

This Prospectus was approved by the Swedish Financial Supervisory Authority on 27 October 2023. This Prospectus shall be valid for twelve (12) months after the date of its approval provided that this Prospectus is supplemented in accordance with article 23 of the Prospectus Regulation. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Prospectus is no longer valid.



SDIPTECH AB (PUBL)

**Prospectus regarding up to SEK 1,000,000,000
Senior Secured Floating Rate Sustainability-Linked Bonds 2023/2027**

ISIN: SE0017132053

Joint Bookrunners



Nordea

Important information

In this prospectus, the “**Issuer**”, “**Sdipotech**” and the “**Parent**” means Sdipotech AB (publ). The “**Group**” means the Issuer with all its subsidiaries from time to time (each a “**Group Company**”). The “**Joint Bookrunners**” means Carnegie Investment Bank AB and Nordea Bank Abp, filial i Sverige. The “**Issuing Agent**” means Nordea Bank Abp, filial i Sverige. The “**Agent**” means Intertrust (Sweden) AB.

“**Euroclear Sweden**” refers to Euroclear Sweden AB. “**Nasdaq Stockholm**” refers to Nasdaq Stockholm Aktiebolag. “**SEK**” refers to Swedish kronor, “**EUR**” refers to Euro, and “**GBP**” refers to British pound sterling. “**M**” refers to million(s).

Words and expressions defined in the terms and conditions on pages 33-88 (the “**Terms and Conditions**”) have the same meanings when used in this prospectus (the “**Prospectus**”), unless expressly stated otherwise follow from the context.

Notice to investors

The Issuer has issued a total of 480 senior secured floating rate sustainability-linked bonds (the “**Initial Bonds**”) in the Total Nominal Amount of SEK 600,000,000 on 31 August 2023 (the “**Settlement Date**”) and may also issue subsequent bonds (the “**Subsequent Bonds**”) and together with the Initial Bonds, the “**Bonds**”), provided that the Incurrence Test is met, until the total aggregate amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 1,000,000,000 pursuant to the Terms and Conditions. This Prospectus has been prepared for the listing of the Bonds on Nasdaq Stockholm. This Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Bonds.

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**SFSA**”) pursuant to the provisions pursuant to Article 20 in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the “**Prospectus Regulation**”) and is valid for a period of twelve months after the day of approval. Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Prospectus is correct and complete.

This Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Prospectus.

This Prospectus may not be distributed in any jurisdiction where such distribution would require any additional prospectus, registration or measures other than those required under Swedish law, or otherwise would conflict with regulations in such jurisdiction. Persons into whose possession this Prospectus may come are required to inform themselves about, and comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. Subject to certain exemptions, the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. The Bonds have not been, and will not be, registered under the United States Securities Act of 1933 (the “**Securities Act**”) or the securities laws of any state or other jurisdiction outside Sweden.

No person has been authorised to provide any information or make any statements other than those contained in this Prospectus. Should such information or statements nevertheless be furnished, it/they must not be relied upon as having been authorised or approved by the Issuer and the Issuer assumes no responsibility for such information or statements. Neither the publication of this Prospectus nor the offering, sale or delivery of any Bond implies that the information in this Prospectus is correct and current as at any date other than the date of this Prospectus or that there have not been any changes in the Issuer’s or the Group’s business since the date of this Prospectus. If the information in this Prospectus becomes subject to any material change, such material change will be made public in accordance with the provisions governing the publication of supplements to prospectuses in the Prospectus Regulation.

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

Forward-looking statements and market data

The Prospectus contains certain forward-looking statements that reflect the Issuer’s current views or expectations with respect to future events and financial and operational performance. The words “intend”, “estimate”, “expect”, “may”, “plan”, “anticipate” or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Although the Issuer believes that these statements are based on reasonable assumptions and expectations, the Issuer cannot give any assurances that such statements will materialise. Because these forward-looking statements involve known and unknown risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statement.

Factors that could cause the Issuer’s and the Group’s actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in “*Risk factors*”. The forward-looking statements included in this Prospectus apply only to the date of the Prospectus. The Issuer undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. Any subsequent forward-looking information that can be ascribed to the Issuer and the Group or persons acting on the Issuer behalf is subject to the reservations in or referred to in this section.

Presentation of financial information

Certain financial and other information presented in this Prospectus has been rounded off for the purpose of making this Prospectus more easily accessible for the reader. As a result, the figures in tables may not tally with the stated totals. With the exception of the Issuer’s consolidated historical financial statements for 2021, and 2022, no information in this Prospectus has been audited or reviewed by the Issuer’s auditor.

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RISK FACTORS

In this section, the risk factors and crucial conditions which are considered substantial for the Group's business and future development are described. The risk factors relate to the Group's business, industry and markets and further includes the following categories of risk factors: risks relating to the Issuer and the Group, legal and regulatory risks, financial risks and risks relating to the Bonds.

The assessment of the materiality of each risk factor is based on the likelihood of it materialising and the expected extent of its negative effects. In accordance with Regulation (EU) 2017/1129 (the "Prospectus Regulation"), the risk factors below are limited to such risks which are specific to the Company and/or the Bonds and which are material for taking an informed investment decision.

The presentation below is based on information available as at the date of this Prospectus. The risk factors are presented in categories where the most material risk factors in a category are presented first under that category. Subsequent risk factors in the same category are not ranked in any particular order.

Risks relating to the Issuer and the Group

The Issuer may have difficulties implementing the current acquisition and growth strategy and thus fail to reach growth targets and integrate acquired companies

The Group has communicated financial targets, one of which is that the annual average acquisition rate should amount to SEK 120-150 million in acquired EBITA*¹ (annual rate). The Issuer intends to carry out further acquisitions and expansions of the business in the coming years to meet its target. The Group is aligning and intends to continue to align its financial position, leverage and operational infrastructure to its financial targets and expansion strategies. Whether Sdipotech can successfully implement its strategy depends on, among other things, the Company's ability to correctly identify and evaluate potential acquisitions and market conditions. During expansion, the Group is also dependent on its ability to finance acquisitions and/or the operations on terms acceptable to the Company, which is further described under the section "Sdipotech is exposed to financing risk". If Sdipotech fails to meet its growth targets and implement the current expansion strategy successfully, there is a risk that Sdipotech will have to further adjust its financial position, indebtedness and operating infrastructure, which can be costly and time-consuming for the Group.

If Sdipotech is not able to successfully implement its current expansion strategy, there is a risk that expected benefits will not be achieved which in turn could have a negative impact on the Company's operating profit and also lead to the Company's growth rate decreasing, ceasing or becoming negative, which in turn can mean that Sdipotech will deviate from the communicated financial targets.

The Company's financial target of an annual average acquisition rate amounting to SEK 120-150 million in acquired EBITA* (annual rate) is an integral part of Sdipotech's strategy of growing through acquisitions. There is a risk that the Group will be unable to identify suitable acquisition targets or acquire on acceptable terms. An acquisition often means an extensive and complicated process, leading to costs for financing as well as financial, legal and other advisors. A large part of those costs will be borne by the Group even if an acquisition for any reason is not completed and no value is transferred to the Company, which may have a materially adverse effect on the development of the Group's business and operating profit. Such costs will be dependent on, among other things, the magnitude of the process surrounding the acquisition, the nature of the acquisition target, the needs of the advisors and market conditions.

Acquisitions are further subject to risks in relation to the target company. Sdipotech undertakes, to various degrees, a financial, legal and organisational evaluation of the target company ahead of each investment. However, there is a risk that problems or future losses are not discovered during such evaluation. The target company may, for example, suffer customer losses, regulatory issues and unforeseen expenses after the acquisition is completed. This may require further capital contributions from Sdipotech or result in a lower or no return on investment. It may also be apparent that Sdipotech has paid more than what the target company is worth and it is uncertain if Sdipotech will be able to obtain compensation for such costs. Thus, risks with acquisitions may have a negative effect on both Sdipotech's financial position and future profit.

¹ "EBITA*" is the Group's operating profit and corresponds to EBITA before acquisition costs and before income from revaluation of contingent consideration payments and before acquisition-related amortization and write-downs of intangible assets.

Sdiptech is effected by macro-economic factors

Sdiptech is a technology group with a main focus on products and services that will help make infrastructures more sustainable, efficient and safe. The Group provides services and products in specialised niches for renovating, maintaining and developing infrastructure in different parts of society. Macroeconomic factors such as growth, general economic trends, population growth, interest rate levels and changes in political or regulatory conditions, may adversely affect the Company and demand for the Group's services and products. An economic downturn may, among other things, affect the ability to invest and the willingness to pay what is required to maintain demand for the Group's products and services.

The global macroeconomic situation may be affected by disruptions in the global financial markets caused by, for example, geopolitical events, outbreaks of pandemics and other widespread global health disasters. A recent example of the aforementioned is the outbreak of the COVID-19 pandemic (hereinafter "Covid 19") (in early 2020) that led to far-reaching consequences and constituted a global health hazard. As a result of Covid-19, the Company experienced disruptions in the form of, for instance, delays or difficulties in providing or receiving deliveries, interruptions or delays in day-to-day operations and production losses, especially in the Group's staff-intensive operations. Furthermore and as a recent example of geopolitical events affecting the global macroeconomic situation, Russia invaded Ukraine on 24 February 2022 after a prolonged military build-up. The situation has led to significant volatility in the financial markets and on the global economy as a whole. While the future consequences of the geopolitical situation created in the wake of Russia's invasion are difficult to evaluate at present, there is a risk for further market disruptions, such as price increases and material shortages.

Following Russia's invasion of Ukraine, inflation has risen sharply in 2022 and 2023 in most of the countries in which the Group's companies operate. This has led to higher prices for input goods and higher personnel cost for the Group's companies. Since the Group's companies to a large extent have contracts with customers regulating prices, etc. over time, there is a risk that the Group's companies will not in all cases be able to compensate for the above-mentioned higher costs by increasing the prices of their products and services to their customers without a certain time delay. The surging inflation has also led central banks to raise their key interest rates, with increased borrowing costs as a result. This have a direct impact on the Group to the extent that loan interest rates are variable. It is uncertain to what extent Sdiptech can be compensated for the said general price increases as a result of Russia's invasion of Ukraine, there is a risk that the general geopolitical situation and its impact on the macroeconomic environment may have a negative impact on Sdiptech's business, results of operations and financial position over time.

Ultimately, the long-term economic consequences, including consequences on the financial markets in general and the Group in particular, depend on macro-economic factors and measures taken by governments, central banks and other agencies. Going forward, risks such as supply chain delays, increased raw material and energy prices, component shortages and accessibility problems could materialise and have a negative impact on the Group's possibilities to conduct its operations, which would have a materially adverse effect on the Group's results of operations and financial position.

Sdiptech's decentralised structure causes risks relating to, among other things, internal control

Sdiptech uses a decentralised structure, which means that the business units of the Group are largely responsible for and independently manages its business. Group Management is responsible for governing, controlling and monitoring the operation in the Group. Each business area manager carries out this responsibility in relation to each company in their business area. This is primarily done by appointing Managing Directors for the subsidiaries in accordance with succession planning as well as through continuous monitoring of development through, among other things, customary Board work and interim reports.

Corporate governance in a decentralised group structure requires high standards for financial reporting and monitoring. The Company and each business unit use the same Group reporting system, but different accounting systems. Since Sdiptech will not always have immediate access to the subsidiaries' underlying accounting, there is an increased risk for incorrect financial information being provided. If any reported financial information should be incomplete, incorrect or not in compliance with the Group's accounting principles in accordance with IFRS, decisions may be made on incorrect grounds. This may in turn lead to direct or indirect costs in the form of, for example, lost revenue. The organisational structure and the decentralisation of the Group may further limit the successful handling of legal issues and compliance. If any of these risks would materialise, it could have a materially adverse effect on the Group's profit and financial position. Such risks may for example result in claims from third parties or raised costs for handling and remedying damages.

Although the Company has routines for corporate governance and internal control, there is a risk that these are not implemented or applied incorrectly and there is a risk that Sdipotech and its subsidiaries cannot provide reliable financial information and effectively prevent fraud or other unlawful use of the Group and its resources. Notwithstanding the policies, guidelines and instructions issued by the Group, any attempts at fraud would leave the Group largely left out to the human element and the honesty and vigilance of individual workers. Inadequate and ineffective corporate governance or internal control and attempts at fraud aimed at the Group could entail damages in the form of, among other things, incorrect expenses, which may in turn lead to a materially adverse effect on the Group's operating expenses and profit.

The Group is subject to technological risks, including risks related to technological changes

The Group's customers primarily consists of companies and other professional actors who, in many cases, are experienced and knowledgeable in their relevant area. Such customers generally set high requirements for the Group to offer and provide services with the right quality and timely. The Group's services relating to, for example, installation and maintenance of electricity supply and gas evacuation includes technical risks, such as mechanical incidents occurring and causing an interruption for the customer's production and use. Such incidents could lead to the Group being responsible for damages or losses suffered by the customer. Furthermore, a delayed installation could for example cause the customer to demand a price reduction or other compensation.

To maintain competitiveness, the various business units must continue to launch new products and services as well as raise and improve functionality and traits of existing products and services. There is a risk that the companies in the Group's different segments are unable to implement new technology or adapt its product range and business model timely or in accordance with market expectations in order to take advantage of the benefits of new or existing technology.

Costs associated with keeping up with product and technological development may be significant and affected by factors which are fully or partially outside of the Company's control and which the Company is unable to predict. Thus, there is a risk that the level and time for future operating costs and capital requirements for keeping up with product and technological development may significantly deviate from current estimations. Inability to finance or decisions not to finance these costs may have a materially adverse effect on the operations and results of operations of the relevant segment. If any of the above risks would materialise it may have a materially adverse effect on the Group's business and profit.

Sdipotech is dependent on its ability to retain and recruit senior executives and key personnel

Sdipotech is dependent on being able to retain and recruit executives and key personnel with necessary experience within the different operations of the Group, both at Group-level and in the subsidiaries. This is particularly relevant in the context of Sdipotech's decentralised decision-making process, including independent subsidiaries. The wrong employee at the wrong place, unsatisfied personnel, poor leadership, and an organisation not encouraging commitment or open communication, and which does not stimulate development may lead to personnel being unhappy, underperforming or resigning. This is relevant both at group level and in the subsidiaries. Unhappy personnel and high rates of employee-turnover could cause raised costs, poorer customer relationships and reduced internal efficiency, which may in turn result in poorer profitability. From this perspective, it is particularly important that competent personnel is appointed as Managing Director in each subsidiary of the Group. In addition, and given that Sdipotech provides niche products and services within the infrastructure sector, there is high competition for experienced personnel within Sdipotech's business areas, such as in areas like wastewater treatment, water systems and water treatment, as well as temporary electricity and charging equipment for electric vehicles, but this also applies to personnel working in Sdipotech's acquisition team, which constitutes a central part of Sdipotech's activities in identifying potential acquisition candidates, which may lead to inability to recruit sufficient personnel, or only at terms unfavourable for the Group, for example through raised compensation to such personnel, resulting in raised costs. If the Group cannot recruit and maintain competent leaders for its subsidiaries as well as other key employees with the right competency, this may have a materially adverse effect on the Group's future prospects.

An integral part of Sdipotech's strategy is related to succession planning and company development of the acquired companies. The fundamental idea for development of the acquired companies is to largely retain the companies' local entrepreneurial spirit and, to that add knowledge, processes and financial resources. Sdipotech's ability to perform this strategy and develop companies depends on several factors, among other things the availability of people suitable for executing the succession plan. If Sdipotech fails with the succession plan, particularly relating

to the Managing Director of the subsidiaries, there can be a materially adverse effect on the acquired companies' and, in time, the Group's, competitiveness and long term-growth.

The acquisition market is highly competitive and Sdiptech may have difficulties to successfully compete in the future

Sdiptech's business concept is to acquire and develop niche businesses with products and services in the growing infrastructure sector. The acquisition market is highly competitive, and the Group's competitiveness is dependent on, among other things, Sdiptech's ability to successfully identify, evaluate and acquire attractive businesses. The Company is dependent on retaining and recruiting competent personnel in order to successfully implement the Group's acquisition strategy, similarly to what has been described under the section "*Sdiptech is dependent on its ability to retain and recruit senior executives and key personnel*" above. Furthermore, it is crucial that the Company maintains a good relationship with market actors (such as founders/sellers, advisors and financiers as well as customers and suppliers that may become potential acquisition targets) to ensure that the Group is able to continue and implement its business concept and also that the Company manages its operational subsidiaries successfully and in a well-regarded manner. In addition, there is a risk that competitors, known or unknown, develops more effective methods, processes or similar, than those applied by Sdiptech. The competitors of the Group may also have certain competitive advantages, such as larger financial resources than those of Sdiptech, which may give them better conditions to resist unfavourable financial terms or an ability to react on market development. If any of these risks should materialise, it may mean that Sdiptech, fully or partly, fails to meet its target of the annual average acquisition rate amounting to SEK 120-150 million in acquired EBITA* (*annual rate*). If Sdiptech is unable to compete on the markets on which the Group operates, it may also lead to material effects on the Company's results of operations and, in time, financial position.

Sdiptech is subject to risks related to IT-security and operations

Sdiptech and its subsidiaries relies on IT-systems in their daily operations and is dependent on IT-functions in, for example, areas of finance and communication. It is vital for the Group that IT-suppliers are able to maintain and update current IT-systems of the Group and that the Company maintains effective firewalls and antivirus programmes. With the technological development and increased digitisation within the industry of the past years, information security risks and other security risks have increased. Meanwhile, the complexity and interconnection of the IT-systems are increasing, both within businesses and between businesses and other third parties. This increases the vulnerability of businesses during cyberattacks such as data breaches and denial-of-service (dos) attacks. A disturbance in Sdiptech's business-critical IT-system can therefore have direct and serious adverse consequences for both Sdiptech and its subsidiaries and lead to increased costs and/or decreased revenues for the Group.

Sdiptech is subject to risks relating to suppliers of the subsidiaries

To manufacture, sell, and deliver products and services, Sdiptech's subsidiaries are dependent on the agreed availability, production capacity, quality assurance and delivery of external suppliers. Incorrect, delayed or failed deliveries from suppliers of different sorts could result in the deliveries of a subsidiary being delayed, interrupted, inadequate or incorrect, which is also described in the section "*Sdiptech is affected by macro-economic factors*" relating to delayed deliveries. In certain cases, subsidiaries are lacking written agreements with suppliers and the business relationship between the parties are based on their relationship. There is a risk that it either may be difficult to demand what has been agreed or that earlier agreements are changed, which may have a materially adverse effect on the subsidiary and, in time, the Group's business and profit.

Sdiptech operates on several markets and has a broad supplier's base and the Group is thus not dependent on any individual supplier. Some of Sdiptech's subsidiaries are, however, focused on products and services within narrow niches where there in some cases are few alternative suppliers for some of the products and services which Sdiptech's subsidiaries purchases, this applies, for example, to areas such as charging equipment for electric vehicles, airflow technology solutions and niche products and services for specialised needs in air and climate control, security and surveillance, and transportation systems. It may take time for these companies to find and negotiate with alternative suppliers if an existing supplier would, for example, have problems with deliveries or otherwise cease delivering to the Group, which may have an adverse effect on the Group's business. Furthermore, the terms for such alternative suppliers may also be less favourable than the terms with current suppliers. Thus, there is a risk for problems with deliveries resulting in disturbances for the affected subsidiary, which may have a materially adverse effect on the business areas' business and results of operations.

Reputational damages may have a negative effect on Sdiptech's competitiveness, consume the time and resources of management and cause costs

Sdiptech's ability to acquire attractive businesses and the Group's subsidiaries' ability to attract and retain customers, partners and other actors is largely dependent on its reputation. The business is thus sensitive towards reputational risks. The parent is particularly exposed to reputational risks related to the Company's ability to attract and manage the subsidiaries in a manner that is perceived as serious, successful and profitable. The subsidiaries are to a greater extent exposed to reputational risks relating to the business each company runs. The Group's long-term profitability relies on, for example, that sellers, customers, partners and other actors associate Sdiptech and/or the subsidiaries' characteristic with positive values and good quality. Sdiptech's reputation can be affected by, among other things, rumours, negative publicity or other factors which could lead to Sdiptech or any subsidiary no longer being regarded as a competent and serious market actor. If such negative factors would occur, or if Sdiptech's reputation would deteriorate for other reasons, it could reduce the Group's profitability, competitiveness, consume the time and resources of the management as well as cause costs for Sdiptech, which may have a materially adverse effect on the Group's financial position.

Legal and regulatory risks

Sdiptech is subject to different regulations and changes in legal conditions may have an adverse effect on the Group

Sdiptech's operations are subject to numerous complex laws, regulations and standards as well as processes and decisions. A number of Sdiptech's business units are subject to different types of certifications. The Group operates in niche cooling applications, for instance, which exposes Sdiptech to a number of complex regulations. The Company may acquire other companies that operate in sectors where certification is required. Accreditation places stringent demands on the company wishing to operate, and independent audits of the competences and working practices of accredited companies are carried out by accreditation bodies on an ongoing basis. An operational deficiency can lead to relevant accreditation being withdrawn.

There is a risk that the Group's existing authorisations will be withdrawn, restricted or not renewed if the company's interpretation of the applicable regulations proves to be incorrect, or if the company violates the applicable regulations due to deficiencies in its operations or changes in the regulations, which can sometimes occur at short notice. This could result in the Group being subject to fines or administrative sanctions and related negative publicity, which in turn could have a materially adverse effect on the Group's business and profit.

The Group's businesses are subject to regional and supranational regulations, such as EU-regulation. Laws and other regulations may change and there is a risk that the Group will not be able to meet such new requirements without having to take considerable actions and suffering considerable costs. To adapt Sdiptech's business to new legal conditions, either because of a change in application by authorities or due to new laws and regulations, may cause raised costs for Sdiptech, which may in turn have a materially adverse effect on the Group's profit.

Sdiptech's insurance protection may be insufficient in case of liability or for other damages

Apart from the liability insurance for the Board of Directors, Sdiptech does not have any centrally contracted insurances. Instead, each company within the Group is responsible for maintaining an adequate insurance protection in light of its business. Even though Sdiptech aims for the entire Group to maintain an adequate insurance protection, there is a risk that the insurance protection proves to be insufficient or inadequate, for example due to flaws in the internal control, as described under the section "*Sdiptech's decentralised structure causes risks relating to, among other things, internal control*". The Group's insurance protection may further prove to be insufficient to compensate for damages related to, for example, the Group's products and services. If an uninsured damage should be suffered, or if a damage would exceed the insurance protection, the Company may be responsible for repairing damages caused by uninsured risks. Uninsured damages, or losses that exceeds the insurance protection, may have a materially adverse effect on the Group's business and financial position.

Sdiptech is subject to risks related to intellectual property rights, know-how and confidentiality

The Group's future development is dependent on know-how and trade secrets. The Group strives to protect such information through, among other things, agreements with its employees, consultants and partners. It is further important for Sdiptech that the know-how acquired during, for example, an acquisition of a business, is integrated and anchored within the Group. Sdiptech and its subsidiaries is to a great extent dependent on its employees' and key personnel's knowledge and competency, which is further described under the section "*Sdiptech is dependent*".

on its ability to retain and recruit senior executives and key personnel", and if the know-how which is existing within the Group or which is acquired is lost due to, for example, failure to integrate or employees resigning, it may have a materially adverse effect on the Company's business and, as a consequence, results of operations. It is further not possible to completely protect the Group against unlawful spread of information, which means there is a risk that competitors may access and gain benefit from the know-how which has been developed or acquired by the Group.

The techniques or the know-how being used by the Group or which is included in the products and services which the Group offers may breach intellectual property rights which is held or controlled by someone else. If the Group is forced to conduct legal proceedings to ascertain who is the holder of any rights to intellectual property, the costs for such legal proceedings may be significant, and if the Group is unsuccessful in such a proceeding, it may lead to the protection for any or all of the Group's products ceasing or the Group's portfolio company being liable to pay significant damages. If any of the above risks would materialise, it would have a materially adverse effect on the Group's business, profit and financial position.

Financial risks

Sdiptech is exposed to financing risks

Sdiptech's acquisitions of companies and businesses are partly financed by loans from external lenders and interest expenses are a significant cost item for the Group. On 30 June 2023, the Group's interest-bearing liabilities to credit institutions amounted to SEK 2,310.30 million. In the case of the company's acquisitions, the payment of the purchase price is generally divided, part of the purchase price (known as the additional purchase price) being paid over time and only insofar as the acquired business achieves certain conditions set out in the agreement, such as levels of cash flow, results of operations or similar. On 30 June 2023, the Group's additional purchase price obligations amounted to SEK 1,238.40 million.

Sdiptech's ability to make payments in accordance with the Group's financing and to finance planned investments is reliant on the Company's future ability to generate cash and cash equivalents. If Sdiptech cannot generate a sufficient cash flow to make payments in accordance with its obligations and meet other commitments, the Company may be forced to restructure or refinance all or part of the Company's financing, sell key assets or operations or raise additional loans or take in additional equity from existing shareholders or other investors on the stock market.

If Sdiptech is unable to make interest payments or amortisations in accordance with its obligations, it may result in a breach of contract, which may lead to parts of or the entirety of the Group's outstanding loans becoming terminated and payable. It may further result in the Company breaching covenants in its loan agreements, which may in turn lead to the loan becoming payable. The termination of one or several loans of the Company or other companies in the Group, loans becoming prematurely payable or the enforcement of provided security, may have a major impact on the Company's liquidity.

Impairment risks to Sdiptech's goodwill

As of 30 June 2023, the Group's goodwill amounted to SEK 4,696.5 million. According to IFRS, goodwill and other intangible assets must be tested annually for impairment. Tests for impairment are made more frequently if there are indications of impairment, for example:

- significant changes with an adverse effect have occurred or are expected to occur in the near future in market conditions and the financial or legal environment where the Company operates or on its markets;
- increases in market interest rates or other market rates of return which may significantly affect the discount rate used in calculating recoverable amount of assets;
- the carrying amount of Sdiptech's net assets is higher than the Company's market capitalisation;
- the management's forecast of future net cash-flows or operating results (EBIT) shows a significant decline from previous budgets and forecasts;
- cash-flows or operating results (EBIT) is significantly worse than budgeted; and
- the Company predicts operating costs or negative cash-flows in the future.

Even if Sdiptech considers evaluations and assumptions to be reasonably based on available information and current business results as well as assumptions on future business results, the Company's assumptions and estimations of future economic and financial market conditions, results for the Company's cash-generating units,

or any of the other assumptions and estimations of the Company, may prove to be incorrect. In such event, a future test for impairment may require the Company to impair the value of its assets which would lead to impairment costs. For example, a substantial decline in Sdipotech's markets, in addition to the assumptions having been made in the management's forecast for net cash-flows or operating results (EBIT) for that business, could result in Sdipotech being required to impair the value of good-will and other intangible assets which have decreased in value, following a test for impairment. Any future impairments which the Company is required to account for may have a materially adverse effect on Sdipotech's reported operating profit and equity.

The Group's tax costs may increase due to ongoing and future tax audits as well as changes in applicable tax regulations

The Company operates through several subsidiaries in other countries. The business, including transactions between Group-companies, is conducted in accordance with the Group's interpretation of applicable tax laws, tax agreements and other tax regulations as well as positions taken by relevant authorities, such as the Swedish Tax Authority (*Skatteverket*). The Company and its subsidiaries are occasionally subject to tax audits and reviews. There is a risk for tax audits or other reviews resulting in additional taxes being imposed or deductions being declined, for example with regards to previous acquisitions, re-organisations, Group-transactions as well as the forfeiture of tax deficits from previous years.

If the Group's interpretation of tax laws, tax agreements and other tax regulations or its application is incorrect, if one or several authorities successfully makes adverse tax adjustments in one of the Group's segments or if applicable laws, agreements, regulations or the interpretation of these or the administrative precedent relating to these are changed, including retroactive changes, the Group's previous and current tax management may be questioned. If tax authorities are successful in making such claims, this may lead to a raised tax cost, including tax penalties and interest, and have a materially adverse effect on the Group's profit.

The jurisdictions within which the Group operates have transfer pricing rules which requires that transactions with affiliated companies are made at market conditions. The Group's handling of transfer pricing issues is based on OECD guidelines and national regulatory frameworks for transfer pricing as well as documented principles for price determination in transactions with affiliates. Transactions between the Group's companies, such as management services and intra-group loans are, in the Company's perception, made on commercial grounds through the application of applicable international guidelines and national regulatory frameworks. There is a risk that the taxing authorities in any of the jurisdictions in which the Group operates would consider that transfer pricing is not being made at market conditions. For the past years, taxing authorities have increased their focus on transfer pricing rules and disputes relating to the rules often concerns significant amounts and could be ongoing for several years. If a taxing authority should be successful in its objection of transfer pricing against the Group, it may lead to an increased tax cost, including tax penalties and interest. This may have a materially adverse effect on the Group's profit.

Sdipotech is exposed to currency risks

Sdipotech has businesses in different countries, amongst others, Sweden, the UK and Croatia, which business is in turn exposed to currency risks. Currency risk involves the fact that changes in exchange rates have an impact on the Group's results of operations, balance sheet and cash flow. The risk exposure consists of recalculation exposure and transaction exposure. The recalculation exposure is a result of the results and balance sheets of a business being recalculated from the businesses' operational currency to the Group's reporting currency, being Swedish kronor (SEK). Transaction exposure is the result of businesses income and costs in foreign currency. The Group's results are most sensitive to changes in British pounds (GBP) and euro (EUR). A change in the average exchange rate of these currencies in relation to SEK of 10 per cent., during 2022, would have an effect of SEK 58.2 million (9.0%) on the Group's operating profit (EBIT) for 2022 excluding unrealized currency effects of central loans and currency futures. Should any of the risks described above materialise, it may have a negative impact on the Group's profit.

Sdipotech is exposed to interest rate risks

Interest expenses to credit institutions are a significant cost item for the Group and amounted to SEK 73.3 million during 2022. Changes in market interest rates and credit margins affect net interest income. How quickly and by how much the changes in these two components affect net interest income depend mainly on the capital selected and the duration of the interest rate. Sdipotech is financed by equity and liabilities, where the majority of the liabilities consist of interest-bearing liabilities from credit institutions. Rising inflation in 2022 has also led central banks to raise their key interest rates, resulting in increased borrowing costs. This affects the Group insofar as loan interest rates are variable. As of 31 December 2022, the Group's interest-bearing liabilities to credit institutions

amounted to SEK 1,944.4 million. In the future, the company intends to raise additional external financing in various forms and with varying interest rate exposure. As changes in market interest rates and credit margins always have an impact on net interest income over time, there is thus a significant risk that changes in market interest rates and credit margins will have a negative cash flow impact on Sdiptech in the future. Based on the Group's liabilities to credit institutions at year-end 2022, a 1 per cent. increase in the interest rate level on a full-year basis would result in around SEK 15.4 million in higher interest expenses. If these risks were to materialise, it could have a materially adverse effect on the Group's profit after financial items.

Risks relating to the Bonds

Risks relating to the nature of the Bonds

Ability to service debt and credit risk

Investments in the Bonds carry a credit risk relating to the Issuer and the Group. Investors' ability to receive payment under the Terms and Conditions is therefore dependent on the Group's capability and willingness to meet its payment obligations, which in turn is dependent on the Group's financial position. If the Group's financial position deteriorates it is likely that the credit risk associated with the Bonds will increase since the risk that the Issuer cannot fulfil its payment obligations under the Bonds increases. The Group's financial position is affected by numerous risk factors, some of which have been outlined above. An increased credit risk could result in the market pricing the Bonds with a higher risk premium, which would likely adversely affect the market value of the Bonds. It may also affect the Group's possibilities to receive debt financing which may negatively affect the Issuer's ability to repay the Bonds.

Structural subordination and insolvency of subsidiaries

The Issuer is the parent company of the Group. In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Issuer, as a direct or indirect shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. If any or several of the subsidiaries become subject to any such event, or for any other reason do not generate sufficient liquidity to the Issuer, it may have a material adverse effect on the Issuer's financial position and its ability to fulfil its obligations under the Bonds.

Defaults by, or the insolvency of, subsidiaries of the Issuer may result in the obligation of the Issuer to make payments under financial or performance guarantees in respect of such companies' obligations, including under a facilities agreement for the purpose of financing the Group's general corporate purposes and certain acquisitions in aggregate up to SEK 2,100,000,000 and GBP 36,000,000, with possibility to increase such amounts provided that the Incurrence Test is met, with SDIP Holdings AB ("**Sdip Holdings**") as borrower (the "**Super Senior Facilities Agreement**"), or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Issuer and its assets would not be protected from actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise. It should furthermore be noted that the Issuer is dependent on upstreaming of cash from its subsidiaries to meet its obligations under the Bonds. The Issuer's subsidiary Sdip Holdings is the top entity for the vast majority of the Group below the Issuer and the Super Senior Facilities Agreement contains restrictions on upstreaming of cash from Sdip Holdings and its subsidiaries as further described in the risk factor "*Super senior financing and shared Transaction Security*" below.

The Issuer and/or any other Group Company may incur additional debt, provided that such debt constitutes Permitted Debt pursuant to the Terms and Conditions and provide security for such indebtedness (provided that such security constitutes Permitted Security pursuant to the Terms and Conditions). Incurring such additional indebtedness and the provision of security may reduce the amount (if any) recoverable by the Bondholders if the Issuer is subject to any dissolution, winding-up, liquidation, restructuring, administrative or other bankruptcy or insolvency proceedings.

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

Early total redemption and put option

Under the Terms and Conditions, the Issuer has reserved the possibility to redeem all of the outstanding Bonds before the final maturity date under certain circumstances. If the Bonds are so redeemed, the Bondholders have the right to receive an amount which is higher than the nominal amount (depending on when such redemption

occurs) together with accrued but unpaid interest. The Issuer may be expected to redeem Bonds when its cost of borrowing is lower than the interest rate on the Bonds. In such case, there is a risk that investors are not able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed, or are only able to do so at a significantly higher risk. In addition, an optional redemption feature is likely to limit the market value of the Bonds. During any period when the Issuer may elect to redeem Bonds, the market value of those Bonds generally will not rise substantially above the price at which they can be redeemed, thus presenting a risk to investors. This also may be true prior to any redemption period.

Furthermore, according to the Terms and Conditions, the Bonds are subject to prepayment at the option of each Bondholder (put options) upon the occurrence of a change of control of the Issuer or if the Bonds are not admitted to trading on a regulated market (or following a successful listing and subsequent delisting of the Bonds is not re-listed on a regulated market) within a certain time period. 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 could, for example, cause 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 Transaction Security and upstreaming of cash

Super senior financing and shared Transaction Security

Sdip Holdings together with several members of the Group have entered into the Super Senior Facilities Agreement which may be replaced by one or several facilities and increased provided that the incurrence test is met. Under the Terms and Conditions and in order to establish the relative rights of the creditors of the Issuer and the Group, as well as the sharing of the Transaction Security, an intercreditor agreement has been concluded. Such agreement has been entered into between, amongst others, the Issuer, the lenders under the Super Senior Facilities Agreement (the “**Super Senior Creditors**”) and Intertrust (Sweden) AB (as bonds and security agent).

The Transaction Security is shared between various secured parties pursuant to the terms of the Intercreditor Agreement. The Bondholders and the other secured parties are represented by the Security Agent in all matters relating to the Transaction Security. The Security Agent will only take enforcement instructions from the representative of the Super Senior Creditors and the Bondholders may not independently accelerate, seek payment and exercise other rights and powers to take enforcement action. There is a risk that the Security Agent or the Super Senior Creditors, or anyone appointed by anyone of them, does not properly fulfil its obligations under or in relation to the Intercreditor Agreement and/or the Transaction Security, including but not limited to in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the Intercreditor Agreement and/or the Transaction Security. There may also be situations where it may be in the interest of the Bondholders to take enforcement actions but the Super Senior Creditors electing to not take enforcement actions due to such action not being in the interest of the Super Senior Creditors.

Furthermore, if certain events of default are continuing under the Super Senior Facilities Agreement the Super Senior Creditors have, under certain circumstances (as set out in the Intercreditor Agreement), the right to notify e.g. the Issuer and Intertrust (Sweden) AB (as bonds and security agent), upon the receipt of which several subsidiaries of the Issuer may no longer make any payments of principal or interest in respect of the Bonds (a so called “payment block”). Should such event occur there is a significant risk that the Issuer will not be able to make payments of interest and/or principal to the Bondholders, which in turn presents a significant risk to the Bondholders.

In addition to the payment block described above and as set out in the Intercreditor Agreement, if any default is continuing under the current Super Senior Facilities Agreement, Sdip Holdings will be prohibited from making any distributions to the Issuer. If the default is not remedied or waived, upstream of cash to the Issuer from its subsidiaries will be significantly limited and there is in such case a significant risk that the Issuer will not be able to make any payments of interest and/or principal to the Bondholders, which in turn presents a significant risk to the Bondholders.

Limited Transaction Security

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer. In the event of bankruptcy, re-organisation or winding-up of the Issuer, the Bondholders normally receive payment after any priority creditors have been fully paid to the extent that the Bondholders’ claim is not secured and settled by the enforcement proceeds from the Transaction Security.

As Transaction Security for the Bonds, security will be provided by the Issuer over the shares Sdip Holdings and certain downstream loans. Such Transaction Security will be shared with certain other parties (see further under

“*Super senior financing and shared Transaction Security*” above) and may also in the future, and subject to the terms of the Intercreditor Agreement, also constitute security under other debt permitted pursuant to the Terms and Conditions, such as any New Debt and/or Permitted Market Loans.

There is a risk that the Transaction Security may not be enforceable (as a whole or in part) in the event of a default of the Issuer, which may limit the recovery of the Bondholders. The Transaction Security may be unenforceable if (or to the extent), the granting of the security would contravene mandatory applicable legislation including financial assistance or corporate benefit restrictions. Furthermore, the Transaction Security may be limited in value, *inter alia*, to avoid a breach of mandatory applicable legislation protecting debtors and creditors generally, including restrictions on hardening periods, corporate benefit and financial assistance restrictions. Such limitations may give an insolvency receiver or other creditors a right to challenge or void the Transaction Security.

If Sdip Holdings, the shares of which have been pledged as part of the Transaction Security, is subject to bankruptcy or insolvency proceedings, the value of its shares may be limited since all of that subsidiary’s obligations must first be satisfied. Furthermore, there is no guarantee that the value of the assets covered by Transaction Security will at all times cover the outstanding claims of the Bondholders.

The Bondholders will receive proceeds from an enforcement of the Transaction Security only after the obligations of other secured parties secured on a super senior basis have been repaid in full. If the proceeds of an enforcement sale are not sufficient to repay all amounts due on or in respect of the Bonds, the Bondholders will only have an unsecured claim against the remaining assets (if any). This presents a significant risk to the Bondholders.

Security granted for other obligations of the Group

As noted above, certain member of the Group have entered into the Super Senior Facilities Agreement and Sdip Holdings and certain of its subsidiaries have granted security over shares and business mortgages and provided guarantees for the obligations thereunder which is not shared with the Bondholders. Pursuant to the Terms and Conditions and the Intercreditor Agreement, the Group may in the future incur additional indebtedness ranking senior to the Bonds and provide security for such indebtedness. As described under the risk factors “*Structural subordination and insolvency of subsidiaries*” and “*Limited Transaction Security*” above, the Bondholders will upon the bankruptcy, insolvency, liquidation, dissolution, reorganisation or similar proceedings involving the Issuer or any of its subsidiaries be able to receive payment after any priority creditors have been fully paid.

In the event of an insolvency, bankruptcy, liquidation, reorganisation, dissolution or winding up of the business of any of the subsidiaries or other companies within the Group, unsecured creditors of such companies, secured creditors and obligations that may be preferred by provisions of law that are mandatory and of general application will generally have the right to be paid in full before any distribution is made to the Issuer. Hence, there is a risk that a Bondholder loses part of or its entire investment in the Bonds, should the Issuer, or any subsidiary, experience difficulties with meeting its financial obligations through an insolvency, bankruptcy, liquidation, reorganisation, dissolution or winding up of the business.

Sustainability-Linked Bonds

The Bonds are defined as sustainability-linked bonds under the Issuer’s sustainable financing framework (the “**Sustainable Financing Framework**”) dated as of March 2022. The Sustainable Financing Framework has not been updated since its establishment. There is currently no generally accepted definition (legal, regulatory or otherwise) of, nor market consensus as to what criteria a particular financial instrument must meet to qualify as, sustainability-linked (and, in addition, the requirements of any such label may evolve from time to time). Accordingly, no assurance is or can be given to investors by the Issuer that the Bonds will meet any or all investor expectations regarding such Bonds qualifying as sustainability-linked.

The Issuer’s failure to comply with the Sustainable Financing Framework does not constitute an Event of Default under the Terms and Conditions and would not permit Bondholders to exercise any early redemption rights or receive any other type of compensation, other than an increased redemption amount, for non-compliance with the Sustainable Financing Framework. Hence, there is a risk that expectations of investors, insofar such expectations are related to the compliance with the Sustainable Financing Framework, are not met. Changes in the Sustainable Financing Framework may imply adverse consequences for an investor, who is subject to specific criteria for managing sustainability-linked bonds, if the Bonds no longer meet such criteria. Thus, there is a risk that non-compliance with and/or any changes to the Sustainable Financing Framework, may result in decreased interest from investors which may have an adverse effect on the market value of the Bonds.

Further, it should be noted that the Issuer expects to use the relevant net proceeds for general corporate purposes and therefore the Issuer does not intend to allocate the net proceeds specifically to projects or business activities

meeting environmental or sustainability criteria. If the Sustainability Performance Target (being a reduction of carbon emission intensity by fifty (50) per cent. by 31 December 2026 from the base year 2021) is not met at the time stipulated in the Terms and Conditions, it will result in an increase of premium payable relation to a final redemption of Bonds, but will not constitute an Event of Default (as defined in the Terms and Conditions) under the Bonds. Furthermore, if the Issuer fails to meet the Sustainability Performance Target for any given year during the lifetime of the Bonds such failure will not impact the structural characteristics of the Bond unless such failure is observed in connection with the full redemption of the Bonds, which redemption could be made at the Issuer's discretion during the lifetime of the Bonds. As certain investors may have limitations in respect of their portfolio mandates or be obliged to exclude certain investments due to environmental, social and governance considerations, the Issuer's failure to meet the Sustainability Performance Target during the lifetime of the Bonds may adversely impact investors' prospects of disposing of its Bonds and may therefore impact the secondary trading and/or the liquidity in the Bonds.

In addition, the failure of the Issuer to achieve its Sustainability Performance Target would not only result in the Issuer having to pay an increased premium upon redemption, but could cause the Group having to invest significant resources to reach the Sustainability Performance Target and could also harm the Group's reputation, the consequences of which could, in each case, adversely affect the Group's profit.

Admission of the Bonds to trading on a regulated market

The Issuer intends to list the Bonds within 30 days after the First Issue Date on Nasdaq Stockholm or any other regulated market (as defined in Directive 2014/65/EU on markets in financial instruments) in Sweden after a prospectus for the Bonds has been approved by the Swedish Financial Supervisory Authority (*Finansinspektionen*) and shall ensure that that the Bonds are admitted to trading within 180 days after the First Issue Date.

There is a risk that the Bonds will not be admitted to trading within the aforementioned time frame, or at all, or following a successful admission is unable to maintain the listing of the Bonds, which may negatively impact the market value of the Bonds. Moreover, if the Issuer fails to procure listing of the Bonds in accordance with applicable laws regulating investment savings accounts (*ISK* or *IS-konto*), investors holding Bonds on such investment savings account will no longer be able to hold the Bonds on such account, thus affecting such Investor's tax situation. For further information regarding the consequences of a listing failure, see the section "*Early total redemption and put option*" above.

Furthermore, there might not be an existing trading market for the Bonds and a secondary market may not even develop. This can result in Bondholders not being able to sell their Bonds when they wish to or at a profit comparable to similar investments with an existing and functioning secondary market. There is a risk that a lack of liquidity in the market will have an adverse effect on the market value of the Bonds.

There is also a risk that it may be difficult or impossible to sell the Bonds due to price fluctuations, close-down of the relevant market or trade restrictions imposed on the market or certain participants in the market. The degree to which the liquidity and the trading price of the Bonds may vary is uncertain, and presents a significant risk to investors.

No direct actions by Bondholders

Pursuant to the Terms and Conditions, the Agent will represent all Bondholders in all matters relating to the Bonds and individual Bondholders are not entitled to bring any actions against the Issuer relating to the Bonds, unless such actions are supported by the majority pursuant to the Terms and Conditions. Accordingly, there is a risk that the value of the Bonds will decrease meanwhile a requisite majority is not willing to take necessary legal action against the Issuer. Thus, the unwillingness of a majority of Bondholders to act could damage the value of other Bondholders' investments in the Bonds.

There is also a risk that an individual Bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions), which could potentially affect an acceleration of the Bonds or other action against the Issuer. For example, if an individual Bondholder were to initiate a bankruptcy proceeding against the Issuer, such proceeding could, despite being in breach of the Terms and Conditions, be legally valid and consequently cause damage to the Issuer and/or the Bondholders.

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, including the right to agree to amend and waive provisions under the Terms and Conditions. Hence, there is a risk that the actions of the Agent in such matters affect a Bondholder's rights under the Terms and Conditions in a manner that is undesirable for some Bondholders. In addition, failure by the

Agent to perform its duties and obligations properly or at all may adversely affect the enforcement of the rights of the Bondholders.

European Benchmark Regulation

The interest on the Bonds is determined based on a floating interest rate of 3-month STIBOR plus a margin. The process of the calculation of STIBOR and other interest rate benchmarks have been subject to legislator attention. As a result, a number of legislative measures have been taken, whereof some have been implemented and others are going to be implemented. The most important initiative on the subject matter is Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmarks Regulation**”), that entered into force 1 January 2018 in the EU which regulates the provision of a benchmark, contribution of input data for the purpose of determining a benchmark and the operation of benchmarks within the EU.

It is not possible to predict with certainty whether, and to what extent STIBOR will continue to be supported going forward. This may cause STIBOR to perform differently than it has done in the past and may have other consequences which cannot be predicted. The potential transition or the elimination of STIBOR, or changes in the manner of administration of STIBOR, could require an adjustment to the Terms and Conditions, or result in other consequences, in respect of the Bonds. Such factors may have (without limitation) the following effects on STIBOR: (i) discouraging market participants from continuing to administer or contribute to STIBOR; (ii) triggering changes in the rules or methodologies used in STIBOR and/or (iii) leading to the cessation STIBOR. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Bonds linked to, referencing, or otherwise dependent (in whole or in part) upon STIBOR.

In addition, the increased administrative requirements and the associated regulatory risks may decrease the will of some parties to participate in the determination of STIBOR or to the fact STIBOR will cease to be published entirely. The degree to which amendments to and application of the Benchmarks Regulation and/or any cessation of STIBOR may affect Bondholders is uncertain and presents a significant risk to the return on a Bondholder’s investment.

DESCRIPTION OF THE BONDS

This section is only intended to serve as an introduction to the Bonds. Any decision to invest in the Bonds shall be based on an assessment of all information contained in this Prospectus as well as all documents incorporated herein by reference. The Terms and Conditions of the Bonds are found on pages 33–88 in this Prospectus.

The Initial Bonds and Subsequent Bonds

The Bonds have a Nominal Amount of 1,250,000 each and are denominated in Swedish kronor. The aggregate nominal amount of the Initial Bonds is SEK 600,000,000. In total, 480 Initial Bonds have been issued. In addition to the Initial Bonds, Subsequent Bonds may be issued at one or several occasions in accordance with and subject to the Terms and Conditions. The maximum aggregate nominal amount of the Bonds may not exceed SEK 1,000,000,000 unless consent from the Bondholders is obtained in accordance with the Terms and Conditions. Subsequent Bonds will be issued subject to the Terms and Conditions, including, for the avoidance of doubt, the ISIN, the interest rate, the Nominal Amount and the final maturity applicable to the Initial Bonds. The price of the Subsequent Bonds may however be set at a discount or at a premium compared to the Nominal Amount.

ISIN and trading code

The Bonds have been allocated the ISIN code SE0017132053. The Bonds will also be allocated a trading code upon admission to trading. Such trading code has not been allocated at the date of this Prospectus.

Form of the Bonds

The Bonds are issued in dematerialised book-entry form and registered on a Securities Account on behalf of the relevant Bondholder. Hence, no physical bonds will be issued. The Bonds are registered in accordance with the Financial Instruments Accounts Act and registration requests relating to the Bonds shall be directed to an Account Operator. The Bonds are governed by Swedish law and are unilateral debt instruments intended for public trading as set out in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (*ensidig skuldförbindelse för allmän omsättning enligt 1 kap. 3 § lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

The Bonds are freely transferable but the Bondholder may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local regulation to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

Status of the Bonds

Subject to the Intercreditor Agreement (providing for *inter alia* (i) the subordination of shareholder debt and (ii) the super senior ranking of the Super Senior Facilities Agreement and certain hedging obligations, each in relation to the bonds), the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Finance Documents.

Sustainability-link

The Bonds are defined as sustainability-linked bonds under the Sustainable Financing Framework dated as of March 2022 (the Sustainable Financing Framework has not been updated since its establishment). The Sustainable Financing Framework has been externally verified by ISS Corporate Solutions in accordance with ICMA's sustainability-linked bond principles and sustainability linked loan principles (the "**Second Party Opinion**").

It should be noted that the Issuer expects to use the relevant net proceeds for general corporate purposes and therefore the Issuer does not intend to allocate the net proceeds specifically to projects or business activities meeting environmental or sustainability criteria.

Key performance indicator

The key performance indicator selected is Group carbon emission intensity (Scope 1 and 2), tCO₂/MSEK revenues (the "**KPI**"). The calculation of the KPI includes all of the Issuer's business units per the base year 2021 and is made in accordance with the greenhouse gas protocol. In 2021, the Issuer recalculated its baseline for scope 1, 2 and 3 (calculations of Scope 3 currently include business travel, waste, IT equipment, water and paper consumption) in line with the greenhouse gas protocol. Given the change of reporting method for 2021, such year

will be used as a baseline to make sure that the reporting will be comparable over time and provides an accurate data point for the Issuer's carbon emissions. As over 90 percent of the Issuer's calculated emissions are scope 1 and 2 emissions, this is the reason as to why this KPI was selected for the purpose of the Sustainable Financing Framework.

Sustainability performance target

The target selected for the Sustainable Financing Framework relates to the Issuer's ambition to reduce greenhouse gas emission intensity, i.e. in total a 50 percent reduction by 2026 compared to the base year 2021 (scope 1 and 2).

The below numbers are based on the Issuer's reported numbers for 2019 and 2020 and 2021. As the baseline was recalculated in 2021, these numbers will not be fully comparable to the previously reported numbers. However, worth highlighting is the increase of carbon emission intensity between 2019 and 2020 of 1,5%. With the established climate targets relevant for the Bonds, the Issuer would have to reduce carbon emission intensity by 7,2% annually by 2024 and 12.9% annually by 2026.

Co2 emissions, tonnes	2021	2020	2019
Scope 1	3 598	2 084	1 131
Scope 2	820	2 224	2 578
Total	4 419	4 308	3 709

CO2e tonnes/MSEK sales	2021	2020	2019
Scope 1	1,33	1,00	0,62
Scope 2	0,30	1,06	1,41
Total	1,63	2,06	2,03

Comparisons to peers in the Issuer's industry can be made, but are dependent on the specific business units of peers' compared to the Issuer's. As there are some differences to the business structure of peers as well as to the investment strategy and acquisition targets, availability of relevant data for peer comparison is limited. The Issuer assesses itself to be above or in par with peers in setting climate targets.

To be able to meet the Sustainability Performance Target several holistic steps will be taken to reduce carbon emissions across the Group. Primarily, the emission reduction involves working together with all business units and develop targeted plans on how to reduce their respective carbon emissions. The strategy will differentiate between each business unit and among other be based on reducing energy consumption and increasingly moving towards renewable energy. Furthermore, a focus will be on the reduction of emissions from vehicle fleet and transportation. The approach to achieve this will be divided into several steps such as (i) use collected data to map the current situation and what challenges and opportunities each business units have, (ii) advice and help to develop strategies with activities that can be implemented and thereby improve the business unit's operations, e.g. streamline processes, and (iii) set goals and guidance throughout the process.

Reporting

The Issuer will annually prepare and publish a status/progress report which will include information on the Group's carbon emission intensity for the relevant time period and any other relevant information needed to assess whether the Group carbon emission intensity is equal to or higher than the Sustainability Performance Target on the SPT Observation Date (the "**Sustainability-Linked Finance Progress Report**"). The Sustainability-Linked Finance Progress Report will furthermore *inter alia* include the following reporting points (i) the performance of the KPI versus the SPT, as per the relevant reporting period and, when applicable, as per the Target Observation Date including the calculation methodology and baselines when relevant, and (ii) information on any relevant updates to the Issuer's sustainability strategy. Each Sustainability-Linked Finance Progress Report will be publicly available on the Issuer's website at <https://www.sdiptech.se/sustainability/sustainability-sustainability-framework> (the information on the website does not form part of this Prospectus).

Availability of Sustainable Financing Framework and related documentation

Both the Sustainable Financing Framework and the Second Party Opinion are available on the Issuer's website at <https://www.sdiptech.se/sustainability/sustainability-sustainability-framework> (the information on the website

does not form part of this Prospectus). None of the Sustainable Financing Framework, the Second Opinion, any Sustainability-Linked Finance Progress Report, any auditor limited assurance nor any of the other above investor reports, verification assessments, opinions or the contents of any of the above websites are incorporated in or form part of this Prospectus.

Sustainability-link in the Terms and Conditions

The sustainability link of the Bonds pursuant to the Terms and Conditions provides that the redemption amount will be the Nominal Amount if (i) the Group carbon emission intensity of the Issuer is higher than or equal to the Sustainability Performance Target (being a reduction of carbon emission intensity by fifty (50) per cent. by 31 December 2026 from the base year 2021) on the SPT Observation Date (being 31 December 2026); and (ii) the Issuer provides and makes public the Sustainability-Linked Finance Progress Report and the Verification (being means any verification by a third-party reviewer for the purpose of independently verifying the Group's carbon emission intensity on an annual basis) relating to the SPT Observation Date no later than the SPT Report Date (being on the date of publication of the Issuer's annual audited consolidated financial statements). If the Issuer does not meet the Sustainability Performance Target, the redemption amount will be 101.00 per cent. of the Nominal Amount.

Reference is also made to the section "*Risk factors – Sustainability-Linked Bonds*".

Security

As Transaction Security for the Bonds, security will be provided by the Issuer over the shares in Sdip Holdings and certain downstream loans. Such Transaction Security will be shared with certain other parties (see further under "*Super senior financing and shared Transaction Security*" above) and may in the future, and subject to the terms of the Intercreditor Agreement, also constitute security under other debt permitted pursuant to the Terms and Conditions, such as any New Debt and/or Permitted Market Loans. The Transaction Security is shared between various secured parties pursuant to the terms of the Intercreditor Agreement.

Issuance, repurchase and redemption

First Issue Date and Final Maturity Date

The Initial Bonds were issued on 31 August 2023 (the "**First Issue Date**"). Unless previously redeemed or repurchased and cancelled in accordance with the Terms and Conditions, the Issuer shall redeem all, but not some only, of the outstanding Bonds in full with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest four (4) years from the First Issue Date (the "**Final Maturity Date**"). If (i) the Group carbon emission intensity of the Issuer is not higher than or equal to the Sustainability Performance Target on the SPT Observation Date, and (ii) the Issuer does not provide and make public the Sustainability-Linked Finance Progress Report and the Verification relating to the SPT Observation Date no later than the SPT Report Date, the outstanding Bonds will be redeemed on the Final Maturity Date with an amount per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest.

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

Voluntary total redemption (call option)

All, but not some only, outstanding Bonds can be redeemed early at the option of the Issuer. The Issuer can exercise its option by giving the Bondholders and the Agent not less than fifteen (15) Business Days' notice in accordance with the Terms and Conditions. Each Bond shall be redeemed at an early redemption amount in accordance with the following:

Period of time	Price per Bond
(a) any time from (and including) the First Issue Date to (but excluding) the First Call Date	at an amount per Bond equal to (A) 100.98 per cent. of the Nominal Amount, together with accrued but unpaid interest, and (B) the remaining interest payments on or after the First Issue Date to (but excluding) the First Call Date;

Period of time	Price per Bond
(b) any time from (and including) the First Call Date to (but excluding) the first Business Day falling 42 months after the First Issue Date	at an amount per Bond equal to 100.98 per cent. of the Nominal Amount, together with accrued but unpaid interest; and
(c) any time from (and including) the first Business Day falling 42 months after the First Issue Date to (but excluding) the Final Maturity Date	at an amount per Bond equal to 100.49 per cent. of the Nominal Amount, together with accrued but unpaid interest.

For each of (a)–(c) above, provided that (A) the Sustainability Performance Target is not satisfied on the SPT Observation Date and/or (B) redemption occurs prior to the SPT Report Date, the Bonds shall be redeemed at an amount per Bond equal to the relevant redemption price set out in paragraphs (a)–(c) above plus 1.00 per cent. of the Nominal Amount (for the avoidance of doubt, together with accrued but unpaid interest).

Notwithstanding the above, the Issuer may any time from (and including) the first Business Day falling 42 months after the First Issue Date redeem outstanding Bonds provided that the redemption is financed by way of one or several Market Loan(s). Such redemption shall be made at an amount per Bond equal to 100 per cent. of the Nominal Amount together with accrued but unpaid interest but if the Sustainability Performance Target has not been satisfied on the SPT Observation Date, the Bonds shall be redeemed at an amount per Bond equal to the 101 per cent. of the Nominal Amount together with accrued but unpaid interest.

Voluntary total redemption due to illegality (call option)

The Issuer may, if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents, redeem early all, but not some only, of the Bonds on a date determined by the Issuer before the Final Maturity Date. The Bonds shall be redeemed at an amount per Bond equal to the Nominal Amount together with accrued but unpaid interest.

Repurchase upon a Change of Control Event or Listing Failure Event

Upon the occurrence of a Change of Control Event or Listing Failure Event, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event or Listing Failure Event pursuant to the Terms and Conditions (after which time period such right shall lapse).

“**Change of Control Event**” means delisting of the shares in the Issuer or 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:

- acquiring or controlling, directly or indirectly, more than fifty (50) per cent. of the voting shares of the Issuer; or
- the right to, directly or indirectly, appoint or remove the whole or a majority of the members of the board of directors of the Issuer.

“**Listing Failure Event**” means that:

- the Initial Bonds are not admitted to trading on the corporate bond list of Nasdaq Stockholm (or another Regulated Market) within sixty (60) days from (and excluding) the First Issue Date; and
- following a successful listing and subsequent de-listing of the Bonds from the corporate bond list of Nasdaq Stockholm (or another Regulated Market) the Bonds are not re-listed on the corporate bond list of Nasdaq Stockholm (or another Regulated Market) by the date falling thirty (30) calendar days from the date of the delisting.

If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a person designated by the Issuer will, repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer. The repurchase date must fall no later than forty (40) Business Days after the end of the twenty (20) Business Days period following the notice from the Issuer.

The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the Terms and Conditions relating to the repurchase in the event of a Change of Control Event or Listing Failure Event, the Issuer

shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under such relevant provisions in the Terms and Conditions by virtue of the conflict.

Any Bonds repurchased by the Issuer pursuant to the Terms and Conditions relating to a repurchase in the event of a Change of Control Event or Listing Failure event may at the Issuer's discretion be retained or sold, but not be cancelled, except in connection with a redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

The Issuer shall not be required to repurchase any Bonds pursuant to the Terms and Conditions, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Bonds in the manner and on the terms set out in such provisions (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in the Terms and Conditions, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

Payments in respect of the Bonds

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

Interest and default interest

Each Initial Bond carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date. 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).

The interest rate applicable to the Bonds is calculated based on a floating rate of 3-month STIBOR plus 4.90 per cent. *per annum*.

If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate for such Interest Period. 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.

Use of benchmarks

The Interest payable under the Bonds is calculated by reference to the benchmark STIBOR, as defined in the Terms and Conditions. This benchmark is provided by the Swedish Financial Benchmark Facility (“**SFBF**”). As at the date of this Prospectus, the SFBF is included on the register of administrators and benchmarks maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to Article 36 of Regulation (EU) 2016/1011 (as amended, the EU Benchmarks Regulation).

Acceleration of the Bonds

The Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent of the Adjusted Nominal Amount in accordance with the Terms and Conditions (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if an Event of Default occurs under the Terms and Conditions. However, the Agent may not accelerate the Bonds 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).

For further detail on the provisions for acceleration and prepayment of the Bonds, see Clause 14 of the Terms and Conditions.

Undertakings

The Issuer makes certain undertakings in the Terms and Conditions. These include undertakings and limitations relating to (a) distributions, (b) Financial Indebtedness, (c) disposals, (d) negative pledge, (e) mergers and demergers, (f) nature of business, (g) dealings with related parties, (h) Market Loans, (i) compliance with laws, (j) authorisations, (k) admission to trading, (l) additional security, (m) Equity Issue and Capital Securities adjustments, (n) the Agency Agreement, and (o) the CSD, some of which are elaborated on below. The undertakings are subject to qualifications. See further in Clause 13 of the Terms and Conditions.

Distributions

The Issuer shall not (a) pay any dividends in respect of its shares, (b) repurchase or redeem any of its own shares, (c) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders, (d) repay any loans granted by its direct or indirect shareholders or pay interest thereon, (e) make any payments or repayments under any Capital Securities or any preference shares, or (f) make any other similar distributions or transfers of value (*värdeöverföringar*) to the Issuer's, or its Subsidiaries', direct or indirect shareholders or any legal or natural person affiliated with such direct and indirect shareholders, (paragraphs (a) to (f) above are together and individually referred to as a "**Restricted Payment**").

Notwithstanding the above, a Restricted Payment may be made by the Issuer: (a) If: (i) the aggregate amount of all, actual or contractually committed, Restricted Payment (other than any payments permitted by paragraphs (f) and (g) below) in a financial year does not exceed the higher of: (A) thirty-three (33) per cent of the Group's consolidated net profit, according to the annual audited financial statements for the previous financial year; and (B) SEK 50,000,000; and (ii) the Incurrence Test is met (calculated pro forma including the relevant Restricted Payment); (b) provided that such Restricted Payment is mandatory by law for the protection of minority shareholders' rights and requested by a requisite minority of shareholders in accordance with Chapter 18, Section 11 of the Swedish Companies Act (*aktiebolagslagen (2005:551)*); (c) in respect of any interest under any Capital Securities; (d) in respect of any distribution under any preference shares; (e) pursuant to any long-term incentive programme; (f) in respect of any principal under any Capital Securities, to the extent (i) it is financed in full by way of issuance of (and/or conversion to) other Capital Securities or equity of any kind, or (ii) the Incurrence Test is met (calculated pro forma including the relevant Restricted Payment; and (g) in respect of any repurchase or redemption of any preference shares, to the extent (i) it is financed in full by way of issuance of (and/or conversion to) other preference shares or equity of any kind, or (ii) the Incurrence Test is met (calculated pro forma including the relevant Restricted Payment), in each case provided that (A) if the Incurrence Test have to be met in relation to a Restricted Payment and the Issuer has made any adjustment pursuant to Clause 12.1.3(b)(ii) of the Terms and Conditions for the purposes of the Incurrence Test, the relevant Equity Issue or issue of Capital Securities (as applicable) has been carried out, (B) such Restricted Payment is permitted by law and (C) that no Event of Default is continuing or would occur as a result of such Restricted Payment.

Financial Indebtedness

The Issuer shall not (and shall procure that no other Group Company will) incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Group Companies have a right to incur, maintain and prolong Financial indebtedness which constitute Permitted Debt.

Negative pledge

The Issuer shall not (and shall procure that that no other Group Company will) 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.

Disposals

The Issuer shall not, and shall procure that no Group Company will, sell or otherwise dispose of any shares or other interests in any Material Company or of all or substantially all of its or any Material Company's assets or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless (i) it constitute issuance of shares and/or warrants in the Issuer or any Group Company under any long-term incentive programme, or (ii) the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and provided that it does not have a Material Adverse Effect.

Dealings with related parties

The Issuer shall (and shall procure that each other Group Company will) conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding when such shareholder is another Group Company)

and/or any legal or natural person affiliated with such direct and indirect shareholders (excluding when such shareholder is another Group Company) at arm's length terms.

Decisions by Bondholders

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.

Only a Bondholder, or a person who has been provided with a power of attorney in accordance with the Terms and Conditions from a Bondholder:

- (a) on the Record Date specified in the notice pursuant to Clause 16.2.2 of the Terms and Conditions, in respect of a Bondholders' Meeting, or
- (b) on the Record Date specified in the communication pursuant to Clause 16.3.2 of the Terms and Conditions, 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.

A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Bondholders.

Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

No direct action by Bondholders

Subject to certain exemptions set out in the Terms and Conditions, a Bondholder may not take any steps whatsoever against the Issuer or any Group Company or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) in any jurisdiction of the Issuer or any Group Company in relation to any of the obligations and liabilities of the Issuer or any Group Company under the Finance Documents. Such steps may only be taken by the Agent.

Admission to trading

Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be filed in connection with the Swedish Financial Supervisory Authority's approval of this Prospectus. The earliest date for admitting the Bonds to trading on Nasdaq Stockholm is on or about 30 October 2023. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 150,000. Only Bonds that have been issued as of the date of approval of the Prospectus may be admitted to trading based on the Prospectus

Time-bar

The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been time-barred and has become void.

Governing law

The Terms and Conditions of the Bonds 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. The Issuer submits to the non-exclusive jurisdiction of the District Court of Stockholm (*Stockholms tingsrätt*).

The CSD

Euroclear Sweden, Swedish Reg. No. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden, is initially acting as Central Securities Depository (CSD) and registrar in respect of the Bonds.

The Issuer and the Agent (when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.

The Agent and the Agency Agreement

Intertrust (Sweden) AB, Swedish Reg. No. 556625-5476, is initially acting as Agent on behalf of the Bondholders in accordance with the Terms and Conditions. Pursuant to the Agency Agreement that was entered into before the First Issue Date between the Issuer and the Agent, the Agent has undertaken to represent the Bondholders subject to and in accordance with the Terms and Conditions and any other relevant Finance Documents. The Issuer has undertaken to, among other things, pay certain fees to the Agent.

The Issuing Agent

Nordea Bank Abp, filial i Sverige, Swedish Reg. No. 516411-1683, Smålandsgatan 17, SE-105 71 Stockholm, is initially acting as Issuing Agent in accordance with the Terms and Conditions of the Bonds.

Rating

The Bonds will not be assigned an official credit rating by any credit rating agency in connection with the issuance thereof.

Use of proceeds

The Issuer shall use the Net Proceeds from any issue of Bonds, for general corporate purposes of the Group, including acquisitions, investments in companies, repayment of debt and transactions costs.

DESCRIPTION OF THE ISSUER

The Issuer in brief

The Issuer's legal and commercial name is Sdiptech AB (publ), is registered with the Swedish Companies Registration Office (*Bolagsverket*) with Swedish Reg. No. is 556672-4893 and its LEI code is 549300JBO7VTEGMRW310. The registered office of the Board is located in Stockholm. The telephone number of the Issuer is +46 707 274 2200. The Issuer was incorporated in Sweden on 20 October 2004. The Issuer is a public limited liability company (*publikt aktiebolag*) regulated by the Swedish Companies Act (*aktiebolagslagen (2005:551)*). Pursuant to clause 3 of the Articles of Association of the Issuer, the business purpose of the Issuer is business development, commercialisation of research findings, directly or indirectly owning and managing real property and chattel and other business compatible therewith. The Issuer's website is www.sdiptech.se. The information on the website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus.

Sdiptech is a technology group whose principal focus is infrastructure. The Issuer's business concept to acquire and develop niche businesses with products and services within the growing infrastructure sector. The Issuer's overriding goal is to generate long-term value growth by continually evaluating new acquisition opportunities and actively developing its business units in order to drive organic growth. As of the date of this Prospectus, the Issuer owns 39 business units within the infrastructure sector. The Issuer is of the opinion that the current infrastructure is outmoded and in need of major investments to secure some of the most material basics of societal welfare, such as clean water, healthy air, sustainable energy and safe and efficient transportation. A growing population, urbanisation and climate change entails further demand for sustainable, efficient and safe infrastructure, to ensure long-term market growth. Future infrastructure must be improved through technological advances and specialisation. Companies operating within a highly specialised technological area or market are well-suited for delivering this.

History

This is a summary of the Issuer's history highlighting important events and developments.

2004	Sdiptech was founded under the previous name Serendipity Innovations.
2011	Serendipity Ixora AB, a subsidiary of the Issuer, was founded. Around ten business units within the fields of advanced materials, medical technology, biotechnology and cleantech was collected in the subsidiary.
2013	The business area Technical Services was formed and became the core operation of the Group.
2015-2016	The Issuer issued shares in connection to the listing of the Issuer preference shares on Nasdaq First North Premier in order to grow within the business area Technical Services. The Issuer sold its Venture Management operations to its subsidiary Serendipity Ixora Ab. The Issuer distributed its shares in Serendipity Ixora AB to its shareholders as dividend, hence purifying its operation to focus on infrastructure. The Issuer changed its name from Serendipity Innovations to Sdiptech AB.
2017	The Issuer's ordinary shares of series B were listed on Nasdaq First North Premier. In connection with the listing the Issuer issued shares in order to contribute to an ongoing growth and provide conditions to continue with its acquisitions and development of subsidiaries long-term.
2018	The Issuer conducted its first acquisitions in the UK of Multitech Site Services Ltd and in Norway of Rogaland Industri Automasjon AS. The Issuer sold its support operations in order to further purify its operation to focus on infrastructure.
2019	The Issuer formed three new business areas: Water & Energy, Special Infrastructure Solutions and Property Technical Services.

2020	<p>The Issuer issued shares in order to diversify its shareholder base. The equity was used to strengthen the Issuer's statement of financial position to ensure flexibility in future acquisition operation.</p> <p>The Issuer conducted its first acquisition in Finland of Oy Hilltip Ab.</p>
2021	<p>The Issuer issued additional shares in order to further diversify its shareholder base and strengthen the Issuer financial flexibility in future acquisitional operations.</p> <p>The Issuer divested the Property Technical Services business area and carried out a reorganization which resulted in the remaining operations in the former Property Technical Services segment being reported under Special Infrastructure Solutions.</p> <p>The Issuer conducted its first acquisition in the Netherlands of Certus Port Automation B.V.</p>
2022	<p>The Issuer changed the name of its business area Water & Energy to Resource Efficiency due to adding bioeconomy and waste management to the previous areas of water and sanitation as well as power and energy.</p> <p>The Issuer conducted its first acquisitions in Italy (Agrosistemi S.R.L.) and in Denmark (ELM Kragelund A/S).</p> <p>The Issuer issued additional shares in order to further strengthen its financial flexibility in future acquisitional operations.</p>
2023	<p>The issuer issued its first bonds, four-year Senior Secured Floating Rate Sustainability-Linked Bonds.</p>

Business model

The Issuer is focused on specific niches within the infrastructure sector which gives the Issuer a detailed market insight and technical knowledge. This knowledge is an integrated part of the Issuer's business model which create added value for its subsidiaries and its acquisition operations.

The Issuer believes in a future built on more sustainable, efficient and safe societies, efficiency and safety. To achieve this, it is essential to expand and improve the infrastructure. The Issuer intends to pursue an active role in this development by acquiring and developing niche companies that offer important solutions for well-functioning societies. The Issuer's sustainability focus is integrated in the entire operations and is becoming an increasingly fundamental part of the Issuer's quest for better business results. Focus on sustainability and responsible investments helps the Issuer create lasting value and has two main purposes: to reduce risks and take advantage of opportunities, while The Issuer can create a positive impact and build internal pride. The Issuer has identified three distinctive and timeless drivers for change, which all have had an impact on the societal development within the relevant market segments for generations. These are sustainability, efficiency and safety. According to the Issuer's investment philosophy, the companies that the Issuer invests in should have strong offerings that address important infrastructure needs, while the products and services should contribute to more sustainable, efficient and/or safe societies.

The Group is organised based on a decentralised structure. Preserving the brand, identity and autonomy of the Issuer's subsidiaries are key elements of the Issuer's business philosophy, where the strength of entrepreneurship, flexibility and proximity to customers are crucial factors in achieving financial results. All customer relationships are handled in the subsidiaries, as well as all business decisions and product development. However, the central governance required when running a large group of companies, in the Issuer's case mainly for internal management and control to minimise risks and to increase the predictability of results and help each company to successfully meet new market conditions or provide them with expertise to solve internal challenges.

Even if the Issuer does not tend to establish group-wide functions, there are opportunities to promote collaboration among the different operations in the Group, primarily with the aim of achieving revenue synergies. Some of the Group's businesses work with overlapping customer relations. Accordingly, there are opportunities to develop competitively packaged offers. When one of the Group's companies has a strong relationship with a customer, it can also open the door for other Group Companies to introduce their offers, which can generate new business.

Apart from the work with the existing businesses, the Issuer pursues active work in relation to acquisitions. The Issuer uses its own functions, along with external channels, to continually evaluate potential acquisition candidates. In the coming years, the Group expects that a significant portion of its growth will be generated from new

acquisitions. The Issuer's proactive acquisition model means that well-run, entrepreneurial companies with good profitability and stable cash flows can be identified without any dependence on external advisers. This leads to high quality acquisition discussions, where both the buyer and seller have the time and opportunity to evaluate the effects of an acquisition and together plan for continued, stable development of the business. Each acquisition must also be aligned with the Issuer's focus on the infrastructure sector. Accordingly, the Group seeks committed entrepreneurs and leaders who would like to continue in their role after the acquisition, which facilitates stability and a smooth transition. The Issuer takes a long-term approach to ownership and its strategic plan is not to divest companies after acquisition.

Acquisitions

The Issuer imposes clear demands during the evaluation of new acquisition opportunities. They are profitable and entrepreneur-led niche companies within the infrastructure sector, in prioritised geographies that meet the Issuer's investment criteria. The Issuer seeks companies that:

- Contribute to one or more of the UN Sustainable Development Goals, as well as to safer, more sustainable and/or more efficient societies.
- Deliver solutions to important needs in the infrastructure sector.
- Active within sustainable trends with low cyclical dependency.
- Have a strong historic earnings trend and stable cash flows.
- Have a differentiated market position with limited competition and low risk of disruptions.
- Has a unique value proposition and robust business models.
- Is not critically dependent on a few customers or suppliers.
- Have an EBIT margin above 15 percent.
- Have an EBIT level around SEK 20–50 million.
- Have a scalable business model.

Active ownership

The Issuer pursues an active role as owner in relation to its subsidiaries. The focus of the Issuer is to make sure that every subsidiary is promoting growth and improvement of profitability, as well as ensuring responsible and stable leadership in every subsidiary.

Value-creating development

The Issuer's business strategy is to acquire companies to own and develop long-term. This means that the subsidiary's future is ensured, which in many cases is the crucial factor for completing the purchase. Being part of the Group thus means that the company can retain its original identity, while gaining access to the combined experience and knowledge of its sister companies in the Group. All of the Group's business units have a clear decentralised responsibility and authority. Stable and long-term value creation in the Group stems from the organic earnings growth generated in each individual company. The Issuer's business units are profitable thanks to the strength of their individual niches. For this reason, the Issuer maintains a decentralised structure so that development and important decisions occur as close to the Issuer's customers as possible.

Differentiation

Sustainable and profitable growth is based on a differentiated competitive position. The Issuer's priority is to strengthen the Issuer's market positions without taking unnecessary risks that could jeopardise a successful niche and the Group's profitability. The decentralised model entails that the Issuer is operating in several markets which minimises its risk exposure against individual markets or geographical markets.

Local responsibility

Each business unit is unique in its own way. To safeguard the strong ownership that drives and develops the Issuer's offers and operations, each business unit retains its own clear profit responsibility.

Leadership

Each business unit has a skilled and dedicated managing director, who leads the unit's businesses through both positive phases and challenges. This is an important component for stability and growth. When a company is acquired, it generally continues to be managed by the former owner to ensure continuity following the completed acquisition. Control is then transferred to a successor in accordance with a pre-agreed plan. The careful recruitment of a new managing director and strategic support from the company's business area manager are cornerstones of the Issuer's model.

Segment knowledge

The Issuer's focus on infrastructure ensures specialised market insights and technical expertise in the market segments the Issuer is focused on. This applies both to the business area managers, focused on their specific segments, and to the Issuer's acquisition organisation, which conducts in-depth mapping of the markets and value chains in the Issuer's selected segments.

Strategic support and development

Alongside its sister companies, a Group Company develops within a group and a central organisation with a specific industrial focus and know-how in infrastructure, helping to strengthen and develop the operations.

There is close collaboration between the managing director and the relevant business area manager, who also serves as the chairman of the board of the company in question. Besides leading the board work, the business area manager also acts as a support for the managing director.

An annual strategy review is conducted with the managing director and management team of the subsidiary. The strategy is transformed into an activity plan, which is followed up during the year.

Organisation and governance

The Group's business units are divided into two business areas: Resource Efficiency and Special Infrastructure Solutions. As of the date of this Prospectus, the Group consists of 39 business units.

Resource Efficiency

As of the date of this Prospectus, the Resource Efficiency business area consists of 18 business units, of which the most material are:

- Rolec Services Ltd – Specialises in developing and manufacturing a wide range of charging equipment and systems for electric vehicles.
- Water Treatment Products Ltd – Processes and manufactures of water treatment products.
- IDE Systems Ltd – Specialist in temporary power distribution and monitoring systems.
- Agrosistemi Srl – Treatment and recovery of biological sludge originated by wastewater purification.
- Hydrostandard Mätteknik Nordic AB – Offers replacement and calibration of waters measuring tools.
- Multitech Site Services Ltd – Offers temporary infrastructure, for example temporary electricity, water, fire protection and lightning.
- Unipower AB – Offers measuring tools for monitoring of electricity quality.
- Rogaland Industri Automasjon AS – Offers guidance- and rule systems for water- and sewerage systems.

Special Infrastructure Solutions

As of the date of this Prospectus, the Special Infrastructure Solutions business area consists of 21 business units, of which the most material are:

- Auger Site Investigations Ltd – Offers matter management of insurance damages of underground infrastructure.
- GAH (Refrigeration) Ltd – Offers design, manufacturing and service of solutions for transport cooling for the last mile.
- Resource Data Management Ltd – A specialist product provider within refrigeration control and monitoring as well as building management systems.

- E-l-m Kragelund A/S – Develops and manufactures attachments for forklifts.
- KSS Klimat & Styrssystem AB – Offers guidance systems for climate control, ventilation and energy efficiency.
- Hilltip Ab Oy – Manufactures equipment for road maintenance.
- RedSpeed International Ltd – Offers digital cameras for measurement of speed and traffic safety.
- Certus Automation – Provider of solutions for automation in ports, terminals and logistics distribution centres.
- Mecno Service S.r.l. – Construction, design and service of grinding machines for rails and turnouts on tramways, metros and railways lines.
- TEL UK – Specialized airflow technology solutions.
- Optyma Security Systems Ltd – Integrated security systems for public and private environments.

General corporate information

Shares and major shareholders

Under its current Articles of Association, the Issuer's share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000, divided into not fewer than 20,000,000 shares and not more than 80,000,000 shares. The Issuer has three classes of shares. The Issuer's registered share capital is SEK 933,548.45, represented by 39,741,938 shares. Each share has a quota value of SEK 0.025.

The table below shows the Issuer's major shareholders.

Name	Class A Shares	Class B Shares	Preference Shares	Capital	Votes	Verified
Vulcan Value Partners, LLC		4 031 540		10.14%	7.67%	2023-09-29
Handelsbanken Funds		3 351 830		8.43%	6.29%	2023-09-30
Swedbank Robur Funds		3 184 909		8.01%	6.06%	2023-09-27
Invesco		2 085 173		5.25%	3.97%	2023-08-31
Ashkan Pouya	1 424 000	592 967		5.08%	28.22%	2023-09-27
Clients Funds		2 004 478		5.04%	3.81%	2023-09-30
Avanza Pension		1 010 071	168 049	2.96%	2.24%	2023-09-27
Nordnet Pension Insurance		1 084 958	64 172	2.89%	2.19%	2023-09-27
Vanguard		1 051 550		2.65%	2.00%	2023-09-30
SEB Funds		971 977		2.45%	1.85%	2023-09-30
Saeid Esmacilzadeh		717 200		1.80%	1.36%	2023-09-01
Futur Pension		687 602	13 541	1.76%	1.33%	2023-09-27
Grandeur Peak Global Advisors, LLC		608 411		1.53%	1.16%	2023-07-31

Danske Invest		556 082		1.40%	1.06%	2023-08-31
FORUM Family Office GmbH		501 444		1.26%	0.95%	2023-06-30
Total 15	1 424 000	22 440 192	245 762	60.66%	70.17%	
Others	0	14 127 746	1 504 238	39.34%	29.83%	

Source: Monitor by Modular Finance. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen). The verification date may vary for certain shareholders.

As far as the Issuer is aware, there is no significant direct or indirect significant ownership or control over the Issuer, nor are there any shareholders' agreements or other agreements which could result in a change of control of the Issuer.

Legal Group structure

The Issuer is the ultimate parent in the Group which, at the date of this Prospectus, consists of the Sdipotech AB (publ) and 107 direct and indirect subsidiaries. The table below sets out the direct subsidiaries of the Issuer with information about the relevant subsidiary's name, jurisdiction of registration or incorporation and the Issuer's share of ownership. As of 31 December 2022, the subsidiaries' owned shares in companies in accordance with what is set out in note 15 of the Issuer's annual report for 2022. The Group primarily operates in eight countries as of the date of this Prospectus: Sweden, the United Kingdom, Finland, Norway, Denmark, the Netherlands, Italy and Croatia.

Name and seat	Reg. No.	Share
Sdip Holdings AB, Stockholm	559185-5696	100%
Sdip Crescent d.o.o., Zagreb	06502018711	100%
Sdip A AB, Stockholm	559142-5110	100%

Dependency on subsidiaries

As described in above and in the section "*Risk Factors – Structural subordination and insolvency of subsidiaries*", Issuer is a holding company and almost all the Group's assets and revenues relate to the Issuer's direct and indirect subsidiaries. The Issuer is therefore dependent upon receipt of sufficient income and cash flow related to the operations of the other companies within the Group to service its debt under the Bonds. The transfer of funds to the Issuer from other Group Companies may be restricted or prohibited by legal and contractual requirements applicable to the respective subsidiaries. Limitations or restrictions on the transfer of funds between companies within the Group may become more restrictive in the event that the Group experiences difficulties with respect to liquidity and its financial position, which may negatively affect the Group's operations, financial position and results and in turn the performance of the Issuer under the Bonds.

THE BOARD OF DIRECTORS, SENIOR MANAGEMENT AND AUDITORS

Board of directors

The Board of the Issuer consists of five members elected by the General Meeting of Shareholders.

Jan Samuelson

Born 1963. Chairman of the Board since 2017 and Board member since 2017.

Principal education: Master of Business Administration degree from the Stockholm School of Economics and a Master of Laws from Stockholm University.

Other on-going principal assignments: Board member of Independia Holding Aktiebolag and Business Partner Sweden AB.

Johnny Alvarsson

Born 1950. Board member since 2016.

Principal education: Master of Science degree in Engineering from Linköping University

Other on-going principal assignments: Board member of Beijer Alma, Instalco, Manava Konsult AB and Rotundagruppen AB. Chairman of VBG Group AB, FM Mattsson Mora, Llentab Group AB, Conveniunt AB, and Primotech Group AB.

Birgitta Henriksson

Born 1963. Board member since 2019.

Principal education: Business Administration degree from Uppsala and Stockholm University.

Other on-going principal assignments: Partner of Fogel & Partners and works in an advisory capacity to boards and management teams on strategic communications and capital market issues. Board member of Stillfront Group AB. Deputy Board Member of Fogel & Partners i Stockholm AB.

Urban Doverholt

Born 1961. Board member since 2019.

Principal education: Master degree in engineering from KTH in Stockholm and further education at IMD Lausanne, Switzerland.

Other on-going principal assignments: Chairman of the board of Amido and SIIV Automation Holding AB. Board member of Swesec Service Aktiebolag, Urban Doverholt AB and the Anti-Theft Association.

Eola Änggård Runsten

Born 1965. Board member since 2020.

Principal education: Master of Business Administration degree from Stockholm School of Economics.

Other on-going principal assignments: Consultant at her own company, board member of Yubico AB, DIB Services AB, Caybon Holding AB, Poly BidCo AB, ILT Inläsningstjänst AB, and Mentice AB.

Senior Management

The Senior Management consist of a team of six persons.

Jakob Holm²

Born 1971. CEO since 2015.

Principal education: M.Sc. in Systems Engineering at KTH Royal Institute of Technology.

Other on-going principal assignments: -

² On 29 May 2023 it was announced that Bengt Lejdström succeeds Jakob Holm as CEO and President of Sdiptech as of 1 January 2024.

Bengt Lejdström³

Born 1962. CFO since 2018.

Principal education: M.Sc. in Business Economics from Stockholm School of Economics.

Other on-going principal assignments: -

Steven Gilsdorf

Born 1978. Head of Acquisitions since 2018.

Principal education: B.Sc. in Business Economics from Arizona State University in USA.

Other on-going principal assignments: -

Fredrik Navjord

Born 1980. Head of Resource Efficiency since 2017.

Principal education: Master of Science from Chalmers University of Technology.

Other on-going principal assignments: -

Anders Mattson

Born 1980. Head of Special Infrastructure Solutions since 2018.

Principal education: M.Sc. degree from Chalmers University of Technology.

Other on-going principal assignments: -

My Lundberg

Born 1988. Head of Sustainability & IR since 2020.

Principal education: Business Administration, International Marketing from Mälardalen University and Università Cattolica del Sacro Cuore.

Other on-going principal assignments: -

Auditors

Öhrlings PricewaterhouseCoopers AB (Torsgatan 21, SE-113 97 Stockholm) is the Issuer's auditor since the annual general meeting held on 18 May 2020 and was re-elected at the annual general meeting held on 22 May 2023 for the period until the end of the annual general meeting 2024. Anna Rosendal is auditor in charge since 18 May 2020, and is an authorised public accountant and member of FAR, the professional institute for accountants in Sweden.

Business address

The address for all Board members and members of the Senior Management is c/o the Issuer, Nybrogatan 39, SE-114 39 Stockholm, Sweden.

Conflicts of interest

Apart from certain member of the Board and members of the Senior Management holding shares, preference shares, warrants and/or employee stock options in the Issuer, as far as the Board of Directors is aware, there are no conflicts of interest between the duties of members of the Board or members of the Senior Management in respect of the Issuer and their private interests and/or other duties.

³ As above, Bengt Lejdström succeeds Jakob Holm as CEO and President of Sdiptech as of 1 January 2024. At the date of this Prospectus, no successor CFO has been employed.

LEGAL AND SUPPLEMENTARY INFORMATION

Information about the Prospectus

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

This Prospectus is valid for a maximum of twelve (12) months after the date of its approval, provided that it is completed by any supplement pursuant to Article 23 of the Prospectus Regulation. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Prospectus is no longer valid.

Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Bonds and the performance of its obligations relating thereto. The issuance of the Initial Bonds on 31 August 2023 was authorised by a resolution of the Board of the Issuer on 15 August 2023.

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

Material agreements

Other than the agreements described below, neither the Issuer nor any other Group Company has concluded any material agreements not entered into in the ordinary course of its business which could result in a Group Company being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Bondholders.

Intercreditor Agreement

The Issuer, the Agent as Original Bonds Agent and Original Security Agent, certain entities as Original Super Senior Facility Creditors and certain other entities (each as defined in the Intercreditor Agreement) have entered into an intercreditor agreement dated 29 August 2023 (the "**Intercreditor Agreement**"). The terms of the Intercreditor Agreement provides for (i) subordination of liabilities raised in the form of shareholder debt (i.e. loans or other indebtedness/liabilities incurred from shareholder(s)), and (ii) senior ranking of the Super Senior Debt and the Senior Debt (each as defined therein) including, *inter alia*, the Bonds and the Super Senior Facilities Agreement. The senior ranking provides for sharing of the same security package but with waterfall priority of any enforcement proceeds, in accordance with Clause 13 (*Application of Recoveries*) of the Intercreditor Agreement. Pursuant to the waterfall provision, the Senior Creditors (as defined therein) (including the Bondholders under the Bonds) will only receive proceeds upon enforcement actions (including proceeds received in connection with bankruptcy or other insolvency proceedings or any other Enforcement Action (as defined therein)) after the obligations towards the Security Agent, the Bonds Agent and the Super Senior Creditors (including the providers of any Super Senior Facilities Debt) (each as defined therein) have been repaid in full.

Super Senior Facilities Agreement

The Issuer as guarantor and Sdip Holding as borrower, together with certain subsidiaries, have entered into a SEK 2,100,000,000 and GBP 36,000,000 (with a possibility to increase such amounts provided that the Incurrence Test is met) super senior facilities agreement for the purpose of financing the Group's general corporate purposes and certain acquisitions (see further under risk factors "*Structural subordination and insolvency of subsidiaries*" and "*Super senior financing and shared Transaction Security*"). The interest rate varies depending on the leverage ratio and consists of a margin plus the relevant reference rate and, if applicable, a currency premium in addition to the margin. Sdip Holdings and certain of its subsidiaries have granted security over shares and business mortgages and provided guarantees for the obligations under the super senior facilities agreement which is not shared with the Bondholders.

Governmental, legal and arbitration proceedings

The Group has not been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened which the Issuer is aware of) during the previous 12 months from the date of this Prospectus which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

Certain material interests

Carnegie Investment Bank AB and Nordea Bank Abp, filial i Sverige are Joint Bookrunners in conjunction with the issuance of the Bonds. The Joint Bookrunners (and closely related companies) have provided, and may in the future provide, certain investment banking and/or commercial banking and other services to the Issuer and the Group for which they have received, or will receive, remuneration. In particular, it should be noted that Nordea Bank Abp, filial i Sverige is a lender under the super senior facilities agreement with the Group as borrower and has partially been repaid with the proceeds from the issuance of the Bonds (see further under the section "*Super Senior Facilities Agreement*" above). Accordingly, conflicts of interest may exist or may arise as a result of Joint Bookrunners having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties.

Trend information

There has been no material adverse change in the prospects of the Issuer since 31 December 2022, being the date of the last published audited annual financial statements of the Issuer.

There has been no significant change in the financial performance of the Group since 30 September 2023, being the end of the last financial period for which financial information has been published to the date of this Prospectus.

Significant changes since 30 September 2023

Apart from the issuance of the Bonds, there have been no significant changes in the financial position of the Group since 30 September 2023, being the end of the last financial period for which interim financial information of the Issuer has been published.

Incorporation by reference

The following information has been incorporated into this Prospectus by reference and should be read as part of the Prospectus:

Annual Report for 2021⁴ as regards the audited consolidated financial information on

- page 77 (*Consolidated income statement*)
- page 78 (*Consolidated balance sheet*)
- page 79 (*Consolidated statement of changes in equity*)
- page 80 (*Consolidated statement of cash flows*)
- pages 86–124 (*Notes*)
- pages 126–130 (*Auditor's report*)

Annual Report for 2022⁵ as regards the audited consolidated financial information on

- page 80 (*Consolidated income statement*)
- page 81 (*Consolidated balance sheet*)
- page 82 (*Consolidated statement of changes in equity*)

⁴ https://assets.website-files.com/5ccac9906ff35e132721a7ea/626c0b19e8de3a865e4f2206_Sdipitech_Annual%20Report_2021_publ.pdf

⁵ https://assets.website-files.com/5ccac9906ff35e132721a7ea/6492c3f1a594634bd40a7df7_Annual_Sdipitech_2022.pdf

page 83 (*Consolidated cash flow statement*)

pages 89–129 (*Notes*)

pages 131–135 (*Auditor's report*)

2023 Q3 Interim Report⁶

as regards the unaudited consolidated financial information for the period from 1 January–30 September 2023 (including comparable numbers for the period 1 January–30 September 2022) on

page 10 (*Consolidated income statement*)

page 11 (*Consolidated balance sheet*)

page 12 (*Consolidated statement of changes in shareholders' equity*)

page 13 (*Consolidated cash flow statement*)

Information in the above documents that is not incorporated by reference is either deemed by the Issuer not to be relevant for Bondholders or is covered elsewhere in the Prospectus. The Issuer's consolidated financial statements for the financial years 2021 and 2022 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union and in accordance with the Swedish Annual Report Act (*årsredovisningslag (1995:1554)*) and audited by the Issuer's auditor. The interim consolidated financial statements for the period 1 January 2021–30 September 2023 have been prepared in accordance with IAS 34 – Interim Financial Reporting and have not been reviewed by the Issuer's auditors. Unless otherwise stated, no information in this Prospectus has been audited or reviewed by the Issuer's auditor.

Financial information pertaining to the financial years 2021 and 2022 has been derived from the Group's audited annual report for 2021 and 2022, respectively. Financial information pertaining to the nine-month period ended 30 September 2023 (including comparative figures for the interim period 1 January–30 September 2022) has been derived from the Group's unaudited interim report for the period 1 January–30 September 2023.

Documents on display

Copies of the following documents are available at the Issuer's office, Nybrogatan 39, SE-114 39 Stockholm, Sweden (regular office hours) and at the Issuer's website, www.sdiptech.se (the information on the website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus):

- the Issuer's certificate of registration and articles of association;
- all documents which are incorporated by reference are a part of this Prospectus, including the historical financial information for the Issuer listed above under "*Incorporation by reference*".

⁶ https://assets-global.website-files.com/5ccac9906ff35e132721a7ea/653ad98fb3abcd580366e6d1_Sdiptech%20interim%20report%20Q3%202023.pdf

TERMS AND CONDITIONS FOR THE BONDS

TERMS AND CONDITIONS



SDIPTECH AB (PUBL)

**UP TO SEK 1,000,000,000
SENIOR SECURED FLOATING RATE
SUSTAINABILITY-LINKED BONDS 2023/2027**

ISIN: SE0017132053

First Issue Date: 31 August 2023

SELLING RESTRICTIONS

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

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons, except for "Qualified Institutional Buyers" within the meaning of Rule 144A under the U.S. Securities Act.

PRIVACY NOTICE

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

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

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

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

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

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

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites <https://www.sdiptech.se/>, <https://www.intertrustgroup.com> and <https://www.nordea.com>.

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

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

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

“**Affiliate**” means:

- (a) an entity controlling or under common control with the Issuer, other than a Group Company; and
- (b) any other person or entity owning any Bonds (irrespective of whether such person is directly registered as owner of such Bonds) that has undertaken towards a Group Company or an entity referred to in paragraph (a) above to vote for such Bonds in accordance with the instructions given by a Group Company or an entity referred to in paragraph (a) above.

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

“**Agency Agreement**” means the agency agreement entered into before the First Issue Date between the Issuer and the Agent (in its capacity as Agent and Security Agent), or any replacement agency agreement entered into after the First Issue Date between the Issuer and an agent.

“**Agent**” and “**Security Agent**” means Intertrust (Sweden) AB, Swedish Reg. No. 556625-5476, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

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

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

“**Bond**” means a debt instrument (*skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1, Section 3 of the Financial Instruments Accounts Act (*lag (1998:1479) om kontoföring av finansiella instrument*), and which are governed by and issued under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

“**Bond Issue**” means the issue of Bonds by the Issuer pursuant to the Terms and Conditions.

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

“**Bondholders’ Committee**” means a committee of natural persons appointed by the Bondholders to represent their interests in relation to the Bonds by a decision in accordance with Clause 16.4.3.

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clauses 16.1 (*Request for a decision*), 16.2 (*Convening of Bondholders’ Meeting*) and 16.4 (*Majority, quorum and other provisions*).

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

“**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.

“**Capital Securities**” means any capital securities or other deeply subordinated notes issued by the Issuer and which:

- (a) rank junior in right of payment to any present or future claims under the Bonds in insolvency events and all other unsubordinated obligations of the Issuer; and
- (b) are, as of the date of the issuance, treated as equity (in whole or in part) according to the Accounting Principles.

“**Cash and Cash Equivalents**” means cash and cash equivalents of the Group in accordance with the Accounting Principles as set out in the most recent Financial Report.

“**Change of Control Event**” means delisting of the shares in the Issuer or 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 fifty (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 members of the board of directors of the Issuer.

“**Compliance Certificate**” has the meaning set forth in Clause 11.1.5.

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

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

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

“**Downstream Loans**” means any loan and/or loans being made by the Issuer to SDIP Holdings in connection with:

- (a) the relevant Issue Date constituting on-lending of Net Proceeds; or
- (b) the issue date of any Permitted Market Loan following which the net proceeds from such issuance is on-lent.

“**EBITDA**” means, in respect of any Reference Period, the consolidated net profit of the Group according to the most recent Financial Report after:

- (a) adding back corporation tax or other taxes on income or gains (deducting if positive);

- (b) adding back net financial items (deducting if positive);
- (c) adding back or deducting any loss or gain against book value arising on a disposal of any asset;
- (d) adding back (or deducting if positive) any amortisation or write-down or upward revaluation of intangible assets (for the avoidance of doubt including goodwill and revaluation of unpaid earn out payments);
- (e) adding back (or deducting if positive) any depreciation or write-down or upward revaluation of fixed assets;
- (f) deducting any Extraordinary Income; and
- (g) adding back any Extraordinary Costs.

“Equity Issue” means any publicly communicated:

- (a) proposal from the Issuer’s board of directors to the shareholders of the Issuer to approve a share issue; or
- (b) decision by the Issuer’s board of directors to carry out a share issue based on a previous authorisation from the shareholders at a general meeting.

“Event of Default” means an event or circumstance specified in Clause 14.1.

“Extraordinary Costs” means, in relation to each Reference Period, any one-off, nonrecurring costs (including costs associated with any acquisition, disposal or restructuring of the business of, or any subsidiary or division forming part of, the Group) incurred during such Reference Period provided that such amount shall not exceed ten (10) per cent of EBITDA of the Group before taking into account any Extraordinary Costs for any Reference Period.

“Extraordinary Income” means, in relation to each Reference Period, any one-off, nonrecurring income.

“Final Maturity Date” means the date falling four (4) years after the First Issue Date.

“Finance Documents” means:

- (a) the Terms and Conditions
- (b) the Intercreditor Agreement;
- (c) the Transaction Security Documents; and
- (d) any other document designated by the Issuer and the Agent (on behalf of itself and the Bondholders) as a Finance Document.

“Finance Lease” means a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability.

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

- (a) moneys borrowed (including under any bank financing or Market Loan);
- (b) the amount of any liability under any Finance Leases;

- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any other transaction having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (e) the marked-to-market value of derivative transactions entered into in connection with protection against, or benefit from, fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter-indemnity obligations in respect of Guarantees or other instruments issued by a bank or financial institution;
- (g) for the purpose of measuring the Incurrence Test only, any amount finally determined but unpaid under any earn-out obligations and conditional deferred purchase arrangements (to the extent (i) accounted for as indebtedness in the accounts of any Group Company pursuant to the Accounting Principles, and (ii) such amount is not to be settled in shares or other equity instruments); and
- (h) without double-counting, liabilities under Guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) above.

Any Capital Securities issued by the Issuer shall not constitute Financial Indebtedness.

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

“Financial Report” means the annual audited consolidated financial statements of the Group, the quarterly interim unaudited consolidated reports of the Group or any report required for the purpose of a Compliance Certificate to be delivered to the Agent pursuant to the Terms and Conditions.

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

“First Issue Date” means 31 August 2023

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

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

“Group Company Vendor Loans” means vendor loans:

- (a) where the aggregate outstanding principal amount of all such vendor loans does not exceed SEK 25,000,000 (or its equivalent in any other currency or currencies) in aggregate for the Group (excluding the Issuer); or
- (b) where the obligations thereunder are subordinated to the obligations of the Issuer under the Bonds,

in each case, issued by any Group Company (other than the Issuer) to any seller or sellers in connection with any acquisition of shares, businesses or assets.

“Guarantee” means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness.

“**Incurrence Test**” means the incurrence test set forth in Clause 12.1.1.

“**Incurrence Test Date**” has the meaning set forth in Clause 12.1.2.

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

“**Insolvent**” means, in respect of a relevant Person, that it is unable or admits inability to pay its debts as they fall due, suspends or declares that it will suspend making payments on any of its debts or, by reason of actual financial difficulties, commences negotiations with all or substantially all of its known creditors (other than the Bondholders) with a view to rescheduling any of its indebtedness or is subject to involuntary winding-up, dissolution or liquidation.

“**Intercreditor Agreement**” means the intercreditor agreement entered into between, amongst others, the Issuer, the lenders under the Subsidiary Financing and the Agent (representing the Bondholders).

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

“**Interest Payment Date**” means 28 February, 31 May, 31 August and 30 November 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 30 November 2023 and the last Interest Payment Date shall be the relevant Redemption Date.

“**Interest Period**” means:

- (a) 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
- (b) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means the Base Rate plus the Margin as adjusted by any application of Clause 18 (*Replacement of base rate*).

“**Issue Date**” means the First Issue Date and any subsequent date on which Bonds are issued.

“**Issuer**” means Sdiptech AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556672-4893.

“**Issuer Vendor Loans**” means any unsecured vendor loan issued by the Issuer to any seller or sellers in connection with any acquisition of shares, businesses or assets.

“**Issuing Agent**” means, initially, Nordea Bank Abp, filial i Sverige and thereafter each other party appointed as Issuing Agent in accordance with these Terms and Conditions and the CSD Regulations.

“**Listing Failure Event**” means that

- (a) the Initial Bonds are not admitted to trading on the corporate bond list of Nasdaq Stockholm (or another Regulated Market) within sixty (60) days from (and excluding) the First Issue Date; and
- (b) following a successful listing and subsequent de-listing of the Bonds from the corporate bond list of Nasdaq Stockholm (or another Regulated Market) the Bonds are not re-listed on the corporate bond list of Nasdaq Stockholm (or another Regulated Market) by the date falling thirty (30) calendar days from the date of the delisting.

“**Margin**” means 4.90 per cent. *per annum*.

“**Market Loans**” means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or other regulated or 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 comply with its payment obligations under the Finance Documents;
- (c) the validity or enforceability of the Finance Documents; or
- (d) the effectiveness or ranking of any Transaction Security.

“**Material Company**” means each of:

- (a) the Issuer;
- (b) any Subsidiary of the Issuer which on a consolidated basis has earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) representing five (5) per cent. or more of EBITDA, as determined by reference to the latest audited consolidated Financial Report of the Group and a list which shall be provided to the Agent at its reasonable request.

“**Net Proceeds**” means the proceeds from the Initial Bond issue or any issue of Subsequent Bonds which, after deduction has been made for the Transaction Costs payable by the Issuer in connection with issuance of the Bonds and any Subsequent Bonds, shall be transferred to the Issuer and used in accordance with the purpose of the Bond Issue.

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

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

- (a) incurred under the Finance Documents (save for any Subsequent Bonds);
- (b) incurred under the Subsidiary Financing;
- (c) arising as a result of the refinancing of the Bonds in full, provided that the net proceeds of such Financial Indebtedness are kept on an escrow account until such refinancing is made;
- (d) incurred under any Financial Indebtedness (other than Market Loans) provided that such incurrence meets the Incurrence Test, including the relevant Financial Indebtedness on a *pro forma* basis;
- (e) incurred by the Issuer under any Permitted Market Loan;
- (f) in respect of which a Group Company is the creditor;
- (g) any Financial Indebtedness arising under any cash pooling, netting or set-off arrangement entered into by any Group Company in the ordinary course of the banking arrangements of the Group for the purpose of netting debit and credit balances;
- (h) related to any agreements under which a Group Company leases office space (*kontorshyresavtal*) or other premises, provided that such Financial Indebtedness is incurred in the ordinary course of business of such Group Company;
- (i) arising under any Finance Leases (not otherwise permitted pursuant to paragraph (h) above) entered into by a Group Company in the ordinary course of business;

- (j) arising under non-speculative hedging transactions entered into in the ordinary course of business in connection with protection against interest rate, currency or commodity price fluctuation;
- (k) pertaining to any acquired asset, business or entity and existing on the date of its acquisition, but not created in the contemplation of its acquisition, provided that any such Financial Indebtedness has been discharged within six (6) months after the date of the acquisition of the asset, business or entity;
- (l) incurred under any Group Company Vendor Loans or any Issuer Vendor Loans;
- (m) any earn-out obligations and conditional deferred purchase arrangements (to the extent constituting Financial Indebtedness);
- (n) arising under any pension liabilities or Guarantees of such liabilities in the ordinary course of business;
- (o) arising in the ordinary course of business with suppliers of goods; or
- (p) not permitted by the preceding paragraphs and the outstanding principal amount of which for the Group does not at any time exceed the higher of (i) SEK 50,000,000 (or its equivalent in any other currency or currencies) and (ii) ten (10.00) per cent. of EBITDA (for the Reference Period ending on the last day of the period covered by the most recent Financial Report and where EBITDA shall be adjusted as set out in Clause 12.1.3)).

“**Permitted Market Loans**” means any Market Loan issued by the Issuer provided that:

- (a) the incurrence of such Market Loan meets the Incurrence Test, including the Market Loan on a *pro forma* basis and the Market Loan:
 - (i) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Bonds;
 - (ii) (A) has a final redemption date or, when applicable, early redemption dates or instalment dates that occurs after the Final Maturity Date, or (B) such Market Loan constitute Capital Securities; and
 - (iii) is unsecured or, if the creditors under such Market Loan have acceded to the Intercreditor Agreement, the Transaction Security shall secure such Market Loan on the same terms, *mutatis mutandis*, as it secures the Bonds;
- (b) such Market Loan is issued for the purposes of a contemplated refinancing of the Bonds in full and provided that:
 - (i) the net proceeds are to be applied towards tender, redemption and/or repayment of the Bonds within one hundred eighty (180) calendar days from the date of issuance of such Market Loan and provided that the Incurrence Test is met on a *pro forma* basis on the last day of such period if the Bonds remains outstanding at such time; or
 - (ii) the net proceeds from such Market Loan issuance is held in escrow until full repayment of the Bonds provided that, no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the relevant incurrence (as applicable); or
- (c) such Market Loan is issued as Subsequent Bonds and the incurrence of such Subsequent Bonds meet the Incurrence Test, including the Subsequent Bonds on a *pro forma* basis.

“Permitted Security” means:

- (a) any Security or Quasi-Security created under the Finance Documents;
- (b) any Security, Quasi-Security, or Guarantee created under the Subsidiary Financing;
- (c) any Security provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds in full are intended to be received;
- (d) any Security or Quasi-Security agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full;
- (e) any netting or set-off arrangement entered into by a Group Company in the ordinary course of its banking arrangement for the purpose of netting debit and credit balances (including under cash pooling arrangements);
- (f) any payment or close out netting or set-off arrangement arising under non-speculative hedging transactions entered into in the ordinary course of business and which is permitted pursuant to paragraph (j) of the definition of “Permitted Debt”;
- (g) any lien or other security interest arising by operation of law and in the ordinary course of business and not as a result of any default or omission by any Group Company;
- (h) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company;
- (i) any Security or Quasi-Security affecting (A) any asset acquired by a Group Company or (B) any asset of a company which has become a Group Company after the First Issue Date, if:
 - (i) such Security or Quasi-Security was not created after or in contemplation of the acquisition of the asset or the Group Company (as applicable);
 - (ii) the principal amount secured has not been increased in contemplation of or since the acquisition of the asset or the Group Company (as applicable); and
 - (iii) the Security or Quasi-Security is removed or discharged within six (6) months after the date of the acquisition of the asset or the Group Company (as applicable);
- (j) any Security in favour of lessors over any leased assets provided that such leases constitute Permitted Debt;
- (k) any Guarantee of the performance by a Group Company under any contract entered into in the ordinary course of business;
- (l) any Guarantee given in respect of netting or set-off arrangements permitted pursuant to paragraph (e) of the definition of “Permitted Security”;
- (m) any Guarantee provided in the ordinary course of business for obligations which constitute Permitted Debt; or
- (n) any Security or Quasi-Security not permitted by paragraphs (a) to (m), securing Financial Indebtedness the outstanding principal amount of which for the Group does not at any time exceed the higher of (i) SEK 50,000,000 (or its equivalent in any other currency or currencies) and (ii) ten (10.00) per cent. of EBITDA (for the Reference Period ending on the

last day of the period covered by the most recent Financial Report and where EBITDA shall be adjusted as set out in Clause 12.1.3)).

“**Quasi-Security**” means:

- (a) any disposal of assets on terms whereby they are or may be leased to or reacquired by any Group Company;
- (b) any disposal of its receivables on recourse terms;
- (c) any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts; and
- (d) any other preferential arrangement having a similar effect.

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

“**Record Date**” means the fifth (5) Business Day prior to:

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 15 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date,

or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and repurchase of the Bonds*).

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

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

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

“**Restricted Payment**” has the meaning set forth in Clause 13.2.1.

“**SDIP Holdings**” means Sdip Holdings AB, a private limited liability company incorporated in Sweden with Reg. No. 559185-5696, being a wholly owned direct Subsidiary of the Issuer.

“**Secured Obligations**” has the meaning ascribed to it in the Intercreditor Agreement.

“**Secured Parties**” has the meaning ascribed to it in the Intercreditor Agreement.

“**Securities Account**” means the account for dematerialised securities (*avstämningsregister*) 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.

“**Senior Debt**” means the aggregate amount of all interest-bearing obligations of:

- (a) any Group Company (other than the Issuer); and
- (b) the Issuer under:
 - (i) the Bonds; and
 - (ii) any other obligations which rank *pari passu* or in priority to the obligations of the Issuer under the Bonds,

but excluding:

- (A) any Financial Indebtedness under Bonds held by any Group Company;
- (B) all intra-Group liabilities; and
- (C) any obligations subordinated to the obligations of the Issuer under the Bonds.

“**Senior Net Debt**” means Senior Debt *less* Cash and Cash Equivalents of the Group in accordance with the Accounting Principles and as set out in the latest Financial Report.

“**Senior Net Debt to EBITDA**” means, in respect of any Reference Period, the ratio of Senior Net Debt on the last day of that Reference Period to EBITDA of the Group, in respect of that Reference Period.

“**SPT Observation Date**” means 31 December 2026.

“**SPT Report Date**” means the date on which the Sustainability-Linked Finance Progress Report and the Verification relating to the SPT Observation Date are made available in accordance with paragraph (d) under Clause 11.1.1.

“**STIBOR**” means:

- (a) the Stockholm interbank offered rate administered by the Base Rate Administrator (or the replacing administrator or calculation agent) for the offering of deposits in Swedish Kronor and for a period comparable to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period and (ii) the applicable screen rate for the shortest period (for which that screen rate is available) which exceeds that Interest Period, as of or around 11.00 a.m. on the Quotation Day;
- (c) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and/or (b) above, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market

reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or

- (d) if no rate is available for the relevant Interest Period pursuant to paragraphs (a) and (b) above and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period.

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

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

“**Subsidiary Financing**” means:

- (a) term and revolving facilities in aggregate up to SEK 2,100,000,000 and GBP 36,000,000 with SDIP Holdings as borrower (the “**Initial Subsidiary Financing**”);
- (b) any refinancing, amendment or replacement of the Initial Subsidiary Financing, provided that any increase of the amount compared to the original amounts of the Initial Subsidiary Financing in connection with such refinancing, amendment or replacement must meet the Incurrence Test, including the relevant increase on a *pro forma* basis; or
- (c) any Hedging Obligations (as defined in the Intercreditor Agreement).

“**Sustainability Performance Target**” means a reduction of carbon emission intensity by fifty (50) per cent. by 31 December 2026 from the base year 2021.

“**Sustainability-Linked Finance Progress Report**” means the Issuer’s status report, including, *inter alia*, the Group carbon emission intensity for the relevant time period and any other relevant information needed to assess whether the Group carbon emission intensity is equal to or higher than the Sustainability Performance Target on the SPT Observation Date.

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

“**Third-Party Reviewer**” means a third-party reviewer reasonably selected by the Issuer for the purpose of independently verifying the Group carbon emission intensity on an annual basis and in relation to the SPT Observation Date.

“**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 Group Company in connection with any Bond Issue, the Finance Documents, the amendments to the Subsidiary Financing to allow for the Bonds to be issued and the admission to trading of the Bonds.

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

“**Transaction Security Documents**” means the documents whereby the following security is created:

- (a) pledges over:
 - (i) all shares in SDIP Holdings; and
 - (ii) all Downstream Loans; and

- (b) any other documents pursuant to which Transaction Security is provided.

“**Verification**” means any verification by a Third-Party Reviewer of the Group carbon emission intensity on an annual basis and in relation to the SPT Observation Date.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clauses 16.1 (*Request for a decision*), 16.3 (*Instigation of Written Procedure*) and 16.4 (*Majority, quorum and other provisions*).

1.2 Construction

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (d) a provision of regulation is a reference to that provision as amended or re-enacted; and
- (e) a time of day is a reference to Stockholm time.

1.2.2 An Event of Default is continuing if it has not been remedied or waived.

1.2.3 When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (*Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.

1.2.5 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

1.2.6 The selling restrictions, the privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Agent.

1.2.7 In case of any conflict of terms between the terms of the Intercreditor Agreement and any other Finance Document, the terms of the Intercreditor Agreement shall prevail.

2. STATUS OF THE BONDS

2.1 The Bonds are denominated in Swedish Kronor and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.

2.2 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.

- 2.3 The nominal amount of each Initial Bond is SEK 1,250,000 (the “**Nominal Amount**”). All Initial Bonds are issued on a fully-paid basis at an issue price of 100 per cent. of the Nominal Amount. The total nominal amount of the Initial Bonds is SEK 600,000,000.
- 2.4 The ISIN of the Bonds is SE0017132053.
- 2.5 Provided that the Incurrence Test (calculated *pro forma* including the relevant Subsequent Bonds), the Issuer may, on one or several occasions, issue Subsequent Bonds. Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Currency, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The issue price of the Subsequent Bonds may be set at the Nominal Amount, a discount or 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 SEK 1,000,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16.4.2(a). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8.1, and otherwise have the same rights as the Initial Bonds.
- 2.6 Subject to the Intercreditor Agreement (providing for *inter alia* (i) the subordination of Intra Group Debt and Shareholder Debt and (ii) the super senior ranking of the Super Senior Facilities Agreement and the Hedging Obligations, each in relation to the bonds), the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Finance Documents. The Bonds are secured as described in Clause 10 (*Transaction Security*) and as further specified in the Transaction Security Documents.
- 2.7 The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local regulation to which a Bondholder may be subject (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 2.8 The Bonds have not been and will not be registered, and may be restricted, in United States, Australia, Japan, Canada, or in any other country where the offering, sale and delivery of the Bonds may be restricted by law.

3. USE OF PROCEEDS

The Issuer shall use the Net Proceeds from any issue of Bonds, for general corporate purposes of the Group, including acquisitions, investments in companies, repayment of debt and Transactions Costs.

4. CONDITIONS PRECEDENT

4.1 Conditions precedent to the Issue Date

- 4.1.1 The Issuer shall provide to the Agent, no later than 11.00 a.m. two (2) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), each document and other evidence listed in Part I (*Conditions precedent to the First Issue Date*) of Q (*Conditions precedent*) in the form and substance satisfactory to the Agent.
- 4.1.2 The Issuer shall provide to the Agent, no later than 11.00 a.m. three (3) Business Days prior to the Issue Date (or such later time as agreed to by the Agent) in respect of Subsequent Bonds, each document and other evidence listed in Part II (*Conditions precedent to the issue of Subsequent Bonds*) of Q (*Conditions precedent*) in the form and substance satisfactory to the Agent.
- 4.1.3 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 4.1 or 4.1.2, as the case may be have been fulfilled (or amended or waived in accordance with Clause 17

(*Amendments and waivers*)). The relevant Issue Date shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Days prior to the relevant Issue Date (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent, the Issuer and the CSD agree to postpone the relevant Issue Date.

4.2 Settlement and disbursement

Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.1.3, the Issuing Agent shall settle the issuance of the Initial Bonds and pay the Net Proceeds to the Issuer on the First Issue Date. Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.1, the Issuing Agent shall settle the issuance of any Subsequent Bonds and pay the Net Proceeds to the Issuer on the relevant Issue Date.

4.3 No responsibility for documentation

The Agent does not have any obligation to review the documents and evidence pursuant to any of the conditions precedent referred to in Clause 4.1.1 or 4.1.2 (as the case may be) from a legal or commercial perspective of the Bondholders. The Agent may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete and the Agent does not have to verify or assess the contents of any such documentation.

5. BONDS IN BOOK-ENTRY FORM

5.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds.

5.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

5.3 The Issuer and the Agent (when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.

5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

5.5 The Issuer and the Agent may use the information referred to in Clause 5.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

6. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

6.1 If any person other than a Bondholder (including the owner of a Bond, if such person is not the Bondholder) wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or a successive, coherent chain of powers of attorney or authorisations starting with the Bondholder and authorising such person.

- 6.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 6.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clause 6.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.
- 6.4 The Bondholders may in accordance with Clause 16.4.3 appoint a Bondholders' Committee to represent their interests in relation to the Bonds and in accordance with Clause 16.4.4 delegate powers to such Bondholders' Committee. The Bondholders' Committee represents all Bondholders and exercises such delegated powers on behalf of all Bondholders.
- 6.5 The Bondholders' Committee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it or any member thereof under or in connection with any Finance Document, unless directly caused by a breach of the powers delegated to it or by gross negligence or wilful misconduct.
- 6.6 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (*förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

7. PAYMENTS IN RESPECT OF THE BONDS

- 7.1 Any payment or repayment under the Finance Documents shall be made to such person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant payment date, or to such other person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 7.2 Provided that a Bondholder has registered an income account (*avkastningskonto*) for the relevant Securities Account on the applicable Record Date, the CSD shall procure that principal, interest and other payments under the Bonds are deposited to such income account on the relevant payment date. If an income account has not been registered on the Record Date for the payment, no payment will be effected by the CSD to such Bondholder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Bondholder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 8.4 during such postponement.
- 7.4 If payment or repayment is made in accordance with this Clause 7, the Issuer shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount (unless the Issuer has actual knowledge of the fact that the payment was made to the wrong person).
- 7.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

8. INTEREST

- 8.1 Each Initial Bond carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 8.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 8.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 8.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate for such Interest Period. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

9. REDEMPTION AND REPURCHASE OF THE BONDS

9.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to:

- (a) the Nominal Amount together with accrued but unpaid Interest if:
 - (i) the Group carbon emission intensity of the Issuer is higher than or equal to the Sustainability Performance Target on the SPT Observation Date; and
 - (ii) the Issuer provides and makes public the Sustainability-Linked Finance Progress Report and the Verification relating to the SPT Observation Date no later than the SPT Report Date; or
- (b) in any other case, 101.00 per cent. of 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 Purchase of Bonds by Group Companies

- 9.2.1 Each Group Company may, subject to applicable regulations, at any time and at any price purchase Bonds in the market or in any other way.
- 9.2.2 Bonds held by the Issuer (including Bonds repurchased by the Issuer pursuant to Clause 9.5 (*Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)*)) or any Group Company may at the Issuer's or such Group Company's discretion be retained or sold, but not be cancelled, except in connection with a redemption of the Bonds in full or repurchase of all Bonds not already held by the Issuer.

9.3 Voluntary total redemption (call option)

9.3.1 The Issuer may redeem all, but not some only, of the outstanding Bonds in full:

- (a) any time from (and including) the First Issue Date to (but excluding) the First Call Date, at an amount per Bond equal to:
 - (i) 100.98 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
 - (ii) the remaining interest payments on or after the First Issue Date to (but excluding) the First Call Date;
- (b) any time from (and including) the First Call Date to (but excluding) the first Business Day falling forty-two (42) months after the First Issue Date, at an amount per Bond equal to 100.98 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
- (c) any time from (and including) the first Business Day falling forty-two (42) months after the First Issue Date to (but excluding) the Final Maturity Date, at an amount per Bond equal to 100.49 per cent. of the Nominal Amount, together with accrued but unpaid Interest,

provided that (A) if the Sustainability Performance Target is not satisfied on the SPT Observation Date and/or (B) redemption occurs prior to the SPT Report Date, the Bonds shall be redeemed at an amount per Bond equal to the relevant redemption price set out in paragraphs (a)–(c) above plus one (1.00) per cent. of the Nominal Amount (for the avoidance of doubt, together with accrued but unpaid interest).

9.3.2 Notwithstanding the above, the Issuer may any time from (and including) the first Business Day falling 42 months after the First Issue Date redeem outstanding Bonds provided that the redemption is financed by way of one or several Market Loan(s). Such redemption shall be made at an amount per Bond equal to 100 per cent. of the Nominal Amount together with accrued but unpaid interest but if the Sustainability Performance Target has not been satisfied on the SPT Observation Date, the Bonds shall be redeemed at an amount per Bond equal to the 101 per cent. of the Nominal Amount together with accrued but unpaid Interest.

9.3.3 For the purpose of calculating the remaining interest payments pursuant to Clause 9.3.1(a), it shall be assumed that the Interest Rate for the period from the relevant Record Date to and including 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 in accordance with Clause 9.3.4. The relevant Record Date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such redemption.

9.3.4 Redemption in accordance with Clause 9.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice prior to the relevant Redemption Date to the Bondholders and the Agent, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a 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 fulfilment of the conditions precedent (if any), the Issuer shall be bound to redeem the Bonds in full with the applicable amounts on the specified Redemption Date.

9.4 Voluntary total redemption due to illegality (call option)

9.4.1 The Issuer may redeem early all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer before the Final Maturity Date if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents. The Bonds shall be redeemed at an amount per Bond equal to the Nominal Amount together with accrued but unpaid interest.

9.4.2 The Issuer may give notice of redemption pursuant to Clause 9.4.1 no later than fifteen (15) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

9.5.1 Upon the occurrence of a Change of Control Event or a Listing Failure Event, each Bondholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event or Listing Failure Event, as the case may be, pursuant to Clause 11.1.3 (after which time period such right shall lapse), have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to one hundred and one (101) per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or the Listing Failure Event, as the case may be.

9.5.2 The notice from the Issuer pursuant to Clause 11.1.3 shall specify the period during which the right pursuant to Clause 9.5.1 may be exercised, the Redemption 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, or shall procure that a person designated by the Issuer will, repurchase the relevant Bonds and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 11.1.3. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.5.1.

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

9.5.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 9.5, if a third party in connection with the occurrence of a Change of Control Event or a Listing Failure Event offers to purchase the Bonds in the manner and on the terms set out in this Clause 9.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in this Clause 9.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

9.5.5 No repurchase of Bonds pursuant to this Clause 9.5 shall be required if the Issuer has given notice of a redemption pursuant to Clause 9.3 (*Voluntary total redemption (call option)*) provided that such redemption is duly exercised.

10. TRANSACTION SECURITY

10.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants and shall procure that each other Group Company (as applicable) grants, on or before the First Issue Date, the Transaction Security to the Secured Parties as represented by the Agent. The Transaction Security shall be provided and perfected pursuant to, and subject to the terms of, the Transaction Security Documents entered into or to be entered into between the Issuer and the Agent, acting on behalf of the Secured Parties. The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents.

10.2 The Agent shall, on behalf of the Secured Parties, keep all certificates and other documents that are bearers of rights relating to the Transaction Security in safe custody.

- 10.3 Unless and until the Agent has received instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.
- 10.4 For the purpose of exercising the rights of the Secured Parties, the Agent may instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD and from which payments under the Bonds are made to another bank account. The Issuer shall immediately upon request by the Agent provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent and the CSD), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 10.4.
- 10.5 The Agent shall be entitled to release all Transaction Security when it is satisfied of the full discharge of all Secured Obligations. Written confirmations or excerpts from the CSD system issued by the CSD to the Issuer and/or the Agent showing that the Bonds have been repaid in full shall be deemed sufficient evidence (in each case provided that the Agent does not have actual knowledge to the contrary).
- 10.6 Upon an enforcement of the Transaction Security, the proceeds shall be distributed in accordance with the Intercreditor Agreement.

11. INFORMATION TO BONDHOLDERS

11.1 Information from the Issuer

- 11.1.1 The Issuer shall make the following information available in the English language by publication on the website of the Issuer:
- (a) as soon as the same become available, but in any event within four (4) months after the end of each financial year, its annual audited consolidated financial statements for that financial year prepared in accordance with the Accounting Principles;
 - (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, its quarterly unaudited consolidated financial statements or the year-end report (*bokslutskommuniké*) (as applicable) (the first report covering the period ending on the last day of the calendar quarter in which the First Issue Date occurs) prepared in accordance with the Accounting Principles; and
 - (c) any other information required by the Swedish Securities Markets Act (*lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading; and
 - (d) no later than on the date that its annual audited consolidated financial statements are made available pursuant to paragraph (a) above, the Sustainability-Linked Finance Progress Report and the Verification.
- 11.1.2 The Issuer shall as soon as practicable following an acquisition or disposal of Bonds by the Issuer, make available the aggregate Nominal Amount held by the Issuer by publication on the website of the Issuer.
- 11.1.3 The Issuer shall immediately notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control 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. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event.

11.1.4 The Issuer shall immediately notify the Agent 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 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.

11.1.5 The Issuer shall:

- (a) in connection with the incurrence of new Financial Indebtedness that requires the Incurrence Test to be met (but prior to the event relevant for the application of the Incurrence Test);
- (b) in connection with a Restricted Payment which requires that the Incurrence Test is met;
- (c) pursuant to Clause 13.12(a) (*Equity Issue and Capital Securities adjustments*) (if applicable); and
- (d) within twenty (20) Business Days from a request by the Agent,

submit to the Agent a compliance certificate, in substantially the form set forth in Q (*Form of Compliance Certificate*), (“**Compliance Certificate**”) containing:

- (i) a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it, attaching copies of any notices sent to the Regulated Market on which the Bonds are admitted to trading); and
- (ii) if delivered pursuant to paragraphs (a)-(c) above, a confirmation that the Incurrence Test is met as per the relevant Incurrence Test Date, including calculations and figures in respect of the Incurrence Test, calculated *pro forma* and in accordance with Clause 12.1.3.

11.2 Information from the Agent and a Bondholders’ Committee

11.2.1 Subject to the restrictions of a non-disclosure agreement entered into in accordance with Clause 11.2.2, the Agent is entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default shall be dealt with in accordance with Clause 14.4 and 14.5).

11.2.2 A Bondholders’ Committee may agree with the Issuer not to disclose information received from the Issuer. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the Bondholders’ Committee.

11.3 Information among the Bondholders

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

11.4 Availability of Finance Documents

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

11.4.2 The latest versions of the Transaction Security Documents, the Intercreditor Agreement and other Finance Documents (including any document amending such Transaction Security Documents and Finance Documents) shall upon written request be made available by the Agent to any to a Bondholder (or to a person providing evidence satisfactory to the Agent that it holds Bonds through a nominee) by way of email or at the office of the Agent. The Agent may require that the requesting person or the Issuer reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work).

11.5 Restrictions

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 11 (*Information to Bondholders*) if providing such information to the Agent and/or the Bondholders would not conflict with any applicable laws or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11 (*Information to Bondholders*).

12. INCURRENCE TEST

12.1 Incurrence Test

12.1.1 The Incurrence Test is met if:

- (a) the ratio of Senior Net Debt to EBITDA is not greater than 3.50:1, calculated in accordance with Clause 12.1.3; and
- (b) no Event of Default is continuing or would occur upon the incurrence of such Financial Indebtedness or Restricted Payment (as applicable).

12.1.2 The calculation shall be made on:

- (a) the date of the event relevant for the application of the Incurrence Test; or
- (b) in relation to any issuance of Subsequent Bonds, on the date falling five (5) Business Days prior to the relevant Issue Date,

(the "**Incurrence Test Date**").

12.1.3 For the purpose of the Incurrence Test (without double counting):

- (a) the figures for EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used, but adjusted so that:
 - (i) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a member of the Group acquired during the Reference Period, or after the end of the Reference Period but before the relevant Incurrence Test Date, shall be included, *pro forma*, for the entire Reference Period;

- (ii) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a member of the Group disposed of during the Reference Period, or after the end of the Reference Period but before the relevant Incurrence Test Date, shall be excluded, *pro forma*, for the entire Reference Period; and
 - (iii) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of any entity to be acquired with the proceeds of new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period; and
- (b) Senior Net Debt shall be measured on the relevant Incurrence Test Date, but:
- (i) include on a *pro forma* basis the new Financial Indebtedness and exclude any Financial Indebtedness to the extent refinanced with the new Financial Indebtedness incurred, in each case provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce Senior Net Debt); and
 - (ii) at the discretion of the Issuer and if necessary to meet the Incurrence Test, may be reduced on a *pro forma* basis to reflect the communicated Cash and Cash Equivalents anticipated to be received by the Issuer following the consummation of any relevant Equity Issue or issue of Capital Securities.

13. GENERAL UNDERTAKINGS

13.1 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 13 for as long as any Bonds remain outstanding.

13.2 Distributions

13.2.1 Except as explicitly permitted pursuant to Clause 13.2.2, the Issuer shall not:

- (a) pay any dividends in respect of its shares;
- (b) repurchase or redeem any of its own shares;
- (c) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders;
- (d) repay any loans granted by its direct or indirect shareholders or pay interest thereon;
- (e) make any payments or repayments under any Capital Securities or any preference shares; or
- (f) make any other similar distributions or transfers of value (*värdeöverföringar*) to the Issuer's, or its Subsidiaries', direct or indirect shareholders or any legal or natural person affiliated with such direct and indirect shareholders,

(paragraphs (a) to (f) above are together and individually referred to as a “**Restricted Payment**”).

13.2.2 Notwithstanding Clause 13.2.1, a Restricted Payment may be made by the Issuer:

- (a) If:
 - (i) the aggregate amount of all, actual or contractually committed, Restricted Payment (other than any payments permitted by paragraphs (f) and (g) below) in a financial year does not exceed the higher of:
 - (A) thirty-three (33) per cent of the Group's consolidated net profit, according to the annual audited financial statements for the previous financial year; and
 - (B) SEK 50,000,000; and
 - (ii) the Incurrence Test is met (calculated *pro forma* including the relevant Restricted Payment);
- (b) provided that such Restricted Payment is mandatory by law for the protection of minority shareholders' rights and requested by a requisite minority of shareholders in accordance with Chapter 18, Section 11 of the Swedish Companies Act (*aktiebolagslagen (2005:551)*);
- (c) in respect of any interest under any Capital Securities;
- (d) in respect of any distribution under any preference shares;
- (e) pursuant to any long-term incentive programme;
- (f) in respect of any principal under any Capital Securities, to the extent (i) it is financed in full by way of issuance of (and/or conversion to) other Capital Securities or equity of any kind, or (ii) the Incurrence Test is met (calculated *pro forma* including the relevant Restricted Payment); and
- (g) in respect of any repurchase or redemption of any preference shares, to the extent (i) it is financed in full by way of issuance of (and/or conversion to) other preference shares or equity of any kind, or (ii) the Incurrence Test is met (calculated *pro forma* including the relevant Restricted Payment),

in each case provided that (A) if the Incurrence Test have to be met in relation to a Restricted Payment and the Issuer has made any adjustment pursuant to Clause 12.1.3(b)(ii) for the purposes of the Incurrence Test, the relevant Equity Issue or issue of Capital Securities (as applicable) has been carried out, (B) such Restricted Payment is permitted by law and (C) that no Event of Default is continuing or would occur as a result of such Restricted Payment.

13.3 Authorisations

The Issuer shall (and shall procure that each other Group Company will) obtain, maintain and comply with the terms and conditions of any authorisation, approval, licence or other permit required:

- (a) for business carried out by a Group Company;
- (b) to enable the Issuer to enter into and perform its obligations under the Finance Documents; and
- (c) to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Finance Document,

if failure to do so has or is reasonably likely to have a Material Adverse Effect.

13.4 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply with all laws and regulations applicable to them from time to time (including but not limited to the rules and regulations or any Regulated Market on which the Issuer's securities from time to time are listed), if failure to do so has or is reasonably likely to have a Material Adverse Effect.

13.5 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.

13.6 Dealings with related parties

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

13.7 Disposals

The Issuer shall not, and shall procure that no Group Company will, sell or otherwise dispose of any shares or other interests in any Material Company or of all or substantially all of its or any Material Company's assets or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless (i) it constitute issuance of shares and/or warrants in the Issuer or any Group Company under any long-term incentive programme, or (ii) the transaction (taken as a whole also taking into account any transaction ancillary or related thereto) is carried out at fair market value and provided that it does not have a Material Adverse Effect.

13.8 Mergers and demergers

The Issuer shall procure that no other Group Company is subject to any merger or demerger (unless such merger or demerger would constitute a permitted disposal under Clause 13.7 (*Disposals*) with any other person, if such merger or demerger has or is reasonably likely to have a Material Adverse Effect.

13.9 Financial Indebtedness

The Issuer shall not (and shall procure that that no other Group Company will) incur any new Financial Indebtedness, or maintain or prolong any existing Financial Indebtedness, provided however that the Group Companies have a right to incur, maintain and prolong Financial Indebtedness which constitute Permitted Debt.

13.10 Negative pledge

The Issuer shall not (and shall procure that that no other Group Company will) 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.

13.11 Market loans

The Issuer shall not, and shall procure that no other Group Company will, issue any Market Loans, other than Permitted Market Loans.

13.12 Equity Issue and Capital Securities adjustments

The Issuer shall, if it has made any adjustment pursuant to Clause 12.1.3(b)(ii), for the purposes of any Incurrence Test, within four (4) months of the relevant Incurrence Test Date provide the Agent with Compliance Certificate evidencing and/or certifying (as applicable) that:

- (a) the relevant Equity Issue or issue of Capital Securities (as applicable) has been carried out on substantially the terms communicated on, or prior to, the relevant Incurrence Test Date;
- (b) the net proceeds from the Equity Issue or issue of Capital Securities (as applicable) has been received by the Issuer; and
- (c) the ratio of Senior Net Debt to EBITDA is not greater than 3.50:1.

13.13 Additional security

Subject to the terms of the Intercreditor Agreement, the Issuer shall procure that any Downstream Loans are made subject to Transaction Security as soon as possible and in any event within five (5) Business Days from the granting of such Downstream Loan.

13.14 Admission to trading

- (a) The Issuer intends to list the Initial Bonds within thirty (30) days after the First Issue Date on Nasdaq Stockholm, or any other Regulated Market, and the Issuer shall in any event ensure that the Initial Bonds are admitted to trading on Nasdaq Stockholm, or any other Regulated Market, within one hundred eighty (180) days after the First Issue Date.
- (b) The Issuer intends to list any Subsequent Bonds within thirty (30) days from the relevant Issue Date on Nasdaq Stockholm, or any other Regulated Market and Issuer shall in any event ensure that any Subsequent Bonds are admitted to trading on Nasdaq Stockholm, or any other Regulated Market, within one hundred eighty (180) days after the relevant Issue Date.

13.15 Undertakings relating to the Agency Agreement

13.15.1 The Issuer shall, in accordance with the terms of the Agency Agreement:

- (a) pay fees to the Agent and the Security Agent;
- (b) indemnify the Agent and the Security Agent for all reasonably costs, losses or liabilities;
- (c) furnish to the Agent and the Security Agent all information reasonably requested by or otherwise required to be delivered to the Agent and the Security Agent; and
- (d) not act in a way which would give the Agent and the Security Agent a legal or contractual right to terminate the Agency Agreement.

13.15.2 The Issuer and the Agent and the Security Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders (for the avoidance of doubt, other than adjustments to the fee level if the scope of the Agent's and/or Security Agent's role and/or responsibilities is materially increased).

13.16 CSD related undertakings

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

14. ACCELERATION OF THE BONDS

14.1 The Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 14.6, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines (but such date may not fall after the Final Maturity Date), and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

(a) **Non-payment**

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

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

(b) **Other obligations**

The Issuer fails to comply with or in any other way acts in violation of the Finance Documents to which such non-compliant entity is a party, in any other way than as set out in paragraph (a) above, unless the non-compliance:

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

(c) **Cross payment default and cross acceleration**

- (i) Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period (if there is one) or 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 under any document relating to Financial Indebtedness).
- (ii) Any security interest securing Financial Indebtedness over any asset of any Material Company/ies is enforced.
- (iii) No Event of Default will occur under this paragraph (c) if (A) the Financial Indebtedness is owed by a Group Company to another Group Company, or (B) the aggregate amount of Financial Indebtedness is less than SEK 50,000,000.

(d) **Insolvency**

Any Material Company is, or is deemed for the purposes of any applicable regulation to be, Insolvent.

(e) **Insolvency proceedings**

Any corporate actions, legal proceedings or other procedures are taken (other than (A) proceedings which are vexatious or frivolous or are being disputed in good faith and are

discharged within thirty (30) days, and (B) in relation to Subsidiaries of the Issuer, solvent liquidations) in relation to:

- (i) the suspension of payments, winding-up, company reorganisation (*företagsrekonstruktion*) or similar (by way of voluntary arrangement or otherwise) of any Material Company; and
- (ii) the appointment of a liquidator, administrator, or other similar officer in respect of any Material Company or any of its assets or any analogous procedure.

(f) **Creditors' process**

Any 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 equal to or exceeding SEK 50,000,000 and is not discharged within thirty (30) days.

(g) **Invalidity**

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

(h) **Mergers and demergers**

The Issuer is subject to a merger with any other person, with the effect that the Issuer is not the surviving entity, or a demerger.

(i) **Impossibility or illegality**

It becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Documents created or expressed to be created thereby is impaired (other than in accordance with 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.

(j) **Continuation of the business**

- (i) The Issuer ceases to carry on its business; or
- (ii) any Material Company/ies (save for the Issuer) ceases to carry on its business, except if due to
 - (A) a permitted disposal permitted under Clause 13.7 (*Disposals*); or
 - (B) a merger or demerger permitted under Clause 13.8 (*Mergers and demergers*),

in each case provided that such cessation is likely to have a Material Adverse Effect.

14.2 The Agent may not accelerate the Bonds in accordance with Clause 14.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders' Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).

14.3 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume

that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

- 14.4 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to payments) up until the time stipulated in Clause 14.5 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 14.5 The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*).
- 14.6 If the Bondholders instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 14.7 If the right to accelerate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 14.8 In the event of an acceleration of the Bonds in accordance with this Clause 14, the Issuer shall redeem all Bonds at an amount per Bond equal to the relevant redemption price set out in Clause 9.3 (*Voluntary total redemption (call option)*), together with accrued but unpaid Interest.
- 14.9 The Issuer shall on demand by a Bondholders' Committee reimburse all costs and expenses reasonably incurred by it for the purpose of investigating or considering an Event of Default and the Bondholders' potential actions in relation to such Event of Default.

15. DISTRIBUTION OF PROCEEDS

- 15.1 Subject to the Intercreditor Agreement, all payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be made and/or distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of:
 - (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Bondholders);
 - (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security 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 19.2.5; and

(iv) any costs and expenses incurred by the Agent that have not been reimbursed by the Issuer in accordance with Clause 16.4.12,

together with default interest in accordance with Clause 8.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

- (b) *secondly*, in or towards payment *pro rata* of any cost and expenses reasonably incurred by a Bondholders' Committee in accordance with Clause 14.9 that have not been reimbursed by the Issuer, together with default interest in accordance with Clause 8.4 on any such amount calculated from the date it was due to be reimbursed by the Issuer;
- (c) *thirdly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (d) *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (e) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents, including default interest in accordance with Clause 8.4 on delayed payments of Interest and repayments of principal under the Bonds.

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

- 15.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1(a) or (b), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1(a) or (b).
- 15.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security constitute escrow funds (*redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.
- 15.4 If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid, the Record Date specified in Clause 7.1 shall apply.

16. DECISIONS BY BONDHOLDERS

16.1 Request for a decision

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to 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.

- 16.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if:
- (a) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given; or
 - (b) the suggested decision is not in accordance with applicable regulations.
- 16.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Issuer or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall upon request provide the convening Bondholder(s) with the information available in the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Bondholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.
- 16.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 16.2 (*Convening of Bondholders' Meeting*) or instigate a Written Procedure by sending communication in accordance with Clause 16.3 (*Instigation of Written Procedure*). After a request from the Bondholders pursuant to Clause 19.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 16.2. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.
- 16.1.7 Should the Issuer or any Bondholder(s) convene a Bondholders' Meeting or instigate a Written Procedure pursuant to Clause 16.1.5 or 16.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Bondholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.
- 16.2 Convening of Bondholders' Meeting**
- 16.2.1 The Agent shall convene a Bondholders' Meeting by way of notice to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 16.2.2 The notice pursuant to Clause 16.2.1 shall include:
- (a) time for the meeting;
 - (b) place for the meeting;
 - (c) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
 - (d) a form of power of attorney;
 - (e) the agenda for the meeting;

- (f) any applicable conditions precedent and conditions subsequent;
- (g) the reasons for, and contents of, each proposal;
- (h) if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
 - (i) if a notification by the Bondholders is required in order to attend the Bondholders' Meeting, information regarding such requirement; and
 - (ii) information on where additional information (if any) will be published.

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

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

16.3 Instigation of Written Procedure

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

16.3.2 A communication pursuant to Clause 16.3.1 shall include:

- (a) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (b) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;
- (c) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 16.3.1);
- (d) any applicable conditions precedent and conditions subsequent;
- (e) the reasons for, and contents of, each proposal;
- (f) if a proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
- (g) if the voting is to be made electronically, the instructions for such voting; and
- (h) information on where additional information (if any) will be published.

16.3.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 16.3.1, when consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

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

16.4 Majority, quorum and other provisions

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

- (a) on the Record Date specified in the notice pursuant to Clause 16.2.2, in respect of a Bondholders' Meeting, or
- (b) on the Record Date specified in the communication pursuant to Clause 16.3.2, in respect of a Written Procedure,

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

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

- (a) 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, SEK 1,000,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
- (b) a change to the terms of any of Clauses 2.1 and 0;
- (c) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and repurchase of the Bonds*);
- (d) a change to the Interest Rate (other than as a result of an application of Clause 18 (*Replacement of base rate*) or the Nominal Amount;
- (e) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of proceeds*);
- (f) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16.4 (*Majority, quorum and other provisions*);
- (g) 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;
- (h) a release of the Transaction Security, except in accordance with the terms of the Finance Documents;
- (i) a mandatory exchange of the Bonds for other securities; and
- (j) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.

- 16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 17.1(a) or (c)), an acceleration of the Bonds, the appointment of a Bondholders' Committee, or the enforcement of any Transaction Security.
- 16.4.4 The Bondholders may delegate such powers to a Bondholders' Committee as the Bondholders may exercise pursuant to Clauses 16.4.2 and 16.4.3. The delegation shall require the same majority and quorum as the subject matter would have required pursuant to Clause 16.4.2 or Clause 16.4.3, as the case may be. Any decisions made by the Bondholders' Committee pursuant to such delegation shall be approved by more than fifty (50) per cent. of the members of the Bondholders' Committee.
- 16.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.4.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 16.2.4 (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 16.4.6 If a quorum 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.
- 16.4.7 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), as the case may be, provided that the person(s) who initiated the procedure for Bondholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 16.4.7, the date of request of the second Bondholders' Meeting pursuant to Clause 16.2.1 or second Written Procedure pursuant to Clause 16.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 16.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 16.4.8 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- 16.4.9 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 16.4.10 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such person is a Bondholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that vote in respect of the proposal at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable (such time period to be no less than ten (10) Business Days).
- 16.4.11 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Bondholders.

- 16.4.12 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 16.4.13 If a decision is to be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies as per the Record Date for voting, irrespective of whether such person is a Bondholder. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Bond is owned by a Group Company.
- 16.4.14 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

17. AMENDMENTS AND WAIVERS

- 17.1 The Issuer, any other relevant Group Company and the Agent (acting on behalf of the Bondholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Bonds, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders as a group;
 - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
 - (c) is required by any applicable regulation, a court ruling or a decision by a relevant authority;
 - (d) has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders; or
 - (e) is made pursuant to Clause 18 (*Replacement of base rate*)
- 17.2 Any amendments to the Finance Documents shall be made available in the manner stipulated in Clause 11.4 (*Availability of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority. The Issuer shall promptly publish by way of press release any amendment or waiver made pursuant to Clause 17.1(a) or (c), in each case setting out the amendment in reasonable detail and the date from which the amendment or waiver will be effective.
- 17.3 An amendment to the Finance Documents shall take effect on the date determined by the Bondholders' Meeting, in the Written Procedure or by the Agent, as the case may be.

18. REPLACEMENT OF BASE RATE

18.1 General

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

18.2 Definitions

In this Clause 18:

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

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

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

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

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (*krishanteringsregelverket*) containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in paragraphs (b) to (e) above will occur within six (6) months.

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

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

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

“**Successor Base Rate**” means:

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

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

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

- 18.3.1 Without prejudice to Clause 18.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 18.3.2.
- 18.3.2 If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer’s expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating, and finally deciding the applicable Base Rate.
- 18.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 18.3.2, the Bondholders shall, if so decided at a Bondholders’ Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer’s expense) for the purposes set forth in Clause 18.3.2. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clause 18.3 to 18.6, the Agent (acting on the instructions of the Bondholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer’s cooperation.
- 18.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice (“**Base Rate Amendments**”).
- 18.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

18.4 Interim measures

- 18.4.1 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD,

cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:

- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
- (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.

18.4.2 For the avoidance of doubt, Clause 18.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 18. This will however not limit the application of Clause 18.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 18 have been taken, but without success.

18.5 Notices etc.

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

18.6 Variation upon replacement of Base Rate

18.6.1 No later than giving the Agent notice pursuant to Clause 18.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 18.3.3) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 18. The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.

18.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 18.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 18.

18.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 18. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

18.7 Limitation of liability for the Independent Adviser

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

19. THE AGENT

19.1 Appointment of the Agent

- 19.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer, any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and in relation to any mandatory exchange of the Bonds for other securities (including, for the avoidance of doubt, a right for the Agent to subscribe for any such new securities on behalf of the relevant Bondholder). By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 19.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 19.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 19.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 19.1.5 The Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

19.2 Duties of the Agent

- 19.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Transaction Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. The Agent shall provide reasonable assistance to a Bondholders' Committee and participate in its meetings.
- 19.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 19.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 19.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 19.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall, however, remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.

- 19.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:
- (a) after the occurrence of an Event of Default;
 - (b) for the purpose of investigating or considering:
 - (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; or
 - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
 - (c) in connection with any Bondholders' Meeting or Written Procedure; or
 - (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents (including for the purpose of deciding whether the conditions set out in Clause 17.1 are fulfilled).
- 19.2.7 Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of proceeds*).
- 19.2.8 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 19.2.9 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor (i) whether any Event of Default has occurred, (ii) the financial condition of the Issuer and the Group, (iii) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents, or (iv) whether any other event specified in any Finance Document has occurred or is expected to occur, and should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 19.2.10 The Agent shall (i) review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 11.1.5 and 0 (*Form of Compliance Certificate*) and as otherwise agreed between the Issuer and the Agent, and (ii) verify that the Issuer according to its reporting in the Compliance Certificate meets the Incurrence Test, and the Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 19.2.10.
- 19.2.11 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 19.2.11. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 19.2.12 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 19.2.13 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with

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

- 19.2.14 The Agent shall give a notice to the Bondholders:
- (a) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement; or
 - (b) if it refrains from acting for any reason described in Clause 19.2.13.

19.3 Liability for the Agent

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

19.4 Replacement of the Agent

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

(b) the Agent was dismissed through a decision by the Bondholders,

the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.

19.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

19.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:

(a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and

(b) the period pursuant to Clause 19.4.4 having lapsed.

19.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.

19.4.8 In the event that there is a change of the Agent in accordance with this Clause 19.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

20. THE ISSUING AGENT

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

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

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

21. THE CSD

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

21.2 The CSD may be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to

trading of the Bonds on the Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

22. NO DIRECT ACTIONS BY BONDHOLDERS

- 22.1 A Bondholder may not take any steps whatsoever against the Issuer or any Group Company or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy in any jurisdiction of the Issuer or any Group Company in relation to any of the obligations and liabilities of the Issuer or any Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 22.2 Clause 22.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 19.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 19.2.13, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2.14 before a Bondholder may take any action referred to in Clause 22.1.
- 22.3 The provisions of Clause 22.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

23. TIME-BAR

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

24. COMMUNICATIONS AND PRESS RELEASES

24.1 Communications

- 24.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;

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

24.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1, or, in case of email, when received in readable form by the email recipient.

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

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

24.1.4 Any notice or other communication pursuant to the Finance Documents shall be in English. However, financial reports published pursuant to Clause 11.1.1(a) and (b) may be in Swedish.

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

24.2 Press releases

24.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 9.4 (*Voluntary total redemption due to illegality (call option)*), 11.1.3, 14.3, 16.2.1, 16.3.1, 16.4.14; 17.2 and 18.5 shall also be published by way of press release by the Issuer.

24.2.2 In addition to Clause 24.2.1, if any information relating to the Bonds or the Issuer 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

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

26. GOVERNING LAW AND JURISDICTION

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

SCHEDULE 1**CONDITIONS PRECEDENT****PART I – CONDITIONS PRECEDENT TO THE FIRST ISSUE DATE****1. CORPORATE DOCUMENTS**

- (a) Copies of the certificate of registration (*registreringsbevis*) and articles of association (*bolagsordning*) of the Issuer.
- (b) A copy of a resolution of the board of directors of the Issuer:
 - (i) approving the issue of the Initial Bonds, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
 - (ii) authorising a specified person or persons to execute the Finance Documents and the Agency Agreement; and
 - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it or in connection with the Finance Document or the Agency Agreement.

2. FINANCE DOCUMENTS

- (a) A duly executed copy of the Terms and Conditions.
- (b) A duly executed copy of the Intercreditor Agreement.
- (c) Duly executed copies of the Transaction Security Documents.

3. OTHER DOCUMENTS AND EVIDENCE

- (a) A second party opinion by ISS Corporate Solutions that, among other things, confirms the relevance of the sustainability performance targets set out in the sustainability-linked finance framework dated March 2022 (including the Sustainability Performance Target) in the context of the Issuer's broader sustainability and business strategy.
- (b) A duly executed copy of the Agency Agreement.

CONDITIONS PRECEDENT**PART II – CONDITIONS PRECEDENT TO THE ISSUE OF SUBSEQUENT BONDS****1. CORPORATE DOCUMENTS**

- (a) Copies of the certificate of registration (*registreringsbevis*) and articles of association (*bolagsordning*) of the Issuer.
- (b) A copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into documents necessary in connection therewith.

2. OTHER DOCUMENTS AND EVIDENCE

- (a) A duly executed Compliance Certificate confirming satisfaction of the Incurrence Test.
- (b) Such other documents and evidence as is agreed between the Agent and the Issuer.

SCHEDULE 2

FORM OF COMPLIANCE CERTIFICATE

To: Intertrust (Sweden) AB as Agent

From: Sdiptech AB (publ) as Issuer

Date: [date]

SDIPTECH AB (PUBL)
Up to SEK 1,000,000,000 senior secured floating rate
sustainability-linked Bonds 2023/2027 with ISIN SE0017132053 (the “Bonds”)

1. We refer to the terms and conditions for the Bonds (the “**Terms and Conditions**”). This is a Compliance Certificate pursuant to Clause 11.1.5 of the Terms and Conditions. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.
2. We intend to [incur new Financial Indebtedness] / [issue Subsequent Bonds] / [make a Restricted Payment] in an amount of [●].
3. We confirm that, as at the Incurrence Test Date (being [date]), the ratio of Senior Net Debt to EBITDA is [●], and should not have been greater than 3.50:1, thus satisfying the financial covenant of the Incurrence Test.
4. [We further confirm that no Event of Default has occurred.] / [We further confirm that no event which upon the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) would constitute an Event of Default is continuing or will occur as a result of the [the incurrence of the new Financial Indebtedness] / [the Restricted Payment]].
5. [We attach to this Compliance Certificate calculations (in reasonable detail and made in accordance with the Terms and Conditions) establishing the figures in paragraph 3 above.]

Sdiptech AB (publ)

 Name:
Authorised signatory

 Name:
Authorised signatory

SIGNATURES

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

Date: 25 August 2023

SDIPTECH AB (PUBL)
as Issuer

Name:

Name:

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

Date: 25 August 2023

INTERTRUST (SWEDEN) AB
as Agent

Name:

Name:

ADDRESSES

The Issuer**Sdipotech AB (publ)**

Nybrogatan 39
SE-114 39 Stockholm, Sweden
www.sdipotech.se

Joint Bookrunners**Carnegie Investment Bank AB (publ)**

Regeringsgatan 56
SE-103 38 Stockholm, Sweden
www.carnegie.se

Nordea Bank Abp

Smålandsgatan 17
SE-105 71 Stockholm, Sweden
www.nordea.com

Issuing Agent**Nordea Bank Abp, filial i Sverige**

Smålandsgatan 17, SE-105 71
Stockholm, Sweden
www.nordea.com

Agent**Intertrust (Sweden) AB**

Sveavägen 9
SE-111 57 Stockholm, Sweden
www.intertrustgroup.com

Central Securities Depository**Euroclear Sweden AB**

Klarabergsviadukten 63
SE-101 23 Stockholm, Sweden
www.euroclear.com/sweden/

Legal Adviser to the Issuer**Mannheimer Swartling Advokatbyrå**

Norrandsgatan 21
SE-111 87 Stockholm, Sweden
www.mannheimerswartling.se