

Legres AB (publ)

Prospectus relating to the listing of
SEK 325,000,000 Senior Secured Callable
Floating Rate Bonds due 30 December 2025

ISIN: SE0020388700

Prospectus dated 1 August 2023

ABG Sundal Collier ASA

as Issuing Agent

This Prospectus (as defined below) was approved by the Swedish Financial Supervisory Authority on 1 August 2023. The validity of this Prospectus will expire 12 months after the date of its approval, provided that this Prospectus is supplemented in accordance with article 23 of the Prospectus Regulation. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Prospectus is no longer valid.

Important Notice:

This prospectus (the “**Prospectus**”) has been prepared by Legres AB (publ) (the “**Issuer**”, or the “**Company**” or together with its direct and indirect subsidiaries unless otherwise indicated by the context, the “**Group**”), a public limited liability company incorporated in Sweden, having its headquarters located at the address, Box 26134, 100 41 Stockholm, with reg. no. 559085-4773, in relation to the application for the listing of the senior secured callable floating rate bonds denominated in SEK (the “**Bonds**”) on the corporate bond list on Nasdaq Stockholm Aktiebolag, reg. no. 556420-8394 (“**Nasdaq Stockholm**”). ABG Sundal Collier has acted as issuing agent in connection with the issue of the Bonds (the “**Issuing Agent**”). This Prospectus has been prepared in accordance with the standards and requirements under 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**”) and the rules and regulations connected thereto, as applicable. This Prospectus has been prepared in English only and is governed by Swedish law and the courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Prospectus. This Prospectus is available at the SFSA’s website (fi.se) and the Issuer’s website (sergel.com).

Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 34 (the “**Terms and Conditions**”) shall have the same meaning when used in this Prospectus.

Except where expressly stated otherwise, no information in this Prospectus has been reviewed or audited by the Company’s auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding 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 incorporated by reference in, and any supplements to, this Prospectus. In this Prospectus, references to “**EUR**” refer to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, references to “**SEK**” refer to Swedish krona.

Investing in bonds is not appropriate for all investors. Each investor should therefore evaluate the suitability of an investment in the Bonds in light of its own circumstances. In particular, each investor should:

- (a) have sufficient knowledge and experience to carry out an effective evaluation of (i) the Bonds, (ii) the merits and risks of investing in the Bonds, and (iii) the information contained or incorporated by reference in the Prospectus or any supplements;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate in the context of its particular financial situation the investment in the Bonds and the impact that such investment will have on the investor’s overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks resulting from an investment in the Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the investor’s own currency;
- (d) understand thoroughly the Terms and Conditions and the other Finance Documents and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios relating to the economy, interest rates and other factors that may affect the investment and the investor’s ability to bear the risks.

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 listing the Bonds on the corporate bond list on Nasdaq Stockholm. This Prospectus may not be distributed in or into any country where such distribution or disposal would require any additional prospectus, registration or additional measures or contrary to the rules and regulations of such jurisdiction. 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 US Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold outside the United States to purchasers who are not, or are not purchasing for the account of, U.S. persons in reliance upon Regulation S under the Securities Act. In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Bonds within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale of the Bonds within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the Securities Act.

The offering is not made in any other country where the offering, sale and delivery of the Bonds may be restricted by law.

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 Company’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 Company believes that the forecasts of, or indications of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the materialisation of risks and other factors affecting the Group’s operations. Such factors of a significant nature are mentioned in the section “**Risk Factors**” below. This Prospectus shall be read together with all documents that are incorporated by reference, see subsection “**Documents incorporated by reference**” under section “**Other information**” below, and possible supplements to this Prospectus.

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Risk Factors

*In this section, the risk factors which Legres AB (publ) (the “**Issuer**”) considers to be material risks relating to the Issuer and its direct and indirect subsidiaries (the “**Group**”) and the contemplated senior secured floating rate bonds (the “**Bonds**”) are illustrated. The Issuer’s assessment of the materiality of each risk factor is based on the probability of their occurrence and the expected magnitude of their negative impact. The assessment of the materiality of each risk factor is illustrated with a rating of low, medium or high. The description of the risk factors below is based on information available and estimates made on the date of this Prospectus.*

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

Group and market specific risks

Risks related to the Issuer’s business activities and industry

Risk of termination and claims in relation to material customer agreements

The Group has entered into approximately 900 customer agreements of which around twenty agreements stand for a significant part of the Group’s revenue. Some of the relevant agreements may be terminated subject to six (6) months’ notice and have expiration dates in the near future and change of control provisions.

Most notably, the Group is dependent on its relationship with Telia Company AB and its affiliates (“**Telia**”) from which a substantial part of the Group’s revenue is generated. A Master Agreement (“**MA**”) has been entered into between Telia Company AB and entities within the Group in June 2017, pursuant to which Telia has given the Group exclusivity, or a right of first refusal, to provide certain services (e.g. debt collection) and the Group has undertaken to provide these services to Telia, in accordance with the terms and conditions set out in the MA. Unless terminated by the Group or Telia, each commercial agreement subject to the MA, aside from some of the service agreements, will be prolonged by one year at a time. In addition to the MA, the two parties have outlined further documents stipulating how the current collaboration will develop in the future. During the last twelve months ended on 31 March 2023, 35 per cent. of the Group’s sales were generated from Telia. The MA has been extended until at least 31 December 2023 with a running six month notice.

Thus, the Group is dependent on its relationship with Telia to continue to generate profits at its current level. Should a material customer’s, such as Telia, demand for the Group’s services decrease, it will have an adverse effect on the Group’s operating results and financial position. Further, if material customer agreements, such as Telia, would be terminated or expire without being renewed, the revenue from such customers will cease. It is uncertain whether material customers, such as Telia, will terminate their agreements and/or if the Group will be successful in renegotiating such agreements, but if such an event would occur, it presents a risk to the Group’s earnings.

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

Risks relating to strategy and business expansion

Business expansion, mainly by developing new services to offer on the Nordic market, where the Group currently operates, is part of the Group's strategy. The Group has in recent years developed its services in relation to E-commerce financing, checkout solutions, invoicing services, accounts receivable, and artificial intelligence and that work is estimated to continue over the coming years and will continue to be implemented during 2023.

It is uncertain whether the Group has or will miscalculate the relevant markets' demand for new products and services in which it has made significant investments. If the risk materialises there is a risk that the Group will lose such investment. It is uncertain whether the investment will generate the desired result, and there is a risk that this may adversely affect the Group's future financial condition and results of operations.

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

Risks related to IT infrastructure

The Group depends on information technology to manage critical business processes. The Group has recently completed the process of implementing a new group-wide IT-platform, Sergel House. There is a risk that the IT-system, including back-up procedures, from time to time, fails and if so, the Group is not able to conduct its business.

Further, the Group relies on its IT-system to obtain information regarding its clients. Consequently, a disruption in any of the Group's IT-systems may adversely affect the Group's operations. However, it is uncertain whether such a disruption will occur. A disruption to the Group's IT-systems may impact the Group's operations adversely since it may complicate the gathering of information regarding the Group's clients.

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

Related party arrangements

The Group is, and may in the future be, engaged in business arrangements with related parties. Such arrangements currently mainly consist of service agreements which the Sergel Entities (as defined in the Terms and Conditions) and subsidiaries of Marginalen Bank entered into in 2017 (the "**MB Service Agreements**"). Under the MB Service Agreements, the Sergel Entities will provide services to subsidiaries of Marginalen Bank in respect of debt portfolios acquired by Marginalen Bank and/or its subsidiaries. A significant part of the Sergel Entities business originates from these MB Service Agreements. Pursuant to the Terms and Conditions, the Issuer shall procure that the relevant Sergel Entities ensure that the fee level for each respective service provided by a Sergel Entity under the MB Service Agreements is not negatively deviated with more than fifteen (15) per cent from the fee levels as per the Issue Date if such deviation would have a Material Adverse Effect. Furthermore, the MB Service Agreements may not be terminated before the Bonds have been repaid in full. Although it is uncertain whether the MB Service Agreements will be amended in respect of the fee levels it presents a risk.

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

Counterparty risk

Counterparty risk is the risk that the counterparty of a contract will not live up to its contractual obligations. The Group is exposed to a counterparty risk in all of its contracts. However, as described in the risk factor “*Risk of termination and claims in relation to material customer agreements*” a significant share of the Group’s revenue is generated from a few, material customers, such as Telia (from which 35 per cent. of the Group’s sales were generated in the first quarter 2023), on which the Group is dependent. There is a risk that any of the Group’s material customers’ – such as Telia – financial position deteriorates and that they will not be able to meet their payment obligations under the customer agreements, which will have an impact on the Group’s earnings since it will diminish the Group’s possibilities to be compensated under the agreement.

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

Legal and regulatory risk

Regulatory risk

The Group’s operations are subject to legislation, rules, guidance, codes of conduct and government policies in the jurisdictions in which it conducts business. The most significant legislation applicable to the Group’s operations are the Swedish Debt Recovery Act, the Swedish Credit Information Act (or corresponding acts within the Nordic jurisdiction), the General Data Protection Regulation (EU) (“**GDPR**”), and, as regards Finland, the Finnish Act on Preventing Money Laundering and Terrorist Financing. The entities within the Group are under the supervision of the Data Protection Authority in each country of operation, and the Group relies on a good relationship with such authorities. The Group operate within a personal data intensive industry and the most important risk is related to handling of personal data and compliance, in all aspects, with GDPR. There is a risk that the Group has failed to adapt its operations in accordance with the requirements set out in the GDPR. As a result, there is a risk that the Group will be incurred significant fees for violation of the GDPR. In 2021 a GDPR incident occurred in the Group. The relevant authorities were informed and initiated an investigation which has been concluded without any fines or other penalties. For severe violations of the GDPR, the fine framework can be up to 20,000,000 euros, or in the case of an undertaking, up to 4 % of the total global turnover of the preceding fiscal year, whichever is higher. For less severe violations of the GDPR, the fines amount to up to 10,000,000 euros, or, in the case of an undertaking, up to 2 % of the entire global turnover of the preceding fiscal year, whichever is higher.

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

Further, during the last quarter of 2020 new legislation came into force in Norway regulating debt collection fees reducing the amount of fees that can be retrieved in connection with debt collection. This has had and will continue to have an adverse effect on the Issuer’s business.

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

Risks relating to the implementation of the NPL Directive

The European Parliament and the Council has adopted Directive (EU) 2021/2167 on credit servicers and credit purchasers (the “**NPL Directive**”) which, in short, applies to non-performing credit agreements that are more than 90 days due or where the lending credit institution considers it unlikely to be repaid in full by the borrower without realization of collateral. The NPL Directive is intended to facilitate the transfer by credit institutions of NPLs (as defined therein) to credit purchasers and the development of a secondary market for NPLs for credit purchasers and servicers.

Legal persons that perform “credit servicing activities” as defined in the NPL Directive will be required to obtain authorisation as a credit servicer with its national competent authority. Member states are required to implement the NPL Directive so that its provisions apply as of 30 December 2023. The NPL Directive may apply to the Group’s operations as currently conducted and, if so, will impose additional compliance and operational requirements that may increase the Group’s costs and affect the Group’s financial position. It should be noted that final legislative measures at national level transposing the NPL Directive are not available at the date hereof and it remains to be seen how the NPL Directive will be implemented. The impact of these regulations or others like them enacted or imposed in other jurisdictions may impede the Group’s ability to conduct its operations, result in further litigation or have a negative impact on the Group’s business.

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

Risks related to the Issuer’s financial situation

Risk regarding availability of capital

Future availability of capital is important with regard to business growth potential and if sufficient capital is not available, corrective actions must be initiated. Also, the availability of capital is important in order for the Group to fulfil its commitments when due.

The Group’s current financing mainly consists of its existing bonds with ISIN SE0012729010 which will be refinanced by the Bonds. The Issuer has also issued subordinated bonds in an amount of SEK 40,000,000 with ISIN SE0018040958. Furthermore, the Issuer also has subordinated debt in the form of a shareholder loan amounting to approximately SEK 182,000,000 (including incurred and unpaid interest), as of 31 March 2023.

As the Group finances its activities to a large extent with external capital, the Group depends on the ability to refinance these loans in the future. The degree to which capital will be available to the Issuer in the future is uncertain and the realisation of any of the aforementioned risks will adversely affect the Group’s financial position and the Bondholders’ possibility to receive payment under the Terms and Conditions will be reduced.

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

The Issuer is dependent on the Sergel Entities

The Issuer is a holding company and holds no significant assets. Accordingly, the Issuer is highly dependent upon receipt of sufficient income related to the operation of and the ownership in the Sergel Entities to enable it to make payments under the Bonds. The entities of the Sergel Entities are legally separate and distinct from the Issuer and will have no obligations to pay amounts due with

respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the Sergel Entities to make such payments to the Issuer is subject to, among other things, the availability of funds, corporate restrictions and the terms of each operation's indebtedness. Although it is uncertain, there is a risk that the Issuer does not receive sufficient income from the Sergel Entities, in which case the Bondholder's ability to receive payment under the Terms and Conditions will be adversely affected.

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

Interest rate risk

Interest rate risk is the risk that the Group's current and future net interest deteriorates due to adverse changes in interest rates. The market interest rate may be subject to significant fluctuations. The degree to which such interest rates may vary is uncertain and presents a risk to the Group's financial position. The main interest risk which the Group is exposed to is the risk that its financial charges rises as a result of an increased market rate including STIBOR, and in turn, that the interest for the Bonds increase. A deterioration of the Group's net interest due to unfavourable changes in interest rates will have a material adverse effect on the Group's financial charges. The Group estimates that an increase of one (1) per cent. of the market interest, would have adversely affected the Group's result for the last twelve months ended on 31 March 2023 with SEK – 4,000,000 and that the effect on the Group's equity (as per 31 March 2023) would have been SEK – 3,200,000.

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

Currency risk

Currency risk is the risk that the Group will suffer losses due to adverse changes in exchange rates. Currency risk also involves the risk that the estimated fair value of, or future cash flows from, a financial instrument fluctuate because of changes in currency exchange rates. Since the Issuer's subsidiaries operated in Denmark, Norway and Finland, the Issuer is exposed to a currency risk mainly from Euro (EUR), Norwegian Krone (NOK) and Danish Krone (DKK).

The relevant currencies value may be subject to significant fluctuations in exchange rates. The degree to which such exchange rates may vary, is uncertain and presents risk to the Group's results of operations. The Group's currency risk mainly arises from intra group transactions, recognised assets and liabilities and net investments of foreign operations. Adverse changes in exchange rates will have a material adverse effect on the Group's results of when the different operations are to be consolidated in SEK.

The below table shows the Group's estimate on the effects that changes in the relevant exchange rates of +/-10 per cent. during the last twelve months ended on 31 March 2023, would have affected the Group's result for such period, and equity per 31 March 2023.

Changes in exchange rates	2023-03-31 - (last 12 months) - Effects on operating result (in SEK, pre tax)	2023-03-31 - Effects on equity (in SEK)
EUR +10 %	+0,7	+0,6
EUR -10 %	-0,7	-0,6
NOK +10 %	+1,9	+1,5
NOK -10 %	-1,9	-1,5
DKK +10 %	+2,0	+1,5
DKK -10 %	-2,0	-1,5

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

Risks relating to the Bonds

Risks relating to the Group's failure to comply with the Terms and Conditions or service debts under the Bonds

Credit risk towards the Group

Bondholders carry a credit risk relating to the Issuer and the Group. The Bondholders' ability to receive payment under the Bonds is therefore dependent on the Issuer's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations (the Group's adjusted EBITDA amounted to approximately SEK 80,400,000 during the last twelve months ended on 31 March 2023) and its financial position and also, the availability of capital (please refer to the risk factor "*Risk regarding availability of capital*" for more details).

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

Refinancing risk

The Group's ability to successfully refinance its debts, including the Bonds, is dependent on the conditions of the debt capital markets and its financial condition at such time. Even if the debt capital markets improve, there is a risk that the Group's access to financing sources will not be available on favourable terms, or at all.

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

Ability to service debt under the Bonds

The Issuer's ability to service its debt under the Bonds will depend upon, 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 which have been mentioned above or which are outside of the Issuer's control. It should be noted that the Group's Net Interest Bearing Debt to EBITDA (as defined in and calculated in accordance with the Terms and Conditions), for the last twelve months ended on 31 March 2023, was 3.45.

It is uncertain whether the Group's operating income, will be sufficient to service its current or future indebtedness. If the Group's operating income will not be sufficient to service its current or future indebtedness, there is a risk that the Group will be forced to take actions such as reducing or delaying its business activities, make acquisitions, investments or capital expenditures, sell assets, or restructure or refinance its debt and/or seek additional equity capital, and that the Group will not be able to affect any of these remedies on satisfactory terms, or at all.

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

Risks relating to the value of the Bonds and the bond market

Liquidity risks

Even if the Bonds are admitted to trading on a regulated market, active trading in such securities does not always occur, in general, trading volumes may be low in respect of securities, such as the Bonds, with a nominal value of SEK 1,250,000. Hence there is a risk that a liquid market for trading in the Bonds will not exist or is maintained even if the Bonds are listed. This can result in that the Bondholders cannot sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market will have a negative impact on the market value of the Bonds.

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

Risk related to the Bonds floating rate structure

The Bonds' value depends on several factors, one of the most significant overtime being the level of market interest rates. The market interest may be subject to significant fluctuations. The degree to which such interest rates may vary is uncertain and presents a risk to the value of the Bonds. The Bonds have a floating rate structure on 3-month STIBOR plus a margin and a STIBOR floor of 0 per cent applies. The interest rate of the Bonds will be determined two (2) business days prior to the first day of each interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. The general interest rate level is to a high degree affected by the Swedish and the international financial development and is outside the Group's control.

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

Risk related to listing of the Bonds

The Issuer shall ensure that the Initial Bonds are listed on Nasdaq Stockholm (or any other Regulated Market) within 60 days after the Issue Date. However, the Issuer is dependent upon the Nasdaq

Stockholm's (or any other Regulated Market's) approval (as applicable) to be able to list the Bonds. Thus, there is a risk that the Bonds will not be admitted to trading in time, or at all. If the Issuer fails to procure listing in time, each Bondholder have the right to request that all, or some only, of its Bonds shall be repurchased. If the Issuer fails to procure listing in time, Bondholders holding Bonds on an investment savings account (Sw. *ISK/Investeringsparkonto*) will no longer be able to hold the Bonds on such account, thus affecting such Bondholder's tax situation. If the Issuer fails to procure listing in time, or at all, there is an increased risk that a liquid market for trading in the Bonds will not exist.

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

Risks relating to the transaction security

Insolvency of subsidiaries and structural subordination

In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, due to structural subordination, all creditors of such subsidiary will be entitled to payment in full out of the assets of such company before the Issuer, as a shareholder will be entitled to any payments. The Issuer and its assets will not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise. As a result, in the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, there is a risk that the Issuer will not receive any payment from the relevant subsidiary.

Further, the Group operates in various jurisdictions and in the event of bankruptcy, insolvency, liquidation, dissolution, reorganisation or similar proceedings involving the Issuer or any of its subsidiaries, bankruptcy laws other than those of Sweden could apply. The outcome of insolvency proceedings in foreign jurisdictions is difficult to predict and can therefore have an adverse effect on the potential recovery in such proceedings.

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

Risks relating to the enforcement of the transaction security

If the subsidiaries whose shares are pledged in favour of the Bondholders are subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, there is risk that the shares in such subsidiaries will have limited value because all of the subsidiaries' obligations must first be satisfied, potentially leaving little or no remaining assets in the subsidiary for the Bondholders. As a result, there is a risk that the Bondholders will not recover full or any value in the case of an enforcement sale of such pledged shares. In addition, there is a risk that the value of the shares subject to the pledge will decline overtime.

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

The security over the MB Service Agreements may be unenforceable and subject to clawback

Pursuant to the Terms and Conditions, the Issuer shall procure that the relevant Sergel Entities pledge their rights under the MB Service Agreements as security for the Bonds (the "**Contractual Rights Pledge Agreement**"). However, the Sergel Entities will continue to receive payments, and be permitted to also otherwise dispose of their rights, under the MB Service Agreements until an Event

of Default has occurred and is continuing. Pursuant to Swedish law, this entails that the security granted under the Contractual Rights Pledge Agreement will not be perfected until an Event of Default has occurred (i.e. when the pledgors have been deprived control over the rights under the MB Service Agreements). As a result, there is a risk that this security under the Contractual Rights Pledge Agreement may not be enforceable and that it may become subject to claw-back claims. Hence, there is a risk that the Bondholders will not be able to benefit from the security provided under the Contractual Rights Pledge Agreement which could adversely affect the Bondholders' recovery under the Bonds. In addition, there is a risk that the value of, and revenue generated under, the MB Service Agreements will decline over time.

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

Risk that the security assets will be insufficient to satisfy all amounts owed to the Bondholders

Although the Group's obligations towards the Bondholders under the Bonds are secured, there is a risk that the proceeds of any enforcement sale of the security assets will be insufficient to satisfy all amounts then owed to the Bondholders. If the risk materialises, the Bondholders will only have an unsecured claim against the remaining assets (if any) of the Issuer, for the amounts which remain outstanding under or in respect of the Bonds. In such an event, there is a risk that the Bondholders will not recover full or any value under the Bonds.

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

Applicable law can require that a security interest in certain assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party or the security provider. Thus, the enforceability of the transaction security is subject to a certain degree of uncertainty. There is a risk that transaction security granted to secure the Bonds will be unenforceable or enforcement of the security may be delayed according to Swedish law or any other applicable laws.

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

Further, there is a risk that the transaction security will not be perfected if the Agent or the relevant security provider is not able to or does not take the actions necessary to perfect or maintain the perfection of any such security. Such failure can result in the invalidity of the relevant transaction security or adversely affect the priority of such security interest in favour of third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same transaction security.

If the Issuer were to be unable to make repayment under the Bonds and a court was to render a judgment that the security granted in respect of the Bonds was unenforceable, there is a risk that the Bondholders will find it difficult or impossible to recover the amounts owed to them under the Bonds. Therefore, there is a risk that the security granted in respect of the Bonds will be ineffective in respect of any of the Issuer's obligations under the Bonds in the event the Issuer becomes insolvent. In addition, any enforcement can be delayed due to any inability to sell the security assets in a timely and efficient manner.

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

Risks related to certain limitations of the Bondholders' rights

Risks related to early redemptions and put options

As set out in the Terms and Conditions, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the Bondholders have the right to receive an early redemption amount which exceeds the nominal amount in accordance with the Terms and Conditions. However, there is a risk that the market value of the Bonds is higher than the early redemption amount and that it will not be possible for Bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and will only be able to do so at a significantly lower rate.

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each Bondholder (put option) if a change of control event, bonds listing failure event or bonds delisting event occurs.

Since the Group's current financing will mainly consist of the Bonds, there is however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds and that such lack of funds will adversely affect the Issuer, e.g., by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all Bondholders and not only those that choose to exercise the option.

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

No action against the Issuer and Bondholders' representation

In accordance with the Terms and Conditions, the Agent will represent all Bondholders in all matters relating to the Bonds and the Bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual Bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Issuer and can therefore lack effective remedies unless and until a requisite majority of the Bondholders agree to take such action.

However, the possibility that a Bondholder, in certain situations, can bring its own action against the Issuer (in breach of the Terms and Conditions) cannot be ruled out, which will negatively impact an acceleration of the Bonds or other action against the Issuer.

Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all Bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a Bondholder's rights under the Terms and Conditions in a manner that will be undesirable for some of the Bondholders.

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

Bondholders' meetings and written procedures

The Terms and Conditions will include certain provisions regarding Bondholders' meetings and written procedures. Such meetings or written procedures may be held in order to decide on matters relating to the Bondholders' interests. The Terms and Conditions will allow for stated majorities to bind all Bondholders, including Bondholders who have not taken part in the meeting or written procedure and those who have voted differently to the required majority at a duly convened and

conducted Bondholders' meeting or written procedure. Consequently, the actions of the majority in such matters could impact a Bondholder's rights in a manner that would be undesirable for some of the Bondholders.

The Issuer considers that the probability of the abovementioned risk to occur is low. If this risk would materialise, the Issuer considers the potential negative impact to be medium.

Regulatory risks

Risks related to the Bonds' floating rate structure

The value of the Bonds depends on several factors, one of the most significant in the long term being the market interest rates. The Bonds bear a floating rate interest at the rate of a base rate plus a margin. The initial base rate for the Bonds is 3-month STIBOR. Hence, the interest rate is to a certain extent adjusted for changes in the general interest rate levels. There is a risk that an increase in the general interest rate levels will adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the state of the international economy and is outside the Group's control.

Further, the process for determining interest-rate benchmarks, such as STIBOR, is subject to a number of statutory rules and other regulations. The most extensive initiative in this respect is the Benchmark Regulation (Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014) (the "**Benchmark Regulation**"). The implementation of the Benchmark Regulation will lead to that certain previously used benchmarks will be discontinued. There is a risk that also STIBOR will be discontinued, or that alternative benchmark rates will dominate market practice, leading to uncertainties in relation to the interest rate payable in relation to the Bonds. Increased or altered regulatory requirements and risks associated with the Benchmark Regulation 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 will cause volatility in STIBOR, which would affect the interest rate for the Bonds.

Should STIBOR be discontinued or cease to be provided, 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 (including the determination of any Successor Base Rate) in an interest rate which is less advantageous for the Bondholders or that such interest rate does not meet market interest rate expectations.

The Bonds in Brief

The following summary contains basic information about the Bonds. It is not intended to be complete and it is subject to important limitations and exceptions. Potential investors should therefore carefully consider this Prospectus as a whole, including documents incorporated by reference, before a decision is made to invest in the Bonds. For a more complete understanding of the Bonds, including certain definitions of terms used in this summary, see the Terms and Conditions.

Issuer	Legres AB (publ), a public limited liability company with company registration number 559085-4773
Bonds Offered	Senior secured floating rate bonds due 30 December 2025 (2,5 years after the Issue Date).
Bond Issue	SEK 325,000,000 issued on the Issue Date, being 30 June 2023
ISIN	SE0020388700
Issue Date	30 June 2023
Issue Price	One hundred (100.00) per cent. of the initial nominal amount.
Interest Rates	Interest on the Bonds will be paid at a floating rate of three (3) month STIBOR plus 9.00 per cent. <i>per annum</i> .
Interest Payment Dates	9 January, 9 April, 9 July and 9 October of each year commencing on 9 October 2023. To the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 9 October 2023 and the last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full).
Nominal Amount	The initial nominal amount of each Bond is SEK 1,250,000.
Number of Bonds	260
Status of the Bonds	<p>The Bonds are denominated in Swedish Kronor and each Bond is constituted by the Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with the Terms and Conditions.</p> <p>The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer, and:</p> <ul style="list-style-type: none">(i) shall at all times rank at least <i>pari passu</i> with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them;(ii) are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

See Clause 2 (*Status of the Bonds*) of the Terms and Conditions for further details.

Security

The Bonds are secured by security interests granted on an equal and rateable first-priority basis over the shares in Legres AB (publ) and the shares in each Sergel Entity together with other assets of the Group. See the definition of “**Security Documents**” in Clause 1.1 (*Definitions*) of the Terms and Conditions.

Call Option

The Issuer has the right to redeem all, but not only some, outstanding Bonds at any time at the applicable Call Option Amount in accordance with Clause 10.3 (*Voluntary total redemption (call option)*) of the Terms and Conditions.

Call Option Amount

Call Option Amount means:

- (i) 104.500 per cent. of the Nominal Amount if the Call Option is exercised on or after the Issue Date to, but not including, the First Call Date, together with (i) the remaining interest payments to and including the First Call Date, calculated in accordance with the below and (ii) accrued but unpaid Interest;
- (ii) 104.500 per cent. of the Nominal Amount, if the Call Option is exercised on or after the First Call Date to, but not including, the date falling 19 months after the Issue Date, together with accrued but unpaid Interest;
- (iii) 102.250 per cent. of the Nominal Amount, if the Call Option is exercised on or after the date falling 19 months after the Issue Date to, but not including, the date falling 23 months after the Issue Date, together with accrued but unpaid Interest;
- (iv) 101.125 per cent. of the Nominal Amount, if the Call Option is exercised on or after the date falling 23 months after the Issue Date to, but not including, the date falling 27 months after the Issue Date, together with accrued but unpaid Interest; and
- (v) 100.450 per cent. of the Nominal Amount, if the Call Option is exercised on or after the date falling 27 months after the Issue Date to, but not including, the Final Maturity Date, together with accrued but unpaid Interest.

For the purpose of calculating the remaining interest payments, it shall be assumed that the Interest Rate for the period from the relevant Record Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant Record Date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

First Call Date

Means the date falling fifteen (15) months after the Issue Date.

Final Maturity Date

30 December 2025.

Change of Control Event	Means the occurrence of an event or series of events whereby one or more persons (other than the Owner or a Permitted Transferee) acting alone or together, acquire(s) control over the Issuer and where “control” means: <ul style="list-style-type: none"> (i) controlling, directly or indirectly, more than fifty (50.00) per cent. of the voting shares of the Issuer; or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.
Delisting Event	Means the occurrence of an event or series of events whereby the Bonds, once the Bonds are admitted to trading on a Regulated Market and/or an MTF, are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and/or MTF (as applicable), and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds), provided that the Bonds may be delisted from an MTF in connection with the admission to trading of the Bonds on a Regulated Market.
Listing Failure Event	Means that the Bonds have not been admitted to trading on Nasdaq Stockholm (or any other Regulated Market) within sixty (60) days after the Issue Date (although the Issuer has the intention to have the Bonds admitted to trading within thirty (30) days from the Issue Date).
Redemption (put option)	Upon a Change of Control Event, Delisting Event or Listing Failure Event occurring that has not been waived by the Bondholders, each Bondholder shall have a right to request that all, or some only, of its Bonds be repurchased at a price of one hundred and one (101.00) per cent. of the Nominal Amount (plus accrued and unpaid interest) during a period of twenty (20) days following the effective date of a notice from the Issuer of a Change of Control Event, Delisting Event or Listing Failure Event.
Redemption Date	The Final Maturity Date is 30 December 2025. The Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.
Prescription:	The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders’ right to receive payment has been prescribed and has become void.

Certain Covenants

The Terms and Conditions contain a number of covenants which restrict the ability of the Issuer and other Group Companies, including, inter alia:

- (i) restrictions on making changes to the nature of their business;
- (ii) restrictions on incurring, renewing or prolonging any Financial Indebtedness (as defined in the Terms and Conditions) other than such Financial Indebtedness that constitute Permitted Debt (as defined in the Terms & Conditions);
- (iii) a negative pledge, restricting the granting of security for Financial Indebtedness (as defined in the Terms and Conditions); and
- (iv) limitations on the making of distributions and disposal of assets.

The Terms and Conditions contain a maintenance test which is satisfied if:

- (i) the Cash and Cash Equivalents amount to at least SEK 20,000,000;
- (ii) the Interest Coverage Ratio is at least 2.00x; and
- (iii) the Net Interest Bearing Debt to EBITDA is not greater than:
 - (A) 3.50x on any Test Date from (and including) the Issue Date to (but excluding) the date falling 12 months from the Issue Date;
 - (B) 3.25x on any Test Date from (and including) date falling 12 months from the Issue Date to (but excluding) the date falling 24 months from the Issue Date; and
 - (C) 2.75x on any Test Date from (and including) date falling 24 months from the Issue Date to the Final Maturity Date.

The Maintenance Test to be tested quarterly on each Test Date on the basis of each Financial Report.

Use of Proceeds

The purpose of the Bond Issue is to refinance the Existing Senior Bonds issued by the Company (including Transaction Costs), and finance general corporate purposes of the Group.

Transfer Restrictions

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 laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

Listing

The Issuer shall:

- (i) ensure that the Bonds are admitted to trading (Sw. *upptagna till handel*) on the corporate 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 twelve (12) months from the Issue Date.

- (ii) take all measures required to ensure that the Bonds, once admitted to trading on Nasdaq Stockholm (or any other Regulated Market) continue being admitted to trading on such Regulated Market for as long as any Bond is outstanding (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market, as applicable, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

Agent

Means Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, or another party replacing it, as Agent, 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 Agent shall perform certain tasks in connection with the Bonds, such as call for a meeting among the Bondholders to decide upon any issue or matter in relation to the Bonds.

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.

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 (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

The Terms and Conditions are available at the Agent's website www.nordictrustee.com.

Security Agent

Means Nordic Trustee & Agency AB (publ) holding the Transaction Security on behalf of the Secured Parties.

Issuing Agent

Means ABG Sundal Collier ASA, or another party replacing it, as Issuing Agent, in accordance with the Terms and Conditions.

CSD

The Issuer's central securities depository and registrar in respect of the Bonds, from time to time, is initially, Euroclear P.O. Box 191, SE-101 23 Stockholm, Sweden.

The Bonds have been registered for the Bondholders on their respective Securities Accounts and no physical bonds have or will be issued. Accordingly, the Bonds are registered in accordance with the Swedish Financial Instruments Accounts Act (*Sw. lagen (1998:1479) om värdepapperscentraler and kontoföring av finansiella instrument*).

Governing Law of the Bonds

Swedish law.

Risk Factors

Investing in the Bonds involves substantial risks and prospective investors should refer to the section "*Risk Factors*" for a description of certain factors that they should carefully consider before deciding to invest in the Bonds.

Statement of Responsibility

The issuance of the Bonds was authorised by resolutions taken by the board of directors of the Issuer on 27 June 2023. This Prospectus has been prepared in connection with the Issuer's application to list the Bonds on the corporate bond list of Nasdaq Stockholm, in accordance with the Prospectus Regulation.

The Issuer is responsible for the information given in this Prospectus. The Issuer is the source of all company specific data contained in this Prospectus and neither the Issuing Agent nor any of representatives have conducted any efforts to confirm or verify the information supplied by the Issuer. The Issuer confirms that, the information contained in this Prospectus, including the registration document and the securities note, is, to the best of the Issuer's knowledge, in accordance with the facts and contains no omissions likely to affect its import. There is no information in this Prospectus that has been provided by a third party. The board of directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Prospectus, including the registration document and the securities note, is, to the best of the board of directors' knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) as competent authority under Regulation (EU) 2017/1129. The Swedish Financial Supervisory Authority only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the securities.

1 August 2023

Legres AB (publ)

The Board of Directors

Description of Material Agreement

The following is a summary of the material agreements to which the Issuer and/or a Group company is a party and considered as outside of the ordinary course of business, and which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to bondholders in respect of the Bonds. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements.

Subordination Agreement

Legres Holding AB and the Issuer have entered into a subordination agreement with the Security Agent dated 3 July 2023 (the "**Subordination Agreement**"). Legres Holding AB has, as per the date of this Prospectus, granted shareholder loans to the Issuer in an amount of SEK 200,000,000. In addition, Legres Holding AB may grant further shareholder loans to the Issuer in the future.

In accordance with the Subordination Agreement, the Secured Parties (as defined in the Terms and Conditions) and Legres Holding AB have agreed that their respective claims against the Issuer shall rank in the following order of priority:

- (a) first, the Senior Debt (as defined in the Subordination Agreement); and
- (b) second, the Shareholder Debt (as defined in the Subordination Agreement).

Service Agreements

Separate service agreements have been entered into between Sergel Finans AB, Sergel Finans AS and Sergel Finans Oy (jointly referred to as the "**Customers**") and Sergel Kreditjänster AB, Sergel Norge AS and Sergel Oy (jointly referred to as the "**Suppliers**"), dated 30 June 2017 (the "**Service Agreements**"), pursuant to which the Suppliers have agreed to provide the Customers with certain credit management services (e.g. collection services, financial control and accounting support and related services) in accordance with the terms and conditions set out in each Service Agreement.

Agreements with Telia

A Master Agreement ("**MA**") has been entered into between Telia Company AB and entities within the Group in June 2017, pursuant to which Telia has given the Group exclusivity, or a right of first refusal, to provide certain services (services (e.g. debt collection) and the Group has undertaken to provide these) services to Telia, in accordance with the terms and conditions set out in the MA. Unless terminated by the Group or Telia, each commercial agreement subject to the MA, aside from some of the service agreements, will be prolonged by one year at a time. In addition to the MA, the two parties have outlined further documents stipulating how the current collaboration will develop in the future.

Description of the Group

History and Development

A brief description of the Group's history and development is accounted for below.

1987	Sergel is founded in Sweden as Televerket's in-house collection company.
1996	Sergel broadens its offering of credit management services.
2006	Expansion to Finland.
2007	Sergel acquires Moneto Kapital in Norway.
2010	Strategic decision that Sergel Sweden should focus on providing CMS to Telia Company.
2012	Strategic route in Sweden revised to serving the external market.
2014	Expansion to Denmark.
2017	Divestment of Sergel from Telia Company to Marginalen.
2018	Successful separation from Telia and implementation of Sergel House in Sweden initiated.
2019	Focus on becoming a pan-Nordic player with comprehensive offering.

The legal name of the Issuer is Legres AB (publ) and its commercial name is Legres. The Issuer, was incorporated with the Swedish Companies Registration Office on 6 October 2016 and is a Swedish public limited liability company operating under the laws of Sweden with reg. no. 559085-4773. The registered office of the Company is Box 26134, 100 41 Stockholm and the Company's headquarters is located at Adolf Fredriks Kyrkogata 8, 111 37 Stockholm, with telephone number 010-495 10 00. The Issuer's Legal Entity Identifier (LEI) code is: 5493004FBCZN6ATKYD40.

In accordance with the current articles of association of the Company, adopted on 27 June 2017, the object of the Company is to serve as holding company for a group of companies conducting invoice services, credit reports, debt collection, legal business and other activities related thereto, in Sweden as-well as abroad. Since the Issuer is a holding company and holds no significant assets, the Issuer is highly dependent upon receipt of sufficient income related to the operation of and the ownership in the Sergel Entities.

The Issuer's website is <https://sergel.com/>. Please note that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.

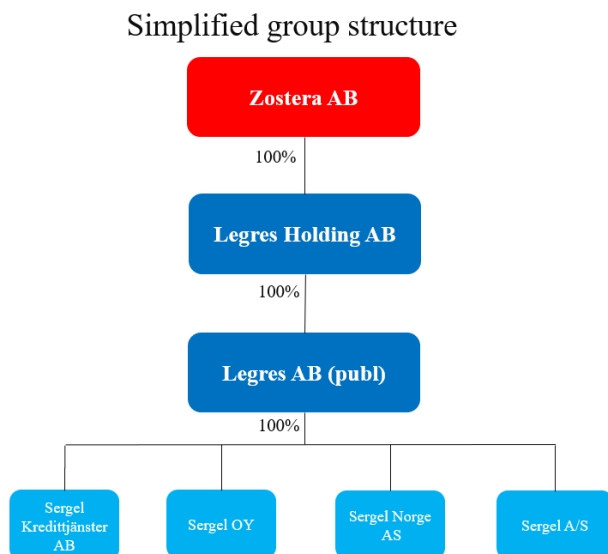
The Group provides credit management services and operates throughout the Nordic region.

Business and operations

Introduction

Sergel Kreditjänster AB was founded in Sweden in 1988 as Televerket's in-house collection company. Since then, the Group has expanded to Finland, Norway and Denmark. The Group is a credit management service provider, and it provides services throughout the entire credit life cycle, including credit decision, accounts receivable, debt collection and also connect services.

Below is a simplified structure chart for the group.



The Group - business overview

The Group's credit management services cover the entire value chain.

As a first part in the chain, the Group assists with credit decisions by providing credit scoring models, customer validation and credit monitoring of the customer's client.

Secondly the Group provides payment processing services before, in connection with and after due date of a debt claim in regard to accounts receivable. The service comprises ledger services, reminders, payment matching, payment plans, reporting and selective customer support.

The largest service area of the Group is debt collection. It provides debt collection and surveillance services throughout all its markets. The Group focuses a lot on ethics and corporate social responsibility to ensure amicable collections and to reach solutions suitable for both parties.

Lastly the Group provides content billing and SMS distribution services. This business involves acting as an intermediary between the content provider and the operator billing the end customer.

Business model and market overview

The customer focus is on transaction-intensive industries, such as communication, utilities, bank and finance. The Group also has strong connections to Telia, as Telia has divested a highly integrated

non-core business, they are seeking a long-term partnership for the services offered by the Group. The Group has exclusivity of providing services to Telia for the duration of the Master Agreement and the Transitional Service Agreement.

Share capital and ownership structure

The shares of the Company are denominated in SEK. Each share carries one vote and has equal rights on distribution of income and capital. As of the date of this Prospectus, the Company had an issued share capital of SEK 500,000 divided into 500,000 shares. To the Issuer's knowledge, there are currently no arrangements which may, at a subsequent date, result in a change in control of the issuer.

The following table sets forth the ownership structure in the Company as per the date of this Prospectus.

Shareholder	No. of shares	Share capital	Voting Rights
Legres Holding AB	500,000	100.00 %	100.00 %
Total	500,000	100.00 %	100.00 %

The Issuer is a wholly-owned subsidiary of Legres Holding AB.

Overview of Group structure

Currently, the Issuer has, directly and indirectly, four wholly-owned subsidiaries.

Operations are conducted by the subsidiaries and the Issuer is thus dependent on its subsidiaries to generate revenues and profit in order to be able to fulfil its payment obligations under the Bonds.

Recent events

There have been no recent events particular to the Issuer which is to a material extent relevant to the evaluation of the Issuer's solvency.

Significant change and trend information

There has been no material adverse change in the prospects of the Issuer since the date of the last published audited financial statements and no significant change in the financial performance of the Group since the end of the last financial period for which financial information has been published to the date of the registration document.

There have been no trends known to the Issuer affecting the Issuer's business. Key structural drivers in respect of the Group for growth in the market for credit management services in particular:

- changes in consumption patterns, i.e. consumer credit growth; and
- digitalization and increased regulatory requirements.

Legal and arbitration proceedings

Neither the Issuer nor the Group is, or has over the past twelve months been, a party to any legal, governmental or arbitration proceedings that have had, or would have, a significant effect on the Group's financial position or profitability. Nor is the Issuer aware of any such proceedings which are pending or threatening and which could lead to the Issuer or any member of the Group becoming a party to such proceedings.

Credit rating

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

Management

The board of directors of the Issuer currently consists of three members which have been elected by the general meeting. The board of directors and the senior management can be contacted through the Issuer at its headquarters at Adolf Fredriks Kyrkogata 8, 111 37 Stockholm. Further information on the members of the board of directors and the senior management is set forth below.

Board of directors

Glennow, Ewa, chairman of the board since 2016.

Education: BSc in Business Administration, Lund University.

Current commitments:¹

ESCO Marginalen AB	Member of the Board
Marginalen AB	CEO, Member of the Board
Marginalen Bank AB (publ)	Member of the Board
Knyta - Konsult AB Marginalen	Member of the Board
Marginalen Group AB	Member of the Board
Legres Holding AB	Member of the Board
Legres AB	Chairman of the Board
Sergel Finans AB	Member of the Board
Sergel Kredittjänster AB	Member of the Board
Sergel AS	Member of the Board
Sergel A/S	Member of the Board
Sergel Oy	Member of the Board

Örtlund, Per, member of the board since 2016.

Education: Bachelor of Economics and Business Administration from Stockholm University.

Current commitments:²

ESCO Marginalen AB	Board Alternate
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¹ **Draft note:** Current commitments TBC.

² **Draft note:** Current commitments TBC.

Legres AB (publ)	Member of the Board
Sergel AS	Board Alternate
Sergel A/S	Member of the Board
Sergel Oy	Board Alternate
SIA Sergel	Member of the Supervisory Board
UAB Sergel	Member of the Supervisory Board

Klaus Reimer, member of the board since 2022

Education: Bachelor Public Administration (Economy & Law)

Current commitments:

Sergel A/S	MD
Sergel Finans AS	Member of the Board
Legres AB	CEO

Management

Reimer, Klaus, CEO of the Issuer since 2022

Education:

See “Board of directors” for further details.

Current commitments:

See “Board of directors” for further details.

Niklas Undén, CFO of the Issuer since 2021

Education:

Master of Science, Finance, Stockholm University

Bachelor of Law, Stockholm University

Current commitments:

Legres AB, Chief Financial Officer

Anette Klingensjö, Chief Legal & Compliance since 2018

Education: Master of Laws, LL.M. Stockholm University

Current commitments:

Sergel A/S Member of the Board

Anne Kristi Rimeslåtten, Chief People & Culture since 2020

Education:

Master of Science, Social and Organizational Psychology, London School of Economics and Political Science (LSE)

Master level course in Health Promoting Workplaces, University of South-Eastern Norway

Current commitments:

Legres AB, Chief People & Culture Officer

Laila Svahn, MD Sweden since October 2022

Education:

Business Administration, Stockholm University

Executive Leadership Program, Stockholm School of Economics

Current commitments:

Sergel Kreditjänster AB MD

Sven Ingebretsen, MD Norway & Sergel Finans AS since 2012

Education:

Bachelor Finance and Administration Marketing, University of Southeast Norway Bø

Credit Management, BI

Current commitments:

Sergel Norge AS	MD
Sergel Finans AS	MD
Finans Norge BRI	Member of the Board
Stiftelsen Flint Hallen	Member of the Board

Martin Koch, Chief Information Technology since 2022

Education:

M.Sc. in Informatics, Chalmers/Gothenburg University.

Current commitments:

Legres AB	CIO/CTO
MokanTech AB	Member of the Board
AllowDSS AB	CEO, Member of the Board

Kristiina Airaksinen, MD Finland since 2017

Education:

Master of Laws (LL.M), University of Lapland

Current commitments:

Sergel Finans Oy	Member of the Board
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Conflicts of interest within administrative, management and control bodies

Ewa Glennow, being board member of the Issuer, is also board member of the Issuer's parent company, Legres Holding AB and the Issuer's ultimate parent company, Zostera AB. Ewa Glennow also owns shares in the Issuer's ultimate parent company Zostera AB. While the Issuer recognises the potential conflicts described above, the Issuer does not believe that such potential conflicts constitute an actual conflict of interest between such individual's duties to the Issuer and its private interests or other commitments.

Interest of natural and legal persons involved in the issue

The Issuing Agent and/or its affiliates have been engaged in, and may in 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/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. Further, Advokatfirman Vinge has acted as legal advisor to the Issuer.

Historical Financial Information

Historical financial information

The historical financial information in the Prospectus consists of the Group's financial statements and the auditor's report relating to the financial years 2021, 2022 and the Group's interim report for the period January-March 2023 which have been prepared in accordance with the International

Financial Reporting Standards (IFRS), as adopted by the European Union, and the Swedish Annual Accounts Act (Sw. *Årsredovisningslagen*) and are incorporated into this Prospectus by reference.

For particular financial figures for the period January-March 2023, please refer to the pages set out below:

- income statement, page 8;
- balance sheet, page 9;
- statement of changes in equity, page 9;
- cash flow statement, page 10; and
- notes, page 13-14.

For particular financial figures for the financial year ended 2022, please refer to the pages set out below:

- income statement, page 34;
- balance sheet, page 35;
- statement of changes in equity, page 36;
- cash flow statement, page 37;
- notes, page 42-66; and
- the audit report, page 68-69.

For particular financial figures for financial year ended 2021, please refer to the pages set out below:

- income statement, page 28;
- balance sheet, page 29;
- statement of changes in equity, page 30;
- cash flow statement, page 31;
- notes, page 36-59; and
- the audit report, page 61-62.

Other than the Issuer's separate financial statements for the financial year ended 2021 and 2022, the Group's auditor has not audited or reviewed any part of this Prospectus.

Auditing of the annual historical financial information

The Group's financial statements for the financial year 2021 and 2022 have been audited by Deloitte AB, Rehnsgatan 11, 113 79 Stockholm. Johan Telander is the auditor who is responsible for the Issuer and the Group. Johan Telander is an authorized and is a member of the professional body FAR, the professional institute for the accountancy sector in Sweden.

Age of the most recent financial information

The most recent financial information has been taken from the separate financial statements for the Issuer for the financial period 1 January - 31 March 2023, which was published on 8 May 2023 on the Issuer's website sergel.com.

Other Information

Assurance regarding the Prospectus

The Issuer is responsible for the content of the Prospectus and has taken all reasonable precautions to ensure that, as far as the Company is aware, the information in the Prospectus accords with the facts and contains no omission likely to affect its import. To the extent prescribed by law, the board of directors of the Company is also responsible for the content of the Prospectus. The board of directors has taken all reasonable care to ensure that the information in the Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Clearing and settlement

As of the date of this Prospectus, Bonds have been issued in an amount of SEK 325,000,000. Each Bond has a nominal amount of SEK 1,250,000. The ISIN for the Bonds is SE0020388700.

The Bonds have been issued in accordance with Swedish law. The Bonds are connected to the account-based system of Euroclear Sweden AB. No physical notes have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.

Representation of the Bondholders

The Terms and Conditions stipulates the provisions for the Agent's representation of the Bondholders.

Material contracts

Other than as described under the section entitled "Description of Material Agreements" herein, the Group has not entered into any material contracts not in the ordinary course of its business and which may affect the Group's ability to fulfil its obligations under the Bonds.

Documents incorporated by reference

This Prospectus, in addition to this document, comprises of the following financial information and audit reports which is incorporated by reference and available in electronic format on the Company's website, www.sergel.com/investor-relations, during the period of validity of this Prospectus. The financial statements and audit reports relating to the financial years 2021 and 2022 are incorporated by reference to the extent set out below:

Pages 28-31, 36-59 and 61-62 from the Group's audited consolidated financial statements for the financial year 2021, which can be found at the following link: <https://sergel.com/wp-content/uploads/sites/4/2018/05/2021-Legres-A%CC%8AR.pdf>

Pages 34-37, 42-66 and 68-69 from the Group's audited consolidated financial statements for the financial year 2022, which can be found at the following link: <https://sergel.com/wp-content/uploads/sites/4/2018/05/Legres-AR-2022.pdf>

Pages 8-10 from the Group's interim report for the period 1 January – 31 March 2023, which can be found at the following link: <https://sergel.com/wp-content/uploads/sites/4/2018/05/Delarsrapport-Legres-AB-31-mars-2023-8-maj.pdf>

Documents available for inspection

The following documents are available at the Company's headquarters at Adolf Fredriks Kyrkogata 8, on weekdays during the Company's regular office hours throughout the period of validity of this Prospectus and, in electronic form, on the Company's website sergel.com.

- the Company's articles of association as of the date of this Prospectus;
- the Company's certificate of registration;
- the Group's consolidated unaudited interim report for the period 1 January – 31 March 2023;
- the Group's consolidated financial information for the financial years 2021 and 2022; and
- this Prospectus.

This Prospectus, and the documents available for inspection are published at the Issuer's website: www.sergel.se.

Listing costs

The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 150,000.

Legres AB (publ)

Terms and Conditions

SEK 325,000,000

Senior Secured Callable Floating Rate Bonds

ISIN SE0020388700

dated 20 June 2023

SELLING RESTRICTIONS

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

PRIVACY NOTICE

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

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

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

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

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

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Agent and the Issuing Agent, respectively. In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format. Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites www.sergel.com, www.nordictrustee.com and www.abgsc.com.

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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 Nominal Amount less the aggregate Nominal Amount of all Bonds owned by a Group Company or an Affiliate of a Group Company, irrespective of whether such person is directly registered as owner of such Bonds.

“**Advance Purchase Agreements**” means:

- (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit periods which are normal for the relevant type of project contracts; or
- (b) any other trade credit incurred in the ordinary course of business.

“**Affiliate**” means:

- (a) an entity controlling or under common control with the Issuer, other than a Group Company;
- (b) a person being an affiliate (Sw. *närstående*) according to the definition in the Swedish Act on Public Takeover Offers on the Stock Market (*lag (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*); and
- (c) any other person or entity owning any Bonds (irrespective of whether such person is directly registered as owner of such Bonds) that has undertaken towards a Group Company or an entity referred to in paragraph (a) or (b) above to vote for such Bonds in accordance with the instructions given by a Group Company or an entity referred to in paragraph (a) or (b) above.

For the purposes of this definition, “**control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of voting securities, by agreement or otherwise

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

“**Agent**” means Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

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

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

“**Bond**” means a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1, Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions

“**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’ Committee**” means a committee of natural persons appointed by the Bondholders to represent their interests in relation to the Bonds by a decision in accordance with Clause 17.4.3.

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clauses 17.1 (*Request for a decision*), 17.2 (*Convening of Bondholders’ Meeting*) and 17.4 (*Majority, quorum and other provisions*).

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

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

“**Call Option**” means the Issuer’s right to redeem outstanding Bonds in full in accordance with Clause 10.3 (*Voluntary total redemption (call option)*).

“**Call Option Amount**” means:

- (a) 104.500 per cent. of the Nominal Amount if the Call Option is exercised on or after the Issue Date to, but not including, the First Call Date, together with (i) the remaining interest payments to and including the First Call Date, calculated in accordance with the below and (ii) accrued but unpaid Interest. For the purpose of calculating the remaining interest payments, it shall be assumed that the Interest Rate for the period from the relevant Record Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant Record Date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment;
- (b) 104.500 per cent. of the Nominal Amount, if the Call Option is exercised on or after the First Call Date to, but not including, the date falling 19 months after the Issue Date, together with accrued but unpaid Interest;
- (c) 102.250 per cent. of the Nominal Amount, if the Call Option is exercised on or after the date falling 19 months after the Issue Date to, but not including, the date falling 23 months after the Issue Date, together with accrued but unpaid Interest;
- (d) 101.125 per cent. of the Nominal Amount, if the Call Option is exercised on or after the date falling 23 months after the Issue Date to, but not including, the date falling 27 months after the Issue Date, together with accrued but unpaid Interest; and

- (e) 100.450 per cent. of the Nominal Amount, if the Call Option is exercised on or after the date falling 27 months after the Issue Date to, but not including, the Final Maturity Date, together with accrued but unpaid Interest.

“**Cash**” means, at any time, cash in hand or at bank and (in the latter case) credited to an account in the name of a Group Company with a bank and to which a Group Company is alone (or together with other Group Companies) beneficially entitled.

“**Cash Equivalents**” means, in respect of the Group, and at any time, (i) immediately available funds to which a Group Company is alone (or together with other Group Companies) beneficially entitled at bank or postal accounts and (ii) short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value of the Group.

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more persons, other than the Owner or a Permitted Transferee, acting alone or together, acquire control over the Issuer and where “control” means:

- (a) controlling, directly or indirectly, more than fifty (50.00) per cent. of the voting shares of the Issuer; or
- (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

“**Compliance Certificate**” means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying the Maintenance Test (including figures in respect of the relevant financial tests and the basis on which they have been calculated), and that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds, Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or another party replacing it, as CSD, in accordance with these Terms and Conditions.

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

“**Danish Capital Markets Act**” means the Danish Consolidated Act No. 41 of 13 January 2023 on capital markets, as amended and supplemented from time to time (in Danish: *Lov om kapitalmarkeder*).

“**Debt Register**” means the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds in which a Bondholder is registered.

“**Delisting Event**” means the occurrence of an event or series of events whereby the Bonds, once the Bonds are admitted to trading on a Regulated Market and/or an MTF, are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market and/or MTF (as applicable), and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds), provided that the Bonds may be delisted from an MTF in connection with the admission to trading of the Bonds on a Regulated Market.

“**EBITDA**” means, in respect of the Reference Period, the aggregate of the profit of the Group on a consolidated basis from ordinary activities according to the latest Financial Report:

- (a) before deducting any amount of tax on profits, gains or income paid or payable by the Group;
- (b) before deducting any Finance Charges;
- (c) (without double-counting) before deducting any Finance Charges (including accrued interest and other finance payments whether paid or payable) in respect of Subordinated Debt or any other claims subordinated pursuant to a Subordination Agreement in form and substance satisfactory to the Agent, such as any Financial Indebtedness referred to in paragraph (l) of the definition of “Permitted Debt”;
- (d) before taking into account any extraordinary or exceptional items which are not in line with the ordinary course of business;
- (e) before taking into account any Transaction Costs and any transaction costs relating to any acquisition of any additional target company;
- (f) not including any accrued interest owing to any member of the Group;
- (g) 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);
- (h) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (j) plus or minus the Group share of the profits or losses of entities which are not part of the Group; and
- (k) after adding back any amount attributable to the amortisation, depreciation, impairment or depletion of assets of the Group.

“**Escrow Account**” means the bank account held by the Issuer with the Escrow Bank for the purpose of the arrangement specified in Clause 5 (*Escrow of proceeds*).

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

“**Escrow Bank**” means the Swedish bank with which the Escrow Account is held.

“**Event of Default**” means an event or circumstance specified in any of the Clauses in 15 (*Events of Default and Acceleration of the Bonds*) other than Clause 15.11 (*Acceleration of the Bonds*).

“**Existing Senior Bonds**” means the senior secured bonds with ISIN SE0012729010 issued by the Issuer.

“**Final Maturity Date**” 30 December 2025 (2.5 years after the Issue Date).

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

“**Finance Documents**” means these Terms and Conditions, the Security Documents, any Subordination Agreement, the Agency Agreement and any other document designated to be a Finance Document by the Issuer and the Agent.

“**Finance Leases**” means any finance leases to the extent the arrangement is or would have been treated as a finance lease in accordance with the Accounting Principles as applicable prior to 1 January 2019 (a lease which in the accounts of the Group is treated as an asset and a corresponding liability), and for the avoidance of doubt, any leases treated as operating leases under the Accounting Principles as applicable prior to 1 January 2019 shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as finance or capital leases.

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

- (a) monies borrowed or raised, including under bank financing or Market Loans;
- (b) the amount of any liability in respect of any Finance Leases;
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis), provided that the requirements for de-recognition under the Accounting Principles are met;
- (d) any amount raised under any other transaction (including the obligation to pay deferred purchase price or any forward sale) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee, indemnity or other assurance against financial loss in respect of indebtedness referred to in the above items (a)-(f),

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

“**Financial Report**” means the Group’s annual audited consolidated financial statements or quarterly interim unaudited reports of the Group, which shall be prepared and made available in accordance with Clause 12.1 (*Information from the Issuer*).

“**First Call Date**” means the date falling 15 months after the Issue Date.

“**Force Majeure Event**” has the meaning set forth in Clause 26.1.1.

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

“**Initial Nominal Amount**” has the meaning set forth in Clause 2(c).

“**Insolvent**” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Bondholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (Sw. *lag (2022:964) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 9(a) to 9(c).

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

“**Interest Payment Date**” means 9 January, 9 April, 9 July and 9 October of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 9 October 2023 and the last Interest Payment Date shall be the relevant Redemption Date.

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

“**Interest Rate**” means the Base Rate plus the Margin as adjusted by any application of Clause 19 (*Replacement of Base Rate*).

“**Issue Date**” means 30 June 2023.

“**Issuer**” means Legres AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 559085-4773.

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

“**Listing Failure Event**” means that the Bonds have not been admitted to trading on Nasdaq Stockholm (or any other Regulated Market) within sixty (60) days after the Issue Date (although the Issuer has the intention to have the Bonds admitted to trading within thirty (30) days from the Issue Date).

“**Margin**” means 9.00 per cent. *per annum*.

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial paper, certificates, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on a Regulated Market, a MTF or an organised trading facility (each as defined in Directive 2014/65/EU on markets in financial instruments).

“**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 Group’s ability to perform and comply with the payment obligations under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

“**Material Group Company**” means the Issuer, each Sergel Entity and each Group Company representing more than 10.00 per cent of the total assets of the Group on a consolidated basis (for the avoidance of doubt, excluding any intra group transactions) according to the latest Financial Report.

“**MB Service Agreements**” means the agreements entered into on 30 June 2017 and on arm’s length basis with the term to maturity after the Final Maturity Date and otherwise not permitted to be terminated before the Bonds have been repaid in full, between certain Sergel Entities and Sergel Finans AB, Sergel Finans AS and Sergel Finans Oy, regarding services to be provided by such Sergel Entities to Sergel Finans AB, Sergel Finans AS and Sergel Finans Oy.

“**MB Service Agreements Pledge Agreement**” means the rights pledge agreement relating to the first ranking pledge over certain Sergel Entities’ rights under the MB Service Agreements.

“**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 Aktiebolag (Reg. No. 556420-8394).

“**Net Finance Charges**” means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any member of the Group and any interest income relating to Cash or Cash Equivalent investment (and excluding any interest capitalised on Subordinated Debt).

“**Net Interest Bearing Debt**” means the aggregate interest bearing Financial Indebtedness less Pension Liabilities, Cash and Cash Equivalents of the Group in accordance with the Accounting Principles (for the avoidance of doubt, excluding guarantees, bank guarantees, Subordinated Debt, any claims subordinated pursuant to a subordination agreement in form and substance satisfactory to the Agent, such as any Financial Indebtedness referred to in paragraph (1) of the definition of “Permitted Debt”, and interest bearing debt borrowed from any Group Company).

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

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

“**Owner**” means Ewa Glennow (personal identity number 560322-3966).

“**Permitted Debt**” means any Financial Indebtedness:

- (a) incurred under the Bonds;
- (b) of the Group incurred pursuant to any Finance Leases incurred in the ordinary course of the Group’s business in a maximum amount of SEK 15,000,000;
- (c) taken up from a Group Company;
- (d) of the Group under any guarantee issued by a Group Company in the ordinary course of business;
- (e) arising under a foreign exchange transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- (f) arising under any interest rate hedging transactions in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- (g) related to any Subordinated Debt;
- (h) incurred under Advance Purchase Agreements;
- (i) incurred as a result of any Group Company acquiring another entity, save for the Sergel Entities, and which is due to that such acquired entity holds indebtedness, provided that any such acquired debt is refinanced by the Issuer within 6 months;
- (j) pension liabilities of the Group less any capital in Telia Pensionsstiftelse designated for pension liabilities of the Group, in an outstanding amount not exceeding SEK 45,000,000 (the “**Pension Liabilities**”);
- (k) incurred by the Issuer for the purpose of refinancing the Bonds in full;
- (l) incurred by the Issuer under any Market Loan which is:
 - (i) subordinated to the obligations of the Issuer under the Finance Documents pursuant to a Subordination Agreement to be entered into between the Issuer, the Agent and the agent for such Market Loan;
 - (ii) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date; and
 - (iii) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Maturity Date;
- (m) incurred under the Existing Senior Bonds until repaid in full in accordance with Clause 3 (*Use of Proceeds*);
- (n) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises, provided that such Financial Indebtedness is incurred in the ordinary course of business of such Group Company; and

- (o) any Financial Indebtedness not referred to in paragraphs (a)-(n) above, not exceeding an aggregate amount of SEK 10,000,000.

“Permitted Security” means any security:

- (a) created in accordance with the Finance Documents;
- (b) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (c) provided in relation to any lease agreement entered into by a Group Company;
- (d) provided over any assets being subject to a Finance Lease or a sale lease back transaction, permitted pursuant to paragraph (b) of the definition of Permitted Debt above;
- (e) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;
- (f) provided for interest rate hedging transactions set out in paragraph (f) of the definition Permitted Debt;
- (g) provided for any guarantees issued by a Group Company in the ordinary course of business;
- (h) any Security provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds in full are intended to be received, provided that such refinancing constitutes Permitted Debt pursuant to paragraph (k) of the definition of Permitted Debt;
- (i) provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full (other than an escrow account described in (h) above);
- (j) provided for any Pension Liabilities set out in paragraph (j) of the definition Permitted Debt; and
- (k) provided in respect of the Existing Senior Bonds until repaid in full in accordance with Clause 3 (*Use of Proceeds*).

“Permitted Transferee” means a person or group of persons acting in concert that have been duly approved as a permitted transferee by a quorate Bondholders’ Meeting or a Written Procedure by a simple majority decision.

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

“Record Date” means the fifth (5) 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 16 (*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 10 (*Redemption, Repurchase and Amortisation of the Bonds*).

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

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

“**Secured Obligations**” means all present, future, actual and contingent obligations and liabilities of the Issuer and any other Group Company to the Secured Parties outstanding from time to time under the Finance Documents.

“**Secured Parties**” means the Bondholders and the Agent (including in its capacity as Agent under the Agency Agreement).

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

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

“**Security Documents**” means:

- (a) the share pledge agreement relating to first ranking pledge over the shares in the Issuer;
- (b) the share pledge agreement relating to first ranking pledge over the shares in each Sergel Entity;
- (c) the shareholder loan pledge agreement relating to first ranking pledge over any existing and future shareholder loans from Legres Holding AB to the Issuer;
- (d) the MB Service Agreements Pledge Agreement; and
- (e) the Escrow Account Pledge Agreement.

“**Sergel Entities**” means Sergel Kreditjänster AB (Reg. No. 556264-8310), Sergel Oy (Reg. No. 1571416-1), Sergel A/S (CVR: 35481036) and Sergel Norge AS (Reg. No. 984 272 170).

“**STIBOR**” means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for Swedish Kronor and for a period comparable to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;
- (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 leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no 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,

if any such rate is below zero (0), STIBOR will be deemed to be zero (0).

“Subordinated Bonds” means the subordinated bonds with ISIN SE0018040958 issued by the Issuer.

“Subordinated Debt” means any loan to the Issuer if such loan:

- (a) pursuant to a Subordination Agreement are subordinated to the obligations of the Issuer under the Finance Documents;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Maturity Date.

“Subordination Agreement” means a subordination agreement to be entered into between the Agent, the Issuer and any provider of Subordinated Debt under which any Subordinated Debt granted to the Issuer will be subordinated.

“Subsidiary” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), in respect of which such person, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body, or (iv) exercises control as determined in accordance with Accounting Principles.

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

“Test Date” means the last day of each calendar quarter.

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

“Transaction Costs” means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (i) the issue of the Bonds, and (ii) the admitting to trading of the Bonds.

“**Transaction Security**” means the Security provided for the Secured Obligations pursuant to the Security Documents.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clauses 17.1 (*Request for a decision*), 17.3 (*Instigation of Written Procedure*) and 17.4 (*Majority, quorum and other provisions*).

1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
 - (i) “assets” includes present and future properties, revenues and rights of every description;
 - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - (iii) a “regulation” includes any law, regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (iv) a provision of a regulation is a reference to that provision as amended or re-enacted; and
 - (v) a time of day is a reference to Stockholm time.
- (b) An Event of Default is continuing if it has not been remedied or waived.
- (c) When ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. Riksbanken) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.
- (d) The Financial Indebtedness, Interest Coverage Ratio and the Net Interest Bearing Debt to EBITDA shall be calculated without accounting for any effects pursuant to IFRS 16 (i.e. in accordance with the principles that applied in respect of classification of leases prior to IFRS 16).
- (e) 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.
- (f) 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.
- (g) The privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Agent.

2 Status of the Bonds

- (a) The Bonds are denominated in Swedish Kronor and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Bond is SEK 1,250,000 (the “**Initial Nominal Amount**”). The Total Nominal Amount of the Bonds is SEK 325,000,000. All Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Initial Nominal Amount.
- (d) The minimum permissible investment in the Bond issue is SEK 1,250,000.
- (e) The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them. The Bonds are secured as described in Clause 11 (*Transaction Security*) and as further specified in the Security Documents.
- (f) 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 laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (g) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

3 Use of Proceeds

The Issuer shall use the Net Proceeds from the issue of the Bonds to refinance the Existing Senior Bonds. Any residual amount may be used to finance general corporate purposes.

4 Conditions Precedent and Conditions Subsequent

4.1 Conditions precedent to the Issue Date

4.1.1 The Issuer shall provide to the Agent, no later than 9.00 a.m. three (3) Business Days prior to the Issue Date (or such later time as agreed by the Agent), each document and other evidence listed in Part I (*Conditions precedent to the Issue Date*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*) in the form and substance satisfactory to the Agent.

4.1.2 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 4.1.1 have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)). The Issue Date shall not occur (a) unless the Agent makes such confirmation to the Issuing Agent no later than 9.00 a.m. two (2) Business Days

prior to the relevant Issue Date (or later, if the Issuing Agent so agrees), or (b) if the Issuing Agent, the Issuer and the CSD agree to postpone the relevant Issue Date.

4.2 Settlement and disbursement

Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.1.2, the Issuing Agent shall settle the issuance of the Bonds and pay the Net Proceeds into the Escrow Account on the Issue Date.

4.3 Conditions Subsequent

The Issuer shall provide to the Agent, no later than two (2) Business Days following disbursement from the Escrow Account pursuant to Clause 5 (*Escrow of proceeds*), each document and other evidence listed in Part III (*Conditions Subsequent*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*) in the form and substance satisfactory to the Agent.

5 Escrow of proceeds

5.1 The Net Proceeds from the Bonds shall be paid by the Issuing Agent into the Escrow Account. The funds standing to the credit on the Escrow Account form part of the Transaction Security.

5.2 The Agent shall instruct the Escrow Bank to transfer the funds standing to the credit on the Escrow Account to be applied in accordance with Clause 3 (*Use of Proceeds*) and release the Security over the Escrow Account when the Agent is satisfied that the conditions set out in Part II (*Conditions precedent for disbursement from the Escrow Account*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*) have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)).

5.3 If the Agent determines that it has not received the conditions precedent set out in Part II (*Conditions precedent for disbursement from the Escrow Account*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*) on or before the Business Day falling 60 days after the Issue Date and the Agent has not amended or waived such conditions in accordance with Clause 18 (*Amendments and waivers*), the Issuer shall redeem all, but not some only, of the outstanding Bonds in full at an amount per Bond equal to one hundred (100.00) per cent. of the Nominal Amount, together with accrued but unpaid Interest (a “**Special Mandatory Redemption**”). The Agent shall use the whole amount standing to the credit on the Escrow Account to fund a Special Mandatory Redemption. Any shortfall shall be covered by the Issuer.

5.4 A Special Mandatory Redemption shall be made by the Issuer giving notice to the Bondholders and the Agent promptly following the date when the Special Mandatory Redemption is triggered pursuant to Clause 5.3. The Issuer shall redeem the Bonds in full at the applicable amount on a date specified in the notice from the Issuer, such date to fall no later than ten (10) Business Days after the effective date of the notice. The notice shall specify the Record Date for the redemption.

6 Bonds in Book-Entry Form

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes 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.
- (b) 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.
- (c) The Issuer and the Agent 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. 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.
- (d) 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.
- (e) The Issuer and the Agent may use the information referred to in paragraph (c) only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

7 Right to Act on Behalf of a Bondholder

- (a) If any person other than a Bondholder (including the owner of a Bond, if such person is not the Bondholder) wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or a successive, coherent chain of powers of attorney or authorisations starting with the Bondholder and authorising such person.
- (b) 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.
- (c) The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clause (b) 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.
- (d) The Bondholders may in accordance with Clause 17.4.3 appoint a Bondholders' Committee to represent their interests in relation to the Bonds and in accordance with Clause 17.4.4 delegate powers to such Bondholders' Committee. The

Bondholders' Committee represents all Bondholders and exercises such delegated powers on behalf of all Bondholders.

- (e) The Bondholders' Committee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it or any member thereof under or in connection with any Finance Document, unless directly caused by a breach of the powers delegated to it or by gross negligence or wilful misconduct.
- (f) 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.

8 Payments in Respect of the Bonds

- (a) Any payment or repayment under the Finance Documents shall be made to such person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant payment date, or to such other person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) Provided that a Bondholder has registered an income account (*Sw. avkastningskonto*) for the relevant Securities Account on the applicable Record Date, the CSD shall procure that principal, interest and other payments under the Bonds are deposited to such income account on the relevant payment date. If an income account has not been registered on the Record Date for the payment, no payment will be effected by the CSD to such Bondholder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Bondholder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- (c) 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 without any default interest in accordance with Clause 9(d) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 8, the Issuer 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 has actual knowledge of the fact that the payment was made to the wrong person).
- (e) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

9 Interest

- (a) Each Bond carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.

- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

10 Redemption, Repurchase and Amortisation of the Bonds

10.1 Redemption at maturity

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

10.2 Issuer's purchase of Bonds

The Issuer may at any time and at any price purchase any Bonds on the market or in any other way. Bonds held by the Issuer may at the Issuer's discretion be retained or sold but not cancelled by the Issuer, unless in case of a full redemption of the Bonds.

10.3 Voluntary total redemption (call option)

- (a) The Issuer may redeem all, but not only some, of the Bonds early on any Business Day before the Final Maturity Date. The Bonds shall be redeemed at the Call Option Amount together with accrued but unpaid interest.
- (b) Redemption in accordance with paragraph (a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

10.4 Voluntary partial redemption

- (a) The Issuer may on one occasion make a partial repayment of Bonds in an aggregate amount corresponding to a maximum of ten (10) per cent. of the aggregate Initial Nominal Amount as of the Issue Date. Any such partial repayment shall reduce the

Nominal Amount of each Bond *pro rata* (rounded down to the nearest SEK 1.00). The prepayment price for each Bond shall be the Call Option Amount, and shall for the non-call period (until the First Call Date) be the price set out in paragraph (b) of the Call Option Amount definition (plus accrued and unpaid interest).

- (b) A partial redemption in accordance with paragraph (a) shall be made by the Issuer giving not less twenty (20) Business Days' notice and the repayment shall be made on the immediately following Interest Payment Date.

10.5 Mandatory repurchase (put option)

- (a) Upon a Change of Control Event occurring that has not been waived by the Bondholders in accordance with these Terms and Conditions, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount (plus accrued and unpaid interest) during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event pursuant to Clause 12.1(d) (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- (b) Upon a Listing Failure Event occurring that has not been waived by the Bondholders in accordance with these Terms and Conditions, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount (plus accrued and unpaid interest) during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Listing Failure Event pursuant to Clause 12.1(d) (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Listing Failure Event.
- (c) Upon a Delisting Event occurring that has not been waived by the Bondholders in accordance with these Terms and Conditions, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount (plus accrued and unpaid interest) during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Delisting Event pursuant to Clause 12.1(d) (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Delisting Event.
- (d) The notice from the Issuer pursuant to Clause 12.1(d) 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 Clause 12.1(d). The repurchase date must fall no later than forty (40) Business Days after the end of the relevant period referred to in paragraphs (a) to (c) above.

10.6 General

- (a) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 10, the Issuer shall comply with the applicable securities laws and regulations and

will not be deemed to have breached its obligations under this Clause 10 by virtue of the conflict.

- (b) Any Bonds repurchased by the Issuer pursuant to this Clause 10 may at the Issuer's discretion be retained or sold but not cancelled by the Issuer, unless in case of a full redemption of the Bonds.

11 Transaction Security

- 11.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants and shall procure that the relevant Group Companies (and other relevant parties) grant, no later than one (1) Business Day following disbursement from the Escrow Account pursuant to Clause 5 (*Escrow of proceeds*), the Transaction Security to the Secured Parties as represented by the Agent. The Transaction Security shall be provided and perfected pursuant to, and subject to the terms of, the Security Documents (provided that Security granted under the MB Service Agreements Pledge Agreement shall not be perfected until an acceleration of the Bonds in accordance with Clause 15.11 (*Acceleration of the Bonds*)) entered into or to be entered into between the Issuer and the other relevant Group Companies (and other relevant parties) and the Agent, acting on behalf of the Secured Parties. The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents.
- 11.2 The Agent shall, on behalf of the Secured Parties, keep all certificates and other documents that are bearers of rights relating to the Transaction Security in safe custody.
- 11.3 Unless and until the Agent has received instructions from the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*), the Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents and provided that such agreements or actions are not detrimental to the interest of the Bondholders.
- 11.4 For the purpose of exercising the rights of the Secured Parties, the Agent may instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD and from which payments under the Bonds are made to another bank account. The Issuer shall immediately upon request by the Agent provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent and the CSD), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 11.4.
- 11.5 In addition to Clause 5.2, the Agent shall be entitled to release all Transaction Security when it is satisfied of the full discharge of all Secured Obligations. Written confirmations or excerpts from the CSD system issued by the CSD to the Issuer and/or the Agent showing that the Bonds have been repaid in full shall be deemed sufficient evidence (in each case provided that the Agent does not have actual knowledge to the contrary).

12 Information to Bondholders

12.1 Information from the Issuer

- (a) The Issuer will make the following information available to the Bondholders by way of press release and by publication on the website of the Group:
 - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, its audited consolidated financial statements for that financial year including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
 - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly interim unaudited consolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors; and
 - (iii) any other information required by the Swedish Securities Markets Act (*Sw. lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.
- (b) The Issuer shall, in a report pursuant to paragraph (a)(ii) above, disclose the number of any Bonds purchased or sold by the Issuer during the financial quarter pertaining to such report, provided that no such information shall be necessary if no Bonds have been purchased or sold during the relevant financial quarter. The Issuer shall procure that the aggregate Nominal Amount held by Group Companies is clearly stated in each interim report published by the Issuer pursuant to paragraph (a)(ii) above.
- (c) The Issuer shall issue a Compliance Certificate to the Agent in connection with the publication of a report pursuant to paragraph (a)(ii).
- (d) The Issuer shall promptly notify the Bondholders and the Agent when the Issuer is or becomes aware of the occurrence of a Listing Failure Event, Delisting Event, Change of Control Event or an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice.
- (e) When the financial statements and other information are made available to the Bondholders pursuant to Clause 12.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
- (f) The Issuer shall immediately notify the Agent (with full particulars) when the Issuer is or becomes aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

- (g) The Issuer is only obliged to inform the Agent according to this Clause 12.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the 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 12.1.
- (h) The Issuer shall, subject to applicable laws and the contract with the Regulated Market, take all reasonable steps to procure that senior management of the Group shall once in every financial quarter, in connection with the publication of the quarterly interim unaudited consolidated report of the Issuer pursuant to Clause 12.1(a)(ii), hold a presentation for Bondholders in relation to the on-going business and financial performance of the Group and any other matter which a Bondholder (through the Agent) may reasonably request.

12.2 Information from the Agent and a Bondholders' Committee

- 12.2.1 Subject to the restrictions of a non-disclosure agreement entered into in accordance with Clause 12.2.2, the Agent is entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default shall be dealt with in accordance with Clauses 15.11.3 and 15.11.4).
- 12.2.2 A Bondholders' Committee may agree with the Issuer not to disclose information received from the Issuer. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the Bondholders' Committee.

12.3 Information among the Bondholders

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

12.4 Publication of Finance Documents

- (a) The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.
- (b) The latest versions of the Finance Documents shall be available to the Bondholders at the office of the Agent during normal business hours.

13 Financial Covenants

13.1 Maintenance Test

- (a) The Maintenance Test is satisfied if:
 - (i) the Cash and Cash Equivalents amount to at least SEK 20,000,000;
 - (ii) the Interest Coverage Ratio is at least 2.00x; and
 - (iii) the Net Interest Bearing Debt to EBITDA is not greater than:
 - (A) 3.50x on any Test Date from (and including) the Issue Date to (but excluding) the date falling 12 months from the Issue Date;
 - (B) 3.25x on any Test Date from (and including) date falling 12 months from the Issue Date to (but excluding) the date falling 24 months from the Issue Date; and
 - (C) 2.75x on any Test Date from (and including) date falling 24 months from the Issue Date to the Final Maturity Date.
- (b) The Maintenance Test to be tested quarterly on each Test Date on the basis of each Financial Report.

13.2 Adjustments

- (a) The figures for the Net Finance Charges and EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Maintenance Test, but adjusted so that Net Finance Charges attributable to any Bonds that have been repurchased (and not resold) or redeemed by any Group Company during the Reference Period shall be excluded, *pro forma*, for the entire Reference Period. Applicable exchange rates for the calculations shall be each year's average currency rates.
- (b) For the purpose of the Maintenance Test (without double counting), the figures for EBITDA and Net Finance Charges for the Reference Period ending on the relevant Test Date shall be used for the Maintenance Test, but adjusted so that entities or businesses acquired or disposed during the Reference Period shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period.

14 General Undertakings

14.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 14 for as long as any Bonds remain outstanding.

14.2 Distributions

The Issuer shall not, and shall procure that none of the Subsidiaries:

- (a) pay any dividend in respect of its shares (other than to the Issuer and any wholly-owned Subsidiary of the Issuer);
- (b) repurchase or redeem any of its own shares;
- (c) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders;
- (d) repay any loans granted by its direct or indirect shareholders or pay interest thereon (other than (i) in respect of Bonds owned by any shareholders or (ii) to the Issuer and any wholly-owned Subsidiary of the Issuer);
- (e) repay any Subordinated Debt or pay interest thereon;
- (f) make any prepayments or repayments under any long-term debt ranking junior to the Bonds (other than to the Issuer and any wholly-owned Subsidiary of the Issuer); or
- (g) make any other similar distribution or transfers of value to the Issuer's, or the Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (other than to the Issuer and any wholly-owned Subsidiary of the Issuer).

14.3 Nature of Business

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

14.4 Financial Indebtedness

The Issuer shall not, and shall procure that none of its Subsidiaries, incur, prolong or renew any Financial Indebtedness, provided however that the Issuer and the other Group Companies have a right to incur, prolong or renew Financial Indebtedness that constitute Permitted Debt.

14.5 Disposal of Assets

- (a) The Issuer shall not, and shall procure that no Group Company, sell or otherwise dispose of shares in any Material Group Company or of all or substantially all of its or that Material Group Company's assets, or operations to any person not being the Issuer or any of its wholly-owned Group Companies, unless the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.
- (b) Notwithstanding the above, the Issuer shall not, and shall procure that no Group Company, sell or otherwise dispose of shares in any Sergel Entity and/or any other shares or assets which have been pledged in order to secure the obligations under the Finance Documents unless the Agent has provided its prior approval.

14.6 Dealings with Related Parties

The Issuer shall, and shall procure that its Subsidiaries conduct all dealings with the direct and indirect shareholders of the Group Companies and/or any Affiliates of such direct and indirect shareholders at arm's length terms, provided that no disposal or other transfer

of assets (including, but not limited to, registered intellectual property rights) shall be made to the Owner or any of its Affiliates (except to Group Companies).

14.7 Negative Pledge

The Issuer shall not, and shall procure that none of its Subsidiaries, provide, prolong or renew any security over any of its/their assets (present or future) to secure any Financial Indebtedness, provided however that the Issuer and the Group Companies have a right to provide, prolong and renew any Permitted Security

14.8 Listing

- (a) The Issuer shall ensure that the Bonds are admitted to trading (Sw. *upptagna till handel*) on the corporate 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 twelve (12) months from the Issue Date.
- (b) The Issuer shall take all measures required to ensure that the Bonds, once admitted to trading on Nasdaq Stockholm (or any other Regulated Market) continue being admitted to trading on such Regulated Market for as long as any Bond is outstanding (however, taking into account the rules and regulations (as amended from time to time) of Nasdaq Stockholm or any other Regulated Market, as applicable, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

14.9 Mergers and demergers

The Issuer shall not, and shall procure that none of its Subsidiaries, enter into a merger or demerger if such merger or demerger is likely to have a Material Adverse Effect. The Issuer shall not enter into a merger where the Issuer is not the surviving entity and the Issuer shall not enter into a demerger.

14.10 Loans out

The Issuer shall not, and shall procure that no Subsidiary grants any loans, other than to Group Companies or in the ordinary course of business, provided that not made to the Owner or any of its Affiliates (except to Group Companies).

14.11 Upstreaming of funds

The Issuer shall procure that the Sergel Entities (i) will not agree to any contractual restrictions with any party on up-streaming of funds as distributions, upstream loans or otherwise to the Issuer and (ii) utilises its full capacity, as permitted by law, to upstream funds to the Issuer to timely meet any payment obligations under the Finance Documents.

14.12 Compliance with Subordination Agreement

The Issuer shall not, and shall procure that no Subsidiary, makes any payments in violation of the provisions of the Subordination Agreement.

14.13 MB Service Agreements

The Issuer shall procure that the relevant Sergel Entities ensure that the fee level for each respective service provided by a Sergel Entity under the MB Service Agreements is not negatively deviated with more than fifteen (15) per cent from the fee levels as per the Issue Date if such deviation would have a Material Adverse Effect.

14.14 Compliance with laws etcetera

The Issuer shall, and shall make sure that the Material Group Companies, (i) comply in all material respects with all laws and regulations applicable from time to time and (ii), 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 Material Group Company.

15 Events of Default and Acceleration of the Bonds

Each of the events or circumstances set out in this Clause 15 (other than Clause 15.11 (*Acceleration of the Bonds*)) is an Event of Default.

15.1 Non-Payment

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

15.2 Maintenance Test

The Issuer does not comply with the Maintenance Test.

15.3 Other Obligations

The Issuer does not comply with the Finance Documents, in any other way than as set out in Clauses 15.1 (*Non-Payment*) and 15.2 (*Maintenance Test*) above, provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within fifteen (15) Business Days from such request (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

15.4 Termination of MB Service Agreements

Any MB Service Agreement is terminated before all Bonds have been fully repaid.

15.5 Cross-Acceleration

Any Financial Indebtedness (excluding any loans between members of the Group) of a Material Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur

under this section if the aggregate amount of Financial Indebtedness that has fallen due is less than SEK 20,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

15.6 Insolvency

- (a) Any Material Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, 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; or
- (b) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.

15.7 Insolvency Proceedings

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company; and
- (b) 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.

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 20,000,000 and is not discharged within 60 days.

15.9 Impossibility or Illegality

It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.

15.10 Continuation of the Business

The Issuer or any other Material Group Company ceases to carry on its business, except for as a part of a merger, demerger or disposal carried out in accordance with the Terms and Conditions.

15.11 Acceleration of the Bonds

- 15.11.1 If an Event of Default has occurred and for as long as it is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 15.11.5, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- 15.11.2 The Agent may not accelerate the Bonds in accordance with Clause 15.11.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 15.11.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to payments) up until the time stipulated in Clause 15.11.4 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.
- 15.11.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*).
- 15.11.5 If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 15.11.6 If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under any law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 15.11.7 In the event of an acceleration of the Bonds in accordance with this Clause 15.11, the Issuer shall redeem all Bonds at an amount per Bond equal to the Call Option Amount, as applicable considering when the acceleration occurs, and, shall for the non-call period (until the First Call Date) be the price set out in paragraph (b) of the Call Option Amount definition (plus accrued and unpaid interest).
- 15.11.8 The Issuer shall on demand by a Bondholders' Committee reimburse all costs and expenses reasonably incurred by it for the purpose of investigating or considering an Event of Default and the Bondholders' potential actions in relation to such Event of Default.

16 Distribution of proceeds

16.1 All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 15 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) first, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights, (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 any cost and expenses reasonably incurred by a Bondholders' Committee in accordance with Clause 15.11.8 that have not been reimbursed by the Issuer, together with default interest in accordance with Clause 9(d) on any such amount calculated from the date it was due to be reimbursed by the Issuer;
- (c) thirdly, 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);
- (d) fourthly, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (e) fifthly, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents including default interest in accordance with Clause 9(d) on delayed payments of Interest and repayments of principal under the Bonds.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (e) above shall be paid to the Issuer or the other relevant Group Company (as applicable).

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

16.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate 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 16 as soon as reasonably practicable.

16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the 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 10.3(b) shall apply.

17 Decisions by Bondholders

17.1 Request for a decision

- 17.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 17.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 17.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if:
- (a) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given; or
 - (b) the suggested decision is not in accordance with applicable regulations.
- 17.1.4 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.
- 17.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.1.3 being applicable, the Issuer or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall upon request provide the convening Bondholder(s) with the information available in the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Bondholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.
- 17.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17.2 (*Convening of Bondholders' Meeting*) or instigate a Written Procedure by sending communication in accordance with Clause 17.3 (*Instigation of Written Procedure*). After a request from the Bondholders pursuant to Clause 20.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17.2. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

- 17.1.7 Should the Issuer or any Bondholder(s) convene a Bondholders' Meeting or instigate a Written Procedure pursuant to Clause 17.1.5 or 17.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Bondholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

17.2 Convening of Bondholders' Meeting

- 17.2.1 The Agent shall convene a Bondholders' Meeting by way of notice to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 17.2.2 The notice pursuant to Clause 17.2.1 shall include:
- (a) time for the meeting;
 - (b) place for the meeting;
 - (c) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
 - (d) a form of power of attorney;
 - (e) the agenda for the meeting;
 - (f) any applicable conditions precedent and conditions subsequent;
 - (g) the reasons for, and contents of, each proposal;
 - (h) if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
 - (i) if a notification by the Bondholders is required in order to attend the Bondholders' Meeting, information regarding such requirement; and
 - (j) information on where additional information (if any) will be published.
- 17.2.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.
- 17.2.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

17.3 Instigation of Written Procedure

- 17.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 17.3.2 A communication pursuant to Clause 17.3.1 shall include:

- (a) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (b) 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;
- (c) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 17.3.1);
- (d) any applicable conditions precedent and conditions subsequent;
- (e) the reasons for, and contents of, each proposal;
- (f) if a proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
- (g) if the voting is to be made electronically, the instructions for such voting; and
- (h) information on where additional information (if any) will be published.

17.3.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 17.3.1, when consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 17.4.2 and 17.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.4.2 or 17.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

17.3.4 The Agent may, during the Written Procedure, provide information to the Issuer by way of updates whether or not quorum requirements have been met and about the eligible votes received by the Agent, including the portion consenting or not consenting to the proposal(s) or refraining from voting (as applicable).

17.4 Majority, quorum and other provisions

17.4.1 Only a Bondholder, or a person who has been provided with a power of attorney or other authorisation pursuant to Clause 7 (*Right to Act on Behalf of a Bondholder*) from a Bondholder:

- (a) on the Record Date specified in the notice pursuant to Clause 17.2.2, in respect of a Bondholders' Meeting, or
- (b) on the Record Date specified in the communication pursuant to Clause 17.3.2, in respect of a Written Procedure,

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

17.4.2 The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ($66 \frac{2}{3}$) 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 17.3.2:

- (a) a change to the terms of any of Clauses 2(a) and 2(e);
- (b) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 10 (*Redemption, Repurchase and Amortisation of the Bonds*);
- (c) a change to the Interest Rate (other than as a result of an application of Clause 19 (*Replacement of Base Rate*)) or the Nominal Amount;
- (d) a change to the terms for the distribution of proceeds set out in Clause 16 (*Distribution of proceeds*);
- (e) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 17.4 (*Majority, quorum and other provisions*);
- (f) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
- (g) a release of the Transaction Security, except in accordance with the terms of the Finance Documents;
- (h) a mandatory exchange of the Bonds for other securities; and
- (i) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 15 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.

17.4.3 Any matter not covered by Clause 17.4.2 shall require the consent of Bondholders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 18.1(a) or (c)), an acceleration of the Bonds, the appointment of a Bondholders' Committee, or the enforcement of any Transaction Security.

17.4.4 The Bondholders may delegate such powers to a Bondholders' Committee as the Bondholders may exercise pursuant to Clauses 17.4.2 and 17.4.3. The delegation shall require the same majority and quorum as the subject matter would have required pursuant to Clause 17.4.2 or Clause 17.4.3, as the case may be. Any decisions made by the Bondholders' Committee pursuant to such delegation shall be approved by more than (50.00) per cent. of the members of the Bondholders' Committee.

17.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.4.2, and otherwise twenty (20.00) per cent. of the Adjusted Nominal Amount:

- (a) if at a Bondholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 17.2.4 (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

- 17.4.6 If a quorum exists for some but not all of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- 17.4.7 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 17.2.1) or initiate a second Written Procedure (in accordance with Clause 17.3.1), as the case may be, provided that the person(s) who initiated the procedure for Bondholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 17.4.7, the date of request of the second Bondholders' Meeting pursuant to Clause 17.2.1 or second Written Procedure pursuant to Clause 17.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 17.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 17.4.8 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- 17.4.9 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.
- 17.4.10 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such person is a Bondholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that vote in respect of the proposal at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable (such time period to be no less than ten (10) Business Days).
- 17.4.11 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Bondholders.
- 17.4.12 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.
- 17.4.13 If a decision is to be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) any Affiliate of any Group Company as per the Record Date for voting, irrespective of whether such person is a Bondholder. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 17.4.14 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Group 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.

18 Amendments and waivers

18.1 The Issuer, any other relevant Group Company and the Agent (acting on behalf of the Bondholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Bonds, provided that the Agent is satisfied that such amendment or waiver:

- (a) is not detrimental to the interest of the Bondholders as a group;
- (b) is made solely for the purpose of rectifying obvious errors and mistakes;
- (c) is required by any applicable regulation, a court ruling or a decision by a relevant authority;
- (d) has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders; or
- (e) is made pursuant to Clause 19 (*Replacement of Base Rate*).

18.2 Any amendments to the Finance Documents shall be made available in the manner stipulated in Clause 12.4 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority. The Issuer shall promptly publish by way of press release any amendment or waiver made pursuant to Clause 18.1(a) or (c), in each case setting out the amendment in reasonable detail and the date from which the amendment or waiver will be effective.

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

19 Replacement of Base Rate

19.1 General

19.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 19 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.

19.1.2 If a Base Rate Event has occurred, this Clause 19 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

19.2 Definitions

In this Clause 19:

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

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

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

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

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder 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 thirdly any working group or committee of any of them, or 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.

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

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

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

19.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 19.3.2, the Bondholders shall, if so decided at a Bondholders’ 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 19.3.2. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clause 19.3 to 19.6, the Agent (acting on the instructions of the Bondholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer’s cooperation.

19.3.4 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**”).

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

19.4 Interim measures

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

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

- 19.4.2 For the avoidance of doubt, Clause 19.4.1 shall 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 19. This will however not limit the application of Clause 19.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 19 have been taken, but without success.

19.5 Notices etc.

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective, the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Issuing Agent and the Bondholders in accordance with Clause 25 (*Notices 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.

19.6 Variation upon replacement of Base Rate

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

in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.

- 19.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 19.6.1, 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 19.
- 19.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 19. 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.

19.7 Limitation of liability for the Independent Adviser

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

20 The Agent

20.1 Appointment of the Agent

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

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

- 20.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 20.1.5 The Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.
- 20.1.6 In relation to the Transaction Security governed by Danish law, the Issuer and the Secured Parties hereby appoints the Agent to act and hold such Transaction Security as agent and representative (in Danish: *fuldmægtig og repræsentant*) on behalf of and for the benefit of the Secured Parties pursuant to Chapter 4 of the Danish Capital Markets Act. The Agent accepts such appointment.

20.2 Duties of the Agent

- 20.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. The Agent shall provide reasonable assistance to a Bondholders' Committee and participate in its meetings.
- 20.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 20.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 20.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 20.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall, however, remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.
- 20.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:
- (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; or
 - (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents (including for the purpose of deciding whether the conditions set out in Clause 18.1 are fulfilled).
- 20.2.7 Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 16 (*Distribution of proceeds*).
- 20.2.8 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 20.2.9 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 financial condition of the Issuer and the Group, (c) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents, or (d) whether any other event specified in any Finance Document has occurred or is expected to occur, and should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 20.2.10 The Agent shall (a) review each Compliance Certificate delivered to it to determine that it meets the requirements set out in these Terms and Conditions and as otherwise agreed between the Issuer and the Agent, and (b) verify that the Issuer according to its reporting in the Compliance Certificate meets the Maintenance Test, and 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 20.2.10.
- 20.2.11 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 20.2.11. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 20.2.12 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 20.2.13 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.

- 20.2.14 The Agent shall give a notice to the Bondholders:
- (a) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement; or
 - (b) if it refrains from acting for any reason described in Clause 20.2.13.

20.3 Liability for the Agent

- 20.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 20.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 20.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 20.3.4 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 20.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

20.4 Replacement of the Agent

- 20.4.1 Subject to Clause 20.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 20.4.2 Subject to Clause 20.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.3 A Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.

- 20.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
- (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.
- 20.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 20.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and
 - (b) the period pursuant to Clause 20.4.4 having lapsed.
- 20.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

21 The Issuing Agent

- 21.1 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.
- 21.2 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.
- 21.3 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.

22 The CSD

- 22.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- 22.2 The CSD may 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 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 Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

23 No direct actions by Bondholders

- 23.1 A Bondholder may not take any steps whatsoever against any Group Company or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy in any jurisdiction of any Group Company in relation to any of the obligations and liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 23.2 Clause 23.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 20.2.13, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.14 before a Bondholder may take any action referred to in Clause 23.1.
- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 10.5 (*Mandatory repurchase (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

24 Prescription

- 24.1 The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.
- 24.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three

(3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

25 Notices and press releases

25.1 Notices

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

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;
- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
- (c) if to the Bondholders, shall be given at their addresses registered with the CSD on the Business Day prior to the date on which the notice or communication is sent, and by either courier delivery (if practically possible) or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Group and the Agent.

25.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Agent, by email, and will only be effective:

- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1.1;
- (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1; or
- (c) in case of email, when received in readable form by the email recipient.

25.1.3 Any notice which shall be provided to the Bondholders in physical form pursuant to these Terms and Conditions may, at the discretion of the Agent, be limited to:

- (a) a cover letter, which shall include:
 - (i) all information needed in order for Bondholders to exercise their rights under the Finance Documents;
 - (ii) details of where Bondholders can retrieve additional information;
 - (iii) contact details to the Agent; and
 - (iv) an instruction to contact the Agent should any Bondholder wish to receive the additional information by regular mail; and
- (b) copies of any document needed in order for Bondholder to exercise their rights under the Finance Documents.

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

25.2 Press releases

- 25.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 5.4, 10 (Redemption, Repurchase and Amortisation of the Bonds), 12.1(d), 17.2.1, 17.3.1, 17.4.14, 18.2 and 19.5 shall also be published by way of press release by the Issuer.
- 25.2.2 In addition to Clause 25.2.1, if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

26 Force Majeure and limitation of liability

- 26.1.1 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.
- 26.1.2 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.
- 26.1.2.1 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

27 Governing law and jurisdiction

- 27.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 27.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).

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

Date: 20 June 2023

LEGRES AB (publ)
as Issuer

Name:

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

Date: 20 June 2023

NORDIC TRUSTEE & AGENCY AB (publ)
as Agent

Name:

CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT

Part I

Conditions precedent to the Issue Date

1. Corporate documents

- (a) Copies of the articles of association and certificate of incorporation of the Issuer.
- (b) A copy of a resolution from the board of directors of the Issuer:
 - (i) approving the issue of the Bonds and the terms of the Finance Documents to which is a party; and
 - (ii) resolving it to enter into, and authorising a signatory/-ies to execute and sign, such Finance Documents.
- (c) Evidence that the person(s) who has/have signed these Terms and Conditions, the Agency Agreement and the Escrow Account Pledge Agreement and any other documents in connection therewith on behalf of the Issuer is/are duly authorised to do so.
- (d) A copy of a passport or driver's license which includes a specimen of the signature of each person authorised by the resolution referred to in paragraph (b) above and actually signing any Finance Document.

2. Finance Documents

Copies of these Terms and Conditions, the Agency Agreement and the Escrow Account Pledge Agreement, duly executed.

3. Other evidence

- (a) Evidence that the Security under the Escrow Account Pledge Agreement has been perfected.
- (b) Evidence that the Issuer on or about the date of entered into these Terms and Conditions has received a new cash injection in the amount of SEK 35,000,000 by way of (i) an shareholder contribution (Sw. *aktieägartillskott*), and/or (ii) Subordinated Debt, and that such amount has been deposited in the Escrow Account.
- (c) Copy of a Subordination Agreement with respect to the Subordinated Bonds (for the purpose of evidencing that the Subordinated Bonds constitute Subordinated Debt, which shall be subject to the total redemption of the Existing Senior Bonds), duly executed.

- (d) Evidence by way of an amendment and restatement agreement that the final maturity date of the Subordinated Bonds has been extended to a date falling at least 6 months after the Final Maturity Date.

Part II

Conditions precedent for disbursement from the Escrow Account

1. Corporate documents

- (a) Copies of the articles of association and certificate of incorporation of each party to a Finance Document.
- (b) A copy of a resolution from the board of directors of each party to a Finance Document (other than the Agent):
 - (i) approving the terms of the Finance Documents to which is a party; and
 - (ii) resolving it to enter into, and authorising a signatory/-ies to execute and sign, such Finance Documents.
- (c) Evidence that the person(s) who has/have signed the Finance Documents and any other documents in connection therewith on behalf of each party to a Finance Document (other than the Agent) is/are duly authorised to do so.
- (d) A copy of a passport or driver's license which includes a specimen of the signature of each person authorised by the resolution referred to in paragraph (b) above and actually signing any Finance Document.

2. Other documents and evidence

- (a) Evidence satisfactory to the Agent that the Existing Senior Bonds will be redeemed in full within one (1) Business Day following disbursement from the Escrow Account.
- (b) Evidence by way of a release letter that the Security existing in favour of the Existing Senior Bonds will be released and discharged upon repayment of the Existing Senior Bonds.
- (c) Copy of the Subordination Agreement in respect of any existing and future shareholder loans from Legres Holding AB to the Issuer (which shall be subject to the total redemption of the Existing Senior Bonds), duly executed.

Part III

Conditions Subsequent

Security Documents and legal opinions

- (a) Copy of each Security Document (other than the Escrow Account Pledge Agreement), duly executed.
- (b) The documents and other evidence to be delivered pursuant to the Security Documents referred to in paragraph (a) above to perfect and create the Security thereunder.
- (c) Evidence that the person(s) who has/have signed the Security Documents referred to in paragraph (a) above and any other documents in connection therewith on behalf of each party to such Security Documents (other than the Agent) is/are duly authorised to do so.
- (d) A legal opinion on the capacity and due execution, in respect of any entity being party to the relevant Security Document unless such party is incorporated in Sweden, issued by a reputable law firm and in the form and substance satisfactory to the Agent.
- (e) A legal opinion on the validity and enforceability of the Security Documents not governed by Swedish law issued by a reputable law firm and in the form and substance satisfactory to the Agent.

Addresses

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Agent

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Legal counsel

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Central Securities Depository

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