by Stiftelsen Refectio.

"Agency Agreement" means the agency 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 Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden) or another party replacing it as Agent in accordance with the Finance Documents.

"Agreed Security Principles" means the agreed security principles set out in Schedule 1 (*Agreed Security Principles*).

"Amendment and Restatement Agreement" means the amendment and restatement agreement dated 28 November 2024 and entered into between the Issuer and the Agent in connection with the amendments and restatements of these Terms and Conditions.

"Asset Disposal Event" The occurrence of an event or series of events whereby aggregate net cash disposal proceeds (net of any cost and taxes reasonably incurred in respect of the transaction) from

disposal of assets or business (other than ordinary course trading of products or disposals between any Group Companies) exceed SEK 30,000,000 in any calendar year (the "**Threshold Amount**").

"Asset Disposal Put Option Amount" means 75% of the net cash proceeds of any Asset Disposal Event received by the Group (net of any cost and taxes reasonably incurred in respect of the transaction) exceeding the Threshold Amount.

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

"Bondholder" means the Person who is registered on a Securities Account as direct registered owner (Sw. *ägare*) or nominee (Sw. *förvaltare*) with respect to a Bond, subject however to Clause 9 (*Right to act on behalf of a Bondholder*).

"Bondholders' Meeting" means a meeting among the Bondholders held in accordance with Clause 20 (*Bondholders' Meeting*).

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

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

"Call Option" has the meaning ascribed to such term in paragraph 13.3.1 of Clause 13.3 (*Early voluntary redemption by the Issuer (call option)*).

"Call Option Amount" has the meaning ascribed to such term in paragraph 13.3.1 of Clause 13.3 (*Early voluntary redemption by the Issuer (call option)*).

"Call Option Repayment Date" means the settlement date for the Call Option determined by the Issuer pursuant to 13.3 (*Early voluntary redemption by the Issuer (call option)*), or a date agreed upon between the Agent and the Issuer in connection with such redemption of Bonds.

"Cash" means cash and cash equivalents of the Group in accordance with the applicable Accounting Principles as set forth in the latest Financial Report.

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

"Change of Control Event" means:

- (a) prior to an IPO Event, the occurrence of an event or series of events whereby a person or group of persons acting in concert gains Decisive Influence over the Issuer; and
- (b) following an IPO Event, the shares of the Issuer ceasing to be listed on a recognized stock exchange.

"Compliance Certificate" means a certificate, in the agreed form between the Agent and the Issuer, signed by the Issuer.

"Conditions Precedent" means all documents and evidence required to be delivered by the Issuer pursuant to Clause 5.1 (*Initial Conditions Precedent*) and Clause 5.2 (*Conditions Precedent for disbursement*).

"Consolidated EBITDA" means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) *before deducting* any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) *before deducting* any Net Finance Charges;

- (c) *minus* the interest expenses in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles in force prior to 1 January 2019, have been treated as an operating lease but has subsequently been reclassified as a balance sheet liability;
- (d) *before taking into account* any extraordinary items and non-recurring items which are not in line with the ordinary course of business of the Group, in an aggregate amount not exceeding ten (10.00) per cent. of Consolidated EBITDA of the relevant Reference Period;
- (e) *before taking into account* any Transaction Costs and any transaction costs relating to any acquisition of any additional target company;
- (f) *not including* any accrued interest owing to any Group Company;
- (g) *before taking into account* any unrealised gains or losses on any derivative instrument (other than any derivative instruments which are accounted for on a hedge account basis);
- (h) *after adding back or deducting*, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) *after deducting* the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (j) *plus or minus*, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group; and
- (k) *after adding back* any amount attributable to the amortisation, depreciation or depletion of assets of Group Companies.

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

"**Decisive Influence**" means a person having, as a result of an agreement or through the ownership of shares or interest in another person (directly or indirectly):

- (a) a majority of voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

"**Distribution**" means, in respect of the Issuer:

- (a) the declaration, making or payment of any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);
- (b) the payment any management, advisory or other fee to or to the order of any direct or indirect shareholder or the Affiliates of such direct and indirect shareholders;
- (c) the redemption, repurchase, defeasance, retirement or repayment any of its share capital, or resolution to do so;
- (d) the granting of any loans to any direct or indirect shareholder or the Affiliates of such direct and indirect shareholders; or
- (e) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to its or its Subsidiaries' direct and indirect shareholders or the Affiliates of such direct and indirect shareholders.

"**Effective Date**" has the meaning given to it in the Amendment and Restatement Agreement.

"Escrow Account" means a bank account held by the Issuer which has been pledged and perfected in favour of the Agent and the Bondholders (represented by the Agent) under the Escrow Account Pledge Agreement (if any).

"Escrow Account Pledge Agreement" means any pledge agreement entered into between the Issuer and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Bondholders) before the Issue Date in respect of a first priority pledge over the Escrow Account and all funds standing to the credit of the Escrow Account from time to time, granted in favour of the Agent and the Bondholders (represented by the Agent).

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

"Exchange" means:

- (a) corporate bond list of Nasdaq Stockholm; or
- (b) any Regulated Market.

"Existing Liquidity Bonds" means the SEK 158,750,000 super senior callable floating rate bonds 2024/2026 with ISIN SE0023112867, as documented by certain terms and conditions with issue date 14 October 2024 between the Issuer as issuer and the Agent as super senior agent (as amended and/or amended and restated from time to time, latest on or about the date hereof).

"Existing Super Senior Bonds" means the SEK 255,000,000 super senior secured callable floating rate bonds 2024/2026 with ISIN SE0021486917, as documented by certain terms and conditions with issue date 9 February 2024 (as amended and/or amended and restated from time to time, latest on or about the date hereof) between the Issuer as issuer and the Agent as super senior agent.

"Final Redemption Date" means 28 November 2028.

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

"Finance Documents" means the Terms and Conditions, the Intercreditor Agreement, the Agency Agreement, the Escrow Account Pledge Agreement (if any), any subordination agreement entered into in accordance with these Terms and Conditions (in form and substance satisfactory to the Agent), the Transaction Security Documents, the Guarantee Agreement and any other document designated by the Issuer and the Agent as a Finance Document.

"Finance Lease" means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability (other than a lease or hire purchase contract which would, in accordance with the Accounting Principles in force prior to 1 January 2019, have been treated as an operating lease).

"Financial Indebtedness" means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any Finance Lease;
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);

- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (a) to (f).

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

"First Call Date" means the Interest Payment Date falling in November 2026 or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

"Floating Rate Margin" means: 5.00 per cent. *per annum*, subject to the Floating Rate Step Up.

"Floating Rate Step Up" means an increase of 2.00 per cent. *per annum* to be added to the Floating Rate Margin in the event that an RCF Refinancing Event has not occurred within twelve (12) months following the Effective Date.

"Force Majeure Event" has the meaning set forth in Clause 29.1.

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

"Group Company" means the Issuer or any of its Subsidiaries.

"Guarantee" means the guarantees provided by the Guarantors pursuant to the Guarantee Agreement.

"Guarantee Agreement" means the guarantee agreement originally dated 25 March 2020, between the Issuer, each Guarantor and the Security Agent (as amended and/or amended and restated from time to time) pursuant to which the Secured Obligations will be guaranteed by the Guarantors (which shall contain customary guarantee limitation and parallel debt language) and any additional guarantor having acceded thereto.

"Guarantor" means each Group Company which becomes a guarantor in accordance with Clause 6.2 (*Guarantees*).

"Hedge Counterparty" has the meaning ascribed to that term in the Intercreditor Agreement.

"ICA Group Company" means any Group Company which has acceded to the Intercreditor Agreement as an ICA Group Company in accordance with the terms of the Intercreditor Agreement.

"IFRS" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

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

"Initial Nominal Amount" has the meaning set forth in Clause 3.2.

"Intercreditor Agreement" means the intercreditor agreement originally dated 26 November 2019 as amended and/or amended and restated from time to time and most recently on or about the date hereof, between, amongst others, the Issuer, the Agent as the Security Agent, as the Bonds Agent, as the Original Super Senior Bonds Agent and/or its representative and the Hedge Counterparty (if any) (each as defined therein).

"Interest" means the interest on the Bonds calculated in accordance with Clauses 12.1 to 12.3.

"Interest Payment Date" means 28 November, 28 February, 28 May and 28 August each year, with the first Interest Payment Date on 28 February 2025 and the last Interest Payment Date being the Final

Redemption Date or, to the extent any such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

"Interest Period" means each period beginning on (but excluding) the Effective Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

"Interest Rate" means STIBOR (3 months) plus the Floating Rate Margin.

"Intragroup Creditor" means each ICA Group Company (which has not ceased to be an ICA Group Company in accordance with these Terms and Conditions) in its capacity as creditor in respect of Intragroup Debt.

"Intragroup Debt" means (i) any Material Intra-Group Loan, (ii) any Issuer Intra-Group Loan and (iii) any Non-Material Intra-Group Loan.

"IPO Event" means the shares of the Issuer being listed on a recognized stock exchange acceptable to the Agent.

"Issue Date" means 25 July 2019.

"Issuer" means Ellos Holding AB (publ), a private limited liability company incorporated in Sweden with reg. no. 559495-4116.

"Issuer Intra-Group Loans" means any intra-group loans provided by the Issuer to any other Group Company.

"Issuing Agent" means Aqurat Fondkommission AB (reg. no. 556736-0515), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

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

"Listing Failure Event" means:

- (a) that the Bonds have not been admitted to trading on an Exchange within 12 months following the Effective Date;
- (b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange.

"LSEG Benchmark" means the London Stock Exchange Group, provider of financial information and interest rate benchmarks formerly provided under the brand Refinitiv and Thomson Reuters.

"Maintenance Test" means has the meaning ascribed to it in Clause 15.1 (*Maintenance Test*).

"Make Whole Amount" means an amount equal to the sum of:

- (a) the present value on the Call Option Repayment Date of the Nominal Amount of the redeemed Bonds as if such payment originally had taken place on the First Call Date; and
- (b) the present value on the Call Option Repayment Date of the remaining interest payments of the redeemed Bonds, less any accrued and unpaid interest on the redeemed Bonds as at the Call Option Repayment Date, to the First Call Date,

assuming for sub-paragraph (b) that the Interest Rate for the period from the relevant Call Option Redemption Date to the First Call Date will be equal to the Interest Rate in effect on the date on which the applicable notice of redemption is given,

assuming for sub-paragraphs (a) and (b) that the present value shall be calculated by using a discount rate of 5.5 per cent per annum.

"Market Loan" means any loan or other indebtedness where an entity issues commercial papers, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided

in each case that such instruments and securities are or can be subject to trade on a Regulated Market or a recognised unregulated market place.

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

- (a) the ability of the Issuer or any Obligor's ability to perform and comply with its obligations under any of the Finance Documents; or
- (b) the validity or enforceability of the Finance Documents.

"Material Group Company" means:

- (a) the Issuer;
- (b) Ellos Group Nordic AB (publ), reg. no. 559318-3618, Ellos Group Holding AB (publ) reg. no. 556857-8511, Ellos Holding AB reg. no. 556831-9114, Ellos Group Sweden AB reg. no. 556217-1925, Ellos AB reg. no. 556044-0264, Jotex Sweden AB reg. no. 556249-7106, Ellos Norway Holding AS reg. no. 879478642, Ellos Norway AS reg. no. 832005622, Ellos Finland Oy reg. no. 1442131-6, Ellos Denmark A/S reg. no. 24927814, Ellos 1 AB reg. no. 556783-8858, Ellos 2 AB reg. no. 556713-8077, FAAD Aktiebolag reg. no. 559027-6407; and
- (c) any other Group Company with earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) representing five (5.00) per cent. or more of Consolidated EBITDA, or which has assets representing five (5.00) per cent. or more of Total Assets, calculated on a consolidated basis according to the latest Financial Report(s).

"Material Intra-Group Loan" means any intra-group loan provided by the Issuer or a Guarantor to any of its Subsidiaries where:

- (a) the term (calculated from its incurrence) exceeds twelve (12) months; and
- (b) the principal amount exceeds SEK 10,000,000 (or its equivalent in any other currency or currencies) (when aggregate with all other intra-group loans between the same intra-group creditor and debtor).

"Net Finance Charges" means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any Group Company and any interest income relating to Cash.

"Net Interest Bearing Debt" means the consolidated interest bearing Financial Indebtedness of the Group:

- (a) *excluding* guarantees, bank guarantees, Shareholder Loan, any claims subordinated to the Bonds pursuant to a subordination agreement, operating leases and interest bearing Financial Indebtedness borrowed from any Group Company; and
- (b) *less* Cash (including Cash held on the Escrow Account (if any)).

"Net Proceeds" means the proceeds from the Bond Issue after deduction has been made for the Transaction Costs.

"Net Profit" means the consolidated net profit (or loss) after tax in accordance with the Accounting Principles according to the latest Financial Reports of the Issuer, excluding any positive items of a one off, non-recurring, extraordinary or exceptional nature including, without limitation, any gain arising on a disposal of any asset outside the ordinary course of trading and excluding any loss arising on a disposal of any asset outside the ordinary course of trading.

"Nominal Amount" means the Initial Nominal Amount less the amount of any repayments and amortisations made.

"Non-Material Intra-Group Loan" means any debt outstanding from a Group Company to an Intragroup Creditor, which does not constitute a Material Intra-Group Loan.

"Obligor" means the Issuer or a Guarantor.

"Permitted Distribution" means any Distribution after the Existing Liquidity Bonds and the Existing Super Senior Bonds have been redeemed and discharged in full, provided that (i) the Issuer is in compliance with the Incurrence Test, tested pro forma after such Distribution and otherwise calculated as set out in the Incurrence Test and (ii) the Distribution does not (when aggregated with any previous Distributions) exceed 50% of the Group's aggregated consolidated Net Profit for the last twelve months (and where any unutilised portion of such Net Profit may not be carried forward).

"Permitted Financial Indebtedness" means any Financial Indebtedness:

- (a) incurred under the Finance Documents;
- (b) incurred under the Existing Super Senior Bonds;
- (c) incurred under the Existing Liquidity Bonds;
- (d) incurred under any Permitted RCF;
- (e) related to hedging of interest rates or currency fluctuations in the ordinary course of business and on a non-speculative basis;
- (f) arising out of any Permitted Loan, Permitted Guarantee or Permitted Security;
- (g) in the form of any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of trade of a Group Company;
- (h) arising under a derivative transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made under the Finance Documents or any Permitted RCF (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes);
- (i) incurred in the ordinary course of business of the Group under any Advance Purchase Agreement or trade credit where payment is due not more than one hundred and twenty (120) calendar days after the date of supply, or any guarantee in respect of such Financial Indebtedness;
- (j) incurred under any counter-indemnity obligation in respect of performance guarantees issued in the ordinary course of trading of the Group;
- (k) incurred under any Intragroup Debt
- (l) incurred under any Shareholder Loan;
- (m) under any pension and tax liabilities incurred in the ordinary course of business;
- (n) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company's business;
- (o) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds (as applicable) and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, inter alia, the redemption of the Bonds;
- (p) incurred by the Issuer, provided that the Incurrence Test is met (tested pro forma immediately after the incurrence of such Financial Indebtedness) and provided such Financial Indebtedness of the Issuer ranks pari passu with or is subordinated to the obligations of the Issuer under the Finance Documents and is maturing minimum six months after the maturity date of the Bonds; and

- (q) any other Financial Indebtedness not permitted by the preceding paragraphs and the aggregate outstanding principal amount of which does not exceed an aggregate amount of SEK 50,000,000 (or the equivalent in other currencies) at any time.

"Permitted Guarantee" means:

- (a) any guarantee obligation arising under or out of the Finance Documents;
- (b) granted in respect of any Permitted RCF from entities that also provide guarantees securing the Finance Documents;
- (c) the endorsement of negotiable instruments in the ordinary course of trade;
- (d) any guarantee securing performance under any contract by, or which is in respect of an underlying obligation of, a Group Company, which, in each case, is entered into in the ordinary course of business;
- (e) any guarantee given in respect of the cash pooling, netting or set-off arrangements permitted pursuant to paragraph (c) of the definition of Permitted Security;
- (f) guarantees granted in connection with a disposal provided that the maximum aggregate liability for the Group Companies under any such guarantees do not exceed the value of the assets disposed of;
- (g) guarantees given by a Group Company to a landlord in its capacity as such;
- (h) any guarantee constituting Permitted Financial Indebtedness or a guarantee granted in order to secure Permitted Financial Indebtedness of any Group Company;
- (i) customary indemnities given in mandate, engagement and commitment letters; and
- (j) any guarantees or indemnities not permitted by the preceding paragraphs and the outstanding principal amount of which does not exceed SEK 20,000,000 (or its equivalent in other currencies) in aggregate of the Group at any time.

"Permitted Loan" means:

- (a) any Financial Indebtedness or loan made by an Obligor to another Obligor;
- (b) any Financial Indebtedness or loan made by a Group Company which is not an Obligor to another Group Company, subject to a Subordination Undertaking;
- (c) deposits of cash or cash equivalent investments with financial institutions for cash management purposes or in the ordinary course of business;
- (d) any Financial Indebtedness or loan made or credit extended by any Group Company to its customers in the ordinary course of business;
- (e) any Financial Indebtedness arising out of any Permitted Guarantee or Permitted Security; and
- (f) any Financial Indebtedness or loan not permitted pursuant to the preceding paragraphs and the aggregate principal amount of which does not exceed SEK 20,000,000 (or its equivalent in other currencies) at any time.

"Permitted RCF" means a revolving credit facility entered into between a Group Company and a reputable Nordic bank for the purpose of redeeming the Existing Super Senior Bonds and the Existing Liquidity Bonds in whole.

"Permitted Security" means any Security:

- (a) any Transaction Security, including cash collateral to secure obligations under the Finance Documents;

- (b) Security granted in respect of any Permitted RCF, provided that the Transaction Security also extends to any asset securing the Permitted RCF;
- (c) any Security arising by operation of law and in the ordinary course of trading, provided that if such Security has arisen as a result of any default or omission by any member of the Group it shall not subsist for a period of more than 30 calendar days;
- (d) any cash pooling, netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of Group Companies;
- (e) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of business and not arising as a result of a default or omission by any Group Company that is continuing for a period of more than 30 calendar days;
- (f) any right of set-off arising under contracts entered into by Group Companies in the ordinary course of their day-to-day business;
- (g) any Security arising over any bank accounts or custody accounts or other clearing banking facilities held with any bank or financial institution under the standard terms and conditions of such bank or financial institution;
- (h) any Security over cash paid into an escrow or similar account of a Group Company in connection with a disposal;
- (i) Cash collateral securing any counter-indemnity obligation in respect of performance guarantees issued in the ordinary course of trading of the Group;
- (j) Collateral securing pension or tax liabilities in the ordinary course of business;
- (k) payments into court or any Security arising under any court order or injunction or as security for costs arising in connection with any litigation or court proceedings being contested by any Group Company in good faith (which do not otherwise constitute or give rise to an Event of Default); and
- (l) any Security securing Financial Indebtedness which constitutes Permitted Financial Indebtedness or Permitted Guarantees.

"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.

"Put Option" means a CoC Put Option or an Asset Disposal Put Option.

"Put Option Event" means a Change of Control Event or an Asset Disposal Event.

"Put Option Repayment Date" means the settlement date for the Put Option pursuant to Clause 13.5 (*Mandatory repurchase due to a Change of Control Event or Asset Disposal Event (put option)*).

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

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

"RCF Refinancing Event" means the incurrence of Financial Indebtedness under a Permitted RCF.

"Record Date" means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 18 (*Distribution of proceeds*), (iv) the date of a Bondholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

"Redemption Date" means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 13 (*Redemption and repurchase of the Bonds*).

"Reference Period" means each period of twelve (12) consecutive calendar months ending on a Quarter Date.

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

"Related Fund" in relation to a fund (the "first fund"), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

"Secured Obligations" has the meaning ascribed to it in the Intercreditor Agreement.

"Secured Parties" has the meaning ascribed to it in the Intercreditor Agreement.

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

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

"Security Agent" means the Secured Parties' security agent from time to time; initially Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879, P.O. Box 7329, 103 90 Stockholm, Sweden).

"SEK" means the lawful currency of Sweden for the time being.

"Senior Debt" has the meaning given to such term in the Intercreditor Agreement.

"Shareholder Loan" means any shareholder loan to the Issuer or any of its Subsidiaries from direct or indirect shareholders of the Issuer, where the Issuer or the relevant Subsidiary is the debtor, if such shareholder loan:

- (a) is subordinated to the obligations of the Issuer under the Finance Documents, pursuant to the Intercreditor Agreement or under another subordination agreement;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date;
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date; and
- (d) in each case is subject to the limitation set out in Clause 16.12 (*Dealings with related parties*).

"STIBOR" means:

- (a) the Stockholm interbank offer rate administered by the Swedish Financial Benchmark Facility AB (or any other person which takes over administration for that rate) for a period equal to the relevant Interest Period, as displayed on the relevant page of the LSEG Benchmark screen (or any replacement LSEG Benchmark page which displays that rate) as of or around 11.00 a.m. on the Quotation Day; or
- (b) if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period and (ii) the applicable screen rate for the shortest period (for which that screen rate is available) which exceeds that Interest Period, as of or around 11.00 a.m. on the Quotation Day; or

- (c) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and/or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period,
- (e) and if any such rate is below zero (0), STIBOR will be deemed to be zero (0).

"Subordination Undertaking" means a subordination undertaking where the creditor in respect of any Financial Indebtedness made available thereunder is subordinated to the obligations in respect of the Bonds on terms satisfactory to the Agent.

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

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

"Superr Senior Debt" has the meaning given to such term in the Intercreditor Agreement.

"Total Assets" means the consolidated book value of the Group's assets according to the latest Financial Report.

"Transaction Costs" means all fees, costs and expenses incurred by a Group Company in connection with the Amendment and Restatement Agreement and the transactions contemplated therein.

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

"Transaction Security Documents" means:

- (a) all documents listed in Schedule 5 (*Transaction Security Documents*) of the Intercreditor Agreement; and
- (b) any document required to be delivered to the Agent under Clause 6.1 (*Transaction Security*) together with any other document entered into by any Obligor creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents.

"Written Procedure" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 21 (*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) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;

- (c) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (d) a "**regulation**" includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (e) an "**enforcement**" of a Guarantee means making a demand for payment under a Guarantee;
- (f) a provision of law is a reference to that provision as amended or re-enacted; and
- (g) a time of day is a reference to Stockholm time.

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

1.2.3 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.

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

1.3 Conflicts of terms

In case of any conflict of terms between the terms of the Intercreditor Agreement and any other Finance Document, the terms of the Intercreditor Agreement shall prevail.

2 STATUS OF THE BONDS

- (a) Subject to the Intercreditor Agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application, and without any preference among them.
- (b) The relationship between Super Senior Creditors (as defined in the Intercreditor Agreement) (including the Bondholders) and the Senior Creditors (as defined in the Intercreditor Agreement) will be governed by the Intercreditor Agreement which, amongst other things, will (without prejudice to the terms of the Intercreditor Agreement) contain the following terms and conditions:
 - (i) the Senior Debt will be subordinated in right and priority of payment to the Super Senior Debt in case of any partial redemption, an Insolvency Event or an Enforcement Action (each as defined in the Intercreditor Agreement);
 - (ii) in case of any partial redemptions, any such partial redemption will be applied towards repayment of the Super Senior Debt in full before being applied towards the redemption of the Bonds;
 - (iii) in case of an enforcement of the Transaction Security or the Guarantees, any enforcement proceeds will be applied towards repayment of the Super Senior Debt in full before being applied towards the redemption of the Bonds; and

- (iv) following a Payment Block Event (as defined in the Intercreditor Agreement) and for long as it is continuing, no payments may be made by the Issuer or the Group to the holders under or in relation to the Bonds.

3 THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS

- 3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 3.2 The aggregate nominal amount of the Bond Issue is SEK 750,000,000 (the "**Bond Issue**"), which will be represented by Bonds each of a nominal amount of SEK 500,000 or full multiples thereof (the "**Initial Nominal Amount**").
- 3.3 The ISIN for the Bonds is SE0012827996.
- 3.4 All Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Bond Issue is SEK 2,000,000
- 3.6 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.7 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds each subsequent Bondholder confirms such agreement.

4 USE OF PROCEEDS

- 4.1 Subject to Clause 5.1 (*Initial Conditions Precedent*), the Net Proceeds from the Bond Issue shall initially be deposited on the Escrow Account.
- 4.2 The Net Proceeds shall be applied towards general corporate purposes of the Group.

5 CONDITIONS PRECEDENT

5.1 Initial Conditions Precedent

[intentionally deleted]

5.2 Conditions Precedent for disbursement

[intentionally deleted]

5.3 No responsibility for documentation

The Agent may assume that the Conditions Precedent are accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation or evidence. The Conditions Precedent are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.

6 TRANSACTION SECURITY AND GUARANTEES

6.1 Transaction Security

- (a) Subject to the Intercreditor Agreement and the Agreed Security Principles, as continuing security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants (and shall procure that any other Group Company (as applicable) grants or will grant) as first ranking security to the Secured Parties (as represented by the Agent) the Transaction Security on the terms set out in the Transaction Security Documents.

- (b) The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents and the Intercreditor Agreement.
- (c) Subject to the Agreed Security Principles and the Intercreditor Agreement, the Issuer shall ensure that:
 - (i) first ranking Security is granted in favour of the Secured Parties over the shares of any Group Company (other than the shares of the Issuer over which no Security shall be granted) becoming a Guarantor pursuant to Clause 16.13 (*Designation of Material Group Companies*) at the same time such Group Company becomes a Guarantor;
 - (ii) first ranking security is granted over the shares in any direct Subsidiaries of the Issuer;
 - (iii) first ranking Security is granted in favour of the Secured Parties over existing business mortgages in each Guarantor at the same time such Group Company becomes a Guarantor;
 - (iv) first ranking Security is granted in favour of the Secured Parties in respect of trade receivables of each Guarantor at the same time such Group Company becomes a Guarantor;
 - (v) first ranking Security is granted in favour of the Secured Parties over any Material Intra-Group Loan within sixty (60) Business Days of its incurrence;
 - (vi) first ranking security is granted in favour of the Secured Parties over any Issuer Intra-Group Loan;
 - (vii) second ranking security is granted in favour of the Secured Parties over the cash collateral pledged to Swedbank AB (publ) on a first priority to secure the outstanding ancillary instruments in the amount of SEK 164,000,000;
 - (viii) first or second ranking security is granted in favour of the Secured Parties over the SEK 120,000,000 floating charges certificates within (Sw. *med inomläge*) SEK 120,000,000 as pledged under paragraph (l) of the definition of Permitted Security; and
 - (ix) first ranking security is granted in favour of the Secured Parties over the remaining SEK 397,000,000 floating charge certificates within (Sw. *med inomläge*) SEK 517,000,000.
- (d) The Issuer shall:
 - (i) ensure that the Transaction Security Documents and all documents relating thereto are duly executed in favour of the Agent and the Secured Parties (as represented by the Agent) and that such documents are legally valid, perfected, enforceable and in full force and effect according to their terms;
 - (ii) ensure that the relevant pledgors carry out any action to protect, perfect or give priority to the Transaction Security; and
 - (iii) execute and/or procure the execution of such further documentation as the Agent may reasonably require in order for the Bondholders and the Agent to at all times maintain the security position and guarantee position envisaged under the Finance Documents.
- (e) Subject to the terms of the Intercreditor Agreement, except if otherwise decided by the Bondholders according to the procedures set out in Clauses 19 (*Decisions by Bondholders*), 20 (*Bondholders' Meeting*) and 21 (*Written Procedure*), the Agent is, without first having to

obtain the Bondholders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security or the Guarantees or for the purpose of settling the various Bondholders' relative rights to the Transaction Security or the Guarantees. The Agent is entitled to take all measures available to it according to the Transaction Security Documents and the Guarantees.

6.2 Guarantees

- (a) Subject to applicable laws, the Agreed Security Principles and the Intercreditor Agreement, each Guarantor shall unconditionally and irrevocably, jointly and severally, guarantee as principal obligor (Sw. *proprieborgen*) to the Secured Parties (as represented by the Security Agent) as for its own debts (Sw. *såsom för egen skuld*) the full and punctual payment by the Issuer of the Secured Obligations in accordance with the Guarantee Agreement.
- (b) The Security Agent shall hold the Guarantees on behalf of the Secured Parties in accordance with the Guarantee Agreement and the Intercreditor Agreement.

6.3 Enforcement of Transaction Security and Guarantees

- (a) Subject to the Intercreditor Agreement, if the Bonds are declared due and payable according to Clause 17 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Bondholders' consent, entitled to enforce the Transaction Security and the Guarantees in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Transaction Security Documents, the Guarantee Agreement and the Intercreditor Agreement).
- (b) Subject to the terms of the Intercreditor Agreement, if a Bondholders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security or the Guarantees, the Agent is obligated to take actions in accordance with the Bondholders' decision regarding the Transaction Security or Guarantees. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in the Finance Documents, the Agent shall not enforce the Transaction Security or the Guarantees. Subject to the terms of the Intercreditor Agreement, if the Bondholders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security or the Guarantees in accordance with the procedures set out in Clauses 19 (*Decisions by Bondholders*), 20 (*Bondholders' Meeting*) and 21 (*Written Procedure*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction Security or the Guarantees (as applicable). The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Bondholders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.
- (c) Funds that the Agent receives (directly or indirectly) on behalf of Secured Parties in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security or the Guarantees constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Secured Parties. The Agent shall promptly arrange for payments to be made to the Bondholders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 18 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with this paragraph (c), instruct the CSD to arrange for payment to the Bondholders.
- (d) For the purpose of exercising the rights of the Bondholders and the Agent under the Finance Documents and for the purpose of distributing any funds originating from the enforcement of any Transaction Security or a Guarantee, the Issuer irrevocably authorises and empowers

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

6.4 Release of Transaction Security and Guarantees

Subject to the terms of the Intercreditor Agreement, the Security Agent may release Guarantees and Transaction Security in accordance with the terms of the Transaction Security Documents, the Guarantee Agreement and the Intercreditor Agreement (as applicable).

7 THE BONDS AND TRANSFERABILITY

- 7.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 7.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 7.3 Upon a transfer of Bonds, any rights and obligations under the Finance Documents relating to such Bonds are automatically transferred to the transferee.
- 7.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 7.5 The Bonds have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and the Issuer is under no obligation to arrange for registration of the Bonds under the Securities Act or under any other law or regulation.
- 7.6 The Bonds are not offered to and may not be subscribed by investors located in the United States except for "Qualified Institutional Buyers" ("QIB") within the meaning of Rule 144A under the Securities Act. In the application form relating to the Bonds, each person applying for the Bonds must confirm whether it is a U.S. person as defined in Rule 902 of Regulation S under the Securities Act, and if it is a U.S. person it must confirm, inter alia, that it is a QIB.
- 7.7 Bondholders located in the United States are not permitted to transfer Bonds except (a) subject to an effective registration statement under the Securities Act, (b) to a person that the Bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S under the Securities Act, (d) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) and (e) pursuant to any other available exemption from registration under the Securities

Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require confirming that such sale or transfer is in compliance with the Securities Act.

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

8 BONDS IN BOOK-ENTRY FORM

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

9 RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 9.1 If any Person other than a Bondholder (including a beneficial owner of a Bond not being registered as a Bondholder) wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds reasonably acceptable to the Agent.
- 9.2 A Bondholder (whether registered as such or proven to the Agent's satisfaction to be the beneficial owner of the Bond as set out in Clause 9.1 above) may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- 9.3 The Agent shall only have to examine the face of a power of attorney or similar evidence or proof of authorisation that has been provided to it pursuant to Clause 9.1 and 9.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.

10 ADMISSION TO LISTING

The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within 12 months of the Effective Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.

11 PAYMENTS IN RESPECT OF THE BONDS

- 11.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 11.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 11.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 12.4 during such postponement.
- 11.4 If payment or repayment is made in accordance with this Clause 10, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware that the payment was being made to a Person not entitled to receive such amount.
- 11.5 If any Obligor is required by law to withhold any tax from any payment in respect of the Bonds under the Finance Documents, the amount of the payment due will be grossed-up to such net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required.
- 11.6 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.

12 INTEREST

- 12.1 The Bonds will bear Interest at the respective Interest Rate applied to the Nominal Amount from, but excluding, the Issue Date up to and including the relevant Redemption Date.
- 12.2 Interest accrues during an Interest Period. Subject to the Intercreditor Agreement, payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 12.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which Payment is being made divided by 360 (actual/360-days basis).
- 12.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from, but excluding, the due date up to and including the date of actual payment at a rate which is three hundred (300) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

- 12.5 Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under the Bonds will accrue at the Interest Rate plus one (1) per cent. per annum.

13 REDEMPTION AND REPURCHASE OF THE BONDS

13.1 Redemption at maturity

The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption Date (or, to the extent such day is not a Business Day and if permitted under the CSD's applicable regulations, on the Business Day following from an application of the Business Day Convention, and otherwise on the first following Business Day) with an amount per Bond equal to one hundred (100.00) per cent. of the Nominal Amount together with accrued but unpaid Interest.

13.2 Purchase of Bonds

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

13.3 Early voluntary redemption by the Issuer (call option)

- 13.3.1 The Issuer may redeem all (or part) of the Bonds at the following call option amounts (the "**Call Option Amount**") (together with accrued but unpaid interest) on any Business Day from and including:

- (a) the Effective Date to, but not including, the First Call Date, at a price equal to the Make Whole Amount;
- (b) the First Call Date to, but not including, the Interest Payment Date in May 2027 at a price equal to 103,78 % per cent. of the Nominal Amount for each redeemed Bond;
- (c) the Interest Payment Date in May 2027 to, but not including, the Interest Payment Date in November 2027 at a price equal to 102,84 % per cent. of the Nominal Amount for each redeemed Bond;
- (d) the Interest Payment Date in November 2027 to, but not including, the Interest Payment Date in May 2028 at a price equal to 101,89 % per cent. of the Nominal Amount for each redeemed Bond;
- (e) the Interest Payment Date in May 2028 to, but not including, the Interest Payment Date in August 2028 at a price equal to 100,95 % per cent. of the Nominal Amount for each redeemed Bond;
- (f) the Interest Payment Date in August 2028 to, but not including, the Redemption Date at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond.

(the "**Call Option**").

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

13.4 Early redemption due to illegality (call option)

- 13.4.1 The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to one hundred and three (103.00) per cent. of the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

- 13.4.2 The applicability of Clause 13.4.1 shall be supported by a legal opinion issued by a reputable law firm.
- 13.4.3 The Issuer may give notice of redemption pursuant to Clause 13.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a Person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.
- 13.5 **Mandatory repurchase due to a Change of Control Event or an Asset Disposal Event (put option)**
- 13.5.1 Upon a Put Option Event occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to (a) in respect of a Change of Control Event, one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest (the "CoC Put Option") and (b) in respect of an Asset Disposal Event, one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest for an amount up to the Asset Disposal Put Option Amount (the "Asset Disposal Put Option"), in each case during a period of fifteen (15) Business Days following a notice from the Issuer of the relevant event pursuant to paragraph (b) of Clause 14.3 (Information undertakings). The fifteen (15) Business Days' period may not start earlier than upon the occurrence of the Change of Control Event or Asset Disposal Event (as applicable).
- 13.5.2 The Put Option in respect of an Asset Disposal Event will only be offered to the Bondholders to the extent not fully utilised towards the equivalent put option for the Existing Super Senior Bonds and Existing Liquidity Bonds, in which case any remaining amount shall be offered pro rata among the Bondholders.
- 13.5.3 The notice from the Issuer pursuant to paragraph (b) of Clause 14.3 (Information undertakings) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (b) of Clause 14.3 (Information: Miscellaneous). The settlement date for the Put Option will be the fifth Business Day after the end of the 15 Business Days exercise period (the "Put Option Repayment Date"). The settlement of the Put Option will be based on each Bondholders holding of Bonds at that day.
- 13.5.4 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 13.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 13.5 by virtue of the conflict.
- 13.5.5 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 13.5, if a third party in connection with the occurrence of a Change of Control Event or an Asset Disposal Event offers to purchase all Bonds in the manner and on the terms set out in this Clause 13.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in this Clause 13.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 13.5.6 No repurchase of Bonds pursuant to this Clause 13.5 shall be required if the Issuer has given notice of a redemption pursuant to Clause 13.3 (Early voluntary redemption by the Issuer (call option)) provided that such redemption is duly exercised.
- 13.5.7 Any Bonds repurchased by the Issuer pursuant to this Clause 13.5 may at the Issuer's discretion be retained or sold in accordance with Clause 13.2 (Purchase of Bonds).

13.6 Clean-up Call Option

If Bonds representing more than ninety (90) per cent of the aggregate Nominal Amount of the Bonds have been repurchased due to the Put Option, the Issuer is entitled to repurchase all the remaining Bonds at the price stated in above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date.

13.7 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 11.5 as a result of a change in applicable law implemented after the date of these Terms and Conditions, the Issuer will have the right to redeem all, but not only some, of the Bonds at a price equal to one hundred (100) per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Agent and the Bondholders at least 20 Business Days prior to the relevant repayment date, provided that no such notice shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

13.8 Mandatory redemption due to failure to fulfil the Conditions Precedent

13.8.1 If the Conditions Precedent have not been fulfilled within five (15) Business Days from the Issue Date the Issuer shall redeem all Bonds at a price equal to one hundred and two (102.00) per cent., of the Nominal Amount together with any accrued but unpaid Interest.

13.8.2 The redemption of the Bonds shall be made by the Issuer giving not less than ten (10) Business Days' notice to the Bondholders and the Agent, where such notice shall state the relevant date on which the redemption shall be made, the redemption amount and the relevant Record Date.

14 INFORMATION UNDERTAKINGS

14.1 Financial Reports

The Issuer shall:

- (a) prepare and make available the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, to the Agent and on its website not later than four (4) months after the expiry of each financial year;
- (b) prepare and make available the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, to the Agent and on its website not later than two (2) months after the expiry of each relevant interim period, provided that with respect to the interim period ending on 30 September 2024, the reporting obligation set out herein shall be satisfied by the Issuer providing a business update including management accounts in respect of that interim period only; and
- (c) prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (if applicable and as amended from time to time).

14.2 Compliance Certificate

14.2.1 The Issuer shall issue a Compliance Certificate to the Agent signed by the CEO, CFO or any other duly authorised signatory of the Issuer:

- (a) when a Financial Report is made available;
- (b) in connection with the testing of an Incurrence Test; and

- (c) at the Agent's reasonable request, within twenty (20) calendar days from such request.

14.2.2 In each Compliance Certificate, the Issuer shall:

- (a) so far as it is aware, certify that no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if provided in connection with the testing of the Incurrence Test, certify that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test;
- (c) if provided in connection with a Financial Report, certify that the Maintenance Test was met on the relevant Quarter Date; and
- (d) if provided in connection with the Group's annual audited consolidated Financial Report, include a list of Material Group Companies and confirmation of additional entities required to accede as Guarantors (if any) for the purpose of Clause 16.13 (*Designation of Material Group Companies*).

14.3 Information: Miscellaneous

The Issuer shall:

- (a) keep the latest version of these Terms and Conditions (including documents amending the Terms and Conditions) available on its website;
- (b) promptly notify the Agent (and, as regards a Put Option Event, the Bondholders) upon becoming aware of the occurrence of a Put Option Event or an Event of Default, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice (including, for the avoidance of doubt, calculations, figures and supporting documents in respect of the Maintenance Test);
- (c) promptly inform the Agent in writing if a Listing Failure Event has occurred; and
- (d) notify the Agent of any transaction referred to in Clause 16.10 (*Disposals*) and shall, upon request by the Agent, provide the Agent with any information relating to the transaction which the Agent deems necessary (acting reasonably).

15 FINANCIAL COVENANTS

15.1 Maintenance Test

- 15.1.1 The Maintenance Test shall be tested on each Quarter Date for as long as any Bond is outstanding. The first test date for the Maintenance Test shall be 31 December 2024.
- 15.1.2 The Maintenance Test is met if Cash (including amounts available and undrawn under an RCF) exceeds SEK 50,000,000 at all times.
- 15.1.3 The Maintenance Test shall be calculated on basis of the interim consolidated Financial Report for the period ending on the relevant Quarter Date and on the basis of the Compliance Certificate delivered in connection therewith.

15.2 Incurrence Test

15.2.1 The Incurrence Test is met if:

- (a) the Leverage Ratio (in each case calculated in accordance with this Clause 15.2) is less than 2.50:1; and
- (b) no Event of Default is continuing or would occur upon the incurrence.

15.2.2 The figures for Consolidated EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test (as applicable), but adjusted so that (without double counting):

- (a) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entities acquired by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date determined by the Issuer, falling no earlier than thirty (30) days prior to the event relevant for the application of the Incurrence Test, shall be included, *pro forma*, for the entire Reference Period;
- (b) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entities disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date determined by the Issuer, falling no earlier than thirty (30) days prior to the event relevant for the application of the Incurrence Test, shall be excluded, *pro forma*, for the entire Reference Period; and
- (c) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entity to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period.

15.2.3 The figures for Net Interest Bearing Debt and Finance Charges for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test (as applicable), but shall be:

- (a) calculated *pro forma* including the new Financial Indebtedness provided that such Financial Indebtedness is an interest bearing obligation
- (b) reduced to reflect any Net Interest Bearing Debt attributable to a disposed entity or which has been repaid, repurchased or otherwise discharged as a result of or in connection with a disposal of an entity (to the extent such Net Interest Bearing Debt is included in the relevant financial statements);
- (c) increased on a *pro forma* basis by an amount equal to the Net Interest Bearing Debt directly attributable to:
 - (i) any Financial Indebtedness owed by acquired entities; and
 - (ii) any Financial Indebtedness incurred to finance the acquisition of entities, in each case calculated as if all such debt had been incurred at the beginning of the relevant test period; and
- (d) increased on a *pro forma* basis by an amount equal to the Net Interest Bearing Debt directly attributable to any Financial Indebtedness incurred, calculated as if such debt had been incurred at the beginning of the relevant Reference Period,

however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce Net Interest Bearing Debt.

16 GENERAL UNDERTAKINGS

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

16.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out at the date of these Terms and Conditions.

16.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

16.3 Continuation of business

16.3.1 The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date.

16.3.2 Nothing in these terms shall prevent the dissolution of a Subsidiary of the Issuer as part of a solvent reorganization of the Group.

16.4 Corporate status

The Issuer shall not change its type of organization or jurisdiction of incorporation.

16.5 Mergers and de-mergers

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

- (a) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person other than with a Group Company; or
- (b) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger involving the Issuer and any Group Company;

16.5.2 if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

16.6 Financial Indebtedness

The Issuer shall not, and shall procure that no other Group Company will, incur any additional Financial Indebtedness or maintain or prolong any existing Financial Indebtedness, other than any Permitted Financial Indebtedness.

16.7 Negative Pledge

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

16.8 Loans or credit

The Issuer shall not, and shall procure that no other Group Company will, be a creditor in respect of any Financial Indebtedness, other than any Permitted Loan.

16.9 No guarantees or indemnities

The Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any guarantee in respect of any obligation of any person, other than any Permitted Guarantee.

16.10 Disposals

The Issuer shall not, and shall procure that no other Obligor will, sell, transfer or otherwise dispose of its assets (including shares or other securities in any person) or operations (other than to another Obligor), unless such sale, transfer or disposal would not have a Material Adverse Effect and in each case provided that the provisions relating to an Asset Disposals Event shall be complied with.

16.11 Distributions

The Issuer may not make any Distributions other than a Permitted Distribution.

16.12 Dealings with related parties

Without limiting Clause **Fel! Hittar inte referenskölla**. (*Compliance with laws*), the Issuer shall, and shall procure that each other Group Company will, conduct all business transactions with any Affiliate at market terms and otherwise on an arm's length basis.

16.13 Designation of Material Group Companies

- (a) The Issuer shall ensure that a Group Company whose assets or EBITDA constitutes more than 5% of the Group's assets or EBITDA on a consolidated basis shall be nominated as a Material Group Company and accede as a Guarantor and to the Intercreditor Agreement as an ICA Group Company, that Transaction Security is granted over the shares in such Group Company and its assets in accordance with Clause 6.1 (*Transaction Security*) and that conditions precedent and legal opinions are delivered in accordance with the Guarantee Agreement, as soon as practically possible, but in any event no later than ninety (90) Business Days from the date such Compliance Certificate was (or were supposed to be) delivered.
- (b) Compliance with the conditions set out above shall be measured on each Quarter Date.
- (c) The Issuer may request that any entity no longer qualifying as a Material Group Company may be redesignated and released from any guarantees.

16.14 Agency Agreement

16.14.1 The Issuer shall, in accordance with the Agency Agreement:

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

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

16.15 Maintenance Test

The Issuer shall ensure that the Maintenance Test is met on each Quarter Date.

16.16 CSD related undertakings

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

17 TERMINATION OF THE BONDS

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

17.1 Non-payment

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

17.2 Other obligations

- (a) A Group Company does not comply with its obligations under the Finance Documents (other than those referred to in Clause 17.1 (*Non-payment*)).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of being remedied and is remedied within fifteen (15) Business Days, within three (3) Business Days of the earlier of:
 - (i) the Agent giving notice to the Issuer; and
 - (ii) the Issuer becoming aware of the non-compliance.

17.3 Cross-acceleration

- (a) Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally applicable grace period.
- (b) Any Financial Indebtedness of a Material Group Company is declared to be due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) No Event of Default will occur under this Clause 17.3 if:
 - (i) the Financial Indebtedness is owed by a Group Company to another Group Company;
 - (ii) the aggregate amount of Financial Indebtedness falling within paragraphs (a) to (b) above is less than SEK 50,000,000 (or its equivalent in any other currency or currencies).

17.4 Insolvency

- (a) Any Material Group Company:
 - (i) is unable or admits inability to pay its debts as they fall due;
 - (ii) is declared to be unable to pay its debts under applicable law;
 - (iii) suspends making payments on its debts generally; or
 - (iv) by reason of actual or anticipated financial difficulties or illiquidity, commences negotiations with its creditors generally (except for the Secured Parties) with a view to rescheduling its Financial Indebtedness.
- (b) A moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.
- (c) No Event of Default will occur under this Clause 17.4 if the assets of the relevant Material Group Company, individually or in the aggregate, have a value of less than SEK 50,000,000 (or its equivalent in any other currency or currencies).

17.5 Insolvency proceedings

- (a) Any corporate action, legal proceedings or other procedures are taken in relation to:
 - (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company;
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets; or

- (iii) any security interest securing Financial Indebtedness over any asset of any Material Group Company is enforced,
- or any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company.
- (b) Paragraph (a) shall not apply to:
 - (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) days of commencement or, if earlier, the date on which it is advertised; or
 - (ii) a solvent liquidation of any Group Company which is not an Obligor.
- (c) No Event of Default will occur under this Clause 17.5 if the assets of the relevant Material Group Company, individually or in the aggregate, have a value of less than SEK 50,000,000 (or its equivalent in any other currency or currencies).

17.6 Mergers and demergers

- (a) The Issuer merges with any other Person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity.
- (b) A Group Company merges with any other Person, or is subject to a demerger, and such merger or demerger would have an adverse effect on the Transaction Security or otherwise materially adversely affect the rights of the Bondholders.

17.7 Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value of an amount equal to or exceeding SEK 50,000,000 (or its equivalent in any other currency or currencies) and is not discharged within sixty (60) calendar days.

17.8 Impossibility or illegality

- (a) It is or becomes impossible or unlawful for the Obligors to fulfil or perform any of the provisions of the Finance Documents which has a detrimental effect on the interests of the Bondholders or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.
- (b) No Event of Default will occur under this Clause 17.8 due to illegality of the Issuer to perform its obligations under the Finance Documents:
 - (i) until expiry of the period for notice of redemption pursuant to Clause 13.4 (Early redemption due to illegality (call option)); and
 - (ii) if the Issuer has given notice of a redemption pursuant to Clause 13.4 (Early redemption due to illegality (call option)) and provided that such redemption is duly exercised.

17.9 Cessation of business

A Material Group Company ceases to carry on its business, except if due to:

- (a) a solvent liquidation of a Material Group Company other than the Issuer; or
- (b) a disposal, merger or demerger permitted pursuant to Clause 16.10 (*Disposals*) and Clause 16.5 (*Mergers and demergers*),

and provided, in relation to a discontinuation of a Material Group Company other than the Issuer, that such discontinuation is likely to have a Material Adverse Effect.

17.10 Termination

- 17.10.1 Subject to the terms of the Intercreditor Agreement, if an Event of Default has occurred and is continuing the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a Person who is a Bondholder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 17.10.5 or 17.10.7, on behalf of the Bondholders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration).
- 17.10.2 The Agent may not terminate the Bonds in accordance with Clause 17.10.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned under Clause 17.10.1.
- 17.10.3 If the right to terminate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 17.10.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 17.10.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 17.10.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 17.10.1 and provide the Agent with all documents that may be of significance for the application of this Clause 17.
- 17.10.5 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 19 (Decisions by Bondholders), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 17.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 17, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 17.10.7 If the Agent has been notified by the Issuer or has otherwise received actual knowledge that there is a default under the Finance Documents according to Clause 17.10.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or actual knowledge, the Bondholders of the default and (ii) decide, within twenty (20) Business Days of the day of notification or actual knowledge, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 19 (Decisions by Bondholders). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 17.10.8 If the Bonds are declared due and payable in accordance with this Clause 17, the Issuer shall redeem all Bonds with an amount per Bond equal to the applicable Call Option Amount plus accrued but unpaid Interest.

18 DISTRIBUTION OF PROCEEDS

- 18.1 If the Bonds have been declared due and payable in accordance with Clause 17 (*Termination of the Bonds*) all payments by the Issuer or the Guarantors (as applicable) relating to the Bonds and any proceeds received from an enforcement of the Transaction Security shall be distributed in accordance with the Intercreditor Agreement.
- 18.2 If the Issuer or the Agent shall make any payment under this Clause 18, the Issuer or the Agent, as applicable, shall notify the Bondholders 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 11.1 shall apply.

19 DECISIONS BY BONDHOLDERS

- 19.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 19.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 19.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (a) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given, or (b) the suggested decision is not in accordance with applicable laws.
- 19.4 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 9 (Right to act on behalf of a Bondholder) from a Person who is, registered as a Bondholder:
- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
 - (b) on the Business Day specified in the communication pursuant to Clause 21.3, in respect of a Written Procedure,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- 19.5 The following matters shall require consent of Bondholders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.3:
- (a) waive a breach of or amend an undertaking set out in Clause 16 (*General undertakings*);
 - (b) except as expressly regulated elsewhere in the Intercreditor Agreement, release any Transaction Security or Guarantee, in whole or in part;
 - (c) a mandatory exchange of Bonds for other securities;

- (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
 - (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
 - (f) amend the provisions in this Clause 19.5 or Clause 19.6.
- 19.6 Any matter not covered by Clause 19.5 shall require the consent of Bondholders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.3. This includes, but is not limited to, any amendment to or waiver of the terms of any Finance Documents that does not require a higher majority (other than an amendment permitted pursuant to paragraph (a), (b), (c) or (d) of Clause 22.1), or a termination of the Bonds or the enforcement of the Transaction Security or the Guarantees in whole or in part.
- 19.7 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail.
- 19.8 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 19.9 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 20.1) or initiate a second Written Procedure (in accordance with Clause 21.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 19.8 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 19.10 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.
- 19.11 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 19.12 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under the Finance Documents, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 19.13 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 19.14 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 19.15 If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not

be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.

- 19.16 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

20 BONDHOLDERS' MEETING

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

- 20.2 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 20.1 with a copy to the Agent. After a request from the Bondholders pursuant to Clause 23.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 20.1.

- 20.3 The notice pursuant to Clause 20.1 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 Bondholders); and
- (d) a form of power of attorney.

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

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

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

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

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

21 WRITTEN PROCEDURE

- 21.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.
- 21.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 21.1 to each Bondholder with a copy to the Agent.
- 21.3 A communication pursuant to Clause 21.1 shall include (a) each request for a decision by the Bondholders, (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 Bondholder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 21.1), (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least four (4) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 21.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 21.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD.
- 21.5 When the requisite majority consents of the Adjusted Nominal Amount pursuant to Clauses 19.5 and 19.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 19.5 or 19.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

22 AMENDMENTS AND WAIVERS

- 22.1 Subject to the terms of the Intercreditor Agreement, the Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in the Finance Documents, provided that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders as a group;
 - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
 - (c) is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (d) has been duly approved by the Bondholders in accordance with Clause 19 (*Decisions by Bondholders*).
- 22.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment or waiver to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- 22.3 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 22.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents 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.

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

23 APPOINTMENT AND REPLACEMENT OF THE AGENT

23.1 Appointment of Agent

- 23.1.1 By subscribing for Bonds, each initial Bondholder:

- (a) appoints the Agent to act as its agent and security agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*), or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer including, for the avoidance of doubt, any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security or a Guarantee; and
- (b) confirms the appointment under the Intercreditor Agreement of the Security Agent to act as its agent in all matters relating to the Transaction Security, the Transaction Security Documents, the Guarantees and the Guarantee Agreement, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security or a Guarantee and acknowledges and agrees that the rights, obligations, role of and limitations of liability for the Security Agent is further regulated in the Intercreditor Agreement.

- 23.1.2 By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent and the Security Agent to act on its behalf, as set forth in Clause 23.1.1.

- 23.1.3 Each Bondholder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.

- 23.1.4 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.

- 23.1.5 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as agent and security agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

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

23.2 Duties of the Agent

- 23.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, holding the Transaction Security and the Guarantees pursuant to the Transaction Security Documents and the Guarantee Agreement on behalf of the Secured Parties and, where relevant, enforcing the Transaction Security or a Guarantee on behalf of the Bondholders. However, the Agent is not responsible for the contents, execution, legal validity or enforceability of the Finance Documents. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent.

- 23.2.2 The Agent is not obliged to actively assess or monitor (i) the financial condition of the Issuer or any Group Company, (ii) the compliance by the Issuer of the Finance Documents (unless expressly set out in the Finance Documents) or (iii) whether an Event of Default (or any event that may lead to an Event of Default) has occurred or not. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default has occurred.
- 23.2.3 The Agent may assume that any information, documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such information, documentation or evidence. The Agent does not review any information, documents and evidence from a legal or commercial perspective of the Bondholders.
- 23.2.4 The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.
- 23.2.5 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 23.2.6 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 23.2.7 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders 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.
- 23.2.8 The Agent shall be entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 23.2.9 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged (a) after the occurrence of an Event of Default, (b) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (c) when the Agent is to make a determination 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 18 (Distribution of proceeds).
- 23.2.10 The Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 23.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 23.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 23.2.13 The Agent shall give a notice to the Bondholders (a) 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 (b) if it refrains from acting for any reason described in Clause 23.2.12.

- 23.2.14 The Agent's duties under the Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with the Terms and Conditions and upon instructions from the Bondholders, unless otherwise set out in the Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other person.

23.3 Limited liability for the Agent

- 23.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 23.3.2 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 engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 23.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 23.3.4 The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders.
- 23.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- 23.3.6 The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other person.

23.4 Replacement of the Agent

- 23.4.1 Subject to Clause 23.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 23.4.2 Subject to Clause 23.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 23.4.3 A Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 23.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) calendar days after (a) the earlier of the notice of resignation was given or the resignation otherwise took place or (b) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 23.4.5 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.
- 23.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 23.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 23.4.8 In the event that there is a change of the Agent in accordance with this Clause 23.4, 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. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

24 APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

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

25 APPOINTMENT AND REPLACEMENT OF THE CSD

- 25.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.
- 25.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (Sw. lag (2007:528) om värdepappersmarknaden).

26 NO DIRECT ACTIONS BY BONDHOLDERS

- 26.1 A Bondholder may not take any steps whatsoever against the Issuer or a Subsidiary (including a Guarantor) or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. företagsrekonstruktion) or bankruptcy (Sw. konkurs) (or its equivalent in any other jurisdiction) of the Issuer or another Group Company in relation to any of the liabilities of the Issuer or a Subsidiary (including a Guarantor) under the Finance Documents. Such steps may only be taken by the Agent.
- 26.2 Clause 26.1 shall not apply if:

- (a) the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 23.1.2), such actions within a reasonable period of time and such failure or inability is continuing; or
- (b) the Security Agent has been instructed by the Instructing Party (as defined in the Intercreditor Agreement) in accordance with the Intercreditor Agreement to enforce the Transaction Security but is legally unable to take such enforcement actions,

however, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 23.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 23.2.13 before a Bondholder may take any action referred to in Clause 26.1.

- 26.3 The provisions of Clause 26.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 13.5 (Mandatory repurchase due to a Change of Control Event or an Asset Disposal Event (put option)) or other payments which are due by the Issuer to some but not all Bondholders.

27 TIME-BAR

- 27.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been time-barred and has become void.
- 27.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag* (1981:130)), a new time-bar period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to the right to receive payment of Interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

28 NOTICES AND PRESS RELEASES

28.1 Notices

- 28.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to such email address as notified by the Agent to the Issuer from time to time;
 - (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) or, if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time;
 - (c) if to a Guarantor, shall be given to the address stated in the relevant Guarantee or such other address notified by such Guarantor to the Agent from time to time or, if sent by email by the Agent, to such email address as notified by that Guarantor to the Agent from time to time; and
 - (d) if to the Bondholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to

dispatch, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

28.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 28.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 28.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 28.1.1.

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

28.2 **Press releases**

28.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 13.3, 13.4, 14.3(b), 17.10.7, 18.2, 19.16, 20.1, 21.1, 22.3, 23.2.13 and 23.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

28.2.2 In addition to Clause 28.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent shall send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

29 **FORCE MAJEURE AND LIMITATION OF LIABILITY**

29.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.

29.2 The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

29.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with the Finance Documents, such action may be postponed until the obstacle has been removed.

29.4 The provisions in this Clause 29 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

30 **GOVERNING LAW AND JURISDICTION**

30.1 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.

30.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 30.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.

30.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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

Place:

The Issuer

Ellos Holding AB (publ)

Name:

Name:

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

Place:

The Agent

Nordic Trustee & Agency AB (publ)

Name:

Name:

SCHEDULE 1

AGREED SECURITY PRINCIPLES

1. The Secured Parties shall be granted security over same assets and guarantees from the same entities, but the rights of the Super Senior Creditors (including the Bondholders) shall rank with priority to the rights of the Senior Creditors in accordance with the principles set out in the Intercreditor Agreement.
2. General statutory limitations, financial assistance, corporate benefit, fraudulent preference, thin capitalisation rules and retention of title claims and similar principles may limit the ability of a Group Company to provide a guarantee or security or enter into subordination arrangements, or may require that such guarantee, security or subordination arrangement is limited by an amount or otherwise, provided that the relevant Group Company must use reasonable endeavours to overcome any such obstacle to the extent possible and practicable and if it can be done at a cost which is not disproportionate to the benefit of the Secured Parties obtaining the Security.
3. The Issuer and the Guarantors shall not be under an obligation to grant Guarantees or Transaction Security over any assets which would impose a stamp duty, taxes, notary fees, translation fees, registration fees or similar costs or charges on any Group Company or the Agent unless such costs amounts to less than SEK 100,000. Furthermore, a Guarantor incorporated in Sweden shall not be obliged to increase the amount of any business mortgage certificate (Sw. *företagsinteckningsbrev*) or issue any new business mortgage certificate as long as that would trigger stamp duty under Swedish law.
4. Group Companies will not be required to give guarantees or enter into Transaction Security Documents if it would conflict with the mandatory fiduciary duties of their directors or contravene any legal prohibition or result in a material risk of personal or criminal liability on the part of any officer or director (in each case as confirmed by a reputable local legal counsel in such jurisdiction) provided that the relevant Group Company must use reasonable endeavours to overcome any such obstacle the extent that that can be done at reasonable cost.
5. Any assets subject to pre-existing third party arrangements which are permitted by the Finance Documents or any other contractual restrictions on assignments and which prevent those assets from being charged, will be excluded from any relevant Transaction Security Document but the Group Company must use reasonable endeavours to obtain consent to charging any such assets if the relevant asset is material.
6. The Transaction Security Documents shall operate to create security rather than to impose any new commercial obligations and shall, accordingly, not contain additional or duplicate representations or undertakings to those contained in these Terms and Conditions unless required for the creation, perfection, ranking or preservation of the security and shall not be unduly burdensome on the Group Company or interfere unreasonably with the operation of its business.
7. Perfection of security will not be required if it would materially adversely affect the commercial reputation or ability of the relevant Group Company to conduct its operations or business in the ordinary course.
8. No perfection action will be required in jurisdictions where Group Companies are not located.
9. Transaction Security will not be enforceable until an Event of Default has occurred and is continuing and (i) the relevant agent has given notice of acceleration under the relevant finance document and (ii)

the relevant agent has given notice of its intention to enforce in accordance with the relevant Transaction Security Document.

10. In case the ownership to security assets is transferred to a Secured Party (or any of their Affiliates) (or a Secured Party or the Security Agent has taken control over the security assets as a stage of the enforcement process), the fair market value of the transferred security assets, supported by independent valuation, shall be set off against the Secured Obligations.
11. The Secured Parties shall only be able to exercise the powers of attorney (including, but not limited to, in respect of voting rights appertaining to any shares) granted under any Transaction Security Document or have the right to receive any dividends if an Event of Default has occurred and is continuing.
12. The Issuer and the Guarantors shall be permitted to pay interest (but not principal) in relation to any Material Intra-Group Loans being subject to Transaction Security unless an Event of Default has occurred and is continuing.
13. The Issuer and the Guarantors shall not be under an obligation to grant any Transaction Security or Guarantee if there is a requirement for such company or the Agent to obtain or maintain licenses, permissions, establish a place of business or similar in any jurisdiction for the purpose of granting or holding such Transaction Security or Guarantee (as confirmed by a reputable local legal counsel in such jurisdiction).
14. The Issuer and the Guarantors shall not be under an obligation to grant any Transaction Security or Guarantee if there is a requirement for such company or its shareholder or the Agent to deposit cash or capitalise the relevant Guarantor in any jurisdiction for the purpose of granting or holding such Transaction Security or Guarantee (as confirmed by a reputable local legal counsel in such jurisdiction).
15. An acknowledgement, countersignature or confirmation on a notice of pledge or similar to be delivered in connection with the granting of Transaction Security or Guarantee by another party than a Group Company shall only be required to be collected and delivered by the relevant Group Company on a best effort basis.
16. *Share security.* Subject to the Agreed Security Principles, security in respect of the shares in each Guarantor shall be granted, provided that the pledgors in respect such security shall be entitled to exercise voting rights and receive dividends unless an Event of Default has occurred and is continuing. The Bonds shall have security over the shares in the direct Subsidiaries of the Issuer and claims against such entities, and no provision of the Agreed Security Principles shall serve to release such security.
17. *Business mortgages.* Subject to the Agreed Security Principles, security in respect of business mortgages may be granted by the Guarantors, provided that only security over existing business mortgage certificates shall be granted if the provision of new business mortgages are contrary to item 3 above.
18. *Security over receivables.* Subject to the Agreed Security Principles, security in respect of receivables (other than Swedish receivables) may be assigned or charged, unless notice to the debtors are required by local law to perfect the Security or such security is otherwise encompassed by any business mortgage.
19. *Material Intra-Group Loans.* The Guarantors shall not be under an obligation to grant Transaction Security over any claims pursuant to any cash pool arrangement or over any intra-group loans other than (i) the Material Intra-Group Loans and (ii) any Issuer Intra-Group Loans.

20. *Floating charge pledge.* The Issuer shall use its best efforts to ensure that Ellos AB grants the SEK 120,000,000 floating charge certificates within (Sw. *med inomläge*) SEK 120,000,000 in favour of the Secured Parties as soon as possible, and to the extent no such first ranking security is possible, use its best efforts to ensure that Ellos AB grants a second ranking security over SEK 120,000,000 floating charge certificates within (Sw. *med inomläge*) SEK 120,000,000.
21. *Cash Collateral:* The Issuer shall use its best efforts to ensure that a second ranking security is granted over cash collateral pursuant to Clause (vii) of these Terms and Conditions for so long as such security is granted to Swedbank AB (publ).
22. Notwithstanding anything to the contrary in the Finance Documents, if the Security Agent is not satisfied that it does not need to be resident, incorporated (including by way of a branch office), registered or authorised in any jurisdiction or deposit any funds in any jurisdiction where the Security Agent, at the time the relevant Transaction Security shall be granted, is not resident, incorporated (including by way of a branch office), registered or authorised in, the Security Agent shall have a right to (without consent from any Secured Party) waive the requirement in any Senior Finance Document (as defined in the Intercreditor Agreement) to grant that Transaction Security. Satisfaction in this respect should either be through the inclusion of such statement in a legal opinion or by any other legal statement from a well reputable law firm which in form and substance is acceptable to the Security Agent (acting reasonably).

The Agent shall have a right to consult with a local legal counsel in a relevant jurisdiction in order to verify and confirm compliance with the Agreed Security Principles in relation to any Transaction Security and/or Guarantee. The costs for such local legal counsel shall be borne or reimbursed by the Issuer and the Agent is not required to seek the Issuer's confirmation or approval prior to engaging such local legal counsel.

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