



**Cibus Nordic Real Estate AB (publ)**

relating to the listing of EUR 135,000,000  
Senior Unsecured Floating Rate Bonds due 2023

ISIN: SE0014479366

Joint Bookrunners



Prospectus dated 16 July 2020

## IMPORTANT NOTICE:

This prospectus (the "**Prospectus**") has been prepared by Cibus Nordic Real Estate 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, Kungsgatan 56, 111 22, Stockholm, Sweden, with reg. no. 559135-0599, in relation to the application for the listing of the senior unsecured floating rate bonds denominated in EUR (the "**Bonds**") on the corporate bond list on Nasdaq Stockholm Aktiebolag, reg. no. 556420-8394 ("**Nasdaq Stockholm**"). Danske Bank A/S, Denmark, Sverige Filial and Nordea Bank Abp have acted as joint bookrunners in connection with the issue of the Bonds (the "**Joint Bookrunners**"). This Prospectus has been prepared in accordance with the standards and requirements of Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council (the "**Regulation**") and the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 and repealing Commission Regulation (EC) No 809/2004 (the "**Delegated Regulation**"). The Regulation and the Delegated Regulation are jointly referred to as the "**Prospectus Regulations**".

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") as the competent authority under the Regulation. The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the bonds that are subject of this Prospectus. Investors should make their own assessments as to the suitability of investing in the Bonds. 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 (cibusnordic.com).

Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 38 (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 Issuer'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 the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, references to "**SEK**" refer to Swedish krona, and references to "**USD**" refer to American Dollars.

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 to individuals domiciled in Australia, Japan, Canada, Hong Kong, the Italian Republic, New Zealand, the Republic of Cyprus, the Republic of South Africa, the United Kingdom, the United States (or to any U.S person), or 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 Issuer's management or are assumptions based on information available to the Group. The words "considers", "intends", "deems", "expects", "anticipates", "plans" and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Although the Issuer believes that the forecasts 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.

Interest payable on the Bonds will be calculated by reference to EURIBOR. As at the date of this Prospectus, only the administrator of EURIBOR, the European Money Markets institute (the "**EMMI**"), appears in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (the "**ESMA**") pursuant to Article 36 of the Regulation (EU) No. 2016/1011 (the "**Benchmark Regulation**").

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

*Risk factors deemed to be of importance for the Group's business and future development and risks relating to the Bonds are described below. The risk factors presented below are categorised as "RISKS RELATING TO THE GROUP" or "RISKS RELATING TO THE BONDS" on the basis of whether they pertain to the Group or to the Bonds. The risk factors categorised as "RISKS RELATING TO THE GROUP", are categorised as risk factors pertaining to the Group and not as risk factors pertaining to the Issuer, as the major part of the business operations in the Group are conducted by the Issuer's subsidiaries. The materiality of the risk factors is disclosed by the use of a qualitative ordinal scale of low, medium or high. The assessment of the materiality of the risk factors have been based on the probability of their occurrence and the expected magnitude of their negative impact.*

### RISKS RELATING TO THE GROUP

#### Risks related to the structure of the Group

*Low level risks*

##### **Management risk**

The Issuer is in a development stage and has only conducted business since the beginning of 2018. The Issuer has a short operating history and is dependent upon its senior management, being Sverker Källgården (CEO), Pia-Lena Olofsson (CFO and Head of IR) and Lauri Tiensuu (CIO Finland), for the implementation of its strategy and the operation of its activities. In addition, the Group will depend on the services and products of certain other consultants, contractors and other service providers in order to successfully pursue the Group's business plan. There is a risk that the Group cannot purchase new management services or other necessary services or products on favourable terms, or at all, which would have an adverse effect on the Group's business, financial condition and the bondholders' recovery under the Bonds.

##### **Demergers of the members of the Group**

Several members of the Group have been a recipient entity in a demerger. Some of the demerging companies are owned by third parties and are no longer a part of the Group. Such members of the Group having been a recipient entity in a demerger may be jointly liable for all obligations of the relevant demerging company that have been created before the implementation of the demerger. Should any material obligations materialise for Group Companies which have been the recipient entity of a demerger, this would have an adverse effect on the financial conditions of the Group.

#### Risks related to the property industry

*Medium level risk*

##### **Market risk**

Real estate investment risk is linked to the value of the real estate. This risk can thus be defined as those factors that influence property valuations. The main factors are the supply and demand for commercial properties, as well as the yield that investors are willing to accept when purchasing real estate. The real estate market is influenced by the vacancy rate in the market. The vacancy rate is in turn influenced by several factors on both a micro and macro level. Negative changes in the general economic situation, including business and private spending, may adversely affect the demand for

commercial premises. The free capacity is also influenced by construction and refurbishment activity. Further, the real estate market is influenced by the demand for the type of real estate that the Group owns. The type of real estate owned by the Group involves certain risks due to that during certain periods there might be fierce competition for a few real estate objects, which are properties on which it is suitable to have daily goods and supermarket chains as tenants, and it might be difficult for the Group to purchase desired objects at the desired price. In other periods, it might be difficult for the Group to sell real estate objects at the desired price. A decrease in the value of the Properties would adversely affect the valuation of the Group's property portfolio and hence affecting the Group's financial condition negatively.

#### *Low level risks*

#### **Transaction risk**

From time to time the Group evaluates potential property acquisitions that are in line with the Group's strategic objectives and the Group has also made such acquisitions in the past. There is a risk that there are unforeseen costs in recent or future acquisitions due to, including but not limited to, environmental remediation, reconstruction and handling technical issues, official decisions, the occurrence of a dispute related to an acquisition and the condition of a property, which are unknown to the Group and that such unidentified risks will have an adverse effect on the Group's business, earnings or financial position.

Future acquisitions may also include undertakings by the Group to pay additional purchase price to the sellers, e.g. for remediation costs of contaminated soil. Such additional payments may have an adverse effect on the financial position of the Group.

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

#### **Property risk**

The Group is dependent on the returns from the Properties, which in turn will depend largely upon the amount of rental income generated from the Properties, the costs and expenses incurred in the maintenance, renovation, repair and management of the Properties, necessary investments in the Properties and upon changes in their market value. Rental income and the market value for properties are generally affected by overall conditions in the economy, such as growth in gross domestic product, employment trends, inflation and changes of interest rates. Both property values and rental income may also be affected by competition from other property owners, or the perceptions of prospective buyers and/or the attractiveness from tenants, convenience and safety of the Properties. A decrease in the property value and/or rental income may have an adverse effect on the Group's business, earnings or financial position.

### **Terminal value risk**

Property and property related assets are inherently difficult to appraise due to the individual nature of each property and due to the fact that there is not necessarily a liquid market or clear price mechanism. As a result of that the Group has a niched property portfolio strategy, i.e. acquiring, refining and developing properties with daily goods and supermarket chains as tenants, valuations of the Properties may be subject to substantial uncertainties. There is a risk that the estimates resulting from the valuation process will not reflect the actual sales price. Any future property market recession or any future property recession in respect of the type of real estate owned by the Group, would materially adversely affect the value of the Properties and subsequently the Issuer's financial position, its ability to refinance certain or all of its outstanding debts, including the Bonds, and ultimately, the financial position of the bondholders.

### **Legal and regulatory risks**

The Group's business concept is to acquire, manage and develop properties. Therefore, changes in laws relating to ownership of land could have an adverse effect on the financial condition of the Group. New laws may be introduced which affect environmental planning, land use and/or development regulations. Government authorities at all levels are actively involved in the promulgation and enforcement of regulations relating to taxation, land use and zoning and planning restrictions, environmental protection and safety and other matters. The institution and enforcement of such regulations would have the effect of increasing the expenses and lowering the income or rate of return from the Issuer, as well as adversely affecting the value of the Properties. Government authorities could use the right of expropriation of the Properties if the requirements for expropriations are satisfied. Any expropriation will entitle the Group to compensation but the Group's financial condition may, irrespective of such compensation, be negatively affected.

### **Risks related to tenants**

*Medium level risk*

#### **Counterparty risk**

The Lease Agreements have been entered into with different tenants with more than 90 per cent. of the Properties anchored by (i) Kesko, (ii) Tokmanni, (iii) S-Group, (iv) Coop, (v) Lidl and (vi) Halpa-Halli making the Group dependable on any of these tenants and their ability to perform their obligations under the Lease Agreements (e.g. service rent). There is a risk that many Properties would become vacant should either of Tokmanni, Kesko, S-Group, Coop, Lidl and Halpa-Halli suffer financial distress. Should either of Tokmanni, Kesko, S-Group, Coop, Lidl or Halpa-Halli be unable to perform their obligations under the Lease Agreements, this would have an adverse effect on the Group's financial condition.

*Low level risks*

#### **Risks relating to new tenants**

There are certain risks involved with obtaining new tenants. New potential tenants might imply higher counterparty risks for the Group compared to previous tenants. The Group's strategy is to attract tenants with strong creditworthiness and leading market positions and the Group's ability to do so and to successfully negotiate new lease agreements on favourable terms, e.g. the Group's ability to enter into long-term leases, is dependent upon the general condition of the real estate market at such time. Further, the premises owned by the Group may have to be renovated and adjusted to serve a new tenant, or several tenants instead of a few tenants, which could result in increased costs for the Group. Should such risks materialise, this would affect the Group's financial condition negatively.

### **Missing and terminated lease security**

Several lease security under the Lease Agreements are either missing or have expired, and some Lease Agreements do not require lease security to be provided. Therefore, the relevant Group Companies may not have security for breaches by tenants under certain Lease Agreements. As a consequence, to the extent no lease security is valid or has been provided in relation to a Lease Agreement, the Group Companies acting as landlords under the Lease Agreements may incur unforeseen loss due to a tenant's inability or lack of willingness to fulfil its obligations, such as payment of rent, set out in a Lease Agreement. This, in turn, would have a negative effect on the Group's liquidity and ability to pay interest under the Bonds.

## **Risks related to environmental matters**

### *Low level risks*

#### **Environmental and technical risk**

According to the polluter pays-principle established under Finnish and Swedish environmental law, the operator who has caused pollution will be responsible for remediation. However, should it not be possible to locate the polluter or if the polluter cannot be held responsible, the property owner can secondarily be held responsible for remediation and associated costs. Accordingly, there is a risk that the members of the Group in their capacity as property owners may be held responsible for costly remediation works. A change of the purpose of use of the Properties to a more sensitive use, if any, would increase such risk. The allocation of costs relating to soil and groundwater contamination can be agreed otherwise between the respective parties, which is the case in respect of most Properties. Therefore, in certain cases, the risk of the members of the Group is more severe than solely under applicable laws.

Some Properties or areas adjacent to the Properties are included in the Finnish national soil database system (Fi. *Maaperän tilan tietojärjestelmä*) (MATTI) or the Swedish MIFO register (Sw. *Metodik för Inventering av Förorenade Områden*), which lists certain contaminated and potentially contaminated land areas in Finland and Sweden respectively. Further, there is or has been contamination, or there is a known risk of contamination, in respect of some Properties or areas adjacent to the Properties. If authorities require remediation of contaminated areas, there is a risk that certain members of the Group are responsible for the related costs. Further, there is no evidence of radon surveys or radon management structures in relation to several Properties. If and to the extent future radon investigations show elevated radon concentrations, the property owner would be liable for corrective measures to the extent such costs are not borne by the tenants. The contamination may also restrict the use of the Properties. The above claims, and the restriction of the use of the Properties, may have an adverse effect on the Issuer's operations, results and financial position.

#### **Risks relating to contaminated soil**

Soil contamination has been identified in the soil of the property owned by Koomanni oy and there is a risk that soil contamination may be identified in the soil of approximately five to ten of the Group's Properties other than the Property owned by Koomanni oy. If the purpose of use of such contaminated Properties is changed to a more sensitive one, the Group may incur remediation costs, which would adversely affect the Group's business and operations.

#### **Indoor air issues**

There have been indoor air issues in respect of certain mutual real estate companies ("MRECs") owning Properties. The respective MRECs could potentially incur relevant high costs of remedial action

relating to indoor air issues, which may not be recoverable from the tenants, as well as suffer a loss resulting from possible rent reductions attributable to the indoor air issues or related renovations. In a worst case scenario, indoor air issues may entitle the relevant tenants to rescind the lease agreement. The abovementioned issue may cause the Group to incur higher remediation costs which would adversely affect the Group's business and operations.

## **Financial risks**

### *High level risk*

#### **Refinancing risk**

The Group has, apart from the Bonds, incurred financial indebtedness under, including but not limited to, (i) certain Finnish facilities agreements, which on 12 June 2020 amounted to an aggregated amount of approximately EUR 460,424,102, (ii) a Swedish facility agreement which on the date of this Prospectus amounted to an aggregated amount of approximately SEK 953,304,803 and (iii) a senior unsecured floating rate green bond loan in a total aggregate amount of approximately SEK 600,000,000. There is a risk that the Issuer will be required to refinance some or all of its outstanding debt, including the Bonds, in order to be able to continue the operations of the Group. The issuer's ability to successfully refinance its debt depends on, among other things, conditions of debt capital markets and its financial condition at such time. Even if debt capital markets are open, there is a risk that the issuer will not have access to financing on favourable terms, or at all. Should the Issuer be unable to refinance its debt obligations on favourable terms, or at all, it would have a significant negative effect on the Group's business, financial condition and result of operation and on the bondholders' recovery under the Bonds.

### *Medium level risks*

#### **Borrowing by the Group and interest risk**

The Group has incurred, and may further incur, financial indebtedness to finance its business operations. The financial indebtedness, including the Bonds, and any future financing arrangements of the Group may generate interest costs which may be higher than the gains produced by the investments made by the Group. Borrowing money to make investments will increase the Group's exposure to the loss of capital and higher interest expenses. Further, the Group is exposed to changes in interest rates through its financing agreements that carry floating rates of interest. Interest rates are affected by a number of factors that are beyond the control of the Group, including but not limited to, the interest rate changes by central banks and fiscal policy measures by governments.

The consolidated financial statement of the Group for the financial year ended 31 December 2019 contains a sensitivity analysis commenting that if interest rates on borrowings had been one per cent. higher, with all other variables held constant, the estimated profit before tax for the financial year would have been EUR 2,520,000 lower.

There is a risk that the increase in interest rates would entail an increase in the Group's interest obligations, which would have a significant negative effect on the Group's business, financial position and result of operation.

Further, certain existing financial arrangements in the Group contain undertakings which, if breached and not waived, could result in such existing financing being accelerated and becoming due and payable. In particular, there are cross-default clauses in the existing financing of the Issuer stating, inter alia, that if any financial indebtedness of the Group (including the Bonds) is declared to be or



otherwise becomes due and payable prior to its specified maturity it constitutes an event of default under the existing financing. An obligation to prepay any existing financing could have an adverse effect on the Group's operations, financial position and results.

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

Subject to the terms of its existing financing from time to time, the Issuer has, and may incur additional, financial indebtedness and provide additional security for such indebtedness. The Group has granted security under the current debt facilities including security over, *inter alia*, property mortgage certificates, shares, accounts, intragroup loans, and rental income. As security has been granted in favour of a third-party debt provider, and may be granted to additional debt providers, the bondholders will, in the event of bankruptcy, re-organisation or winding-up of the Issuer, be subordinated in right of payment out of the assets being subject to security provided to such third-party debt providers. In addition, if any such third-party debt provider holds security provided by the Group were to enforce such security due to a default by any company within the Group under the relevant finance documents, such enforcement would have a material adverse effect on the Group's assets, operations and financial position, and the rights of the bondholders to receive payments under the Bonds.

### *Low level risks*

#### **Risks related to currency**

The Group has a multi-national business model and the reporting currency for the Issuer is Euro (EUR). The Group's primary operations and cash flows are typically denominated in EUR and SEK. The Group tries to match the currency for its assets and liabilities. However, for the assets denominated in SEK approximately 60 per cent. of the assets are matched, whereas 40 per cent. remain unmatched, since these assets have been acquired with equity. Therefore, the Group is exposed to fluctuation between SEK and EUR. Furthermore, the Group sees potential to enter new markets, for instance Denmark and Norway. Should the Group enter into these markets, or into one of these markets, the Group may be exposed to additional currencies as a consequence of the Geographical expansion of its business operations.

#### **The Issuer is depending on other companies within the Group**

All of the Group's assets and revenues relate to the Issuer's direct and indirect subsidiaries. The Issuer is thus dependent upon receipt of sufficient income and cash flow related to the operations of the subsidiaries. Consequently, the Issuer is dependent on the subsidiaries' availability of cash and their legal ability to pay management fees and make dividends. The subsidiaries are legally distinct from the Issuer and have no obligation to make payments to the Issuer of any profits generated from their business. The ability of the subsidiaries to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and legal restrictions (e.g. limitations on value transfers). The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group. Should the Issuer not receive sufficient income from its subsidiaries, there is a risk that the bondholders' ability to receive interest payments and the Group's financial condition may be adversely affected.

## RISKS RELATING TO THE BONDS

### Risks related to the nature of the Bonds

#### *Medium level risks*

#### **Risks related to early redemption and partial repayment of the Bonds**

Under the terms and conditions for the Bonds (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 holders of the Bonds have the right to receive an early redemption amount which exceeds the nominal amount in accordance with the Terms and Conditions for the Bonds. However, there is a risk that the market value of the Bonds is higher than the early redemption amount (including the premium) and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

In addition, a partial repayment of the Bonds may affect the liquidity of the Bonds and may have a negative impact on the market value of the Bonds which would result in bondholders' difficulties to sell the Bonds (at all or at reasonable terms).

#### **The bondholders are exposed to credit risks**

Investors in the Bonds assume a credit risk towards the Group. The payments to bondholders under the Terms and Conditions are 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 and its financial position. The Group's financial position is affected by several factors, some of which have been mentioned above. An increased credit risk may cause the market to charge the Bonds a higher risk premium, which would have an adverse effect on the value of the Bonds. Another aspect of the credit risk is that a decline in the financial position of the Group may reduce the prospects of the Group to receive debt financing at the time of the maturity of the Bonds.

#### **Interest rate risks in relation to the Bonds**

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. The Bonds bear interest at a floating rate of 3 month EURIBOR plus a margin and the interest rate of the Bonds is determined two business days prior to the first day of each respective interest period. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a risk that an increase of the general interest rate level will adversely affect the value of the Bonds. The general interest level is to a high degree affected by the Swedish and the international financial development and is outside the Group's control.

#### *Low level risks*

#### **Benchmark Regulation**

Interest payable on the Bonds will be calculated by reference to EURIBOR. The process for determining EURIBOR and other interest-rate benchmarks is subject to a number of legislative acts and other regulations. Some of these acts and regulations have already been implemented whilst some are set to be implemented in the near future. 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 came into force on the 1 January 2018. The

Benchmark Regulation addresses the provision of benchmarks, the contribution of input data to benchmarks and the use of benchmarks within the European Union. The effect of the Benchmark Regulation cannot yet be fully determined due, among other things, to the limited time period that the regulation has been applicable. However, there is a risk that the Benchmark Regulation will affect how certain benchmarks are determined and how they develop in the future. This could, for example, lead to increased volatility regarding some benchmarks. A further potential risk is that increased administrative requirements, and resulting regulatory risk, may discourage stakeholders from participating in the production of benchmarks, or that some benchmarks cease to be provided. If this would happen in respect of a benchmark that is used for the Bonds, it could potentially have negative effects for the bondholders.

### **Put option**

Pursuant to the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder (put option) if:

- (i) an event or series of events occur whereby one or more persons acting together, acquire control over the Issuer and where control means (a) acquiring or controlling, directly or indirectly, more than 50 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;
- (ii) an event occurs whereby (a) the Issuer's shares are delisted from First North Stockholm or any other MTF or regulated market, or (b) trading of the Issuer's shares on the aforementioned MTF or regulated market is suspended for a period of 15 consecutive business days; or
- (iii) an event occurs whereby (a) the Bonds have not been admitted to listing on the corporate bond list of Nasdaq Stockholm within 60 days after the first issue date, (b) any subsequent bonds issued later than 60 days after the first issue date have not been admitted to listing on the corporate bond list of Nasdaq Stockholm within 60 days after the issuance of such subsequent bonds (unless the subsequent bonds are issued before the date falling 60 days after the first issue date, in which case such subsequent bonds shall be listed within 60 days after the first issue date), or (c) in the case of a successful admission to listing, that the Bonds cease to be admitted to listing on Nasdaq Stockholm.

There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which would 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.

### **Risks relating to the clearing and settlement in Euroclear Sweden AB's book-entry system**

The Bonds have been affiliated to Euroclear Sweden AB's account-based system, and no physical notes have been or will be issued. Clearing and settlement relating to the Bonds is carried out within Euroclear Sweden AB's book-entry system as well as payment of interest and repayment of the principal. Investors are therefore dependent on the functionality of Euroclear Sweden AB's account-based system for clearing, settlement, payment and other matters or functionalities in respect of the Bonds addressed by Euroclear Sweden AB's account-based system and any problems thereof could have an adverse effect on the payment of interest and repayment of principal under the Bonds.

### **Risks related to the bondholders' rights and representation**

### *Low level risks*

#### **The rights of the bondholders depend on the Agent's actions and financial standing**

By subscribing for, or accepting the assignment of, any Bond, each holder of a Bond has accepted the appointment of the agent (being on the first issue date Nordic Trustee & Agency AB (publ)) (the "**Agent**") to act on its behalf and to perform administrative functions relating to the Bonds. The Agent shall have, among other things, the right to represent the bondholders in all court and administrative proceedings in respect of the Bonds. However, the rights, duties and obligations of the Agent as the representative of the holders of the Bonds are subject to the provisions of the Terms and Conditions, and there is no specific legislation or market practice in Sweden (under which laws the Terms and Conditions are governed) which govern the Agent's performance of its duties and obligations relating to the Bonds. There is a risk that a failure by the Agent to perform its duties and obligations properly or at all will have a negative effect on the enforcement of the rights of the bondholders.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor Agent with commercially acceptable terms or at all. Further, there is a risk that the successor Agent would breach its obligations under the above documents or that insolvency proceedings would be initiated against it.

There is a risk that materialisation of any of the above risks will have a negative effect on the enforcement of the rights of the holders of the Bonds and the rights of the holders of the Bonds to receive payments under the Bonds.

#### **No action against the Issuer and bondholders' representation**

In accordance with the Terms and Conditions for the Bonds, the Agent represents all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking unilateral actions against the Issuer or any other member of the Group. Consequently, individual bondholders do not have the right to take legal actions to declare any default by claiming any payment from or enforcing any security granted by the Issuer or any other member of the Group and may therefore have no effective legal remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that an individual bondholder may take unilateral action against the Issuer or any other Group company (in breach of the Terms and Conditions). This would adversely affect an acceleration of the Bonds or other actions against the Issuer or any other member of the Group.

To enable the Agent to represent bondholders in court, the bondholders and/or their nominees may have to submit separate written powers of attorney for legal proceedings. If the bondholders fail to submit such a power of attorney this could have a negative effect on the legal proceedings. Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that are binding upon all bondholders. Consequently, the actions of the Agent in such matters would impact a bondholder's rights under the Terms and Conditions in a manner that could be undesirable for some bondholders.

#### **Bondholders' meetings and written procedures**

The Terms and Conditions includes 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 allows 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.

## **Risks related to the financial standing of the Group**

*Medium level risk*

### **Ability to service debt**

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, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all. This would have a significant negative effect on the Group's operations, earnings, results and financial position.

## Definitions

<b>Anchor Tenants</b>	Kesko, S-Group, Tokmanni and Coop, which are direct or indirect, through its affiliates, counterparties under each lease agreement
<b>Asset Management Agreement</b>	The advisory agreement between the Asset Manager Finland and, <i>inter alia</i> , the Company regarding the management of the Finnish Portfolio
<b>Asset Manager Finland</b>	Sirius Retail Asset Management Oy, corporate identification number 2867072-7
<b>Company Costs</b>	All costs related to the management of the Group, which are not defined as Property Related Costs, for example the fees to the Asset Manager Finland, the Property Manager Finland and other necessary Finnish and Swedish administration costs
<b>COOP</b>	Coop Sverige AB, corporate identification number 556710-5480
<b>EBITDA</b>	Earnings on a consolidated basis before interest, taxes, depreciation and amortisation of eventual goodwill
<b>Finnish Portfolio or Finnish Properties</b>	The 163 properties in Finland owned by the Group at the date of this Prospectus.
<b>Finnish Property Management Agreement</b>	The service agreement between the Property Manager Finland and the Company regarding the property and financial management of the Finnish Portfolio
<b>Finnish Property Related Costs</b>	All operating costs (excluding costs Company Costs and capital expenditures) connected to the handling of the Finnish Portfolio
<b>Kesko</b>	Kesko Oyj, corporate identification number 0109862-8
<b>Lease Agreements</b>	All lease agreements in the Portfolio
<b>MREC</b>	Shall have the meaning ascribed thereto in section " <i>Description of the Group</i> ", subsection " <i>Finnish real estate companies</i> "
<b>Finnish NOI</b>	Net operating income, being all amounts payable to the Group arising from or in connection with any Finnish lease, less any Finnish Property Related Costs
<b>Portfolio or Properties</b>	The Finnish Properties and the Swedish Properties.
<b>Property Manager Finland</b>	Colliers International Finland Oy, corporate identification number 0420052-8

<b>Property Manager Sweden</b>	Newsec Property Asset Management Sweden AB, corporate identification number 556348-0283
<b>REC</b>	Shall have the meaning ascribed thereto in section " <i>Description of the Group</i> ", subsection " <i>Finnish real estate companies</i> "
<b>S-Group</b>	The 20 regional and local cooperatives, several corporate identification numbers, and Suomen Osuuskappojen Keskuskunta (SOK Corporation), corporate identification number 0116323-1
<b>Swedish Portfolio or Swedish Properties</b>	The 111 properties in Sweden directly owned by the Group and 3 site leasehold rights (Sw. <i>tomträtter</i> ).
<b>Swedish Property Management Agreement</b>	The service agreement between the Property Manager Sweden and Cibus AcqCo AB, corporate identification number 559229-6650 regarding the property and financial management of the Swedish Portfolio
<b>Tenants</b>	The Anchor Tenants and all other tenants of the Portfolio
<b>Tokmanni</b>	Tokmanni Oy, corporate identification number 1928426-9

## 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.

Bonds issued under this Prospectus have EURIBOR as interest rate. EURIBOR constitutes a benchmark according to the Benchmark Regulation. As at the date of this Prospectus, only the administrator of EURIBOR - EMMI - appears on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of the Benchmark Regulation.

<b>Issuer</b> .....	Cibus Nordic Real Estate AB (publ).
<b>Bonds Offered</b> .....	EUR 175,000,000 in aggregate principal amount of senior unsecured floating rate bonds due 2023.
<b>Number of Bonds</b> .....	Maximum of 1750 Bonds. At the date of this Prospectus 1350 Bonds had been issued on the First Issue Date.
<b>ISIN</b> .....	SE0014479366.
<b>First Issue Date</b> .....	18 June 2020.
<b>Issue Price</b> .....	All bonds issued on the First Issue Date have been issued on a fully paid basis at an issue price of one hundred (100) per cent. of the Nominal Amount. The issue price of any Subsequent Bonds may be at a discount or at a premium compared to the Nominal Amount.
<b>Interest Rates</b> .....	Interest on the Bonds will be paid at a floating rate of three-month EURIBOR plus 4.50 per cent. <i>per annum</i> .
<b>Use of Benchmark</b> .....	Interest payable on the Bonds will be calculated by reference to EURIBOR. As at the date of this Prospectus, only the administrator of EURIBOR is included in ESMA's register of administrators and benchmarks pursuant to Article 36 of the Benchmark Regulation.
<b>Interest Payment Dates</b> .....	18 March, 18 June, 18 September and 18 December of each year commencing on 18 September 2020. Interest will accrue from (but excluding) the First Issue Date.
<b>Initial Nominal Amount</b> .....	The Bonds will have a nominal amount of EUR 100,000 and the minimum permissible investment in the Bonds is EUR 100,000.
<b>Status of the Bonds</b> .....	The Bonds are denominated in EUR 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.

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, and:

- shall at all times rank *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer without any preference among them, except those obligations which are mandatorily preferred by law;
- are effectively subordinated to any existing or future indebtedness or obligation of the Issuer and its subsidiaries that is secured by property and assets, to the extent of the value of the property and assets securing such indebtedness; and
- are structurally subordinated to any existing or future indebtedness of the subsidiaries of the Issuer, including obligations to trade creditors.

**Call Option**..... The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount (as defined below) in accordance with Clause 9.3 (*Voluntary Total Redemption (call option)*) of the Terms and Conditions.

**Call Option Amount** ..... Call Option Amount means:

- (a) if the Call Option is exercised on or after the First Issue Date to, but excluding, the First Call Date at an amount per Bond equal to 101.50 per cent. of the Nominal Amount plus the remaining interest payments, calculated in accordance with Clause **Error! Reference source not found.**, up to and including the First Call Date together with accrued but unpaid Interest;
- (b) if the Call Option is exercised on or after the First Call Date to, but excluding, the first Business Day falling 30 months after the First Issue Date at an amount per Bond equal to 101.50 per cent. of the Nominal Amount, together with accrued but unpaid Interest;

- (c) if the Call Option is exercised on or after the first Business Day falling 30 months after the First Issue Date to, but excluding, the first Business Day falling 36 months after the First Issue Date at an amount per Bond equal to 101.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
- (d) if the Call Option is exercised on or after the first Business Day falling 36 months after the First Issue Date to the Final Maturity Date (as defined below) at an amount per Bond equal to 100.10 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

<b>First Call Date</b>	Means the date falling 24 months after the First Issue Date.
<b>Final Maturity Date .....</b>	18 September 2023.
<b>Put Option .....</b>	Upon a Change of Control Event, De-listing Event or a Listing Failure (each as defined below) occurring, each bondholder shall have the right to request that all, or only some, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of 30 days following a notice from the Issuer of the Change of Control Event, De-listing Event or a Listing Failure Event pursuant to Clause <b>Error! Reference source not found.</b> of the Terms and Conditions (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, De-listing Event or Listing Failure Event.
<b>Change of Control Event.....</b>	The occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where " <b>control</b> " means (a) acquiring or controlling, directly or indirectly, more than 50 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.
<b>De-listing Event.....</b>	The occurrence of an event whereby (i) the Issuer's shares are delisted from First North Stockholm or any other MTF or Regulated Market, or (ii) trading of the Issuer's shares on the aforementioned MTF or Regulated Market is suspended for a period of 15 consecutive Business Days.

**Listing Failure.....** The occurrence of an event whereby (i) the Initial Bonds have not been admitted to listing on the corporate bond list of Nasdaq Stockholm within 60 days after the First Issue Date and with an intention to complete such listing within 30 days after the First Issue Date, or (ii) (b) any Subsequent Bonds issued later than 60 days after the First Issue Date have not been admitted to listing on the corporate bond list of Nasdaq Stockholm within 60 days after the issuance of such Subsequent Bonds and with an intention to complete such listing within 30 days after the Subsequent Issue Date (unless the Subsequent Bonds are issued before the date falling 60 days after the First Issue Date, in which case such Subsequent Bonds shall be listed within 60 days after the First Issue Date).

**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*:

- restrictions on making any changes to the nature of their business;
- a negative pledge, restricting the granting of security on Financial Indebtedness (as defined in the Terms and Conditions);
- restrictions on the incurrence of Financial Indebtedness; and
- limitations on the making of distributions and disposal of assets.

Each of these covenants are subject to significant exceptions and qualifications, including, but not limited to, (a) the possibility to provide, prolong and renew any Permitted Security (as defined in the Terms and Conditions), (b) the possibility of the Issuer to incur additional Financial Indebtedness if such Financial Indebtedness (i) meets the Incurrence Test on a pro forma basis, (ii) has a final maturity date or a final redemption date, and (iii) when applicable, has early redemption dates or instalment dates, in each case (ii) and (iii) which occur after the Final Maturity Date and (c) the possibility for a Group Company (other than the Issuer) to incur additional Financial Indebtedness if such Financial Indebtedness meets the Incurrence Test on a *pro forma* basis. See the Terms and Conditions for further information and exceptions.

**Financial Covenants .....** The Terms and Conditions contain incurrence covenants which govern the ability of the Issuer and the other Group Companies to incur additional debt.

The Terms and Conditions contain a maintenance test pursuant to which the following financial covenants shall be met on certain test dates:

- the LTV Ratio shall on each Reference Date not be higher than 70.00 per cent.; and
- the Interest Coverage Ratio for the Relevant Period shall on each Reference Date not be less than 1.75:1.

Each of these financial covenants and definitions are subject to significant exceptions and qualifications, see the Terms and Conditions.

**Use of Proceeds .....**

(a) The Issuer shall use an amount equivalent to the Net Proceeds from the Initial Bond Issue to (i) refinance the Existing EUR Bonds (as defined in the Terms and Conditions) in full, including accrued but unpaid interest and other costs and fees under or in relation to the Existing EUR Bonds (including, for the avoidance of doubt, costs of the Issuer's repurchase of Existing EUR Bonds (provided, in each case, that any repurchased Existing EUR Bonds are transferred to the Blocked Account (as defined in the Terms and Conditions))) and (ii) finance general corporate purposes of the Group.

(b) The Issuer shall use the Net Proceeds from any Subsequent Bond Issue to finance general corporate purposes.

**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.....** Application has been made to list the Bonds on the corporate bond list of Nasdaq Stockholm.

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

<b>Issuing Agent .....</b>	Danske Bank A/S, Danmark, Sverige Filial, or another party replacing it, as Issuing Agent, in accordance with the Terms and Conditions.
<b>Governing Law of the Bonds</b>	Swedish law.
<b>Risk Factors.....</b>	Investing in the Bonds involves substantial risks and prospective investors should refer to the section " <i>Risk Factors</i> " 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 5 June 2020, and was subsequently issued by the Issuer on 18 June 2020. 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 Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council.

This Prospectus has been approved by the Swedish Financial Supervisory Authority, as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council. The Swedish Financial Supervisory Authority only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129 of the European Parliament and of the Council. Such approval should not be considered as an endorsement of the quality of the Bonds that are the subject of this prospectus nor of the Issuer that is the subject of this prospectus and investors should make their own assessment as to the suitability of investing in the Bonds.

After the expiration date of this Prospectus, being 16 July 2021, the obligation to provide additional information regarding new material circumstances, factual errors or material inaccuracies in this Prospectus ceases to apply once this Prospectus has expired.

The board of directors of the Issuer is, to the extent provided by law, responsible for the information set out in this Prospectus and declares that to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

16 July 2020

Cibus Nordic Real Estate AB (publ)

*The board of directors*

## DESCRIPTION OF MATERIAL AGREEMENTS

The following is a summary of the material terms of material agreements to which the Company is a party and considered as outside of the ordinary course of business. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements.

### Senior Secured Bank Financing

#### *Finnish Senior Secured Bank Financing*

Certain Group Companies have incurred financial indebtedness under (i) a term loan facilities agreement originally dated 2 November 2018 (as amended from time to time), (ii) a term loan facilities agreement originally dated 3 February 2016 (as amended from time to time), and (iii) a term loan facilities agreement originally dated 24 June 2019 (as amended from time to time) (the "**Finnish Senior Secured Bank Financing**"), which on 12 June 2020 amounted to an aggregated amount of approximately EUR 460,424,102. The Finnish Senior Secured Bank Financing consists of three separate loan agreements with a floating rate interest and with termination dates occurring on 15 February 2023, 24 June 2023 and 2 November 2023, respectively. Under the Finnish Senior Secured Bank Financing certain Properties within the Group have been subject to mortgages and the mortgage certificates are pledged to the banks and credit institutions that have provided the Finnish Senior Secured Bank Financing. Such financing also includes pledges over other assets such as, *inter alia*, shares, accounts and rental income.

#### *Swedish Senior Secured Bank Financing*

Certain Group Companies have incurred financial indebtedness under a facility agreement originally dated 4 March 2020 which on the date of this Prospectus amounted to approximately SEK 953,304,803 (the "**Swedish Senior Secured Bank Financing**"). The Swedish Senior Secured Bank Financing carry a floating interest rate and the termination date occurs on 4 March 2025. Under the Swedish Senior Secured Bank Financing certain properties within the Group have been subject to mortgages and the mortgage certificates are pledged to the banks and institutions that have provided the Swedish Senior Secured Bank Financing. Such financing also includes pledges over assets such as, *inter alia*, shares over certain Group Companies and downstream loans.

### Senior Unsecured Bonds

The Company has on 12 June 2020 issued a senior unsecured floating rate green bond loan in an initial amount of SEK 600,000,000 within a framework of SEK 600,000,000 on the Swedish bond market with ISIN SE0014453130. The Bonds carry a floating rate interest of STIBOR plus 4.75 per cent. *per annum* and mature on 12 June 2023.

### The Asset Management Agreement and the Finnish Property Management Agreement

The Company and certain Group Companies have entered into the Asset Management Agreement with the Asset Manager Finland, and the Company's indirect subsidiaries Cibus Grocery Finland Oy, Cibus Retail Finland 1 Oy and Cibus Retail Finland 2 Oy have entered into the Finnish Property Management Agreement with the Property Manager Finland in connection with the establishment of the Group in March 2018.

#### The Asset Management Agreement

The Asset Management Agreement is entered into for a period of 3 years. The Company has, however, a right to terminate the Asset Management Agreement at any time with 3 months written notice. The

Company has issued a notice to terminate the Asset Management Agreement and it will be terminated during the third quarter of 2020.

The Asset Manager Finland is responsible for the development and asset management of the Company's properties in Finland. The Asset Manager Finland also has direct dialogue and follow up on the property and financial management of the Finnish Portfolio, which are conducted by the Property Manager Finland. The Asset Manager Finland is entitled to remuneration for the performance of the services under the Asset Management Agreement. The remuneration is 3.75 per cent. per annum of Finnish NOI, invoiced quarterly. The amount of the remuneration to be invoiced is based on the projected Finnish NOI for the year as set out in the budget for the Group and approved by the CEO and Board of the Company.

The Asset Manager Finland is responsible for negotiating the fees with other service providers in Finland on behalf of the Group. Tasks and remuneration to be perceived as extraordinary shall be confirmed by the CEO and if necessary also the board of directors of the Company. If and to the extent the estimated ordinary total costs (that are not recoverable from the tenants of the Finnish Properties) relating to the regular management and administration of the Finnish Portfolio which is to be borne by the Group for any year is exceeded, the fee to the Asset Manager Finland shall be decreased by the same amount.

The Asset Manager Finland does also have engagements with parties outside the Group. However, Mr. Gylling, Mr. Ahlblad and Mr. Sävelkoski (being the CEO, CIO and CFO of the Asset Manager Finland, jointly the "**Key Persons**") have agreed to devote at least 50 per cent. of their ordinary working time to the Asset Manager Finland's tasks under the Asset Management Agreement. Further, the Asset Manager Finland has agreed not to engage in other assignments including grocery properties in Finland.

The Asset Manager Finland undertakes to ensure that each of the Key Persons remain actively involved with the Finnish Portfolio at least until the third anniversary of the Asset Management Agreement. If the Asset Manager Finland wishes to substitute any of the Key Persons, any new person(-s) shall be proposed to the Company in writing as soon as possible, and approval of such substitution shall be at the Company's sole discretion.

### **The Finnish Property Management Agreement**

The Finnish Property Management Agreement is entered into until further notice with a mutual notice period of 6 months. However, the first possible day of notice is on 30 September 2020 which means the Finnish Property Management Agreement can be terminated on 31 March 2021 at the earliest. Leasing services can be terminated separately with a mutual notice period of 3 months.

The Property Manager Finland provides financial services, leasing services and services relating to technical property management, lease administration and company administration. The Property Manager Finland also provides services in connection with construction projects. Services relating to tenant improvement projects, energy management and environment and sustainability reporting are excluded but can be ordered separately and are subject to a separate hourly price list.

The Property Manager Finland is entitled to remuneration for the performance of the services under the Finnish Property Management Agreement. The fixed monthly service fees (for holding companies and mutual real estate companies) for services relating to asset management, leasing and lease administration, property management and financial management payable by the Group amount to approximately EUR 54,000 (excl. VAT) per month. The prices are subject to annual indexation in



accordance with the Finnish consumer price index. Expansion of the Finnish Portfolio and/or changes in company structure will entail adjustment of the fixed monthly service fees since the fees are charged per entity.

The Property Manager Finland is entitled to separate fees for obtaining new tenants, negotiating new lease agreements and for renewal of lease agreements which requires extraordinary efforts from the Property Manager Finland. The Property Manager Finland manages all third party agent relations concerning the Finnish Portfolio and is responsible for possible agent fees. Any separately charged services are subject to separate hourly rates and fees.

The maximum total liability per single occurrence for the Property Manager Finland under the Finnish Property Management Agreement is EUR 250,000. The third-party liability insurance of the Property Manager Finland is required to cover damage caused by its operations or negligence up to a maximum amount of EUR 2,000,000. The limitations of liability are not applicable to any damages caused by the Property Manager Finland's gross negligence.

#### **The Swedish Property Management Agreement**

The Swedish Property Management Agreement is valid until 28 February 2021, subject to a 3 month notice period. If the agreement is not terminated by either party, the agreement is prolonged by one year at the time at the same terms.

The Property Manager Sweden provides financial services and services relating to technical property management, lease administration and company administration. The Property Manager Sweden also provides services in connection with property transactions.

The Property Manager Sweden is entitled to remuneration for the performance of the services under the Swedish Property Management Agreement. The fixed service fees for services relating to asset management, leasing and lease administration, property management and financial management payable by the Group amount to approximately SEK 6,000,000 (excl. VAT) for the period 10 March 2020 to 28 February 2021. The fee is paid quarterly in advance and each property owning company is invoiced separately. Expansion of the Swedish Portfolio and/or changes in company structure will entail adjustment of the fees.

The maximum total liability per single occurrence for the Property Manager Sweden under the Swedish Property Management Agreement is 15 times the average total fees per month during the contract period. The third-party liability insurance of the Property Manager Sweden is required to cover damage caused by its operations or negligence up to a maximum amount of SEK 10,000,000. The limitations of liability are not applicable to any damages caused by the Property Manager Sweden's gross negligence.

## DESCRIPTION OF THE GROUP

### History and development

Cibus Nordic Real Estate AB (publ) was incorporated on 23 November 2017 and is a Swedish public limited liability company operating under the laws of Sweden with reg. no. 559135-0599. The Company's legal entity identifier (LEI) is 549300PW36MFK96GCR23.

The registered office and headquarters of the Company is Kungsgatan 56, 111 22 Stockholm, with telephone number +46 708 580 453. The website of the Company is [cibusnordic.com](http://cibusnordic.com). The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of the Company, adopted on 18 October 2018, the objects of the Company are to directly or indirectly own and manage intangible property whose main orientation is trade.

### Business and operations

The Company is focused on acquiring, refining and developing high quality properties in the Nordic region, with reputable daily goods and supermarket chains as anchor tenants, to provide stable, cyclically resilient and increasing dividends for the Company's shareholders. The Portfolio shall be optimised in an operational and a cash flow perspective, through an active property management, market intelligence and close tenant relationships. The Portfolio is currently located in various growth regions across Finland and Sweden, and the portfolio is to a large extent located in regions with healthy population growth. The Company currently owns a portfolio of 163 properties in Finland, with approximately 540,000 square metres of lettable area and a portfolio of 111 properties in Sweden, with approximately 120,000 square metres of lettable area. The Swedish Portfolio consists of 3 site leasehold rights (Sw. *tomträtter*) and 111 properties directly owned by the Group. More than 90 per cent. of the total rental income of the Properties is derived from Properties anchored by four, in the Group's opinion, market leading tenants, being Kesko, Tokmanni, Coop and S-Group.

The value of the Portfolio is, as of the date of this Prospectus, approximately EUR 1,100,000,000 and comprises approximately 660,000 square metres of lettable area.

Sustainability is an integral part of the Group's daily operations and business strategy. In the acquisition and management of properties, the Group has the ambition to work in a way that best stimulates sustainable development for both Tenants and living local communities as well as for the long-term profit development for shareholders. The Company aims to provide environmentally adapted premises for its Tenants, developed with the minimum possible use of resources and the least possible environmental impact. Continuous efforts are made by the Group to minimise the direct and indirect climate footprint of the property portfolio. The Group can, through various means, stimulate tenants to reduce their climate footprint, despite the fact that the Properties are leased on contracts exclusive of heating and water, meaning that the Group does not control the Tenants electricity consumption. An example of such a tool is to meet Tenants' requests for permits regarding re-development and extension of the properties to facilitate investments in renewable energy. At present, about 15 of the properties leased to Tokmanni have had photovoltaic facilities installed on the roof. In line with lower investment costs for solar energy, however, the proportion is expected to increase, thereby reducing electricity consumption. In its green bond framework issued in May 2020, the Company has also identified a number of environmental targets to implement in the future.

## Strategy and vision

The Company's core business strategy is to create long-term growth and value gains through the acquisitions, development and management of high-quality properties in the Nordic region with a clear focus on properties anchored by daily-goods chains. The main goal of the Company's business concept is to secure and maintain the portfolio's solid cash flow, through active asset management with high cost control, to thereby allow for profitability irrespective of economic conditions. The Company will also strive to maintain tenants with strong creditworthiness and leading market positions and the Company endeavours to enter into long-term leases and to retain the diversified lease duration for the Company's existing leases. The Company aims to expand its business in Finland and Sweden but also to in the future expand into the Danish and Norwegian markets. To preserve the Company's balanced, but niched portfolio strategy, the Company has decided on a clear investment strategy. The Company aims to deliver a high and non-cyclic dividend level to its shareholders, achieved through a stable profitability in the underlying Portfolio. The Company's vision is to strengthen its' position as one of the market leading property companies with focus on grocery and daily-goods store anchored properties.

## Share capital and ownership structure

The shares of the Company are denominated in EUR. 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 EUR 373,200 divided into 37,320,000 of shares.

The following table sets forth an overview of the ownership structure in the Company, based on the share register of the Company as of 31 May 2020, with the amendments known by the Company. As the Company is a VPC Company (Sw. *avstämningsbolag*) certain shareholders may have their shares registered on a custody account (Sw. *depå*) with a registered nominee (Sw. *förvaltare*). Thus, there may be shareholders who holds shares in the Company that are not directly reflected in the share register of the Company.

<i>Shareholder</i>	<i>No. of shares</i>	<i>Share capital</i>	<i>Voting Rights</i>
Fjärde AP-fonden	3,334,462	8.9%	8.9%
Marjan Dragicevic	1,704,000	4.6%	4.6%
Länsförsäkringar Fonder	1,509,575	4.0%	4.0%
BMO Global Asset Management	1,345,636	3.6%	3.6%
Svenska Handelsbanken AB for PB	1,298,126	3.5%	3.5%
Dragfast AB	1,175,000	3.1%	3.1%
Avanza Pension	953,385	2.6%	2.6%
Sensor Fonder	906,000	2.4%	2.4%
Säästöpankki Fonder	771,900	2.1%	2.1%
Nordnet Pensionsförsäkring	725,907	1.9%	1.9%
Nuveen Asset Management	703,858	1.9%	1.9%
Patrick Gylling	600,000	1.6%	1.6%
Blackwell Partners LLC	550,455	1.5%	1.5%
Göran Gustafssons Stiftelser	522,000	1.4%	1.4%
Nordea Liv & Pension	448,083	1.2%	1.2%
<b>Total 15 largest shareholder</b>	<b>16,548,387</b>	<b>44.3%</b>	<b>44.3%</b>
Other shareholders	20,771,613	55.7%	55.7%
<b>Total</b>	<b>37,320,000</b>	<b>100.00%</b>	<b>100.00%</b>

### Holdings of shares by the board of directors and management – 2.05 per cent.

The following members of the Company's board of directors and management owns shares in the Company:

- Patrick Gylling, 600,000 shares via Oriolidae Invest Ab and Oy Golden Oriol Ab
- Elisabeth Norman, 1,500 shares (privately owned) and 7,000 shares via Salnecke Slott HB
- Johanna Skogestig, 7,600 shares
- Jonas Ahlblad, 130,000 shares via Salba Holding Oy
- Stefan Gattberg, 5,065 shares
- Sverker Källgården, 4,260 shares (with an option to purchase 186,600 shares as part of a management incentive program)
- Pia-Lena Olofsson, 5,000 shares (with an option to purchase 80,000 shares as part of a management incentive program)
- Lauri Tiensuu, 3,805 shares (with an option to purchase 40,000 shares as part of a management incentive program)

Above constitutes information regarding direct shareholding by members of the board of directors of the Company. For further information regarding indirect holding of shares by members of the board of directors of the Company, please refer to section "*Management*", subsection "*Conflicts of interest within administrative, management and control bodies*".

### **Shareholders' agreements**

The Company is not aware of the details of any provision in the arrangement between its shareholders, the operation of which may at a subsequent date result in a change in control of the Company.

### **Overview of Group structure**

The Company is the ultimate parent of the Group. Cibus Sweden Real Estate AB, corporate identification number 559121-3284, Cibus Finland Real Estate AB, corporate identification number 559121-3284 and Cibus Finland Oy Ab corporate identification number 3003070-2 are the direct subsidiaries of the Company. Cibus Sweden Real Estate AB is the owner of the shares in Cibus AcqCo AB, corporate identification number 559229-6650. Cibus Finland Real Estate AB is the owner of the shares in Cibus Grocery Finland Oy and Cibus Retail Finland 1 Oy and Cibus Retail Finland 2 Oy.

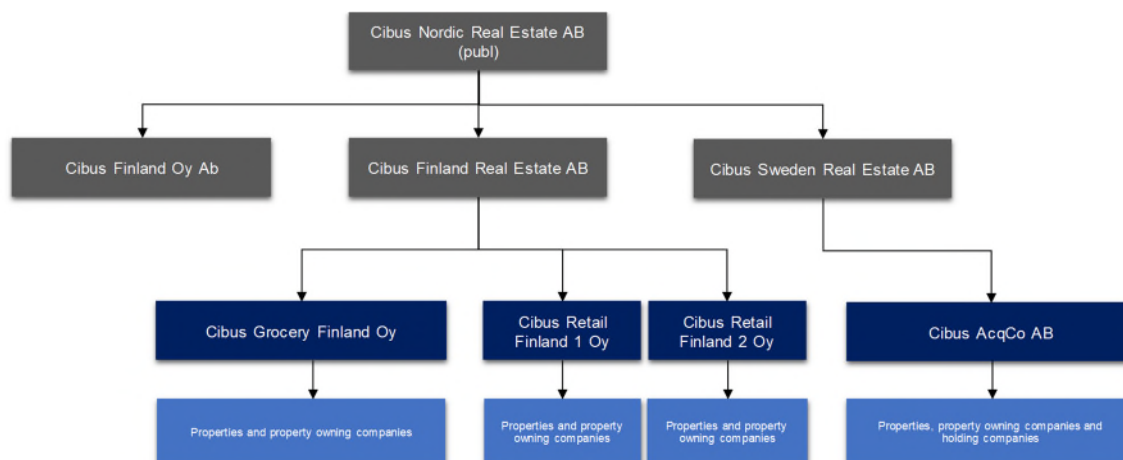
All Properties are owned by subsidiaries of the Company. Operations are conducted by the subsidiaries of the Company and all of the Group's assets and revenues relate to the Company's indirect subsidiaries and the Company is thus dependent on such subsidiaries to generate revenues and profit in order to be able to fulfil its payment obligations under the Bonds.

As of the date of this Prospectus, the Group consist of a total of 347 companies registered under Swedish and Finnish including, *inter alia*, 202 limited liability companies in Sweden, and 145 companies in Finland, including 19 partly owned MRECs. A simplified group structure is presented graphically below.

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## Group Structure

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*Source: the Company*

### Finnish real estate companies

There are two kinds of real estate companies in Finland, ordinary real estate companies ("RECs") and mutual real estate companies ("MRECs").

A REC is a limited liability company the purpose of which is to own and manage a property. The assets of a REC consist mainly of (i) a freehold or a leasehold property and (ii) one or more buildings located thereon. The property and the buildings may be leased out by the REC itself, and the respective rental income shall be paid to the REC in its capacity as the landlord under the lease agreement(s). The REC is in principle liable for all maintenance of the property and the buildings as well as for renovation work unless otherwise agreed e.g. with the tenant(s).

An MREC is a limited liability company and, similarly to a REC, its assets principally comprise of a freehold or a leasehold property and any buildings located thereon. The main distinction from a REC lies within the control structures of the MREC's assets (i.e. the property and the building). Despite the fact that an MREC owns the land areas and the buildings, the MREC's shareholders have direct control over them as defined in the MREC's articles of association. Common areas (e.g. hallways and reception areas) belonging to the real property are often left to the control of the MREC. The shareholders of an MREC are entitled to lease out the premises within their possession and, consequently, the respective rental income is generated to a vast extent on the shareholder level. The actual role of the MREC is generally limited to the maintenance and operation of the property, financed by maintenance charges collected from the shareholders. The maintenance charge is normally determined by the annual shareholders' meeting as a fixed amount per square meter for all premises. As a general rule, the maintenance charges are determined in order to leave the MREC with neither a profit nor a loss for tax purposes.

### Recent events

Other than events described in this Prospectus, there has been no recent event particular to the Group which is to a material extent relevant to the evaluation of the Company's solvency.

**Significant change and trend information**

Other than events described in this Prospectus, there has been no material adverse change in the prospects of the Group since the date of publication of its last audited annual accounts and no significant change in the financial performance or trading position of the Group since the end of the last financial period for which audited financial information has been published to the date of this Prospectus.

**Legal and arbitration proceedings**

Neither the Company nor the Group is, or has been 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 Company aware of any such proceedings which are pending or threatening and which could lead to the Company or any other member of the Group becoming a party to such proceedings.

**Credit rating**

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

## MANAGEMENT

The board of directors of the Company currently consists of five members which have been elected by the general meeting. The board of directors and the senior management can be contacted through the Company at Kungsgatan 56, 111 22 Stockholm. Further information on the members of the board of directors and the senior management is set forth below.

### Board of directors

**Patrick Gylling, *chairman of the board since 2018.***

**Education:** Master of Science in Economics & Business from Hanken School of Economics in Helsinki.

**Current commitments:** CEO of Sirius Capital Partners. Member of the board of directors of Life Annuity Institution Hereditas Ltd.

**Elisabeth Norman, *member of the board since 2018.***

**Education:** Bachelor of Arts from Uppsala University.

**Current commitments:** Chairman of the board of directors of EHB Hyresbostäder AB and the listed real estate company Nivika Fastigheter AB (publ). Vice chairman of the board of directors of Sveriges allmännyttas AB. Member of the board of directors of Örndalen Exploatering AB and the listed real estate company ByggPartner i Dalarna Holding AB (publ).

**Jonas Ahlblad, *member of the board since 2018.***

**Education:** Master of Science in Economics & Business from Hanken School of Economics in Helsinki.

**Current commitments:** CIO of Sirius Capital Partners.

**Johanna Skogestig, *member of the board since 2018.***

**Education:** Master of Civil Engineering from Royal Institute of Technology in Stockholm.

**Current commitments:** CEO of Vasakronan.

**Stefan Gattberg, *member of the board since 2020.***

**Education:** Master of Laws Lund University

**Current commitments:** Member of the board of directors of Altaal AB.

## Management

### *Sverker Källgården, CEO*

**Education:** Master of Civil Engineering from Royal Institute of Technology in Stockholm.

Mr. Källgården has more than 20 years of experience from the real estate and construction industry. Most recently as CEO of ByggPartner. Under his leadership, ByggPartner was successfully listed on Nasdaq First North. Prior to ByggPartner, Mr. Källgården held executive positions at NCC and Hufvudstaden, including serving as CEO of AB Nordiska Kompaniet (NK) for seven years.

### *Pia-Lena Olofsson, CFO*

**Education:** Executive Master of Business Administration from University of Warwick and Master of Business Administration from Gothenburg University.

Ms. Olofsson is an experienced CFO and held the position at the large CAP listed digital bank Collector AB (publ) during six years. Further, Ms. Olofsson has previously held several senior positions at, among others, Bure Equity AB (publ) and Visma AB.

### *Lauri Tiensuu, CIO*

**Education:** Master of Science in Technology from Aalto University

Mr Tiensuu has extensive experience from Advium Corporate Finance Ltd where he advised clients in real estate transactions.

## Conflicts of interest within administrative, management and control bodies

Ms. Skogestig, Ms. Norman and Mr. Gattberg are independent in relation to the Company and its shareholders.

Mr. Gylling and Mr. Ahlblad is perceived to be dependent in relation to the Company and its shareholders. Mr. Gylling is the CEO and Mr. Ahlblad is the CIO of Oy Sirius Capital Partners Ab ("**Sirius Capital Partners**") which is the direct parent company of the Asset Manager Finland. Mr. Gylling and Mr. Ahlblad owns 52 per cent. and 30 per cent. of the shares in Sirius Capital Partners, respectively. The Asset Manager Finland is entitled to remuneration under the Asset Management Agreement.

Subsequently, Mr. Gylling and Mr. Ahlblad should be perceived as dependent in relation to the Company and its shareholders.

While the Company recognises the potential conflicts described above, the Company does not believe that such potential conflicts constitute an actual conflict of interest between such individuals' duties to the Company and their private interests or other commitments.

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

The Joint Bookrunners and/or its affiliates have engaged in, and/or may in the future engage in, investment banking and/or commercial banking or other services for the Company and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of



the Joint Bookrunners and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

## HISTORICAL FINANCIAL INFORMATION

### Historical financial information

On the date of its incorporation, the Company's financial year was 1 July to 30 June. On 18 October 2018, the shareholders of the Company resolved on a shareholders meeting to change the Company's, and subsequently the Group's (on a consolidated basis), financial year to 1 January to 31 December. As a consequence, the Company's financial year 2018 was shortened to end on 31 December 2018.

The Group's consolidated financial statements for the financial year ended 31 December 2019, the figures for the shortened financial year 1 July 2018 - 31 December 2018 and the financial year ended 30 June 2018 as set out below are incorporated into this Prospectus by reference (please see section "*Other Information*").

The information incorporated by reference is to be read as part of this Prospectus. All such information is available on the Company's website (cibusnordic.com).

The Group's consolidated financial statements for the financial year ended 31 December 2019, for the shortened financial year ended 31 December 2018 and for the financial year ended 30 June 2018 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU.

Other than the auditing of the Group's consolidated financial statements for the financial year ended 31 December 2019, for the shortened financial year ended 31 December 2018 and for the financial year ended 30 June 2018, the Group's auditor has not audited or reviewed any part of this Prospectus.

The Group's consolidated financial statements for the financial year ended 31 December 2019 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 42;
- consolidated balance sheet, page 43;
- consolidated cash flow statement, page 45;
- consolidated statement of changes in equity, page 44; and
- the audit report, page 62.

The specific information set out below (as also stated in section "*Other information*" subheading "*Documents incorporated by reference*" in this Prospectus) from the Group's consolidated financial statements for the shortened financial year ended 31 December 2018 and for the financial year ended 30 June 2018 is incorporated into this Prospectus by reference. The other information set out in the consolidated financial statements for the shortened financial year ended 31 December 2018 and for the financial year ended 30 June 2018 is deemed to not be relevant for the purpose of the Prospectus Regulation as corresponding up to date information is included in the consolidated financial statements for the financial year ended 31 December 2019.

Shortened financial year ended 31 December 2018:

- consolidated income statement, page 43;
- consolidated balance sheet, page 44;
- consolidated cash flow statement, page 46;
- consolidated statement of changes in equity, page 45;
- the audit report, page 72; and
- notes, page 52.

Financial year ended 30 June 2018:

- consolidated income statement, page 26;
- consolidated balance sheet, page 27;
- consolidated cash flow statement, page 29;
- consolidated statement of changes in equity, page 28;
- the audit report, page 46; and
- notes, page 33.

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

The Company's consolidated financial statements for the years 2017 to 2018 have been audited, as applicable, by Deloitte AB, 113 79 Stockholm, Sweden. Jan Palmqvist was the responsible auditor for the Company during the financial year ending on 30 June 2018 and Malin Lüning was the auditor who was responsible for the Company during the financial year ending on 31 December 2018. Jan Palmqvist was replaced as responsible auditor by Malin Lüning in December 2018 due to his retirement. At the 2019 annual general meeting, the accounting firm KPMG AB, Box 382, 101 27 Stockholm, Sweden, was elected as the Company's auditor for the period up until the end of the next annual general meeting. The background to the change of auditor was that KPMG Oy Ab is the auditor for all the Finnish Group Companies. The Company's annual accounts and consolidated account for the year 2019 has been audited by KPMG AB. Mattias Johansson is the auditor who is responsible for the Company. Mattias Johansson is an authorised auditor and is a member of the professional body FAR, the professional institute for the accountancy sector in Sweden.

The auditing of the consolidated financial statements for the financial year ended 31 December 2019, for the shortened financial year ended 31 December 2018 and for the financial year ended 30 June 2018 was conducted in accordance with international standards on auditing and the audit reports were submitted without comment.

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

The most recent financial information has been taken from the Group's consolidated financial statements for the financial year ended 31 December 2019, which was published on 18 March 2020 on the Company's website (cibusnordic.com).

## OTHER INFORMATION

### Clearing and settlement

As of the date of this Prospectus, Bonds have been issued in an amount of EUR 135,000,000. Each Bond has a nominal amount of EUR 100,000. The ISIN for the Bonds is SE0014479366.

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 and can be accessed on the Company's website (cibusnordic.com).

### 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 is, in addition to this document, comprised of information from the following documents which are incorporated by reference and available in electronic format on the Company's website (cibusnordic.com):

- the Group's consolidated financial statements for the financial year ended 31 December 2019, including the audit report ([link to the document on the Company's website](#));
- pages 43 – 72 from the Group's consolidated financial statements for the shortened financial year ended 31 December 2018, including the audit report ([link to the document on the Company's website](#)); and
- pages 26 – 46 from the Group's consolidated financial statements for the financial year ended 30 June 2018, including the audit report ([link to the document on the Company's website](#)).

### Documents available for inspection

The following documents are available at the Company's headquarters at Kungsgatan 56, Stockholm, on weekdays during the Company's regular office hours throughout the period of validity of this Prospectus.

- the Company's articles of association;
- the Company's certificate of registration;
- the Group's consolidated financial statements and audit reports for the financial year ended 31 December 2019, for the shortened financial year ended 31 December 2018 and for the financial year ended 30 June 2018; and

- this Prospectus.

The following documents are also available in electronic form on the Company's website (cibusnordic.com):

- the Group's consolidated financial statements and audit report for the financial year ended 31 December 2019, for the shortened financial year ended 31 December 2018 and for the financial year ended 30 June 2018;
- the Terms and Conditions;
- this Prospectus;
- the Company's articles of association; and
- the Company's certificate of registration.

### **Listing costs**

The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 230,000.

## TERMS AND CONDITIONS OF THE BONDS

### 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 IFRS.

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

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

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

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

"**Blocked Account**" means a securities or custody account in the name of the Issuer which has been pledged to the Agent in favour of Agent and the Bondholders and on which any, by the Issuer, repurchased Existing EUR Bonds shall be deposited until the earlier of the redemption of the Existing EUR Bonds in accordance with its terms or when the pledged Existing EUR Bonds are cancelled in connection with a redemption of the Existing EUR Bonds (in each case taking into account any restrictions by the relevant CSD).

"**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, including the Initial Bonds and any Subsequent Bonds.

"**Bond Issue**" means the Initial Bond Issue and any Subsequent Bond Issue.

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

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause **Error! Reference source not found.** (**Error! Reference source not found.**).

"**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.

"**Cash and Cash Equivalents**" means, at any time, (i) cash in hand held by the Group or with a reputable bank credited to an account in the name of the Group and in each case to which the Group is beneficially and legally entitled and which is immediately available to be applied in repayment or prepayment of the Bonds or payment of Interest (for the avoidance of doubt, not including e.g. any cash subject to a pledge or similar arrangement (excluding legal right to set-off) or any amount standing on client 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.

"**Call Option Amount**" means the amount set out in Clause **Error! Reference source not found.** (**Error! Reference source not found.**), as applicable.

"**Change of Control Event**" means the occurrence of an event or series of events whereby one or more Persons acting together, acquire control over the Issuer and where "**control**" means (a) acquiring or controlling, directly or indirectly, more than 50 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.

"**Completion Date**" means the date of the Agent's approval of the disbursement of the proceeds from the Proceeds Accounts in accordance with Clause 4.2(b).

"**Compliance Certificate**" means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying 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. If the Compliance Certificate is provided in connection with:

- (a) the publishing of a Financial Report, the Compliance Certificate shall include calculations and figures in respect of the Maintenance Test;
- (b) the publishing of the annual audited consolidated financial statement of the Group, the Compliance Certificate shall include a confirmation that a Valuation has been delivered to the Agent in accordance with Clause 10.1(g) for the year covered by such Financial Report; and
- (c) an Incurrence Test, the Compliance Certificate shall include calculations and figures in respect of the Incurrence Test.

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

"**De-listing Event**" means the occurrence of an event whereby:

- (a) the Issuer's shares are delisted from First North Stockholm or any other MTF or Regulated Market; or
- (b) trading of the Issuer's shares on the aforementioned MTF or Regulated Market is suspended for a period of fifteen (15) consecutive Business Days.

"**EBITDA**" means the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group;
- (b) before deducting any Net Finance Charges;
- (c) before taking into account any extraordinary items which are not in line with the ordinary course of business and any non-recurring items;
- (d) before taking into account any Transaction Costs and any transaction costs relating to any acquisition of any additional target company;
- (e) not including any accrued interest owing to any member of the Group;
- (f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (g) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (h) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (i) plus or minus the Group's share of the profits or losses of entities which are not part of the Group; and
- (j) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

"**Equity**" means, by reference to the consolidated balance sheet of the Group the sum of (i) restricted equity and (ii) non-restricted equity (including any minority interests for the Group) (including, for the avoidance of doubt, any Hybrid Debt).

"**Equity Ratio**" means the ratio of Equity to Total Assets.



"Euro" and "EUR" means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

"EURIBOR" means:

- (a) the applicable percentage rate *per annum* displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or
- (b) if no rate as described in (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by interpolation between the two closest rates displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro; or
- (c) if no screen rate as described in (b) is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Issuing Agent at its request quoted by banks reasonably selected by the Issuing Agent, for deposits of EUR 10,000,000 for the relevant period; or
- (d) if 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 Euro offered for the relevant period.

"Event of Default" means an event or circumstance specified in any of Clause **Error! Reference source not found.** (*Error! Reference source not found.*) to and including Clause **Error! Reference source not found.** (*Error! Reference source not found.*).

"Existing EUR Bonds" means the senior unsecured floating rate bonds with ISIN SE0010740530 in an amount of EUR 135,000,000 issued by the Issuer on 5 March 2018.

"Existing EUR Facility Agreements" means the senior secured bank financing of approximately EUR 481,815,000 incurred by the Group under (i) a term loan facilities agreement originally dated 2 November 2018 (as amended from time to time) with Nordea Bank Abp as mandated lead arranger, (ii) a term loan facilities agreement originally dated 3 February 2016 (as amended from time to time) with Danske Bank A/S, Finland Branch as lender, and (iii) a term loan facilities agreement originally dated 24 June 2019 (as amended from time to time) with Nordea Bank Abp as mandated lead arranger

"Existing Facility Agreements" means the Existing EUR Facility Agreements and the Swedbank Facility.

"Existing SEK Bonds" means the senior unsecured floating rate bonds with ISIN SE0014453130 in an amount of up to SEK 600,000,000 issued by the Issuer on 12 June 2020.

"Final Maturity Date" means 18 September 2023.

"Finance Charges" means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any Group Company according to the latest Financial Report (calculated on a consolidated basis) other than Transaction Costs, capitalised interest in respect of any loan owing to any Group

Company and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

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

**"Finance Leases"** means any finance leases, to the extent the arrangement is or would have been treated as a finance or a capital lease in accordance with the Accounting Principles as applicable from time to time.

**"Financial Indebtedness"** means:

- (a) monies borrowed or raised, including Market Loans but excluding Hybrid Debt;
- (b) the amount of any liability in respect of any Finance Leases;
- (c) receivables sold or discounted (not including receivables sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (g) any amount raised by the issue of redeemable shares, including preference shares, which are redeemable (other than at the option of the Issuer) before the Final Maturity Date; and
- (h) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(g).

**"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 financial statements or quarterly interim unaudited reports, which shall be prepared and made available according to item (i) and (ii) under Clause **Error! Reference source not found. (Error! Reference source not found.)**.

**"First Call Date"** means the date falling twenty four (24) months after the First Issue Date.

**"First Issue Date"** means 18 June 2020.

**"Floating Rate Margin"** means 4.50 per cent. *per annum*.

"**Force Majeure Event**" has the meaning set forth in Clause **Error! Reference source not found.**

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

"**Hybrid Debt**" means any subordinated (according to its terms) debt instrument(s) issued by the Issuer in the form hybrid capital provided that such debt instrument(s) is treated as equity pursuant to the Accounting Principles.

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

"**Incurrence Test**" means the financial test as set out in Clause **Error! Reference source not found. (Error! Reference source not found.)**.

"**Initial Bond Issue**" means the issuance of the Initial Bonds.

"**Initial Bonds**" means the Bonds issued on the First Issue Date.

"**Insolvent**" means, in respect of a relevant Person, that it is deemed to be insolvent 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), admits inability to pay its debts as they fall due, 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 (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

"**Interest**" means the interest on the Bonds calculated in accordance with Clauses **Error! Reference source not found. to Error! Reference source not found.**

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

"**Interest Payment Date**" means 18 March, 18 June, 18 September and 18 December 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 18 September 2020 and the last Interest Payment Date shall be the relevant Redemption Date.

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

"**Interest Rate**" means EURIBOR (3 months) plus the Floating Rate Margin, provided that if the sum of EURIBOR (3 months) plus the Floating Margin falls below zero, the Interest Rate will be deemed to be zero.

"**Issuer**" means Cibus Nordic Real Estate AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 559135-0599.

**"Issuing Agent"** means Danske Bank A/S, Danmark, Sverige Filial, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**"Listing Failure Event"** means:

- (a) that the Initial Bonds have not been admitted to listing on the corporate bond list of Nasdaq Stockholm within sixty (60) days after the First Issue Date and with an intention to complete such listing within thirty (30) days after the First Issue Date;
- (b) any Subsequent Bonds issued later than sixty (60) days after the First Issue Date have not been admitted to listing on the corporate bond list of Nasdaq Stockholm within sixty (60) days after the issuance of such Subsequent Bonds and with an intention to complete such listing within thirty (30) days after the Subsequent Issue Date (unless the Subsequent Bonds are issued before the date falling sixty (60) days after the First Issue Date, in which case such Subsequent Bonds shall be listed within sixty (60) days after the First Issue Date); or
- (c) in the case of a successful admission to listing, that the Bonds cease to be admitted to listing on the corporate bond list of Nasdaq Stockholm (taking into account the rules and regulations of Nasdaq Stockholm and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

**"LTV Ratio"** means at any time in relation to the Group, the aggregate of the Net Interest Bearing Debt of the Group as a percentage of the aggregate Value of the Properties.

**"Maintenance Test"** means the financial test as set out in Clause **Error! Reference source not found.** (**Error! Reference source not found.**).

**"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 any Regulated Market, MTF or other unregulated recognised market place.

**"Material Adverse Effect"** means a material adverse effect on (a) the business, financial condition or operations of the Group taken as a whole, (b) the Issuer's ability to perform and comply with its payment obligations under these Terms and Conditions and the undertakings as set out in Clause **Error! Reference source not found.** (**Error! Reference source not found.**), or (c) the validity or enforceability of the Finance Documents.

**"MTF"** means any multilateral trading facility as defined in the Markets in Financial Instruments Directive 2014/65/EU (MIFID II), as amended.

**"Net Finance Charges"** means, for the Reference Period, the Finance Charges according to the latest Financial Reports, after deducting any interest payable for that Reference Period to any Group Company and any interest income relating to Cash or Cash Equivalent.

**"Net Interest Bearing Debt"** means the aggregate interest bearing Financial Indebtedness less Cash and Cash Equivalents of the Group in accordance with the applicable accounting principles of the Group from time to time (for the avoidance of doubt, excluding guarantees, bank guarantees, any claims subordinated pursuant to a subordination agreement and interest bearing Financial Indebtedness borrowed from any Group Company).

**"Net Proceeds"** means the proceeds from the issuance of the Bonds after deduction has been made for all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with the issuance of the Bonds (excluding, for the avoidance of doubt, any Existing EUR Bonds validly tendered for Bonds).

**"Nominal Amount"** has the meaning set forth in Clause **Error! Reference source not found..**

**"Permitted Debt"** means any Financial Indebtedness:

- (a) incurred under the Bonds (other than Subsequent Bonds);
- (b) taken up from a Group Company;
- (c) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company's business;
- (d) arising under a foreign exchange transaction or commodity derivatives 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;
- (e) arising under any interest rate hedging transactions, but not any transaction for investment or speculative purposes;
- (f) incurred under Advance Purchase Agreements;
- (g) incurred under any counter-indemnity obligation and in the ordinary course of business;
- (h) incurred by the Issuer if such Financial Indebtedness (i) meets the Incurrence Test on a *pro forma* basis, (ii) has a final maturity date or a final redemption date, and (iii) when applicable, has early redemption dates or instalment dates, in each case (ii) and (iii) which occur after the Final Maturity Date;
- (i) incurred under the Existing Facility Agreements;
- (j) incurred under the Existing SEK Bonds;
- (k) incurred under the Existing EUR Bonds until, no later than, one Business Day following the Completion Date;
- (l) incurred under any guarantees issued in the ordinary course of business by, or for the benefit of or in respect of the obligations of, a Group Company;
- (m) incurred by a Group Company (other than the Issuer) if such Financial Indebtedness meets the Incurrence Test on a *pro forma* basis;
- (n) in relation to any lease agreement entered into by a Group Company;
- (o) incurred in connection with the redemption of the Existing SEK Bonds or the Existing EUR Bonds in order to fully refinance the Existing SEK Bonds or the Existing EUR Bonds

(as applicable) and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Existing SEK Bonds or the Existing EUR Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Existing SEK Bonds and the Existing EUR Bonds (as applicable);

- (p) incurred by the Issuer in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds; and
- (q) any other Financial Indebtedness incurred by the Issuer and/or a Group Company not in aggregate exceeding EUR 5,000,000.

**"Permitted Security"** means any security or guarantee:

- (a) under 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 pursuant to items **Error! Reference source not found.**, **Error! Reference source not found.**, (o), (p) and (q) of the definition of Permitted Debt;
- (e) provided under the Existing Facility Agreements;
- (f) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements; and
- (g) provided for interest rate hedging transactions set out in paragraph (e) of the definition Permitted Debt.

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

**"Proceeds Account"** means a bank account of the Issuer held with a bank, into which the Refinancing Amount will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Proceeds Account Pledge Agreement.

**"Proceeds Account Pledge Agreement"** means the pledge agreement entered into between the Issuer and the Agent on or prior to the First Issue Date in respect of a first priority pledge over the Proceeds Account and all funds held on the Proceeds Account from time to time, granted in favour of the Agent and the Bondholders (represented by the Agent).

**"Properties"** means all properties owned by the Group from time to time (each a **"Property"**).

**"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 (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause **Error! Reference source not found. (Error! Reference source not found.)**, (iv) the date of a Bondholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**"Redemption Date"** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause **Error! Reference source not found. (Error! Reference source not found.)**.

**"Reference Date"** means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding.

**"Reference Period"** means each period of twelve (12) consecutive calendar months.

**"Refinancing Amount"** means an amount equal to the outstanding nominal amount of the Existing EUR Bonds on the First Issue Date:

- (a) **plus** the applicable call premium for a redemption on 9 July 2020 of the Existing EUR Bonds and accrued but unpaid interest and unpaid interest that will accrue from (but excluding) 26 May 2020 until (and including) 9 July 2020 on the Existing EUR Bonds; and
- (b) **less** an amount equivalent to the (i) total nominal amount of any Existing EUR Bonds held by the Issuer plus the applicable call premium for a redemption on 9 July 2020 for such Existing EUR Bonds and (ii) unpaid interest that will accrue from (but excluding) 26 May 2020 until (and including) 9 July 2020 on any Existing EUR Bonds held by the Issuer, provided that such Existing EUR Bonds are deposited on the Blocked Account.

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

**"Restricted Payment"** has the meaning given to such term in Clause **Error! Reference source not found. (Error! Reference source not found.)**.

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

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

**"Subsequent Bond Issue"** has the meaning set forth in Clause **Error! Reference source not found.**

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

**"Subsidiary"** means an entity from time to time of which a Person:

- (a) has direct or indirect control; or
- (b) owns directly or indirectly more than fifty (50) per cent of the share capital or other right of ownership.

**"Swedbank Facility"** means the senior secured bank financing of approximately SEK 953 304 803 incurred by the Group under a facility agreement originally dated 4 March 2020 with Swedbank AB (publ) as original lender.

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

**"Total Assets"** means by reference to the consolidated balance sheet of the Group, the consolidated book-value of all assets of the Group in accordance with the accounting principles of the Group.

**"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 issuance of the Bonds and (ii) the listing of the Bonds.

**"Valuation"** means a valuation report of a Property or Properties prepared and issued by a Valuer (with or without a performed site visit), specifying the value of the Properties.

**"Value"** means the value of the Properties as set out in the most recent Financial Report.

**"Valuer"** means an independent and reputable appraiser.

**"Written Procedure"** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause **Error! Reference source not found. (Error! Reference source not found.)**.

## 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 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) an Event of Default is continuing if it has not been remedied or waived;
  - (v) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in EUR 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 EUR for the previous Business Day, as published by the European Central Bank on its website ([www.ecb.europa.eu](http://www.ecb.europa.eu)). If no such rate is available, the most recently published rate shall be used instead.
  - (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.
  - (d) 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.
  - (e) The privacy notice 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 EUR 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 nominal amount of each Initial Bond is EUR 100,000 (the "**Nominal Amount**"). The maximum total nominal amount of the Initial Bonds is EUR 135,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100) per cent. of the Nominal Amount.
- (d) The minimum permissible investment in the Initial Bond Issue is EUR 100,000.
- (e) Provided that the Incurrence Test is met (calculated on a pro forma basis including the relevant Subsequent Bond Issue), the Issuer may, at one or several occasions, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at the Nominal Amount or at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed EUR 175,000,000 unless a consent from the Bondholders is obtained in accordance with Clause **Error!**

**Reference source not found.** Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause **Error! Reference source not found.**, and otherwise have the same rights as the Initial Bonds.

- (f) The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law.
- (g) 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.
- (h) 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

- (a) The Issuer shall use the Net Proceeds from the Initial Bond Issue, to (i) refinance the Existing EUR Bonds in full, including accrued but unpaid interest and other costs and fees under or in relation to the Existing EUR Bonds (including, for the avoidance of doubt, costs of the Issuer's repurchase of Existing EUR Bonds (provided, in each case, that any repurchased Existing EUR Bonds are transferred to the Blocked Account)) and (ii) finance general corporate purposes of the Group.
- (b) The Issuer shall use the Net Proceeds from any Subsequent Bond Issue to finance general corporate purposes.

### 4. Conditions Precedent

#### 4.1 Conditions Precedent for the First Issue Date

- (a) The Issuer shall provide to the Agent, or procure the provision of, to the satisfaction of the Agent, no later than 9.00 a.m. two (2) Business Days prior to the First Issue Date (or such later time as agreed to by the Agent):
  - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/ies to execute the Finance Documents) for the Issuer and each other party to a Finance Document (other than the Agent), together constituting evidence that the Finance Documents have been duly executed;
  - (ii) an agreed form Compliance Certificate;
  - (iii) evidence, by way of a certificate duly signed by the Issuer (including calculations thereof), confirming the Refinancing Amount and how much of

the Net Proceeds will be used to purchase Existing EUR Bonds by the Issuer (if applicable);

- (iv) a copy of a duly executed instruction from the Issuer to the Issuing Agent to deposit any Existing EUR Bonds acquired or otherwise held by the Issuer on the Blocked Account (if applicable);
  - (v) evidence satisfactory to the Agent of the establishment of the Blocked Account (if applicable);
  - (vi) evidence satisfactory to the Agent that all perfection requirements have been fulfilled with respect to the security over the Blocked Account (if applicable);
  - (vii) duly executed copies of the Finance Documents; and
  - (viii) evidence that the Security under the Proceeds Account Pledge Agreement has been perfected.
- (b) The Issuer shall provide to the Agent, or procure the provision of, to the satisfaction of the Agent, no later than 9:00 one (1) Business Day prior to the date of the relevant Bond Issue (or such later time as agreed to by the Agent), in respect of the Subsequent Bonds, the following:
- (i) constitutional documents and corporate resolutions (approving the Subsequent Bond Issue and resolving to enter into documents necessary in connection therewith) for the Issuer; and
  - (ii) a Compliance Certificate evidencing that the Incurrence Test has been met.

Any Subsequent Bond Issue is further subject to the Agent's receipt of the documents and evidence referred to in Clause 4.1(a) in relation to the Initial Bond Issue and that the Security created over the Proceeds Account Pledge Agreement has been released in accordance with Clause 4.2(b).

- (c) The Agent may assume that the documentation and evidence delivered to it pursuant to Clauses 4.1 (*Conditions Precedent for the First Issue Date*) and 4.2 (*Conditions Precedent for Disbursement*) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clauses 4.1 (*Conditions Precedent for the First Issue Date*) and 4.2 (*Conditions Precedent for Disbursement*) from a legal or commercial perspective of the Bondholders.
- (d) The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clauses 4.1(a) or 4.1(b), as the case may be, have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and Waivers*)). The relevant Bond Issue shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent no later than 9.00 a.m. on the date of the relevant Bond Issue (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent and the Issuer agree to postpone or cancel the relevant Bond Issue.
- (e) Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.1(d), the Issuing Agent shall, as applicable, settle the issuance of the Initial Bonds

and on the First Issue Date, pay (i) the Net Proceeds less the Refinancing Amount to the Issuer and (ii) the Refinancing Amount to the Proceeds Account, or settle the issuance of any Subsequent Bonds and on the date of such Subsequent Bond Issue pay the Net Proceeds to the Issuer on the date of the relevant Bond Issue (as applicable).

#### 4.2 Conditions Precedent for Disbursement

(a) The Agent's approval of disbursement of the Refinancing Amount from the Proceeds Accounts is subject to the documents and evidence referred to in Clause 4.1(a) and the following evidence having been received by the Agent:

- (i) a duly issued call notice in relation to the Existing EUR Bonds;
- (ii) a funds flow; and
- (iii) a prepayment instruction to Euroclear Sweden,

that the Existing EUR Bonds are irrevocably and unconditionally called for redemption and will be redeemed no later than one (1) Business Day following the Completion Date.

(b) When the Agent is satisfied that it has received the conditions precedent for disbursement set out in Clause 4.2(a), the Agent shall immediately instruct the bank (with which the Issuer holds the Proceeds Accounts) to promptly transfer the Refinancing Amount from the Proceeds Accounts for the purpose set out in Clause 3(a)(i). The Agent shall thereafter or in connection therewith release the pledge over the Proceeds Accounts.

#### 5. 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.

(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 when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.

(d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.

(e) The Issuer shall issue any necessary power of attorney to such Persons employed by the Agent, as notified by the Agent, in order for such individuals to independently

obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

## 6. Right to Act on Behalf of a Bondholder

- (a) If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such Person.
- (b) A Bondholder may issue one or several powers of attorney or other authorisation 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 and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause **Error! Reference source not found.** and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## 7. Payments in Respect of the Bonds

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due 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) If a Bondholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. 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 **Error! Reference source not found.** during such postponement.
- (d) If payment or repayment is made in accordance with this Clause **Error! Reference source not found.**, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount.

- (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.

## 8. Interest

- (a) Each Initial Bond carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- (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 (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## 9. Redemption and Repurchase of the Bonds

### 9.1 Redemption at maturity

The Issuer shall redeem all, but not only some, 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.

### 9.2 Issuer's purchase of Bonds

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

### 9.3 Voluntary total redemption (call option)

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full:
  - (i) any time from and including the First Issue Date to, but excluding, the First Call Date at an amount per Bond equal to 101.50 per cent. of the Nominal Amount plus the remaining interest payments, calculated in accordance with Clause **Error! Reference source not found.**, up to and including the First Call Date together with accrued but unpaid Interest;

- (ii) any time from and including the First Call Date to, but excluding, the first Business Day falling 30 months after the First Issue Date at an amount per Bond equal to 101.50 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iii) any time from and including the first Business Day falling 30 months after First Issue Date to, but excluding, the first Business Day falling 36 months after the First Issue Date at an amount per Bond equal to 101.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
  - (iv) any time from and including the first Business Day falling 36 months after the First Issue Date to the Final Maturity Date at an amount per Bond equal to 100.10 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause **Error! Reference source not found.** 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.
  - (c) For the purpose of calculating the remaining interest payments pursuant to Clause **Error! Reference source not found.** 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.

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

- (a) Upon the occurrence of a Change of Control Event, De-listing Event or a Listing Failure Event occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of thirty (30) days following a notice from the Issuer of the Change of Control Event, De-listing Event or a Listing Failure Event pursuant to Clause **Error! Reference source not found.** (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, De-listing Event or Listing Failure Event.
- (b) The notice from the Issuer pursuant to Clause **Error! Reference source not found.** 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 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 **Error!**

**Reference source not found.****Error! Reference source not found..** The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause **Error! Reference source not found..**

- (c) 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 **Error! Reference source not found.**, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause **Error! Reference source not found.** by virtue of the conflict.

## 10. Information to Bondholders

### 10.1 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 annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, for such financial year;
  - (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 Group and the quarterly interim unaudited unconsolidated reports of the Issuer, or the year-end report (Sw. *bokslutskommuniké*), as applicable, 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, for such period; and
  - (iii) any other information required by the Swedish Securities Markets Act (Sw. *lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.
- (b) The reports referred to in Clause **Error! Reference source not found.** and Clause **Error! Reference source not found.** shall be prepared in accordance with IFRS.
- (c) The Issuer shall immediately notify the Bondholders and the Agent upon becoming aware of the occurrence of a Change of Control Event, De-listing Event or a Listing Failure Event and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause **Error! Reference source not found.**, the Issuer shall send copies of such financial statements and other information to the Agent.



- (e) The Issuer shall issue a Compliance Certificate to the Agent (i) in connection with each Financial Report and (ii) in connection with the testing of the Incurrence Test.
- (f) The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- (g) The Issuer shall once every calendar year deliver a Valuation for the Properties to the Agent. All costs for the Valuation(s) shall be borne by the Issuer. The Issuer shall procure that the results of the most recent Valuation(s) are reflected in good faith and in accordance with the Group's valuation policy in the Value of the Properties in the following Financial Report(s).
- (h) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered pursuant to paragraph **Error! Reference source not found.** above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.
- (i) The Issuer is only obliged to inform the Agent according to this Clause **Error! Reference source not found.** 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 **Error! Reference source not found.**

## 10.2 Information from the Agent

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

## 10.3 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 version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

## **11. Financial Undertakings**

### **11.1 Maintenance Test**

The Issuer shall procure that:

- (a) the LTV Ratio shall on each Reference Date not be higher than 70 per cent.; and
- (b) the Interest Coverage Ratio for the relevant Reference Period shall on each Reference Date not be less than 1.75:1.

### **11.2 Testing of the Maintenance Test**

The Maintenance Test shall be tested quarterly on the basis of the interim report for the Reference Period ending on a Reference Date on the basis of the Compliance Certificate delivered in connection therewith. The first test date for the Maintenance Test shall be 30 June 2020.

### **11.3 Incurrence Test**

The Incurrence Test is met if (tested pro forma including the new Financial Indebtedness or Restricted Payment (as applicable)):

- (a) the Equity Ratio is at least 30 per cent.;
- (b) the LTV Ratio is not higher than 65 per cent.; and
- (c) no Event of Default is continuing or would result from the incurrence of Financial Indebtedness or the making of the Restricted Payment (as applicable).

### **11.4 Testing of the Incurrence Test**

- (a) The calculation of the Equity Ratio for the purpose of the Incurrence Test shall be made as per a testing date determined by the Issuer, falling no more than one month prior to the incurrence of the new Financial Indebtedness or the Restricted Payment, adjusted for any events affecting such ratio after such testing date and include the contemplated incurrence of new Financial Indebtedness or Restricted Payment.
- (b) The calculation of the LTV Ratio for the purpose of the Incurrence Test shall be calculated as follows:
  - (i) the amount of Net Interest Bearing Debt shall be measured per a testing date determined by the Issuer, falling no more than one month prior to the incurrence of the new Financial Indebtedness or the Restricted Payment (as applicable), adjusted to include any new Financial Indebtedness incurred after such testing date and to exclude any Financial Indebtedness to the extent refinanced with new Financial Indebtedness incurred (however, any cash balance resulting from the incurrence of any new Financial Indebtedness shall not reduce the Net Interest Bearing Debt); and
  - (ii) the calculation of Value shall be based on the most recent Financial Report (including when necessary, a financial report published before the First Issue Date).

## 11.5 Adjustments

- (a) The figures for EBITDA for the Reference Period ending on the relevant Reference Date or test date shall be used for the Maintenance Test but adjusted so that entities acquired or disposed of by the Group during the Reference Period shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period.
- (b) The figures for Net Finance Charges set out in the Financial Report as of the most recent quarter date (including when necessary, financial statements published before the First Issue Date), shall be used for the Maintenance Test, but adjusted so that Net Finance Charges for such Reference Period shall be:
  - (i) reduced to reflect any Net Finance Charges attributable to a disposed entity or Financial Indebtedness which has been repaid, repurchased, defeased or otherwise discharged as a result of or in connection with a disposal of an entity (to the extent such Net Finance Charges is included in the relevant Financial Report);
  - (ii) increased on a *pro forma* basis by an amount equal to the Net Finance Charges directly attributable to (i) any Financial Indebtedness owed by acquired entities, and (ii) any Financial Indebtedness incurred to finance the acquisition of such entities, in each case calculated as if all such debt had been incurred at the beginning of the relevant test period; and
  - (iii) increased on a *pro forma* basis by an amount equal to the Net Finance Charges directly attributable to any new Financial Indebtedness permitted pursuant to paragraphs **Error! Reference source not found.** and **Error! Reference source not found.** of the definition of "Permitted Debt", calculated as if such debt had been incurred at the beginning of the relevant Reference Period, provided that an amount equal to the Net Finance Charges directly attributable to any Financial Indebtedness refinanced with the new Financial Indebtedness shall be deducted, as if such debt had been repaid at the beginning of the relevant Reference Period.

## 12. General Undertakings

### 12.1 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 **Error! Reference source not found.** for as long as any Bonds remain outstanding.

### 12.2 Distributions

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries will:
  - (i) pay any dividend on its shares;
  - (ii) repurchase any of its own shares;
  - (iii) redeem its share capital or other restricted equity with repayment to shareholders;

- (iv) repay any Hybrid Debt or capitalised or accrued interest thereunder;
- (v) grant any loans (other than in the ordinary course of trading); or
- (vi) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer,

(paragraphs **Error! Reference source not found.-Error! Reference source not found.** above are together and individually referred to as a "**Restricted Payment**").

- (b) Notwithstanding paragraph (a) above, a Restricted Payment may be made if at the time of the payment:
  - (i) such payment is made by the Issuer and is a payment of capitalised or accrued interest in relation to Hybrid Debt; or
  - (ii) such payment is made to the Issuer or a Subsidiary of the Issuer but, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis; or
  - (iii) the Incurrence Test is met (calculated on a *pro forma* basis including the relevant Restricted Payment).

### **12.3 Listing**

The Issuer shall ensure that the Initial Bonds are admitted to listing on the corporate bond list of Nasdaq Stockholm within six (6) months after the First Issue Date.

### **12.4 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 First Issue Date.

### **12.5 Financial Indebtedness**

The Issuer shall not, and shall procure that none of its Subsidiaries will, incur any Financial Indebtedness, provided however that the Issuer and its Subsidiaries have a right to incur Financial Indebtedness that constitutes Permitted Debt.

### **12.6 Disposal of Assets**

The Issuer shall not, and shall procure that no Subsidiary, sell or otherwise dispose of shares in any Subsidiary or of all or substantially all of its or that Subsidiary's assets, or operations to any Person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction is carried out on market terms and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

### **12.7 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 (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

## 12.8 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 loan or other indebtedness, provided however that the Group Companies have a right to provide, prolong and renew any Permitted Security.

## 12.9 Market Loans

- (a) The Issuer shall not, and shall procure that no Group Company will, provide Security for any Market Loans issued by the Issuer unless such Security is shared, on a *pari passu* basis, with the Bondholders (and if required, with the holders of any other Market Loans issued by the Issuer) to secure the Issuer's obligations under the Finance Documents.
- (b) The Issuer shall procure that:
  - (i) no guarantee and no Security is provided by the Issuer or any Group Company in respect of any Market Loan(s) issued by a Group Company (other than the Issuer) (the "**Issuing Group Company**"), provided that Security with first priority may be provided over the share capital of the Issuing Group Company and over assets directly owned by such Issuing Group Company or any Subsidiary of the Issuing Group Company and guarantees may be provided by any Subsidiary of the Issuing Group Company; and
  - (ii) that the principal amount of such Market Loan does not exceed 70 per cent. of the market value, determined at the time when such Market Loan is issued, of the assets securing such Market Loan.

## 12.10 Insurance

The Issuer shall, and shall procure that all other Group Company, keep the Properties insured to an extent which is customary for similar properties on the relevant geographical market with one or more reputable insurers. The insurance cover shall, *inter alia*, include full reinstatement value insurance.

## 12.11 Environmental

The Issuer shall, and shall ensure that each member of the Group will, comply with all environmental laws and obtain, maintain and ensure compliance with all requisite environmental permits. The Issuer shall, promptly upon becoming aware of the same, inform the Agent of any claim, proceeding or investigation in respect of any such environmental law against any member of the Group which is current, pending or threatened where which, if determined against that member of the Group, has or is reasonably likely to have a Material Adverse Effect.

## 12.12 Property specific undertakings

The Issuer shall ensure that as long as any Bonds are outstanding:

- (a) the Properties are managed properly and maintained in good condition; and

- (b) the Properties are not demolished or altered in a way that would have a Material Adverse Effect.

### 12.13 CSD related undertakings

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

## 13. Events of Default and Acceleration of the Bonds

Each of the events or circumstances set out in this Clause **Error! Reference source not found.** (other than Clause **Error! Reference source not found.** (**Error! Reference source not found.**)) is an Event of Default.

### 13.1 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.

### 13.2 Maintenance Test

The Issuer does not comply with the Maintenance Test.

### 13.3 Other Obligations

The Issuer does not comply with the Finance Documents, in any other way than as set out under Clause **Error! Reference source not found.** or **Error! Reference source not found.** above, provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within twenty (20) 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).

### 13.4 Cross-Acceleration

Any Financial Indebtedness of any Group Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause **Error! Reference source not found.** if the aggregate amount of Financial Indebtedness that has fallen due is less than EUR 2,500,000 or is owed to a Group Company.

### 13.5 Insolvency

- (a) Any 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 (except for Bondholders) with a view to rescheduling its Financial Indebtedness; or
- (b) a moratorium is declared in respect of the Financial Indebtedness of any Group Company.

### 13.6 Insolvency Proceedings

Any corporate action, legal proceedings or other procedures are taken (other than (i) any proceedings, petitions or procedures that the Issuer, within thirty (30) days of commencement, can demonstrate are frivolous or vexatious, (ii) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) days of commencement or, if earlier, the date on which it is advertised and (iii), in relation to Subsidiaries of the Issuer, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Group Company; and
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Group Company or any of its assets or any analogous procedure or step is taken in any jurisdiction.

### 13.7 Mergers and Demergers

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

### 13.8 Creditors' Process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding EUR 2,500,000 and is not discharged within sixty (60) days.

### 13.9 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.

### 13.10 Continuation of the Business

The Issuer or any other Group Company ceases to carry on its business, except if due to (i) a merger or demerger permitted under Clause **Error! Reference source not found. (Error! Reference source not found.)**, or (ii) a disposal permitted under Clause **Error! Reference source not found. (Error! Reference source not found.)**, if such discontinuation is likely to have a Material Adverse Effect.

### 13.11 Acceleration of the Bonds

- (a) Upon the occurrence of an Event of Default which is continuing, the Agent is entitled to, and shall following an instruction given pursuant to Clause **Error! Reference source not found.**, 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.

- (b) The Agent may not accelerate the Bonds in accordance with Clause **Error! Reference source not found.** 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).
- (c) 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. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) 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.
- (e) 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 law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) In the event of an acceleration of the Bonds in accordance with this Clause **Error! Reference source not found.** the Issuer shall up to, but excluding the First Call Date, redeem all Bonds at an amount per Bond equal to the Call Option Amount set out in Clause **Error! Reference source not found.** and thereafter, as applicable considering when the acceleration occurs, redeem all Bonds at an amount per Bond equal to the Call Option Amount for the relevant period.

#### 14. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause **Error! Reference source not found.** (**Error! Reference source not found.**) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
  - (i) first, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Finance Documents (other than any indemnity given for liability against the Bondholders, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause **Error! Reference source not found.****Error! Reference source not found.**, and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause **Error! Reference source not found.**;



- (ii) secondly, in or towards payments *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);
- (iii) thirdly, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (iv) fourthly, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

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

- (b) If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause **Error! Reference source not found.**, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause **Error! Reference source not found.**.
- (c) Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds 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 **Error! Reference source not found.** as soon as reasonably practicable.
- (d) If the Issuer or the Agent shall make any payment under this Clause **Error! Reference source not found.**, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause **Error! Reference source not found.** shall apply.

## 15. Decisions by Bondholders

- (a) 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.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way 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.
- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval

will not be given, or (ii) the suggested decision is not in accordance with applicable laws.

- (d) 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.
- (e) Only a Person who is, or who has been provided with a power of attorney or other authorisation pursuant to Clause **Error! Reference source not found. (Error! Reference source not found.)** from a Person who is, registered as a Bondholder:
- (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (ii) on the Business Day specified in the communication pursuant to Clause **Error! Reference source not found.**, in respect of a Written Procedure,

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

- (f) 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 **Error! Reference source not found.:**
- (i) the issue of any Subsequent Bonds, if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, EUR 175,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
  - (ii) waive a breach of or amend an undertaking set out in Clause **Error! Reference source not found. (Error! Reference source not found.);**
  - (iii) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause **Error! Reference source not found. (Error! Reference source not found.);**
  - (iv) a change to the Interest Rate or the Nominal Amount;
  - (v) amend the provisions regarding the majority requirements under the Terms and Conditions; and
  - (vi) 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) Any matter not covered by Clause **Error! Reference source not found.** shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause **Error! Reference source not found.**. 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 **Error! Reference source not found.** or (**Error! Reference source not found.**)) or an acceleration of the Bonds.

- (h) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause **Error! Reference source not found.**, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.

If a quorum exists for some, but not all, of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

- (i) 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 **Error! Reference source not found.**) or initiate a second Written Procedure (in accordance with Clause **Error! Reference source not found.**), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause **Error! Reference source not found.** shall not apply to such second Bondholders' Meeting or Written Procedure.
- (j) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (k) 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.
- (l) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (m) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (n) 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.

- (o) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.
- (p) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the 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.

## 16. Bondholders' Meeting

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause **Error! Reference source not found.** with a copy to the Agent. After a request from the Bondholders pursuant to Clause **Error! Reference source not found.**, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause **Error! Reference source not found.**.
- (c) The notice pursuant to Clause **Error! Reference source not found.** shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) 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. Written Procedure

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically in a manner determined by the Agent) no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to

each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.

- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause **Error! Reference source not found.** to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause **Error! Reference source not found.** shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause **Error! Reference source not found.**). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses **Error! Reference source not found.** and **Error! Reference source not found.** have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause **Error! Reference source not found.** or **Error! Reference source not found.**, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 18. Amendments and Waivers

- (a) The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause **Error! Reference source not found.** (**Error! Reference source not found.**).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause **Error! Reference source not found.**, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause **Error! Reference source not found.** (**Error! Reference source not found.**). The Issuer shall ensure that any amendments to the Finance Documents are duly

registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible with the rules of the relevant CSD.

- (d) 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. Appointment and Replacement of the Agent

### 19.1 Appointment of Agent

- (a) 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.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent to act on its behalf, as set forth in Clause **Error! Reference source not found.**
- (c) 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 not under any obligation to represent a Bondholder which does not comply with such request.
- (d) 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.
- (e) The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

### 19.2 Duties of the Agent

- (a) The Agent shall represent the Bondholders subject to and in accordance with the Finance Documents. The Agent is not responsible for the content, valid execution, legal validity or enforceability of the Finance Documents.
- (b) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent only acts in accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.

- (c) The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in these Terms and Conditions and the other Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (d) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (e) The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- (f) The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- (g) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (iii) as otherwise agreed between the Agent and the Issuer. 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 **Error! Reference source not found. (Error! Reference source not found.)**.
- (h) Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (i) Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (j) 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, or the Bondholders (as applicable), 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.
- (k) The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer

of any fee or indemnity due to the Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause **Error! Reference source not found.**

### 19.3 Limited liability for the Agent

- (a) 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 loss.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) 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.
- (d) The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with Clause **Error! Reference source not found. (Error! Reference source not found.)** or a demand by Bondholders given pursuant to Clause **Error! Reference source not found.**
- (e) 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.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or any other Person.

### 19.4 Replacement of the Agent

- (a) Subject to Clause **Error! Reference source not found.**, 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.
- (b) Subject to Clause **Error! Reference source not found.**, 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.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders,



be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.

- (d) If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) 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.
- (f) The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- (g) 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.
- (h) In the event that there is a change of the Agent in accordance with this Clause **Error! Reference source not found.**, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## 20. Appointment and Replacement of the CSD

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

## 21. Appointment and Replacement of the Issuing Agent

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

## 22. No Direct Actions by Bondholders

- (a) A Bondholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents. Such steps may only be taken by the Agent.
- (b) Clause **Error! Reference source not found.** 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 **Error! Reference source not found.**, such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause **Error! Reference source not found.**, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause **Error! Reference source not found.** before a Bondholder may take any action referred to in Clause **Error! Reference source not found.**
- (c) The provisions of Clause **Error! Reference source not found.** shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause **Error! Reference source not found.** (**Error! Reference source not found.**) or other payments which are due by the Issuer to some but not all Bondholders.

## 23. Prescription

- (a) 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.
- (b) 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



**source not found., Error! Reference source not found., Error! Reference source not found., Error! Reference source not found.** and **Error! Reference source not found.** shall also be published by way of press release by the Issuer or the Agent, as applicable.

- (b) In addition to Clause **Error! Reference source not found.**, 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.

## 25. Force Majeure and Limitation of Liability

- (a) Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) 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.
- (d) The provisions in this Clause **Error! Reference source not found.** apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## 26. Governing Law and Jurisdiction

- (a) 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.
- (b) The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (*Sw. Stockholms tingsrätt*).

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