



**TERMS AND CONDITIONS FOR
SCANDIC HOTELS GROUP AB (publ)
SEK 1,800,000,000
SUBORDINATED ZERO COUPON CONVERTIBLE BONDS
2021/2024**

ISIN: NO0010968563

26 March 2021

IMPORTANT NOTICE

THIS DOCUMENT IS NOT AN OFFER TO SELL SECURITIES OR THE SOLICITATION OF ANY OFFER TO BUY SECURITIES.

SOLELY FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS CONTAINED WITHIN: (A) EU DIRECTIVE 2014/65/EU ON MARKETS IN FINANCIAL INSTRUMENTS, AS AMENDED (“MIFID II”); (B) ARTICLES 9 AND 10 OF COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 SUPPLEMENTING MIFID II; AND (C) LOCAL IMPLEMENTING MEASURES (TOGETHER, THE “MIFID II PRODUCT GOVERNANCE REQUIREMENTS”), AND DISCLAIMING ALL AND ANY LIABILITY, WHETHER ARISING IN TORT, CONTRACT OR OTHERWISE, WHICH ANY “MANUFACTURER” (FOR THE PURPOSES OF THE MIFID II PRODUCT GOVERNANCE REQUIREMENTS) MAY OTHERWISE HAVE WITH RESPECT THERETO, THE BONDS HAVE BEEN SUBJECT TO A PRODUCT APPROVAL PROCESS, WHICH HAS DETERMINED THAT: (I) THE TARGET MARKET FOR THE BONDS IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE BONDS TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE BONDS (A “DISTRIBUTOR”) SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS’ TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE BONDS (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS’ TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THE TARGET MARKET ASSESSMENT IS WITHOUT PREJUDICE TO THE REQUIREMENTS OF ANY CONTRACTUAL OR LEGAL SELLING RESTRICTIONS IN RELATION TO ANY OFFERING OF THE BONDS.

FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE BONDS.

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (“EEA”). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

SELLING RESTRICTIONS

No action is being taken that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.

PRIVACY NOTICE

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

The personal data collected will be processed by the Issuer, the Agent and the Paying and Conversion Agent for the following purposes:

- (a) to exercise their respective rights and fulfil their respective obligations under the Finance Documents;
- (b) to manage the administration of the Bonds and payments under the Bonds;
- (c) to enable the Bondholders' to exercise their rights under the Finance Documents; and
- (d) to comply with their obligations under applicable laws and regulations.

The processing of personal data by the Issuer, the Agent and the Paying and Conversion Agent in relation to items (a)–(c) is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to item (d), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, the Agent and the Paying and Conversion 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 Issuer, the Agent and the Paying and Conversion Agent, respectively. In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format. Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Paying and Conversion Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites www.scandichotels.se, www.nordictrustee.com and www.dnb.no.

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1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator 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).

“**Additional Amounts**” has the meaning set forth in Clause 7.5.

“**Adjusted Nominal Amount**” means the Total Nominal Amount less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate, irrespective of whether such person is directly registered as owner of such Bonds.

“**Affiliate**” means (i) an entity controlling or under common control with the Issuer, other than a Group Company, and (ii) any other person or entity owning any Bonds (irrespective of whether such person is directly registered as owner of such Bonds) that has undertaken towards a Group Company or an entity referred to in item (i) to vote for such Bonds in accordance with the instructions given by a Group Company or an entity referred to in item (i). For the purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of voting securities, by agreement or otherwise.

“**Agency Agreement**” means the agency agreement entered into on or before the Issue Date, between the Issuer and 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), Swedish Reg. No. 556882-1879, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

“**Bond**” means a debt instrument (*skuldförbindelse*) for the Nominal Amount and which are governed by and issued under these Terms and Conditions.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 25 (*Bondholders’ rights*).

“**Bondholder Redemption Date**” means the settlement date for the Bondholder Redemption Option pursuant to Clause 9.3 (*Redemption/Conversion at the Option of a Bondholder due to a Change of Control Event*), being the fifth (5th) Business Day following the end of the Change of Control Conversion Period.

“**Bondholder Redemption Option**” shall have the meaning ascribed to such term in Clause 9.3 (*Redemption/Conversion at the Option of a Bondholder due to a Change of Control Event*).

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clauses 18.1 (*Request for a decision*), 18.2 (*Convening of Bondholders’ Meeting*) and 18.4 (*Majority, quorum and other provisions*).

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (*midsommarafton*), Christmas Eve (*julafton*) and New Year’s Eve (*nyårsafton*) shall for the purpose of this definition be deemed to be public holidays and on which both the relevant CSD settlement system and the relevant currency settlement system are open.

“**Calculation Agency Agreement**” means the calculation agency agreement dated on or about hereof and entered into by the Issuer and the Calculation Agent whereby the Calculation Agent has been appointed to make certain calculations in relation to the Bonds.

“**Calculation Agent**” means Conv-Ex Advisors Limited and such expression shall include any successor as calculation agent under the Calculation Agency Agreement.

“**Change of Control Conversion Period**” means the period commencing on the date on which a Change of Control Event occurs and ending sixty (60) days following such date or, if later, sixty (60) days following the notification of a Change of Control Event.

“**Change of Control Conversion Price**” shall have the meaning ascribed to such term in Clause 9.3 (*Redemption/conversion at the option of a Bondholder due to a Change of Control Event*).

“**Change of Control Event**” means:

- (a) that the shares of the Issuer cease to be admitted to trading on the Relevant Stock Exchange; or
- (b) a shareholder or a group of shareholders of the Issuer, acting in concert, directly or indirectly (including purchase, merger etc.) having acquired the right to cast, at a general meeting of shareholders of the Issuer, more than fifty (50) per cent. of the voting Shares of the Issuer.

“**Clean-up Redemption Date**” means the settlement date for the Issuer’s Redemption Option determined by the Issuer pursuant to Clause 9.5 (*Redemption at the option of the Issuer due to low aggregate Nominal Amount outstanding*), or a date agreed upon between the Agent and the Issuer in connection with such redemption of Bonds.

“**Closing Price**” means, in respect of a Share or any Security, Spin-Off Security, option, warrant or other right or asset on any Dealing Day in respect thereof, the closing price on the Relevant Stock Exchange on such Dealing Day of a Share or, as the case may be, such Security, Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page HP (or any successor ticker page) (using the setting “Last Price”, or any other successor setting and using values not adjusted for any event occurring after such Dealing Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Share, Security, Spin-Off Security, option, warrant or other right or asset (all as determined by the Calculation Agent) (and for the avoidance of doubt such Bloomberg page for the Shares as at the Issue Date is SHOT SS), if available or, in any other case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such Dealing Day, provided that:

- (a) if on any such Dealing Day (for the purpose of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Closing Price of a Share, Security, option, warrant, or other right or asset, as the case may be, in respect of such Dealing Day shall be the Closing Price, determined by the Calculation Agent as provided above, on the immediately preceding such Dealing Day on which the same can be so determined, provided however that if such immediately preceding Dealing Day falls prior to the fifth (5th) day before the Original Date, the Closing Price in respect of such Dealing Day shall be considered to be not capable of being determined pursuant to this paragraph (a); and
- (b) if the Closing Price cannot be determined as aforesaid, the Closing Price of a Share, Security, option, warrant, or other right or asset, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate,

and the Closing Price determined as aforesaid on or as at any such Dealing Day shall, if not in the Relevant Currency, be translated into the Relevant Currency at the Prevailing Rate on such Dealing Day.

“**Conversion Date**” shall have the meaning ascribed to such term in Clause 10.2 (*Procedure for exercise of Conversion Rights*).

“**Conversion Notice**” shall have the meaning ascribed to such term in Clause 10.2 (*Procedure for exercise of Conversion Rights*).

“**Conversion Period**” means the period commencing on (and including) the date of the Shareholder Resolution and ending on (and including) the day falling ten (10) Business Days prior to the Final Maturity Date (or, if earlier, ending on (and including) the day falling ten (10) Business Day prior to any earlier date fixed for redemption of the Bonds).

“**Conversion Price**” means initially SEK 43.362094 per Share, as adjusted from time to time in accordance with Clause 11 (*Adjustment of the Conversion Price*).

“**Conversion Right**” shall have the meaning ascribed to such term in Clause 10.1 (*Conversion Period and Conversion Price*).

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

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

“**Current Market Price**” means, in respect of a Share at a particular date, the arithmetic average of the daily Volume Weighted Average Price of a Share on each of the five (5) consecutive Dealing Days ending on the Dealing Day immediately preceding such date, as determined by the Calculation Agent, provided that:

- (a) for the purposes of determining the Current Market Price pursuant to Clauses 11.1.4 (*Rights issues*) or 11.1.6 (*Issue of Shares at less than ninety-five (95) per cent. of the Current Market Price*) in circumstances where the relevant event relates to an issue of Shares, if at any time during the said five (5) Dealing Day period (which may be on each of such five (5) Dealing Days) the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and/or during

some other part of that period (which may be on each of such five (5) Dealing Days) the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), in any such case which has been declared or announced, then:

- (i) if the Shares to be so issued do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement (or, where on each of the said five (5) Dealing Days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum-any other entitlement), as at the date of first public announcement of such Dividend or entitlement), in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; or
 - (ii) if the Shares to be so issued do rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement, in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit,
- (b) for the purposes of any calculation or determination required to be made pursuant to paragraphs (a)(i) or (a)(ii) of the definition of “Dividend”, if on any of the said five (5) Dealing Days the Volume Weighted Average Price shall have been based on a price cum the relevant Dividend or capitalisation giving rise to the requirement to make such calculation or determination, the Volume Weighted Average Price on any such Dealing Day shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the relevant cash Dividend as at the Ex-Date in respect of such Dividend, as determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; and
- (c) for any other purpose, if any day during the said five (5) Dealing Day period was the Ex-Date in relation to any Dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such Dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement.

“**Dealing Day**” means a day on which the Relevant Stock Exchange is open for business and on which Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets

(as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular weekday closing time) provided that, unless otherwise specified or the context otherwise requires, references to “Dealing Day” shall be a dealing day in respect of the Shares.

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

“**Dividend**” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of a share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes without limitation an issue of Shares or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves) provided that:

(a) where:

- (i) a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Shares or other property or assets, or where an issue of Shares or other property or assets to Shareholders by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve) is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash, then the Dividend or capitalisation in question shall be treated as a cash Dividend of an amount equal to the greater of (A) the Fair Market Value of such cash amount and (B) the Current Market Price of such Shares or, as the case may be, the Fair Market Value of such other property or assets, in any such case as at the Ex-Date in respect of the relevant Dividend or capitalisation (or, if later, the Dividend Determination Date), save that where a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Shares or an issue of Shares to Shareholders by way of capitalisation of profits or reserves is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash where the number of Shares which may be issued or delivered is to be determined at a date or during a period following the last day on which such election can be made as aforesaid and is to be determined by reference to a publicly available formula based on the closing price or volume weighted average price or any like or similar pricing benchmark of the Shares, without factoring in any discount or premium to such price or benchmark, then such Dividend shall be treated as a cash Dividend in an amount equal to the Fair Market Value of such cash amount on such date as such cash amount is determined as aforesaid; or
- (ii) there shall (other than in circumstances subject to paragraph (i) above) (A) be any issue of Shares or other property or assets to Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where such issue or delivery is or is expressed to be in lieu of a Dividend in cash (whether or not a cash Dividend equivalent amount is announced) or a Dividend in cash is announced that is to be

satisfied by the issue or delivery of Shares or other property or assets, or (B) any issue or delivery of Shares or other property or assets by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) that is to be satisfied by the payment of cash, then, in the case of (A) the capitalisation or Dividend in question shall be treated as a cash Dividend of an amount equal to the Current Market Price of such Shares or, as the case may be, the Fair Market Value of such other property or assets as at the Ex-Date in respect of the relevant capitalisation (or, if later, the Dividend Determination Date), and, in the case of (B), the capitalisation in question shall be treated as a cash Dividend of an amount equal to the Fair Market Value of such cash amount as at the Ex-Date in respect of the relevant capitalisation (or, if later, the Dividend Determination Date), save that where an issue of Shares by way of capitalisation of profits or reserves is announced where such issue is or is expected to be in lieu of a Dividend in cash (in circumstances where the cash amount thereof is announced) or an issue of Shares by way of capitalisation of profits or reserves is announced that is to be satisfied by the payment of cash where the number of Shares to be issued or delivered or the amount of such payment of cash is to be determined at a date or during a period following such announcement and is to be determined by reference to a publicly available formula based on the closing price or volume weighted average price or any like or similar pricing benchmark of the Shares, without factoring in any discount or premium to such price or benchmark, then such capitalisation shall be treated as a cash Dividend in an amount equal to the Fair Market Value of such cash amount on such date as such cash amount is announced or determined as aforesaid;

- (b) any issue of Shares falling within Clauses 11.1.1 (*Consolidation, reclassification or redesignation or subdivision*) or 11.1.2 (*Capitalisation of profits or reserves*) shall be disregarded;
- (c) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer or any of its Subsidiaries shall not constitute a Dividend unless, in the case of a purchase, redemption or buy back of Shares by or on behalf of the Issuer or any of its Subsidiaries, the weighted average price per Share (before expenses) on any day (a “**Specified Share Day**”) in respect of such purchases, redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day), exceeds by more than five (5) per cent. the Current Market Price of a Share:
 - (i) on the Specified Share Day; or
 - (ii) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Shares at some future date at a specified price or where a tender offer is made, on the date of such announcement or, as the case may be, on the date of first public announcement of such tender offer (and regardless of whether or not a price per Share, a minimum price per Share or a price range or a formula for the determination thereof is or is not announced at such time),

in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency in an amount equal to the amount by which the aggregate price paid (before expenses) in respect of such Shares purchased, redeemed or bought back by or on behalf of the Issuer or, as the case may be, any of its Subsidiaries (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of such Current Market Price and (ii) the number of Shares so purchased, redeemed or bought back;

- (d) if the Issuer or any of its Subsidiaries (or any person on its or their behalf) shall purchase, redeem or buy back any depositary or other receipts or certificates representing Shares, the provisions of paragraph (c) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Adviser;
- (e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan or arrangement implemented by the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Shares held by them from a person other than (or in addition to) the Issuer, such dividend or distribution shall for the purposes of these Terms and Conditions be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the foregoing provisions of this definition and the provisions of these Terms and Conditions shall be construed accordingly;
- (f) where a Dividend in cash is declared which provides for payment by the Issuer to Shareholders in the Relevant Currency or an amount in cash is or may be paid in the Relevant Currency, whether at the option of Shareholders or otherwise, it shall be treated as a Dividend in cash in the amount of such Relevant Currency or, as the case may be, an amount in such Relevant Currency, and in any other case it shall be treated as a Dividend in cash or, as the case may be, an amount in cash in the currency in which it is payable by the Issuer;
- (g) a dividend or distribution that is a Spin-Off shall be deemed to be a Dividend paid or made by the Issuer,

and any such determination shall be made in good faith by the Calculation Agent or where specifically provided, an Independent Adviser and, in either such case, on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“Dividend Determination Date” means, for the purposes of the definition of “Dividend”, the date on which the number of Shares or, as the case may be, amount of other property or assets, which may be issued or delivered is, or is capable of being, determined, and where determined by reference to prices or values or the like on or during a particular day or during a particular period, the Dividend Determination Date shall be deemed to be such day or the last day of such period, as the case may be.

“Escrow Account” means the bank account held by the Issuer with the Escrow Bank.

“Escrow Account Pledge Agreement” means the agreement for Security Interest over the funds standing to the credit on the Escrow Account, entered into between the Issuer and the Agent.

“Escrow Bank” means DNB Bank ASA.

“**Event of Default**” means an event or circumstance specified in Clause 16.1.

“**Ex-Date**” means, in relation to any Dividend (including without limitation any Spin-Off), capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement, unless otherwise defined herein, the first Dealing Day on which the Shares are traded ex- the relevant Dividend, capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement on the Relevant Stock Exchange (or, in the case of a Dividend which is a purchase, redemption or buy back of Shares (or, as the case may be, any depositary or other receipts or certificates representing Shares) pursuant to paragraph (c) (or, as the case may be, paragraph (d)) of the definition of “Dividend”, the date on which such purchase, redemption or buy back is made).

“**Exchange**” means a Regulated Market or other reputable market place for securities having satisfactory requirements as to listing and trading, where the Bonds and/or the Shares are listed or to which an application for listing of the Bonds and/or the Shares has been submitted.

“**Fair Bond Value**” means, in respect of each Bond, as determined by an Independent Adviser, the arithmetic average (rounded to the nearest whole multiple of SEK 0.01, with SEK 0.005 being rounded upwards) of the fair market values (as determined by such Independent Adviser to be appropriate on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including without limitation the market price per Share, the dividend yield of a Share, the volatility of such market price, prevailing interest rates, the credit spread on other relevant bonds of the Issuer (if any) and the terms of the Bonds, and assuming for this purpose that the Shareholder Resolution had been passed prior to the start of the Fair Bond Value Determination Period) of such Bond at the close of business on each Dealing Day during the Fair Bond Value Determination Period.

“**Fair Bond Value Determination Period**” means the period of five (5) consecutive Dealing Days commencing on (and including) the Dealing Day following the date on which the Shareholder Event Notice is given.

“**Fair Market Value**” means, on any date (the “**FMV Date**”):

- (a) in the case of a cash Dividend, the amount of such cash Dividend, as determined in good faith by the Calculation Agent;
- (b) in the case of any other cash amount, the amount of such cash, as determined in good faith by the Calculation Agent;
- (c) in the case of Securities (including Shares), Spin-Off Securities, options, warrants or other rights or assets that are publicly traded on the Relevant Stock Exchange of adequate liquidity (as determined in good faith by the Calculation Agent or an Independent Adviser), the arithmetic mean of:
 - (i) in the case of Shares or (to the extent constituting equity share capital) other Securities or Spin-Off Securities, for which a daily Volume Weighted Average Price (disregarding for this purpose paragraph (b) to the definition thereof) can be determined, such daily Volume Weighted Average Price of the Shares or such other Securities or Spin-Off Securities; and

- (ii) in any other case, the Closing Price of such Securities, Spin-Off Securities, options, warrants or other rights or assets,

in the case of both paragraphs (i) and (ii) during the period of five (5) Dealing Days for such Securities, Spin-Off Securities, options, warrants or other rights or assets commencing on such FMV Date (or, if later, the date (the “**Adjusted FMV Date**”) which falls on the first such Dealing Day on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth (5th) day following the FMV Date, the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights or assets shall instead be determined pursuant to paragraph (d) below, and no such Adjusted FMV Date shall be deemed to apply) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, all as determined in good faith by the Calculation Agent; and

- (d) in the case of Securities, Spin-Off Securities, options, warrants or other rights or assets that are not publicly traded on the Relevant Stock Exchange of adequate liquidity (as aforesaid) or where otherwise provided in paragraph (c) above to be determined pursuant to this paragraph (d), an amount equal to the fair market value of such Securities, Spin-Off Securities, options, warrants or other rights or assets as determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Share, the dividend yield of a Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights or assets, and including as to the expiry date and exercise price or the like (if any) thereof.

Such amounts shall (if not expressed in the Relevant Currency on the FMV Date (or, as the case may be, the Adjusted FMV Date)) be translated into the Relevant Currency at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date), all as determined in good faith by the Calculation Agent.

In addition, in the case of paragraphs (a) and (b) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“**Final Maturity Date**” means 8 October 2024, being the date falling three and a half (3.5) years after the Issue Date.

“**Finance Documents**” means these Terms and Conditions, the Escrow Account Pledge Agreement and any other document designated by the Issuer and the Agent as a Finance Document.

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

- (a) moneys borrowed (including under any bank financing or other loan);
- (b) the amount of any liability under any finance leases (a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability), provided that any existing or future leases which would prior to 1 January 2019 have been treated as operating leases, shall not be considered as being finance leases due to any subsequent change in the Accounting Principles;

- (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 other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (e) the marked-to-market value of derivative transactions entered into in connection with protection against, or benefit from, fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (g) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

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

“**Force Majeure Event**” has the meaning set forth in Clause 28.1.

“**Group**” means the Issuer and its Subsidiaries from time to time (each a “**Group Company**”).

“**Independent Adviser**” means an independent adviser (acceptable to the Agent) with appropriate expertise appointed by the Issuer at its own expense.

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set forth in Clause 2.3.

“**Insolvent**” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other relevant jurisdiction).

“**Issue Date**” means 8 April 2021 or such other date as is agreed between the Managers and the Issuer.

“**Issuer**” means Scandic Hotels Group AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556703-1702 and LEI Code 529900JY9ZBGUXGRKQ86.

“**Issuer’s Redemption Option**” shall have the meaning ascribed to such term in Clause 9.5 (*Redemption at the option of the Issuer due to low aggregate Nominal Amount outstanding*).

“**Longstop Date**” means 31 May 2021.

“**Manager**” means each of DNB Markets, Nordea and Handelsbanken.

“**Material Adverse Effect**” means a material adverse effect on (a) the financial condition or assets of the Group taken as a whole, (b) the Issuer’s ability to perform and comply with its obligations under the Terms and Conditions and/or (c) the validity or enforceability of the Terms and Conditions.

“**Net Proceeds**” means the gross proceeds from the offering of the relevant Bonds, minus the costs incurred by the Issuer in conjunction with the issuance thereof.

“**Nominal Amount**” means the Initial Nominal Amount, or any other amount following a split of Bonds pursuant to Clause 20.2.13.

“**Par Value**” means, at any time, the par value of the Shares in effect at such time.

“**Paying and Conversion Agency Agreement**” means the paying and conversion agency agreement dated 26 March 2021 and entered into by the Issuer and the Paying and Conversion Agent whereby the Paying and Conversion Agent has been appointed to provide certain services in relation to the Bonds.

“**Paying and Conversion Agent**” means the legal entity appointed by the Issuer to act as its paying and conversion agent with respect to the Bonds in the CSD, being DNB Bank ASA, reg. no. 984 851 006, P.O. Box 1600 Sentrum, 0021 Oslo, Norway.

“**Prevailing Rate**” means, in respect of any pair of currencies on any day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date (for the purpose of this definition, the “**Original Date**”) as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such a rate cannot be so determined, the rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined, provided that if such immediately preceding day falls earlier than the fifth (5th) day prior to the Original Date or if such rate cannot be so determined (all as determined in good faith by the Calculation Agent), the Prevailing Rate in respect of the Original Date shall be the rate determined in such other manner as an Independent Adviser shall consider appropriate.

“**Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Terms and Conditions, the date designated as the record date in accordance with the CSD Regulations; or
- (b) for the purpose of casting a vote with regard to a Bondholders’ Meeting the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Agent.

“**Redemption Date**” means any Bondholder Redemption Date, the Clean-up Redemption Date, the Shareholder Event Mandatory Redemption Date, the Tax Redemption Date, the Final Maturity Date or any other date on which a repayment or redemption of the Bonds shall be made.

“**Reference Date**” means, in relation to a Retroactive Adjustment, the date as of which the relevant Retroactive Adjustment takes effect.

“**Reference Share Price**” means initially SEK 35.5427 per Share, as adjusted from time to time in accordance with Clause 11.6 (*Adjustment to Reference Share Price, rounding down and notice of adjustment to the Conversion Price and Reference Share Price*).

“**Reference Shares**” means, in respect of the exercise of Conversion Rights by a Bondholder, the number Shares (rounded down, if necessary, to the nearest whole number) determined in good faith by the Calculation Agent by dividing the aggregate Nominal Amount of the Bonds which are the subject of the relevant exercise of Conversion Rights by the Conversion Price in effect on the relevant Conversion Date, except that where the Conversion Date falls on or after the date an adjustment to the Conversion Price takes effect pursuant to Clauses 11.1.1 (*Consolidation, reclassification or redesignation or subdivision*), 11.1.2 (*Capitalisation of profits or reserves*), 11.1.3 (*Dividends*), 11.1.4 (*Rights issues*), 11.1.5 (*Issue of Securities to Shareholders*) or 11.1.9 (*Certain arrangements*) but on or prior to the record date or other due date for establishment of entitlement in respect of the relevant event giving rise to such adjustment, then provided the Issuer is able to confer the benefit of the relevant consolidation, reclassification, redesignation or subdivision, Dividend, issue or grant (as the case may be) on the relevant Bondholder in respect of the relevant Shares to be issued or transferred and delivered to such Bondholder in respect of the relevant exercise of Conversion Rights, the Conversion Price in respect of such exercise shall be such Conversion Price as would have been applicable to such exercise had no such adjustment been made.

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

“**Relevant Currency**” means, at any time, the currency in which the Shares are quoted or dealt in at such time on the Relevant Stock Exchange.

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Stock Exchange**” means:

- (a) in respect of the Shares, Nasdaq Stockholm or, if at the relevant time, the Shares are not at that time listed and admitted to trading on the Nasdaq Stockholm, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in; and
- (b) in respect of any Securities (other than Shares), Spin-Off Securities, options, warrants or other rights or assets, the principal stock exchange or securities market on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in,

where “principal stock exchange or securities market” shall mean the stock exchange or securities market on which such Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in, provided that if such Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in (as the case may be) on more than one stock exchange or securities market at the relevant time, then “principal stock exchange or securities market” shall mean that stock exchange or securities market on which such Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are then traded as determined by the Calculation Agent (if the Calculation Agent determines that it is able to make such determination) or (in any other case) by an Independent Adviser by reference to the stock exchange or securities market with the highest average daily trading volume in

respect of such Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets.

“**Retroactive Adjustment**” shall have the meaning given to it in Clause 11.3 (*Retroactive Adjustments*).

“**Securities**” means any securities including, without limitation, Shares and other shares in the capital of the Issuer, restricted stock units, or options, warrants or other rights to subscribe for or purchase or acquire Shares or any other shares in the capital of the Issuer.

“**Securities Account**” means the account for dematerialised securities maintained by the CSD 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 Interest**” 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.

“**Shareholder**” means a holder of a Share.

“**Shareholder Event Mandatory Redemption Date**” has the meaning given to such term in Clause 9.4.

“**Shareholder Event Notice**” has the meaning given to such term in Clause 9.4

“**Shareholder Event Notice Deadline**” means the day falling ten (10) Business Days after the Longstop Date.

“**Shareholder Resolution**” means the shareholders' approval of the Conversion Rights, whilst disapplying shareholders' preferential subscription rights entailing an increase in share capital of the Issuer, on an extraordinary general meeting of the Issuer to be held not later than the Longstop Date.

“**Shares**” means fully paid ordinary shares of the Issuer, at the date of these Terms and Conditions listed on the Nasdaq Stockholm under the ticker SHOT (Bloomberg: SHOT SS) and with a Par Value of SEK 0.25 each, including such ordinary shares of the Issuer which, pursuant to these Terms and Conditions, shall be issued following any Bondholder’s exercise of its Conversion Right.

“**Specified Taxes**” shall have the meaning ascribed to such term in Clause 10.2 (*Procedure for exercise of Conversion Rights*).

“**Spin-Off**” means:

- (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class, pursuant in each case to any arrangements with the Issuer or any of its Subsidiaries.

“**Spin-Off Securities**” means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

“**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (*dotterföretag*) to such person, directly or indirectly, as defined in the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

“**Swedish Kronor**” and “**SEK**” means the lawful currency of Sweden.

“**Tax Redemption Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 9.6 (*Early redemption due to a tax event (call option)*).

“**Total Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

“**Volume Weighted Average Price**” means, in respect of a Share, Security or, as the case may be, a Spin-Off Security, on any Dealing Day in respect thereof, the volume weighted average price on such Dealing Day on the Relevant Stock Exchange of a Share, Security or, as the case may be, a Spin-Off Security, as published by or derived from Bloomberg page HP (or any successor page) (using the setting “Weighted Average Line” or any other successor setting and using values not adjusted for any event occurring after such Dealing Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Share, Security, or, as the case may be, Spin-Off Security (and for the avoidance of doubt such Bloomberg page for the Shares as at the Issue Date is SHOT SS) if any or, in any such case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such Dealing Day provided that:

- (a) if on any such Dealing Day (for the purposes of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share, Security or Spin-Off Security, as the case may be, in respect of such Dealing Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding such Dealing Day on which the same can be so determined, provided however that if such immediately preceding Dealing Day falls prior to the fifth (5th) day before the Original Date, the Volume Weighted Average Price in respect of such Dealing Day shall be considered to be not capable of being determined pursuant to this paragraph (a); and
- (b) if the Volume Weighted Average Price cannot be determined as aforesaid, the Volume Weighted Average Price of a Share, Security or Spin-Off Security, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate,

and the Volume Weighted Average Price determined as aforesaid on or as at any such Dealing Day shall, if not in the Relevant Currency, be translated into the Relevant Currency at the Prevailing Rate on such Dealing Day.

References to any issue or offer or grant to Shareholders “as a class” or “by way of rights” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders other than Shareholders to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities

market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

For the purposes of Clauses 10.1 (*Conversion Period and Conversion Price*), 10.3 (*Ranking and entitlement in respect of Shares*), 11.1 (*Adjustments*) and Clause 11.3 (*Retroactive Adjustments*) only, (i) references to the “issue” of Shares or Shares being “issued” shall include the transfer and/or delivery of Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries and (ii) Shares held by or on behalf of the Issuer or any of its Subsidiaries (and which, in the case of Clauses 11.1.4 (*Rights issues*) and 11.1.6 (*Issue of Shares at less than ninety-five (95) per cent. of the Current Market Price*), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “in issue” or “issued”, or entitled to receive the relevant Dividend, right or other entitlement.

In making any calculation or determination of Closing Price, Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made in good faith and as the Calculation Agent considers appropriate to reflect any consolidation or sub-division of the Shares or any issue of Shares by way of capitalisation of profits or reserves, or any like or similar event.

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

1.2 Construction

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any law, regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (d) a provision of regulation is a reference to that provision as amended or re-enacted;
- (e) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Terms and Conditions; and
- (f) 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 Swedish Kronor 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 Swedish Kronor for the previous Business Day, as

published by the Swedish Central Bank (*Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

- 1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- 1.2.5 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- 1.2.6 The selling restrictions, the privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Agent.

2. STATUS OF THE BONDS

- 2.1 The Bonds are denominated in Swedish Kronor and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- 2.2 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.
- 2.3 The initial nominal amount of each Bond is SEK 100,000 (the “**Initial Nominal Amount**”). The Total Nominal Amount of the Bonds as at the Issue Date is SEK 1,800,000,000.
- 2.4 The Bonds constitute direct, general, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and at least *pari passu* with all other direct, general, unconditional, subordinated and unsecured obligations of the Issuer, but will be subordinated to all unsubordinated debt obligations of the Issuer.
- 2.5 The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local regulation to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 2.6 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.

3. USE OF PROCEEDS

The Issuer shall use the Net Proceeds from the issue of the Bonds, together with an extension of the Issuer’s credit facilities to 31 December 2023, to improve the liquidity requirements of the Issuer.

4. CONDITIONS FOR DISBURSEMENT

- 4.1 The Issuer shall provide to the Agent, no later than 14.00 p.m. five (5) Business Days prior to the Issue Date (or such later time as agreed by the Agent), the following:
- (a) the Finance Documents, the Agency Agreement, the Paying and Conversion Agency Agreement and the Calculation Agency Agreement duly executed by the parties thereto;
 - (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Bonds, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
 - (c) copies of the articles of association and certificate of incorporation of the Issuer;
 - (d) evidence that the person(s) who has/have signed the Finance Documents, the Agency Agreement, the Paying and Conversion Agency Agreement, the Calculation Agency Agreement and any other documents in connection therewith on behalf of the Issuer is/are duly authorised to do so;
 - (e) a certificate from the Issuer confirming that (i) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the issue of the Bonds and (ii) the Issuer's lenders have agreed to extend the SEK 6,650 million credit facilities until 31 December 2023, provided that certain conditions, including the general meetings approval in the Shareholder Resolution and that the funds standing on the Escrow Account have been released to the Issuer, have been fulfilled;
 - (f) evidence that the Security Interest under the Escrow Account Pledge Agreement has been perfected; and
 - (g) such other documents and evidence as are agreed between the Agent and the Issuer.
- 4.2 The Agent shall confirm to the Paying and Conversion Agent when it is satisfied that the conditions in Clause 4.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)). The Issue Date shall not occur (i) unless the Agent makes such confirmation to the Paying and Conversion Agent no later than 9.00 a.m. three (3) Business Days prior to the Issue Date (or later, if the Paying and Conversion Agent so agrees), or (ii) if the Paying and Conversion Agent and the Issuer agree to postpone the Issue Date.
- 4.3 Following receipt by the Paying and Conversion Agent of the confirmation in accordance with Clause 4.2, the Paying and Conversion Agent shall settle the issuance of the Bonds and pay the Net Proceeds to the Escrow Account on the Issue Date for use in accordance with Clause 3 (*Use of Proceeds*) or for redemption of Bonds in accordance with Clause 9.4 (*Mandatory redemption due to a Shareholder Event*).
- 4.4 The Agent shall promptly release the Security Interest created pursuant to the Escrow Account Pledge Agreement when the Agent is satisfied that it has received the following:

- (a) a copy of the Shareholder Resolution and any other documents or evidence that the Bonds have become convertible pursuant to these Terms and Conditions; and
- (b) evidence that the Bonds have been registered with the Swedish Companies Registration Office (*Bolagsverket*).

5. BONDS IN BOOK-ENTRY FORM

- 5.1 The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the CSD Regulations.
- 5.2 The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Terms and Conditions give notice to the CSD of any such amendment or variation.
- 5.3 Save for the registration of the Bonds in the CSD and the registration of the Conversion Rights pursuant to paragraph (c) of Clause 15.5 (*Special covenants – convertible Bonds*), the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.
- 5.4 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds.
- 5.5 Those who according to assignment, Security Interests, the provisions of the Swedish Children and Parents Code (*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 applicable laws.
- 5.6 The Agent shall at all times be entitled to obtain information from the Debt Register in accordance with applicable law. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Paying and Conversion Agent shall be entitled to obtain information from the Debt Register.
- 5.7 The Agent may use the information referred to in Clause 5.6 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

6. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 6.1 If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or a successive, coherent chain of powers of attorney or authorisations starting with the Bondholder and authorising such person.
- 6.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.

6.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clause 6.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.

6.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (*förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

7. PAYMENTS IN RESPECT OF THE BONDS

7.1 Any payment or repayment under the Finance Documents shall be made to such person who is registered as a Bondholder on the Record Date prior to a Redemption Date or other relevant payment date, or to such other person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment or repayment amount.

7.2 If a Bondholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.

7.3 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.

7.4 If payment or repayment is made in accordance with this Clause 7, 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.

7.5 All amounts payable by the Issuer to the Bondholders shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Sweden or any authority thereof or therein unless such withholding or deduction is required by regulation or the interpretation or application of such regulation. If such withholding or deduction is required, the Issuer will at the request of the relevant Bondholder pay such additional amounts (the “**Additional Amounts**”) as are necessary in order that the net amount received by the relevant Bondholder, after such withholding or deduction, shall be equal to the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction.

8. INTEREST

8.1 Zero coupon Bonds

The Bonds shall not accrue interest.

8.2 Default interest

If the Issuer fails to pay any amount payable by it under the 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 five per cent. (5%). The default interest shall not be capitalised but be payable to each person who was a Bondholder on the Record Date for the original due date. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD.

9. REDEMPTION OF THE BONDS

9.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the outstanding Bonds in cash in full on the Final Maturity Date with an amount per Bond equal to the Nominal Amount. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

9.2 Purchase of Bonds by Group Companies

9.2.1 Any Group Company may, subject to applicable regulations, at any time and at any price purchase Bonds on the market or in any other way.

9.2.2 Bonds held by a Group Company may at such Group Company's discretion be retained or sold or, if held by the Issuer, cancelled by the Issuer.

9.3 Redemption/conversion at the option of a Bondholder due to a Change of Control Event

9.3.1 Upon the occurrence of a Change of Control Event, each Bondholder shall at any time during the Change of Control Conversion Period be entitled, at its option, either to:

- (a) require that the Issuer redeems all or some of such Bonds at a price equal to 101 per cent. of the Nominal Amount (a "**Bondholder Redemption Option**") on the Bondholder Redemption Date; or
- (b) exercise Conversion Rights in respect of all or some of the Bonds held by that Bondholder at the "**Change of Control Conversion Price**", which shall apply solely in respect of such exercise and shall be calculated by the Calculation Agent as set out below (subject to general shareholders' meeting approval in the Shareholder Resolution), provided always that the Conversion Date in respect of such exercise falls during the Change of Control Conversion Period, and it being understood that no adjustment (pursuant to Clause 10 (*Conversion Terms*) or Clause 11 (*Adjustment of the Conversion Price*) or otherwise) to the Conversion Price will be made in respect of such Change of Control Event other than pursuant to this Clause 9.3 in respect of any such exercise of the Conversion Right in the Change of Control Conversion Period:

$$\text{CoCCP} = \frac{[\text{RP} \times (\text{N} - \text{n})] + [\text{OCP} \times \text{n}]}{\text{N}}$$

where:

- (i) **CoCCP** is the Change of Control Conversion Price (rounded down to the nearest whole multiple of SEK 0.0001);
- (ii) **RP** is the Reference Share Price in effect on the relevant Conversion Date, provided that for the purpose of this definition only, if in accordance with Clause 11.6.1 any adjustment was not required to be made to the Reference Share Price and/or the Reference Share Price was rounded down in respect of an adjustment pursuant to such Clause 11.6.1, the Reference Share Price in effect on the relevant Conversion Date shall be the Reference Share Price that would have been in effect at such time if such adjustment which was not made had actually been made at the relevant time and/or, as the case may be, if such rounding down had not been made;
- (iii) **OCF** is the Conversion Price in effect on the relevant Conversion Date provided that for the purpose of this definition only, if in accordance with Clause 11.6.3 any adjustment was not required to be made to the Conversion Price and/or the Conversion Price was rounded down in respect of an adjustment pursuant to such Clause 11.6.3, the Conversion Price in effect on the relevant Conversion Date shall be the Conversion Price that would have been in effect at such time if such adjustment which was not made had actually been made at the relevant time and/or, as the case may be, if such rounding down had not been made;
- (IV) **N** is the number of calendar days from (and including) the Issue Date to (but excluding) the Final Maturity Date;
- (V) **n** is the number of calendar days from (and including) the Issue Date to (but excluding) the date of the Change of Control Event,

provided that, if the Change of Control Conversion Price determined as provided above is lower than the Par Value of the Shares to be issued or transferred and delivered in respect of such exercise of Conversion Rights, the Change of Control Conversion Price shall instead be equal to such Par Value.

- 9.3.2 Upon the occurrence of a Change of Control Event, where a Conversion Date falls within the Change of Control Conversion Period, the Conversion Price for the purpose of such exercise shall be the Change of Control Conversion Price.
- 9.3.3 For the avoidance of doubt, the aforesaid is an option exercisable at the sole discretion of each Bondholder, and each Bondholder may elect not to exercise such option and to continue to hold its Bonds.
- 9.3.4 The Bondholders' rights in accordance with Clause 9.3.1 will not fall away due to subsequent events related to the Issuer.
- 9.3.5 The Issuer shall comply with the requirements of any applicable securities regulations in connection with a redemption of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 9.3, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 9.3 by virtue of the conflict.

9.4 **Mandatory Redemption due to a Shareholder Event**

The Issuer shall, if the Shareholder Resolution has not been approved at a general meeting of the Shareholders of the Issuer prior to the Longstop Date, give notice (a "**Shareholder**

Event Notice”) to the Bondholders, the Agent and the Paying and Conversion Agent as soon as possible after the occurrence of such Shareholder Event and in any event no later than the Shareholder Event Notice Deadline that it will redeem all but not some only of the Bonds at the day falling five (5) Business Days following the last Dealing Day of the Fair Bond Value Determination Period (the “**Shareholder Event Mandatory Redemption Date**”) at the greater of (x) 91.20% of the Nominal Amount, and (ii) 91.20% of the Fair Bond Value. The Issuer may apply any amount standing to the credit of the Escrow Account for redemption of Bonds at the Shareholder Event Mandatory Redemption Date. The Shareholder Event Notice shall specify the Record Date for the redemption.

9.5 **Redemption at the option of the Issuer due to low aggregate Nominal Amount outstanding**

9.5.1 The Issuer may at any time, provided that less than ten (10) per cent. of the Total Nominal Amount of the Bonds issued on the Issue Date remain outstanding, redeem all, but not only some, of the outstanding Bonds at the Clean-up Redemption Date at a price per Bond equal to the Nominal Amount (the “**Issuer’s Redemption Option**”).

9.5.2 Exercise of the Issuer’s Redemption Option shall be notified by the Issuer in writing to the Agent and the Bondholders not more than sixty (60) nor less than thirty (30) days before the Clean-up Redemption Date. Such notice sent by the Issuer shall specify the Clean-up Redemption Date, provided that no such notice may be given prior to the first Bondholder Redemption Date to occur, or, if later the last date on which the Issuer issues the relevant number of new Shares or transferring existing Shares in accordance with Clause 10.2.10 in respect of any exercise of Conversion Rights (if any) which Conversion Date falls within the first Change of Control Conversion Period to occur.

9.6 **Early redemption due to a tax event (call option)**

9.6.1 The Issuer may redeem the relevant Bonds if, as a result of any change in, or amendment to regulations, or any change in the interpretation or application of such regulations, which amendment or change is effective on or after the Issue Date, the Issuer has or will become required to pay any Additional Amount in relation to such Bonds and this obligation cannot be avoided by reasonable measures available to the Issuer. The Bonds shall be redeemed at an amount per Bond equal to 100 per cent. of the Nominal Amount.

9.6.2 The Issuer may redeem pursuant to Clause 9.6.1 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 shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

10. **CONVERSION TERMS**

10.1 **Conversion Period and Conversion Price**

10.1.1 Subject to an extraordinary general meeting having approved the Shareholder Resolution and as provided in these Terms and Conditions, each Bond shall entitle the holder to convert such Bond into new and/or existing Shares as determined by the Issuer, credited as fully paid (a “**Conversion Right**”).

10.1.2 The Conversion Right cannot be separated from the Bond.

- 10.1.3 The number of Shares to be issued or transferred and delivered on exercise of a Conversion Right shall be equal to the Reference Shares in respect of such exercise.
- 10.1.4 The Issuer will procure that Shares to be issued or transferred and delivered on exercise of Conversion Rights will be issued or transferred and delivered to the relevant Bondholder or his nominee as specified in the relevant Conversion Notice in accordance with the provisions of Clause 10.2 (*Procedure for exercise of Conversion Rights*).
- 10.1.5 The Conversion Price is subject to adjustment in the circumstances described in Clause 11 (*Adjustment of the Conversion Price*). The expression “Conversion Price” shall be construed accordingly.
- 10.1.6 Subject to and as provided in these Terms and Conditions, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided during the Conversion Period or, if such Bond is to be redeemed pursuant to Clause 9.5 (*Redemption at the Option of the Issuer due to low aggregate Nominal Amount outstanding*) or Clause 9.6 (*Early redemption due to a tax event (call option)*) prior to the Final Maturity Date, then to (and including) the date falling ten (10) Business Days prior to the date fixed for redemption thereof pursuant to Clause 9.5 (*Redemption at the Option of the Issuer due to low aggregate Nominal Amount outstanding*) or Clause 9.6 (*Early redemption due to a tax event (call option)*), unless there shall be a default in making payment in respect of such Bond on any such date fixed for redemption, in which event the Conversion Right shall extend to (and including) the date on which the full amount of such payment becomes available for payment and notice of such availability has been given to Bondholders or, if earlier, the Final Maturity Date or, if the Final Maturity Date is not a Business Day, the immediately preceding Business Day.
- 10.1.7 Conversion Rights may not be exercised (i) following the giving of a notice by the Agent pursuant to Clause 16 (*Acceleration of the Bonds*) or (ii) in respect of a Bond in respect of which the relevant Bondholder has exercised its right to require the Issuer to redeem that Bond pursuant to Clause 9.3 (*Redemption/Conversion at the Option of a Bondholder due to a Change of Control Event*).
- 10.1.8 Fractions of Shares will not be issued or transferred and delivered on exercise of Conversion Rights or pursuant to Clause 11.3 (*Retroactive Adjustments*) and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time pursuant to any one Conversion Notice, the number of such Shares to be issued or transferred and delivered in respect thereof shall, pursuant and subject to the definition of “Reference Shares”, be calculated by the Calculation Agent on the basis of the aggregate Nominal Amount of such Bonds being so converted and rounded down to the nearest whole number of Shares.
- 10.1.9 The Issuer will procure that Shares to be issued or transferred and delivered on exercise of Conversion Rights will be issued or transferred and delivered to the holder of the Bonds completing the relevant Conversion Notice or his nominee. Such Shares will be deemed to be issued or transferred and delivered as of the relevant Conversion Date.
- 10.2 **Procedure for exercise of Conversion Rights**
- 10.2.1 Conversion Rights may be exercised by a Bondholder (via its Account Operator) during the Conversion Period by delivering the relevant Bond to the Paying and Conversion Agent,

- during its usual business hours, through the CSD, accompanied by a notice of exercise of the Conversion Right (a “**Conversion Notice**”) acceptable to the Paying and Conversion Agent. Conversion Rights shall be exercised subject in each case to (i) any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying and Conversion Agent to whom the relevant Conversion Notice is delivered is located, and (ii) in accordance with a procedure to be further agreed (in each case) between the Account Operator (on behalf of the converting Bondholder) and the Paying and Conversion Agent.
- 10.2.2 If such delivery is made on a day which is not a Business Day or after the relevant cut-off time (as specified by the Paying and Conversion Agent) on a Business Day, such delivery shall be deemed for all purposes of these Terms and Conditions to have been made on the next following such Business Day.
- 10.2.3 Any determination as to whether any Conversion Notice has been duly completed and properly delivered shall be made by the Paying and Conversion Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Agent, the Calculation Agent and the relevant Bondholder.
- 10.2.4 Conversion Rights may only be exercised in respect of the whole of a Bond.
- 10.2.5 A Conversion Notice, once delivered, shall be irrevocable.
- 10.2.6 The deemed date of exercise of the Conversion Right in respect of a Bond (the “**Conversion Date**”) shall be the business day in Stockholm immediately following the date of the delivery (or deemed delivery) of the relevant Bond and the Conversion Notice as provided in this Clause 10.2, subject to any adjustments in the circumstances provided for in Clause 11.3 (*Retroactive Adjustments*).
- 10.2.7 The Issuer shall pay all capital, stamp, issue and registration and transfer taxes and duties payable in Sweden, or in any other jurisdiction in which the Issuer may be domiciled or resident or to whose taxing jurisdiction it may be generally subject, in respect of the issue or transfer and delivery of any Shares in respect of such exercise (“**Specified Taxes**”). If the Issuer shall fail to pay any Specified Taxes, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.
- 10.2.8 Neither the Agent nor any Paying and Conversion Agent shall be responsible for determining whether any Specified Taxes or Bondholder Taxes are payable or the amount thereof and shall not be responsible or liable for any failure by the Issuer to pay such Specified Taxes or by a Bondholder to pay such Bondholder taxes.
- 10.2.9 A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any capital, stamp, issue, registration and transfer taxes and duties arising on the exercise of Conversion Rights (other than any Specified Taxes). A Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal by it of a Bond or interest therein in connection with the exercise of Conversion Rights by it. Any such capital, stamp, issue, registration, transfer taxes or duties or other taxes payable by a Bondholder are referred to as “Bondholder Taxes”.
- 10.2.10 The Issuer shall (if relevant via the Paying and Conversion Agent) on or prior to the date falling ten (10) Business Days after a Conversion Date (i) carry the conversion into effect by, at its own discretion, issuing the relevant number of new Shares or transferring existing

Shares to the converting Bondholder or his nominee, (ii) ensure the due registration of such Shares with Euroclear Sweden AB (and transfer to the designated account of the converting Bondholder) and listing of such Shares on the Relevant Stock Exchange and any other stock exchange on which the Shares may then be listed or quoted or dealt in (and shall deliver any such documents and do any acts necessary in relation thereto), but this obligation to list such Shares shall not be considered as being breached as a result of a Change of Control Event (whether or not recommended or approved by the board of directors of the Issuer) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise including at the request of the person or persons controlling the Issuer as a result of the Change of Control Event, a de-listing of the Shares, and (iii) ensure that the Bonds so converted to Shares shall be written down. Upon the issuance or transfer of the Shares on conversion of any Bonds in accordance with the terms of these Terms and Conditions, the Issuer shall have no further liability in respect of such Bonds.

10.3 Ranking and entitlement in respect of Shares

Shares issued or transferred and delivered on exercise of Conversion Rights will be fully paid and will in all respects rank pari passu with the fully paid Shares in issue on the relevant Conversion Date, and the relevant holder shall be entitled to all rights, distribution or payments the record date or other due date for the establishment of entitlement for which falls on or after the relevant Conversion Date, or as the case may be, the relevant Reference Date, except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Terms and Conditions. Such Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Conversion Date or, as the case may be, the relevant Reference Date.

10.4 Purchase or Redemption of Shares

The Issuer or any Subsidiary of the Issuer may exercise such rights as they may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Shares) or any depositary or other receipts or certificates representing the same without the consent of the Bondholders.

10.5 No Duty to Monitor

Neither the Agent, the Calculation Agent nor any Paying and Conversion Agent shall be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Conversion Price or be responsible or liable to any person for any loss arising from any failure by any of them to do so, nor shall the Agent, the Calculation Agent, or any Paying and Conversion Agent be responsible or liable to any person (other than in the case of the Calculation Agent, to the Issuer strictly in accordance with the relevant provisions of the Calculation Agency Agreement) for any determination of whether or not an adjustment to the Conversion Price is required or should be made nor as to the determination or calculation of any such adjustment.

11. ADJUSTMENT OF THE CONVERSION PRICE

11.1 Adjustments

Upon the occurrence of any of the events described below, the Conversion Price shall be adjusted by the Calculation Agent as set out in this Clause 11.

11.1.1 Consolidation, reclassification, redesignation or subdivision

If and whenever there shall be a consolidation, reclassification, redesignation or subdivision affecting the number of Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A** is the aggregate number of Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and
- B** is the aggregate number of Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause 11.1.1, the date on which the consolidation, reclassification, redesignation or sub-division, as the case may be, takes effect.

11.1.2 Capitalisation of profits or reserves

If and whenever the Issuer shall issue any Shares credited as fully paid to Shareholders by way of capitalisation of profits or reserves, including any share premium account or capital redemption reserve (other than an issue of Shares constituting a cash Dividend pursuant to paragraph (a) of the definition of “Dividend”) the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A** is the aggregate number of Shares in issue immediately before such issue; and
- B** is the aggregate number of Shares in issue immediately after such issue.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause 11.1.2, the date of issue of such Shares.

11.1.3 Dividends

If and whenever the Issuer shall declare, announce, make or pay any Dividend to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A-B}{A}$$

where:

- A** is the Current Market Price of one Share on the Ex-Date in respect of such Dividend; and
- B** is the portion of the Fair Market Value of the aggregate Dividend attributable to one Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Shares or any depositary or other receipts or certificates representing Shares by or on behalf of the Issuer or any Subsidiary of the Issuer, by the number of Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Shares, or any Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause 11.1.3, the later of (i) the Ex-Date in respect of such Dividend and (ii) the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

For the purposes of the above, Fair Market Value shall (subject as provided in paragraph (a) of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Ex-Date relating in respect of relevant Dividend.

11.1.4 Rights issues

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue any Shares to Shareholders as a class by way of rights, or shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Shares (or shall grant any such rights in respect of existing Securities so issued), in each case, at a consideration receivable per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than ninety-five (95) per cent. of the Current Market Price per Share on the Ex-Date in respect of the relevant issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A** is the number of Shares in issue on such Ex-Date;
- B** is the number of Shares which the aggregate consideration (if any) receivable for the Shares issued by way of rights, or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Share; and
- C** is the number of Shares to be issued or, as the case may be, the maximum number of Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate,

provided that if on such Ex-Date such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Clause 11.1.4, “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at such Ex-Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on such Ex-Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause 11.1.4, the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Clause 11.1.4.

11.1.5 **Issue of Securities to Shareholders**

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall (other than in the circumstances the subject of Clause 11.1.4 and other than where such issue is determined to constitute a cash Dividend pursuant to paragraph (a) of the definition “Dividend”), issue any Securities to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A** is the Current Market Price of one (1) Share on the Ex-Date in respect of the relevant issue or grant; and

- B** is the Fair Market Value on such Ex-Date of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause 11.1.5, the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Clause 11.1.5.

11.1.6 **Issue of Shares at less than ninety-five (95) per cent. of the Current Market Price**

If and whenever the Issuer shall issue (otherwise than as mentioned in Clause 11.1.4 (*Rights issues*)) wholly for cash or for no consideration any Shares (other than Shares issued on conversion of the Bonds or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or rights to otherwise acquire, Shares and other than any issue of Shares constituting a cash Dividend pursuant to paragraph (a) of the definition of “Dividend”) or if and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue or grant (otherwise than as mentioned in Clause 11.1.4 (*Rights issues*)) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares (other than the Bonds), in each case, at consideration receivable per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than ninety-five (95) per cent. of the Current Market Price per Share on the date of first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A** is the number of Shares in issue immediately before the date of first public announcement of the terms of such issue of Shares or issue or grant of options, warrants or other rights as provided above;
- B** is the number of Shares which the aggregate consideration (if any) receivable for the issue of such Shares or, as the case may be, for the Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Share; and
- C** is the number of Shares to be issued pursuant to such issue of such Shares or, as the case may be, the maximum number of Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights,

provided that if on the date of first public announcement of the terms of such issue or grant (as used in this Clause 11.1.6, the “**Specified Date**”) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Clause 11.1.6, “C” shall be determined by the application of such formula or variable feature or as if the

relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase, acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause 11.1.6, the later of (i) the date of issue of such Shares or, as the case may be, the issue or grant of such options, warrants or rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Clause 11.1.6.

11.1.7 **Other issues**

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall (otherwise than as mentioned in Clauses 11.1.4 (*Rights issues*), 11.1.5 (*Issue of Securities to Shareholders*) or 11.1.6 (*Issue of Shares at less than ninety-five (95) per cent. of the Current Market Price*)) issue wholly for cash or for no consideration any Securities (other than where such issue of Securities is determined to constitute a cash Dividend pursuant to paragraph (a) of the definition of “Dividend”) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Shares, in each case, the consideration per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase, acquisition, reclassification or redesignation is less than ninety-five (95) per cent. of the Current Market Price per Share on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A** is the number of Shares in issue immediately before the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant);
- B** is the number of Shares which the aggregate consideration (if any) receivable for the Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Share; and
- C** is the maximum number of Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be,

the maximum number of Shares which may be issued or arise from any such reclassification or redesignation,

provided that if on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant) (as used in this Clause 11.1.7, the “Specified Date”) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this Clause 11.1.7, “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause, the later of (i) the date of issue of such Securities or, as the case may be, the grant of such rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Clause 11.1.7.

11.1.8 **Modification of rights**

If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than the Bonds) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase or acquisition has been reduced and is less than ninety-five (95) per cent. of the Current Market Price per Share on the date of first public announcement of the terms for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A** is the number of Shares in issue immediately before the date of first public announcement of the terms for such modification;
- B** is the number of Shares which the aggregate consideration (if any) receivable for the Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and

C is the maximum number of Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as the Calculation Agent shall consider appropriate for any previous adjustment under this Clause 11.1.8 or Clause 11.1.7 (*Other issues*);

provided that if on the date of first public announcement of the terms of such modification (as used in this Clause 11.1.8, the “**Specified Date**”) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this Clause 11.1.8, “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause 11.1.8, the later of (i) the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Clause 11.1.8.

11.1.9 **Certain arrangements**

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall offer any Shares or Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Shares or Securities may be acquired by them (except where the Conversion Price falls to be adjusted under Clauses 11.1.2 (*Consolidation, reclassification, redesignation and subdivision*), 11.1.3 (*Dividends*), 11.1.4 (*Rights issues*), 11.1.5 (*Issue of Securities to Shareholders*), 11.1.6 (*Issue of Shares at less than ninety-five (95) per cent. of the Current Market Price*), 11.1.7 (*Other issues*) or 11.1.10 (*Other adjustments*) (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than ninety-five (95) per cent. of the Current Market Price per Share on the relevant day)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A-B}{A}$$

where:

- A is the Current Market Price of one Share on the Ex-Date in respect of the relevant offer; and
- B is the Fair Market Value on such Ex-Date of the portion of the relevant offer attributable to one (1) Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Clause 11.1.9, the later of (i) the Ex-Date in respect of the relevant offer and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this Clause 11.1.9.

11.1.10 **Other adjustments**

If the Issuer (following consultation with the Calculation Agent) determines that an adjustment should be made to the Conversion Price (or that a determination should be made as to whether an adjustment should be made) as a result of one or more circumstances not referred to above in this Clause 11.1 (even if the relevant circumstance is specifically excluded from the operation of Clauses 11.1.1 (*Consolidation, reclassification, redesignation or subdivision*) to 11.1.9 (*Certain arrangements*)), the Issuer shall, at its own expense and acting reasonably, request an Independent Adviser to determine, in consultation with the Calculation Agent, if different as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this Clause 11.1.10 if such Independent Adviser is so requested to make such a determination not more than twenty-one (21) days after the date on which the relevant circumstance arises and if the adjustment would result in a reduction to the Conversion Price.

11.1.11 **Modifications**

Notwithstanding the foregoing provisions:

- (a) where the events or circumstances giving rise to any adjustment pursuant to this Clause 11.1 have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of the Issuer, following consultation with the Calculation Agent, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate to give the intended result;
- (b) such modification shall be made to the operation of these Terms and Conditions as may be determined in good faith by an Independent Adviser, in consultation with the Calculation Agent (if different), to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once and (ii) to ensure that the economic effect of a Dividend is not taken into account more than once; and

other than pursuant to paragraph (a) above, no adjustment shall be made that would result in an increase to the Conversion Price.

11.2 **Calculation of consideration**

For the purpose of any calculation of the consideration receivable or price pursuant to Clauses 11.1.4 (*Rights issues*), 11.1.6 (*Issue of Shares at less than ninety-five (95) per cent.*

of the Current Market Price), 11.1.7 (Other issues) and 11.1.8 (Modification of rights), the following provisions shall apply:

- 11.2.1 the aggregate consideration receivable or price for Shares issued for cash shall be the amount of such cash;
- 11.2.2 (i) the aggregate consideration receivable or price for Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities (whether on one or more occasions) and (ii) the aggregate consideration receivable or price for Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Ex-Date referred to in Clause 11.1.4 (Rights issues) as at the relevant date of first public announcement referred to in Clauses 11.1.6 (Issue of Shares at less than ninety-five (95) per cent. of the Current Market Price), 11.1.7 (Other issues) or 11.1.8 (Modification of rights), as the case may be, plus in the case of each of the foregoing (i) and (ii), the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (iii) the consideration receivable or price per Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in the foregoing (i) or (ii) (as the case may be) divided by the number of Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate, all as determined in good faith by the Calculation Agent;
- 11.2.3 if the consideration or price determined pursuant to Clause 11.2.1 or Clause 11.2.2 above (or any component thereof) shall be expressed in a currency other than the Relevant Currency (other than in circumstances where such consideration is also expressed in the Relevant Currency, in which case such consideration shall be treated as expressed in the Relevant Currency in an amount equal to the amount of such consideration when so expressed in the Relevant Currency), it shall be converted by the Calculation Agent into the Relevant Currency at the Prevailing Rate on the relevant Ex-Date (for the purposes of Clause 11.1.4 (Rights issues)) or the relevant date of first public announcement (for the purpose of Clauses 11.1.6 (Issue of Shares at less than ninety-five (95) per cent. of the Current Market Price), 11.1.7 (Other issues) or 11.1.9 (Certain arrangements), as the case may be);
- 11.2.4 in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Shares or Securities or options, warrants or rights, or otherwise in connection therewith;
- 11.2.5 the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity;

- 11.2.6 if as part of the same transaction, Shares shall be issued or issuable for a consideration receivable in more than one or in different currencies then the consideration receivable per Share shall be determined by dividing the aggregate consideration (determined as aforesaid and converted, if and to the extent not in the Relevant Currency, into the Relevant Currency as aforesaid) by the aggregate number of Shares so issued; and
- 11.2.7 references in these Terms and Conditions to “cash” includes any promise or undertaking to pay cash or any release or extinguishment of, or set-off against, a liability or obligation to pay a cash amount.

11.3 **Retroactive Adjustments**

If the Conversion Date in relation to any exercise of Conversion Rights in respect of any Bond shall be after the record date in respect of any consolidation, reclassification or subdivision as is mentioned in Clause 11.1.1 (*Consolidation, reclassification or redesignation or subdivision*), or after the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Clauses 11.1.2 (*Capitalisation of profits or reserves*), 11.1.3 (*Dividends*), 11.1.4 (*Rights issues*), 11.1.5 (*Issue of Securities to Shareholders*) or 11.1.9 (*Certain arrangements*) or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in Clauses 11.1.6 (*Issue of Shares at less than ninety-five (95) per cent. of the Current Market Price*) and 11.1.7 (*Other issues*) or of the terms of any such modification as is mentioned in Clause 11.1.8 (*Modification of rights*), in any case where the relevant Conversion Date falls before the relevant adjustment to the Conversion Price becomes effective under Clause 11.1 (*Adjustments*) (such adjustment, a “**Retroactive Adjustment**”), then references in these Terms and Conditions to the Conversion Date shall be deemed for all purposes to be a reference to the date such adjustment becomes effective, provided that if in the case of Clauses 11.1.2 (*Capitalisation of profits or reserves*), 11.1.3 (*Dividends*), 11.1.4 (*Rights issues*), 11.1.5 (*Issue of Securities to Shareholders*) or 11.1.9 (*Certain arrangements*) the relevant Bondholder shall be entitled to receive the relevant Shares, Dividends or Securities in respect of the Shares to be issued or transferred and delivered to it, then no such Retroactive Adjustment shall be made in relation to the relevant event and the Conversion Date shall not be so adjusted.

11.4 **Decision and Determination of the Calculation Agent or an Independent Adviser**

- 11.4.1 Adjustments to the Conversion Price shall be determined and calculated by the Calculation Agent upon request from the Issuer and/or, to the extent so specified in these Terms and Conditions and upon request from the Issuer, by an Independent Adviser.
- 11.4.2 Adjustments to the Conversion Price calculated by the Calculation Agent or, where applicable, an Independent Adviser and any other determinations made by the Calculation Agent or, where applicable, an Independent Adviser, or an opinion of an Independent Adviser, pursuant to these Terms and Conditions shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Issuer, the Agent, the Bondholders, the Calculation Agent (in the case of a determination by an Independent Adviser) and the Paying and Conversion Agent.
- 11.4.3 The Calculation Agent may consult, at the expense of the Issuer, on any matter (including, but not limited to, any legal matter), any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Agent,

the Bondholders or the Paying and Conversion Agent in respect of anything done, or omitted to be done, relating to that matter in good faith, in accordance with that adviser's opinion.

11.4.4 The Calculation Agent shall act solely upon the request from, and exclusively as agent of, the Issuer and in accordance with these Terms and Conditions. Neither the Calculation Agent (acting in such capacity) nor any Independent Adviser appointed in connection with the Bonds (acting in such capacity) will thereby assume any obligations towards or relationship of agency or trust and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in its capacity as Calculation Agent as against the Agent, the Bondholders or the Paying and Conversion Agent.

11.4.5 If following consultation between the Issuer and the Calculation Agent any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price (or Reference Share Price) or as to the appropriate adjustment to the Conversion Price (or Reference Share Price), following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Agent, the Bondholders, the Paying and Conversion Agent and the Calculation Agent, save in the case of manifest error.

11.5 **Share or option schemes, Dividend reinvestment plans**

No adjustment will be made to the Conversion Price where Shares or other Securities (including, but not limited to, rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted (i) to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive office or non-executive office, consultants or former consultants, or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any of its Subsidiaries or any associated company or to a trustee or nominee to be held for the benefit of any such person, in any such case pursuant to any share or option or incentive scheme or (ii) pursuant to any dividend reinvestment plan or similar plan or scheme.

11.6 **Adjustment to Reference Share Price, rounding down and notice of adjustment to the Conversion Price and Reference Share Price**

11.6.1 The Reference Share Price shall be adjusted pro rata to any adjustment to the Conversion Price pursuant to Clause 11.1 (*Adjustments*) (and disregarding for this purpose Clause 11.6.2 below). On any adjustment of the Reference Share Price, the resultant Reference Share Price, if not an integral multiple of SEK 0.0001, shall be rounded down to the nearest whole multiple of SEK 0.0001. No adjustment shall be made to the Reference Share Price where such adjustment (rounded down if applicable) would be less than 1 per cent. of the Reference Share Price then in effect. Any adjustment not required to be made, and/or any amount by which the Reference Share Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

11.6.2 On any adjustment, the resultant Conversion Price, if not an integral multiple of SEK 0.0001, shall be rounded down to the nearest whole multiple of SEK 0.0001. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than 1 per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent

adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

11.6.3 Notice of any adjustments to the Conversion Price or Reference Share Price shall be given by the Issuer to Bondholders and to the Agent promptly after the determination thereof.

11.6.4 The Conversion Price shall not in any event be reduced to below the Par Value of the Shares and the Issuer undertakes that it shall not take any action, and shall ensure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below such Par Value.

12. MERGER

12.1 Conversion Rights under Mergers

In the case of any consolidation, amalgamation or merger of the Issuer with any other corporation (other than a consolidation, amalgamation or merger in which the Issuer is the continuing corporation), the Issuer will take such steps as shall be necessary (including the execution of an agreement supplemental to or amending the Terms and Conditions) to ensure that each Bond then outstanding will (during the period in which Conversion Rights may be exercised) be converted into the class and amount of shares and other securities and property receivable upon such consolidation, amalgamation or merger by a holder of the number of Shares which would have been issuable upon exercise of Conversion Rights immediately prior to such consolidation, amalgamation or merger. Such supplemental agreement deed will provide for adjustments which will be as nearly equivalent as may be practicable to the adjustments provided for in Clause 11 (*Adjustment of the Conversion Price*). The above will apply, mutatis mutandis to any subsequent consolidations, amalgamations or mergers.

12.2 Right to object

The provisions in this Clause 12 have no limitation on the creditor's right of objection to the merger or de-merger.

13. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 13 in respect of itself to the Agent (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) at the date of these Terms and Conditions; and
- (b) at the Issue Date.

13.1 Status

It is a public limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

13.2 **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Terms and Conditions and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

13.3 **Valid, binding and enforceable obligations**

These Terms and Conditions and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

13.4 **Non-conflict with other obligations**

The entry into and performance by it of these Terms and Conditions and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets and which has or is likely to have a Material Adverse Effect.

13.5 **No Event of Default**

- (a) No Event of Default exists or is likely to result from the making of any drawdown under these Terms and Conditions or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

14. **INFORMATION TO BONDHOLDERS**

14.1 **Information from the Issuer**

14.1.1 The Issuer shall make the following information available to the Bondholders by way of press release and by publication on the website of the Issuer:

- (a) as soon as the same become available, but in any event within four (4) months after the end of each financial year, its audited consolidated financial statements for that financial year prepared in accordance with the Accounting Principles;
- (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, its consolidated financial statements or the year-end report (*bokslutskommuniké*) (as applicable) for such period prepared in accordance with the Accounting Principles;

- (c) as soon as practicable following an acquisition or disposal of Bonds by a Group Company, the aggregate Nominal Amount held by Group Companies, or the amount of Bonds cancelled by the Issuer; and
- (d) any other information required by the Swedish Securities Markets Act (*lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.

14.1.2 In addition, the Issuer shall promptly:

- (a) notify the Agent upon becoming aware of the occurrence of a Change of Control Event and notify the Agent and the Bondholders (via the CSD) and the Regulated Market in a notice which shall specify:
 - (i) the applicable Change of Control Conversion Price;
 - (ii) the early redemption price and the early redemption date;
 - (iii) the Bondholders' entitlement to exercise their Conversion Rights and/or to exercise their right to require redemption of the Bonds (whichever is applicable);
 - (iv) the Change of Control Conversion Period; and
 - (v) other relevant details (if any) concerning the Change of Control Event;
- (b) notify the Agent of the approval of the Shareholder Resolution no later than three (3) Business Days thereafter; and
- (c) of its own accord, inform the Agent of any event that results in an adjustment of the Conversion Price.

14.2 **Information from the Agent**

The Agent is entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default shall be dealt with in accordance with Clause 16.4 and 16.5).

14.3 **Information among the Bondholders**

Subject to applicable regulations, the Agent shall promptly upon request by a Bondholder forward by post any information from such Bondholder to the Bondholders which relates to the Bonds. The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work).

14.4 **Availability of Finance Documents**

14.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.

15. GENERAL UNDERTAKINGS

During the term of the Bonds, the Issuer shall comply with the following general undertakings:

15.1 **Pari passu ranking**

The Issuer shall ensure that its obligations under the Terms and Conditions shall at all times rank subordinated as set out in the section “Status of the Bonds” above.

15.2 **Mergers and de-mergers**

- (a) *Mergers*: The Issuer shall not, and shall ensure that no other Group Company shall, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or such Group Company with any other company or entity not being a member of the Group, if such transaction would have a Material Adverse Effect.
- (a) *De-mergers*: The Issuer shall not, and shall ensure that no other Group Company shall, carry out any de-merger or other corporate reorganization involving a split of the Issuer or such Group Company into two or more separate companies or entities other than within the Group, if such transaction would have a Material Adverse Effect.
- (b) *Conversion Rights under mergers and de-mergers*: In the case of any consolidation, amalgamation or merger of the Issuer with any other corporation in which the Issuer is the continuing entity, the Issuer will take such steps as shall be necessary (including the execution of an agreement supplemental to or amending the Terms and Conditions) to ensure that the Conversion Rights under the Bonds apply to the ordinary Shares of the continuing corporation. The above will apply, mutatis mutandis, to any subsequent consolidations, amalgamations or mergers.

15.3 **Continuation of business:**

The Issuer shall, and shall ensure that each other Group Company will:

- (a) not cease to carry on its business,
- (b) not sell, transfer or otherwise dispose of all or substantially all of its assets (including shares or other securities in any person) or operations (other than to a member of the Group), and
- (c) procure that no material change is made to the general nature of the business of the Group from that carried on by the Group at the Issue Date,

in each case, in a manner which (in the reasonable opinion of the Agent) is likely to have a Material Adverse Effect.

15.4 **Compliance with laws**

The Issuer shall, and shall ensure that each other Group Company shall, comply in all material respects with all laws and regulations it may be subject to from time to time (including any environmental laws and regulations and laws and regulations concerning

sanctions and anti-bribery and anti-corruption) if failure to so comply has, or is reasonably likely to have, a Material Adverse Effect.

15.5 **Special covenants – convertible Bonds**

- (a) The Issuer shall ensure that all Shares issued upon exercise of the Conversion Right in respect of the Bonds shall be recorded as interim shares in the share register of the Issuer kept by Euroclear Sweden AB on the Conversion Date. Once registration of the Shares has taken place at the Swedish Companies Registration Office (*Bolagsverket*), the registration in the share accounts will become final and the Shares shall be listed on the Relevant Stock Exchange and any other stock exchange on which the Shares may then be listed or quoted or dealt in as soon as practicable thereafter.
- (b) The Issuer shall not, until the expiry of the launch date of the Bonds (being 26 March 2021), issue (or agree to issue) any securities convertible into or exercisable or exchangeable for Shares or any derivative securities related to the Shares having an equivalent effect, save pursuant to the Issuer's employee or director share or option scheme or other equity compensation arrangements or pursuant to these Terms and Conditions, without the prior written consent of the Managers.
- (c) The Issuer shall ensure that it (or at any other time as may be required by applicable law) convenes a general meeting of its shareholders to resolve to seek the shareholders' approval of the Conversion Rights in respect of any Bonds. The Issuer shall promptly following the approval of the Shareholder Resolution register the Conversion Rights with the Swedish Companies Registration Office (*Bolagsverket*).

15.6 **Arm's length transactions:**

The Issuer shall not engage in, or permit any other Group Company to engage in, directly or indirectly, any transaction (other than with other Group Companies) less favourable to such Group Company than would have prevailed in an arms' length transaction with a third party.

15.7 **Admission to trading**

- (a) The Issuer shall use its best efforts to ensure that the Bonds are Listed on a Regulated Market within six (6) months after the Issue Date.
- (b) Following an admission to trading the Issuer shall ensure to maintain it for as long as any Bonds are outstanding, or if such admission to trading is not possible to maintain, ensure that the Bonds are admitted to trading on another Regulated Market. The Bonds are however not required to be admitted to trading on a Regulated Market from and including the last day on which the admission reasonably can, pursuant to the then applicable regulations of the Regulated Market, subsist.

15.8 **Undertakings relating to the Agency Agreement, the Paying and Conversion Agency Agreement and the Calculation Agency Agreement**

15.8.1 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 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.
- 15.8.2 The undertakings in Clause 15.8.1 shall apply mutatis mutandis to the Paying and Conversion Agency Agreement, the Calculation Agency Agreement, the Paying and Conversion Agent and the Calculation Agent.
- 15.8.3 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement, the Paying and Conversion Agency Agreement or the Calculation Agency Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.
- 15.9 **CSD related undertakings**
- The Issuer shall keep the Bonds affiliated with a CSD and comply with all applicable CSD Regulations.
- 16. ACCELERATION OF THE BONDS**
- 16.1 The Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 16.6, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:
- (a) **Non-payment**

The Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:

 - (i) is caused by technical or administrative error; and
 - (ii) is remedied within five (5) Business Days from the due date.
 - (b) **Other obligations**

The Issuer does not comply with any terms of or acts in violation of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) above), unless the non-compliance:

 - (i) is capable of remedy; and
 - (ii) is remedied within twenty (20) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance.

(c) **Invalidity**

Any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity, ineffectiveness or variation has a material detrimental effect on the interests of the Bondholders under the Finance Documents.

(d) **Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or step other than vexatious or frivolous and as disputed in good faith and discharged within twenty (20) Business Days is taken in relation to:

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) of the Issuer;
- (ii) a composition, compromise, assignment or arrangement with creditors of the Issuer generally, other than the Bondholders;
- (iii) the appointment of a liquidator, administrator or other similar officer in respect of the Issuer or any of its assets; or
- (iv) any step analogous to paragraphs (i)–(iii) above is taken in any jurisdiction in relation to the Issuer.

(e) **Insolvency**

The Issuer is, or is deemed for the purposes of any applicable regulation to be, Insolvent.

(f) **Creditors' process**

Any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Issuer having a value of at least SEK 250,000,000 and is not discharged within twenty (20) Business Days or any Security Interest over any asset having a value of at least SEK 250,000,000 or more of the Issuer is enforced.

(g) **Cross acceleration**

If for the Issuer:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness falling within paragraphs (i) to (ii) above exceeds a total of SEK 250,000,000 (or the equivalent thereof in any other currency).

- 16.2 The Agent may not accelerate the Bonds in accordance with Clause 16.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 16.3 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice.
- 16.4 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to payments) up until the time stipulated in Clause 16.5 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 16.5 The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*).
- 16.6 If the Bondholders instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 16.7 If the right to accelerate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 16.8 In the event of an acceleration of the Bonds in accordance with this Clause 16, the Issuer shall redeem all Bonds at an amount per Bond equal to 102 per cent. of the Nominal Amount.

17. DISTRIBUTION OF PROCEEDS

- 17.1 All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 16 (*Acceleration of the Bonds*) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts

that have not been reimbursed by the Issuer in accordance with Clause 20.2.5, and (iv) any costs and expenses incurred by the Agent that have not been reimbursed by the Issuer in accordance with Clause 18.4.11, together with default interest in accordance with Clause 8.2 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

- (b) *secondly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (c) *thirdly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents, including default interest in accordance with Clause 8.2 on delayed repayments of principal under the Bonds.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (c) above shall be paid to the Issuer.

- 17.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 17.1(a), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 17.1(a).
- 17.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds constitute escrow funds (*redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 17 as soon as reasonably practicable.
- 17.4 If the Issuer or the Agent shall make any payment under this Clause 17, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. The notice from the Issuer 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.

18. DECISIONS BY BONDHOLDERS

18.1 Request for a decision

- 18.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 18.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 18.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) 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 (ii) the suggested decision is not in accordance with applicable regulations.

- 18.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 18.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 18.1.3 being applicable, the Issuer or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Paying and Conversion Agent shall upon request provide the Issuer or the convening Bondholder(s) with the information available in the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Bondholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.
- 18.1.6 Should the Issuer want to replace the Agent, it may (i) convene a Bondholders' Meeting in accordance with Clause 18.2 (*Convening of Bondholders' Meeting*) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 18.3 (*Instigation of Written Procedure*). After a request from the Bondholders pursuant to Clause 20.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 18.2. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication. The Paying and Conversion Agent shall provide the Issuer with the information available in the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- 18.1.7 Should the Issuer or any Bondholder(s) convene a Bondholders' Meeting or instigate a Written Procedure pursuant to Clause 18.1.5 or 18.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Bondholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.
- 18.2 Convening of Bondholders' Meeting**
- 18.2.1 The Agent shall convene a Bondholders' Meeting by way of notice to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 18.2.2 The notice pursuant to Clause 18.2.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) a form of power of attorney, and (v) the agenda for the meeting. The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

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

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

18.3 **Instigation of Written Procedure**

18.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

18.3.2 A communication pursuant to Clause 18.3.1 shall include (i) 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, (ii) 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 (iii) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 18.3.1). The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. If the voting is to be made electronically, instructions for such voting shall be included in the communication.

18.3.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 18.3.1, when consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 18.4.2 and 18.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 18.4.2 or 18.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

18.4 **Majority, quorum and other provisions**

18.4.1 Only a Bondholder, or a person who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to act on behalf of a Bondholder*) from a Bondholder:

- (a) on the Record Date specified in the notice pursuant to Clause 18.2.2, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 18.3.2, in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the Adjusted Nominal Amount. Each whole Bond entitles to one (1) vote and any fraction of a Bond voted for by a person shall be disregarded. Such Business Day specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

- 18.4.2 The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ($66 \frac{2}{3}$) 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 18.3.2:
- (a) a change to the terms of any of Clause 2.1, and Clauses 2.4 to 2.6;
 - (b) a reduction of the premium payable upon the redemption of any Bond pursuant to Clause 9 (*Redemption of the Bonds*) and any changes to be made to the conversion rights of the Bonds;
 - (c) a change to the Nominal Amount;
 - (d) a change to the terms for the distribution of proceeds set out in Clause 17 (*Distribution of proceeds*);
 - (e) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 18.4 (*Majority, quorum and other provisions*);
 - (f) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or default interest on the Bonds;
 - (g) a mandatory exchange of the Bonds for other securities; and
 - (h) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 16 (*Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- 18.4.3 Any matter not covered by Clause 18.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19.1(a) or (c)) or an acceleration of the Bonds.
- 18.4.4 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 18.4.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 18.2.4 (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 18.4.5 If a quorum exists for some but not all of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- 18.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with

- Clause 18.2.1) or initiate a second Written Procedure (in accordance with Clause 18.3.1), as the case may be, provided that the person(s) who initiated the procedure for Bondholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 18.4.6, the date of request of the second Bondholders' Meeting pursuant to Clause 18.2.1 or second Written Procedure pursuant to Clause 18.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 18.4.4 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 18.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- 18.4.8 A Bondholder holding more than one (1) Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 18.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such person is a Bondholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that 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.
- 18.4.10 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Bondholders.
- 18.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 18.4.12 If a decision is to 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) Affiliates as per the Record Date for voting, irrespective of whether such person is a Bondholder. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Bond is owned by a Group Company or an Affiliate.
- 18.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each person registered as a Bondholder on the date referred to in Clause 18.4.1(a) or 18.4.1(b), as the case may be, and also be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

19. AMENDMENTS AND WAIVERS

- 19.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Bonds, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders as a group;
 - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
 - (c) is required by any applicable regulation, a court ruling or a decision by a relevant authority;
 - (d) is of a technical nature, and not detrimental to the interests of the Bondholders as a group, and required to enable the registration of the Bonds with the Swedish Companies Registration Office (*Bolagsverket*); or
 - (e) has been duly approved by the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.
- 19.2 Any amendments to the Finance Documents shall be made available in the manner stipulated in Clause 14.3 (*Availability of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority. The Issuer shall promptly publish by way of press release any amendment or waiver made pursuant to Clause 19.1(a) or (c), in each case setting out the amendment in reasonable detail and the date from which the amendment or waiver will be effective.
- 19.3 An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

20. THE AGENT

20.1 Appointment of the Agent

- 20.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 20.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 20.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary

for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.

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

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

20.2 **Duties of the Agent**

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

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

20.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.

20.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

20.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.

20.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering (A) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (B) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents, and (iii) in connection with any Bondholders' Meeting or Written Procedure, or (iv) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 17 (*Distribution of proceeds*).

20.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.

20.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor (i) whether any Event of Default has occurred, (ii) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents,

or (iii) whether any other event specified in any Finance Document has occurred. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

- 20.2.9 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 20.2.9. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 20.2.10 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 20.2.11 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the 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 Interest has been provided therefore) as it may reasonably require.
- 20.2.12 The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 20.2.11.
- 20.2.13 The Agent may instruct the CSD to split the Bonds to a lower nominal amount in order to facilitate partial redemptions, restructuring of the Bonds or other situations.
- 20.3 Liability for the Agent**
- 20.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 20.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 20.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the 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.

- 20.3.4 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 20.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- 20.4 Replacement of the Agent**
- 20.4.1 Subject to Clause 20.4.6, the Agent may resign by giving notice to the Issuer and the 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.
- 20.4.2 Subject to Clause 20.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 20.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent.
- 20.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 20.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of (i) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent, and (ii) the period pursuant to Clause 20.4.4 (ii) having lapsed.
- 20.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the 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.
- 20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents

and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

21. THE PAYING AND CONVERSION AGENT

21.1 The Issuer shall appoint an Paying and Conversion Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds. The Paying and Conversion Agent shall be a commercial bank or securities institution approved by the CSD.

21.2 The Issuer shall ensure that the Paying and Conversion Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Paying and Conversion Agent, as may be necessary in order for the Paying and Conversion Agent to carry out its duties relating to the Bonds.

21.3 The Paying and Conversion 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 Paying and Conversion Agent shall never be responsible for indirect or consequential loss.

22. THE CALCULATION AGENT

The Issuer reserves the right, subject to the prior approval of the Agent, under the Calculation Agency Agreement at any time to vary or terminate the appointment of the Calculation Agent and appoint another Calculation Agent, provided that it will maintain a Calculation Agent which shall be a financial institution of international repute or a financial adviser with appropriate expertise. Notice of any change in the Calculation Agent will promptly be given by the Issuer to Bondholders.

23. THE CSD

23.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.

23.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to trading of the Bonds on relevant Exchange. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*) or applicable laws in the Relevant Jurisdiction and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act or applicable laws in the Relevant Jurisdiction.

24. NO DIRECT ACTIONS BY BONDHOLDERS

24.1 A Bondholder may not take any steps whatsoever against the Issuer 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 or bankruptcy in any jurisdiction of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents. Such steps may only be taken by the Agent.

24.2 Clause 24.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 20.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.12 before a Bondholder may take any action referred to in Clause 24.1.

24.3 The provisions of Clause 24.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.3 (*Redemption/Conversion at the Option of a Bondholder due to a Change of Control Event*) or other payments which are due by the Issuer to some but not all Bondholders.

25. BONDHOLDERS' RIGHTS

25.1 If 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, acceptable to the Agent.

25.2 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 paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Agent shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 25 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

26. PRESCRIPTION

26.1 The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of default interest shall be prescribed 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 prescribed and has become void.

26.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to receive payment of default interest will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

27. COMMUNICATIONS AND PRESS RELEASES

27.1 Communications

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

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

by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;

- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
- (c) if to the Bondholders, shall be given at their addresses registered with the CSD on a date selected by the sending person which falls no more than five (5) Business Days prior to the date on which the notice or communication is sent, and by either courier delivery (if practically possible) or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

27.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Agent, 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 27.1.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 27.1.1, or, in case of email, when received in readable form by the email recipient.

27.1.3 Any notice or other communication pursuant to the Finance Documents shall be in English. However, financial reports published pursuant to Clause 14.1.1(a) and (b) may be in Swedish.

27.1.4 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.

27.2 **Press releases**

27.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.4 (*Mandatory redemption due to a Shareholder Event*), 9.5 (*Redemption at the option of the Issuer due to low aggregate Nominal Amount*), 9.6 (*Early redemption due to illegality or tax event*), 16.3, 18.2.1, 18.3.1, 18.4.13 and 19.2 shall also be published by way of press release by the Issuer.

27.2.2 In addition to Clause 27.2.1, if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

28. **FORCE MAJEURE**

28.1 Neither the Agent nor the Paying and Conversion Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in

respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Paying and Conversion Agent itself takes such measures, or is subject to such measures.

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

28.3 The provisions in this Clause 28 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

29. GOVERNING LAW AND JURISDICTION

29.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.

29.2 The Issuer submits to the non-exclusive jurisdiction of the Swedish courts, with the District Court of Stockholm (*Stockholms tingsrätt*) as the court of first instance.

We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Stockholm

Date: 29 March 2021

SCANDIC HOTELS GROUP AB (publ)
as Issuer


Name: _____
Jan Johansson


Jens Mathiesen

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

Place: Stockholm

Date: 29 March 2021

NORDIC TRUSTEE & AGENCY AB (publ)
as Agent



Name: Anna Litewka