

*Denna kallelse till obligationsinnehavarna är endast utformad på engelska.*

Stockholm, 13 April 2023

**To the holders in:**

**ISIN: SE0011167600 – Swedish Electromagnet Invest AB (publ) maximum SEK 500,000,000 Senior Secured Callable Floating Rate Bonds 2018/2023**

## **NOTICE OF WRITTEN PROCEDURE – REQUEST TO AMEND THE TERMS AND CONDITIONS**

This voting request for procedure in writing has been sent on 13 April 2023 to holders directly registered as of 12 April 2023 in the debt register (Sw. *skuldbok*) kept by the CSD. If you are an authorised nominee under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. For further information, please see below under Section 8.3 (*Voting rights and authorisation*).

### **Key information**

Record Date for being eligible to vote:	18 April 2023
Deadline for voting:	15:00 CEST on 26 April 2023
Quorum requirement:	At least fifty (50.00) per cent. of the Adjusted Nominal Amount
Majority requirement:	At least two thirds (2/3) of the Adjusted Nominal Amount for which Holders reply in this Written Procedure

Nordic Trustee & Agency AB (publ) acts as agent (the “**Agent**”) for the noteholders of the bonds (the “**Holders**”) in the above mentioned bond issue ISIN SE0011167600 with an aggregated amount outstanding of SEK 350,000,000 (the “**Bonds**”) issued by Swedish Electromagnet Invest AB (publ) (the “**Issuer**” and together with its direct and indirect subsidiaries the “**Group**”). In its capacity as Agent, and as requested by the Issuer, the Agent hereby initiates a procedure in writing (the “**Written Procedure**”) as required by the Terms and Conditions (as defined below), whereby Holders can vote for or against the Issuer’s requests.

All capitalised terms used herein and not otherwise defined in this notice (the “**Notice**”) shall have the meanings assigned to them in the terms and conditions of the Bonds as amended from time to time and latest on 27 February 2023 (the “**Terms and Conditions**”).

The Request (as defined below) is presented to the Holders, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Request (and their effects, should they be adopted) from a legal or commercial perspective of the

Holders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and their effects, should they be adopted). The Holders are recommended to seek legal advice in order to independently evaluate whether the Request (and its effects) is acceptable or not.

Holders participate by completing and sending to the Agent the voting form, attached hereto as Schedule 1 (the “**Voting Form**”), and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (the “**Power of Attorney**”) or to the Agent other sufficient evidence, if the Bonds are held in custody other than by the CSD. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate in the Written Procedure. The Issuer kindly asks the Holders to send their Voting Forms and, if applicable, any Power of Attorney by email to the Agent as soon as possible upon receipt of this Notice after the occurrence of the Record Date (as defined below).

The Agent must receive the Voting Form and, if applicable, any Power of Attorney no later than 15:00 CEST on 26 April 2023 either by mail, courier or email to the Agent using the contact details set out in Section 8.7 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Holder on 18 April 2023 (the “**Record Date**”) as further set out in Section 8.3 (*Voting rights and authorisation*). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

## 1. Background

As announced by the Issuer in a press release on 11 November 2022, the Issuer initiated negotiations with certain major holders of the Bonds (representing 50.6 per cent. of the Adjusted Nominal Amount) (the “**Ad-Hoc Bondholder Committee**”) in order to obtain a long-term solution for its financing. In order to provide time to finalise the negotiations with the Ad-Hoc Bondholder Committee, the Issuer initiated several Written Procedures and latest on 15 February 2023 in order to extend the maturity of the Bonds. All initiated Written Procedures have been successfully concluded and the current maturity date of the Bonds under the Terms and Conditions is 10 May 2023. The latest amended Terms and Conditions are available on the Issuer’s web page.

The negotiations with the Issuer and the Ad-Hoc Bondholder Committee in order to obtain a long-term solution for the Issuer's financing have successfully ended and the parties have reached an agreement on certain amendments to the Terms and Conditions as described in this Notice (the “**Proposed Amendments**”). Each member of the Ad-Hoc Bondholder Committee has undertaken during the period of this Written Procedure (i) not to sell the Bonds they represent and (ii) to vote, and ensure that the holding of Bonds they represent vote, in favour of the Request as set out in this Written Procedure. The Issuer has undertaken to initiate this Written Procedure. The Proposed Amendments are conditional upon the approval of the Holders in this Written Procedure.

In order to implement the Proposed Amendments, the Issuer hereby asks the Holders to approve the Proposed Amendments as set out in clause 2 (*Proposed amendments to the Terms and Conditions*) below.

## 2. Proposed amendments to the Terms and Conditions

The Proposed Amendments proposed to be made to the Terms and Conditions are set forth in full in Schedule 3 (*Amended and Restated Terms and Conditions*) (the “**Amended and Restated Terms and Conditions**”) of this Notice, (where blue and underlined text indicates additions (i.e., additions), whereas red and crossed out text indicate deletions (i.e., ~~deletions~~)). A summary of the Proposed Amendments is also set forth below.

### *Maturity Date*

It is proposed that the maturity of the Bonds shall be extended to 30 June 2026.

### *Redemption at maturity*

It is proposed that the Issuer shall redeem all, but not only some, of the Notes in full on the Maturity Date with an amount per Bond equal to one hundred and ten (110.00) per cent. of the Nominal Amount together with accrued but unpaid interest.

### *The Group Companies’ purchase of Bonds*

It is proposed that any Group Company may purchase Notes in the market or in any other way (a “**Voluntary Notes Purchase**”) and that all Bonds held by a Group Company shall immediately be cancelled. The Bonds currently held by any Group Company shall be cancelled prior to the record date for the Amendment Fee (as defined below) reducing the outstanding Nominal Amount to SEK 336,250,000 (the “**Cancellation of Bonds**”).

### *Interest*

It is proposed that the Bonds shall carry interest *per annum* with quarterly interest payments in arrears as follows:

- (a) fixed rate of three (3.00) per cent. from and including the Interest Period beginning on (but excluding) the Interest Payment Date falling on 30 March 2023 and ending on (and including) the Interest Payment Date falling on 30 March 2024;
- (b) fixed rate of seven (7.00) per cent. from and including the Interest Period beginning on (but excluding) the Interest Payment Date falling on 30 March 2024 and ending on (and including) the Interest Payment Date falling on 30 June 2025; and
- (c) floating rate of three (3) months STIBOR plus seven point five (7.50) per cent. from and including the Interest Period beginning on (but excluding) the Interest Payment Date falling on 30 June 2025 and ending on (and including) the Interest Payment Date falling on the Maturity Date.

Interest payable by the Issuer on each Note on each Interest Payment Date falling on and after 30 June 2023 shall be deducted by an amount per Note equal to an excess interest amount (the “**Excess Interest Amount**”) (interest shall in any case never be lower than zero (0)) until deduction has been made on interest for the full Excess Interest Amount. The Excess Interest Amount shall be equal to (a) the interest actually paid for a Note on 10 March 2023 for the period 1 January 2023 to 10 March 2023 (both included) less (b) an amount equal to a fixed rate of three (3.00) per cent. *per annum* for that Note for the period 1 January 2023 to 30 March 2023 (both included).

#### *Call Option Amount*

It is proposed that the Call Option Amount shall be amended to:

- (a) one hundred (100.00) per cent. of the Nominal Amount if the call option is exercised on or after 31 December 2022 to, but not including, 31 December 2024;
- (b) one hundred and two (102.00) per cent. of the Nominal Amount if the call option is exercised on or after 31 December 2024 to, but not including, 31 March 2025;
- (c) one hundred and four (104.00) per cent. of the Nominal Amount if the call option is exercised on or after 31 March 2025 to, but not including, 30 June 2025;
- (d) one hundred and six (106.00) per cent. of the Nominal Amount if the call option is exercised on or after 30 June 2025 to, but not including, 30 September 2025;
- (e) one hundred and seven (107.00) per cent. of the Nominal Amount if the call option is exercised on or after 30 September 2025 to, but not including, 31 December 2025;
- (f) one hundred and eight (108.00) per cent. of the Nominal Amount if the call option is exercised on or after 31 December 2025 to, but not including, 31 March 2026; and
- (g) one hundred and nine (109.00) per cent. of the Nominal Amount if the call option is exercised on or after 31 March 2026 to, but not including, the Maturity Date.

### *Voluntary Partial Prepayment*

It is proposed that the Terms and Conditions shall include a voluntary partial prepayment option (“**Voluntary Partial Prepayments**”) for the Issuer, meaning that the Issuer may, at one or more occasions, prior to the Maturity Date in its sole discretion make partial prepayments of the Bonds *pro rata* in any amount. The repayment per Bond shall be equal the repaid percentage of the Nominal Amount (being the prepayment amount rounded down to the nearest SEK 1.00) plus (i) a premium on the repaid amount as set forth in the Call Option Amount for the relevant period (if any) and (ii) any accrued but unpaid interest on the redeemed amounts.

### *Mandatory Partial Prepayment*

It is proposed that the Terms and Conditions shall include mandatory partial prepayments meaning that the Issuer shall on each Mandatory Partial Prepayment Date (as defined below) apply an amount equivalent to the relevant Mandatory Partial Prepayment Amount (as defined below) to redeem the Bonds *pro rata*. The repayment per Note shall be equal the repaid percentage of the Nominal Amount (being the Mandatory Partial Prepayment Amount rounded down to the nearest SEK 1.00) plus any accrued but unpaid interest on the redeemed amounts.

The mandatory partial prepayment dates are 30 June 2023, 30 September 2023, 30 December 2023, 30 March 2024, 30 December 2024 and 30 September 2025 (each a “**Mandatory Partial Prepayment Date**”).

The mandatory partial prepayment amounts are (each a “**Mandatory Partial Prepayment Amount**”):

- (a) for each Mandatory Partial Prepayment Date until (and including) 30 March 2024, SEK 5,000,000;
- (b) for the Mandatory Partial Prepayment Date falling on 30 December 2024, SEK 11,000,000; and
- (c) for the Mandatory Partial Prepayment Date falling on 30 September 2025, SEK 9,000,000,

less (i) the aggregate purchase price (not taking into account any fees or accrued but unpaid interest) of any Bonds which have been subject to a Voluntary Notes Purchase (not including any purchase of Notes pursuant to the conditions subsequent) and (ii) the aggregate amount of all Voluntary Partial Prepayments (not taking into account any paid interest), made after the immediately preceding Mandatory Partial Prepayment Date and before the relevant Mandatory Partial Prepayment Date and which have not been previously applied towards reducing the Mandatory Partial Prepayment Amount.

In addition, any residual amount of the Equity Injection (as defined below) which should, but has not, been used towards purchases of Bonds on or prior to the date falling three (3) months following the Equity Injection was made, shall be applied to redeem the Bonds *pro rata*. The repayment per Bond shall be equal the repaid percentage of the Nominal Amount (being the residual amount of the Equity Injection rounded down to the nearest SEK 1.00) plus any accrued but unpaid interest on the redeemed amounts.

### *Cash Sweep*

It is proposed that the Terms and Conditions shall include an undertaking from the Issuer to use its earnest intention to repurchase Bonds in the market, or in any other way, in an amount equal to all excess cash in the Group from time to time, whereby excess cash shall be

determined by the board of director (acting reasonably) based on the interest of the Holders, upcoming mandatory partial prepayments (see heading “*Mandatory Partial Prepayments*” below) and the financial situation, business operations, investment needs and liquidity situation of the Group. All Bonds repurchased by the Issuer with excess cash shall immediately be cancelled.

#### *Disposals*

It is proposed that clause 13.3 of the Terms and Conditions shall be amended to read:

*“The Issuer shall not, and shall ensure that no other Group Company will, sell, transfer or otherwise dispose of any shares in, or any assets, business or operations of, any Group Company to any Person (not being the Issuer or any other Group Company) other than:*

- (a) disposals made by a Group Company to another Group Company, provided that if the shares in the disposing Group Company is subject to Transaction Security, the shares in the acquiring Group Company must also be subject to Transaction Security;*
- (b) disposals carried out at fair market value and on terms customary for such transaction provided that the disposal does not have a Material Adverse Effect;*
- (c) disposals of obsolete and redundant assets; or*
- (d) disposals in exchange for other assets comparable or superior as to type, value and quality,*

*provided that (i) in each case permitted by, and subject to the terms, of any Security Document, (ii) disposals between members of the Group may only be carried out pursuant to paragraph (a) or (b) subject in each case to it being made in the ordinary course of business and (iii) no intellectual property material to conduct the business of the Group may be disposed of.*

*In addition, the Issuer shall upon request by the Agent, provide the Agent with any information relating to any disposal made pursuant to the above which the Agent deems necessary (acting reasonably).”*

#### *Loans Out*

It is proposed that paragraph (b) and paragraph (d) of Clause 13.7 of the Terms and Conditions shall be removed.

#### *Holding Company*

It is proposed that paragraph (b) of Clause 13.9 of the Terms and Conditions shall be amended to read:

*“ownership of shares in SEM”*

#### *Condition subsequent*

It is proposed that the Terms and Conditions shall include, as a conditions subsequent, that the Issuer shall ensure that an equity injection is carried out in cash by way of a share issue in the Issuer and/or an unconditional shareholder contribution no later than twenty (20) Business Days after the Effective Date (as defined below), the proceeds of which is at least SEK 20,000,000 (the “**Equity Injection**”). The Equity Injection shall exclusively be used towards (a) paying the Amendment Fee (in accordance with Clause 5 (*Amendment Fee*) below) and

(b) in an aggregate amount of SEK 16,640,000, (i) as soon as practically possible, buying Bonds in the market or in any other way, provided that Bonds may be purchased at a price at or below par (only taking into consideration the nominal value, and not any accrued but unpaid interest), or (ii) making a Mandatory Partial Prepayment as set out above.

#### *Consequential amendments*

As a consequence of the Proposed Amendments proposed by the Issuer, certain consequential amendments and updates to the Terms and Conditions may be required.

### **3. Board of directors / board observers**

In addition to the proposed amendments set out in Section 2 (*Proposed amendments to the Terms and Conditions*), it is proposed that the Ad-Hoc Bondholder Committee, and any additional Holders invited by the Ad-Hoc Bondholder Committee members, shall, jointly, have the right to appoint up to two board members (one ordinary board member and one deputy board member) or observers to the board of directors (as elected by such bondholder committee) in the Issuer from time to time (such right to be regulated in a separate agreement between the bondholder committee and Procuritas (the “**Representation Agreement**”). Regardless if one or two board members are appointed by the Ad-Hoc Bondholder Committee, remuneration for such board member(s) shall be paid by the Issuer in an amount equal to the amount paid to the independent board member (for avoidance of doubt, if two board members are appointed, the remuneration may be shared but shall not when combined in any case exceed the amount paid to the independent board member). No remuneration shall be paid to observers to the board of directors. Any questions in respect of the Representation Agreement shall be directed to the Issuer.

### **4. Request**

The Holders are asked to confirm that the Holders agree to the proposed amendments set out in Section 2 (*Proposed amendments to the Terms and Conditions*) and in Section 3 (*Board of directors / board observers*) (the “**Request**”).

### **5. Amendment Fee**

If the Request is approved by the Holders, an amendment fee amounting to one (1.00) per cent. of the Nominal Amount (being in an aggregate amount of SEK 3,360,000) (the “**Amendment Fee**”) will be paid to the Holders (regardless if such Bondholder has participated in the Written Procedure or voted for or against the Request). The Amendment Fee shall be paid to the Holders on a *pro rata* basis and must be paid within twenty (20) Business Days after the Effective Date (i.e. after the Cancellation of Bonds). The payment shall be made through the CSD to such person who is registered as a Holder and the applicable Record Date for such payment shall be announced by the Issuer in a press release immediately following an approval of the Request.

The Agent does not administer the Amendment Fee and is not involved in or in any way responsible for the Amendment Fee.

### **6. Voting indications**

The Agent has been informed that Holders representing 50.6 per cent. of the Adjusted Nominal Amount have undertaken to vote in favour of the Request.

### **7. Approval**

The Request shall be deemed approved immediately upon expiry of the voting period and receipt of the required majority as set forth in Section 8.6 (*Majority*) or if earlier, when a

requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent.

The Issuer and the Agent shall, in order to implement and effectuate the Proposed Amendments, enter into the Amended and Restated Terms and Conditions. The Amended and Restated Terms and Conditions shall enter into effect (the “**Effective Date**”) when the Agent is satisfied that it has received:

- (a) copies of the certificate of registration and articles of association of the Issuer, SEM and SEH;
- (b) copies of duly executed corporate resolutions and/or authorisations by the Issuer and SEH approving the terms of the Amended and Restated Terms and Conditions and resolving to enter into a security confirmation letter in respect of the SEM Share Pledge Agreement, SEH Share Pledge Agreement and Intercompany Loan Pledge Agreement (each as defined below) and such other documents and any other documents necessary in connection therewith (as applicable);
- (c) copy of duly executed Amended and Restated Terms and Conditions;
- (d) a copy of the duly executed security confirmation letter with respect to the share pledge agreement over (i) the shares in SEM Aktiebolag, between Swedish Electromagnet Holding AB as pledgor and the Agent as security agent, dated 21 February 2019 (the “**SEM Share Pledge Agreement**”), (ii) the share pledge agreement over the shares in Swedish Electromagnet Holding AB, between Swedish Electromagnet Invest AB (publ) as pledgor and the Agent as security agent, dated 11 December 2019 (the “**SEH Share Pledge Agreement**”) and (iii) the intercompany loan pledge agreement over certain intercompany loan, between Swedish Electromagnet Invest AB (publ) as pledgor and the Agent as security agent, dated 11 December 2018 (the “**Intercompany Loan Pledge Agreement**”); and
- (e) copy of duly executed Representation Agreement.

## **8. Written Procedure**

The following instructions need to be adhered to in the Written Procedure.

### **8.1 Final date to participate in the Written Procedure**

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 15:00 CEST, on 26 April 2023. Votes received thereafter may be disregarded.

### **8.2 Decision procedure**

The Agent will determine if received replies are eligible to participate in the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Request shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision taken in the Written Procedure will:

- (a) be sent by notice to the Holders; and



(b) be published on the websites of the Issuer and the Agent.

A matter decided in the Written Procedure will be binding for all Holders, irrespective of them responding in the Written Procedure.

### **8.3 Voting rights and authorisation**

Anyone who wishes to participate in the Written Procedure must on the Record Date 18 April 2023) in the debt register:

- (a) be registered as a direct registered owner of a Securities Account;
- (b) be registered as authorised nominee in a Securities Account, with respect to one or several Bonds; or
- (c) be a beneficial owner of a Bond with proof of ownership of the Bonds acceptable to the Agent.

### **8.4 Bonds registered with a nominee**

If you are not registered as a direct registered owner as set forth in Section 8.3(a), but your Bonds are held through a registered authorised nominee or another intermediary as set forth in Section 8.3(b), you may have two different options to influence the voting for the Bonds:

- (a) you can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you; or
- (b) you can obtain a Power of Attorney (Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as Holder of the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in the debt register as a Holder of the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate. Bonds owned by the Issuer, another Group Company or an Affiliate do not entitle to any voting rights.

### **8.5 Quorum**

To approve the Request, Holders representing at least fifty (50) per cent. of the Adjusted Nominal Amount must reply to the Request in the Written Procedure in order to form a quorum.

If a quorum does not exist, the Agent shall initiate a second Written Procedure, provided that the Request has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure. A vote cast in the Written Procedure shall, unless amended or withdrawn, constitute a vote also in a second Written Procedure (if any) pursuant to clause 19.8 of the Terms and Conditions with respect to the Request.

## **8.6 Majority**

Two thirds (2/3) of the Adjusted Nominal Amount for which Holders reply in the Written Procedure must consent to the Request in order for it to pass.

## **8.7 Address for sending replies**

Return the Voting Form, Schedule 1, and, if applicable, the Power of Attorney/Authorisation in Schedule 2 or other sufficient evidence, if the Bonds are held in custody other than Euroclear Sweden, by regular mail, scanned copy by e-mail, or by courier to:

### **By regular mail:**

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

### **By courier:**

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure Swedish Electromagnet Invest AB (publ)  
Norrlandsgatan 23  
SE-111 43 Stockholm

### **By e-mail:**

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

## **9. FURTHER INFORMATION**

For further questions regarding the Request, please contact Pareto Securities AB, acting as advisor to the Issuer in connection with this Written Procedure with the following contact information: Att. Jonas Hellberg, +46 8 402 5110, email: [Jonas.Hellberg@paretosec.com](mailto:Jonas.Hellberg@paretosec.com).

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

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**Stockholm, 13 April 2023**

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

**Enclosed:**

<b>Schedule 1</b>	Voting Form
<b>Schedule 2</b>	Power of Attorney/Authorisation
<b>Schedule 3</b>	Amended and Restated Terms and Conditions

# VOTING FORM

## Schedule 1

For the Written Procedure in Swedish Electromagnet Invest AB (publ) maximum SEK 500,000,000 Senior Secured Callable Floating Rate Bonds 2018/2023 with ISIN SE0011167600.

The undersigned Holder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Request by marking the applicable box below. If a quorum does not exist in the Written Procedure, the Agent shall initiate a second Written Procedure provided that the Request has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure. The undersigned Holder hereby confirms that this voting form shall, unless amended or withdrawn, constitute a vote also in a second Written Procedure (if any) pursuant to clause 19.8 of the Terms and Conditions with respect to the Request.

***NOTE:** If the Voting Person is not registered as Holder(as defined in the Terms and Conditions), the Voting Person must enclose a Power of Attorney/Authorisation, see Schedule 2.*

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the Notice of Written Procedure dated 13 April 2023.

**For** the Request

**Against** the Request

Name of the Voting Person:

Capacity of the Voting Person:

Holder:

<sup>1</sup>

authorised person:

<sup>2</sup>

Voting Person's reg.no/id.no  
and country of incorporation/domicile:

Securities Account number at Euroclear Sweden:  
(if applicable)

Name and Securities Account number of custodian(s):  
(if applicable)

Nominal Amount voted for (in SEK):

Contact person, daytime telephone number and e-mail  
address:

\_\_\_\_\_  
Authorised signature and Name <sup>3</sup>

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

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

<sup>2</sup> When voting in this capacity, the person/entity voting must also enclose a Power of Attorney/Authorisation (Schedule 2) from the Holder or other proof of authorisation showing the number of votes held on the Record Date (as defined in the Notice of Written Procedure from Swedish Electromagnet Invest AB (publ)).

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

# POWER OF ATTORNEY/AUTHORISATION

## Schedule 2

For the Written Procedure in Swedish Electromagnet Invest AB (publ) maximum SEK 500,000,000 Senior Secured Callable Floating Rate Bonds 2018/2023 with ISIN SE0011167600.

**NOTE:** This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not registered as Holder on the Securities Account, held with Euroclear Sweden. It must always be established a coherent chain of power of attorneys derived from the Holder, i.e. if the person/entity filling out this Power of Attorney/Authorisation in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney/Authorisation from the Holder.

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the Notice of Written Procedure dated 13 April 2023.

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

\_\_\_\_\_

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

\_\_\_\_\_

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

\_\_\_\_\_

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

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

We are:

Registered as Holder on the Securities Account

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

\_\_\_\_\_

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

\_\_\_\_\_

Name:

Authorised signature of Holder/other intermediary (Sw. *fullmaktsgivaren*)

**AMENDED AND RESTATED TERMS AND CONDITIONS**

*Schedule 3*

**AMENDED AND RESTATED  
TERMS AND CONDITIONS FOR  
SWEDISH ELECTROMAGNET INVEST AB (PUBL)  
MAXIMUM SEK 500,000,000  
SENIOR SECURED CALLABLE FIXED AND FLOATING  
RATE  
NOTES ~~2018/2023~~2018/2026**

**ISIN: SE0011167600**

LEI: 549300QTCWQBH6VIRT19

First Issue Date: 10 December 2018

As amended and restated on 1 December 2022, on 30 January 2023 ~~and~~ on 27  
February 2023 and on [date] 2023

*The distribution of this document and the private placement of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.*

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**AMENDED AND RESTATED  
TERMS AND CONDITIONS FOR  
SWEDISH ELECTROMAGNET INVEST AB (PUBL)  
MAXIMUM SEK 500,000,000  
SENIOR SECURED CALLABLE FIXED AND FLOATING RATE  
NOTES ~~2018/2023~~2018/2026  
ISIN: SE0011167600**

**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 Central Securities Depositories and Financial Instruments Accounts Act and through which a Noteholder has opened a Securities Account in respect of its Notes.

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

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

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

“**Agent**” means the Noteholders’ agent and security agent under these Terms and Conditions and, if relevant, the other Finance Documents, from time to time; initially Nordic Trustee & Agency AB (publ) reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden.

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

“**Amendment Fee**” means the amendment fee of SEK 3,360,000 to be paid to all Noteholders within twenty (20) Business Days after the Fourth Amendment Date on a *pro rata* basis in accordance with the Written Procedure initiated by the Issuer on [date] 2023 and which ended successfully on [date] 2023.

“**Book Entry Securities System**” means the VPC system being part of the book entry register maintained by the CSD or any other replacing book entry securities system.

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“**Business Day**” means a day on which the deposit banks are generally open for business in Stockholm.

“**Business Day Convention**” means:

- (a) in relation to any Interest Period with floating interest, the first following day that is a Business Day or a CSD Business Day (as applicable) 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 or a CSD Business Day (as applicable); and
- (b) in relation to any Interest Period with fixed interest, the first following day that is a Business Day.

“**Call Option Amount**” means:

- ~~(a) — the Initial Call Option Price if the call option is exercised on or after the First Issue Date but before the First Call Date;~~
- (a) ~~(b)~~ 104.125 one hundred (100.00) per cent. of the Nominal Amount ~~of the redeemed Notes~~ if the call option is exercised on or after ~~the date falling after the First Call Date to (31 December 2022 to,~~ but not including) ~~the date falling thirty (30) months after the First Issue Date;~~ 31 December 2024;
- (b) ~~(e)~~ 103.00 one hundred and two (102.00) per cent. of the Nominal Amount ~~of the redeemed Notes~~ if the call option is exercised on or after ~~the date falling thirty (30) months after the First Issue Date up to (31 December 2024 to,~~ but not including) ~~the date falling thirty six (36) months after the First Issue Date;~~ 31 March 2025;
- (c) ~~(d)~~ 101.875 one hundred and four (104.00) per cent. of the Nominal Amount ~~of the redeemed Notes~~ if the call option is exercised on or after ~~the date falling thirty six (36) months after the First Issue Date up to (31 March 2025 to,~~ but not including) ~~the date falling forty two (42) months after the First Issue Date; and,~~ 30 June 2025;
- (d) ~~(e)~~ 100.75 one hundred and six (106.00) per cent. of the Nominal Amount ~~of the redeemed Notes if the call option is exercised on or after the date falling forty two (42) months after the First Issue Date up to (but not including) the Maturity Date,~~ if the call option is exercised on or after 30 June 2025 to, but not including, 30 September 2025;
- (e) one hundred and seven (107.00) per cent. of the Nominal Amount if the call option is exercised on or after 30 September 2025 to, but not including, 31 December 2025;
- (f) one hundred and eight (108.00) per cent. of the Nominal Amount if the call option is exercised on or after 31 December 2025 to, but not including, 31 March 2026; and
- (g) one hundred and nine (109.00) per cent. of the Nominal Amount if the call option is exercised on or after 31 March 2026 to, but not including, the Maturity Date.

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

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**“Change of Control Event”** means:

- (a) at any time prior to an Equity Listing Event, Procuritas, or any closely related parties to Procuritas, ceases to own more than fifty (50.00) per cent. of the shares or voting rights in the Issuer or ceases to have a Decisive Influence over the Issuer; and
- (b) upon and at any time following a successful Equity Listing Event, that any Person or group of Persons acting in concert (other than Procuritas) acquire control, directly or indirectly, over more than fifty (50.00) per cent. of the shares or voting rights in the Issuer or a Decisive Influence over the Issuer.

**“Compliance Certificate”** means a certificate, as set out in a Schedule 1 attached hereto, signed by the CEO, CFO or any other authorised signatory of the Issuer, certifying:

- (a) satisfaction of the Incurrence Test (if relevant) and if the Compliance Certificate is provided in connection with an Incurrence Test, the certificate shall include calculations and figures in respect of the Incurrence Test. The calculations shall be made in accordance with Clause 12.2 (*Calculation of the Incurrence Test*); and
- (b) that so far as it is aware no Event of Default or potential Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it and include the identity of each Material Group Company; and
- (c) if provided in connection with the annual accounts, identity of each Material Group Company and confirmation that the clean-down undertaking set out in Clause 13.15 (*Working Capital Facility clean-down period*) has been satisfied.

**“Conditions Subsequent”** means all actions and documents set forth in Clauses 16.1 and 16.2.

**“CSD”** means the Issuer’s central securities depository and registrar in respect of the Notes from time to time; initially Euroclear Sweden AB reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden.

**“CSD Business Day”** means a day on which the Book Entry Securities System is open in accordance with the regulations of the CSD.

**“Decisive Influence”** means a Person having, as a result of an agreement or through the ownership of shares or ownership interests in another Person (directly or indirectly);

- (a) a majority of the voting rights in that other Person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other Person.

**“EBITDA”** means, for the Relevant Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s), without double counting and in each case, if and only to the extent these items arise during the Relevant Period:

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) before deducting any Net Finance Charges;

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- (c) excluding any Transaction Costs incurred in the Relevant Period;
  - (d) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
  - (e) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
  - (f) after adding back or deducting, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group;
  - (g) after adding back any losses to the extent covered by any insurance and in respect of which insurance proceeds have been received by the Group; and
  - (h) after adding back any amount attributable to the amortisation, depreciation, impairment or depletion of assets of the Group Companies, (including goodwill or other tangible assets).

[“Equity Injection” shall have the meaning ascribed to it in Clause 16.3 \(Condition subsequent to the Fourth Amendment Date\).](#)

**“Equity Listing Event”** means an initial public offering of shares in the Issuer, following which such shares shall be quoted, listed, traded or otherwise admitted to trading on the First North Premier Market of Nasdaq Stockholm or any Regulated Market.

**“Escrow Account”** means a bank account of the Issuer, into which the Net Proceeds of the Initial Note Issue will be transferred and which has been pledged in favour of the Agent and the Noteholders (represented by the Agent) under the Escrow Account Pledge Agreement.

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

**“Event of Default”** means an event or circumstance specified in Clause 17.1.

[“Excess Interest Amount” means SEK 2,934.15 per Note.<sup>1</sup>](#)

**“Excluded Jurisdiction”** means China.

**“Excluded Subsidiary”** means a Subsidiary incorporated in an Excluded Jurisdiction.

**“Existing Debt”** means the existing outstanding debt under

- (a) a credit facility agreement dated 9 May 2016 originally entered into between, SEH as borrower and Nordea Bank AB (publ) as lender (as amended and/or amended and

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<sup>1</sup> [Note to draft: The amount is equal to \(a\) the interest actually paid on 10 March 2023 for the period 1 January 2023 to 10 March 2023 \(both included\) on a Note less \(b\) an amount equal to a fixed rate of three \(3.00\) per cent. per annum for that Note for the period 1 January 2023 to 30 March 2023 \(both included\).](#)

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restated from time to time) of which SEK 152,000,000 is outstanding (plus any accrued but unpaid interest);

- (b) a SEK 101,175,683 (plus accrued and capitalised PIK interest as well as accrued but not yet capitalised PIK interest) shareholder loan agreement dated 25 May 2016 as amended on 26 May 2016 between SEH as borrower and Procuritas Capital Investors V GP as general partner of Procuritas Capital Investors V, LP as lender; and
- (c) a SEK 3,000,267 (plus accrued and capitalised PIK interest as well as accrued but not yet capitalised PIK interest) shareholder loan agreement dated 25 May 2016 as amended on 26 May 2016 between SEH as borrower and PCI V Co-Investment AB as lender.

**“Finance Charges”** means, for the Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any Group Company according to the latest Financial Reports (calculated on a consolidated basis), excluding any unrealised gains or losses on any derivative instruments other than any derivative instruments which are accounted for on a hedge accounting basis.

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

**“Finance Lease”** means any finance leases, to the extent the arrangement is or would have been treated as a finance or a capital lease in accordance with the Accounting Principles as applicable on the First Issue Date.

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

- (a) moneys borrowed and debt balances at banks or other financial institutions;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Notes;
- (d) the amount of any liability in respect of any Finance Lease or hire purchase contract which would, in accordance with the Accounting Principles (as applicable on the First Issue Date), be treated as a finance or capital lease (meaning that the lease is capitalised as an asset and booked as a corresponding liability in the balance sheet);
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non recourse basis *provided that* the requirements for de-recognition under the applicable Accounting Principles are met);
- (f) any derivative transaction entered into and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);

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- (g) any counter indemnity obligation in respect of a guarantee, note, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a Person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
  - (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the applicable Accounting Principles;
  - (i) any amount of any liability under an advance or deferred purchase agreement, if (A) the primary reason behind entering into the agreement is to raise finance or (B) the agreement is in respect of the supply of assets or services and payment is due more than one-hundred twenty (120) calendar days after the date of supply;
  - (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the applicable Accounting Principles; and
  - (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in the above items (a) to (j).

“**Financial Report**” means the annual audited consolidated financial statements of the Group, and the quarterly interim unaudited consolidated reports of the Group which shall be prepared and made available according to paragraphs (a) and (b) of Clause ~~13.17.1~~[13.18.1](#).

~~“**First Call Date**” means the date falling twenty four (24) months after the First Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.~~

“**First Issue Date**” means 10 December 2018.

“**Force Majeure Event**” has the meaning set forth in Clause 30.1.

“**Fourth Amendment Date**” means [date] 2023.

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

“**Derivative Transaction**” means any Financial Indebtedness (or the refinancing of any Financial Indebtedness) arising under a derivate transaction entered into by a Group Company in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes).

“**IFRS**” means the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time.

“**Incurrence Test**” shall have the meaning set out in Clause 12.1 (*Incurrence Test*).

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~~“Initial Call Option Price” means an amount equivalent to the sum of (i) 104.125 per cent. of the Nominal Amount of the redeemed Notes and (ii) the remaining interest payments up to and including the First Call Date (assuming that the Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the First Issue Date).~~

“Initial Note Issue” means the issuance of Notes on the First Issue Date.

“Initial Nominal Amount” has the meaning set forth in Clause 2.1.

“Interest” means the interest on the Notes calculated in accordance with Clause 10.1 to 10.3.

“Interest Payment Date” means:

- (a) ~~“Interest Payment Date” means~~ prior to the Fourth Amendment Date, 10 March, 10 June, 10 September and 10 December (with the first Interest Payment Date on 10 March 2019 and the last Interest Payment Date being the Maturity Date); and
- (b) after to the Fourth Amendment Date, 30 March, 30 June, 30 September and 30 December (with the first Interest Payment Date on 30 June 2023 and the last Interest Payment Date being the Maturity Date),

or to the extent such day is not a CSD Business Day, the first following day that is a CSD 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 CSD Business Day.

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

“Interest Rate” means ~~a floating rate of STIBOR (three (3) months) plus 7.50 per cent., per annum.~~ an interest rate per annum as follows:

- (a) fixed rate of three (3.00) per cent. from and including the Interest Period beginning on (but excluding) the Interest Payment Date falling on 30 March 2023 and ending on (and including) the Interest Payment Date falling on 30 March 2024;
- (b) fixed rate of seven (7.00) per cent. from and including the Interest Period beginning on (but excluding) the Interest Payment Date falling on 30 March 2024 and ending on (and including) the Interest Payment Date falling on 30 June 2025; and
- (c) floating rate of three (3) months STIBOR plus seven point five (7.50) per cent. from and including the Interest Period beginning on (but excluding) the Interest Payment Date falling on 30 June 2025 and ending on (and including) the Interest Payment Date falling on the Maturity Date.

“Issuer” means Swedish Electromagnet Invest AB (publ), with reg. no. 559153-6510, c/o SEM Aktiebolag, Box 30, 662 00 Åmål, Sweden.

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“**Issuing Agent**” means Pareto Securities AB, reg. no. 556206-8956, P.O. Box 7415, 103 91 Stockholm, Sweden, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Leverage Ratio**” means the ratio of Net Interest Bearing Debt to EBITDA.

“**Listing Failure Event**” means the occurrence of an event whereby Notes issued in the Initial Note Issue have not been admitted to trading on the corporate bond list of Frankfurt Stock Exchange Open Market within sixty (60) calendar days from the First Issue Date (although the Issuer intends to list the Notes issued in the Initial Note Issue within thirty (30) calendar days from the First Issue Date).

“**Mandatory Partial Prepayment Amount**” means:

- (a) for each Mandatory Partial Prepayment Date until (and including) 30 March 2024, SEK 5,000,000;
- (b) for the Mandatory Partial Prepayment Date falling on 30 December 2024, SEK 11,000,0000; and
- (c) for the Mandatory Partial Prepayment Date falling on 30 September 2025, SEK 9,000,0000.

less (i) the aggregate purchase price (not taking into account any fees or accrued but unpaid interest) of any Notes which have been subject to a Voluntary Notes Purchase (not including any purchase of Notes pursuant to the conditions subsequent) and (ii) the aggregate amount of all voluntary partial prepayments made pursuant to Clause 11.4 (*Voluntary Partial Prepayment*) (not taking into account any paid interest), made after the immediately preceding Mandatory Partial Prepayment Date and before the relevant Mandatory Partial Prepayment Date and which have not been previously applied towards reducing the Mandatory Partial Prepayment Amount.

“**Mandatory Partial Prepayment Date**” means each of the following dates:

- (a) 30 June 2023;
- (b) 30 September 2023;
- (c) 30 December 2023;
- (d) 30 March 2024;
- (e) 30 December 2024; and
- (f) 30 September 2025.

“**Material Adverse Effect**” means a material adverse effect on (a) the business, financial condition or operations of the Group taken as a whole, (b) the Issuer’s ability to perform and comply with its obligations under any of the Finance Documents or (c) the validity or enforceability of the Finance Documents.

“**Material Group Company**” means the Issuer and any wholly owned Group Company who is nominated as such by the Issuer in accordance with Clause ~~13.16~~ 13.17 (*Nomination of Material Group Companies*).



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“**Material Intercompany Loans**” means any intercompany loan where (a) the term of the loan is at least equal to or longer than twelve (12) months and (b) the aggregate principal amount thereof in addition to any other intercompany loans between the same Group Companies is in excess of SEK 5,000,000.

“**Maturity Date**” means ~~10 May 2023~~ 30 June 2026.

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

“**Net Finance Charges**” means, for the Relevant Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Relevant Period to any Group Company and any interest income received by any Group Company on cash or cash equivalent investment.

“**Net Interest Bearing Debt**” means the aggregate interest bearing Financial Indebtedness of the Group, excluding:

- (a) any Subordinated Loans and Shareholder Loans;
- (b) any Financial Indebtedness owing by a wholly owned Group Company to another wholly owned Group Company;
- (c) any Notes owned by the Issuer;
- (d) any Derivative Transactions; and
- (e) any pension and tax liabilities,

less cash and cash equivalents (including funds held on the Escrow Account) of the Group in accordance with the applicable Accounting Principles.

“**Net Proceeds**” means the proceeds from the Initial Note Issue or any Subsequent Note Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Issuing Agent and the joint bookrunners for the services provided in relation to the placement and issuance of the Notes.

“**Nominal Amount**” has the meaning set forth in Clause 2.1.

“**Notes**” means debt instruments (Sw. *skuldförbindelser*), each representing the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act, issued by the Issuer under these Terms and Conditions.

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

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clause 20 (*Noteholders’ Meeting*).

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

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“**Procuritas**” means Procuritas Capital Investors V, LP and PCI V Co-Investment AB, reg. no. 556892-8195, c/o Private Equity Administrators Sweden AB, Riddargatan 13A, 114 51 Stockholm.

“**Permitted Financial Indebtedness**” means any Financial Indebtedness (or the refinancing of any Financial Indebtedness):

- (a) arising under the Initial Note Issue;
- (b) arising under any Working Capital Facility;
- (c) up until the release of the Net Proceeds of the Initial Note Issue from the Escrow Account, in the form of any Existing Debt;
- (d) arising under a Derivative Transaction;
- (e) in the form of any Subordinated Loans;
- (f) in the form of any Shareholder Loans;
- (g) arising under any loans between Group Companies, provided that:
  - (i) loans from Material Group Companies to Group Companies (excluding Excluded Subsidiaries) that are not Material Group Companies shall not exceed SEK 25,000,000 in aggregate principal amount outstanding at any time;
  - (ii) Material Intercompany Loans provided from Group Companies that are not Material Group Companies to Material Group Companies shall be subordinated to the Secured Obligations either in accordance with the terms thereof or in accordance with a Subordination Agreement (however, permitting payments of interest and amortisations as long as no Event of Default has occurred); and
  - (iii) loans to any Excluded Subsidiaries shall not exceed SEK 20,000,000 in aggregate principal amount outstanding at any time;
- (h) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company’s business;
- (i) in the form of any counter indemnity obligation in respect of a guarantee, indemnity, note, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (j) incurred under any advance or deferred purchase agreement on normal commercial terms by any Group Company from any of its trading partners in the ordinary course of its trading activities;
- (k) incurred by the Issuer after the First Issue Date, *provided that* it complies with the Incurrence Test if tested *pro forma* immediately after the incurrence of such new Financial Indebtedness, and such Financial Indebtedness:
  - (i) is incurred as a result of a Subsequent Note Issue; or

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- (ii) ranks *pari passu* or is subordinated to the Secured Obligations;
- (l) of the Group incurred pursuant to any Finance Leases incurred in the ordinary course of the Group's business in a maximum aggregate amount of SEK 35,000,000 (or the equivalent) at any time;
  - (m) incurred as a result of any Group Company acquiring another entity after the First Issue Date which entity already had incurred Financial Indebtedness but not incurred or increased or having its maturity date extended in contemplation of, or since that acquisition, *provided that* (i) the Incurrence Test is met on a *pro forma* basis if tested immediately after the making of that acquisition, and (ii) such Financial Indebtedness is (A) repaid in full within ninety (90) calendar days of completion of such acquisition or (B) refinanced in full within ninety (90) calendar days of completion of such acquisition with the Issuer as the new borrower and is incurred as a result of (i) a Subsequent Note Issue, (ii) ranks *pari passu* with the Notes or (iii) any Financial Indebtedness permitted under any other limb of this definition;
  - (n) under any pension and tax liabilities incurred in the ordinary course of business;
  - (o) incurred in connection with the redemption of the Notes in order to fully refinance the Notes and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Notes (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Notes;
  - (p) in the form of provisions such as earn outs which are treated as borrowings or financial indebtedness under the applicable Accounting Principles; or
  - (q) not permitted by the preceding paragraphs and the outstanding amount of which does not exceed SEK 5,000,000.

**“Permitted Security”** means any Security:

- (a) created under the Finance Documents;
- (b) created in respect of the Working Capital Facility;
- (c) provided in relation to a Derivative Transaction and not consisting of security interests in shares in any Group Company;
- (d) provided in relation to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such lease constitutes Permitted Financial Indebtedness;
- (e) up until the release of the Net Proceeds of the Initial Note Issue from the Escrow Account, in the form of any security granted in respect of any Existing Debt;
- (f) arising by operation of law or in the ordinary course of trading and not as a result of any default or omission;

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- (g) arising in the ordinary course of banking arrangements for the purposes of netting debt and credit balances of Group Companies;
  - (h) in the form of rental deposits or other guarantees in respect of any lease agreement including in relation to real property entered into by a Group Company in the ordinary course of business and on normal commercial terms;
  - (i) arising as a consequence of or created in respect of any finance lease or hire purchase contract permitted pursuant to item (l) of the definition of “*Permitted Financial Indebtedness*”;
  - (j) 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 in the ordinary course of trading and on the supplier’s standard or usual terms and not arising as a result of any default or omission by any Group Company;
  - (k) subsisting as a result of any Group Company acquiring another entity after the First Issue Date which entity already had provided security for Financial Indebtedness permitted under item (m) of the definition of “*Permitted Financial Indebtedness*”, *provided that* such security is discharged and released in full upon the refinancing or repayment of such Financial Indebtedness as set out therein;
  - (l) created in the form of a pledge over one or more escrow accounts to which the proceeds incurred in relation to a refinancing of the Notes in full are intended to be received;
  - (m) created for the benefit of the providers of financing for the refinancing of the Notes in full, *provided that* any perfection requirements in relation thereto are not satisfied until after repayment of the Notes in full (other than with respect to an escrow account (if applicable) which may be perfected in connection with the incurrence of such Financial Indebtedness);
  - (n) any security existing on the First Issue Date provided to secure pension liabilities in the ordinary course of business of a Group Company; or
  - (o) not otherwise permitted above which secures debt in an amount not exceeding SEK 5,000,000 (or its equivalent in other currencies) at any time.

“**Pre-Disbursement Conditions Precedent**” means all actions and documents set forth in Clause 15.1.

“**Pre-Settlement Conditions Precedent**” means all actions and documents set forth in Clause 14.

“**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 (5th) Business Day prior to;

- (a) an Interest Payment Date;
- (b) a Redemption Date;

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- (c) a date on which a payment to the Noteholders is to be made under Clause 18 (*Distribution of proceeds*); or
- (d) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

“**Regulated Market**” means any regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.

“**Relevant Period**” means each period of twelve (12) consecutive calendar months to the relevant test date.

“**Restricted Payment**” has the meaning set forth in Clause 13.1.

“**Secured Obligations**” means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by any Group Company to the Agent and the Noteholders under the Finance Documents.

“**Securities Account**” means the account for dematerialised securities maintained by the CSD pursuant to the Central Securities Depositories and Financial Instruments Accounts Act in which;

- (a) an owner of such security is directly registered; or
- (b) an owner’s holding of securities is registered in the name of a nominee.

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

“**Security Documents**” means the Escrow Account Pledge Agreement, the Structural Intercompany Loan Pledge Agreement, the Share Pledge Agreements, the SEH Share Pledge Agreement, and any other pledge agreement entered into by a Group Company pursuant to these Terms and Conditions and such further agreements, assignments, certificates, instruments, consents, acknowledgements, confirmations and other documents which relate thereto or which are required in order to establish, maintain, preserve, protect and perfect the pledge created or purported to be created under such documents.

“**SEH**” means Swedish Electromagnet Holding AB, reg. no. 559060-1000, c/o SEM Aktiebolag, Box 30, 662 00 Åmål, Sweden.

“**SEH Share Pledge Agreement**” means the share pledge agreement to be entered into by the Issuer and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Noteholders) in relation to first a priority pledge over all shares in SEH.

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

“**SEM**” means SEM Aktiebolag reg.no. 556023-5748, Box 30, 662 00, Åmål, Sweden.

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“**Share Pledge Agreements**” means the share pledge agreements to be entered into by the relevant Group Company and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Noteholders) in relation to first a priority pledge over all shares in any Material Group Company (other than the Issuer and any Excluded Subsidiary).

“**Shareholder Loans**” means any shareholder loan to the Issuer or any of its Subsidiaries from direct or indirect shareholders (not Group Companies), where the Issuer or the relevant Subsidiary is the debtor, if such shareholder loan:

- (a) is subordinated to the Secured Obligations either in accordance with its terms or in accordance with a Subordination Agreement;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Maturity Date; and
- (c) according to its terms yield only payment-in-kind interest.

“**STIBOR**” means:

- (a) the applicable percentage rate *per annum* displayed on Nasdaq Stockholm’s website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in SEK and for a period comparable to the relevant Interest Period; or
- (b) if no such rate as set out in item (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 a.m. on the Quotation Date; or
- (c) if no rate is available for the relevant Interest Period pursuant to item (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 periods; or
- (d) if no quotation is available pursuant to item (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.

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

“**Structural Intercompany Loan**” means any loans or credits made by the Issuer to SEH.

“**Structural Intercompany Loan Pledge Agreement**” means an intercompany loan pledge agreement entered into by the Issuer and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Noteholders) in relation to a first priority pledge over current and future Structural Intercompany Loans.

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“**Subordinated Loan**” means any loan or credit made (or to be made) to the Issuer by any third party (other than any Group Company or direct or indirect shareholder of the Issuer), each of which shall be on terms acceptable to the security agent (acting reasonably) to ensure, *inter alia*;

- (a) that such loan is subordinated to the Secured Obligations either in accordance with its terms or in accordance with a Subordination Agreement; and
- (b) that any repayment of, or payment of interest in respect of, any such loan or credit is subject to all present and future obligations and liabilities under the Secured Obligations having been irrevocably discharged in full.

“**Subordination Agreement**” means a subordination agreement entered into between a direct or indirect shareholder of the Issuer and the Agent (acting on behalf of itself and the Noteholders) whereby any claims of the relevant shareholder are subordinated to the Secured Obligations.

“**Subsequent Notes**” means any Note issued in a Subsequent Note Issue.

“**Subsequent Note Issue**” has the meaning set forth in Clause 2.5.

“**Subsidiary**” means, in respect of which such person, directly or indirectly;

- (a) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners; or
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

“**Total Assets**” means, in respect of the Group, the book value of the total consolidated assets as shown in the most recent annual consolidated financial statements of the Group.

“**Transaction Costs**” means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with any acquisition or disposal permitted under the Terms and Conditions or the incurrence of any Permitted Financial Indebtedness, including the issuance and listing of the Notes (including any Subsequent Notes).

“**Transaction Security**” means the transaction Security to be provided under the Security Documents on the First Issue Date and any additional transaction Security to be provided thereafter in accordance with Clause 5 (*Security*) and Clause ~~13.16~~-13.17 (*Nomination of Material Group Companies*)-2.

“**Voluntary Notes Purchase**” shall have the meaning ascribed to it in Clause 11.2 (*The Group Companies’ purchase of Notes*).

“**Working Capital Facility**” means one or more credit facilities (including by way of an overdraft facility or guarantees) for working capital purposes entered into by a Group Company (other than the Issuer), in an aggregate amount not at any time exceeding SEK 35,000,000.

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“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 21 (*Written Procedure*).

## **1.2 Construction**

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department or regulatory, self-regulatory or other authority or organisation;
- (d) an Event of Default is continuing if it has not been remedied or waived;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and
- (f) a time of day is a reference to Stockholm time.

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

1.2.3 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.

1.2.4 No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

## **2 THE AMOUNT OF THE NOTES AND UNDERTAKING TO MAKE PAYMENTS**

2.1 The aggregate amount of the note loan will be an amount of up to SEK 500,000,000 which will be represented by Notes, each of a nominal amount of SEK 250,000 or full multiples thereof (the “**Initial Nominal Amount**”). The nominal amount of each Note will be the Initial Nominal Amount, less the aggregate amount by which each Note has been prepaid in part pursuant to Clause ~~11.4~~ 11.6 (*Equity claw back*) (the “**Nominal Amount**”). The total nominal amount of the Notes issued in the Initial Note Issue is SEK 350,000,000.

2.2 The ISIN for the Notes is SE0011167600.

2.3 All Notes issued in the Initial Note Issue are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.

2.4 The minimum permissible investment in connection with the Initial Note Issue is SEK 1,250,000.

2.5 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Notes under these Terms and Conditions (each such issue, a “**Subsequent Note Issue**”), until the total



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amount under such Subsequent Note Issue(s) and the Initial Note Issue equals SEK 500,000,000, always provided that:

- (a) the Incurrence Test is met (calculated *pro forma* including the Subsequent Note Issue); and
- (b) no Event of Default is continuing or would result from;
  - (i) the expiry of a grace period, giving of notice, making of any determination or any combination of any of the foregoing; or
  - (ii) the issue of the Subsequent Notes.

2.6 Subsequent Notes shall be issued subject to the Finance Documents and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Maturity Date applicable to the Notes issued in the Initial Note Issue shall also apply to Subsequent Notes. The price of Subsequent Notes may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount.

2.7 The Issuer undertakes to repay the Notes, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.

2.8 The Notes are denominated in SEK and each Note is constituted by these Terms and Conditions.

2.9 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes each subsequent Noteholder confirms the Finance Documents.

### **3 STATUS OF THE NOTES**

The Notes constitute direct, general, senior, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them. The Notes are secured by the Transaction Security.

### **4 USE OF PROCEEDS**

4.1 The Issuer shall establish the Escrow Account prior to the First Issue Date and make sure that the Pre-Settlement Conditions Precedent are met in accordance with Clause 14.

4.2 Upon fulfilment of the Pre-Disbursement Conditions Precedent, the Net Proceeds standing to the credit of the Escrow Account shall be transferred to be used towards:

- (a) the acquisition of SEH;
- (b) refinancing of Existing Debt; and
- (c) general corporate purposes of the Group.

4.3 The Net Proceeds of any Subsequent Note Issue shall be used to finance general corporate purposes of the Group, including but not limited to investments and acquisitions.

### **5 SECURITY**

5.1 As continuing security for the due and punctual fulfilment of the Issuer's obligations under the Finance Documents, the Issuer shall, and shall procure that any other relevant Group Company

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(if applicable), pledge to the Agent and the Noteholders (as represented by the Agent), as first ranking security:

- (a) all shares in SEH, in accordance with the SEH Share Pledge Agreement;
- (b) all shares in any Material Group Company (other than the Issuer and any Excluded Subsidiary), in accordance with the Share Pledge Agreements;
- (c) all current and future Structural Intercompany Loans under the Structural Intercompany Loan Pledge Agreement; and
- (d) the Escrow Account pursuant to the Escrow Account Pledge Agreement.

5.2 The pledge over the shares in SEH referred to in Clause 5.1 (a) above, shall be established on the date on which the disbursement of the Net Proceeds of the Initial Note Issue from the Escrow Account is made, immediately following the completion of the acquisition of SEH. The pledge over all shares in any Material Group Company (other than the Issuer and any Excluded Subsidiary) referred to in Clause 5.1 (b) above shall be established no later than the date falling ninety (90) calendar days after the First Issue Date. The pledge over the Structural Intercompany Loans referred to in Clause 5.1 (c) above shall be established upon refinancing of the Existing Debt. The pledge over the Escrow Account referred to in Clause 5.1 (d) above shall be established prior to the First Issue Date.

The Issuer shall:

- (a) promptly supply to the Agent copies of the constitutional documents, copies of all corporate resolutions (including authorisations) required to execute the relevant Finance Documents, and copies of the register of shareholders (in each case) with respect to each relevant Group Company; and
- (b) ensure that each Group Company promptly does all such acts and executes and supplies all such documents (including, without limitation, any Security Document and any document to be executed or supplied in relation thereto) as necessary for the purposes of establishing the Transaction Security.

5.3 The Issuer shall ensure that the Security Documents and all documents relating thereto are duly executed in favour of the Agent and the Noteholders (as represented by the Agent) and that such documents are legally valid, perfected, enforceable and in full force and effect according to their terms. The Issuer shall execute and/or procure the execution of such further documentation as the Agent may reasonably require in order for the Noteholders and the Agent to at all times maintain the security position and guarantee position envisaged under the Finance Documents.

5.4 The Agent shall hold the Transaction Security on behalf of itself and the Noteholders in accordance with the Finance Documents.

5.5 Except if otherwise decided by the Noteholders according to the procedures set out in Clauses 19 (*Decisions by Noteholders*), 20 (*Noteholders' Meeting*) and 21 (*Written Procedure*), the Agent is, without first having to obtain the Noteholders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the

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Transaction Security or for the purpose of settling the various Noteholders' relative rights to the Transaction Security. The Agent is entitled to take all measures available to it according to the Security Documents.

- 5.6 If the Notes are declared due and payable according to Clause 17 (*Termination of the Notes*), or following the Maturity Date, the Agent is, without first having to obtain the Noteholders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Security Documents).
- 5.7 If a Noteholders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Notes and/or the enforcement of all or any of the Transaction Security, the Agent is obligated to take actions in accordance with the Noteholders' decision regarding the Transaction Security. However, if the Notes are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in these Terms and Conditions, the Agent shall not enforce the Transaction Security. If the Noteholders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Notes and enforcement of the Transaction Security in accordance with the procedures set out in Clauses 19 (*Decisions by Noteholders*), 20 (*Noteholders' Meeting*) and 21 (*Written Procedure*), the Agent shall promptly declare the Notes terminated and enforce the Transaction Security. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Noteholders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.
- 5.8 Funds that the Agent receives (directly or indirectly) on behalf of the Noteholders in connection with the termination of the Notes or the enforcement of any or all of the Transaction Security constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and any other interested party. The Agent shall promptly arrange for payments to be made to the Noteholders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 18 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with Clause 5.9, instruct the CSD to arrange for payment to the Noteholders.
- 5.9 For the purpose of exercising the rights of the Noteholders and the Agent under these Terms and Conditions and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Noteholders in accordance with Clause 5.8. To the extent permissible by law, the powers set out in this Clause 5.9 are irrevocable and shall be valid for as long as any Notes remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent's satisfaction), which the Agent deems necessary for the purpose of carrying out its duties under Clause 5.8 (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Agent's request, provide the Agent with a

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written power of attorney empowering the Agent to change the bank account registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 5.8 to the Noteholders through the CSD.

## **6 THE NOTES AND TRANSFERABILITY**

- 6.1 Each Noteholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Notes are freely transferable. All Notes transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Notes transferees upon completed transfer.
- 6.3 Upon a transfer of Notes, any rights and obligations under the Finance Documents relating to such Notes are automatically transferred to the transferee.
- 6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 6.5 The Notes have not been registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and the Issuer is under no obligation to arrange for registration of the Notes under the Securities Act or under any other law or regulation.
- 6.6 The Notes are not offered to and may not be subscribed by investors located in the United States except for “Qualified Institutional Buyers” (“**QIB**”) within the meaning of Rule 144A under the Securities Act. In the application form relating to the Notes, each person applying for the Notes must confirm whether it is a U.S. person as defined in Rule 902 of Regulation S under the Securities Act, and if it is a U.S. person it must confirm, *inter alia*, that it is a QIB.
- 6.7 Noteholders located in the United States are not permitted to transfer Notes except (a) subject to an effective registration statement under the Securities Act, (b) to a person that the Noteholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S under the Securities Act, (d) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) and (e) pursuant to any other available exemption from registration under the Securities Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require confirming that such sale or transfer is in compliance with the Securities Act.
- 6.8 For the avoidance of doubt and notwithstanding the above, a Noteholder which allegedly has purchased Notes in contradiction to mandatory restrictions applicable may nevertheless utilise

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

## **7 NOTES IN BOOK-ENTRY FORM**

- 7.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical Notes will be issued. Accordingly, the Notes will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Central Securities Depositories and Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 7.4 For the purpose of or in connection with any Noteholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes. If the Agent does not otherwise obtain information from such debt register as contemplated under the Finance Documents, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent.
- 7.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.
- 7.6 At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Notes and provide it to the Agent.
- 7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Noteholder or third party unless necessary for such purposes.

## **8 RIGHT TO ACT ON BEHALF OF A NOTEHOLDER**

- 8.1 If any Person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.

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8.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder.

8.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **9 PAYMENTS IN RESPECT OF THE NOTES**

9.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes, shall be made to such Person who is registered as a Noteholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.

9.2 If a Noteholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.

9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.4 during such postponement.

9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.

9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Note Issue or any Subsequent Note Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax.

## **10 INTEREST**

10.1 The Notes will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any

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Subsequent Note will, however, 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.

10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made quarterly in arrears to the Noteholders on each Interest Payment Date for the preceding Interest Period.

10.3 Interest during any Interest Period with floating 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). Interest during any Interest Period with fixed interest shall be calculated on the basis of a 360-day year comprised of twelve (12) months of thirty (30) days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).

10.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

10.5 Notwithstanding anything to the contrary in these Terms and Conditions, Interest payable by the Issuer on each Note on each Interest Payment Date falling on and after 30 June 2023 shall be deducted by an amount equal to the Excess Interest Amount (interest shall in any case never be lower than zero (0)) until deduction has been made on interest for the full Excess Interest Amount.

## **11 REDEMPTION, REPURCHASE AND PREPAYMENT OF THE NOTES**

### **11.1 Redemption at maturity**

The Issuer shall redeem all, but not only some, of the Notes in full on the Maturity Date (or, to the extent such day is not a Business Day and if permitted under the CSD's applicable regulations, on the Business Day following from an application of the Business Day Convention, and otherwise on the first following Business Day) with an amount per Note equal to one hundred and ten (110.00) per cent. of the Nominal Amount together with accrued but unpaid Interest.

### **11.2 The Group Companies' purchase of Notes**

Any Group Company may, subject to applicable law, at any time and at any price purchase Notes in the market or in any other way (a "Voluntary Notes Purchase"). All Notes held by Group Companies on the Fourth Amendment Date shall be cancelled prior to the record date for the Amendment Fee. Notes held by a Group Company ~~may at such Group Company's discretion be retained or sold, but not cancelled, except in connection with a full redemption of the Notes at any time following the Fourth Amendment Date shall immediately be cancelled.~~

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### **11.3 Early voluntary redemption by the Issuer (call option)**

- 11.3.1 The Issuer may redeem all, but not only some, of the Notes in full on any CSD Business Day, at an amount equal to the Call Option Amount together with accrued but unpaid Interest.
- 11.3.2 Redemption in accordance with Clauses 11.3.1 shall be made by the Issuer giving at least ten (10) but not more than twenty (20) Business Days' notice, prior to the proposed call option Redemption Date, to the Noteholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amounts.

### **11.4 Voluntary Partial Prepayment**

- 11.4.1 The Issuer may, at one or more occasions, prior to the Maturity Date in its sole discretion make partial prepayments of the Notes *pro rata* in any amount. The repayment per Note shall be equal to the repaid percentage of the Nominal Amount (being the prepayment amount rounded down to the nearest SEK 1.00) plus (a) a premium on the repaid amount as set forth in the Call Option Amount for the relevant period (if any) and (b) any accrued but unpaid interest on the redeemed amounts.
- 11.4.2 Partial prepayments in accordance with Clauses 11.4.1 shall be made by the Issuer giving at least ten (10) but not more than twenty (20) Business Days' notice, prior to the partial prepayment date, to the Noteholders and the Agent. Any such notice shall state the relevant prepayment date and the relevant Record Date and is irrevocable.

### **11.5 Mandatory Partial Prepayment**

- 11.5.1 The Issuer shall procure that any residual amount of the Equity Injection which should, but has not, been used towards purchases of Notes on or prior to the date falling three (3) months following the Equity Injection was made, is applied to redeem the Notes on a *pro rata* basis. The repayment per Note shall be equal the repaid percentage of the Nominal Amount (being the residual amount of the Equity Injection rounded down to the nearest SEK 1.00) plus any accrued but unpaid interest on the redeemed amounts.
- 11.5.2 The Issuer shall on each Mandatory Partial Prepayment Date apply an amount equivalent to the relevant Mandatory Partial Prepayment Amount to redeem the Notes on a *pro rata* basis. The repayment per Note shall be equal the repaid percentage of the Nominal Amount (being the Mandatory Partial Prepayment Amount rounded down to the nearest SEK 1.00) plus any accrued but unpaid interest on the redeemed amounts.
- 11.5.3 The Issuer shall in connection with each Mandatory Partial Prepayment Date provide the Agent with computations in respect of the relevant Mandatory Partial Prepayment Amount but only if any adjustments have been made pursuant to the subparagraphs (i) or (ii) in the definition of "*Mandatory Partial Prepayment Amount*".



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**11.6 41.4 Equity claw back**

11.6.1 41.4.1 The Issuer may on one occasion at any time, from the proceeds of an Equity Listing Event, repay up to thirty (30) per cent. of the total Nominal Amount, in which case all outstanding Notes shall be partially repaid by way of reducing the Nominal Amount of each Note *pro rata*.

11.6.2 41.4.2 The repayment must occur on an Interest Payment Date within one hundred and eighty (180) days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event).

11.6.3 41.4.3 The Issuer shall give not less than twenty (20) Business Days' notice of the repayment to the Agent and the Noteholders and the repayment price per Note shall equal the repaid percentage of the Nominal Amount plus a premium on the repaid amount as set forth in the Call Option Amount for the relevant period ~~and, shall before the First Call Date be the price equal to the Initial Call Option Price,~~ together with any accrued but unpaid interest on the repaid amount.

**11.7 41.5 Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)**

11.7.1 41.5.1 Upon a Change of Control Event or a Listing Failure Event occurring, each Noteholder shall have the right to request that all, or only some, of its Notes be repurchased at a price per Note equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of forty five (45) calendar days following effective receipt of a notice from the Issuer of the Change of Control Event or Listing Failure Event pursuant to Clause 13.17.1 (e) (after which time period such right shall lapse).

11.7.2 41.5.2 The notice from the Issuer pursuant to Clause 13.17.1 (e) shall specify the Record Date and the Redemption Date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Notes and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 13.17.1 (e) The Redemption Date must fall no later than ten (10) Business Days after the end of the period referred to in Clause 11.5.1 above.

11.7.3 41.5.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause ~~41.5~~11.7, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause ~~41.5~~11.7 by virtue of the conflict.

11.7.4 41.5.4 Any Notes repurchased by the Issuer pursuant to this Clause ~~41.5~~11.7 may at the Issuer's discretion be retained, sold or cancelled, provided that Notes may only be cancelled if permitted under Clause 11.2 (*The Group Companies' purchase of Notes*).

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**11.8 ~~41.6~~ Mandatory redemption due to failure to fulfil the Pre-Disbursement Conditions Precedent**

**11.8.1 ~~41.6.1~~** If the Pre-Disbursement Conditions Precedent have not been fulfilled on or before forty-five (45) calendar days from the First Issue Date, the Issuer shall redeem all Notes at a price equal to one hundred (100.00) per cent. of the Nominal Amount together with any accrued but unpaid interest.

**11.8.2 ~~41.6.2~~** The Agent shall fund the redemption with the amounts standing to the credit on the Escrow Account. Any shortfall shall be covered by the Issuer.

**11.8.3 ~~41.6.3~~** The redemption of the Notes shall (i) be executed on the first Interest Payment Date (taking into account the rules and regulations of the CSD) and (ii) be made by the Issuer giving not less than ten (10) Business Days' notice to the Noteholders and the Agent, where such notice shall state the relevant Interest Payment Date on which the redemption shall be made, the redemption amount and the relevant Record Date.

## **12 FINANCIAL UNDERTAKINGS**

### **12.1 Incurrence Test**

The Incurrence Test is met if the Leverage Ratio is less than:

- (a) 4.00:1.00 from, and including, the First Issue Date to, but excluding, the date falling twelve (12) months after the First Issue Date;
- (b) 3.75:1.00 from, and including, the date falling twelve (12) months after the First Issue Date to, but excluding, the date falling twenty-four (24) months after the First Issue Date;
- (c) 3.50:1.00 from, and including, the date falling twenty-four (24) months after the First Issue Date to, but excluding, the date falling thirty-six (36) months after the First Issue Date; and
- (d) 3.25:1.00 from, and including the date falling thirty-six (36) months after the First Issue Date to, but excluding, the Maturity Date,

in each case, no Event of Default is continuing or would occur (i) upon the incurrence, or (ii) from the expiry of a grace period, the giving of notice, the making of any determination (or any combination of the foregoing).

### **12.2 Calculation of the Incurrence Test**

12.2.1 The calculation of the Leverage Ratio shall be made as per a testing date determined by the Issuer, falling no earlier than in the period one month prior to the event in respect of which the Incurrence Test shall be made.

12.2.2 The Net Interest Bearing Debt shall be measured on the relevant testing date, however so:

- (a) that the full commitment of any new Financial Indebtedness in respect of which the Incurrence Test shall be made (after deducting any Financial Indebtedness which shall

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be refinanced at the time of incurrence of such new Financial Indebtedness) shall be added to the Net Interest Bearing Debt; and

- (b) that any cash balance/proceeds resulting from the incurrence of such new Financial Indebtedness shall not reduce the Net Interest Bearing Debt.

12.2.3 The figures for EBITDA, Finance Charges and Net Finance Charges for the Relevant Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but adjusted so that:

- (a) entities acquired or disposed of by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be included or excluded (as applicable), *pro forma*, for the entire Relevant Period; and
- (b) any entity to be acquired with the proceeds from the new Financial Indebtedness shall be included, *pro forma*, for the entire Relevant Period.

### 13 GENERAL UNDERTAKINGS

So long as any Note remains outstanding, the Issuer undertakes to comply with the general undertakings set forth in this Clause 13.

#### 13.1 Distributions

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries will:
  - (i) pay any dividend on its shares (other than to the Issuer or a wholly owned Subsidiary of the Issuer and, if made by a Group Company which is not wholly-owned, is made *pro rata* to the Group's ownership percentage in such Subsidiary);
  - (ii) repurchase any of its own shares;
  - (iii) redeem its share capital or other restricted equity with repayment to shareholders;
  - (iv) repay any Shareholder Loans or Subordinated Loans; or
  - (v) make any other similar distribution or transfers of value to any direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer (other than to the Issuer or a directly or indirectly wholly owned Subsidiary of the Issuer and, if made by a Group Company which is not wholly-owned, is made *pro rata* to the Group's ownership percentage in such Subsidiary),(i) to (v) above, each being a "**Restricted Payment**").
- (b) Notwithstanding the above, a Restricted Payment may be made by the Issuer:
  - (i) for the funding of administration and management costs to be paid to Procuritas (or any closely related parties to Procuritas) limited to SEK 1,000,000 for any financial year in connection with any management services agreement or otherwise (for the avoidance of doubt such amount shall include any amount

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actually payable under any management services agreement and not shall not be additional thereto); or

- (ii) if at the time of the payment, an Equity Listing Event has occurred and (A) the Incurrence Test is met (calculated on a *pro forma* basis including the relevant Restricted Payment), and the aggregated amount of all Restricted Payments of the Group in any fiscal year (including the Restricted Payment in question) does not exceed 50 per cent. of the Group's consolidated net profit for the previous fiscal year, or (B) it is necessary to, and only to the extent necessary to, comply with mandatory provisions of the Swedish Companies Act (Sw. *aktiebolagslagen* (2005:551)) relating to dividend distributions to minority shareholders, *provided that*, the Issuer in such case shall ensure that any such dividends shall be paid at the lowest level allowed by applicable law.

### 13.2 Listing of Notes

The Issuer shall ensure (i) that the Notes issued in the Initial Note Issue are admitted to trading on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market including First North Stockholm if First North Stockholm has become a Regulated Market) within twelve (12) months after the First Issue Date and shall take all measures required to ensure that the Notes, once listed, continue being listed on a Regulated Market for as long as any Note is outstanding (however, taking into account the rules and regulations of Nasdaq Stockholm and the CSD (as amended from time to time) preventing trading in the Notes in close connection to the redemption of the Notes), and (ii) provided that the Notes issued in the Initial Note Issue have been admitted to trading, that upon any Subsequent Note Issue, the volume of Notes listed on the relevant Regulated Market promptly, and not later than fifteen (15) Business Days after the relevant issue date, is increased accordingly.

### 13.3 Disposals

The Issuer shall not, and shall ensure that no other Group Company will, sell, transfer or otherwise dispose of any shares in, or any assets, business or operations of, any Group Company to any Person (not being the Issuer or any other Group Company) other than:

- (a) disposals made by a Group Company to another Group Company, provided that if the shares in the disposing Group Company is subject to Transaction Security, the shares in the acquiring Group Company must also be subject to Transaction Security;
- (b) disposals carried out at fair market value and on terms customary for such transaction provided that the disposal does not have a Material Adverse Effect;
- (c) disposals of obsolete and redundant assets; or
- (d) disposals in exchange for other assets comparable or superior as to type, value and quality,

provided that (i) in each case permitted by, and subject to the terms, of any Security Document, (ii) disposals between members of the Group may only be carried out pursuant to paragraph (a) or (b) subject in each case to it being made in the ordinary course of business

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and (iii) no intellectual property material to conduct the business of the Group may be disposed of.

The Issuer shall upon request by the Agent, provide the Agent with any information relating to any disposal made pursuant to the above which the Agent deems necessary (acting reasonably).

#### **13.4 Financial Indebtedness**

The Issuer shall not, and shall ensure that no other Group Company will, incur or maintain any Financial Indebtedness other than Permitted Financial Indebtedness.

#### **13.5 Cash transfer restriction**

The Issuer shall procure that no cash or cash equivalent assets are transferred from any Group Company to the Issuer unless such transfer is made for the purpose of satisfying an obligation of the Issuer under the Finance Documents or making a Restricted Payment which is due within three (3) months from such transfer.

#### **13.6 Negative Pledge**

The Issuer shall not, and shall procure that no other Group Company will create or allow to subsist, retain, provide, prolong or renew any security over any of its/their assets (present or future) to secure Financial Indebtedness, other than any Permitted Security.

#### **13.7 Loans out**

The Issuer shall not, and shall procure that none of its Subsidiaries, provide any loan to any party other than:

(a) to another Group Company, however, subject to the restrictions set out in item (g) in the definition of “*Permitted Financial Indebtedness*”; or

~~(b) to an unconsolidated joint venture up to an aggregate amount for the Group of SEK 5,000,000;~~

(b) ~~(e)~~ any advances or extensions of credit to customers, suppliers, directors, officers or employees of any Person in the ordinary course of trading; ~~or.~~

~~(d) any vendor credit or other deferred consideration provision in connection with a permitted disposal in accordance with Clause 13.3 (*Disposals*) above not to exceed in aggregate thirty five (35.00) per cent. of the agreed gross sales price.~~

#### **13.8 Nature of business**

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

#### **13.9 Holding company**

The Issuer shall not trade, carry on any business, own any material assets or incur any liabilities, except for:

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- (a) the provision of administrative services to other Group Companies of a type customarily provided by a holding company (including retaining employees for such purpose);
  - (b) ownership of shares in ~~any company~~ [SEM](#);
  - (c) intra-Group debit and credit balances in bank accounts and debit and credit balances held in bank accounts (provided that the Issuer may not be party to any cash pool arrangements);
  - (d) as permitted by the Finance Documents; and
  - (e) liability to pay tax.

#### **13.10 Authorisations**

The Issuer shall, and shall ensure that all other Group Companies will, obtain, comply with, renew and do all that is necessary to maintain in full force and effect any licences, authorisation or any other consents required to enable it to carry on its business, where failure to do so would have a Material Adverse Effect.

#### **13.11 Compliance with laws**

The Issuer shall, and shall ensure that all other Group Companies will, comply in all material respects with all laws and regulations it or they may be subject to from time to time.

#### **13.12 Environmental compliance**

The Issuer shall maintain and ensure compliance with all requisite environmental permits, where failure to do so has or is reasonably likely to have a Material Adverse Effect.

#### **13.13 Arm's length basis**

Other than as otherwise permitted under the Finance Documents, the Issuer shall, and shall ensure that no Group Company will, enter into any transaction with any person, other than Group Companies directly or indirectly wholly-owned by the Issuer except, on arm's length terms and for fair market value.

#### **13.14 Intellectual property**

The Issuer shall (and shall ensure that all other Group Companies) (a) preserve and maintain all intellectual property material to conduct the business of the Group, and (b) take all measures to ensure that the intellectual property rights remains valid and in full force and effect, if the absence of such intellectual property right would have a Material Adverse Effect.

#### **13.15 Working Capital Facility clean-down period**

The Issuer shall procure that during each calendar year there shall be a period of five (5) consecutive calendar days during which the drawn cash amount (*i.e.*, excluding potential outstanding guarantees) outstanding under the Working Capital Facility less cash and cash equivalents of the Group is zero, or in case of an overdraft facility where the cash balance on the relevant account is at least zero. Not less than three (3) months shall elapse between two such periods and the completed clean-down shall be confirmed in a Compliance Certificate.

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### **13.16** **Cash Sweep**

The Issuer expresses its earnest intention, and undertakes, to make Voluntary Notes Purchases in an amount equal to all excess cash in the Group from time to time, whereby excess cash shall be determined by the board of directors (acting reasonably) based on the interest of the Noteholders, upcoming mandatory partial prepayments pursuant to Clause 11.5 (Mandatory Partial Prepayment) and the financial situation, business operations, investment needs and liquidity situation of the Group.

### **13.17** **~~13.16~~ Nomination of Material Group Companies**

At:

- (a) the First Issue Date and thereafter once every year (starting in 2019) (simultaneously with the publication by the Issuer of the audited annual financial statements of the Group and the Compliance Certificate related thereto pursuant to these Terms and Conditions); and
- (b) the date of acquisition of any assets by a Group Company financed (in whole or in part) by Permitted Financial Indebtedness for a consideration equal to or in excess of five (5.00) per cent. of EBITDA or Total Assets of the Group (calculated on a consolidated basis) (simultaneously with the delivery by the Issuer of the Compliance Certificate related the incurrence of such Permitted Financial Indebtedness),

the Issuer shall:

- (a) ensure that:
  - (i) each Group Company (other than any Excluded Subsidiary) which (on a consolidated basis in the case of a Group Company which itself has Subsidiaries) has EBITDA or Total Assets representing five (5.00) per cent. or more of EBITDA or Total Assets of the Group (calculated on a consolidated basis);
  - (ii) such Group Companies (other than any Excluded Subsidiary) as are necessary to ensure that the Issuer and the Material Group Companies (calculated on an unconsolidated basis and excluding all intra Group items and investments in Subsidiaries of any Group Company) in aggregate account for at least eighty-five (85) per cent. of the EBITDA or Total Assets of the Group (calculated on a consolidated basis excluding any Excluded Subsidiary), determined by reference to (i) in the case of the First Issue Date, the most recent audited financial statements of the SEH group as at the First Issue Date, and (ii) in all other cases, determined by reference to the relevant Compliance Certificate referred to above and the related audited consolidated annual financial statements of the Group and the most recent consolidated financial statements of the relevant companies listed as Material Group Companies in the relevant Compliance Certificate;
- (b) ensure that first priority pledges are granted over the shares in each such Material Group Company in each case no later than ninety (90) calendar days after its nomination.

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The identity of the Material Group Companies nominated by the Issuer in accordance with this provision shall be listed in each Compliance Certificate provided by the Issuer in connection with the publication of annual financial results.

**13.18 ~~13.17~~ Financial reporting etcetera**

**13.18.1 ~~13.17.1~~ The Issuer shall:**

- (a) prepare and make available (in English) the annual audited consolidated financial statements of the Group and unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, on its website not later than four (4) months after the expiry of each financial year;
- (b) starting with the quarter ending 31 December 2018, prepare and make available (in English) the quarterly interim unaudited consolidated reports of the Group and unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, on its website not later than two (2) months after the expiry of each relevant interim period;
- (c) issue a Compliance Certificate to the Agent (i) when the annual accounts are made available, (ii) in connection with (A) the payment of any Restricted Payment which requires that the Incurrence Test is met, or (B) the incurrence of any new Financial Indebtedness (including any Subsequent Note Issue), which requires that the Incurrence Test is met, and (iii) at the Agent's reasonable request (to be provided within twenty (20) Business Days of such request);
- (d) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on its website;
- (e) promptly notify the Agent and the Noteholders when the Issuer is or becomes aware of the occurrence of;
  - (i) a Change of Control Event;
  - (ii) an Event of Default; or
  - (iii) a Listing Failure Event, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of any such notice.;
- (f) when the Notes have been listed on the applicable market place, the Issuer shall make the reports referred to under (a) and (b) above available in accordance with the rules and regulations of such market place;
- (g) when the Notes have been listed on Nasdaq Stockholm (or another Regulated Market), the reports referred to under (a) and (b) above shall, in addition, be prepared in accordance with IFRS and made available in accordance with the rules and regulations of Nasdaq Stockholm (as amended from time to time) and the Swedish Securities Market



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Act (Sw. lag (2007:528) om värdepappersmarknaden) (as amended from time to time); and

- (h) provide any other information to the Agent required by the Swedish Securities Markets Act (Sw. lag (2007:582) om värdepappersmarknaden) (as amended from time to time) and the rules and regulations of Nasdaq Stockholm provided that such disclosure of information is not in violation of any applicable law.

**13.19 ~~13.18~~ Agent Agreement**

**13.19.1 ~~13.18.1~~** The Issuer shall, in accordance with the Agent Agreement:

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

**13.19.2 ~~13.18.2~~** The Issuer and the Agent shall not agree to amend any provisions of the Agent Agreement without the prior consent of the Noteholders if the amendment would be detrimental to the interests of the Noteholders.

**13.20 ~~13.19~~ CSD related undertakings**

The Issuer shall keep the Notes affiliated with a CSD and comply with all CSD regulations applicable to the Issuer from time to time.

**14 PRE-SETTLEMENT CONDITIONS PRECEDENT**

Disbursement of the Net Proceeds of the Initial Note Issue to the Escrow Account will be subject to the Agent having received the following conditions precedent (no later than two (2) Business Days prior to the First Issue Date):

- (a) a duly executed copy of these Terms and Conditions;
- (b) a duly executed copy of the Agent Agreement;
- (c) copies of the constitutional documents of the Issuer;
- (d) copies of all corporate resolutions (including authorisations) of the Issuer required to execute the relevant Finance Documents to which it is a party; and
- (e) the Escrow Account Pledge Agreement duly executed by all parties thereto and all documents to be delivered pursuant to such agreement (including all applicable notices, acknowledgements and consents from the account bank).

The Agent may assume that the documentation and evidence delivered to it under this Clause 14 is accurate, legally valid, enforceable, correct and true, and the Agent does not have to verify or assess the contents of any such documentation. The conditions precedent under this Clause 14 are not reviewed by the Agent from a legal or commercial perspective of the Noteholders.

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## **15 PRE-DISBURSEMENT CONDITIONS PRECEDENT**

- 15.1 The disbursement of the Initial Note Issue from the Escrow Account is subject to the following documents being received by the Agent and that the following events have occurred:
- (a) evidence, by way of a funds flow statement, that the Existing Debt will be repaid in full (and that the Issuer at the relevant time will have sufficient funds for such repayment);
  - (b) evidence, by way of a release letter, that any guarantee or security created in respect of the Existing Debt will be fully released immediately upon disbursement of funds from the Escrow Account; and
  - (c) copies of agreements for any existing Structural Intercompany Loan and Shareholder Loan (and any Structural Intercompany Loan or Shareholder Loan to be made upon or in connection with disbursement), each duly executed by all parties thereto.
- 15.2 When the Pre-Disbursement Conditions Precedent of the Net Proceeds set out in Clause 15.1 above have been received by the Agent, the Agent shall instruct the escrow bank to transfer the funds credited on the Escrow Account in accordance with the funds flow statement described in item (a) of Clause 15.1 above. The Agent shall instruct the Escrow Bank to transfer any residual funds from the Escrow Account to the bank account specified in the funds flow statement by the Issuer, to be used for general corporate purposes in accordance with Clause 4.2.
- 15.3 The Agent may assume that the documentation and evidence delivered to it under Clause 15.1 are accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not review the documents and evidence referred to above from a legal or commercial perspective of the Noteholders.

## **16 CONDITIONS SUBSEQUENT**

### **16.1 Conditions subsequent immediately following the disbursement of the Net Proceeds**

Following disbursement of the Net Proceeds of the Initial Note Issue from the Escrow Account the Issuer shall provide the following conditions subsequent to the Agent:

- (a) copies of the constitutional documents of each party to a Finance Document (other than the Agent and the Issuer);
- (b) copies of the register of shareholders with respect of the Issuer, SEH and SEM; and
- (c) copies of the SEH Share Pledge Agreement and the Structural Intercompany Loan Pledge Agreement, duly executed and that all documentation relating thereto have been duly executed, granted and perfected in accordance with the Security Documents.

### **16.2 Further conditions subsequent**

[16.2.1](#) The Issuer shall provide the following conditions subsequent to the Agent no later than the date falling ninety (90) calendar days after the First Issue Date:

- (a) copies of the constitutional documents of SEM; and

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- (b) copies of corporate resolutions of SEH approving the granting of the pledge over all shares in SEM and evidence that the Security over the shares in SEM, and all documentation relating thereto, have been duly executed, granted and perfected in accordance with the Security Documents.

16.2.2 ~~16.3~~ The Issuer undertakes to (a) ensure that each Group Company promptly does all such acts and executes and supplies all such documents (including, without limitation, any Security Document and any document to be executed or supplied in relation thereto) as the security agent may reasonably request for the purposes of establishing the Transaction Security, and (b) satisfy the Conditions Subsequent listed above in Clause 16.1 following the disbursement of the Net Proceeds and satisfy the Conditions Subsequent listed above in Clause 16.2 no later than the date falling ninety (90) calendar days after the First Issue Date.

16.2.3 ~~16.4~~ The Agent may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct and true, and the Agent does not have to verify or assess the contents of any such documentation. The Conditions Subsequent are not reviewed by the Agent from a legal or commercial perspective of the Noteholders.

### **16.3 Condition subsequent to the Fourth Amendment Date**

16.3.1 The Issuer shall ensure that an equity injection is carried out in cash by way of a share issue in the Issuer and/or an unconditional shareholder contribution no later than twenty (20) Business Days after the Fourth Amendment Date, the proceeds of which is at least SEK 20,000,000 (the “Equity Injection”).

16.3.2 The Issuer shall ensure that the Equity Injection shall exclusively be used towards:

- (a) paying the Amendment Fee; and
- (b) in an aggregate amount of SEK 16,640,000:

  - (i) as soon as practically possible, buying Notes in the market or in any other way, provided that Notes may be purchased at a price at or below par (only taking into consideration the nominal value, and not any accrued but unpaid interest);  
or
  - (ii) if not so applied, making a mandatory partial prepayments pursuant to and in accordance with Clause 11.5 (Mandatory Partial Prepayment).

## **17 TERMINATION OF THE NOTES**

17.1 The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction or decision pursuant to Clause 17.6 or 17.7, on behalf of the Noteholders, terminate the Notes and to declare all, but not only some, of the Notes due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the

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Agent made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- (a) **Non-payment:** The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay is caused by administrative or technical error and payment is made within five (5) Business Days of the due date.
- (b) **Other obligations:** The Issuer fails to comply with its obligations under a Finance Document, in any other way than as set out under paragraph (a) above or (c) below, unless the non-compliance is (i) capable of remedy; and (ii) is remedied within twenty (20) Business Days of the earlier of the Agent giving notice and the relevant party becoming aware of the non-compliance.
- (c) **Payment cross default and cross acceleration:** Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), *provided that* no Event of Default will occur under this sub-paragraph (c) if the aggregate amount of Financial Indebtedness that has fallen due is less than SEK 25,000,000 (or its equivalent in any other currency).
- (d) **Insolvency:**
  - (i) Any Material Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors generally (except for Noteholders) with a view to rescheduling its Financial Indebtedness; or
  - (ii) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.
- (e) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) calendar days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to the Subsidiaries, solvent liquidations) in relation to.
  - (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company;
  - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets; or
  - (iii) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company.

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- (f) **Mergers and demergers:** A decision is made that any Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, *provided that* a merger subject to existing security between Subsidiaries only or between the Issuer and a Subsidiary, where the Issuer is the surviving entity, shall not be an Event of Default and a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and *provided that* the Issuer may not be demerged.
- (g) **Creditors' process:** Any enforcement of security, expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value of an amount equal to or exceeding SEK 25,000,000 (or the equivalent) and is not discharged within sixty (60) calendar days.
- (h) **Unlawfulness, invalidity and repudiation:** It becomes impossible or unlawful for the Issuer or any other Group Company to fulfil or perform any of the provisions of the Finance Document or the Security created or expressed to be created thereby is varied or ceases to be effective and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders.
- (i) **Continuation of the business:** The Issuer or any other Material Group Company ceases to carry on its business except if due to:
- (i) a disposal permitted under Clause 13.3 (*Disposals*) above,
  - (ii) a solvent liquidation of a Group Company other than a Material Group Company; or
  - (iii) a merger or demerger permitted as stipulated in paragraph (f) above.
- 17.2 The Agent may not terminate the Notes in accordance with Clause 17.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned under Clause 17.1 (d).
- 17.3 If the right to terminate the Notes is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 17.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 17.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 17.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 17.1 and provide the Agent with all documents that may be of significance for the application of this Clause 17.

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- 17.5 The Issuer is only obliged to inform the Agent according to Clause 17.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable) or on the corporate bond list of Frankfurt Stock Exchange Open Market. If such a conflict would exist pursuant to the listing contract with the relevant Regulated Market, the corporate bond list of Frankfurt Stock Exchange Open Market or otherwise, the Issuer shall however be obliged to either seek the approval from the relevant Regulated Market or market place and 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 Clause 17.4.
- 17.6 If the Agent has been notified by the Issuer or has otherwise determined that there is an Event of Default under these Terms and Conditions according to Clause 17.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or determination, the Noteholders of the Event of Default and (ii) decide, within twenty (20) Business Days of the day of notification or determination, if the Notes shall be declared terminated. If the Agent has decided not to terminate the Notes, the Agent shall, at the earliest possible date, notify the Noteholders that there exists a right of termination and obtain instructions from the Noteholders according to the provisions in Clause 19 (*Decisions by Noteholders*). If the Noteholders vote in favour of termination and instruct the Agent to terminate the Notes, the Agent shall promptly declare the Notes terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Notes. The Agent shall in such case, at the earliest possible date, notify the Noteholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default (or an event that may lead to an Event of Default).
- 17.7 If the Noteholders have made a decision regarding termination in accordance with Clause 19 (*Decisions by Noteholders*) or instructed the Agent in accordance with Clause 17.1, the Agent shall promptly declare the Notes terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Noteholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 17.8 If the Notes are declared due and payable in accordance with the provisions in this Clause 17, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Notes.
- 17.9 For the avoidance of doubt, the Notes cannot be terminated and become due for payment prematurely according to this Clause 17 without relevant decision by the Agent or following instructions from the Noteholders pursuant to Clause 17.1 or Clause 19 (*Decisions by Noteholders*).
- 17.10 If the Notes are declared due and payable in accordance with this Clause 17, the Issuer shall ~~for the period up to but not including the First Call Date~~ redeem all Notes with an amount per Note together ~~with a premium on the due and payable amount set out in item (b) of the Call Option Amount, and thereafter~~ with an amount per Note together with a premium on the due and

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payable amount at the applicable Call Option Amount, in each case plus accrued and unpaid interest.

## **18 DISTRIBUTION OF PROCEEDS**

18.1 If the Notes have been declared due and payable in accordance with Clause 17 (*Termination of the Notes*), all payments by the Issuer relating to the Notes shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *firstly*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities to the Agent relating to the termination of the Notes, the enforcement of the Transaction Security or the protection of the Noteholders' rights under the Finance Documents, (iii) any non-reimbursed costs incurred by the Agent for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

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

18.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 18.1, such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 18.1.

18.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Notes constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 18 as soon as reasonably practicable.

18.4 If the Issuer or the Agent shall make any payment under this Clause 18, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

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## 19 DECISIONS BY NOTEHOLDERS

- 19.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 19.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- 19.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (a) the suggested decision must be approved by any Person in addition to the Noteholders and such Person has informed the Agent that an approval will not be given, or (b) the suggested decision is not in accordance with applicable laws.
- 19.4 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Noteholder*) from a Person who is, registered as a Noteholder:
- (a) on the Business Day specified in the notice pursuant to Clause 20.3, in respect of a Noteholders' Meeting, or
  - (b) on the Business Day specified in the communication pursuant to Clause 21.3, in respect of a Written Procedure,
- may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the definition of Adjusted Nominal Amount.
- 19.5 The following matters shall require consent of Noteholders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.3:
- (a) waive a breach of or amend an undertaking set out in Clause 13 (*General undertakings*);
  - (b) a mandatory exchange of Notes for other securities;
  - (c) release the Transaction Security in whole or in part (other than such security which shall be released in accordance with the Finance Documents without the requirement for the Agent to receive approval from the Noteholders);
  - (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;



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- (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
- (f) amend the provisions in this Clause 19.5 or 19.6.
- 19.6 Any matter not covered by Clause 19.5 shall require the consent of Noteholders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.3. 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 or waiver permitted pursuant to Clause 22.1(a), (b) or (c)), a termination of the Notes or the enforcement of the Transaction Security in whole or in part.
- 19.7 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholders (or Noteholders) representing at least fifty (50.00) per cent of the Adjusted Nominal Amount in respect to the majority requirement set forth in Clause 19.5 and twenty (20.00) per cent. of the Adjusted Nominal Amount in respect to majority requirement set forth in Clause 19.6;
- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.
- 19.8 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 20.1) or initiate a second Written Procedure (in accordance with Clause 21.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 19.7 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 19.9 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 19.10 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 19.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 19.12 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Noteholders that have not

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adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.

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

## **20 NOTEHOLDERS' MEETING**

- 20.1 The Agent shall convene a Noteholders' Meeting by sending a notice thereof to each Noteholder no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Noteholders' Meeting has been requested by the Noteholder(s), the Agent shall send a copy of the notice to the Issuer.
- 20.2 Should the Issuer want to replace the Agent, it may convene a Noteholders' Meeting in accordance with Clause 20.1 with a copy to the Agent. After a request from the Noteholders pursuant to Clause 23.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 20.1.
- 20.3 The notice pursuant to Clause 20.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Business Day on which a Person must be registered as a Noteholder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the notice pursuant to Clause 20.1), (iii) agenda for the meeting (including each request for a decision by the Noteholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 20.4 The Noteholders' Meeting shall be held no earlier than five (5) Business Days and no later than twenty (20) Business Days from the notice.

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- 20.5 If the Agent, in breach of these Terms and Conditions, has not convened a Noteholders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene the Noteholders' Meeting itself. If the requesting Person is a Noteholder, the Issuer shall upon request from such Noteholder provide the Noteholder with necessary information from the register kept by the CSD and, if no Person to open the Noteholders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.
- 20.6 At a Noteholders' Meeting, the Issuer, the Noteholders (or the Noteholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Noteholders' Meeting. The Noteholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Noteholders' Meeting instead of the Noteholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Noteholder.
- 20.7 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

## **21 WRITTEN PROCEDURE**

- 21.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Noteholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Noteholder(s), the Agent shall send a copy of the communication to the Issuer.
- 21.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 21.1 to each Noteholder with a copy to the Agent.
- 21.3 A communication pursuant to Clause 21.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a Person must be registered as a Noteholder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 21.1), (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least five (5) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 21.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 21.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may

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instigate a Written Procedure itself. If the requesting Person is a Noteholder, the Issuer shall upon request from such Noteholder provide the Noteholder with necessary information from the register kept by the CSD.

- 21.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 19.5 and 19.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 19.5 or 19.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **22 AMENDMENTS AND WAIVERS**

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

- (a) such amendment or waiver is not detrimental to the interest of the Noteholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
- (c) such amendment or waiver is necessary for the purpose of listing the Notes on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable) or the corporate bond list of Frankfurt Stock Exchange Open Market provided such amendment or waiver does not materially adversely affect the rights of the Noteholders; or
- (d) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 19 (*Decisions by Noteholders*).

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

- 22.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 22.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Terms and Conditions are available on the website of the Agent and the Issuer shall ensure that such amendments to the Terms and Conditions are available on the website of the Issuer. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD.

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

## **23 APPOINTMENT AND REPLACEMENT OF THE AGENT**

### **23.1 Appointment of Agent**

- 23.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent and security agent in all matters relating to the Notes and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings

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relating to the Notes held by such Noteholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*), or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.

- 23.1.2 Each Noteholder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.
- 23.1.3 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.
- 23.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as agent and security agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 23.1.5 The Agent may act as agent and/or security agent for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **23.2 Duties of the Agent**

- 23.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents. However, the Agent is not responsible for the execution, validity, perfection or enforceability of the Finance Documents. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent. The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours. The Agent may charge the requesting Noteholder a reasonable administrative fee for making Finance Documents available.
- 23.2.2 Upon request by a Noteholder, the Agent may distribute to the Noteholders any information from such Noteholder which relates to the Notes (at the discretion of the Agent). The Agent may require that the requesting Noteholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent may upon request by a Noteholder disclose the identity of any other Noteholder who has consented to the Agent in doing so.
- 23.2.3 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 23.2.4 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.

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- 23.2.5 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- 23.2.6 The Agent shall, subject to Clause 28.2.2, be entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 23.2.7 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents, (iii) when the Agent is to make a determination under the Finance Documents or (iv) as otherwise agreed between the Issuer and the Agent. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it or which have addressed advise to the Agent for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 18 (*Distribution of proceeds*).
- 23.2.8 The Agent shall 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.
- 23.2.9 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 23.2.10 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 23.2.11 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents, or (ii) if it refrains from acting for any reason described in Clause 23.2.10.
- 23.2.12 Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.

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### **23.3 Limited liability for the Agent**

- 23.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 23.3.2 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 addressed 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 Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 23.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 23.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clauses 17.1 (*Termination of the Notes*) and 19 (*Decisions by Noteholders*).
- 23.3.5 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 Noteholders under the Finance Documents.

### **23.4 Replacement of the Agent**

- 23.4.1 Subject to Clause 23.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 23.4.2 Subject to Clause 23.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 23.4.3 A Noteholder (or Noteholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 23.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) calendar days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or

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(ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 23.4.5 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.
- 23.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 23.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 23.4.8 In the event that there is a change of the Agent in accordance with this Clause 23.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **24 APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT**

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

## **25 APPOINTMENT AND REPLACEMENT OF THE CSD**

- 25.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.
- 25.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Noteholder or the listing of the Notes listed on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable). The replacing CSD must be



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authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (Sw. *lag (2007:528) om värdepappersmarknaden*).

## **26 NO DIRECT ACTIONS BY NOTEHOLDERS**

- 26.1 A Noteholder may not take any action or take any legal steps whatsoever against the Issuer or a Subsidiary to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Group Companies in relation to any of the liabilities of the Issuer or a Subsidiary under the Finance Documents. Such steps may only be taken by the Agent.
- 26.2 Clause 26.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 23.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 23.2.10, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 23.2.11 before a Noteholder may take any action referred to in Clause 26.1.
- 26.3 The provisions of Clause 26.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause ~~11.5~~ 11.7 (*Mandatory repurchase due to a Change of Control Event or Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Noteholders.

## **27 TIME-BAR**

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

## **28 NOTICES AND PRESS RELEASES**

### **28.1 Notices**

- 28.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:

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- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent to the Issuer from time to time, and, if sent by email by the Issuer, to such email address as 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 (Sw. *Bolagsverket*) on the Business Day prior to dispatch or such address as notified by the Issuer to the Agent from time to time or, if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time; and
  - (c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (if practicable possible) or letter for all Noteholders, provided that the same means of communication shall be used for all Noteholders. A notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.

28.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 28.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 28.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 28.1.1.

28.1.3 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

## **28.2 Press releases**

28.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 11.3, ~~11.4, 11.5~~, 11.6, ~~13.17.1~~ 11.7, 11.8, 13.18.1 (e), 17.6, 18.4, 19.15, 20.1, 21.1, 22.3, 23.2.11 and 23.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

28.2.2 In addition to Clause 28.2.1, if any information relating to the Notes, the Issuer or the Group contained in a notice that the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled to issue such press release.

## **29 LISTING**

The Issuer has undertaken to list the Initial Notes within twelve (12) months after the First Issue Date, on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market) in accordance with Clause 13.2 (*Listing of Notes*). However, the Issuer will use its best efforts to

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list the Initial Notes within thirty (30) calendar days from the First Issue Date on the corporate bond list of Frankfurt Stock Exchange Open Market. Further, if the Notes have not been listed on the corporate bond list of Frankfurt Stock Exchange Open Market within sixty (60) calendar days after the First Issue Date, each Noteholder has a right of repayment (put option) of its Notes in accordance with Clause ~~11.5~~11.7 (*Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)*)

### **30 FORCE MAJEURE AND LIMITATION OF LIABILITY**

- 30.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 30.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 30.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with the Finance Documents, such action may be postponed until the obstacle has been removed.
- 30.4 The provisions in this Clause 30 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

### **31 GOVERNING LAW AND JURISDICTION**

- 31.1 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.
- 31.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 31.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 31.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Noteholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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We hereby certify that the above Terms and Conditions are binding upon ourselves.

SWEDISH ELECTROMAGNET INVEST 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.

NORDIC TRUSTEE & AGENCY AB (PUBL)  
as Agent

\_\_\_\_\_

Name:

Schedule 1

**Form of Compliance Certificate**

**To:** Nordic Trustee & Agency AB (publ) as Agent

**From:** Swedish Electromagnet Invest AB (publ) as Issuer

Dated: [•]

Dear Sir or Madam,

We refer to the terms and conditions for the maximum SEK 500,000,000 senior secured callable notes ~~2018/2023~~ 2018/2026 issued by Swedish Electromagnet Invest AB (publ) with ISIN: SE0011167600 (the “**Terms and Conditions**”).

Capitalized terms used and not defined herein shall have the meaning ascribed to them in the Terms and Conditions.

This Compliance Certificate is provided to you pursuant to Clause ~~13.17.1~~ 13.18.1 (c) of the Terms and Conditions, [in connection with a Financial Report being made available] / [in connection with certification of the compliance with the Incurrence Test].

We confirm that:

- (i) no Event of Default or potential Event of Default is continuing;
- (ii) [the Incurrence Test is met calculated *pro forma* the [Restricted Payment] / [new Financial Indebtedness], *i.e.* the Leverage Ratio is less than [•] (shall not be greater than [4:1]/[3.75:1], [3.50:1], [3.25:1]<sup>12</sup>);<sup>23</sup>
- (iii) [the identity of each Material Group Company are the following Group Companies: [•];]<sup>34</sup>
- (iv) [the clean-down undertaking set out in Clause 13.15 of the Terms and Conditions has been satisfied.]<sup>45</sup>

[The calculation of the Leverage Ratio has been made as per the following testing date [*relevant testing date*]<sup>56</sup> and has been made in accordance with the calculation adjustments set out in Clause 12.2 of the Terms and Conditions.

The calculation of the ratio of Net Interest Bearing Debt to EBITDA, *i.e.*, the Leverage Ratio is based on the following figures:

Net Interest Bearing Debt: [•]<sup>67</sup>

EBITDA: [•]<sup>78</sup>

Swedish Electromagnet Invest AB (publ)

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<sup>12</sup> The Leverage Ratio differs between periods; see Clause 12.1 in the Terms and Conditions.

<sup>23</sup> To be included if the Incurrence Test has to be met upon a Restricted Payment or the incurrence of a new Financial Indebtedness that requires that the Incurrence Test is met).

<sup>34</sup> To be included if the Compliance Certificate is provided in connection with the annual accounts.

<sup>45</sup> To be included in the Compliance Certificate as applicable.

<sup>56</sup> The testing date shall not be earlier than one month prior to the event in respect of which the Incurrence Test shall be made.

<sup>67</sup> To include calculations and figures in respect of the Net Interest Bearing Debt (if applicable).

<sup>78</sup> To include calculations and figures in respect of the EBITDA (if applicable).

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*[Authorised signatory]*