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Stockholm, 28 March 2024

To the Holders in:

ISIN: SE0015191978 – ALM Equity AB (publ) Maximum SEK 700,000,000 Senior Unsecured Callable Floating Rate Bonds 2020/2025

NOTICE OF WRITTEN PROCEDURE – REQUEST TO AMEND CERTAIN PROVISIONS OF THE TERMS AND CONDITIONS

This voting request for procedure in writing has been sent on 28 March 2024 to holders directly registered as of 27 March 2024 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 6.3 (*Voting rights and authorisation*).

Key information

Record Date for being eligible to vote:	8 April 2024
Deadline for voting:	15:00 CEST on 18 April 2024
Quorum requirement:	At least twenty (20) per cent. of the Adjusted Nominal Amount
Majority requirement:	At least sixty-six and two-thirds (66 2/3) per cent. 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 holders of the bonds (the “**Holders**”) in the above mentioned bond issue SE0015191978 with an aggregated amount outstanding of SEK 600,000,000 (the “**Bonds**”) issued by ALM Equity AB (publ) (the “**Issuer**” or “**ALM**”, and together with each of its Subsidiaries from time to time, 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 requests presented herein.

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 and/or restated from time to time (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 18 April 2024 either by mail, courier or email to the Agent using the contact details set out in Section 6.7 (*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 8 April 2024 (the “**Record Date**”) as further set out in Section 6.3 (*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

The Issuer has on 28 March 2024 announced a proposed offer for a merger between the Issuer and Svenska Nyttobostäder AB (publ), registration number 559250-9607 (“**SNB**”), with the Issuer as the surviving entity (the “**Merger**” and the offer thereof to the shareholders in SNB, the “**Merger Offer**”). Consideration to existing shareholder of SNB will be in the form of newly issued shares in the Issuer. The board of directors of SNB has recommended acceptance of the Merger Offer.

SNB is a residential real estate company that was spun out of the Issuer in 2020 with the ambition to grow a portfolio of newly built residential apartments targeting the corporate apartment niche in the greater Stockholm area. The Issuer has remained the largest shareholder in SNB, controlling 39 per cent. of votes, and the two companies have continued to have a close collaboration since the spin-off as SNB has been the buyer of the vast majority of apartments produced by the Issuer since 2021.

SNB’s business model was originally set up in a low interest rate environment with a high demand for corporate apartments / block leases, but since 2022 the business model has faced pressure from higher interest rates and more restrictive legislation on block leases. The Issuer has together with other shareholders repeatedly supported SNB with new equity and structural amendments to its original project agreements concluded. The board of directors of both companies believe that the combined entity will be better placed to take advantage of opportunities in the existing management portfolio and to develop building rights for the benefit of all stakeholders, including the Holders, in both the short and long term.

The complete terms of the Merger Offer can be found at the Issuer’s website: www.almequity.se

The SNB Bonds (as defined below) are currently secured by *inter alia* security over shares of certain subsidiaries of SNB, certain property mortgages and certain intragroup loans. Since the Issuer as a result of the Merger would assume all rights and obligations of SNB (including all rights and obligations under the SNB Bonds), the Terms and Conditions will need to be amended in order for the security provided under the SNB Bonds to be permitted.

The Issuer also deems it fit to take the opportunity to remove certain terms of the Terms and Conditions which (either given the lapse of time since the issue of the Bonds or as result of the Merger) is no longer (or will in light of the Merger no longer be) relevant.

In addition, the Issuer also deems it to be prudent to take the opportunity to include STIBOR replacement terms into the Terms and Conditions since such terms has become market standard and since it would be of benefit for the Issuer as well as the Holders (such terms to be in line with current market standard and the standard IBOR fallback terms for high yield bonds published by the Swedish Securities Markets Association (Sw. *Svensk Värdepappersmarknad*)).

Against this background, and in order to facilitate the Merger, certain amendments to the Terms and Conditions as described under Section 2 (*Proposed amendments to the Terms and Conditions*) in this Notice (the “**Proposed Amendments**”) will be required.

In order to remove obstacles and to facilitate the Merger, bondholders’ consent is also requested for certain amendments and waivers in respect of the Issuer’s outstanding bonds 2021/2026 with ISIN SE0016074595 and SNB’s outstanding bonds 2021/2024 with ISIN SE0016797799 (the “**SNB Bonds**”) (together the “**Other Bonds**”) through written procedures which are carried out simultaneously with the Written Procedure in relation to the terms and conditions for the Other Bonds (the “**Simultaneous Written Procedures**”, which term shall,

for the avoidance of doubt, also include any second written procedure convened if the requisite quorum was not reached in the first written procedure).

The Issuer has informed the Agent that certain Holders, together representing a majority of the Adjusted Nominal Amount of the Bonds, have informed the Issuer that they intend to vote in favour of the Proposed Amendments. In relation to the Simultaneous Written Procedures, the Agent has been informed by the Issuer and SNB that bondholders representing a majority of the adjusted nominal amount for each of the Other Bonds have informed the Issuer and SNB that they intend to vote in favour of the Simultaneous Written Procedures.

2. Proposed amendments to the Terms and Conditions

The Proposed Amendments 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 (e.g., additions), whereas red and crossed out text indicate deletions (e.g., ~~deletions~~)).

A non-exhaustive summary of the Proposed Amendments is also set forth below. In addition, the Issuer and the Agent may agree to take any other action deemed required in order to implement the Request.

Market Loans

The SNB Bonds and security provided in relation to the SNB Bonds shall following a change of issuer under the SNB Bonds from SNB to the Issuer in connection with the Merger, be permitted up until the redemption of the SNB Bonds.

Nyttobostäder undertaking and Loans out

As long as the SNB Bonds are outstanding, no material assets or operations shall be permitted to be transferred, and no loans shall be permitted to be provided, to any member of the SNB group (which following the Merger will constitute a sub-group within the Group) (for the avoidance of doubt excluding the Issuer) from the other members of the Group (for the avoidance of doubt including the Issuer), provided however that the Issuer shall be permitted to provide a loan to Svenska Nyttobostäder AB (publ) in order to finance the partial prepayment and/or early redemption of the Nyttobostäder Bonds.

Nyttobostäder terms and other irrelevant terms

Other than as set out above, existing terms relating to the Group’s relationship with SNB (including but not limited to terms relating to Nyttobostäder Dividend and Nyttobostäder Dividend Step-Up) as well as other terms which, given the lapse of time, is no longer relevant shall be removed.

Base rate replacement

STIBOR replacement terms, in line with current market standard and the standard IBOR fallback terms for high yield bonds published by the Swedish Securities Markets Association, is to be included in the Terms and Conditions.

3. 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*) (the “**Request**”).

4. Effective date

Subject to the requisite majority of the bondholders in the Simultaneous Written Procedures approving the Simultaneous Written Procedures, the Request shall be deemed approved immediately upon expiry of the voting period and satisfaction of the requisite quorum participation and majority vote as set forth in Sections 6.5 (*Quorum*) and 6.6 (*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 for the Bonds. The Amended and Restated Terms and Conditions shall enter into effect upon the Issuer and SNB announcing, by way if press release, that general meetings of shareholders in the Issuer and SNB have approved the Merger (the “**Effective Date**”).

The Issuer and the Agent may agree to take any further action deemed necessary in order to implement the Request.

5. Risk factors relating to the Request

The amendments to the Terms and Conditions contemplated by the Request entails certain risks and each Holder should carefully review the non-exhaustive list of certain risk factors set out in Schedule 4 (*Risk factors*). The Issuer does not represent that the risks of the holding any Bonds or of the Request are exhaustive.

6. Written Procedure

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

6.1 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 18 April 2024. Votes received thereafter may be disregarded.

6.2 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.

6.3 Voting rights and authorisation

Anyone who wishes to participate in the Written Procedure must on the Record Date (8 April 2024) 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.

6.4 Bonds registered with a nominee

If you are not registered as a direct registered owner as set forth in Section 6.3(a), but your Bonds are held through a registered authorised nominee or another intermediary as set forth in Section 6.3(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.

6.5 Quorum

To approve the Request, Holders representing at least twenty (20) 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 15.8 of the Terms and Conditions with respect to the Request.

6.6 Majority

At least sixty-six and two-thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Holders reply in the Written Procedure must consent to the Request in order for it to pass.

6.7 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 AB, by regular mail, scanned copy by e-mail, or by courier to:

By regular mail:

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

By courier:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure ALM Equity AB (publ)
Norrlandsgatan 23
SE-111 43 Stockholm

By e-mail:

voting.sweden@nordictrustee.com

7. FURTHER INFORMATION

For further questions regarding the Request, please contact the Issuer with the following contact information: Att. John Sjölund (CFO), +46 (0) 703 099 303, email: john.sjolund@almequity.se.

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

Stockholm, 28 March 2024

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

Enclosed:

Schedule 1	Voting Form
Schedule 2	Power of Attorney/Authorisation
Schedule 3	Amended and Restated Terms and Conditions
Schedule 4	Risk factors

VOTING FORM

Schedule 1

For the Written Procedure in SE0015191978 – ALM Equity AB (publ) Maximum SEK 700,000,000 Senior Unsecured Callable Floating Rate Bonds 2020/2025

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 15.8 of the Terms and Conditions with respect to the Request.

NOTE: *If the Voting Person is not registered as Holder, 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 28 March 2024.

For the Request

Against the Request

Name of the Voting Person:

Capacity of the Voting Person:

Holder:

¹

authorised person:

²

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

Securities Account number at Euroclear Sweden AB:
(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 ³

Place, date:

¹ When voting in this capacity, no further evidence is required.

² 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.

³ If the undersigned is not a Holder 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 SE0015191978 – ALM Equity AB (publ) Maximum SEK 700,000,000 Senior Unsecured Callable Floating Rate Bonds 2020/2025

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 AB. 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 28 March 2024.

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
ALM EQUITY AB (PUBL)
MAXIMUM SEK 700,000,000
SENIOR UNSECURED CALLABLE FLOATING RATE
BONDS 2020/2025**

ISIN: SE0015191978

LEI: 549300FVH6QE042L3J12

First Issue Date: 15 December 2020

as amended and restated on 28 July 2021 [and \[●\] 2024](#)

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

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

PRIVACY STATEMENT

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

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

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

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

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

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Agent or the Issuing Agent (as applicable). In addition, data subjects have the right to:

- (a) request that personal data is rectified or erased;
- (b) object to specific processing;
- (c) request that the processing be restricted; and
- (d) receive personal data provided by themselves in machine-readable format.

Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites www.almequity.se, www.nordictrustee.com and www.paretosec.com.

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1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

In these amended and restated 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 Holder has opened a Securities Account in respect of its Bonds.

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

“**Adjusted Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate of a Group Company, irrespective of whether such Person is directly registered as owner of such Bonds.

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

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

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

“**Base Rate**” means STIBOR (three (3) months) or any reference rate replacing STIBOR in accordance with Clause 19 (Base Rate Replacement).

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

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

“**Bonds 2017/2021**” means the Issuer’s outstanding senior unsecured callable floating rate bonds 2017/2021 with ISIN SE0009806946.

~~“**Bonds 2020/2023**” means the Issuer’s outstanding senior unsecured callable floating rate bonds 2020/2023 with ISIN SE0014556577.~~

“**Bond Issue**” means the Initial Bond Issue and any Subsequent Bond Issue.

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

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

“**Calculation Principles**” the calculation of the Incurrence Test shall be made as per a testing date determined by the Issuer, falling no more than two (2) months prior to the Subsequent Bond Issue or the Restricted Payment (that requires that the Incurrence Test is met), and adjusted so that any assets acquired with proceeds from a Subsequent Bond Issue (as applicable) shall be included calculated *pro forma*.

“**Call Option Amount**” means

- (a) an amount equivalent to the sum of (i) one hundred two and five thousand three hundred seventy-five ten-thousandths (102.5375) per cent. of the Nominal Amount, and (ii) the remaining interest payments up to (but not including) the First Call Date, if the call option is exercised on or after the First Issue Date up to (but not including) the First Call Date;
- (b) one hundred two and five thousand three hundred seventy-five ten-thousandths (102.5375) per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but not including) the date falling forty-two (42) months after the First Issue Date;
- (c) one hundred one and eight thousand one hundred twenty-five ten-thousandths (101.8125) per cent. of the Nominal Amount 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 date falling forty-eight (48) months after the First Issue Date;
- (d) one hundred and seven hundred twenty-five thousandths (100.7250) per cent. of the Nominal Amount if the call option is exercised on or after the date falling forty-eight (48) months after the First Issue Date up to (but not including) the Final Redemption 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*).

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more Persons (other than the Main Shareholder) acting in concert owning or controlling fifty (50.00) per cent. or more of the shares and votes of the Issuer.

“**Compliance Certificate**” means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to

remedy it. If the Compliance Certificate is provided in connection with the publishing of a consolidated interim Financial Report which requires that the Maintenance Test is fulfilled or in connection with an application of the Incurrence Test the Compliance Certificate shall include calculations and figures in respect of the Equity Ratio (if in connection with the Incurrence Test, calculated *pro forma* and in accordance with the Calculation Principles).

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

“**Defaulting Group Company**” has the meaning set forth in paragraph (h) of Clause 13.1.

“**De-listing Event**” means a situation where (i) the Issuer’s shares are not listed and admitted to trading on an MTF or a Regulated Market or (ii) trading of the Issuer’s shares on the relevant Market Place is suspended for a period of fifteen (15) consecutive Business Days.

“**Development Properties**” means all real property owned for property development purposes (Sw. *utvecklingsfastigheter*), including inventories (*i.e.*, property (other than Investment Property) held for resale or property being under development) and property, plant and equipment (*i.e.*, land and buildings held for providing services or for administrative purposes).

“**Equity**” means, by reference to the consolidated balance sheet of the Group the sum of (i) restricted equity; (ii) non-restricted equity (including any minority interests for the Group); and (iii) any Subordinated Loans.

“**Equity Ratio**” means the ratio of Equity to Total Assets to be calculated in accordance with the Accounting Principles.

“**Event of Default**” means an event or circumstance specified in Clause 13.1.

“**Final Redemption Date**” means 15 June 2025.

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

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability;
- (c) receivables sold or discounted (not including receivables sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if

any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);

(f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a) to (f).

“**Financial Report**” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 12.14.1.

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

“**First Issue Date**” means 15 December 2020.

“**Force Majeure Event**” has the meaning set forth in Clause ~~25.1~~26.1.

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

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

“**Holders’ Meeting**” means a meeting among the Holders held in accordance with Clause 16 (*Holders’ Meeting*).

“**Hybrid Instruments and Construction Credits**” means any of the Group’s preference shares, convertibles or construction credits (Sw. *byggnadskreditiv*) (outstanding from time to time), provided that interest paid thereunder is considered as dividend according to the Accounting Principles, and provided further that such interest payments or dividend payments are made in relation to a Project, are made to the applicable market interest rate and not made to any Affiliates not being a Group Company.

“**In-kind Preference Shares**” means any preference share distributed to a shareholder as dividend as from the First Issue Date and on the same terms as Preference Shares existing on the First Issue Date.

“**Incurrence Test**” is met if the Equity Ratio is at least: twenty-five (25.00) per cent., calculated in accordance with the Calculation Principles.

~~(a) twenty-five (25.00) per cent. if tested prior to a Nyttobostäder Dividend Step-Up; and~~

~~(b) thirty (30.00) per cent. if tested in connection with or after a Nyttobostäder Dividend Step-Up.~~

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

“**Initial Bond Issue**” has the meaning set forth in Clause 2.1.

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

“**Interest Payment Date**” means 15 March, 15 June, 15 September and 15 December each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 15 March 2021 and the last Interest Payment Date being the Final Redemption Date).

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

“**Interest Rate**” means ~~a floating rate of STIBOR (three (3) months) plus seven hundred twenty five~~ (the Base Rate plus 725) basis points *per annum* as adjusted by any application of Clause 19 (Base Rate Replacement).-

“**Investment Properties**” means all real property or Project Entities held to earn rentals and/or for capital appreciation and any other property or entity reported as investment property (Sw. *förvaltningsfastigheter*) in accordance with the Accounting Principles.

“**Issue Date**” means the First Issue Date and any subsequent date when a Subsequent Bond Issue takes place.

“**Issuer**” means ALM Equity AB (publ), reg. no. 556549-1650, Regeringsgatan 59, 111 56, Stockholm, Sweden.

“**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.

“**Joint Bookrunners**” means Pareto Securities AB, reg. no. 556206-8956, P.O. Box 7415, 103 91 Stockholm, Sweden and Swedbank AB (publ), reg. no. 502017-7753, SE-105 34 Stockholm, Sweden.

“**Listing Failure Event**” means a situation where the Initial Bonds or any Subsequent Bonds have not been admitted to trading on a Market Place within sixty (60) calendar days from the relevant Issue Date (although the Issuer will use its best efforts to have any issued Bonds admitted to trading within thirty (30) calendar days from the relevant Issue Date).

“**Main Shareholder**” means Joakim Alm, his wife, or any of his direct heirs, by way of either (i) direct or indirect ownership of shares or (ii) shares held through a capital insurance (Sw. *kapitalförsäkring*) controlled by such person.

“**Maintenance Test**” has the meaning set forth in Clause 12.5 (*Maintenance Test*).

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial paper, certificates, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes),

provided in each case that such instruments and securities are or can be subject to trade on a Market Place.

“**Market Place**” means a Regulated Market, an MTF or any recognised unregulated market place.

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

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

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

“**Net Proceeds**” means the proceeds from the Bond Issue which after deduction has been made for the Transaction Costs payable by the Issuer to the Joint Bookrunners (if the Joint Bookrunners has requested that its fees and costs shall be deducted).

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

“**Nyttobostäder**” means (i) until merged into the Issuer, Svenska Nyttobostäder AB (publ), reg. no. 559250-9607, and following such merger, its direct subsidiaries immediately prior to such merger and/or (ii) any direct or indirect Subsidiary of ~~Svenska Nyttobostäder AB (publ) and/or~~ (iii) ~~any Person holding shares in any such company, directly or indirectly, provided that such Person does not have any material assets, liabilities or operations other than those of the aforementioned~~ such companies.

“**Nyttobostäder Bonds**” means the senior secured floating rate bonds due 2021/2024, originally issued by Svenska Nyttobostäder AB (publ) and with original ISIN SE0016797799.

~~“**Nyttobostäder Dividend**” means a dividend or any other similar distribution or transfer of value to the shareholders of the Issuer of the Issuer’s holdings in Nyttobostäder in full or in part.~~

~~“**Nyttobostäder Dividend Event**” a situation where at any time more than fifty (50.00) per cent. of the Issuer’s holdings of ordinary shares in Nyttobostäder as of 4 November 2020, being the first day of trading of the shares in Nyttobostäder on a Market Place, have been subject to a Nyttobostäder Dividend.~~

~~“**Nyttobostäder Dividend Step-Up**” a situation where at any time more than ten (10.00) per cent. of the Issuer’s holdings of ordinary shares in Nyttobostäder as of 4 November 2020, being the first day of trading of the shares in Nyttobostäder on a Market Place, have been subject to a Nyttobostäder Dividend.~~

“**Permitted Preference Share Distributions**” means any dividend related to Preference Shares.

“**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.

“**Preference Shares**” means outstanding preference shares issued by the Issuer from time to time, provided that such preference shares are issued on an arm’s length basis and on market terms (or better), including any In-kind Preference Shares.

“**Project**” means (i) the acquisition or refinancing of an Investment Property or a Development Property (or a company holding an Investment Property or a Development Property, but not carrying out any other business in any material aspect or holding any other material assets), (ii) the management of an Investment Property or a Development Property and (iii) other activities relating to (i) and/or (ii), in each case in the ordinary course of business of the Group.

“**Project Entity**” means any Subsidiary, joint-venture company, associated company (Sw. *intressebolag*), housing co-operative (Sw. *bostadsrättsförening*), partnership company (Sw. *kommanditbolag*), trading company (Sw. *handelsbolag*), economic association (Sw. *ekonomisk förening*) or any other legal entity where the Group holds or have held ownership interest and which manages Projects.

“**Quotation Day**” means, in relation to (i) an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or in respect of the first Interest Period, two (2) Business Days before the First Issue Date), or (ii) any other 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 (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Holders is to be made under Clause 14 (*Distribution of proceeds*) or (iv) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

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

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

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

“**Relevant Period**” means each period of twelve (12) consecutive calendar months.

“**Restricted Payment**” has the meaning set forth in Clause 12.1.1.

“**Restricted Preference Share Distributions**” means any repurchase or redemption related to Preference Shares.

“**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 (i)

an owner of such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

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

“**STIBOR**” means:

~~(a) the applicable percentage rate per annum displayed on Thomson Reuters screen SIDE01 (or through another system or 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~~

(a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for Swedish Kronor and for a period equal to the relevant Interest Period, as displayed on page STIBOR of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page)) as of or around 11.00 a.m. on the Quotation Day;

(a) if no ~~such~~ rate as ~~set out in item (a) above~~ described in paragraph (a) is available for the relevant Interest Period, the rate ~~calculated~~ determined 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 screen rate is available) which exceeds that Interest Period, as of around 11:00 a.m.~~ by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day; or for Swedish Kronor;

(b) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period ~~pursuant to item (a) or (b) above~~, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) ~~as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or~~

(c) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period ~~pursuant to paragraph (a) and (b) above and if~~ no quotation is available pursuant to ~~item (e) above~~ paragraph (c), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in ~~SEK~~ Swedish Kronor offered in the Stockholm interbank market for the relevant period.

“**Subordinated Loans**” means (a) any Preference Shares or (b) any loan incurred by the Issuer or any of its Subsidiaries, if such loan (i) according to its terms (or pursuant to a subordination agreement on terms and conditions satisfactory to the Agent), is subordinated to the

obligations of the Issuer under the Terms and Conditions, (ii) according to its terms have a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date, and (iii) according to its terms yield only payment-in-kind interest.

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

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

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

- (a) has direct or indirect control; or
- (b) owns directly or indirectly more than fifty (50.00) per cent. of the share capital or other right of ownership.

“**Total Assets**” means by reference to the consolidated balance sheet of the Group, the consolidated book-value of all assets 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 (i) a Bond Issue and (ii) the admission to trading of the Bonds.

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 17 (*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;
- (d) a provision of law is a reference to that provision as amended or re-enacted; and
- (e) a time of day is a reference to Stockholm time.

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

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

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

1.2.5 No delay or omission of the Agent or of any Holder 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 BONDS AND UNDERTAKING TO MAKE PAYMENTS

2.1 The aggregate amount of the bond loan will be an amount of up to SEK 700,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 600,000,000 (the “**Initial Bond Issue**”).

2.2 All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount. Any Subsequent Bonds may be issued below, above or at par.

2.3 The ISIN for the Bonds is SE0015191978.

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

2.5 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions (each such issue, a “Subsequent Bond Issue”), amounting to in total up to the difference of SEK 700,000,000 and the volume issued in the Initial bond Issue, provided that (i) the Incurrence Test is met (calculated *pro forma* including the Subsequent Bond Issue) and (ii) no Event of Default is continuing or would result from (a) the expiry of a grace period, giving of notice, making of any determination or any combination of any of the foregoing, or (b) the Subsequent Bond Issue. Subsequent Bonds shall be issued subject to these Terms and Conditions and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Redemption Date applicable to the Bonds issued in the Initial Bond Issue shall apply also to Subsequent Bonds.

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

2.7 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.

2.8 By subscribing for Bonds, each initial Holder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Holder confirms these Terms and Conditions.

3. STATUS OF THE BONDS

The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among them.

4. CONDITIONS PRECEDENT TO THE ISSUE DATE

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- 4.1 The Issuer shall provide to the Agent, no later than 9.00 a.m. three (3) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), the following:
- (a) copy of a corporate resolution of the board of directors of the Issuer:
 - A. approving the Initial Bond Issue, the terms of the Finance Documents and resolving to enter into such documents and any other documents necessary in connection therewith;
 - B. authorising a specified person or persons to execute the Finance Documents on its behalf; and
 - C. authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.
 - (b) these Terms and Conditions and the Agency Agreement duly executed by the Issuer;
 - (c) copies of the constitutional documents of the Issuer; and
 - (d) a form of Compliance Certificate, agreed between the Issuer and the Agent.
- 4.2 The Issuer shall provide to the Agent, no later than 9.00 a.m. three (3) Business Days prior to the relevant Issue Date (or such later time as agreed by the Agent) in respect of any Subsequent Bond Issue, the following.
- (a) copy of a corporate resolution of the board of directors of the Issuer:
 - A. approving the Subsequent Bond Issue and resolving to enter into such documents and any other documents necessary in connection therewith;
 - B. authorising a specified person or persons to execute the documents necessary in connection with the Subsequent Bond Issue; and
 - C. authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it in connection with the Subsequent Bond Issue.
 - (b) copies of the constitutional documents of the Issuer; and
 - (c) a Compliance Certificate in respect of the Subsequent Bond Issue.
- 4.3 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions precedent in Clause 4.1 or 4.2, as the case may be, have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)). The relevant Issue Date shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent prior to the relevant Issue Date, or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.
- 4.4 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.3, the Issuing Agent shall settle the Initial Bond Issue and pay the Net Proceeds to the Issuer on the First Issue Date. Following receipt by the Issuing Agent of the confirmation in

accordance with Clause 4.3, the Issuing Agent shall settle the Subsequent Bond Issue and pay the Net Proceeds to the Issuer on the relevant Issue Date.

- 4.5 The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4.1 or 4.2, as the case may, is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation or evidence. The Agent does not have any obligation to review the documentation and evidence set out in this Clause 4 from a legal or commercial perspective of the Holders.

5. USE OF PROCEEDS

The Net Proceeds of the Initial Bond Issue shall be applied towards (i) the redemption in full of the Bonds 2017/2021 (including accrued interest, prepayment premium and repurchases), and (ii) general corporate purposes of the Group. Any Net Proceeds of any Subsequent Bond Issue shall be applied towards general corporate purposes of the Group.

6. THE BONDS AND TRANSFERABILITY

- 6.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Holder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Holder must ensure compliance with such restrictions at its own cost and expense.
- 6.5 For the avoidance of doubt and notwithstanding the above, a Holder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Holder hereunder in each case until such allegations have been resolved.

7. BONDS IN BOOK-ENTRY FORM

- 7.1 The Bonds will be registered for the Holders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.

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- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the 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 Bonds. 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 Holders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds. If the Agent does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, 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 Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Holders.
- 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 Bonds 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 these Terms and Conditions and shall not disclose such information to any Holder or third party unless necessary for such purposes.

8. RIGHT TO ACT ON BEHALF OF A HOLDER

- 8.1 If any Person other than a Holder wishes to exercise any rights under these Terms and Conditions, 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.
- 8.2 A Holder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under these Terms and Conditions in relation to the Bonds for which such representative is entitled to represent the Holder and may further delegate its right to represent the Holder by way of a further power of attorney.
- 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 BONDS

- 9.1 Any payment or repayment under these Terms and Conditions, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Holder 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 Holder 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 effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Holder 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 effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Holders 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.
- 9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax.

10. INTEREST

- 10.1 The Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from, but excluding, the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to and including the relevant Redemption Date.
- 10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Holders on each Interest Payment Date for the preceding Interest Period.

10.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

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 (200.00) 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.

11. REDEMPTION AND REPURCHASE OF THE BONDS

11.1 Redemption at maturity

The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption 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 Bond equal to the Nominal Amount together with accrued but unpaid Interest.

11.2 The Group Companies' purchase of Bonds

The Issuer and any Group Company may at any time and at any price purchase Bonds. Bonds held by the Issuer or any Group Company may at the Issuer's or such Group Company's discretion be retained or sold, but not cancelled. However, Bonds held by the Issuer may be cancelled in connection with a full redemption of the Bonds.

11.3 Early voluntary redemption by the Issuer (call option)

11.3.1 ~~Provided that the Bonds 2017/2021 and the Bonds 2020/2023 have been redeemed in full,~~ The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day falling before the Final Redemption Date at the applicable Call Option Amount together with accrued but unpaid Interest.

11.3.2 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders 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 Bonds in full at the applicable amounts.

11.4 Mandatory repurchase due to a Change of Control Event, a De-listing Event, or a Listing Failure Event ~~or a Nyttobostäder Dividend Event~~ (put option)

11.4.1 Upon a Change of Control Event, a De-listing Event, or a Listing Failure ~~Event or a Nyttobostäder Dividend~~ Event occurring, each Holder shall have the right to request that all or only some of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of fifteen

(15) calendar days following the effective date of the notice from the Issuer of the relevant event pursuant to paragraph (e) of Clause 12.14.1. The fifteen (15) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, the De-listing Event, or the Listing Failure Event ~~or the Nyttobostäder Dividend Event~~ (as applicable).

11.4.2 The notice from the Issuer pursuant to paragraph (e) of Clause 12.14.1 shall specify the repurchase date and include instructions about the actions that a Holder needs to take if it wants Bonds held by it to be repurchased. If a Holder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (e) of Clause 12.14.1. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.4.1.

11.4.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 11.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.

11.4.4 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer's discretion be disposed of in accordance with Clause 11.2 (*The Group Companies' purchase of Bonds*).

12. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the special undertakings set forth in this Clause 12.

12.1 Distributions

12.1.1 The Issuer shall not, and shall procure that none of its Subsidiaries will, (i) pay any dividend on its shares, (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted equity with repayment to shareholders, (iv) repay any Subordinated Loans or capitalized or accrued interest thereunder, or (v) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer ((i)–(v) each being a "**Restricted Payment**"), provided however that any such Restricted Payment can be made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment; by any Group Company if such Restricted Payment is made to another Group Company and, if made by a Subsidiary of the Issuer which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis.

12.1.2 Notwithstanding the above set in Clause 12.1.1, a Restricted Payment may be made by a Group Company, if at the time of the payment no Event of Default is continuing and:

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- (a) if, at the time of the payment, the aggregate amount of all Restricted Payments and Restricted Preference Share Distributions of the Group in any fiscal year (including the Restricted Payment in question but not including Restricted Payments pursuant to (b), (c) and ~~(e)~~(d) below) does not exceed fifty (50.00) per cent. of the Group's consolidated net profit attributable to the Group's share of such profits before taking into account derivatives and any unrealised changes in property value of managed properties (for the avoidance of doubt, no adjustment to the reported net profit shall however be made for changes in value of managed properties under construction) attributable to the Group's share of such unrealised changes for the previous fiscal year, provided that the Incurrence Test is fulfilled (calculated on a pro forma basis including the relevant Restricted Payment); or
- (b) such Restricted Payment consists of a Permitted Preference Share Distributions; or
- (c) such Restricted Payment constitutes a distribution of In-kind Preference Shares, provided that the Incurrence Test is fulfilled, (calculated on a pro forma basis including the Restricted Payment in question); or
- ~~(d) such Restricted Payment constitutes a Nyttobostäder Dividend, provided that the Incurrence Test is fulfilled (calculated on a pro forma basis including the Nyttobostäder Dividend); or~~
- (d) ~~(e)~~ such Restricted Payment constitutes: (i) an unconditional shareholder contribution made to a Project Entity, if based on an agreement entered into on arm's length terms, or (ii) interest or dividend paid from a Subsidiary of the Issuer or a Project Entity in relation to Hybrid Instruments and Construction Credits.

12.2 Admission to trading

The Issuer shall use its best efforts to ensure that (i) the Initial Bonds are admitted to trading on Nasdaq Stockholm or another Regulated Market within twelve (12) months after the First Issue Date, (ii) any Subsequent Bonds are admitted to trading on the relevant Regulated Market within four (4) months after the relevant Issue Date (unless Subsequent Bonds are issued before the date falling twelve (12) months after the First Issue Date in which case such Subsequent Bonds shall be admitted to trading within twelve (12) months after the First Issue Date) and (iii) the Bonds, if admitted to trading on a Regulated Market, continue being admitted to trading thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

12.3 Nature of business

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group as of the First Issue Date. For the avoidance of doubt, any a merger of the Issuer and Svenska Nyttobostäder Dividend AB (publ) with the Issuer as surviving entity shall not be deemed to be a substantial change to the general nature of the business carried on by the Group as of the First Issue Date.

12.4 Market Loans

The Issuer shall not issue any Market Loans with scheduled or intended redemption, in full or in part, before the Final Redemption Date or create or permit to subsist any Security in respect of any Market Loans including any Market Loans issued by a Subsidiary of the Issuer, other than Security provided for Market Loans issued by a Project Entity by the same Project Entity or over the shares or other ownership interests in that Project Entity, provided however that this Clause 12.4 shall not apply to ~~Market Loans issued by the~~ Nyttobostäder. ~~For the avoidance of doubt, the Issuer may not, as from the First Issue Date, issue any subsequent bonds under the Bonds 2017/2021 or the Bonds 2020/2023~~ Bonds.

12.5 Maintenance Test

12.5.1 The Maintenance Test shall be tested quarterly on each Reference Date from and including 31 December 2020, for as long as any Bond is outstanding, and be calculated in accordance with the applicable Accounting Principles on the basis of the consolidated interim Financial Report for the period ending on the relevant Reference Date, with respect to the Relevant Period ending on such Reference Date, and shall be reported in the Compliance Certificate delivered in connection with such Financial Report.

12.5.2 The Maintenance Test is met if the Equity Ratio is at least: twenty (20.00) per cent.

~~(a) twenty (20.00) per cent. for any Reference Date falling prior to a Nyttobostäder Dividend Step-Up; and~~

~~(b) twenty-five (25.00) per cent. for any Reference Date falling on or after a Nyttobostäder Dividend Step-Up.~~

12.6 Loans out

12.6.1 The Issuer shall not, and shall procure that none of its Subsidiaries will, provide any loan to any party other than to another Group Company or a Project Entity or any associated company (Sw. *intressebolag*) in the ordinary course of business, in addition the Issuer or any of its Subsidiaries shall also be permitted to provide loans to an external party if such loan is provided: (i) on market terms or better, (ii) in relation to a Project and (iii) in the ordinary course of business.

12.6.2 Notwithstanding Clause 12.6.1, the Issuer shall not, and shall procure that none of its Subsidiaries (other than any Subsidiary being member of Nyttobostäder) will, provide any loan to a Subsidiary of the Issuer or Project Entity that is a member of Nyttobostäder (or any associated company (Sw. *intressebolag*) of such Subsidiary or Project Entity), provided however that the Issuer shall be permitted to provide a loan to Svenska Nyttobostäder AB (publ) in order to finance the partial prepayment and/or early redemption of the Nyttobostäder Bonds.

12.7 Disposals of assets

~~The~~ Subject to Clause 12.8 (Nyttobostäder undertaking), the Issuer shall not, and shall procure that none of its Subsidiaries, sell or otherwise dispose of shares in any of its Subsidiaries or of

all or substantially all of its or that Subsidiary's assets, or operations to any Person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction is carried out on market terms and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect. The Issuer shall only be obliged to notify the Agent of any such transaction if such transaction is not within the ordinary course of business and, if not within the ordinary course of business, the Issuer shall upon request by the Agent, provide the Agent with any information relating to the transaction which the Agent deems necessary (acting reasonably). The Issuer shall notify the Agent of such transaction in accordance with Clause 12.14.2.

12.8 Nyttobostäder undertaking

The Issuer shall not, and shall procure that no Subsidiary of the Issuer or Project Entity (in each case not being a member of Nyttobostäder) will, transfer any material assets or operations to Nyttobostäder ~~prior to a Nyttobostäder Dividend and thereafter as long as Nyttobostäder is a Group Company, unless the transaction is carried out on market terms and on terms and conditions customary for such transaction and provided that it relates to the business area real estate management (Sw. affärsområdet förvaltning),~~ provided that this Clause 12.8 shall only apply until the Nyttobostäder Bonds have been redeemed in full.

12.9 Dealings with related parties

The Issuer shall, and shall procure that its Subsidiaries will, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

12.10 Insurance

The Issuer shall, and shall procure that all other Group Companies and Project Entities keep the properties insured to an extent which is customary for similar properties on the relevant geographical market with one or more reputable insurers. The insurance cover shall inter alia include full value insurance and third party liability insurances.

12.11 Management of Investment Properties

The Issuer shall, and shall ensure that each other Group Company, keep its Investment Properties in a good state of repair and maintenance, as will enable each Group Company owning an Investment Property to comply in all material respects with the obligations under the relevant rental agreements and in accordance with all applicable laws and regulations.

12.12 Project undertakings

The Issuer shall ensure that:

- (a) the majority of the Projects (in relation to square meter) are carried out within the Greater Stockholm, Gothenburg, Malmö and the Mälardalen region;
- (b) the majority of the Projects (in relation to square meter) are carried out for the purpose of residential properties.

12.13 Compliance with laws etcetera

The Issuer shall, and shall procure that its Subsidiaries, (i) comply in all material respects with all laws and regulations applicable from time to time and (ii) obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, in each case, if failure to do so would result in a Material Adverse Effect.

12.14 Financial reporting etcetera

12.14.1 The Issuer shall:

- (a) prepare and make available the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, on its website not later than four (4) months after the expiry of each financial year;
- (b) prepare and make available the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, 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 in connection with publishing a consolidated interim Financial Report and in connection with any Subsequent Bond issue or any Restricted Payment (that requires that the Incurrence Test is met);
- (d) keep the latest version of the Terms and Conditions available on the website of the Group;
- (e) promptly notify the Agent (and, as regards a Change of Control Event, a De-listing Event, or a Listing Failure Event ~~or a Nyttobostäder Dividend Event~~, the Holders) when the Issuer is or becomes aware of (i) the occurrence of a Change of Control Event, a De-listing Event, or a Listing Failure Event ~~or a Nyttobostäder Dividend Event~~ or (ii) that an Event of Default has occurred, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice; and
- (f) prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of the relevant Market Place (as amended from time to time) and the Swedish Securities Market Act (Sw. *lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).

12.14.2 The Issuer shall notify the Agent of any transaction which is not within the ordinary course of business as referred to in Clause 12.7 (*Disposals of assets*) and the Issuer shall, upon request by the Agent, provide the Agent with (i) any information relating to such transaction which the Agent deems necessary (acting reasonably), and (ii) a determination from the Issuer which states whether the transaction is carried out on an arm's length basis and on

terms and conditions customary for such transaction or not and whether it has a Material Adverse Effect or not. The Agent may assume that any information provided by the Issuer is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information. The Agent is not responsible for assessing if the transaction is carried out on an arm's length basis and on terms and conditions customary for such transaction and whether it has a Material Adverse Effect, but is not bound by the Issuer's determination under item (ii) above.

12.15 **Agent Agreement**

12.15.1 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.

12.15.2 The Issuer and the Agent shall not agree to amend any provisions of the Agent Agreement without the prior consent of the Holders if the amendment would be detrimental to the interests of the Holders.

12.16 **CSD related undertakings**

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

13. **TERMINATION OF THE BONDS**

13.1 The Agent is entitled to, and shall following a demand in writing from a Holder (or Holders) 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 Holder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Holders, be made by them jointly) or following an instruction or decision pursuant to Clause 13.6 or 13.7, on behalf of the Holders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration), 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 does not comply with the Finance Documents, in any other way than as set out under (a) above, unless the non-compliance (i) is capable of being remedied and (ii) is remedied within fifteen (15) Business Days of the earlier of

the Agent giving notice and the Issuer becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request);

- (c) **Cross-acceleration:** Any Financial Indebtedness of the Issuer 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 paragraph (c) of Clause 13.1 if the aggregate amount of Financial Indebtedness that has fallen due is less than SEK 15,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company;
- (d) **Insolvency:**
- A. ~~(i)~~—The Issuer 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 with a view to rescheduling its Financial Indebtedness; or
- B. ~~(ii)~~—a moratorium is declared in respect of the Financial Indebtedness of the Issuer;
- (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 Issuer's Subsidiaries, solvent liquidations) in relation to:
- A. ~~(i)~~—the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer; and
- B. ~~(ii)~~—the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Issuer or any of its assets or any analogous procedure or step is taken in any jurisdiction;
- (f) **Mergers and demergers:** A decision is made that the Issuer shall be demerged or merged where the Issuer is not the surviving entity and provided that the Issuer may not be demerged;
- (g) **Creditors' process:** Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of the Issuer having an aggregate value of an amount equal to or exceeding SEK 15,000,000 and is not discharged within sixty (60) calendar days;
- (h) **Group Company default:**
- A. ~~(i)~~—An event has occurred as described in paragraphs (d), (e) or (g) above in relation to a Group Company (other than the Issuer); or

B. ~~(ii)~~—Financial Indebtedness of a Group Company (other than the Issuer) has not been paid when due as extended by any originally applicable grace period, or has been declared to be due and payable prior to its specified maturity as a result of an event of default (however described) (such Group Company in paragraph ~~(iA)~~ and ~~(iiB)~~ a “Defaulting Group Company”); and

C. ~~(iii)~~—provided (in relation to ~~(iA)~~ and ~~(iiB)~~ above) that the Issuer or any other Group Company has invested Equity and/or provided any loans in such Defaulting Group Company and/or the Issuer or any other Group Company has provided Security for the benefit of such Defaulting Group Company which has been enforced and, together with any other such events described in this paragraph (h) of Clause 13.1 in the Relevant Period ending on the most recent Reference Date, the invested Equity, the down-streamed loans (if any) and/or the Security enforced constitute in aggregate ten (10.00) per cent. of the Group’s total Equity as per the last day of the Relevant Period;

(i) **Impossibility or illegality:** It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable; or

(j) **Continuation of the business:** The Issuer ceases to carry on its business.

13.2 The Agent may not terminate the Bonds in accordance with Clause 13.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned under paragraph (d) of Clause 13.1.

13.3 If the right to terminate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.

13.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 13.1 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 13.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 13.1 and provide the Agent with all documents that may be of significance for the application of this Clause 13.

13.5 The Issuer is only obliged to inform the Agent according to Clause 13.4 if informing the Agent would not conflict with any statute or the Issuer’s registration contract with the relevant Market Place. If such a conflict would exist pursuant to the listing contract with

such Market Place or otherwise, the Issuer shall however be obliged to either seek the approval from the relevant Market Place or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 13.4.

- 13.6 If the Agent has been notified by the Issuer or has otherwise determined that there is a default under these Terms and Conditions according to Clause 13.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or determination, the Holders of the default and (ii) decide, within twenty (20) Business Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in Clause 15 (*Decisions by Holders*). If the Holders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Holders 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.
- 13.7 If the Holders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 15 (*Decisions by Holders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Holders 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.
- 13.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 13, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 13.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 13 without relevant decision by the Agent or following instructions from the Holders' pursuant to Clause 15 (*Decisions by Holders*).
- 13.10 If the Bonds are declared due and payable in accordance with this Clause 13, the Issuer shall redeem all Bonds with an amount per Bond together with a premium on the due and payable amount as set forth in the Call Option Amount for the relevant period together with accrued and unpaid Interest.

14. DISTRIBUTION OF PROCEEDS

- 14.1 If the Bonds have been declared due and payable in accordance with Clause 13 (*Termination of the Bonds*), all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

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- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Holders' rights, (iii) any non-reimbursed costs incurred by the Agent for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a Holders' Meeting or a Written Procedure;
 - (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
 - (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
 - (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the 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 Holders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- 14.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14.1.
- 14.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Holders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 14 as soon as reasonably practicable.
- 14.4 If the Issuer or the Agent shall make any payment under this Clause 14, the Issuer or the Agent, as applicable, shall notify the Holders 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.

15. DECISIONS BY HOLDERS

- 15.1 A request by the Agent for a decision by the Holders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Holders' Meeting or by way of a Written Procedure.
- 15.2 Any request from the Issuer or a Holder (or Holders) 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 Holder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Holders, be made by them

jointly) for a decision by the Holders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Holders' 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 Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.

15.3 The Agent may refrain from convening a Holders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Holders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.

15.4 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 Holder*) from a Person who is, registered as a Holder:

- (a) on the Record Date prior to the date of the Holders' Meeting, in respect of a Holders' Meeting; or
- (b) on the Business Day specified in the communication pursuant to Clause 17.3, in respect of a Written Procedure;

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

15.5 The following matters shall require consent of Holders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3:

- (a) waive a breach of or amend an undertaking set out in Clause 12 (*Special undertakings*);
- (b) a mandatory exchange of Bonds for other securities;
- (c) reduce the principal amount, Interest Rate (other than as a result of an application of Clause 19 (*Base Rate Replacement*)) or Interest which shall be paid by the Issuer;
- (d) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
- (e) amend the provisions in this Clause 15.5 or 15.6.

15.6 Any matter not covered by Clause 15.5 shall require the consent of Holders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to Clause 18.1 (a), (b) or (c)) or a termination of the Bonds.

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- 15.7 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount:
- (a) if at a Holders' 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.
- 15.8 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 16.1) or initiate a second Written Procedure (in accordance with Clause 17.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in Clause 15.7 shall not apply to such second Holders' Meeting or Written Procedure.
- 15.9 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 these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 15.10 A Holder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 15.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Holders that consent at the relevant Holders' 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.
- 15.12 A matter decided at a duly convened and held Holders' Meeting or by way of Written Procedure is binding on all Holders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Holders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Holders.
- 15.13 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Holders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 15.14 If a decision shall be taken by the Holders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.

15.15 Information about decisions taken at a Holders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Holders 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 Holders' Meeting or Written Procedure shall at the request of a Holder be sent to it by the Issuer or the Agent, as applicable.

16. HOLDERS' MEETING

16.1 The Agent shall convene a Holders' Meeting by sending a notice thereof to each Holder no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons). If the Holders' Meeting has been requested by the Holder(s), the Agent shall send a copy of the notice to the Issuer.

16.2 Should the Issuer want to replace the Agent, it may convene a Holders' Meeting in accordance with Clause 16.1 with a copy to the Agent. After a request from the Holders pursuant to Clause ~~19.4.3~~20.4.3, 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 Holders' Meeting in accordance with Clause 16.1.

16.3 The notice pursuant to Clause 16.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Holders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.

16.4 The Holders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.

16.5 If the Agent, in breach of these Terms and Conditions, has not convened a Holders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene the Holders' Meeting itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD and, if no Person to open the Holders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.

16.6 At a Holders' Meeting, the Issuer, the Holders (or the Holders' 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 Holders' Meeting. The Holders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Holders' Meeting instead of the Holder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Holder.

16.7 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Holders' Meeting as the Agent

may deem appropriate. Such regulations may include a possibility for Holders to vote without attending the meeting in person.

17. WRITTEN PROCEDURE

- 17.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(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 Holder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Holder(s), the Agent shall send a copy of the communication to the Issuer.
- 17.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 17.1 to each Holder with a copy to the Agent.
- 17.3 A communication pursuant to Clause 17.1 shall include (i) each request for a decision by the Holders, (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 Holder 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 17.1), (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 Holder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 17.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 17.4 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 instigate a Written Procedure itself. If the requesting Person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD.
- 17.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clause 15.5 and 15.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15.5 or 15.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

18. AMENDMENTS AND WAIVERS

- 18.1 The Issuer and the Agent (acting on behalf of the Holders) may agree to amend these Terms and Conditions or waive any provision in these Terms and Conditions, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Holders, 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 Bonds on the corporate bond list of Nasdaq Stockholm (as applicable), provided such amendment or waiver does not materially adversely affect the rights of the Holders; ~~or~~

(d) such amendment or waiver is made pursuant to Clause 19 (Base Rate Replacement); or

(e) ~~(d)~~ such amendment or waiver has been duly approved by the Holders in accordance with Clause 15 (Decisions by Holders).

18.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to these Terms and Conditions. It is sufficient if such consent approves the substance of the amendment or waiver.

18.3 The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 18.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

18.4 An amendment or waiver to these Terms and Conditions shall take effect on the date determined by the Holders' Meeting, in the Written Procedure or by the Agent, as the case may be.

19. BASE RATE REPLACEMENT

19.1 General

19.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 19 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

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

19.2 Definitions

In this Clause 19:

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

(a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or

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

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

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

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

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

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

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

“Successor Base Rate” means:

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

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

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

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

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

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

19.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").

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

19.4 **Interim measures**

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

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

19.4.2 For the avoidance of doubt, Clause 19.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 19. This will however not limit the application of Clause 19.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 19 have been taken, but without success.

19.5 **Notices etc.**

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Issuing Agent and the Bondholders in accordance with Clause 25 (*Notices and press releases*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Bonds are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

19.6 **Variation upon replacement of Base Rate**

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

19.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 19.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the

Finance Documents as may be required by the Issuer in order to give effect to this Clause 19.

19.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 19. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

19.7 **Limitation of liability for the Independent Adviser**

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

20. **~~19.~~ APPOINTMENT AND REPLACEMENT OF THE AGENT**

20.1 **~~19.1~~ Appointment of Agent**

20.1.1 ~~19.1.1~~ By subscribing for Bonds, each initial Holder appoints the Agent to act as its agent in all matters relating to the Bonds and these Terms and Conditions, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Holder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Bonds, each subsequent Holder confirms such appointment and authorisation for the Agent to act on its behalf.

20.1.2 ~~19.1.2~~ Each Holder 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 these Terms and Conditions. The Agent is under no obligation to represent a Holder which does not comply with such request.

20.1.3 ~~19.1.3~~ The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions.

20.1.4 ~~19.1.4~~ The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in these Terms and Conditions and the Agent Agreement, and the Agent's obligations as agent under these Terms and Conditions are conditioned upon the due payment of such fees and indemnifications.

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- 20.1.5 ~~19.1.5~~ The Agent may act as agent for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.
- 20.2 ~~19.2~~ **Duties of the Agent**
- 20.2.1 ~~19.2.1~~ The Agent shall represent the Holders in accordance with these Terms and Conditions. However, the Agent is not responsible for the execution or enforceability of these Terms and Conditions. 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.
- 20.2.2 ~~19.2.2~~ Upon request by a Holder, the Agent shall promptly distribute to the Holders any information from such Holder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Holder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent shall upon request by a Holder disclose the identity of any other Holder who has consented to the Agent in doing so.
- 20.2.3 ~~19.2.3~~ When acting in accordance with these Terms and Conditions, the Agent is always acting with binding effect on behalf of the Holders. The Agent shall carry out its duties under these Terms and Conditions in a reasonable, proficient and professional manner, with reasonable care and skill. 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 these Terms and Conditions.
- 20.2.4 ~~19.2.4~~ The Agent shall treat all Holders equally and, when acting pursuant to these Terms and Conditions, act with regard only to the interests of the Holders 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 these Terms and Conditions and the Agent Agreement.
- 20.2.5 ~~19.2.5~~ The Agent shall be entitled to disclose to the Holders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Holders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 20.2.6 ~~19.2.6~~ The Agent is entitled to engage external experts when carrying out its duties under these Terms and Conditions. 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 Holders under these Terms and Conditions or (iii) when the Agent is to make a determination under these Terms and Conditions. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 14 (*Distribution of proceeds*).

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- 20.2.7 ~~19.2.7~~—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 these Terms and Conditions.
- 20.2.8 ~~19.2.8~~—Notwithstanding any other provision of these Terms and Conditions 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.
- 20.2.9 ~~19.2.9~~—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 Holders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 20.2.10 ~~19.2.10~~—The Agent shall give a notice to the Holders (i) before it ceases to perform its obligations under these Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agent Agreement, or (ii) if it refrains from acting for any reason described in Clause ~~19.2.9~~20.2.9.
- 20.3 ~~19.3~~ **Limited liability for the Agent**
- 20.3.1 ~~19.3.1~~—The Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 20.3.2 ~~19.3.2~~—The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Holders to delay the action in order to first obtain instructions from the Holders.
- 20.3.3 ~~19.3.3~~—The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to these Terms and Conditions to be paid by the Agent to the Holders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 20.3.4 ~~19.3.4~~—The Agent shall have no liability to the Holders for damage caused by the Agent acting in accordance with instructions of the Holders given in accordance with Clause 15 (*Decisions by Holders*).
- 20.3.5 ~~19.3.5~~—Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, these Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Holders under these Terms and Conditions.
- 20.4 ~~19.4~~ **Replacement of the Agent**

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- 20.4.1 ~~19.4.1~~ Subject to Clause ~~19.4.6~~20.4.6, the Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Agent at a Holders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 20.4.2 ~~19.4.2~~ Subject to Clause ~~19.4.6~~20.4.6, if the Agent is insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.3 ~~19.4.3~~ A Holder (or Holders) 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 Holder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Holders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Holders that the Agent be dismissed and a new Agent be appointed.
- 20.4.4 ~~19.4.4~~ If the Holders 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 (ii) the Agent was dismissed through a decision by the Holders, 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.
- 20.4.5 ~~19.4.5~~ The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under these Terms and Conditions.
- 20.4.6 ~~19.4.6~~ 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.
- 20.4.7 ~~19.4.7~~ Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of these Terms and Conditions but shall remain entitled to the benefit of these Terms and Conditions and remain liable under these Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Holders shall have the same rights and obligations amongst themselves under these Terms and Conditions as they would have had if such successor had been the original Agent.
- 20.4.8 ~~19.4.8~~ In the event that there is a change of the Agent in accordance with this Clause ~~19.4~~20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under these Terms and Conditions and the Agent Agreement. 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.

21. ~~20.~~ **APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT**

21.1 ~~20.1~~ 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 Bonds.

21.2 ~~20.2~~ 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.

22. ~~21.~~ **APPOINTMENT AND REPLACEMENT OF THE CSD**

22.1 ~~21.1~~ 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.

22.2 ~~21.2~~ The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Holder or the admission to trading of the Bonds on the relevant Market Place. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

23. ~~22.~~ **NO DIRECT ACTIONS BY HOLDERS**

23.1 ~~22.1~~ A Holder may not take any action or any legal steps whatsoever against the Issuer or any of its Subsidiaries to enforce or recover any amount due or owing to it pursuant to these Terms and Conditions, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or its equivalent in any other jurisdiction) of the Issuer or any of its Subsidiaries in relation to any of the liabilities of the Issuer under these Terms and Conditions. Such steps may only be taken by the Agent.

23.2 ~~22.2~~ Clause ~~22.1~~23.1 shall not apply if the Agent has been instructed by the Holders in accordance with these Terms and Conditions 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 Holder to provide documents in accordance with Clause ~~19.1~~20.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agent Agreement or by any reason described in Clause ~~19.2~~20.2.9, such failure must continue for at least forty (40) Business Days after

notice pursuant to Clause ~~19.2.10~~20.2.10 before a Holder may take any action referred to in Clause ~~22.1~~23.1.

23.3 ~~22.3~~ The provisions of Clause ~~22.1~~23.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 11.4 (*Mandatory repurchase due to a Change of Control Event, a De-listing Event, or a Listing Failure Event or a Nyttobostäder Dividend Event (put option)*) or other payments which are due by the Issuer to some but not all Holders.

24. ~~23.~~ TIME-BAR

24.1 ~~23.1~~ The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Holders' right to receive payment has been time-barred and has become void.

24.2 ~~23.2~~ 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 Bonds, and of three (3) years with respect to the right to receive payment of Interest (excluding capitalised Interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

25. ~~24.~~ NOTICES AND PRESS RELEASES

25.1 ~~24.1~~ Notices

25.1.1 ~~24.1.1~~ Any notice or other communication to be made under or in connection with these Terms and Conditions:

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, 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 on the Business Day prior to dispatch 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 Holders, shall be given at their addresses as registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address), on the Business Day prior to dispatch, and by either courier delivery or letter for all Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Agent.

25.1.2 ~~24.1.2~~ 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 ~~24.1.1~~25.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause ~~24.1.1~~25.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause ~~24.1.1~~25.1.1.

25.1.3 ~~24.1.3~~ Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

25.2 ~~24.2~~ **Press releases**

25.2.1 ~~24.2.1~~ Any notice that the Issuer or the Agent shall send to the Holders pursuant to Clause 11.4 (*Mandatory repurchase due to a Change of Control Event, a De-listing Event, or a Listing Failure Event* ~~or a Nyttobostäder Dividend Event (put option)~~), paragraph (e) of Clause 12.14.1 and Clauses 13.6, 14.4, 15.15, 16.1, 17.1, 18.3, ~~19.2.10 and 19.4.1~~19.5, 20.2.10 and 20.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

25.2.2 ~~24.2.2~~ In addition to Clause ~~24.2.1~~25.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice the Agent may send to the Holders 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 Holders 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 Holders, the Agent shall be entitled to issue such press release.

26. ~~25.~~ **FORCE MAJEURE AND LIMITATION OF LIABILITY**

26.1 ~~25.1~~ Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, act of terrorism, pandemic, 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.

26.2 ~~25.2~~ The Issuing Agent shall have no liability to the Holders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

26.3 ~~25.3~~ Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

26.4 ~~25.4~~ The provisions in this Clause ~~25~~26 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

27. ~~26.~~ GOVERNING LAW AND JURISDICTION

27.1 ~~26.1~~ These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.

27.2 ~~26.2~~ Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause ~~26.3~~27.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.

27.3 ~~26.3~~ The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Holders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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

ALM EQUITY AB (PUBL)
as Issuer

Name: [●]

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

NORDIC TRUSTEE & AGENCY AB (PUBL)
as Agent

Name: [●]

RISK FACTORS

Schedule 4

The purpose of these risk factors is to help a potential investor to assess risks related the proposed amendments and waivers (the “Proposals”) in relation to Alm Equity AB (publ)’s (“ALM”) outstanding bonds with ISIN: SE0015191978 and SE0016074595 (the “ALM Bonds”) as well as Svenska Nyttobostäder AB (publ)’s (“SNB”) outstanding bonds with ISIN: SE0016797799 (the “SNB Bonds”). The risk factors set out herein are not purported to be a comprehensive description of all risks related to ALM, SNB, the ALM Bonds or the SNB Bonds and shall be read together with other public information regarding the risks related thereto, including but not limited to published financial reports of ALM and SNB and prospectuses prepared by ALM and SNB in relation to the ALM Bonds and the SNB Bonds, respectively, and other financial instruments of ALM and SNB.

Risks related to the proposed amendments in respect of the ALM Bonds

Risks relating to security provided under the SNB Bonds

The Proposals will *inter alia* entail that ALM will be able to assume all rights and obligations under the SNB Bonds as issuer of the SNB Bonds and that the security provided therefore will be permitted under the terms and conditions for the ALM Bonds. The SNB Bonds would thus constitute secured obligations of ALM. If ALM would be subject to any foreclosure, dissolution, winding-up, liquidation, bankruptcy or other insolvency proceedings or acceleration proceedings, holders of SNB Bonds would have priority in relation to any funds from an enforcement of the security provided under the SNB Bonds. Holders of ALM Bonds would in consequence only have an unprioritised claim for such funds on *pari passu* basis with other unprioritised creditors, which could have a material adverse effect on the recovery for the holders under the ALM Bonds.

Risks relating to refinancing of the SNB Bonds

The SNB Bonds have a final redemption date on 21 September 2024. If ALM were to assume all rights and obligations under the SNB Bonds, it would therefore make ALM subject to a refinancing risk in relation to the SNB Bonds (as well as other indebtedness of SNB which would become indebtedness of ALM following the proposed merger). There can be no assurance that ALM will be able to finance the redemption of the SNB Bonds or the repayment of other debt at maturity or that it could be done at reasonable terms for ALM. If ALM in such scenario would be unable to refinance the SNB Bonds, at all or at reasonable terms, it could have a material adverse effect on ALM’s ability to make payments under the ALM Bonds.

Risks related to the proposed amendments and waivers in respect of the SNB Bonds

Risks related to amendments in relation to permitted property divestments, property refinancing debt and release of security

The Proposals would *inter alia* entail that the terms of conditions of the SNB Bonds would permit, subject to certain conditions, divestments of certain properties, refinancing of certain

property financings in relation to such properties with loans and release of certain security in connection with such divestment and/or refinancing. There can be no assurance that the relevant properties will be divested at a price which is favourable from the perspective of the holders of the SNB Bonds. It can further be no assurance that any property refinancing loan will be incurred on favourable terms. Lastly, it can be no assurance that the value of any funds deposited on the property escrow account to be pledged as security as set out in the Proposals will equal or exceed the value of the security that may be released upon a property divestment or refinancing. The above could have a material adverse effect on SNB's (and following the proposed merger, ALM's) ability to make payments under the SNB Bonds.

Risks related to the maintenance holiday

Pursuant to the Proposals, no maintenance test would need to be met pursuant to the terms and conditions for the SNB Bonds until the final redemption date of the SNB Bonds. There is thus a risk that the financial risk in relation to the issuer of the SNB Bonds will exceed the risk profile that the holders of the SNB Bonds initially based their investment decisions on without the holders having the right to instruct the bond agent to accelerate the SNB Bonds.

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