



**ARWIDSRO FASTIGHETS AB (PUBL)**

**PROSPECTUS REGARDING THE LISTING OF  
SEK 400,000,000  
SENIOR UNSECURED CALLABLE FLOATING RATE GREEN BONDS  
DUE 2024/2027**

**ISIN: SE0020354470**

**9 April 2024**

*This Prospectus (as defined herein) was approved by the Swedish Financial Supervisory Authority on 9 April 2024. This Prospectus is valid for a period of up to 12 months after the date of this approval. The Issuer's (as defined herein) obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Prospectus is no longer valid.*

*Interest payable for the Bonds (as defined herein) is calculated by reference to STIBOR. As of the date of this Prospectus (as defined herein), the administrator (being Swedish Financial Benchmark Facility AB) is registered in the register of administrators and benchmarks maintained by the European Securities and Markets Authority (ESMA) pursuant to article 36 of Regulation (EU) No. 2016/1011.*

## IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Arwidsro Fastighets AB (publ) (the “**Issuer**” or “**Arwidsro**” or together with its direct and indirect subsidiaries (unless otherwise indicated by the context) the “**Group**”), reg. no. 556685-9053, in relation to the application for listing of bonds issued under the Issuer’s SEK 300,000,000 senior unsecured floating rate green bonds with ISIN SE0020354470 (the “**Bonds**”), issued on 20 February 2024 (the “**Issue Date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”), on the sustainable bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). Danske Bank A/S, Danmark, Sverige Filial (business identity code 516401-9811) and Swedbank AB (publ) (reg. no. 502017-7753) have acted as joint bookrunners (the “**Bookrunners**”) and Swedbank AB (publ) (reg. no. 502017-7753) as issuing agent (the “**Issuing Agent**”).

This Prospectus has been prepared as well as approved and registered by the Swedish Financial Supervisory Authority (*Sv. Finansinspektionen*) (the “**SFSA**”) pursuant to Chapter II and Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Furthermore, Annexes 7 and 15 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, form the basis for the contents of this Prospectus. Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus is governed by Swedish law. Disputes concerning, or relating to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (*Sv. Stockholms tingsrätt*) shall be the court of first instance. The Prospectus is available at the SFSA’s website ([www.fi.se](http://www.fi.se)) and the Issuer’s website ([www.arwidsro.se](http://www.arwidsro.se)).

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of admitting the Bonds to trading on Nasdaq Stockholm. This Prospectus may not be distributed in any country where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States. The Bonds may not be offered, sold or distributed within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Rule 902 of Regulation S under the Securities Act). The Issuer has not undertaken to register the Bonds under the Securities Act or any U.S. state securities laws or to affect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country’s securities laws. It is the investor’s obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer’s auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents that are incorporated by reference and possible supplements to this Prospectus. In this Prospectus, references to “**SEK**” refer to the lawful currency in the Kingdom of Sweden.

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

Amounts payable under the Bonds are calculated by reference to STIBOR, which is provided by the Swedish Financial Benchmark Facility. As of the date of this Prospectus, the Swedish Financial Benchmark Facility AB is registered in the register of administrators and benchmarks maintained by the European Securities and Markets Authority (ESMA) pursuant to article 36 of Regulation (EU) No. 2016/1011 (“**BMR**”).

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

This Prospectus has been prepared in English only and is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (*Sv. Stockholms tingsrätt*) shall be the court of first instance. The Prospectus is available at the SFSA’s website ([www.fi.se](http://www.fi.se)) and the Issuer’s website ([www.arwidsro.se](http://www.arwidsro.se)).

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## RISK FACTORS

*The purpose of this section is to enable a potential investor to assess the relevant risks related to the Bonds in order to make an informed investment decision. The below risk factors are therefore limited to risks that, in the meaning of Regulation (EU) 2017/1129, are material and specific, to the Issuer and the Group and the Bonds.*

*The manner in which the Issuer and the Bonds are affected by each risk factor is illustrated by way of an evaluation of the materiality of the relevant risk factor based on the probability of it occurring and the expected magnitude of its negative impact, for the purpose of which the probability is estimated as “low”, “medium” or “high” and the magnitude of negative impact if it would occur as “low”, “medium” or “high”. The most material risk factor in a category is presented first under that category, whereas subsequent risk factors in the same category are not purported to be ranked in order of materiality.*

### Risk factors specific and material to the Issuer and the Group

#### ***Risks related to the Group’s financial situation***

##### *Interest-rate risk*

The Group’s operations are to a large extent financed by loans, *inter alia*, loans from credit institutions and intra-group loan arrangements from the parent group. Interest expenses are therefore one of the Group’s main cost items and the Group’s interest bearing debt as of 30 September 2023 amounted to approximately SEK 2,367.6 million (excluding the Issuer’s senior unsecured green bonds with ISIN SE0017232754 (the “**Existing Bonds**”) and the Issuer’s subordinated green capital securities with ISIN SE0015812300 (the “**Existing Securities**”) and excluding shareholder loans) and the average fixed interest period (including the Existing Bonds and Existing Securities) was 24 months.

Besides the volume of the Group’s interest bearing debt, the market interest rates are mainly affected by the level of current market interest rates and credit institutions’ margins and the Group’s strategy regarding interest rate fixation periods. As the levels of interest bearing debt increases, adverse changes of interest rates would negatively affect the Group’s financial position and earnings and in turn the performance of the Issuer under the Bonds. To illustrate the interest risk, as per 30 September 2023, the Group’s average interest rate amounted to, including cap, approximately 4.8 per cent. and if the interest rate would increase by one (1) percentage, the Group’s interest costs would increase with approximately SEK 7.9 million taking into account relevant interest caps (excluding interest payment on the Bonds).

The Issuer considers that the probability of unexpected increases in interest rate costs occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

#### *Financing of the Group's operations*

The Group finances its business with own equity, but also, especially in regards to acquisition of properties and property development projects, with loans from external creditors and by loans from the capital markets, see further risk factor “*Refinancing risks*” below. Loans from external creditors may be secured by way of pledges over properties held by the Issuer’s subsidiaries. Consequently, the Group is dependent on obtaining appropriate financing in a timely manner in order to achieve growth and development. Furthermore, lack of financing or increased costs for financing resulting in inappropriate financing arrangements, could cause delays in or obstruct the Group’s property development projects. If such circumstances occur, it could result in projects not being completed before loans are due for payment, or that increased costs for financing are not covered by any granted credit facilities.

In January 2020, the Swedish Financial Supervisory Authority (“SFSA”) decided to implement additional capital requirements for certain banks’ exposure towards lending to the commercial real estate sector. The additional capital requirements have been applied during the SFSA’s Supervisory Review and Evaluation Process 2020, being the supervisory process carried out by the SFSA to annually assess the major banks’ capital and liquidity situations. The additional capital requirements have only affected certain major Swedish banks (Swedbank, Handelsbanken and Skandinaviska Enskilda Banken), and there is a risk that the costs for such additional capital requirements will need to be partially or fully borne by commercial real estate borrowers, such as the Issuer, by way of, *inter alia*, increased lending interest rates which could increase the cost of borrowing. An increased cost for lending (as regards higher margin) in combination with an increased market interest rate would negatively impact the Group’s results of operations. If the development of market interest rate would significantly deviate from what is expected, the interest rate deduction limitations could result in an increased tax liability for the Issuer, which in turn would negatively impact the Group’s earnings and financial position.

If the Issuer is not able to obtain financing, extension or increase of existing financing, refinancing, or is only able to obtain such financing on non-satisfactory terms, or if the market interest rates would increase as the refinancing opportunities decreases, it could have a material negative impact on the Issuer’s earnings and financial position.

The Issuer considers that the probability of difficulties to obtain financing occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

#### *Changes in value of Properties*

The Group's properties are reported at fair value (*Sv. verkligt värde*) and changes in value are described in the balance sheet. The Group's properties constitute a material part of the Group's total assets. As of 30 September 2023, the Group's consolidated property value, calculated at fair value, amounted to approximately SEK 4,186 million and the total assets amounted to around SEK 4,688 million. Twenty-five (25) per cent. of the Group's real property is subject to an external valuation by accredited valuation service providers on a quarterly basis, resulting in external valuations of one hundred (100) per cent. of the Group's real property on an annual basis. The valuation is carried out in accordance with the International Valuation Standards. Various factors may cause the Group to write down the fair value of its Properties, which could negatively affect the Group's operations and financial position. Furthermore, the valuation frequency and coverage may change from time to time which could result in the value becoming more difficult to estimate for an investor, a financing counterparty or any third party interested in the valuation of the Group's properties.

If the value of the Properties decreases, causing the Group to write down their value, it could result in a breach of covenants in loans taken up by the Group Companies from time to time. Such covenants may be related to, *inter alia*, the ratio between net interest bearing debt and property value (see risk factor "*Covenants in financing agreements*" below). If such breach is not cured, it could result in such loans being accelerated prior to maturity, thereby negatively affecting the liquidity of the Group. A material decrease of the market value of the Properties would also have a negative impact on the Group's possibilities to dispose of its properties without incurring losses, which may negatively affect the Group's results of operations and financial position, and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of a decrease in value of its Properties occurring is *medium*. If the risks would materialise, even if temporary, the Issuer considers the potential negative impact to be *low*.

#### *Operating and maintenance suppliers*

The Group develops and maintains properties within the grocery sector with complementary related services and goods, so called grocery-anchored properties, as well as community purpose properties and residential units with a limited amount of consumer tenants. The Group's various agreements with suppliers of goods and services for the maintenance and operation of the Group's properties are, taken

together, material. As the Group implements a quality over price approach when procuring such goods and services, there is a risk that the Group cannot procure high-quality services if the number of such high-quality service providers is limited or where existing suppliers with long-term contracts fail to deliver the preferred quality, without the Group being able to terminate such unfavourable supplier contract without incurring contractual penalties. If the Group's suppliers cannot maintain the preferred level of quality, it could lead to increased costs and decreased customer satisfaction, which in turn, especially if maintained over a prolonged period, would negatively affect the Group's operations and financial position.

The absolute majority of the services provided for the tenants such as electricity, water, heating are born by the tenants either directly (via own subscription/contract) or indirectly (contract held by the Group but passed on to the tenant). If the costs of these services continue to rise or to be reset at a higher level than normal it will affect the ability to increase rent.

The Issuer considers that the probability of such unexpected increase in cost occurring is *medium*. If the risk would materialise the Issuer considers the potential negative impact to be *low*.

#### *Covenants in financing agreements*

Certain of the Group's financing agreements contain, and may in the future contain, terms and conditions which impose restrictions on the Group's business. If the Issuer or a Group Company is in breach of any of its covenants (*e.g.* financial covenants) in its respective loan agreements, and such breach is not cured, it could result in loans being accelerated, leading to immediate repayment or the creditor's enforcement of security. For example, the terms and conditions for the Bonds (the "**Terms and Conditions**"), and the terms and conditions for the Existing Bonds, contains financial covenants requiring certain minimum ratios as regards loan to value and interest coverage as well as certain levels of total equity in relation to total assets. For instance, in order to meet the maintenance test under the Bonds and the Existing Bonds, the Issuer's net loan to value may not exceed seventy-five (75) per cent. and the interest coverage ratio shall be equal to or higher than 1.50:1, meaning that such covenants must be fulfilled in order for the Issuer to maintain the financing under the Bonds and the Existing Bonds. Further, certain loan agreements contain cross-acceleration provisions, which, in case the relevant debt obligations cannot be served by the relevant borrower or guarantor, could trigger the acceleration of other payment obligations within the Group. Such default situations would bring about additional costs and may deteriorate the Group's access to financing. Depending on the relevant financing arrangement, a breach of any covenant as described above would negatively affect the Group's financial position and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

### ***Risks related to the Group's business activities and industry***

#### *Rental income and rental development*

Rental income is the Group's main source of income whereby the Group is dependent on maintaining low levels of vacancies. The Group's rental income is also affected by contracted rental rates and the tenants paying rents in a timely manner. Rental rates, in turn, are affected by, *inter alia*, the supply and demand on the market and the level of the market rental rates.

The Group owns and develops grocery-anchored properties as well as community purpose properties and, to a limited extent, residential units with private tenants. The majority of the Group's properties are located outside of the metropolitan areas. As the Group's tenant base is limited to certain sectors and geographical areas, the Group is particularly susceptible to the supply and demand in such sectors and areas. For instance, there is a negative trend in relation to commercial property leases in the retail trade sector, as the vacancy rates have increased due to the closing of shops in main cities and urban areas. The Group's properties are mainly located in smaller cities where the negative trend currently is less prominent and compared to the retail trade sector, the grocery sector has been less influenced by the online sales trend driving closure of physical shops. This trend has proven to be consistent despite the outbreak of COVID-19, and where retail businesses are largely impacted by digital shopping habits, grocery stores and supermarkets are continuously considered attractive tenants. Furthermore, the Group's target market includes locations where package delivery is made at grocery stores rather than by home delivery, resulting in higher turn-over for the grocery stores. However, there is a risk that the negative trend with increased vacancies will extend also to the grocery sector, which could cause rental income to decrease and consequently negatively affect the Groups results of operations and long-term profitability.

Certain of the Group's existing and future tenants in relation to the Group's community purpose properties operate in the public sector. For such public sector tenants, the rental income and vacancy rates are, among other factors, dependent on municipal budgets and the development of the local public sector. Should such budgets change, which may be due to, *inter alia*, political decisions or lack of public resources, it could negatively affect the demand for community purpose properties.

Increased vacancies and/or decreased rental rates will negatively affect the Group's earnings, as rental income represents the Group's main source of income. As of 30 September 2023, the Group's ten largest tenants represented about, 67 per cent. of

the Group's total rental income. There is a risk that the Group's larger tenants do not renew or extend their lease agreements upon expiry and that the Group does not find new tenants, which in the long term could lead to a decrease in rental income and an increase in vacancies. Further, there is a risk that lease agreements attached to newly acquired properties are short-term lease agreements that require the Issuer or a Group Company to re-negotiate and renew or extend the term of the lease agreements. Should such negotiations not result in renewal or extension of the lease agreements upon expiry, there is a risk that the vacancy rate of the Group increases, and that the rental income of the Group will decrease. This would in turn negatively affect the Group's results of operations and financial position.

The Issuer considers that the probability of large fluctuations and increases in vacancies, decreases in market rental rates or any other loss of rental income is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

#### *Development projects*

The Group engages in property development projects in relation to community purpose properties and residential. In identifying suitable development projects, the Group identifies land rights and building rights in relation to municipality controlled land (*Sv. markansvisning*) for the building of community purpose properties such as high schools and primary schools, day care providers and nursing homes, as well as residential. The project value shall, according to the Group's strategy, amount to at least SEK 50 million. In pursuing such development projects, the Group usually sets up special purpose vehicles (SPVs), the financing of which is mostly secured by pledges in the SPV-structure. The SPV is responsible for the construction works and the Group usually signs a completion insurance, securing delay, operation and stoppages. There is a risk that the projects are not completed in a timely manner or at all, which could render a breach under relevant financing agreements. Furthermore, there is a risk that any construction firms and/or operators appointed for the development projects fail to fulfil their obligations vis-à-vis the Group or causes damages to the Group's properties, which in turn could lead to increased costs and/or time-consuming legal proceedings, diverting the management's attention from the day-to-day business.

The projects are only pursued if at least ninety (90) per cent. of the property is leased, and the success of the Group's property development projects is therefore dependent on that lease agreements are concluded. The property development projects mainly involve community purpose properties and residential and, in general, a high proportion of tenants of community purpose properties are within the public sector. There is a risk that public sector tenants become subject to budgetary restrictions, causing a negative effect on demand for community purpose properties, or that

changes in policy render such tenants unable to enter into agreements with the Group regarding future leases. Hence, there is a risk that a sufficient level of contracted leases cannot be reached resulting in that potential development projects cannot be accepted or pursued. This could negatively affect the Group's growth potential and ability to compete in the community purpose property sector, which in turn would negatively affect the Group's results of operations and financial position.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

#### *Acquisitions and disposals of assets*

The Group's property portfolio constitutes the main assets of the Group. The acquisition and sale of Properties or property-owning subsidiaries may lead to that attractive directly or indirectly owned property assets are disposed of and less attractive directly or indirectly owned property assets are acquired, resulting in a decrease in the market value of the Group's property portfolios. Furthermore, if Properties are sold at a lower price than expected or if the market value of the Properties decreases, this could negatively affect the Group's operations, financial position and earnings and in turn the performance of the Issuer under the Bonds.

Furthermore, acquisitions and divestments of real estate are associated with risks and uncertainties such as future loss of tenants including contractual requirements on occupancy rates, potential environmental impact from activities carried out on the property as well as decisions from authorities. When acquiring real estate companies, there are risks relating to, *inter alia*, tax, environmental issues and disputes.

As the Group continually acquires companies, the Group is exposed to the risk of unexpectedly increased transaction costs due to, for example, cancelled acquisitions. In acquiring companies, the Group is also exposed to integration risks, related to increased merging costs, organisational costs including personnel as well as unexpected costs related to management of new tenants, unforeseen environmental clean-up costs or costs related to unforeseen real estate property conditions.

Increased costs related to misjudgements in relation to acquisitions and disposals, the materialisation of inherent risks and increased transaction and/or integration costs would negatively affect the Group's financial position and earnings and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of increased costs as described above, materialisation of inherent risks and other risks described above occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

## **Legal and regulatory risk**

### *Holding company risks*

The Issuer is a holding company and the Group's operations are mainly run through its subsidiaries. The Issuer's ability to make required payments of interest on its debts and funding is affected by the ability of its subsidiaries to transfer available funds to it, and hence the Issuer is dependent on its subsidiaries to fulfil its obligations under the Bonds. The transfer of funds to the Issuer from its subsidiaries may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiary, including the relevant subsidiaries' financing arrangements. Furthermore, the Group Companies are legally separate entities and distinct from the Issuer and have no obligation to fulfil the Issuer's obligations vis-à-vis its creditors. If the subsidiaries do not provide liquidity, or due to other circumstances, conditions, laws or regulations are prevented from providing liquidity to the Issuer, there is a risk that the Issuer will not be able to fulfil its obligations under the Bonds. In addition, the parent group has provided intra-group loans to the subsidiaries. The loans are constructed as subordinated on-demand arrangements with ten (10) per cent. interest rate that is repaid simultaneously as the loan. There is a risk that the subsidiaries in their capacity as debtors cannot repay the loans or its interest, which could lead to losses for the parent group as creditor. Furthermore, as such loans are subordinated, any claim from the parent group would be subordinated the claims from the relevant subsidiary's other creditors in the event of a subsidiary's insolvency. This could in turn impair the Group's and the Issuer's liquidity and financial position.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

## **Environmental and social risks**

### *Reputational risk*

Operating in the public property sector, attracting customers that, in contrast to private customers, are subject to public scrutiny, the Group is dependent on its good reputation. The Group also actively pursues sustainability work including certification of properties, which, among other things, is an important feature in order to attract certain tenants that value sustainability. As an example, technical issues, maintenance problems or adverse reporting or failures in relation to the Group's community engagement image could damage the Group's reputation, resulting in, for example, difficulties in attracting or retaining tenants or access to debt or other financing which could impair the Group's growth potential. Furthermore, the Group could be negatively exposed in public media, with a limited ability to anticipate or respond to such publications, making it more difficult to remedy impaired reputation.

Damage to the Group's reputation could lead to loss of income or loss of growth potential, which may negatively affect the Group's operations and earnings and in turn the performance of the Issuer under the Bonds.

The Issuer considers that the probability of impaired reputation occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

## **Risk factors specific and material to the Bonds**

### ***Risks related to the nature of the Bonds***

#### *Ability to service debt*

The Issuer's ability to service its debt under the Bonds will depend on, among other things, the Group's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be enforced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital.

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

The Issuer considers that the probability of the risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all, is *medium*. If the risks would occur, the Issuer considers the potential negative impact to be *high*.

#### *Refinancing risk*

The Group finances its business by way of bank loan financing. As of 30 September 2023, the Issuer's equity (including the amounts under the Existing Securities) amounted to approximately SEK 1,478 million whereas interest bearing debt amounted to approximately SEK 2,667.6 million excluding shareholder loans.

The Group's ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations, intra-group loan arrangements and access to additional debt financing. In addition,

restrictions in relation to the Group's debt financing arrangements, as well as adverse developments in the credit markets and other future adverse developments, such as the further deterioration of the overall financial markets or a worsening of general economic conditions, could have a material adverse effect on the Group's ability to borrow funds as well as the cost and other terms of funding. There can be no assurance that such funds will be available at a commercially reasonable cost, or at all and consequently, there can be no assurance that the Group will be able to refinance the Bonds when they mature.

The Issuer considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

#### *Interest rate risks and benchmarks*

The Bonds' value depends on several factors, one of the more significant over time being the level of market interest. The Bonds bear a floating rate interest of STIBOR plus a certain margin and the interest rate is therefore adjusted for changes in the level of the general interest rate. Hence, there is a risk that increased general interest rate levels significantly affect the market value of the Bonds.

The determining interest rate benchmarks, such as STIBOR has been subject to regulatory changes such as the Benchmarks Regulation (Regulation (EU) 2016/1011 on indices used as benchmarks in financial and contracts or to measure the performance of investment funds) (the "**BMR**"). The implementation of the BMR will lead to that certain previously used benchmarks have been and may be discontinued, leading to that, *inter alia*, existing financing arrangements may need to be renegotiated or terminated. There is a risk that also STIBOR will be discontinued, or that alternative benchmark rates will dominate market practice, leading to uncertainties in relation to the interest rate payable in relation to the Bonds. Increased or altered regulatory requirements and risks associated with the BMR (as amended) involve inherent risks as the effects cannot be fully assessed at this point in time. There is a risk that developments in relation to STIBOR cause volatility in STIBOR, which would affect the interest rate for the Bonds.

Should STIBOR be discontinued, the Terms and Conditions provides for an alternative calculation of the interest rate for the Bonds. There is a risk that such alternative calculation results in interest payments less advantageous for the holders of the Bonds (the "**Bondholders**") or that such interest payment do not meet market interest rate expectations.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

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

### *Risks related to the labelling of the Bonds*

The Issuer intends to use an amount equivalent to the net proceeds of the issue of the Bonds and any Subsequent Bonds in accordance with the Issuer's green finance framework (the "**Green Finance Framework**") including, but not limited to, repurchasing and/or redeeming its existing bonds with ISIN SE0017232754. As there is currently no clear definition of as to what constitutes, a "green" or an equivalently-labelled project, there is a risk that any projects, assets or uses defined in the Green Finance Framework will not meet current or future investor expectations regarding such "green" or other equivalently-labelled performance objectives. In addition, there is a risk that the Issuer will not meet its short-term and long-term targets set out in the Green Finance Framework, such as emission reduction targets. Furthermore, future developments or legal requirements as to the definitions of "green", such as the entering into force of unified classification systems in relation to sustainability adopted by the European Union, render the eligible projects for the Bonds, as described in the Green Finance Framework, obsolete. This could lead to present or future investor expectations or requirements as regards any investment criteria or guidelines whether according to applicable law or regulations or by such investor's own by-laws, governing rules or investment portfolio mandates cannot be satisfied.

Furthermore, a failure to apply the proceeds in accordance with the Green Finance Framework could result in investors in the Bonds being in breach of investment criteria or guidelines with which an investor is required to comply which could result in remedies under the relevant investment criteria or guidelines, leading to claims or reputational damage.

The Issuer appointed S&P Global/Shades of Green ("S&P") for an independent, research-based evaluation of the Issuer's Green Finance Framework, which resulted in a second opinion dated in July 2023 (the "**Second Opinion**"). S&P is neither responsible for how the Green Finance Framework is implemented and followed up by investors, authorities (as applicable) or other stakeholders, nor is S&P responsible for the outcome of the investments described in the Green Finance Framework. There is a risk that the suitability or reliability of the Second Opinion is challenged by the Issuer, a potential investor, the Bondholders, or any third party. Furthermore, S&P is currently not subject to any regulatory regime or oversight and there is a risk that such providers will be deemed as not being reliable or objective in the future.

As the market conditions for green bonds and Bonds is rapidly changing, there is a risk that current or future investor expectations will not be met which could

negatively affect the secondary trading of the Bonds. This could lead to Bondholders being unable to trade their Bonds at attractive terms, or at all, or that any possession of Bonds is connected to reputation damage.

The Issuer considers that the probability of the Issuer facing adverse effects relating to the labelling of the Bonds as “green” is *low*. If the effects would materialise, the Issuer considers the potential negative impact as *medium*.

#### *Risks related to admission to trading*

The Issuer has undertaken to ensure that the Bonds are listed on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within certain stipulated time periods, and the failure to do so provides each Bondholder with a right of prepayment (put option) of its Bonds (each as defined in the Terms and Conditions). There is a risk that the Bonds will not be admitted to trading on the relevant market place within the intended time frames or at all. If the Issuer fails to procure listing in time, investors holding Bonds on an investment savings account (*Sv. ISK or IS-konto*) will no longer be able to hold the Bonds on such account, thus affecting such investor’s tax situation.

In order to be eligible for listing on the Sustainable Bond List of Nasdaq Stockholm, certain commercial criteria have to be met, including the filing of the Green Finance Framework and any external review, such as the Second Opinion. The Bonds are not de-listed if such requirements are not met, but there is a risk that the Bonds are removed from the Sustainable Bond List of Nasdaq Stockholm and are instead listed on the Corporate Bond List of Nasdaq Stockholm. Should such removal of the Bonds occur, there is a risk that the expectations of investors, insofar such expectations are related to the listing on the Sustainable Bond List of Nasdaq Stockholm, are not met, which in turn could impair the secondary trading in the Bonds, since certain investors may not allocate investments to non-green investments.

The Issuer considers that the probability of the risks described above is *low*. If the effects would materialise, the Issuer considers the potential negative impact as *low*.

#### ***Risks related to the Bondholders’ rights and representation***

##### *Risks related to acceleration of the Bonds and put options*

Upon the occurrence of an Event of Default (as defined in the Terms and Conditions), the Bonds may be accelerated at the terms and price set out in the Terms and Conditions. Furthermore, upon the occurrence of a Change of Control, a De-listing or Listing Failure (each as defined in the Terms and Conditions), the Bonds will be subject to prepayment at the option of each Bondholder (put option) at the terms and price set out in the Terms and Conditions. There can be no assurance that

the Issuer will have sufficient funds at the time of such prepayment or acceleration to make the required redemption of, or payment in respect of, the Bonds. Apart from that an investor could lose part of, or its entire investment, this could in turn adversely affect the Issuer, *e.g.* by causing illiquidity, insolvency or an Event of Default under the Terms and Conditions, and consequently adversely affect all Bondholders, and not only those that choose to exercise the option.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact as *medium*.

#### *Financing, structural subordination and priority rights*

The Group has, as part of its financing, incurred debts to credit institutions and other lenders, and security over property-owning subsidiaries has been provided in relation thereto in form of share pledges. Such secured loans normally constitute a preferential claim on the Issuer. Subject to the provisions set out in the Terms and Conditions, the Issuer may seek further financing in which case further pledges, as part of such new loans, may be provided. In addition, the Issuer may retain, provide or renew security over certain of its current or future assets to secure, *inter alia*, bank loans, either via the Issuer itself or any other Group company, with security interests normally constituting a preferential claim on the borrower. No present or future shareholder or subsidiary of the Issuer will guarantee the Issuer's obligations under the Bonds.

Furthermore, the Terms and Conditions allow the Group to incur certain additional debt. If the Issuer's subsidiaries incur debt, the right to payment under the Bonds will be structurally subordinated to the right of payment relating to debt incurred by subsidiaries of the Issuer, which could have a negative impact on the Bondholders' recovery under the Bonds. The issuer also has the right to incur pari passu debt with the Bonds, which could also risk reducing recovery under the Bonds.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact as *medium*.

#### *Voluntary early redemption*

The Issuer has, pursuant to the Terms and Conditions, reserved a right to redeem the Bonds in full prior to its final maturity date upon a Substantial Repurchase Event (as defined in the Terms and Conditions) occurring, i.e. where the Issuer has repurchased and cancelled a principal amount of Bonds equal to or greater than eighty (80) per cent. of the aggregate principal amount of the Bonds. The Issuer may also redeem the Bonds in full on or after the date falling six (6) months prior to the Final Redemption Date.

The mere possibility for the Issuer to exercise its right to early redemption due to the occurrence of a Substantial Repurchase Event (as defined in the Terms and Conditions) could significantly affect the market value of the Bonds. During a period when the Issuer is entitled to voluntarily redeem the Bonds, the market value of the Bonds will most likely not be significantly higher than the redemption price set out in the Terms and Conditions. Such effects could also arise prior to the actual redemption period.

If the Issuer exercises its right to early redemption of the Bonds when the market value of the Bonds is higher than the relevant redemption price, it could affect the investor's possibilities to re-invest the repaid amount on the same terms as the terms of the redeemed Bonds. It is further possible that the Issuer will not have sufficient funds at the time of the mandatory prepayment to carry out the required redemption of Bonds.

The Issuer considers that the probability of the above risks occurring in relation to the Bonds *low*. If the risks would materialise, the Issuer considers the potential negative impact as *low*.

## THE BONDS IN BRIEF

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

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

### **General**

Issuer	Arwidsro Fastighets AB (publ), reg. no. 556685-9053, Humlegårdsgatan 20, 114 46 Stockholm.
Resolutions, authorisations and approvals	The Issuer’s board of directors resolved to issue the Bonds on 29 January 2024.
The Bonds offered	As at the date of this Prospectus, Bonds in an aggregate amount of SEK 400,000,000 have been issued.
Nature of the Bonds	The Bonds constitute debt instruments ( <i>Sv. skuldförbindelser</i> ), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act ( <i>Sv. lag (1998:1479) om värdepappers-centraler och kontoföring av finansiella instrument</i> ).
Number of Bonds	As at the date of this Prospectus, 320 Bonds have been issued and admitted to trading following the approval of this Prospectus.
ISIN	SE0020354470.
Issue Date	20 February 2024.
Price	All Bonds issued on the Issue Date have been issued at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
Interest Rate	Subject to any replacement of STIBOR in accordance with Clause 18 ( <i>Replacement of Base Rate</i> ) of the Terms and Condition, Interest on the Bonds is paid at a rate equal to the sum of (i) three (3) months STIBOR,

	plus (ii) four point seventy-five (4.75) per cent. <i>per annum</i> .
Interest Payment Dates	20 February, 20 May, 20 August and 20 November each year (with the first Interest Payment Date being on 20 May 2024 and the last Interest Payment Date being the Final Redemption Date). Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).
Final Redemption Date	20 February 2027.
Nominal Amount	The Bonds have a nominal amount of SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds is SEK 1,250,000.
Denomination	The Bonds are denominated in SEK.
Status of the Bonds	The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among them and at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except for obligations mandatorily preferred by regulation applying to companies generally.
Use of Proceeds	An amount equivalent to the Net Proceeds (i.e. the proceeds from the issuance of any Bonds after deduction has been made for transaction costs payable by the Issuer in connection with the issuance and listing of such Bonds) and any Subsequent Bond Issue shall be applied by the Issuer in accordance with the Issuer's Green Finance Framework including, but not limited to, repurchasing and/or redeeming all or some of the Existing Bonds.

### **Call Option**

Call Option	The Issuer may redeem all, but not some only, of the Bonds in full:
	(a) provided that a Substantial Repurchase Event has occurred, on any Business Day falling on or

after the First Issue Date up to (but excluding) the Final Redemption Date, at a price per Bond equal to 101.00 per cent. of the Nominal Amount; or

- (b) provided that such early redemption is financed in part or in full by way of the Issuer issuing a new Market Loan, on any Business Day falling on or after the date falling six (6) months prior to the Final Redemption Date up to (but excluding) the Final Redemption Date, at a price per Bond equal to the Nominal Amount; or
- (c) on any Business Day falling on or after the date falling six (6) months prior to the Final Redemption Date up to (but excluding) the date falling three (3) months prior to the Final Redemption Date, at a price per Bond equal to 100.50 per cent. of the Nominal Amount; or
- (d) on any Business Day falling on or after the date falling three (3) months prior to the Final Redemption Date up to (but excluding) the Final Redemption Date, at a price per Bond equal to 100.25 per cent. of the Nominal Amount,

in each case together with accrued but unpaid interest.

Substantial Repurchase Event	Occurs if the Issuer at any time has repurchased a principal amount of Bonds equal to or greater than eighty (80.00) per cent. of the aggregate principal amount of the Bonds.
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### **Put Option**

#### Put Option

Upon the occurrence of a Change of Control, a Delisting or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but

unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.

**Change of Control Event**

The occurrence of an event or series of events whereby the Main Shareholder ceases directly or indirectly to:

- (a) hold more than fifty (50.00) per cent. of the shares of the Issuer;
- (b) control more than fifty (50.00) per cent. or the votes that might be cast at a general meeting of the Issuer; or
- (c) have the right to appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

**De-listing**

Either:

- (a) the occurrence of an event whereby, following an initial public offering of the common shares of the Issuer, a situation where: (i) the Issuer's shares listed on the relevant Regulated Market, recognised unregulated market place or MTF cease to be listed on such market; or (ii) trading of the Issuer's listed ordinary shares on the aforementioned stock exchange(s) is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) once the Bonds are admitted to trading on a Regulated Market, that the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of that Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

Listing Failure Event	<p>The occurrence of an event whereby:</p> <ul style="list-style-type: none"> <li>(a) the Initial Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within sixty (60) calendar days after the First Issue Date; or</li> <li>(b) any Subsequent Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within sixty (60) calendar days after the Issue Date in respect of such Subsequent Bonds.</li> </ul>
<b>Miscellaneous</b>	
Transfer restrictions	<p>The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local regulation to which a Bondholder may be subject. All Bonds transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bonds transferees upon completed transfer.</p> <p>The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements.</p>
Listing	<p>The Issuer has the intention and shall use its best efforts (without assuming any legal or contractual obligation) to ensure that: (i) the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm within thirty (30) days after the Issue Date; and (ii) the Bonds, once admitted to trading on the relevant Regulated Market, continue being listed thereon. The latest date for admitting the Bonds to trading on Nasdaq Stockholm is on 20 April 2024. The total expenses of the admission to trading of the Bonds are estimated to amount to SEK 100,000.</p>
Agent	<p>Nordic Trustee &amp; Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90, Stockholm, Sweden. The Agent's rights and obligations can be found in the Terms and Conditions for the Bonds, which are</p>

	available on the Issuer's website <a href="http://www.arwidsro.se">www.arwidsro.se</a> and are contained in this Prospectus.
Governing law of the Bonds	Swedish law.
Time-bar	The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be time-barred and become void three (3) years from the relevant due date for payment.
Risk factors	Investing in the Bonds involves substantial risks and prospective investors should refer to section " <i>Risk Factors</i> " for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds.
Green Bonds	The Green Finance Framework dated May 2023 applies to the Bonds. The Issuer's Green Finance Framework may from time to time be subject to amendments by the Issuer. Any such amendments after the Issue Date will not be applicable to the Bonds and the Bondholders. A failure by the Issuer to apply the Net Proceeds of the Bonds in accordance with the Green Finance Framework does not give the Bondholders a right to require that the Issuer shall repurchase or redeem any of their Bonds. Further, no Event of Default under the Terms and Conditions will occur should the Bonds no longer be defined as "green" Bonds. The relevant Bondholders are in such case not entitled to early repayment or repurchase of Bonds or other compensation. For more detailed information about the Issuer's currently Green Finance Framework, please see the Issuer's website: <a href="http://www.arwidsro.se">www.arwidsro.se</a> . The Green Finance Framework dated May 2023 has been developed in alignment with the Green Bond Principles published in June 2021 (with June 2022 Appendix I) established by International Capital Markets Association (ICMA). The Green Finance Framework dated May 2023 has been evaluated in July 2023 by the independent

research firm S&P Global (Shades of Green) which rated the framework as "Medium Green" with the positive addition that "Governance" is now improved to "Excellent".

The Green Finance Framework dated May 2023 is adapted to the four recommended components of the Green Bond Principles; (i) use of proceeds, (ii) process for project/asset evaluation and selection, (iii) management of proceeds and (iv) reporting. Any unallocated proceeds may temporarily be placed in the liquidity reserve or any other treasury business and managed accordingly by Arwidsro. Should there be any unallocated proceeds, Arwidsro strives to allocate them within one year.

In accordance with the Green Finance Framework dated May 2023, an amount equivalent to the Net Proceeds from the Bonds shall be used to finance or re-finance, in whole or in part, a portfolio of green eligible projects ("**Green Eligible Projects**"). Green eligible projects are both capital expenditures/ CAPEX (could either be reported in the income statement or capitalized on the balance sheet) and operational expenditures/ OPEX. Green Eligible Projects include (i) green buildings, including, new buildings (built after 31 December 2020), existing buildings (built before 31 December 2020), and major renovations and (ii) energy efficiency relating to direct costs such as installation of onsite solar panels, converting to LED lighting, heat pumps, improvements in ventilation systems, extension of district heating and cooling systems, installation of infrastructure for electric cars (electric charging points).

The net proceeds of the Bonds will not be used to finance fossil fuel energy generation, nuclear energy generation, the weapons and defense industries, potentially environmentally negative resource extraction, gambling or tobacco.

The selection of Green Eligible Projects is managed by a dedicated group, the Green Finance Committee ("GFC"). Members of the GFC consist of the Chairman, CEO, CFO, Head of Sustainability, and the Head of Transactions of Arwidsro. All decisions are made in consensus, and that applies to the selection process of Green Eligible Projects as well. A list of Green Eligible Projects is kept by the Finance Department which is responsible for making sure this list is up to date. The list of Eligible Green Projects is monitored by GFC on a regular basis during the term of the Bonds to ensure that the proceeds are sufficiently allocated to Eligible Green Projects. Swedbank AB (publ) has acted as advisor to Arwidsro in the establishment of the Green Finance Framework dated May 2023. Further, the Green Finance Framework is reviewed by an impartial firm (S&P Global (Shades of Green)), which has provided a second opinion to confirm its alignment with the applicable principles.

To enable investors, lenders, and other stakeholders to follow the development of the Green Eligible Projects funded by Green Financing Instruments (as defined in the Green Finance Framework dated May 2023) (including the Bonds), a Green Finance Report will be made available on the Issuer's website. The Green Finance Report will include an allocation report and an impact report and will be published annually as long as there are Green Financing Instruments outstanding.

## DESCRIPTION OF THE ISSUER AND THE GROUP

### Overview of the Issuer

The Issuer's legal and commercial name is Arwidsro Fastighets AB (publ) and it is domiciled in Stockholm municipality, with Swedish reg. no. 556685-9053. The Issuer was formed and registered with the Swedish Companies Registration Office on 16 September 2005. The Issuer carries out its business in accordance with Swedish law including, but not limited to, the Swedish Companies Act (*Sv. aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (*Sv. årsredovisningslagen (1995:1554)*).

<i>Issuer/trade name</i>	Arwidsro Fastighets AB (publ).
<i>Legal form</i>	Public limited liability company.
<i>Corporate registration number</i>	556685-9053.
<i>LEI-code</i>	5493007SW4YDMKWL8460.
<i>Incorporated</i>	On 29 August 2005.
<i>Registered</i>	On 16 September 2005.
<i>Head office</i>	Municipality of Stockholm.
<i>Visitors address</i>	Humlegårdsgatan 20, 114 46 Stockholm.
<i>Phone number</i>	+46 (0)8-545 673 00.
<i>Website</i>	www.arwidsro.se (the information provided at the Issuer's website, does not form part of this Prospectus and has not been scrutinised or approved by the SFSA, unless explicitly incorporated by reference into this Prospectus).
<i>Operational objective</i>	The Issuer shall own, structure and develop commercial real estate in the segments defensive grocery, community properties and housing residence.

### Organisational structure

The Issuer is the parent company of several operating and property owning companies as set out in the table below. The Issuer's main objects is to be the holding

company of the Group's real estate business. The main business operations are carried out by the Issuer's operating subsidiaries. The Group's organisational structure is set out in the chart below.

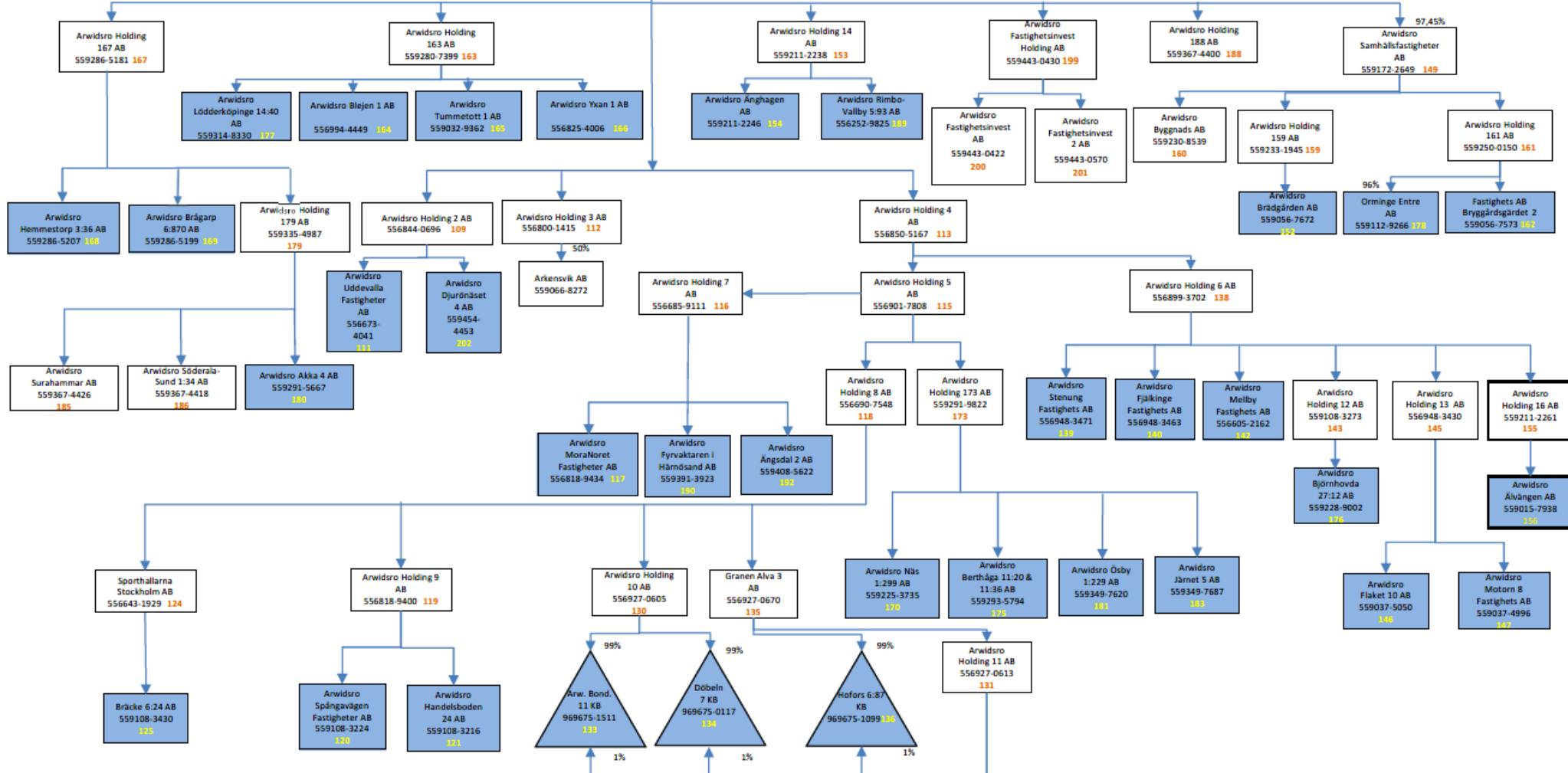


## Arwidsro Fastighets AB Koncernen 2023-11-08

Arwidsro Fastighets AB  
556685-9053 108

Fastighetsägande  
bolag

- Endast delägda bolag anges med procentsats.
- Bolagsnamnen har i vissa fall förkortats.



Since the majority of the revenue of the Group is derived from the Issuer's operational subsidiaries, the Issuer is dependent upon its subsidiaries in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.

### **History and development of the Group**

The below table sets out a non-exhaustive list of certain significant steps in the development of the Group.

<b>1979</b>	The Group was formed by Per Arwidsson
<b>1980s</b>	Several properties were acquired under the company name "Convector". The property holdings were focused around residential properties.
<b>1992-1993</b>	Divestments of property assets from "Convector" were carried out, and after the financial crisis, properties are again acquired under the company name "Granen".
<b>2000s</b>	"Granen" continues its growth journey, both by acquisition of property assets and within property development.
<b>2017</b>	The Group changed its name to "Arwidsro" and underwent a transformation during which a major part of properties within the retail segment.
<b>2019</b>	The new segment community purpose properties, "Samhällsfastigheter" is established, by acquisitions of properties to be developed for community purpose services.
<b>2020</b>	The Group adopted its first Green Finance Framework and issued green bonds (the Existing Bonds). Several acquisitions were carried out.
<b>2021</b>	The Group issued green capital securities (the Existing Securities). Several acquisitions were carried out.
<b>2022</b>	The Group issued senior unsecured green bonds. Several acquisitions were carried out.
<b>2023</b>	The Group's adopts a green finance framework and receives a "Green Finance Second Opinion" from S&P Global (Shades of Green) in which it is confirmed that the company's continued rating is "Medium Green" with the positive addition that "Governance" is now improved to "Excellent". The Group enters into certain credit facilities agreement to strengthen its liquidity and financial position.

### **Business model**

The Issuer's business model is to own, structure and develop commercial real estate in the segments defensive grocery, community properties and residential properties. The Group develops and maintains

properties within the grocery sector with complementary related services and goods, so called grocery-anchored properties, as well as community purpose properties and residential properties.

### **Business operations**

The Issuer is the holding company of a real estate group operating within the real estate industry. Its business concept consists of owning shares in operating subsidiaries and to operate the central functions of the Group. These mainly refer to services provided by the Issuer in the form of management, property management, transactions, finance, legal and administration. The Issuer focuses on investments in properties within the grocery and residential sector. The Group's properties are mainly located in south of Sweden and the Mälardalen area. The Group also engages in property development projects in relation to community purpose properties and residential, such as high schools and primary schools, day care providers and nursing homes.

The Group consists of property owning companies and as of 31 December 2023, the Group's consolidated property value, calculated at fair value, amounted to approximately SEK 4,266 million.<sup>1</sup> The main source of income consists of rental payments, and as of 31 December 2023, the Group's net operating income (net income less property expenses) amounted to approximately SEK 211 million.<sup>2</sup>

#### *Property management*

The Issuer manages its properties with its own efficient organisation of management, which is divided into geographical areas in order to strengthen the Issuer's local presence. The Issuer's aim is to ensure a high level of commitment and closeness to the customer. Management close to the customer contributes to a high occupancy rate and gives the Issuer the opportunity to adapt the properties to the customers' needs.

#### *Project development*

The Issuer's aim is to create value through development and improvement of properties. The Issuer develops and follow out the potential of the existing property portfolio. The aim of the Issuer's development is to achieve sustainable development and create friendly environments. The Issuer's aim is to improve the life cycle and create good habitat.

#### *Transactions*

In addition to the development of the Issuer's property, the Issuer is acquiring properties with the aim to increase the potential of their property portfolio. The location, condition and vacancy rate of the properties are important factors which determine the growth potential. The Issuer monitors and analyses developments in the markets in which it operates, in order to take advantage of opportunities to develop the property portfolio.

### **Share capital, shares and shareholder structure**

According to the articles of association, the Issuer's share capital shall be not less than SEK 1,000,000 and not more than SEK 4,000,000 divided into not less than 10,000 shares and not more than 40,000 shares. The Issuer's shares are denominated in SEK. As of the date of this Prospectus, the Issuer's issued

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<sup>1</sup> The information is derived from the Issuer's unaudited Q4 financial report for the financial period 1 January – 31 December 2023, p. 3.

<sup>2</sup> The information is derived from the Issuer's unaudited Q4 financial report for the financial period 1 January – 31 December 2023, p. 3.

share capital amounts to SEK 1,025,400 divided into 10,254 shares, each with a value of SEK 100. The holders of ordinary shares in the Issuer are entitled to one (1) vote per share. The Issuer's shares are not publicly traded on a stock exchange.

The Issuer is owned by (i) certain members of the board of directors and senior management of the Issuer, who together holds approximately 2.5 per cent. of the shares in the Issuer, and (ii) Arwidsro Fastigheter AB, reg. no. 556685-6216, who holds approximately 97.5 per cent. of the shares in the Issuer, which in turn is held to 95.00 per cent. by Fastighets AB Arwidsro, reg. no. 556559-4073. The ultimate parent company of the Group is Arwidsro Holding AB, reg. no. 556954-0080, which is owned by Per Arwidsson, who is the chairman of the board of directors as well as the founder of the Group.

To ensure that the control over the Issuer is not abused, the Issuer complies with the Swedish Companies Act (*Sv. aktiebolagslagen (2005:551)*). In addition, the Issuer acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the Issuer.

#### **Recent events**

Except for the issuance of the Bonds and the Existing Securities, there have been no recent events, particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

#### **Adverse changes and tendencies**

There has been no material adverse change in the prospects of the Issuer since the date of publication of the last financial report for the financial period ending 31 December 2023. Furthermore, there has been no significant change in the financial performance, market position or financial results of the Issuer, since the end of the last financial period for which financial information has been published, *i.e.* 31 December 2023.

## **MANAGEMENT AND AUDITOR**

According to the Issuer's articles of association, the board of directors should consist of at least three (3) and not more than five (5) members, with a maximum of five (5) deputies. The board of directors currently consists of four (4) board members, and no deputy board member.

The board of directors of the Issuer currently consists of four (4) members. The CEO and the CFO are responsible for the Issuer's ongoing management and operations, reports to the board of directors and are required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials. The division of duties between the board of directors and the CEO follows from Swedish law and is set out in the rules of procedure for the board of directors and instructions for the CEO.

The board of directors and the senior management may be contacted through the Issuer at its head office at Arwidsro Fastighets AB (publ), Humlegårdsgatan 20, 114 46 Stockholm, Sweden. Information regarding the members of the board of directors and the senior management, including significant commitments outside the Issuer, which are relevant for the Issuer, is set out below.

### **The board of directors of the Issuer**

*Per Arwidsson, chairman of the board since November 2005*

Current material commitments -

outside the Group:

*Christer Sandberg, member of the board since December 2013*

Current material commitments -

outside the Group:

*Per-Arne Rudbert, member of the board since February 2020*

Current material commitments Board member of Bengt Wicksén AB and  
outside the Group: Vacse AB (publ).

*Joakim Nordblad, member of the board since February 2020*

Current material commitments Head of DEAS Asset Management Sweden AB.  
outside the Group:

### **Senior management of the Issuer**

*Peter Zonabend, CEO since January 2017*

Current material commitments Board member of Oasmia Pharmaceuticals AB  
outside the Group: (publ) and Hoist Finance AB. Chairman of  
Arctic Sustainability Group AB.

*Jonas Sundin, CFO since August 2022*

Current material commitments -  
outside the Group:

*Magnus Tamreus, property manager since January 2017*

Current material commitments -  
outside the Group:

*Gustav Lilliehöök, transaction manger since February 2019*

Current material commitments -  
outside the Group:

*Maria Björkling, sustainability manager since May 2017*

Current material commitments -  
outside the Group:

*Tobias Kjellin, area manager Samhällsfastigheter since December 2018*

Current material commitments -  
outside the Group:

## **Auditor**

The Issuer's auditor is KPMG AB with Fredrik Westin as the auditor in charge. Fredrik Westin is a member of FAR. Mattias Johansson was the Issuer's auditor in charge in respect of the financial year ended 2021. Mattias Johansson is a member of FAR. The business address of KPMG AB is Vasagatan 16, SE-101 27 Stockholm, Sweden.

## **Conflicts of interests within administrative, management and control bodies**

Apart from the relevant financial interests in the Group of Per Arwidsson, Peter Zonabend, Magnus Tamreus, Gustav Lilliehöök and Tobias Kjellin (all through ownership of shares), none of the members of the board of directors or the senior management of the Issuer have a private interest that may be in conflict with the interests of the Issuer.

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

## **FINANCIAL INFORMATION**

### **Historical financial information**

The Group's annual report for the financial year ended 31 December 2021 and the Group's consolidated annual report for the financial year ended 31 December 2022 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus.

All financial information in this Prospectus relating to the financial period 1 January – 31 December 2021 or as of 31 December 2021 derives from the Groups consolidated audited annual reports for the financial years ended 31 December 2021. All financial information in this Prospectus relating to the financial period 1 January – 31 December 2022 or as of 31 December 2022 derives from the Group's consolidated audited annual reports for the financial years ended 31 December 2022. All financial information in this Prospectus relating to the financial period 1 January – 31 December 2023, as of 30 September 2023 or as of 31 December 2023 derives from the Group's unaudited financial report(s) for the financial period 1 January – 30 September 2023 and/or 1 January – 31 December 2023 (as applicable) and has not been audited or reviewed by the Issuer's auditor.

### **Accounting standards**

The financial information for the financial year ended 31 December 2021 and the financial year ended 31 December 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the interpretations provided by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU.

### **Auditing of the historical financial information**

The financial information for the financial years ended 31 December 2021 and 31 December 2022 have been audited by the Issuer's auditor. Other than the auditing of the Group's consolidated annual reports for the financial year ended 31 December 2021 and 31 December 2022, the Issuer's auditor has not audited or reviewed any other parts of this Prospectus.

### **Financial information incorporated by reference**

Information in the documents below, which is not incorporated by reference, is either covered elsewhere in this Prospectus, or is deemed by the Issuer not to be relevant for investors in the Bonds.

The Group's consolidated annual report for the financial year ended 31 December 2022 is incorporated in this Prospectus by reference and is available at the Issuer's website, [arwidsro - finansiella-rapporter](http://arwidsro-finansiella-rapporter). For particular financial figures, please refer to the pages set out below.

<i>Reference</i>	<i>Pages</i>
The Group's consolidated annual report for the financial year ended	55
Group's consolidated income statement	55
Group's consolidated balance sheet	56
Group's consolidated changes in equity	57
Group's consolidated cash flow statement	58
Consolidated income statement	59

31 December 2022.	Consolidated balance sheet	60
	Consolidated changes in equity	61
	Consolidated cash flow statement	62
	Notes (including accounting principles)	63-84
	Independent auditor's report	87-90

The Issuer's and Group's annual report for the financial year ended 31 December 2021 is incorporated in this Prospectus by reference and is available at the Issuer's website, arwidsro - finansiella-rapporter. For particular financial figures, please refer to the pages set out below.

	<i>Reference</i>	<i>Pages</i>
The Group's consolidated annual report for the financial year ended 31 December 2021.	Group's consolidated income statement	50
	Group's consolidated balance sheet	51
	Group's consolidated changes in equity	52
	Group's consolidated cash flow statement	53
	Consolidated income statement	54
	Consolidated balance sheet	55
	Consolidated changes in equity	56
	Consolidated cash flow statement	57
	Notes (including accounting principles)	58-79
	Independent auditor's report	82-85

### **Auditing of the annual historical financial information**

The Issuer's annual reports for the financial years ended 2021 and 2022 have been audited by the Issuer's auditor, KPMG AB, with Mattias Johansson as the auditor in charge in respect of the financial year ended 2021 and Fredrik Westin as the auditor in charge in respect of the financial year ended 2022. KPMG AB has been the Issuer's auditor since 2005. The Issuer's auditor has therefore been in charge for the entire financial period covered in this Prospectus.

### **Age of the most recent financial information**

The most recent audited financial information derives from the Issuer's consolidated annual report for the financial year ended 31 December 2022 which means that as of the date of this Prospectus, the balance sheet date of the financial information is not older than 18 months.

### **Legal and arbitration proceedings**

The Issuer has not, during the previous twelve months, been involved in and is not aware of, any governmental, legal or arbitration proceedings that have had or may have, significant effects on the Issuer's financial position or profitability. Nor is the Issuer aware of any such proceedings that are

pending or threatening and that could lead to the Issuer or any member of the Group becoming a part to such proceedings.

### **Significant changes**

Other than the issuance of the Bonds on 20 February 2024, and as described under Sections “Recent events” and “Adverse changes and tendencies”, there has been no significant change in the financial or market position of the Group since the end of the last financial period for which interim financial information has been published.

## **OTHER INFORMATION**

### **Information about the Prospectus**

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

### **Authorisations and responsibility**

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 20 February 2024 was resolved upon by the board of directors of the Issuer on 29 January 2024.

The board of directors of the Issuer is responsible for the information contained in the Prospectus. The board of directors of the Issuer declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The board of directors of the Issuer is responsible for the information given in the Prospectus only under the conditions and to the extent set forth in Swedish law.

### **Information from third parties**

Any information in this Prospectus which has been sourced form a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **Interest of natural and legal persons involved in the issue**

The Issuing Agent and the Bookrunners and/or its affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Issuing Agent and the Bookrunners and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

### **Clearing and settlement**

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

### **Credit rating**

No credit rating has been assigned to the Issuer or its debt securities.

### **Representation of the Bondholders**

Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, is acting as agent (“**Agent**”) for the Bondholders, and if relevant, any other matter within its authority or duty in accordance with the Terms and Conditions.

By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the agent, set out in the Terms and Conditions. The Terms and Conditions are available at the Agent’s office address (Norrländsgatan 23, SE-111 43 Stockholm, Sweden) during normal business hours as well as at the Agent’s website, [www.nordictrustee.com](http://www.nordictrustee.com) and the Issuer’s website, [www.arwidsro.se](http://www.arwidsro.se).

### **Material agreements**

Neither the Group, nor any of its associated entities have entered into any material agreements not in the ordinary course of its business which may affect the Issuer’s ability to fulfil its obligations under the Bonds.

### **Documents available for inspection**

Copies of the following documents are available in paper format at the Issuer’s head office during office hours, as well as at the Issuer’s website, [www.arwidsro.se](http://www.arwidsro.se), during the validity period of this Prospectus.

- The Issuer’s articles of association and corporate registration certificate.
- The Terms and Conditions.
- The Group’s consolidated annual report for the financial years ended 31 December 2021 and 31 December 2022, including audit reports.
- The Green Finance Framework (dated May 2023) and the second opinion dated in May 2023 issued by Shades of Green now part of S&P Global and formerly part of CICERO Center for International Climate Research.

## TERMS AND CONDITIONS FOR THE BONDS

## TERMS AND CONDITIONS

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### 1. DEFINITIONS AND CONSTRUCTION

#### 1.1 Definitions

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

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

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

**“Adjusted Nominal Amount”** means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time less the aggregate Nominal Amount of all Bonds owned by a Group Company, an Affiliate of a Group Company or any other person or entity owning any Bonds that has undertaken towards a Group Company or an Affiliate of a Group Company to vote for such Bonds in accordance with the instructions given by a Group Company or an Affiliate of a Group Company, in each case irrespective of whether such Person is directly registered as owner of such Bonds.

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

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

**“Agent”** means the Bondholders’ agent under these Terms and Conditions from time to time; initially Nordic Trustee & Agency AB (publ) (Swedish reg. no. 556882-1879).

**“Base Rate”** means 3-month STIBOR or any reference rate replacing STIBOR in accordance with Clause 18 (*Replacement of Base Rate*).

**“Base Rate Administrator”** means Swedish Financial Benchmark Facility AB (SFBF) in relation to STIBOR or any person replacing it as administrator of the Base Rate.

**“Bond”** means debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act, issued

by the Issuer under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

**“Bondholder”** means the Person who is registered on a Securities Account as direct registered owner (Sw. *direktregistrerad ägare*) or nominee (Sw. *förvaltare*) with respect to a Bond.

**“Bondholders’ Meeting”** means a meeting among the Bondholders held in accordance with Clause 16.2 (*Bondholders’ Meeting*).

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

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

**“Cash and Cash Equivalents”** means cash and cash equivalents of the Group in accordance with the applicable Accounting Principles as set forth in the latest consolidated Financial Statements.

**“Change of Control”** means the occurrence of an event or series of events whereby the Main Shareholder ceases directly or indirectly to:

- (a) hold more than fifty (50.00) per cent. of the shares of the Issuer; or
- (b) control more than fifty (50.00) per cent. or the votes that might be cast at a general meeting of the Issuer; or
- (c) have the right to appoint or remove all or a majority of the directors of the board of directors of the Issuer.

**“Compliance Certificate”** means a certificate substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*), unless otherwise agreed between the Agent and the Issuer.

**“Consolidated EBITDA”** means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Statements:

- (a) *before deducting* any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) *before deducting* any Net Finance Charges;
- (c) *before taking into account* any exceptional, one-off, non-recurring or extraordinary items (including, but not limited to, rental reliefs granted due to COVID-19) which are not in line with the ordinary course of business of the Group, in an aggregate amount not exceeding ten (10.00) per cent. of Consolidated EBITDA of the relevant Reference Period;
- (d) *before taking into account* any Transaction Costs and any transaction costs relating to any acquisition or disposal of any additional target company or real property;
- (e) *not including* any accrued interest owing to any Group Company;

- (f) *before taking into account* any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (g) *after adding back or deducting*, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (h) *after deducting* the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (i) *plus or minus* the Group's share of the profits or losses of entities which are not part of the Group; and
- (j) *after adding back* any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

**"CSD"** means the Issuer's central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB (Swedish reg. no. 556112-8074).

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

**"De-listing"** means a situation where:

- (a) following an initial public offering of the common shares of the Issuer, a situation where:
  - (i) the Issuer's shares listed on the relevant Regulated Market, recognised unregulated market place or MTF cease to be listed on such market; or
  - (ii) trading of the Issuer's listed ordinary shares on the aforementioned stock exchange(s) is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) once the Bonds are admitted to trading on a Regulated Market, that the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of that Regulated Market and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

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

**"Equity Ratio"** means, at any time, the Total Equity expressed as a percentage of Total Assets.

**"Existing Bonds"** means the senior unsecured callable floating rate green bonds with ISIN SE0017232754 (2022/2025) in an amount of up to SEK 600,000,000.

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

**"Final Redemption Date"** means 20 February 2027.

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

**“Finance Charges”** means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any Group Company according to the latest Financial Statements (calculated on a consolidated basis without double counting):

- (a) *after deducting* Transaction Costs;
- (b) *taking no account of* any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis;
- (c) *excluding* any prepayment fee or premium paid by the Group in respect of any repurchase of Bonds pursuant to Clause 11.2 (*Purchase of Bonds by Group Companies*);
- (d) *excluding* any interest payable on Bonds held by a Group Company;
- (e) *excluding* any interest capitalised on Subordinated Debt payable after the Final Redemption Date; and
- (f) *excluding* any interest paid or capitalised on Shareholder Loans.

**“Finance Documents”** means the Terms and Conditions and any other document designated by the Issuer and the Agent as a Finance Document.

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

- (a) monies borrowed or raised, including under any bank financing or Market Loans;
- (b) the amount of any liability in respect of any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability;
- (c) receivables sold or discounted (other than on a non-recourse basis);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements);
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

**“Financial Statements”** means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim consolidated financial statements of the Group or the quarterly interim unconsolidated financial statements of the Issuer, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 12.1 (*Financial Statements*).

**“First Issue Date”** means 20 February 2024.

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

**“Green Finance Framework”** means the Issuer’s green finance framework, as it is worded on the Issue Date of the relevant Bonds.

**“Group”** means the Issuer and each of its Subsidiaries from time to time.

**“Group Company”** means the Issuer or any of its Subsidiaries.

**“Hybrid Instruments”** means any subordinated (according to its terms) instruments issued by the Issuer which are, entirely or partly permitted to be accounted for as equity in accordance with the Accounting Principles at the date of issuance of the relevant subordinated debt instrument(s).

**“Incurrence Test”** has the meaning set forth in Clause 13.2 (*Incurrence Test*).

**“Incurrence Test Date”** has the meaning set forth in Clause 13.2 (*Incurrence Test*).

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

**“Initial Bond Issue”** has the meaning set forth in Clause 3.1.

**“Initial Valuation”** means the Valuation in respect of Real Property representing at least ninety-five (95) per cent. of the aggregate Value delivered as a conditions precedent to the disbursement of the Net Proceeds, where the Valuation of each relevant Real Property is based on a valuation not older than twelve (12) months and the results of such valuation are reflected in good faith and in accordance with the Accounting Principles.

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

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

**“Interest Payment Date”** means 20 February, 20 May, 20 August and 20 November 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 (with the first Interest Payment Date on 20 May 2024 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)).

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

**“Interest Rate”** means the Base Rate plus 4.75 per cent. *per annum* as adjusted by any application of Clause 18 (*Replacement of Base Rate*). For the avoidance of doubt, if any such total rate is below zero then the Interest Rate will be deemed to be zero.

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

**“Issuer”** means Arwidsro Fastighets AB (publ), a limited liability company incorporated in Sweden with reg. no. 556685-9053.

**“Issuing Agent”** means Swedbank AB (publ) (reg. no. 502017-7753) or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

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

- (a) the Initial Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within sixty (60) calendar days after the First Issue Date; or
- (b) any Subsequent Bonds have not been listed on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market) within sixty (60) calendar days after the Issue Date in respect of such Subsequent Bonds.

**“Loan to Value”** means the ratio of Net Interest Bearing Debt to Value.

**“Main Shareholder”** means Per Arwidsson (personal identity no. 19520821-4816) or his spouse or any of their direct heirs, by way of direct or indirect ownership of shares, and their respective Affiliates (including, for the avoidance of doubt, any foundation (Sw. *stiftelse*) controlled by any of them).

**“Maintenance Test”** has the meaning set forth in Clause 13.1 (*Maintenance Test*).

**“Market Loan”** means any loan or other indebtedness where an entity issues commercial papers, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a recognised unregulated market place.

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

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the Issuer’s ability to perform and comply with its obligations under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

**“Material Group Company”** means:

- (a) the Issuer; and

- (b) any other Group Company which has assets representing five (5) per cent. or more of Total Assets, calculated on a consolidated basis according to the latest Financial Statements.

“**MTF**” means any multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).

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

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

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

“**Net Interest Bearing Debt**” means the consolidated interest bearing Financial Indebtedness of the Group (without double counting):

- (a) *excluding* any Financial Indebtedness borrowed from any Group Company;
- (b) *excluding* guarantees and similar arrangements;
- (c) *excluding* any Subordinated Debt and any interest capitalised on Subordinated Debt payable after the Final Redemption Date;
- (d) *excluding* any Shareholder Loan and any interest capitalised on Shareholder Loans; and
- (e) *less* Cash and Cash Equivalents.

“**Net Proceeds**” means the gross proceeds from the offering of the relevant Bonds *minus* (i) in respect of the Initial Bond Issue, the costs incurred by the Issuer in conjunction with the issuance thereof and (ii) in respect of any Subsequent Bond Issue, the costs incurred by the Issuer in conjunction with the issuance thereof.

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

“**Permitted Distribution**” has the meaning ascribed to it in Clause 14.1 (*Distributions*).

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

“**Quotation Day**” means:

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

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

**“Real Property”** means all real property owned by any member of the Group from time to time.

**“Record Date”** means the fifth (5<sup>th</sup>) Business Day prior to:

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 15.14 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**“Redemption Date”** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 11 (*Redemption and repurchase of the Bonds*).

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

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

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

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

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

**“Shareholder”** means any Person which is a direct or indirect shareholder of the Issuer, including any Affiliate of such Person which is not a member of the Group.

**“Shareholder Loan”** means any loan made to the Issuer or any other Group Company by a Shareholder, provided that such loan:

- (a) is subordinated to the obligations of the Issuer under the Finance Documents pursuant to a subordination agreement or in accordance with its terms;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date, save for repayments or prepayments which are permitted under Clause 14.1 (*Distributions*); and
- (c) according to its terms yield only payment-in-kind interest, save for payments of interest which are permitted under Clause 14.1 (*Distributions*).

**“STIBOR”** means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for Swedish Kronor and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no rate as described in paragraph (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for Swedish Kronor;
- (c) if no rate as described in paragraph (a) or (b) 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 the Reference Banks for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

**“Subordinated Debt”** means:

- (a) any loan made to a Group Company as a debtor, if such loan:
  - (i) is subordinated to the obligations of the Issuer under the Finance Documents pursuant to a subordination agreement or in accordance with its terms;
  - (ii) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
  - (iii) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date, save for payments of interest which are permitted under Clause 14.1 (*Distributions*); and
- (b) any debt instrument issued by the Issuer which:
  - (i) according to its terms, is subordinated to the obligations of the Issuer under the Finance Documents; and
  - (ii) entirely or partly is permitted to be accounted for as equity in accordance with the Accounting Principles, or is deemed to be accounted for as equity by Moody’s, Standard & Poor’s or Fitch or any other reputable credit rating agency, in each case at the date of issuance of the relevant subordinated debt instrument(s).

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

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

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

- (a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners;
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or
- (d) exercises control as determined in accordance with the Accounting Principles.

**“Substantial Repurchase Event”** shall be deemed to occur if the Issuer at any time has repurchased a principal amount of Bonds equal to or greater than eighty (80.00) per cent. of the aggregate principal amount of the Bonds issued.

**“Total Assets”** means the total assets of the Group calculated on a consolidated basis, in each case according to the latest Financial Statements and in accordance with the Accounting Principles.

**“Total Equity”** means the aggregate equity of the Group calculated on a consolidated basis, in each case according to the latest Financial Statements and in accordance with the Accounting Principles and any Shareholder Loan.

**“Transaction Costs”** means all fees, costs and expenses incurred by a Group Company in connection with:

- (a) the Initial Bond Issue or a Subsequent Bond Issue; and
- (b) the admission to trading of the Bonds (including any Subsequent Bonds) on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market.

**“Value”** means the aggregate appraised market value of the Real Property according to the most recent Valuation as reflected in its Financial Statements in accordance with paragraph (b) of Clause 14.13 (*Real Property valuation*).

**“Valuation”** means a full external valuation of the Real Property prepared and issued by an independent and reputable appraiser appointed by the Issuer in accordance with the valuation methods generally applied by property evaluators in the relevant market specifying the value of such Property.

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

## 1.2 **Construction**

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;

- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (c) a “**regulation**” includes any law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
  - (d) a provision of regulation is a reference to that provision as amended or re-enacted; and
  - (e) a time of day is a reference to Stockholm time.
- 1.2.2 An Event of Default is continuing if it has not been remedied or waived.
- 1.2.3 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, any amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](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 Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- 1.2.6 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of the Terms and Conditions and may be updated without the consent of the Bondholders and the Agent (save for the privacy statement insofar it relates to the Agent).
- 1.2.7 Any Hybrid Instrument which is fully treated as equity in the balance sheet of the Issuer in accordance with the Accounting Principles shall, for the avoidance of doubt, not be deemed to constitute Financial Indebtedness or a Market Loan.

## **2. STATUS OF THE BONDS**

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except for obligations mandatorily preferred by regulation applying to companies generally.

## **3. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS**

- 3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions.

- 3.3 The aggregate amount of the bond loan will be an amount of up to SEK 600,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 400,000,000 (“**Initial Bond Issue**”).
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0020354470.
- 3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 600,000,000, provided that no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the Subsequent Bond Issue. Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds. The issue price of Subsequent Bonds may be set at the Nominal Amount or at a discount or at a premium compared to the Nominal Amount.

#### **4. USE OF PROCEEDS**

An amount equivalent to the Net Proceeds of the Initial Bond Issue shall be applied by the Issuer in accordance with the principles set out in the Issuer's Green Finance Framework, including, but not limited to, repurchasing and/or redeeming all or some of the Existing Bonds. An amount equivalent to the Net Proceeds from any Subsequent Bond Issue shall be applied by the Issuer in accordance with the principles set out in the Issuer's Green Finance Framework.

#### **5. CONDITIONS FOR DISBURSEMENT**

##### **5.1 Conditions Precedent for the Initial Bond Issue**

- 5.1.1 The Issuer shall provide to the Agent, as soon as possible but in any event no later than 9.00 a.m. two (2) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), all of the documents and other evidence listed in Part 1 (*Conditions precedent for the Initial Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).
- 5.1.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)). The First Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 2.00 p.m. two (2) Business Days prior to the First Issue Date (or later, if the Issuing Agent so agrees).

5.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 5.1.2, the Issuing Agent shall settle the issuance of the Initial Bonds and pay the Net Proceeds of the Initial Bond Issue to the Issuer on the First Issue Date.

## **5.2 Conditions Precedent for a Subsequent Bond Issue**

- 5.2.1 The Issuer shall provide to the Agent, as soon as possible but in any event no later than 9.00 a.m. two (2) Business Days prior to the Issue Date (or such later time as agreed to by the Agent) in respect of Subsequent Bonds, all of the documents and other evidence listed in Part 2 (*Conditions precedent for a Subsequent Bond Issue*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).
- 5.2.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.2.1 have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)). The relevant Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 2.00 p.m. one (1) Business Day prior to the relevant Issue Date (or later, if the Issuing Agent so agrees).
- 5.2.3 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.2.2, the Issuing Agent shall settle the issuance of any Subsequent Bonds and pay the Net Proceeds of such Subsequent Bond Issue to the Issuer on the Issue Date in respect of such Subsequent Bonds.

## **6. THE BONDS AND TRANSFERABILITY**

- 6.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 6.5 The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.
- 6.6 For the avoidance of doubt and notwithstanding the above, a Bondholder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise

its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Bondholder hereunder in each case until such allegations have been resolved.

## **7. BONDS IN BOOK-ENTRY FORM**

- 7.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the Persons who are Bondholders and their holdings of Bonds at the relevant point of time.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (*Sw. föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 7.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 7.5 At the request of the Agent, the Issuer shall promptly obtain information from the Debt Register and provide it to the Agent.
- 7.6 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

## **8. RIGHT TO ACT ON BEHALF OF A BONDHOLDER**

- 8.1 If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or, if applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.
- 8.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.

- 8.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.
- 8.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (*Sw. förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

## **9. PAYMENTS IN RESPECT OF THE BONDS**

- 9.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 9.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- 9.3 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 9.4 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

## **10. INTEREST**

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

- 10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 10.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.5 during such postponement.
- 10.4 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 10.5 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to and including the date of actual payment at a rate which is 200 basis points higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## **11. REDEMPTION AND REPURCHASE OF THE BONDS**

### **11.1 Redemption at maturity**

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

### **11.2 Purchase of Bonds by Group Companies**

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

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

- 11.3.1 The Issuer may redeem all, but not some only, of the Bonds in full:
  - (a) provided that a Substantial Repurchase Event has occurred, on any Business Day falling on or after the First Issue Date up to (but excluding) the Final Redemption Date, at a price per Bond equal to 101.00 per cent. of the Nominal Amount; or
  - (b) provided that such early redemption is financed in part or in full by way of the Issuer issuing a new Market Loan, on any Business Day falling on or after the date falling six (6) months prior to the Final Redemption Date up to (but excluding) the Final Redemption Date, at a price per Bond equal to the Nominal Amount; or
  - (c) on any Business Day falling on or after the date falling six (6) months prior to the Final Redemption Date up to (but excluding) the date falling three (3) months prior to the

Final Redemption Date, at a price per Bond equal to 100.50 per cent. of the Nominal Amount; or

- (d) on any Business Day falling on or after the date falling three (3) months prior to the Final Redemption Date up to (but excluding) the Final Redemption Date, at a price per Bond equal to 100.25 per cent. of the Nominal Amount,

in each case together with accrued but unpaid interest.

- 11.3.2 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

#### **11.4 Early voluntary total redemption due to illegality (call option)**

- 11.4.1 The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond 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.
- 11.4.2 The applicability of Clause 11.4.1 shall be supported by a legal opinion issued by a reputable law firm.
- 11.4.3 The Issuer may give notice of redemption pursuant to Clause 11.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a Person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

- 11.5.1 Upon the occurrence of a Change of Control, a De-listing or a Listing Failure, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control, De-listing or Listing Failure.
- 11.5.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the

Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 12.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.5.1.

- 11.5.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 11.5, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 11.5 by virtue of the conflict.
- 11.5.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 11.5, if a third party in connection with the occurrence of a Change of Control, De-listing or Listing Failure Event, as applicable, offers to purchase all Bonds in the manner and on the terms set out in this Clause 11.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 11.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 11.5.5 Any Bonds repurchased by the Issuer pursuant to this Clause 11.5 may at the Issuer's discretion be retained or sold, but not cancelled except in connection with a redemption of the Bonds in full.

## **12. INFORMATION UNDERTAKINGS**

### **12.1 Financial Statements**

The Issuer shall make available to the Agent and on its website:

- (a) as soon as they are available, but in any event within four (4) months after the end of each financial year:
  - (i) the audited consolidated financial statements of the Group for that financial year; and
  - (ii) the annual audited unconsolidated financial statements of the Issuer for that financial year; and
- (b) as soon as they are available, but in any event within two (2) months after the end of each quarter of each of its financial years:
  - (i) the consolidated financial statements or year-end report (Sw. bokslutskommuniké) (as applicable) of the Group for that financial quarter; and
  - (ii) the unconsolidated financial statements of the Issuer or year-end report (as applicable) for that financial quarter.

### **12.2 Requirements as to Financial Statements**

- 12.2.1 The Issuer shall prepare the Financial Statements in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm

(or any other Regulated Market, as applicable) (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).

- 12.2.2 Each of the consolidated Financial Statements shall include a profit and loss account, a balance sheet, a cash flow statement, a management commentary or report from the Issuer's board of directors and a description of any annualisation made in accordance with paragraph (c) of Clause 13.3.2.
- 12.2.3 Each of the consolidated Financial Statement shall include information on the aggregate Nominal Amount of Bonds held by any Group Company at the balance date for such Financial Statement.
- 12.2.4 Each of the unconsolidated Financial Statements shall include a profit and loss account and a balance sheet.
- 12.2.5 The Issuer shall make available a report of the use of proceeds of the Bonds in accordance with the Issuer's Green Finance Framework to the Agent and on its website in connection with the publication of the annual audited consolidated financial statements of the Group.

### **12.3 Compliance Certificate**

- 12.3.1 The Issuer shall issue a Compliance Certificate to the Agent signed by the Issuer:
  - (a) when consolidated Financial Statements are made available to the Agent in accordance with paragraphs (a)(i) or (b)(i) of Clause 12.1 (Financial Statements);
  - (b) in connection with the testing of the Incurrence Test; and
  - (c) at the Agent's reasonable request, within twenty (20) Business Days from such request.
- 12.3.2 In each Compliance Certificate, the Issuer shall:
  - (a) certify that, so far as it is aware, no Event of Default is continuing or, if it is aware that such event is continuing, specify the event and steps, if any, being taken to remedy it; and
  - (b) if provided in connection with Financial Statements being made available, certify that the Maintenance Test is met as per the Reference Date to which the Compliance Certificate refers to, including calculations and figures in respect of the Maintenance Test; or
  - (c) if provided in connection with an Incurrence Test, certify that the Incurrence Test is met as per the relevant Incurrence Test Date, including calculations and figures in respect of the Incurrence Test.

### **12.4 Information: miscellaneous**

The Issuer shall:

- (a) promptly notify:
  - (i) the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control, a De-listing or a Listing Failure and shall provide the Agent

with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control may be given in advance of the occurrence of a Change of Control, conditioned upon the occurrence of such Change of Control, if a definitive agreement is in place providing for a Change of Control; and

- (ii) the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice;
- (b) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions), its Green Finance Framework and the second opinion relating to its Green Finance Framework available on its website; and
- (c) upon request by the Agent, provide the Agent with any information relating to a transaction made pursuant to Clause 14.7 (Disposals of assets) or Clause 14.8 (Mergers and demergers) which the Agent deems necessary (acting reasonably).

## 12.5 **Restrictions**

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 12 (*Information undertakings*) if providing such information to the Agent and/or the Bondholders would not conflict with any applicable laws or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 12 (*Information undertakings*).

## **13. FINANCIAL COVENANTS**

### **13.1 Maintenance Test**

13.1.1 The Maintenance Test shall be tested quarterly on each Reference Date from and including 31 March 2024, for as long as any Bond is outstanding, on the basis of the interim consolidated Financial Statements for the period ending on the relevant Reference Date and shall be reported in the Compliance Certificate delivered in connection with such Financial Statements.

13.1.2 The Maintenance Test is met if:

- (a) the Loan to Value does not exceed 75.00 per cent.; and
- (b) the Interest Coverage Ratio is equal to or higher than 1.50:1.

## 13.2 **Incurrence Test**

- 13.2.1 The Incurrence Test shall be made in connection with the Issuer making a Permitted Distribution which requires that the Incurrence Test is met.
- 13.2.2 The Incurrence Test shall be tested on the date on which such Permitted Distribution is made (the “**Incurrence Test Date**”).
- 13.2.3 The Incurrence Test is met if:
  - (a) the Equity Ratio is equal to or higher than 30.00 per cent.; and
  - (b) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the relevant incurrence or payment (as applicable),

in each case calculated in accordance with Clause 13.3 (*Calculation principles*).

## 13.3 **Calculation principles**

- 13.3.1 The Maintenance Test shall be calculated in accordance with the applicable Accounting Principles and tested by reference to each of the Financial Reports on each Reference Date with respect to the Reference Period ending on such Reference Date.
- 13.3.2 The figures for Consolidated EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Statements shall be used for the Maintenance Test (as applicable), but adjusted so that (without double counting):
  - (a) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entities or assets acquired by the Group during the Reference Period shall be included, pro forma, for the entire Reference Period;
  - (b) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entities or assets disposed of by the Group during the Reference Period shall be excluded, pro forma, for the entire Reference Period; and
  - (c) the Consolidated EBITDA and Finance Charges of any Group Company owning Real Property with a financial history of less than twelve (12) months shall be annualised on a straight line basis for the entire Reference Period on basis of the available financial history.
- 13.3.3 For the purpose of any Incurrence Test (without double counting):
  - (a) the transaction which requires that the Incurrence Test is made shall be included in the calculations on a *pro forma* basis; and
  - (b) the figures for Equity Ratio as of the last day of the period covered by the most recent Financial Statements shall be used, but adjusted so that (as applicable):
    - (i) entities, assets or operations acquired by the Group after the Reference Period and up until and including the Incurrence Test Date shall be included on a *pro forma* basis;

- (ii) entities, assets or operations disposed of or discontinued by the Group after the Reference Period and up until and including the Incurrence Test Date shall be excluded on a *pro forma* basis; and
- (iii) any equity raised or distributions made after the last day of the period covered by the most recent Financial Statements shall be included or excluded (as applicable) on a *pro forma* basis.

## **14. Special undertakings**

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 14.

### **14.1 Distributions**

- (a) The Issuer shall not, and shall procure that no other Group Company will:
  - (i) 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 (or any class of its share capital);
  - (ii) repurchase any of its own shares;
  - (iii) redeem its share capital or other restricted equity with repayment to shareholders;
  - (iv) repay any principal amount or pay interest under any Shareholder Loan, Subordinated Debt or Hybrid Instruments; or
  - (v) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the Issuer's or the Subsidiaries' direct and indirect shareholders or the Affiliates of such direct and indirect shareholders.
- (b) Paragraph (a) above does not apply to a lawful distribution made (whether directly or indirectly):
  - (i) by a Group Company (save for the Issuer) to another Group Company, provided that if such payment is made by a Group Company which is not directly or indirectly wholly-owned by the Issuer, the payment is made on a *pro rata* basis;
  - (ii) by a member of the Group to its direct or indirect shareholders (or such shareholder's Affiliates) as a group contribution (Sw. *koncernbidrag*), provided that the company receiving that group contribution simultaneously therewith makes a shareholders' contribution (Sw. *ovillkorat aktieägartillskott*) of the group contribution amount, however reduced with any amount taken into consideration the total tax effect of the group contribution for the Group;
  - (iii) by a member of the Group to its direct or indirect shareholders (or such shareholder's Affiliates) provided that such distribution is made solely for the purpose of compensating a received group contribution provided to a member

- of the Group. The compensation should be equal to the group contribution amount, however reduced with any amount taken into consideration the total tax effect of the group contribution for the Group;
- (iv) by a member of the Group to its direct or indirect shareholders (or such shareholder's Affiliates) transferring a negative net interest (Sw. *negativt räntenetto*), provided that the company receiving that negative net interest simultaneously therewith makes a shareholders' contribution (Sw. *ovillkorat aktieägartillskott*) with any amount taken into consideration the total tax effect for the Group of the transferred negative net interest;
  - (v) by a member of the Group to its direct or indirect shareholders (or such shareholder's Affiliates) provided that such distribution is made solely for the purpose of compensating a received negative net interest (Sw. *negativt räntenetto*) provided to a member of the Group. The compensation should be equal to any amount taken into consideration the total tax effect for the Group of the transferred negative net interest;
  - (vi) by the Issuer to its shareholders, in relation to its ordinary shares provided that:
    - (A) the Incurrence Test (calculated *pro forma* including the relevant payment) is met; and
    - (B) such payment, when aggregated with all other distributions made by the Issuer to its shareholders that financial year (excluding any distribution pursuant to paragraphs (b)(i) to (b)(v) above or pursuant to paragraph (b)(vii) below) does not exceed fifty (50.00) per cent. of the Group's net profit from property management (before unrealised changes in property value and without accumulation of profits from previous financial years) according to the audited consolidated Financial Statements for the previous financial year (the "**Permitted Distribution Amount**");
  - (vii) by any Group Company (including the Issuer) to its shareholders, in relation to any preference shares or series D shares, provided that the Incurrence Test (calculated *pro forma* including the relevant payment) is met;
  - (viii) by the Issuer if it constitutes a payment of interest under Hybrid Instruments, provided that the Incurrence Test (calculated *pro forma* including the relevant payment) is met;
  - (ix) by the Issuer if it constitutes a payment of principal or interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments provided:
    - (A) that the Incurrence Test (calculated *pro forma* including the relevant payment) is met, or

- (B) is financed by the issuance of new preference shares or otherwise by equity or new Hybrid Instruments, or the incurrence of Subordinated Debt,

and in each case provided that no Event of Default is continuing or would occur immediately after making such distribution (each such transaction, a “**Permitted Distribution**”).

- (c) For the avoidance of doubt, any payment for property development services by the Issuer or another Group Company on arms’ length terms or better for the Group to a Shareholder which develops Real Property for the Group shall not be subject to the Incurrence Test in paragraph (b)(vi)(A) above and shall not count towards the threshold in paragraph (b)(vi)(B) above.

#### **14.2 Admission to trading of Bonds**

Without prejudice to Clause 11.5 (*Mandatory repurchase due to a Change of Control, a Delisting or Listing Failure (put option)*), the Issuer shall ensure that:

- (a) the Initial Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within six (6) months after the First Issue Date, it being noted that the Issuer intends to have the Initial Bonds and any Subsequent Bonds admitted to trading within thirty (30) calendar days from the relevant Issue Date; and
- (b) the Bonds, once admitted to trading on the relevant Regulated Market, continue to be listed thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market (as applicable) and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

#### **14.3 Nature of business**

The Issuer shall procure that no substantial change is made to the general nature of the business as carried out by the Group on the First Issue Date.

#### **14.4 Market Loans**

- (a) The Issuer shall procure that no Group Company (save for the Issuer) issues any Market Loan.
- (b) The Issuer shall procure that any Market Loan issued by the Issuer (save for the Bonds, the Existing Bonds and any commercial papers issued by the Issuer) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date (excluding, for the avoidance of doubt, any customary mandatory prepayment (put option) provisions which may be exercised prior to the Final Redemption Date).

#### **14.5 Shareholder Loans**

The Issuer shall not, and shall procure that no other Group Company will, incur any loan from any Shareholder unless such loan is a Shareholder Loan.

#### **14.6 Negative Pledge**

The Issuer shall not, and shall procure that no other Group Company will, maintain, prolong or provide any guarantee or security over any of its or their present or future assets to secure any Market Loan.

#### **14.7 Disposals of assets**

- (a) The Issuer shall not, and shall procure that no other Group Company will, sell, transfer or otherwise dispose of shares in any Group Company or of all or substantially all of its or any Group Company's assets or operations to any Person not being the Issuer or any of the wholly-owned Subsidiaries of the Issuer.
- (b) Paragraph (a) does not apply to any sale, transfer or disposal (taken as a whole also taking into account any transaction ancillary or related thereto) carried out at fair market value and on terms and conditions customary for such transaction, provided however that such transaction does not have a Material Adverse Effect.

#### **14.8 Mergers and demergers**

The Issuer shall not, and shall procure that no Group Company will, merge or demerge any Group Company, into a company which is not a Group Company, unless such merger or demerger is not likely to have a Material Adverse Effect, provided however that a merger or demerger with the effect that the Issuer is not the surviving entity shall not be permitted.

#### **14.9 Dealings with related parties**

The Issuer shall, and shall procure that each other Group Company will, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding when such shareholder is another Group Company) and/or any Affiliates of such direct and indirect shareholders at arm's length terms or better for the Group.

#### **14.10 Compliance with laws**

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all regulations applicable from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm or any other Regulated Market or recognised unregulated market place on which the Issuer's securities from time to time are listed.

#### **14.11 Authorisations**

The Issuer shall, and shall procure that each other Group Company will, obtain, maintain and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company.

#### **14.12 Maintenance of Real Property**

The Issuer shall, and shall procure that each other Group Company will, keep the Real Property in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice, and in such repair and condition as will enable each Group Company to comply in all material respects with the obligations under relevant rental agreements and with applicable laws and regulations.

#### **14.13 Real Property valuation**

- (a) The Issuer shall procure that a Valuation regarding the Value of the Real Property is prepared each financial year and that:
  - (i) the results of such Valuation is reflected in the next Compliance Certificate submitted to the Agent (noting the Value of each Property and the date of the last Valuation of such Property); and
  - (ii) if requested by the Agent, such Valuation is delivered in full to the Agent.
- (b) The Issuer shall further procure that the results of each Valuation, or (if available) any subsequent comparable Valuation replacing such Valuation, are reflected in good faith and in accordance with the Group's valuation policy in the following Financial Statements.

#### **14.14 Insurance**

The Issuer shall, and shall procure that each other Group Company will, keep the Real Property insured to the extent customary for similar properties and businesses on the relevant geographical market with one or more reputable insurers. The insurance cover shall, *inter alia*, include full value insurance (Sw. *fullvärdesförsäkring*) in respect of the Real Property.

#### **14.15 Environmental laws**

The Issuer shall, and shall procure that each other Group Company will, comply with all environmental regulations and obtain, maintain and ensure compliance with all requisite environmental permits, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

#### **14.16 Agency Agreement**

- (a) The Issuer shall, in accordance with the Agency Agreement:
  - (i) pay fees to the Agent;
  - (ii) indemnify the Agent for costs, losses and liabilities;
  - (iii) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and
  - (iv) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

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

**14.17 CSD related undertakings**

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

**15. TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 15 is an Event of Default (save for Clause 15.13 (*Termination*) and Clause 15.14 (*Distribution of proceeds*)).

**15.1 Non-payment**

The Issuer does not pay on the due date any amount payable by it pursuant to the Finance Documents, unless its failure to pay is caused by administrative or technical error and payment is made within five (5) Business Days of its due date.

**15.2 Maintenance Test**

The Issuer fails to comply with the Maintenance Test.

**15.3 Other obligations**

- (a) The Issuer does not comply with any provision of the Finance Documents (other than as set out under Clause 4 (Use of proceeds), Clause 15.1 (Non-payment), Clause 15.2 (Maintenance Test) or a breach of the Green Finance Framework).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of being remedied and is remedied within fifteen (15) Business Days of the earlier of:
  - (i) the Agent giving notice to the Issuer; and
  - (ii) the Issuer becoming aware of the failure to comply.

**15.4 Cross payment default and cross acceleration**

- (a) Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally applicable grace period.
- (b) Any Financial Indebtedness of a Material Group Company is declared to be due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) No Event of Default will occur under this Clause 15.4 if:
  - (i) the Financial Indebtedness is owed by a Group Company to another Group Company; or

- (ii) the aggregate amount of Financial Indebtedness falling within paragraphs (a) to (b) above is less than SEK 25,000,000 (or its equivalent in any other currency or currencies).

## 15.5 **Insolvency**

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

## 15.6 **Insolvency proceedings**

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

or any analogous procedure or step is taken in any jurisdiction in respect of any Group Company.
- (b) Paragraph (a) above shall not apply to:
  - (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) days of commencement or, if earlier, the date on which it is advertised; or
  - (ii) a solvent liquidation of any Group Company (save for the Issuer).

## 15.7 **Mergers and demergers**

A decision is made that any Material Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

## 15.8 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an

aggregate value of an amount equal to or exceeding SEK 25,000,000 (or its equivalent in any other currency or currency) and is not discharged within sixty (60) calendar days.

#### **15.9 Impossibility or illegality**

- (a) It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Terms and Conditions which has a detrimental effect on the interests of the Bondholders or if the obligations under the Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable.
- (b) No Event of Default will occur under this Clause 15.9 due to illegality of the Issuer to perform its obligations under the Finance Documents:
  - (i) until expiry of the period for notice of redemption pursuant to Clause 11.4 (*Early voluntary total redemption due to illegality (call option)*); or
  - (ii) if the Issuer has given notice of a redemption pursuant to Clause 11.4 (*Early voluntary total redemption due to illegality (call option)*) and provided that such redemption is duly exercised.

#### **15.10 Cessation of business**

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

- (a) a solvent liquidation of a Material Group Company other than the Issuer; or
- (b) a disposal permitted under Clause 14.7 (Disposals of assets) or a merger or demerger permitted under Clause 14.8 (Mergers and demergers),

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

#### **15.11 Major damage**

Real Property is destroyed or damaged and, taking into account the amount and timing of receipt of the proceeds of any insurance, the destruction or damage has or will have a Material Adverse Effect.

#### **15.12 Compulsory purchase**

Real Property is compulsorily purchased or the applicable local authority makes an order for the compulsory purchase of Real Property and, taking into account the amount and timing of any compensation payable, the compulsory purchase has or will have a Material Adverse Effect.

#### **15.13 Termination**

- 15.13.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 15.13.3 or 15.13.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, of the Bonds due for payment immediately or at

such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

- 15.13.2 The Agent may not terminate the Bonds in accordance with Clause 15.13.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the grounds mentioned under Clause 15.13.1.
- 15.13.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to Clause 15.1 (*Non-payment*)) up until the time stipulated in Clause 15.13.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 15.13.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 16 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 15.13.5 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 16 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 15.13.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.13.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.

- 15.13.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 16 (*Decisions by Bondholders*).
- 15.13.9 If the Bonds are declared due and payable in accordance with Clause 15.13.1, the Issuer shall redeem all Bonds with an amount per Bond equal to 101.00 per cent. of the Nominal Amount, together with accrued but unpaid interest.

#### **15.14 Distribution of proceeds**

- 15.14.1 If the Bonds have been declared due and payable in accordance with this Clause 15, all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) firstly, in or towards payment pro rata of:
    - (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
    - (ii) other costs, expenses and indemnities relating to the termination of the Bonds or the protection of the Bondholders' rights as may have been incurred by the Agent;
    - (iii) any non-reimbursed costs incurred by the Agent for external experts; and
    - (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a bondholders' meeting or a written procedure;
  - (b) secondly, in or towards payment pro rata of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
  - (c) thirdly, in or towards payment pro rata of any unpaid principal under the Bonds; and
  - (d) fourthly, in or towards payment pro rata of any other costs or outstanding amounts unpaid under the Terms and Conditions, including any default interest.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer. The application of proceeds in accordance with paragraphs (a) to (d) above shall, however, not restrict a Bondholders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- 15.14.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.14.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.14.1.
- 15.14.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for

payments of such funds in accordance with this Clause 15.14 as soon as reasonably practicable.

- 15.14.4 If the Issuer or the Agent shall make any payment under this Clause 15.14, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

## **16. DECISIONS BY BONDHOLDERS**

### **16.1 Request for a decision**

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 16.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given or the suggested decision is not in accordance with applicable regulations.
- 16.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 16.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 16.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 16.3.1. After a request from the Bondholders pursuant to Clause 19.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request

(or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 16.2.1. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

## **16.2 Bondholders' Meeting**

- 16.2.1 The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholders' Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.
- 16.2.2 The notice pursuant to Clause 16.2.1 shall include:
  - (a) the time for the meeting;
  - (b) the place for the meeting;
  - (c) an agenda for the meeting (including each request for a decision by the Bondholders);
  - (d) a form of power of attorney; and
  - (e) should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

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

- 16.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 16.2.4 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.
- 16.2.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in Person.

## **16.3 Written Procedure**

- 16.3.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for

technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.

16.3.2 A communication pursuant to Clause 16.3.1 shall include:

- (a) each request for a decision by the Bondholders;
- (b) a description of the reasons for each request;
- (c) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;
- (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 16.3.1); and
- (f) if the voting shall be made electronically, instructions for such voting.

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

#### **16.4 Majority, quorum and other provisions**

16.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 16.3.2, in respect of a Written Procedure,

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

16.4.2 The following matters shall require consent of Bondholders representing at least sixty-six and two thirds (66<sup>2</sup>/<sub>3</sub>) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 14 (Special undertakings);
- (b) a mandatory exchange of the Bonds for other securities;

- (c) a change of the Issuer;
  - (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
  - (e) a change to the Interest Rate (other than as a result of an application of Clause 18 (Replacement of Base Rate)) or the Nominal Amount;
  - (f) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
  - (g) amend the provisions in this Clause 16.4.2 or in Clause 16.4.3.
- 16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a) to (e) of Clause 17.1) or a termination of the Bonds.
- 16.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 16.4.3.
- 16.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.4.2 and at least twenty (20) per cent. of the Adjusted Nominal Amount in case of any other matter:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 16.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 16.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 16.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 16.4.8 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 16.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant

Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

- 16.4.10 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 16.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 16.4.12 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 16.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **17. AMENDMENTS AND WAIVERS**

- 17.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Agent is satisfied that such amendment or waiver:
  - (a) is not detrimental to the interest of the Bondholders;
  - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
  - (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
  - (d) is necessary for the purpose of having the Bonds admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders;
  - (e) is made pursuant to Clause 18 (Replacement of Base Rate); or
  - (f) has been duly approved by the Bondholders in accordance with Clause 16 (Decisions by Bondholders) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.

- 17.2 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 17.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 17.3 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Bondholders' Meeting, in the Written Procedure or by the Agent, as the case may be.

## **18. REPLACEMENT OF BASE RATE**

### **18.1 General**

- 18.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 18 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.
- 18.1.2 If a Base Rate Event has occurred, this Clause 18 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

### **18.2 Definitions**

In this Clause 18:

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

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

**“Base Rate Amendments”** has the meaning set forth in Clause 18.3.4.

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

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;

- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Noteholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (*Sw. krishanteringsregelverket*) containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

**“Base Rate Event Announcement”** means a public statement or published information as set out in paragraph (b) to (e) of the definition of Base Rate Event that any event or circumstance specified therein will occur.

**“Independent Adviser”** means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

**“Relevant Nominating Body”** means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Council (*Finansiella stabilitetsrådet*) or any part thereof.

**“Successor Base Rate”** means:

- (a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as the Bonds, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or
- (b) if there is no such rate as described in paragraph (a), such other rate as the Independent Adviser determines is most comparable to the Base Rate.

For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply *mutatis mutandis* to such new Successor Base Rate.

### 18.3 **Determination of Base Rate, Adjustment Spread and Base Rate Amendments**

18.3.1 Without prejudice to Clause 18.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread

and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 18.3.2.

- 18.3.2 If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate.
- 18.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 18.3.2, the Noteholders shall, if so decided at a Noteholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in Clause 18.3.2. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clause 18.3 to 18.6, the Agent (acting on the instructions of the Noteholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer's cooperation.
- 18.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("Base Rate Amendments").
- 18.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

#### 18.4 **Interim measures**

- 18.4.1 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:
  - (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
  - (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.
- 18.4.2 For the avoidance of doubt, Clause 18.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 18. This will however not limit the application

of Clause 18.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 18 have been taken, but without success.

#### **18.5 Notices etc.**

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Issuing Agent and the Noteholders in accordance with Clause 24 (*Communications and press releases*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Bonds are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

#### **18.6 Variation upon replacement of Base Rate**

- 18.6.1 No later than giving the Agent notice pursuant to Clause 18.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 18.3.3) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 18. The Successor Base Rate, the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.
- 18.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 18.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 18.
- 18.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 18. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

#### **18.7 Limitation of liability for the Independent Adviser**

Any Independent Adviser appointed pursuant to Clause 18.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

## **19. THE AGENT**

### **19.1 Appointment of the Agent**

- 19.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. företagsrekonstruktion) or bankruptcy (Sw. konkurs) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 19.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 19.1.3 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.
- 19.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 19.1.5 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.

### **19.2 Duties of the Agent**

- 19.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents.
- 19.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 19.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 19.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 19.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any

consent from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.

- 19.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:
- (a) after the occurrence of an Event of Default;
  - (b) for the purpose of investigating or considering:
    - (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; or
    - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
  - (c) in connection with any Bondholders' Meeting or Written Procedure;
  - (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15.14 (*Distribution of proceeds*).

- 19.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 19.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor:
- (a) whether any Event of Default has occurred;
  - (b) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or
  - (c) whether any other event specified in any Finance Document has occurred.
- Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 19.2.9 The Agent shall review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 12.3.2 and as otherwise agreed between the Issuer and the Agent. The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 19.2.9.
- 19.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to

comply with this Clause 19.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

- 19.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 19.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 19.2.13 The Agent shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or if it refrains from acting for any reason described in Clause 19.2.12.
- 19.2.14 Upon the reasonable request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.
- 19.2.15 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default, which event shall be governed by Clause 15.13.3).

### **19.3 Liability for the Agent**

- 19.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 19.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.

- 19.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 19.3.4 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 19.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

#### **19.4 Replacement of the Agent**

- 19.4.1 Subject to Clause 19.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 19.4.2 Subject to Clause 19.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 19.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- 19.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
  - (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
  - (b) the Agent was dismissed through a decision by the Bondholders,
 the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.
- 19.4.5 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.
- 19.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:

- (a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and
  - (b) the period pursuant to paragraph (b) of Clause 19.4.4 having lapsed.
- 19.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 19.4.8 In the event that there is a change of the Agent in accordance with this Clause 19.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **20. THE ISSUING AGENT**

- 20.1 The Issuer shall when necessary appoint an Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.
- 20.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 20.3 The Issuing Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

## **21. THE CSD**

- 21.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- 21.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to trading of the Bonds on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

## **22. NO DIRECT ACTIONS BY BONDHOLDERS**

- 22.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. företagsrekonstruktion) or bankruptcy (Sw. konkurs) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the obligations or liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 22.2 Clause 22.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 19.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 19.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2.13 before a Bondholder may take any action referred to in Clause 22.1.
- 22.3 The provisions of Clause 22.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 11.5 (*Mandatory repurchase due to a Change of Control, a De-listing or Listing Failure (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## **23. TIME-BAR**

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

## **24. Communications AND PRESS RELEASES**

### **24.1 Communications**

- 24.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on the Business Day prior to dispatch or to

such address as notified by the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Agent to the Issuer from time to time;

- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or to such address as notified by the Issuer to the Agent by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Agent, to such e-mail address as notified by the Issuer to the Agent from time to time; and
- (c) if to the Bondholders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

24.1.2 Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter (or, if between the Agent and the Issuer, by e-mail) and will only be effective:

- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1;
- (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1; or
- (c) in case of e-mail to the Agent or the Issuer, when received in legible form by the e-mail address specified in Clause 24.1.1.

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

## **24.2 Press releases**

24.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 11.3 (*Early voluntary total redemption (call option)*), Clause 11.4 ((*Early voluntary total redemption due to illegality (call option)*)), paragraph (a)(i) of Clause 12.4 (*Information: miscellaneous*) or Clauses 15.13.3, 15.14.4, 16.4.13, 16.2.1, 16.3.1, 17.2, 18.6.1, 19.2.13, 19.4.1 or 18.5 shall also be published by way of press release by the Issuer or the Agent, as applicable.

24.2.2 In addition to Clause 24.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## **25. FORCE MAJEURE**

- 25.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 25.2 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 25.3 The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **26. GOVERNING LAW AND JURISDICTION**

- 26.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
  - 26.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 26.3, be determined by Swedish courts and the District Court of Stockholm (*Sw. Stockholms tingsrätt*) shall be the court of first instance.
  - 26.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
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