

Stockholm, 13 October 2022

## NOTICE OF WRITTEN PROCEDURE

ISIN: SE0012675155

**Kvalitena AB (publ) (the “Issuer”)  
SEK 800,000,000 Senior Floating Rate Notes (the “Notes”)**

At the request of the Issuer, the Agent hereby initiates a written procedure (“Written Procedure”) in accordance with the terms and conditions of the Notes (the “Terms and Conditions”). Noteholders (as defined in the Terms and Conditions) are urged to carefully review and consider the details of this notice of Written Procedure (the “Notice”) in its entirety.

If you are an authorised nominee (*Sw. förvaltare*) holding Notes on behalf of someone else, please forward this Notice to the Noteholder you represent at your earliest convenience.

Terms defined in the Terms and Conditions shall have the same meaning in this Notice, unless otherwise defined herein.

### **Key information:**

Record Date for being eligible to vote:	18 October 2022
Deadline for voting:	15:00 CET, 1 November 2022
Quorum requirement:	At least fifty (50) per cent. of the Adjusted Nominal Amount, for the Request (as defined below).
Majority requirement:	At least two thirds (2/3) of the Adjusted Nominal Amount for which Noteholders reply to the Request.

## **Important information**

Each Noteholder is solely responsible for making its own independent evaluation of all matters as such Noteholder deems appropriate (including those relating to the Request (as defined herein) and the Issuer), and each Noteholder must make its own decision as to whether to participate in the Request. Noteholders should consult their own tax, accounting, financial and legal adviser regarding the impact to themselves of voting in favour for or against the Request. Neither the Issuer nor any director, officer, employee, agent or affiliate of the Issuer, is acting for any Noteholder or will be responsible for providing advice in relation to the Request. None of the Issuer or the Agent, nor any director, officer, employee, agent or affiliate of any such person, makes any recommendation as to whether such Noteholders should vote in favour for or against the Request.

Noteholders are responsible for complying with all of the procedures for submitting a Voting Form. Neither the Issuer nor the Agent assumes any responsibility for informing any Noteholder of irregularities with respect to such Noteholder's participation in the Written Procedure (including any errors or other irregularities, manifest or otherwise, in any Voting Form).

***Disclaimer:** The Request (as defined below) is presented to the Noteholders, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Request (and its effects, should it be adopted) from a legal or commercial perspective of the Noteholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and its effects, should it be adopted). The Noteholders are recommended to seek legal advice in order to independently evaluate whether the Request (and its effects) is acceptable or not.*

***Risk Factors:** Non-exhaustive risk factors in relation to the Issuer are attached hereto as Schedule 4 (Risk Factors).*

### **1. Background and request**

#### **1.1 Background**

Due to the current weak market sentiment as a result of geopolitical turmoil, high inflation and increased interest rates, and after discussions with certain existing Noteholders, the Issuer deems that it may not be possible to complete a refinancing of the outstanding Notes during the time left until maturity in December 2022. As a result thereof, the Issuer proposes to extend the maturity of the Notes as well as to include and/or amend certain provisions of the Terms and Conditions, as further detailed below under section 1.2 (*Request*).

**For further information, please refer to the company presentation dated 13 October 2022 and uploaded website of the Group (<https://www.kvalitena.se>) and the risk factors in relation to the Issuer attached hereto as Schedule 4 (Risk Factors).**

#### **1.2 Request**

With reference to the above, the Issuer hereby requests that the Noteholders agree to amend the Terms and Conditions as detailed in the consolidated page-pull mark-up

attached as Schedule 3 (Mark up of amendments relating to the Request) (the “**Request**”). For ease of reference, the amendments include, *inter alia*:

- (i) an extension of the Final Maturity Date by 18 months so that the new extended Final Maturity Date shall be 4 June 2024 in order for the Issuer to evaluate and secure acceptable refinancing options;
- (ii) a new undertaking to partly amortise the Notes in an amount of SEK 40,000,000 on 5 April 2023 and 5 October 2023 respectively (i.e. an aggregate partial prepayment of SEK 80,000,000), in each case together with an applicable premium;
- (iii) an increase of the redemption price at the extended Final Maturity Date to 103 per cent. of the Nominal Amount (together with accrued but unpaid Interest);
- (iv) certain new restrictions relating to, amongst other things, distributions, loans out and dealings with the main shareholder of the Issuer, Dorco International B.V.;
- (v) an amended call structure to incentivise the Issuer to make a total voluntary prepayment of the Notes before the extended Final Maturity Date;
- (vi) an update of the STIBOR definition in accordance with the standard terms and conditions of the Swedish Securities Market Association; and
- (vii) an amendment of the definition of Change of Control Event in order to facilitate for a potential transfer of the ownership to any other person, directly or indirectly, controlled by Dorco International B.V, without triggering a put option pursuant to Clause 9.5 (*Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)*) of the Terms and Conditions.

The Issuer requests that the Noteholders submit their votes as soon as possible, even if the voting period has not ended. Please refer to section 3.1 (*Voting procedure*) for further details on the voting procedure.

## **2. Effectiveness**

The amendments proposed pursuant to the Request shall be deemed to be approved:

1. immediately upon expiry of the voting period and receipt of the required quorum and majority as set forth in sections 3.4 (*Quorum*) and 3.5 (*Majority*) below; or
2. if earlier, when the requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent.

Provided that the requisite majority has voted in favor of the Request, the Issuer and the Agent shall, upon the Issuer’s request, amend and restate the Terms and Conditions and (it being noted that there shall only be one set of amended and restated Terms and Conditions reflecting the amendments proposed by the Request) as well as enter into and deliver any other agreements and/or documents that are necessary and/or desirable for the purpose of effectuating the proposals and requests set out in this Notice including reflecting any immaterial amendments which Euroclear Sweden may request in order to register the amended Terms and Conditions. The Issuer shall, following the execution of

such amendment and restatement, procure that the duly executed amended and restated Terms and Conditions are registered with the CSD.

Please note that although the Issuer intends to implement the amendments as proposed pursuant to the Request, it has no obligation to do so even if the Request is approved by the Noteholders.

The Issuer shall in accordance with Clause 17.17 of the Terms and Conditions publish information about the decision in relation to the Request on the website of the Group (<https://www.kvalitena.se>).

### **3. Written Procedure**

The following instructions must be adhered to under the Written Procedure.

#### **3.1 Voting procedure**

To be eligible to vote, you must be a Noteholder on 18 October 2022 (the “**Record Date**”). This means that you must be registered in the debt register with the CSD (Sw. *skuldbok*) for the Notes (the “**Debt Register**”) as direct registered owner (Sw. *direktregistrerad ägare*) or as authorised nominee (Sw. *förvaltare*) with respect to one or several Notes.

If you hold Notes through an authorised nominee and wish to exercise voting rights in respect of such Notes, you will need to instruct your nominee to vote on your behalf (in such case, please instruct the authorised nominee to submit the votes as soon as possible, even if the voting period has not ended). Alternatively, you may request your nominee to issue a power of attorney preferably in the format set out in Schedule 2 (*Power of Attorney*) to this Notice authorising you to vote. If your Notes are held through several intermediaries (*i.e.* your authorised nominee is not registered in the Debt Register), you will need to obtain a power of attorney from the Noteholder listed in the Debt Register, or otherwise obtain a coherent chain of powers of attorney starting with the Noteholder listed in the Debt Register.

Noteholders participate in the Written Procedure by completing and sending a voting form in the format set out in Schedule 1 (*Voting Form*) to this Notice (the “**Voting Form**”) and, if applicable, a power of attorney, to the Agent.

A Noteholder who has submitted a valid Voting Form undertakes by such submission not to revoke such valid Voting Form.

Notes owned by the Issuer, another Group Company or an Affiliate do not entitle such owner to any voting rights.

#### **3.2 Final date to vote in the Written Procedure**

The Agent must receive the duly completed Voting Form **no later than 15.00 (CET) on 1 November 2022** either by regular mail, courier or email using the contact details set out in section 3.6 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

### **3.3 Decision procedure**

The Agent will determine if a submitted Voting Form will be counted as a valid vote in the Written Procedure.

When a requisite majority of votes in favour of the Request has been received by the Agent, the Request shall be deemed to be adopted even if the time period for replies in the Written Procedure has not yet expired.

A notice of the outcome of the Written Procedure will promptly be sent by regular mail to the Noteholders and be published on the websites of the Issuer (<https://www.kvalitena.se>) and the Agent ([www.nordictrustee.com](http://www.nordictrustee.com) and [www.stamdata.com](http://www.stamdata.com)).

Any matter decided upon through the Written Procedure will be binding for all Noteholders, irrespective of them responding in the Written Procedure.

### **3.4 Quorum**

Noteholders representing at least fifty (50) per cent. of the Adjusted Nominal Amount must participate in the Written Procedure (by way of casting votes) in order to form quorum.

If the required quorum is not reached, the Agent shall, if requested by the Issuer, initiate a second Written Procedure for which no quorum requirement will apply.

### **3.5 Majority**

The Agent must receive votes in favour thereof in the Written Procedure representing two thirds (2/3) of the Adjusted Nominal Amount of the Noteholders voting in the Written Procedure in order for the Request to be approved, since the Request relates to an amendment of a payment day for principal.

### **3.6 Address for sending replies**

#### **By regular mail:**

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure Kvalitena AB (publ)  
P.O. Box 7329  
SE-103 90 Stockholm

#### **By courier:**

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure Kvalitena AB (publ)  
Norrandsgatan 23  
111 43 Stockholm

#### **By email:**

E-mail: [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com)

#### **4. Role of the Agent**

The role of the Agent under this Written Procedure is solely mechanical and administrative in nature. The information set out herein is presented to the Noteholders without any evaluation, advice or recommendations from the Agent whatsoever. The Agent is not an advisor to any party and has not reviewed or assessed the information set out herein from a legal or commercial perspective of the Noteholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice (or the effect(s) of the Request, should it be adopted). The Noteholders are recommended to seek legal advice in order to independently evaluate whether the Request (and their effect(s), should they be adopted) are acceptable or not.

Further to the above and as set out in the Terms and Conditions, the Agent may assume that any documentation and other evidence delivered to it or to be entered into by it in relation to the Written Procedure is accurate, legally valid, correct and complete and the Agent does not have to verify the contents of such documentation or evidence.

#### **5. Further information**

For questions regarding the Request, please contact the Issuer at +46 8 121 317 00. Management will be available for meetings and Q&A with investors on request.

For questions to the Agent regarding the administration of the Written Procedure, please contact the Agent at [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com) or +46 8 783 79 00.

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**Stockholm, 13 October 2022**

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

**as Agent**

**at the request of Kvalitena AB (publ)**

**Enclosed:**

<b>Schedule 1</b>	Voting Form
<b>Schedule 2</b>	Power of Attorney
<b>Schedule 3</b>	Mark up of amendments relating to the Request
<b>Schedule 4</b>	Risk Factors

# VOTING FORM

## Schedule 1

[Please submit this voting form as soon as possible, even if the voting period has not ended]

For the Written Procedure in Kvalitena AB (publ) - SEK 800,000,000 Senior Floating Rate Notes 2019/2022 ISIN: SE0012675155

The undersigned Noteholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Request by marking the applicable box below.

*NOTE: If you are not registered in the debt register with the CSD (Sw. skuldbok (direktregistrerade)) as a direct registered owner (Sw. direktregistrerad ägare) or as an authorised nominee (Sw. förvaltare), you cannot submit this Voting Form without enclosing an executed Power of Attorney, see Schedule 2 to the Notice.*

Name of the Voting Person: \_\_\_\_\_

Capacity of the Voting Person: Noteholder:  <sup>1</sup> authorised person:  <sup>2</sup>

**For** the Request

**Against** the Request

Voting Person’s reg.no/id.no: \_\_\_\_\_

Securities Account number at Euroclear Sweden:  
(if applicable) \_\_\_\_\_

Name and Securities Account number of authorised nominee (Sw. förvaltare): (if applicable) \_\_\_\_\_

Nominal Amount voted for (in SEK): \_\_\_\_\_

Telephone number, email address and contact person:

\_\_\_\_\_

\_\_\_\_\_  
Name of authorised signatory:<sup>3</sup>

\_\_\_\_\_  
Place, date

<sup>1</sup> When voting in this capacity, no further evidence is required.

<sup>2</sup> When voting in this capacity, the Voting Person must also enclose Power of Attorney (Schedule 2) from the Noteholder or other proof of authorisation showing the number of votes held on the Record Date.

<sup>3</sup> If the undersigned is not a Noteholder according the Terms and Condition and has marked the box ”authorised person”, the undersigned – by signing this document – confirms that the Noteholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.

# POWER OF ATTORNEY

## Schedule 2

For the Written Procedure in Kvalitena AB (publ) - SEK 800,000,000 Senior Floating Rate Notes 2019/2022 ISIN: SE0012675155

**NOTE:** This Power of Attorney and authorisation document shall be filled out if the Voting Person is not registered as Noteholder (as defined in the Terms and Conditions) in the debt register (Sw. skuldbok (direktregistrerade)), held with the CSD. If the Voting Person's Notes are held through several intermediaries, the Voting Person will need to obtain a Power of Attorney from the Noteholder (as defined in the Terms and Conditions), or otherwise obtain a coherent chain of powers of attorney starting with the Noteholder.

Name of person/entity that is given authorisation (Sw. *befullmäktigad*) to vote as per the Record Date:

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Nominal Amount (in SEK) the person/entity is authorised to vote for as per the Record Date:

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Name of the Noteholder or other intermediary giving the authorisation (Sw. *fullmaktsgivaren*):

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We hereby confirm that the person/entity specified above (Sw. *befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: SEK \_\_\_\_\_

We are:

Registered as Noteholder on the Securities Account

Other intermediary and holds the Notes through (specify below):

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Place, date: \_\_\_\_\_

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Name of authorised signatory of Noteholder/other intermediary (Sw. *fullmaktsgivaren*)

**MARK UP OF AMENDMENTS RELATING TO THE  
REQUEST**

*Schedule 3*

*[Separately attached]*

**TERMS AND CONDITIONS FOR  
KVALITENA AB (PUBL)**

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**SEK 800,000,000**

**SENIOR FLOATING RATE NOTES**

**ISIN: SE0012675155**

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**ORIGINALLY DATED 29 MAY 2019 AND AS AMENDED AND RESTATED ON [●] 2022**

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

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## 1 Definitions and construction

### 1.1 Definitions

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

“**Account Bank**” means Swedbank AB (publ).

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator pursuant to the Financial Instruments Accounts Act and through which a Noteholder has opened a Securities Account in respect of its Notes.

“**Accounting Principles**” means generally accepted accounting principles, standards and practices in Sweden, including international financial reporting standards (IFRS), if applicable.

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

“**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 Notes (irrespective of whether such person is directly registered as owner of such Notes) that has undertaken towards a Group Company or an entity referred to in item (i) to vote for such Notes 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 First Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and 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.

“**Applicable Premium**” means an amount equal to:

- (a) the present value on the relevant record date of 101 per cent. of the outstanding Nominal Amount as if such payment originally should have taken place on the First Call Date; plus
- (b) the present value on the relevant record date of all remaining scheduled interest payments on the Notes until the First Call Date (assuming that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to

the Interest Rate in effect on the date on which the applicable notice of redemption is given) (but excluding accrued but unpaid Interest up to the relevant Redemption Date),

each calculated by using a discount rate of 50 basis points and where "relevant record date" shall mean a date agreed upon between the Agent, the CSD and the Issuer in connection with such repayment.

**"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.

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

**"Change of Control Event"** means an event where any person (whether physical or juridical (incorporated or not), company or other entity (other than ~~Doreco International B.V.~~ the Main Shareholder or any Main Shareholder Company) or group of persons acting in concert (i) becomes the owner, directly or indirectly, and has the right to vote as it sees fit for, more than fifty (50) per cent of the total number of shares and votes in the Issuer, or (ii) has the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

For the purposes of this definition, **"acting in concert"** means, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively cooperate, through the acquisition directly or indirectly of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate control of the Issuer.

**"Compliance Certificate"** means a certificate, substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*) and reasonably satisfactory to the Agent, signed by the Issuer certifying:

- (a) that so far as it is aware no Event of Default is continuing or, if it is aware that such event 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, is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) the percentage and calculation in respect of the Equity Ratio; and
- (c) in relation to the Test Date being each 31 December, compliance with the undertaking set out in Clause 11.3.2 regarding Real Estate Related Investments and Tangible Assets.

**"CSD"** means the Issuer's central securities depository and registrar in respect of the Notes, from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden or another party replacing it, as CSD, in accordance with these Terms and Conditions.

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

“**Equity Ratio**” means, at any time, the equity of the Group as a percentage of the aggregate value of the Total Assets (in each case calculated in accordance with the Accounting Principles and in line with the principles for the audited financial statements).

“**Event of Default**” means an event or circumstance specified in Clause 15.1.

“**Existing Dorco Loan**” means the loan granted by the Issuer as creditor to the Main Shareholder as debtor, in the outstanding amount of approximately SEK 626,000,000.

“**Existing Market Loan**” means the SEK 800,000,000 Market Loan raised by the Issuer on 30 March 2017 with ISIN SE0009664949.

“**Existing Notes**” means the outstanding notes under the Existing Market Loan.

“**Extended Final Maturity Date**” means 4 ~~December 2022~~ June 2024 or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

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

“**Financial Indebtedness**” means:

- (a) moneys borrowed (including under any bank financing);
- (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 at the First Issue Date 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 amount raised pursuant to any note purchase facility or the issue of any bond or note or similar instrument;
- (e) 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;
- (f) the marked-to-market value of derivative transactions entered into in connection with protection against, or in order to 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);

- (g) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (h) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) above.

“**Financial Instruments Accounts Act**” means the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om kontoföring av finansiella instrument*).

“**Financial Year**” means the annual accounting period of the Group.

“**First Call Date**” means the date falling thirty-six (36) months after the First Issue Date.

“**First Issue Date**” means 4 June 2019.

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

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

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

[“Initial Nominal Amount” has the meaning set fourth 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 jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with all or substantially all of its creditors (other than the Noteholders and creditors of secured debt) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

“**Interest**” means the interest on the Notes calculated in accordance with Clauses 8.1 to 8.3.

“**Interest Payment Date**” means 5 January, 5 April, 5 July and 5 October of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 5 July 2019 and the last Interest Payment Date shall be the relevant Redemption Date.

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

**“Interest Rate”** means 3-month STIBOR plus 6 per cent. *per annum*.

**“Issuer”** means Kvalitena AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556527-3314.

**“Issuing Agent”** means ABG Sundal Collier ASA, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**“Listing Failure Event”** means (i) a failure to list the Notes on NASDAQ Stockholm within sixty (60) calendar days after the relevant Issue Date and (ii) in case a successful listing has occurred, that the Notes cease to be listed on NASDAQ Stockholm or another Regulated Market (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Notes in close connection to the redemption of the Notes).

**“Main Shareholder”** means [Dorco International B.V., Dutch Reg. No. 24157803, and any other person, directly or indirectly, controlled by the Main Shareholder \(“Main Shareholder Company”\). 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.](#)

**“Market Loan”** means any loan or other indebtedness where an entity issues commercial paper, certificates, convertibles, subordinated debentures, bonds or other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), which is or is intended by the Issuer to be admitted for trading on a Swedish or foreign Regulated Market or MTF.

**“Material Adverse Effect”** means material adverse effect on:

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

**“MTF”** means any Multilateral Trading Facility (as defined in the Swedish Securities Markets Act).

**“NASDAQ Stockholm”** means NASDAQ Stockholm AB, Reg. No. 556420-8394.

~~**“Nominal Amount”** has the meaning set forth in Clause 2.3.~~

**“Nominal Amount”** means [in respect of each Note the Initial Nominal Amount, less the aggregate amount by which each Note has been partly amortised or redeemed in accordance with these Terms and Conditions.](#)

**“Note”** means a debt instrument (*skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which

are governed by and issued under these Terms and Conditions, including the Initial Notes and any Subsequent Notes.

“**Noteholder**” means the person who is registered on a Securities Account as direct registered owner (*ägare*) or nominee (*förvaltare*) with respect to a Note.

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clause 18 (*Noteholders’ Meeting*).

“**Original Final Maturity Date**” means 4 December 2022 or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“**Quotation Day**” means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

“**Real Estate Related Investments**” means any investment related to acquisition, development, ownership, renovation or management of real properties and site leasehold rights and acquisition of shares or other interests in entities directly or indirectly carrying out (or intending to carry out) such activities.

“**Record Date**” means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 16 (*Distribution of proceeds*), or (iv) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 9 (~~*Redemption and*~~, *Repurchase and Amortisation of the Notes*).

“**Regulated Market**” means any regulated market (as defined in Directive 2004/39/EC on markets in financial instruments).

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

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

“**STIBOR**” means:

- (a) ~~the applicable percentage rate per annum displayed on NASDAQ Stockholm’s website for STIBOR fixing the Stockholm interbank offered rate (STIBOR) administered by the Swedish Financial Benchmark Facility AB (or through another website any person~~ replacing it as administrator) ~~as of or around 11.00 a.m. on~~

~~the Quotation Day for the offering of deposits in for~~ Swedish Kronor and for a period comparable to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;~~or~~

- (b) if no rate as described in paragraph (a) above is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for Swedish Kronor;
- (c) ~~(b)if no rate~~ if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by ~~leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent,~~ the Reference Banks for deposits of SEK 100,000,000 for the relevant period; or
- (d) ~~(c)~~ if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period and no quotation is available pursuant to paragraph ~~(b)~~(c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period; and

if any such rate is below zero, STIBOR will be deemed to be zero.

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

“**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.

“**Tangible Assets**” means real properties and site leasehold rights and shares or other interests in entities directly or indirectly controlling such assets through ownership or otherwise and any shares in entities admitted for trading on a Swedish or foreign Regulated Market or MTF.

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

“**Total Assets**” means, at any time, the total assets of the Group calculated in accordance with the Accounting Principles and in line with the principles for the audited financial statements.

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

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 19 (*Written Procedure*).

## 1.2 Construction

- 1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:
- (a) “**assets**” includes present and future properties, revenues and rights of every description;
  - (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (c) a “**regulation**” includes any 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 law is a reference to that provision as amended or re-enacted; and
  - (e) a time of day is a reference to Stockholm time.
- 1.2.2 An Event of Default is continuing if it has not been remedied or waived;
- 1.2.3 When ascertaining whether a limit or threshold specified in 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](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- 1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- 1.2.5 No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2 Status of the Notes

- 2.1 The Notes are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.
- 2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.
- 2.3 The initial nominal amount of each Initial Note is SEK 1,000,000 (the “**Initial Nominal Amount**”). The ~~aggregate maximum nominal amount~~ Total Nominal Amount of the

Initial Notes ~~as at the First Issue Date~~ is SEK 500,000,000. [All Notes are issued on a fully paid basis at an issue price of 100 per cent of the Initial Nominal Amount.](#)

- 2.4 Provided that no Event of Default is continuing or would result from such issue, the Issuer may, on one or several occasions, issue Subsequent Notes. Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the currency, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The issue price of the Subsequent Notes may be set at a discount or at a premium compared to the Nominal Amount. The maximum aggregate nominal amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 800,000,000. Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 8 (*Interest*), and otherwise have the same rights as the Initial Notes
- 2.5 The Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all other direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory law and except as otherwise provided in the Finance Documents.
- 2.6 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.7 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

### **3 Use of proceeds**

The Issuer shall use the proceeds from the issue of the Notes (both Initial Notes and Subsequent Notes), less the costs and expenses incurred by the Issuer in connection with the issue of the Notes, for refinancing of existing debt (including the Existing Market Loan by way of exchanging Existing Notes for Notes or otherwise), debt service and general corporate purposes of the Group.

### **4 Conditions for disbursement**

- 4.1 The Issuer shall provide to the Agent, prior to the First Issue Date, the documents and other evidence set out in Schedule 1 Part I (*Conditions Precedent relating to Initial Notes*). The Issuing Agent shall pay the gross proceeds (if any) from the issuance of the Initial Notes to the Issuer on the later of (i) the First Issue Date and (ii) the date on which

the Agent notifies the Issuing Agent that it has received the documents and other evidence set out in Schedule 1 Part I (*Conditions Precedent relating to Initial Notes*).

- 4.2 The Issuer shall provide to the Agent, prior to the Issue Date for any Subsequent Notes, the documents and other evidence set out in Schedule 1 Part II (*Conditions Precedent relating to Subsequent Notes*). The Issuing Agent shall pay the gross proceeds from the issuance of any Subsequent Notes to the Issuer on the later of (i) the relevant Issue Date and (ii) the date on which the Agent notifies the Issuing Agent that it has received the documents and other evidence set out Schedule 1 Part II (*Conditions Precedent relating to Subsequent Notes*) in respect of such Subsequent Notes.
- 4.3 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 or 4.2 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation. The Agent is not responsible for (and does not) review the documentation and evidence pursuant to Clause 4.1 or 4.2 from a legal or commercial perspective of the Noteholders.
- 4.4 The Agent shall confirm to the Issuing Agent when the conditions in Clause 4.1 or 4.2, as the case may be, have been satisfied.

## **5 Notes in book-entry form**

- 5.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.
- 5.2 Those who according to assignment, Security, 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 Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 5.3 The Issuer and the Agent shall at all times be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.
- 5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

## **6 Right to act on behalf of a Noteholder**

- 6.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- 6.2 A Noteholder may issue one or several powers of attorney to third parties or provide proof of authorisation to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 6.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **7 Payments in respect of the Notes**

- 7.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 7.2 If a Noteholder 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 Noteholder 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 Noteholders 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. Interest shall accrue in accordance with Clause 8.4 during such postponement.
- 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 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## **8 Interest**

- 8.1 Each Initial Note carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Note will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 8.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.
- 8.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 8.4 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 two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## **9 ~~Redemption and~~ Repurchase and Amortisation of the Notes**

### **9.1 Redemption at maturity**

The Issuer shall redeem all, but not some only, of the outstanding Notes in full on the Extended Final Maturity Date with an amount per Note equal to 103 per cent. of the Nominal Amount together with accrued but unpaid Interest. If the Extended Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

### **9.2 Purchase of Notes by the Issuer**

The Issuer may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way. The Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

### **9.3 Voluntary total redemption (call option)**

- 9.3.1 The Issuer may redeem all, but not some only, of the outstanding Notes in full at any time at an amount per Note equal to:
- (a) the Applicable Premium, if the Notes are redeemed during a period starting on the First Issue Date and ending on a day falling immediately prior to the First Call Date;

- (b) 101 per cent. of the Nominal Amount, if the Notes are redeemed during a period starting on the First Call Date and ending on the day falling immediately prior to the Original Final Maturity Date; and
- (c) 100 per cent. of the Nominal Amount, if the Notes are redeemed during a period starting on the first Business Day falling thirty-nine (39) months after the Issue Date and ending on the day falling immediately prior to the Original Final Maturity Date, provided that the redemption is financed by way of one or more Market Loan issues and that each Noteholder is offered to participate in such issues;
- (d) 100.50 per cent. of the Nominal Amount, if the Notes are redeemed during a period starting on the Original Final Maturity Date and ending on (but excluding) the day falling three (3) months after the Original Final Maturity Date; and
- (e) 101 per cent. of the Nominal Amount, if the Notes are redeemed during a period starting on the day falling three (3) months after the Original Final Maturity Date and ending on (but excluding) the day falling six (6) months after the Original Final Maturity Date; and
- (f) 101.50 per cent. of the Nominal Amount, if the Notes are redeemed during a period starting on the day falling six (6) months after the Original Final Maturity Date and ending on (but excluding) the day falling nine (9) months after the Original Final Maturity Date; and
- (g) 102 per cent. of the Nominal Amount, if the Notes are redeemed during a period starting on the day falling nine (9) months after the Original Final Maturity Date and ending on (but excluding) the day falling twelve (12) months after the Original Final Maturity Date; and
- (h) 102.50 per cent. of the Nominal Amount, if the Notes are redeemed during a period starting on the day falling twelve (12) months after the Original Final Maturity Date and ending on (but excluding) the day falling fifteen (15) months after the Original Final Maturity Date; and
- (i) 103 per cent. of the Nominal Amount, if the Notes are redeemed during a period starting on the day falling fifteen (15) months after the Original Final Maturity Date and ending on the day falling immediately prior to the Extended Final Maturity Date.

in each case together with accrued but unpaid Interest.

- 9.3.2 Redemption in accordance with Clause 9.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent, in each case calculated from the effective date of the notice. The Notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amount on the specified Redemption Date.

**9.4 Early redemption due to illegality (call option)**

9.4.1 The Issuer may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

9.4.2 The Issuer may give notice of redemption pursuant to Clause 9.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The Issuer is bound to redeem the Notes in full at the applicable amount on the specified Redemption Date

**9.5 Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)**

9.5.1 Upon the occurrence of a Change of Control Event or Listing Failure Event occurring, each Noteholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event or Listing Failure Event pursuant to Clause 10.1.2 (after which time period such right shall lapse) have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or Listing Failure Event.

9.5.2 The notice from the Issuer pursuant to Clause 10.1.2 shall specify the Record Date on which a person shall be registered as a Noteholder to receive interest and principal, the Redemption Date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Notes and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 10.1.2. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.5.1.

9.5.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer may comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 by virtue of the conflict.

9.5.4 Any Notes repurchased by the Issuer pursuant to this Clause 9.5 may at the Issuer's discretion be retained, sold or cancelled.

## 9.6      **Amortisation**

9.6.1      The Issuer shall partly repay the Notes in a total aggregate amount of:

(a)    SEK 40,000,000 on 5 April 2023; and

(b)    SEK 40,000,000 on 5 October 2023,

or, to the extent any of the above dates is not a Business Day, the Business Day following from an application of the Business Day Convention and in each case with a premium on the due and payable amount as set forth in Clause 9.3 (Voluntary total redemption (call option)) for the relevant period.

9.6.2      Any repayment of the Notes shall reduce the Nominal Amount of each outstanding Note by the nominal amount repaid *pro rata* (rounded down to the nearest SEK 1.00). The remaining outstanding amount under the Notes shall be redeemed on the Extended Final Maturity Date.

## **10**      **Information to Noteholders**

### **10.1**      **Information from the Issuer**

10.1.1      The Issuer shall make the following information available to the Noteholders 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 five (5) 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 unaudited 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 Notes by a Group Company, the aggregate Nominal Amount held by Group Companies, or the amount of Notes cancelled by the Issuer; and
- (d)    any other information required by the Swedish Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Notes are admitted to trading.

10.1.2      The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event or a Listing Failure Event. Such notice may be given in advance of the occurrence of a Change of Control Event, and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event.

10.1.3      When the financial statements and other information are made available to the Noteholders pursuant to Clause 10.1.1, the Issuer shall send copies of such financial statements and other information to the Agent. Together with the financial statements,

the Issuer shall submit to the Agent a Compliance Certificate attaching copies of any notices sent to the Regulated Market on which the Notes are admitted to trading.

## 10.2 **Information from the Agent**

The Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

## 10.3 **Publication of Finance Documents**

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

10.3.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

## 11 **General Undertakings**

### 11.1 **Disposals**

The Issuer shall not, and shall ensure that no other Group Company will, enter into a single transaction or series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of all or a substantial part of the assets or operations of the Group where such disposal is reasonably likely to have an adverse effect on the ability of the Issuer to perform its obligations under the Finance Documents.

### 11.2 **Restrictions regarding pledge of assets**

The Issuer shall not create or permit to subsist any Security over any of its assets for any Market Loan raised by the Issuer.

### 11.3 **Change of Business**

11.3.1 The Issuer shall procure that no substantial change is made to the general nature of the business of the Group taken as a whole from that carried on at the date of the Terms and Conditions.

11.3.2 The Issuer shall procure that as an aggregate during each Financial Year:

- (a) not less than 85% of all investments (based on the gross amounts applied towards such investments) made by the Issuer are Real Estate Related Investments; and
- (b) the Group's consolidated book value of Tangible Assets is not less than SEK 4,000,000,000.

#### 11.4 **Pari Passu ranking**

The Issuer shall ensure that at all times its obligations under the Terms and Conditions rank at least *pari passu* with the claims of all its unsubordinated and unsecured creditors, except those whose claims are mandatorily preferred by laws of general application.

#### 11.5 **Term of Market Loans**

The Issuer shall not raise any new Market Loan where such Market Loan has a final maturity date falling before the Extended Final Maturity Date or which otherwise is scheduled to be repaid before the ~~Final Maturity Date~~ Extended Final Maturity Date.

#### 11.6 Distributions

##### 11.6.1 The Issuer shall not (and shall procure that no other Group Company will):

- (a) pay any dividend in respect of its shares;
  - (b) repurchase or redeem any of its own shares;
  - (c) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
  - (d) repay any loans granted by its direct or indirect shareholders or pay interest thereon; or
  - (e) make any other similar distributions or transfers of value (Sw. värdeöverföringar) to the Issuer's, or its Subsidiaries', direct or indirect shareholders or any legal or natural person affiliated with such direct and indirect shareholders.
- (paragraphs (a)-(e) above are together and individually referred to as a "Restricted Payment").

##### 11.6.2 Notwithstanding the above, a Restricted Payment may be made:

- (a) if made by a Group Company to another Group Company, provided that, if such payment is made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, it is made on a pro rata basis;
- (b) by way of group contributions (Sw. koncernbidrag), provided that no cash or other funds are transferred from the Group Company as a result thereof (i.e. the group contributions are merely accounting measures) and provided that such distribution is subsequently converted into a shareholder's contribution (Sw. aktieägartillskott) as soon as possible;
- (c) by way of any value transfer occurring as direct result of any interest being capitalised under and in accordance with the terms and conditions of the Existing Dorco Loan;
- (d) if made by the Issuer, by way of repayment of principal and/or accrued interest on any loans granted by its direct or indirect shareholders, in an amount of maximum SEK 5,000,000 (however, any amounts paid before 4 December 2022 shall not be applied when calculating towards this amount); and

(e) by way of payment by any Group Company of sourcing fees (or similar) relating to the Main Shareholder's sourcing of investments, assets and transactions to other Group Companies, amounting to maximum SEK 1,000,000 per year (however, any amounts paid before 4 December 2022 shall not be applied when calculating towards this amount),

in each case provided that (i) for the avoidance of doubt, no Restricted Payment may, in any case, be made to the Main Shareholder (other than Restricted Payments permitted pursuant to clause (c)-(e) above) and (ii) such Restricted Payment is permitted by law and that no Event of Default is continuing or would occur as a result of such Restricted Payment.

## 11.7 Loans Out

11.7.1 The Issuer shall not (and shall procure that no other Group Company will) make any loans or grant or increase any credit to or for the benefit of the Main Shareholder (it being expressly acknowledged that the Existing Dorco Loan shall be permitted to remain outstanding).

11.7.2 For the avoidance of doubt, the Issuer shall not be allowed to accept any increase or other amendment to the Existing Dorco Loan with the effect of increasing the principal amount of the outstanding debt thereunder, other than as a direct result of any interest being capitalised under and in accordance with the terms and conditions of the Existing Dorco Loan.

## 11.8 Dealings with the Main Shareholder

(a) The Issuer shall procure that any dealings and/or transactions with the Main Shareholder (whether conducted by itself or by any other Group Company) are at all times conducted on arm's length terms, and that, in the case where any Group Company is to buy, assume or otherwise overtake the ownership (whether in part or in whole) of any asset, undertaking, business or other interest from the Main Shareholder, an independent and reputable third-party valuer has, in good faith, provided a valuation in writing in respect of relevant asset, undertaking, business or other interest (as the case may be).

(b) Subject to applicable regulations, the Issuer shall, upon reasonable request by the Agent, provide the Agent with any information relating to any such dealings and/or transactions as set out above in paragraph (a) which the Agent deems necessary (acting reasonably).

## ~~11.6 Dividends~~

~~The Issuer shall not declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital attributable to common shares (or any class of its share capital attributable to common shares) ("**Restricted Payment**") unless, at the time of such payment, the aggregate amount of all Restricted Payments in any fiscal year does not exceed the lower of (i) SEK 30,000,000 or (ii) fifty (50) per cent. of the Group's consolidated net profit for the previous Financial Year.~~

## **12 Financial undertakings**

- 12.1 The Equity Ratio shall exceed 30% at all times.
- 12.2 The financial covenant in Clause 12.1 will be measured on each Test Date and reported in each Compliance Certificate.
- 12.3 When determining if an issue of Subsequent Notes would lead to an Event of Default, the Equity Ratio shall be measured using the financial statements most recently delivered pursuant to Clause 10.1 (a) or (b) (*Information from the Issuer*) adjusted by adding the effects of such issue.

## **13 Admission to trading**

- 13.1 The Issuer shall use its best efforts to ensure that the Notes are admitted to trading on the corporate bond list of NASDAQ Stockholm within thirty (30) days after the relevant Issue Date, and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.
- 13.2 Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

## **14 Undertakings relating to the Agency Agreement**

- 14.1 The Issuer shall, in accordance with the Agency Agreement:
- (a) pay fees to the Agent;
  - (b) indemnify the Agent for costs, losses and liabilities;
  - (c) furnish to the Agent all information 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.
- 14.2 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Noteholders if the amendment would be detrimental to the interests of the Noteholders (provided that any change in fees payable to the Agent shall not be considered detrimental to the interest of the Noteholders).

## **15 Acceleration of the Notes**

- 15.1 The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the demand is received by the Agent and

shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 15.4, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes 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) 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) the Issuer or any other person (other than the Agent) does not comply with any terms or conditions 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) 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 detrimental effect on the interests of the Noteholders;
- (d) 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 or reorganization of any Group Company, other than a solvent liquidation or reorganisation of any Group Company other than the Issuer;
  - (ii) a composition, compromise, assignment or arrangement with any creditor of any Group Company, other than the Noteholders; or
  - (iii) the appointment of a liquidator (other than in respect of a solvent liquidation or reorganisation of any Group Company other than the Issuer), administrator or other similar officer in respect of any Group Company or any of its assets;
- (e) any Group Company is, or is deemed for the purposes of any applicable law to be, Insolvent;
- (f) any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, which affects any assets of a Group Company having an aggregate value of not less than SEK 25,000,000 and is not discharged within forty-five (45) days or any Security over any asset of any Group Company having an aggregate value of not less than SEK 25,000,000 is enforced; or

- (g) any creditor of a Group Company declares any Financial Indebtedness of a Group Company due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (g) if the aggregate amount of Financial Indebtedness referred to herein is less than SEK 25,000,000.
- 15.2 The Agent may not accelerate the Notes in accordance with Clause 15.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 15.3 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. 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.
- 15.4 The Agent shall notify the Noteholders 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. 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 Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 15.5 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes 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 Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 15.6 If the right to accelerate the Notes 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 law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 15.7 In the event of an acceleration of the Notes in accordance with this Clause 15, the Issuer shall redeem all Notes at an amount per Note equal the redemption amount specified in Clause 9.3 (*Voluntary total redemption (call option)*) as applicable considering when acceleration occurs.

## 16 Distribution of Proceeds

16.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 15 (*Acceleration of the Notes*) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *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 Finance Documents (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes or the protection of the Noteholders' rights 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 21.2.7, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 17.15 together with default interest in accordance with Clause 8.4 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 accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents including default interest in accordance with Clause 8.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer.

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

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

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

16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Redemption Date and also the Record Date on which a person shall be registered as a

Noteholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7.1 shall apply.

## **17 Decisions by Noteholders**

- 17.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 17.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- 17.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- 17.4 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.3 being applicable, the Issuer or the Noteholder(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuing Agent shall upon request provide the Issuer or the convening Noteholder(s) with the information available in the debt register (*skuldbok*) kept by the CSD in respect of the Notes in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- 17.5 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 18.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 19.1, in both cases with a copy to the Agent. After a request from the Noteholders pursuant to Clause 21.4.3, 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 Noteholders' Meeting in accordance with Clause 18.1. The Issuer shall inform the Agent before a notice for a Noteholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and shall, on the request of the Agent, append information from the Agent together with the notice or the communication. The Issuing Agent shall provide the Issuer with the information available in the debt register (*skuldbok*) kept by the CSD in respect of the Notes in order to convene and hold the

Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be.

17.6 Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a person who is, registered as a Noteholder:

- (a) on the Business Day specified in the notice pursuant to Clause 18.2, in respect of a Noteholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 19.2, in respect of a Written Procedure,

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

17.7 The following matters shall require the consent of Noteholders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.2:

- (a) a change to the terms of any of Clause 2.1, and Clauses 2.5 to 2.7;
- (b) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 9 (~~Redemption and repurchase~~, Repurchase and Amortisation of the Notes);
- (c) a change to the Interest Rate or the Nominal Amount;
- (d) a change to the terms for the distribution of proceeds set out in Clause 16 (*Distribution of proceeds*);
- (e) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 17 (*Decisions by Noteholders*);
- (f) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (g) a mandatory exchange of the Notes for other securities; and
- (h) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 15 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

17.8 Any matter not covered by Clause 17.7 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.2. 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 20.1(a) or (b)), an acceleration of the Notes.

- 17.9 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.7, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- If a quorum exists for some but not all of the matters to be dealt with at a Noteholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- 17.10 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), as the case may be, provided that the person(s) who initiated the procedure for Noteholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 17.10, the date of request of the second Noteholders' Meeting pursuant to Clause 18.1 or second Written Procedure pursuant to Clause 19.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 17.7 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 17.11 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.12 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.13 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 17.14 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.

- 17.15 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.16 If a decision is to be taken by the Noteholders 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 Notes owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company or an Affiliate.
- 17.17 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

## **18 Noteholders' Meeting**

- 18.1 The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is registered as a Noteholder on a date selected by the Agent which falls no more than five (5) Business Days prior to the date on which the notice is sent.
- 18.2 The notice pursuant to Clause 18.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders), (iv) the day on which a person must be Noteholder in order to exercise Noteholders' rights at the Noteholders' Meeting and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 18.3 The Noteholders' 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.
- 18.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

## **19 Written Procedure**

- 19.1 The Agent shall instigate a Written Procedure as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or

the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each person who is registered as a Noteholder on a date selected by the Agent which falls no more than five (5) Business Days prior to the date on which the communication is sent.

19.2 A communication pursuant to Clause 19.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) 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 (v) the stipulated time period within which the Noteholder 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 19.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.

19.3 When consents from Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 17.7 and 17.8 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.7 or 17.8, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **20 Amendments and Waivers**

20.1 The Issuer and the Agent (acting on behalf of the Noteholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:

- (a) it is obvious to the Agent that such amendment or waiver is not detrimental to the interest of the Noteholders as a group;
- (b) it is made solely for the purpose of rectifying obvious errors and mistakes;
- (c) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
- (d) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*).

20.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.

20.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 20.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 10.3 (*Publication 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.

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

## **21 Appointment and Replacement of the Agent**

### **21.1 Appointment of Agent**

21.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder, including the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.

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

21.1.3 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.

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

21.1.5 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.

### **21.2 Duties of the Agent**

21.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents. The Agent is not responsible for the content, the valid execution, legal validity or enforceability of the Finance Documents.

21.2.2 The Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent only acts in accordance with the Finance Documents and upon instructions from the Noteholders, unless otherwise set out in the

Finance Documents. In particular, the Agent is not in any way acting as an advisor (whether legal, financial or otherwise) to the Noteholders.

- 21.2.3 The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Finance Documents, or to take any steps to ascertain whether any Event of Default has occurred.
- 21.2.4 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall act in the best interest of the Noteholders as a group and carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 21.2.5 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 21.2.6 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 21.2.7 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents; or (iii) as otherwise agreed between the Issuer and the Agent. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 16 (*Distribution of proceeds*).
- 21.2.8 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 21.2.9 Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- 21.2.10 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 law or regulation.
- 21.2.11 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may

refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.

21.2.12 The Agent shall give a notice to the Noteholders (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 21.2.11.

### 21.3 **Limited liability for the Agent**

21.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or willful misconduct. The Agent shall never be responsible for indirect loss.

21.3.2 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 or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.

21.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognized clearing or settlement system used by the Agent for that purpose.

21.3.4 The Agent shall have no liability to the Noteholders or to the Issuer (or any other person) for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with the Finance Documents.

21.3.5 The Agent is not liable for information provided to the Noteholders by or on behalf of the Issuer or by any other person.

21.3.6 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

### 21.4 **Replacement of the Agent**

21.4.1 Subject to Clause 21.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

21.4.2 Subject to Clause 21.4.6, 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.

- 21.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 21.4.4 If the Noteholders 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 Noteholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 21.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 21.4.6 The Agent's resignation or dismissal shall only take effect upon the 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.
- 21.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 21.4.8 In the event that there is a change of the Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **22 Appointment and Replacement of the Issuing Agent**

- 22.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Notes.

- 22.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.
- 22.3 The Issuing Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties under the Terms and Conditions.

### **23 Appointment and replacement of 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 Notes.
- 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 Noteholder or the listing of the Notes on the Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Account Act (*lag (1998:1479) om kontoföring av finansiella instrument*).

### **24 No Direct Actions by Noteholders**

- 24.1 A Noteholder 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 (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the 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 Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 21.1.2), 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 by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 21.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2.8 before a Noteholder 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 Noteholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Noteholders.

## **25 Prescription**

- 25.1 The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised 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 Noteholders' right to receive payment has been prescribed and has become void.

- 25.2 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 Notes, and of three (3) years with respect to receive payment of interest (excluding capitalised 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.

## **26 Notices and Press releases**

### **26.1 Notices**

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

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to such 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 such email address notified by the Issuer to the Agent from time to time; and
- (c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the date such person shall be a Noteholder in order to receive the communication, (or if no such date is specified, one Business Day prior to dispatch), and by either courier delivery (to the extent it is possible to deliver by courier to the relevant address) or letter for all Noteholders. A Notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.

- 26.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter or, if between the Agent and the Issuer, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address

specified in Clause 26.1.1, in case of letter three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 26.1.1 or, in case of email to the Agent or the Issuer, when received in readable form by the email recipient.

- 26.1.3 Any notice pursuant to the Finance Documents shall be in English.
- 26.1.4 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

## 26.2 **Press releases**

- 26.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 9.4 (*Early redemption due to illegality (call option)*), 10.1.2, 15.3, 17.17, 18.1, 20.1 and 20.3 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 26.2.2 In addition to Clause 26.2.1, if any information relating to the Notes or the Group contained in a notice the Agent may send to the Noteholders 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 Noteholders 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 Noteholders, the Agent shall be entitled to issue such press release.

## 27 **Force Majeure and Limitation of Liability**

- 27.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 27.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 27.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 27.4 The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

**28        Governing Law and Jurisdiction**

- 28.1        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.
- 28.2        The Issuer submits to the non-exclusive jurisdiction of the District Court of Stockholm (*Stockholms tingsrätt*).
-

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

Place: Stockholm

Date: \_\_\_\_\_ 2019

*[Executed by way of an amendment and restatement agreement dated [●] 2022]*

**KVALITENA AB (PUBL)**

**as Issuer**

_____	_____
_____	_____
Name:	Name:

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

Place: Stockholm

Date: \_\_\_\_\_ 2019

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

**as Agent**

_____	_____
_____	_____
Name:	Name:

\_\_\_\_\_

## Schedule 1

### Conditions Precedent

#### Part I - Conditions Precedent relating to Initial Notes

##### 1 Corporate Documents

- (a) A copy of the constitutional documents of the Issuer.
- (b) A copy of a resolution of the board of directors of the Issuer:
  - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it shall execute, deliver and perform the Finance Documents to which it is a party;

- (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.
- (c) A specimen of the signature of each person authorised by the resolution referred to in paragraph (b) above in relation to the Finance Documents and related documents.
  - (d) A certificate of an authorised signatory of the Issuer certifying that each copy document relating to it specified in this Schedule 1 is correct, complete and in full force and effect.
  - (e) An agreed form Compliance Certificate.

## **2 Agreements**

The following documents duly executed by all the parties thereto:

- (a) the Terms and Conditions; and
- (b) the Agency Agreement.

## **Part II - Conditions Precedent relating to Subsequent Notes**

### **1 Corporate Documents**

- (a) To the extent not covered by the resolutions from the board of directors under Part I, a copy of a resolution of the board of directors of the Issuer:
  - (i) approving the terms of, and the transactions contemplated by, the Subsequent Notes and resolving that it shall execute, deliver and perform any documents necessary in connection with the issue of the Subsequent Notes;
  - (ii) authorising a specified person or persons to execute any such documents; and
  - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Subsequent Notes.
- (b) A Compliance Certificate; and
- (c) A copy of any other authorisation or other document, opinion or assurance which the Agent notifies the Issuer that it reasonably considers necessary or desirable in connection with the issue of the Subsequent Notes.

## Schedule 2

### Form of Compliance Certificate

To: Nordic Trustee & Agency AB (publ) as Agent  
From: Kvalitena AB (publ)  
Dated: [●]

Dear Sirs,

**Kvalitena AB (publ) – Terms and conditions for Kvalitena AB (publ) with respect to the SEK 800,000,000 senior floating rate notes (the "Terms and Conditions")**

- (1) We refer to the Terms and Conditions. This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.
- (2) We confirm that:
  - (a) the Equity Ratio on the Test Date [*date*], was [●]%; and
  - (b) [as an aggregate during the Financial Year ending on the Test Date [*date*]:
    - (i) not less than 85% of all investments made by the Issuer (based on the gross amounts applied towards such investments) are Real Estate Related Investments; and
    - (ii) the Group's consolidated book value of Tangible Assets is not less than SEK 4,000,000,000.<sup>1</sup>
- (3) We set out below calculations establishing the figures in paragraphs (2)(a):  
[●]
- (4) We confirm that no 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, is continuing. [*If this statement cannot be made, the certificate should identify any Event of Default or default that is continuing and the steps, if any, being taken to remedy it.*]
- (5) Attached hereto you will find copies of any notices sent to the Regulated Market.

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<sup>1</sup> Only to be included in respect of the Test Date 31 December.

# **RISK FACTORS**

*Schedule 4*

*[Separately attached]*

## 1 Risk Factors

*In this section, the risk factors which the Issuer considers to be material risks relating to the Group are illustrated. The Issuer's assessment of the probability of the occurrence of each risk factor and the expected magnitude of their negative impact is illustrated with a rating of low, medium or high. The description of the risk factors below is based on information available and estimates made on the date of this Investor Presentation.*

*The risk factors are presented in categories where the most material risk factors in a category are presented first under that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor. Terms not defined herein shall have the same meaning as ascribed to them in the Terms and Conditions.*

### 1.1 RISK FACTORS SPECIFIC AND MATERIAL TO THE ISSUER AND THE GROUP

#### 1.1.1 *Property related risks and risks related to the Issuer's investments*

##### 1.1.1.1 **Dependency on Dorco International B.V. and leakage**

The Group is dependent on the main shareholder of the Issuer, Dorco International B.V. (“Dorco”), to identify and source favourable investments and acquisition targets (e.g. real estate portfolios, assets and businesses) in exchange for certain fees. There is a risk that Dorco, for various reasons, may not be able to successfully identify and source investments to the Group on favourable terms or at all, which could entail that the Group's investments and acquisitions have to be made at a significantly higher cost or on otherwise less favourable terms than it currently is. Additionally, in the event that Dorco is unable to source any appropriate investments or acquisitions at all, the Group may need to find a replacement investment advisor which could result in the Group having to pay higher fees for investment services and that the Group, during the period during which it searches for a replacement service provider, does not have the appropriate resources to identify and complete new investments and acquisitions, which in its turn could adversely affect the Group's ability to meet its yield requirements.

The Group pays certain fees to Dorco for rendered investment services. Further, the sale and purchase agreements entered into by and between Dorco and the relevant Group Company may contain obligations for the Group Company to pay a deferred purchase price in the event that certain conditions are met. As such, the Group may make various continuous and/or event driven payments to Dorco during the maturity of the Notes, which in turn could adversely affect the Group's liquidity position, and it should be noted that these payments will, to a certain extent, be permitted under the terms of the amended Terms and Conditions.

If the arrangement with Dorco is unsuccessful or if the Group's ability to properly utilise Dorco's market knowledge, it could have a material adverse effect on the business, the profitability and the financial condition of the Group, and thereby the Issuer's ability to fulfil its payment obligations under the Notes.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be low.

#### **1.1.1.2 Rental income**

The Group's financial position and result are dependent on rental income from tenants on its properties. The Group's rental income will thus be affected by vacancies of the properties, contracted rental rates and the tenants paying their rents on time. Increased vacancies and/or decreased rental rates will, regardless of reason, adversely affect the Group's earnings. For example, the Group's total rental income amounted to SEK 203 million for the financial year 2021 and a potential decrease in the Group's total rental income of 15 per cent. due to, for example, fluctuations in vacancies, could therefore have a material negative impact on the Group's total earnings, corresponding to the decrease in rental income.

The risk of fluctuations in vacancies increases with large tenants. For example, the ten largest tenants as of 30 of June 2022 accounted for approximately 15% of the total contracted rental income. There is a risk that the Issuer's larger tenants do not renew or extend their lease agreements upon expiry and that the Issuer does not find new tenants, which in the long term could lead to a decrease in rental income and an increase in vacancies. Accordingly, if the Group's tenants do not renew or extend their lease agreements upon expiry, or if the contracted rental levels are reduced, it could result in a material decrease in the Issuer's rental income which could have a negative impact on the Issuer's total rental income and hence the Issuer's earnings.

The above-mentioned risk related to rental income may, if they are materialised, have a negative effect on the Group's earnings and financial position.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be medium.

#### **1.1.1.3 Changes in property value**

The Group's properties are reported at fair value in the balance sheet and with changes in value in the profit and loss account. If the value of the Group's properties decreases, causing the Group to write down the value of its properties, it could result in a number of consequences. For example, it could potentially cause a breach of the covenants of the loans owed by the Group from time to time, which in turn could result in such loans being accelerated prior to maturity and consequently affecting the liquidity of the Group. The fair value of the properties and the tenants' solvency, which may affect the Issuer's rental income, is also generally affected by general conditions in the economy, such as GDP growth (Sw. *bruttonationalprodukt*), employment rate, inflation, changes in interest rate

levels and amortisation requirements. A negative development of the economy would have a material adverse effect on supply and demand on the real estate market and accordingly affect vacancy and rental rates for the properties. An increased vacancy rate for the properties would, as a consequence, have a negative impact on the Issuer's financial position as increased vacancy rates will result in higher costs for the Issuer.

A material decrease of the market value of the Group's properties would also have a negative impact on the Group's possibilities to dispose of its properties without incurring losses, which in turn may have a negative effect on the Group's financial position and results and the Issuer's ability to make payments under the Notes.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be medium.

#### **1.1.1.4 Property transaction risk**

The Issuer's property portfolios may vary over time and acquisition and/or investments in and sale of additional properties and property-owning companies are a part of the Issuer's and the Group's ordinary business. There is a risk that there are unforeseen costs in recent or future acquisitions of properties or property-owning companies due to, including but not limited to, environmental remediation, reconstruction and handling technical issues, official decisions, the occurrence of a dispute related to an acquisition and the condition of a property, and future loss of tenants which are unknown to the Issuer and that such unidentified risks will have an adverse effect on the Group's business, earnings or financial position. Future divestments of properties may also include undertakings by the Group to pay additional amounts to the buyers, e.g. for remediation costs of contaminated soil. Such additional payments may have an adverse effect on the financial position of the Group.

There is a risk that future acquisitions will present certain financial, managerial and operational risks, including difficulties when integrating or separating business from existing operations and challenges presented by acquisitions which does not achieve rent levels and profitability that justify the investments made by the Group. If the ongoing or future acquisition are not successfully integrated, there is a risk that the Group's business, financial condition and results of operations will be adversely affected. There is also a risk that future acquisitions will result in the incurrence of debt, contingent liabilities, amortisation costs, impairment of goodwill or restructuring charges, any of which will have an adverse effect in the Group's business, earnings or financial position. Furthermore, pending or planned acquisitions may not be completed for various reasons.

If such pending or planned acquisitions are not completed, this may have an adverse effect on the Group's result, which may impact the Issuer's ability to make payments under the Notes.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be low.

### 1.1.1.5 Risk related to investments

The Issuer invests in various listed companies within the property sector. Furthermore, the Issuer, through its wholly-owned subsidiary Kvalitena Industrier AB (“**Kvalitena Industrier**”), invests in various non-listed companies conducting businesses such as providing goods or services related to the property sector. Hence, the Issuer is exposed to the risk of a decrease in the value of its investments, either as a result of write-downs due to revised valuations or macroeconomic factors, both in relation to its non-listed investments and its listed investments. A decrease in the value of the Issuer and its subsidiaries’ investments may adversely affect the Issuer’s portfolio value and balance sheet, and thereby have a material negative impact on the Issuer’s financial position and its ability to make payments under the Notes.

There is also a risk that potential issues with an acquired company are not detected in the due course of the due diligence review or that there are other unidentified risks associated with the company. If these risks would materialise, it would have a material adverse effect on the relevant company’s operations, financial position and profits which would subsequently affect the portfolio value of Kvalitena Industrier negatively.

The non-listed shares held by Kvalitena Industrier are not publicly traded and are thus illiquid, as opposed to listed shares, which could result in difficulties to divest non-quoted shares on short notice if Kvalitena Industrier would be required to sell its non-listed shares should the financial position of the Issuer or Kvalitena Industrier deteriorate. There is also a risk that such divestment would be discounted compared to the actual value, which could affect the Issuer’s financial position negatively.

The Issuer considers that the probability that the abovementioned risks materialise to be medium. If the risks would materialise, the Issuer considers the potential negative impact to be medium.

## 1.1.2 *Financing related risks*

### 1.1.2.1 Interest rates risk

Interest rates risk is the risk that changes in interest rates affect the Group’s interest expense. For example, other than equity, the Group’s operations are mainly financed by loans from credit institutions and issue of Notes. Interest expenses are therefore one of the Group’s main cost items. Interest expenses are mainly affected by the level of market interest rates, credit institutions’ margins and the Group’s strategy regarding interest rate fixation periods.

A minor part of the Group’s credit agreements includes floating interest rates. Consequently, there is a risk that an increase in the interest rates would have a negative impact on the Group’s financial position and results and the Issuer’s ability to make payments under the Notes. The Group’s average interest rate as of 30 of June 2022 was 4,5 per cent. Based on the conditions at 30 of June 2022, a change in the Group’s average interest rate of +/- one percentage point would theoretically affect the Group’s profit before tax by approximately +/- SEK 12,4 million.

The above-mentioned risk related to interest rates may, if they are materialised, affect the Issuer's interest expenses and net financial income.

The Issuer considers that the probability that the abovementioned risks materialise to be high. If the risks would materialise, the Issuer considers the potential negative impact to be low.

### **1.1.2.2 Liquidity risks**

Liquidity risk in relation to the Issuer's projects developments is the risk that liquid assets, in addition to available external financing, of the Issuer are not sufficient to finance ongoing projects, acquisitions and operations. In order to continue to grow the business and expand its operations and investments, access to liquid funds are necessary to such an extent that several projects can be started and run in parallel. If the Issuer or the Group (taken as a whole) does not have sufficient liquidity to fulfil its ongoing projects this could result in decreased growth and expansion as well as increased costs and penalties, hence adversely affect the Group's financial position.

Liquidity risk in relation to amortizations and interest due is the risk that the liquid assets of the Issuer are not sufficient or not available to meet its payment obligations at the relevant maturity date without increasing the cost of obtaining such necessary liquidity. The Issuer is dependent on available liquidity in order to fulfil its obligations including, inter alia, paying interest and amortisation costs related to its financing. If the Issuer does not have sufficient liquidity to fulfil its obligations, this could result in increased costs and penalties, hence affect the Issuer's financial position.

The Issuer considers that the probability that the abovementioned risks materialise to be high. If the risks would materialise, the Issuer considers the potential negative impact to be medium.

### **1.1.2.3 Refinancing risks**

Refinancing risks refer to, inter alia, the risks of increased funding costs and the availability to refinance existing loan facilities.

The Issuer's total project development and investment costs exceed the Issuer's cash and cash equivalents, while the cash flow from the investment properties is not enough to finance the Issuer's new production. The Group's operations are therefore partly financed by externally provided debt capital. The required capital for financing of both development of existing properties and future acquisitions is and will be provided by banks and other financial institutions. As of 30 of June 2022, the Group's interest-bearing liabilities amounted to MSEK 4 215. As of 30 of Juen 2022, approximately MSEK 1 309 of the Group's existing interest-bearing liabilities mature for repayment within 12 months, and an additional approximate MSEK 160 mature for repayment within 24 months. If the Group cannot refinance its loans in full or in part or a refinancing is made with increased funding and/or margin costs, it might have a negative effect on the Issuer's possibilities to repay its debts (including any debt service under the Notes) and the Group's operations and earnings.

The Issuer considers that the probability that the abovementioned risks materialise to be high. If the risks would materialise, the Issuer considers the potential negative impact to be medium.

#### **1.1.2.4 Security over assets granted to third parties**

The Issuer may incur financial indebtedness (other than in respect of Market Loans, unless they meet certain criteria as further specified in the terms and conditions of the Notes) and provide additional security for such indebtedness. As security may be granted to additional debt providers, the Noteholders will, in the event of bankruptcy, reorganisation or winding-up of the Issuer, be subordinated in right of payment of the assets being subject to security provided to such third-party debt providers. In addition, if any such third-party debt provider holds security provided by the Group were to enforce such security due to a default by any company within the Group under the relevant finance documents, such enforcement would have a material adverse effect on the Group's assets, operations and financial position, and the rights of the Noteholders to receive payments under the Notes. As of 30 of June 2022, the Issuer has outstanding debt in the amount of MSEK 124 which is secured and therefore rank prior to the Notes in the event of the Issuer's liquidation, company reorganisation or bankruptcy.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be low.

### **1.1.3 Operational risks**

#### **1.1.3.1 Holding company risks**

The Issuer is a diversified investment company, focusing on real estate investments and the Issuer's operations are mainly run through its direct and indirect subsidiaries. The Issuer's most significant subsidiaries are Hedvig Eleonora Holding AB and Svea Real Estate Group, which through their subsidiaries accounted for approximately 55% of the Group's aggregate turnover during the Issuer's financial year ending on 31 December 2021.

The Issuer is hence dependent on receiving sufficient liquidity deriving from the operations of its subsidiaries to fulfil its obligations under the Notes. The subsidiaries are legally separated from the Issuer and their ability to make payments to the Issuer is restricted by the availability of funds, covenants in loan agreements, corporate restrictions and law. Furthermore, in the event of insolvency, all the creditors of an insolvent subsidiary would be entitled to payment in full before the Issuer, as a shareholder, would be entitled to any payments. Finally, the transfer and distribution of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiary. Consequently, if one or more of the Issuer's most significant subsidiaries do not provide dividend income, or due to other circumstances, conditions, laws or other regulations are prevented from providing liquidity distributions to the Issuer, it could have a material adverse effect on the financial conditions of the Group and the Issuer's ability to fulfil its obligations under the Notes.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be high.

### **1.1.3.2 Reputational risk**

The Issuer is dependent on its good reputation. The Issuer's reputation is important from many different aspects. It is for example important in relation to new and current tenants. As an example, operative problems or maintenance problems could damage the Issuer's reputation, which in turn could lead to difficulties obtaining new or keeping current tenants. The Issuer's reputation is also important in relation to banks, bond investors and other sources of capital as well as in relation to recruitment of key personnel.

Furthermore, damage to the Issuer's reputation could lead to loss of income or loss of growth potential, which in turn may have a negative effect on the Group's business and its position at the real estate market.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be medium.

### **1.1.3.3 Dependence on retaining and recruiting key employees**

The knowledge, experience and commitment of the Issuer's employees are important for the Issuer's future development. For example, the Issuer is dependent on a number of key persons being Seth Lieberman, Hans Lycketorp, Harald Pousette, Christer Lindholm and Kristina Englund. These employees have extensive knowledge of the property market and the Group's operations, mainly in Sweden but also the United States of America. The experience and commitment of these employees are important for the Group's future development. In addition to current employees, the Issuer also needs to recruit new employees with special skills or experience in order to expand further.

If the Issuer fails to recruit new employees, or if key employees leave the Group and suitable and experienced replacements cannot be recruited, this could have a negative effect on the Issuer's ability to conduct its operations. In order to retain key employees, remuneration may need to be increased which will entail higher costs for the Group.

Risk rating: high

### **1.1.3.4 Environmental risks**

Property management and investments include the potential of environmental risks. The Swedish Environmental Code (Sw. *miljöbalken (1998:808)*) states that business operators that have contributed to pollution are responsible for remediation of the relevant polluted property. If the responsible person or entity is unable to remediate a polluted property, the person or entity acquiring the property, under certain circumstances, is liable for remediation. Since the Issuer from time to time acquires properties as part of its operations, claims for remediation of polluted or environmentally damaged property

could be directed at the Issuer for remediation, which could have a material adverse effect on the Issuer's earnings and financial position.

The Issuer considers that the probability that the abovementioned risks materialise to be medium. If the risks would materialise, the Issuer considers the potential negative impact to be low.

#### **1.1.3.5 Competition risk**

The Issuer and its subsidiaries operate in a competitive industry. For example, the Group's competitiveness is, amongst other things, dependent on its ability to acquire properties in attractive locations, attracting and retaining tenants, its ability to predict future changes in the industry and to quickly adapt to current and future market needs.

The Issuer's main competitors are other real estate management companies within the real estate business with the similar business focus as the Issuer (being, among others, Balder and Fastpartner) and other investors in respect of the type of investments that the Issuer and its subsidiaries make in non-listed companies. The Group is competing in relation to tenants based on location, rental rates, size, availability, quality, satisfactory levels of the tenants, comfortability and reputation of the Group.

Financially strong competitors may have greater resources than the Group and better capacity to resist market decline, better access to potential objects to acquire, be able to compete more effectively, more skilled in retaining key personal and react more quickly to changes in the local markets. In addition, competitors may be more prone to accept lower required rates of return. It may become necessary for the Group to make significant investments, restructuring operations or price reductions in order to adapt to increased competition. If the risk described above materialise it would have a material negative impact on the Group's earnings and financial position.

In relation to investments in non-listed companies conducting businesses related to the property sector, a high level of competition can result in a higher price in an individual transaction and to the transaction not being made at an attractive price, which deteriorates the potential return on the investment and which could ultimately affect the Issuer's financial position.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be low.

#### **1.1.3.6 Risks associated with the Issuer's geographical concentration of properties**

The supply and demand for student housing, properties, and consequently the valuation of property investments, varies between different geographical markets which could develop differently. As of the date of the Investor Presentation, the Issuer has properties in many parts of Sweden and in Texas and New Mexico, in the United States of America. Political decisions may affect the demand in the geographical markets. Reduced demand in the geographical markets in which the Issuer operates may lead to lower occupancy levels, less opportunity to increase rent increases levels or reduced property values. A

decreased demand may result in decreased earnings and a negative effect on the Issuer's financial position and profit.

The Issuer considers that the probability that the abovementioned risks materialise to be low. If the risks would materialise, the Issuer considers the potential negative impact to be low.