

This prospectus was approved by the Swedish Financial Supervisory Authority on 31 October 2024. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.

WÄSTBYGG **GROUP**

Wästbygg Gruppen AB (publ)

PROSPECTUS REGARDING THE ADMISSION TO TRADING OF

SEK 400,000,000

**SENIOR SECURED CALLABLE FLOATING RATE GREEN
BONDS**

2024/2027

ISIN: SE0022747440

31 October 2024

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Wästbygg Gruppen (publ), Swedish reg. no. 556878-5538 (“**Wästbygg**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries, unless otherwise indicated by the context, the “**Group**”), in relation to the application for admission for trading of the Issuer’s SEK 400,000,000 senior secured callable floating rate green bonds 2024/2027 with ISIN SE0022747440 (the “**Bonds**”) issued on 27 September 2024 (the “**Issue date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**” and the “**Bond Issue**”, respectively) on the sustainable bond list of Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). Concepts and terms defined in Section “*Terms and Conditions for the Bonds*” are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus. This Prospectus is only valid for the Bonds issued on 27 September 2024.

This Prospectus has been prepared by the Company and approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) pursuant to Chapter II and Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Furthermore, Annexes 7 and 15 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, form the basis for the content of this Prospectus. Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of admitting the Bonds to trading on Nasdaq Stockholm. This Prospectus may not be distributed in the Australia, Canada, Cyprus, Hong Kong, Italy, Japan, New Zealand, Switzerland, South Africa, the United Kingdom or the U.S., or in any other jurisdiction where such distribution or disposal requires additional prospectus, registration or additional measures or is contrary to the rules and regulations in such country. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). 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 (as defined in Rule 902 of Regulation S under the Securities Act).

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer’s auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents that are incorporated by reference and possible supplements to this Prospectus. In this Prospectus, any references to “**SEK**” refer to Swedish Kronor.

This Prospectus may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of the Issuer’s management or are assumptions based on information available to the Group. The words “considers”, “intends”, “deems”, “expects”, “anticipates”, “plans” and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of the Group to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. Although the Issuer believes that the forecasts or indications of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the materialisation of risks and other factors affecting the Group’s operations. Such factors of a significant nature are mentioned in Section “*Risk factors*” below.

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

This Prospectus has been prepared in English only and is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The Prospectus is available at the SFSA’s website (www.fi.se) and the Issuer’s website (www.wbgr.se).

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RISK FACTORS

The purpose of this section is to enable a potential investor to assess the relevant risks related to their potential investment in the Bonds in order to make an informed investment decision. The below risk factors are therefore limited to risks that, in the meaning of Regulation (EU) 2017/1129, are material and specific, to the Issuer, the Group and the Bonds and which are corroborated by the content of this Prospectus.

The manner in which the Issuer and the Bonds are affected by each risk factor is illustrated by way of an evaluation of the materiality of the relevant risk factor based on the probability of it occurring and the expected magnitude of its negative impact, for the purpose of which the probability is estimated as “low”, “medium” or “high” and the magnitude of negative impact if it would occur as “low”, “medium” or “high”. The most material risk factor in a category is presented first under that category, whereas subsequent risk factors in the same category are not ranked in order of materiality.

Risk factors specific and material to the Issuer and the Group

I. Risks related to the business and operations of the Group

Risks relating to construction agreements and construction projects

Pursuing business operations within project development and performance of construction work as a supplier, but also as a buyer towards subcontractors, requires the Group’s commercial agreements to be clear and to contain all necessary terms and appropriate division of liability between the contracting parties. There is a risk that ambiguous terms or agreements lead to the parties having to complete obligations where the parties disagree, which enhances the risk for unexpected costs related to delays and possibly penalty fees. In addition, if agreements with subcontractors do not adequately reflect the obligations of the Group in relation to the purchaser, there is a risk that any liability arising under a construction contract cannot be passed on to the responsible subcontractor. Construction projects are usually carried out on a tight deadline. Disputes relating to the performance of the construction work would result in additional costs related to the dispute as well as the project being delayed, which could have an adverse effect on the Group’s result.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

Risks related to work environment and work related injuries

The Group’s operations within construction may involve work that carries an increased risk of work accidents, such as work with heavy machinery. The Group has approximately 530 employees. Acting in accordance with applicable safety instructions is critical for avoiding personal injury and staff safety is highly prioritised in the Group. Consequently, the Group is dependent on internal and external investigation and reporting of risks, incidents and accidents in order to be able to take action in a timely and cost-efficient manner. The Group is also dependent on its ability to create and maintain safe workplaces, train staff in safety and change attitudes to prevent risky behaviour. The risk of work accidents will increase as a consequence of additions to the Group’s workforce. Thus, the Group’s growth strategy results in an increasing probability of work place accidents occurring.

If work related accidents occur, the Group may face claims from current or former employees, labour or trade unions as well as governmental agencies. Such incidents may also result in the need for corrective action, suspension or shutdown of operations. Personal injuries and accidents can also lead to employee dissatisfaction and distrust, which would have a negative impact on the Group’s reputation.

This would in turn adversely affect the Group's operations and competitiveness. Furthermore, there is a risk that any insurance coverage acquired will be insufficient to cover the costs and losses incurred and claims for coverage under the Group's insurances for such matters may lead to increased insurance premiums.

Should any of the above materialise in relation to the Group's employees, it would expose the Group to risks for reputational damage, impaired competitiveness and increased costs, and could in turn have an adverse effect on the Group's operations and financial position.

The Issuer considers that the probability of the above risks occurring is *medium*. If the risks would materialise the Issuer considers the potential negative impact to be *medium*.

Risks related to the real estate and construction market

The Group's business partly includes development and construction of rental properties and condominiums as well as commercial properties such as logistic properties and community purpose properties. The development projects are carried out in legally separate entities, the purpose of which is to own and temporarily manage each property during the relevant project. As the Group's business operations partly consist of selling the properties of the relevant project within a short timeframe, sudden changes in demand and supply, as well as the general conditions on the property market, could cause the Group not being able to finalise or sell condominiums, rental properties and commercial properties under development within the scheduled timeframe, which could result in capital being tied-up and decreased possibilities for reinvestments. This in turn could result in the Group, due to limited cash flow, not being able to develop its business areas as desired.

In addition, several of the raw materials and components that the Group uses in its operations as well as, under certain circumstances, energy, need to be transported from other geographical areas to the Group. If there are disruptions in the supply chain, e.g. due to logistical difficulties, lack of raw materials and components, energy supply shortages or general delays, it may result in the Group not being able to produce and deliver their products on time or at all. This could result in difficulties synchronizing the procurement of such raw materials with the Group's production needs, which could in turn result in increased inventory or require production requalification or the postponement of certain development and manufacturing processes for their customers. Furthermore, the accumulation of inventory could place strains on the Group's working capital requirements.

In addition, there have been indications that the real estate market has deteriorated recently, partly because of the macro-economic factors as described under the risk factor "*Volatile, negative or uncertain macro-economic or geopolitical conditions may negatively affect the Group's operations and financial performance*". This has resulted in a decline in the willingness of financial institutions to provide financing and contemplated purchasers are more hesitant, especially in the private sector, due to e.g. the decreased ability to obtain necessary financing. As a consequence of the aforesaid, there are fewer investments in the construction market, leading to decreasing production volume. Partly as a result of the challenging market situation, the Group initiated staff cutbacks in May 2023, when 70 employees were notified of termination. As the market conditions have remained challenging, the Group notified additionally 65 employees of termination in August 2024 simultaneously as the closing of the Group's offices in Stockholm. Even though the real estate market as of now faces economic restraint, there is a risk that the Group's termination of employees and wind-down of offices may lead to absence of labour if and when the real estate market would face financially better times again. If the Group then does not

adapt to changing market conditions prior or in direct connection with such change, there is a risk that the Group will miss out on business opportunities due to the lack of labour in the e.g. Stockholm. Further, the Group has decided to close down Logistic Contractors' (operating within the logistic and industry business area) office in Denmark due to the Group's low presence in the Danish market. Although any ongoing operations in Denmark will continue via the Group's other Nordic offices, there is a clear risk that the business in the Danish market will decrease further. That would lead to lowered revenue for the Group and even, adjusted for decreased costs, lower profits.

Although the interest rates may go down in the near future, there is a risk that the conditions in the real estate market will continue to deteriorate, or at least not improve, even if the interest rates would come down. As a result, the Group expects further staff cutbacks during 2024 and there is further a risk that relevant properties will remain with the Group and bind capital corresponding to the value of the construction.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

Risks related to the holding of and selling condominiums

The Group's business includes holding of condominiums and hence being member in tenant-owner associations (Sw. *bostadsrättsföreningar*). Due to the nature of tenant-owner associations and in accordance with the Swedish Tenant-Owners Act (Sw. *bostadsrättslagen (1991:614)*), such membership will affect the control over the assets owned by a member of the tenant-owner association. There is a risk that the membership and any decisions or actions taken by the association affect the value of the Group's assets negatively, e.g. by restricting transfers of condominiums. A tenant-owner association further charges membership fees for its costs, which will require cash flow into the secured structure of the Group (please refer to the risk factor "*Security arrangements*" regarding the secured structure). If such cash flow is not able to maintain, for any reason, there is a risk that the member of such tenant-owner association defaults under its obligations towards the association, which would further negatively affect the value of the Group's assets.

Further, the Group's plan is to sell the condominiums held by members of the Group. With reference to the risk factor "*Volatile, negative or uncertain macro-economic or geopolitical conditions may negatively affect the Group's operations and financial performance*", there is however uncertain if there is a stable market for doing so. There is a risk that the condominiums may be sold at a purchase price that does not lead to any profit or that even means a loss for the Group.

In addition, the purchaser of any condominiums held by a member of the Group must be approved as a member in the tenant-owner association. If the relevant purchaser would not be approved as a member, the sale of that condominium will not be completed, since the completion will be conditional upon such approval pursuant to the relevant sale and purchase agreement.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

Volatile, negative or uncertain macro-economic or geopolitical conditions may negatively affect the Group's operations and financial performance

The Group's business is affected by macro-economic factors, such as the conditions of the global and national economies, growth, employment rate, income development, production pace for new private and

commercial properties, changes in infrastructure, regional economic development, population growth, inflation and fluctuations in interest rates.

Deterioration in the global macro-economic and geopolitical environment, including political instability, increased nationalist and protectionist behaviour of governments, terrorist activities, military conflict and war, social unrest, natural disasters, extreme weather events, power outages and high energy costs, communications and other infrastructure failures, pandemics and other global health risks could have a material adverse impact on the global economy and the Group's business, net assets, financial condition and operational results. For example, the war in Ukraine and events in Gaza and the trade conflict and tensions between the United States and China have, or in recent years have had, a direct and material impact on the global economy and an adverse impact on the Group due to the effect on supply chains worldwide through shut downs and freight logistics which could negatively impact the supply of certain of the products which form part of the Group's offering and increase freight costs in a way that could harm the Group's profits. The agreements entered into by the Group prior to the negative impacts of the supply chain did not regulate the risk of increased material costs in the same manner as agreements entered into after such increase of the material costs. Hence, the Group's material costs have increased due to the change in the geopolitical environment.

Further, the sanctions imposed on Russia as well as Russian banks, companies and individuals and Russia's countersanctions or other retaliatory measures and the heightened tensions between Russia and the rest of Europe and the United States have had, and could continue to have, a material adverse effect on the global economy, and thereby have an impact on the Group and its business and operational results despite the fact that the Group does not, and has not had, any business or operations in Russia.

Due to increased energy and material costs as well as higher interest rates and previously widespread inflation have led to reduced availability of capital in the market and increased credit costs. The present economic situation has also led to an increasing number of bankruptcies in the subcontractor sector in all of the Group's business areas.

Further, higher interest rates can negatively affect the Group's growth in several ways, mainly through a negative effect on the Group's ability to obtain financing on attractive terms in order to maintain and develop the Group's projects. In a long-term perspective, higher interest rates may have a significant impact on the Group's financial results and cash flow. In addition, changes in interest rates also affect the market value of the Group's projects, which in turn can result in decreasing operating profits.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *medium*.

Environmental risks related to the Group's business

The construction business involves a risk that known or unknown ground pollutions are spread, for instance in connection with foundation work such as excavation. When acquiring and developing properties, the Group could be held liable as a business operator for the costs of remedying the effects of environmental incidents, regardless of whether the Group was responsible for causing said incident. If the Group is found to be liable for such environmental incidents, this could lead to unpredicted costs and delays for the relevant project, which could have an adverse effect on the Group's results of operation. The Issuer performs construction work on properties owned by others and may, as a result of such operations, also cause new environmental incidents, *e.g.* through pollutions caused by leakage from machinery for which the Issuer could be held liable and which the Issuer may need to remedy.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

Risks related to warranties provided within the Group's operations

Within the ordinary course of business of the Group, agreements are entered into with clients relating to construction work as well as project development. The agreements generally include provisions containing warranties granted by the Issuer, meaning that the Issuer is obligated to remedy construction errors and malfunctions also after the completion of the projects. The warranty undertakings usually apply for ten years after completion. In order to be able to comply with such undertakings, the Group makes warranty reservations for every project based on assumptions of general experience as well as project specific assessments based on the nature of the relevant project. The actual outcome for the project after the end of the warranty period may differ from the assumptions made as of the project start, as well as assumptions emerging during the project, which in turn could bring about unpredicted costs for the Group.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

Risks related to property acquisitions

As part of its ordinary course of business, the Issuer regularly acquires, constructs, develops and resells properties and site-leasehold rights. During 2023, the Issuer acquired one (1) undeveloped property for a consideration of approximately NOK 114 million in order to realise planned projects. Acquisitions of properties involve risks related to the property itself as well as the operations carried out at the relevant property upon the acquisition, if made by way of acquiring a property holding company. When acquiring undeveloped properties, the Issuer's planned development of the property may be impeded by unexpected soil conditions, which also may contribute to a more complex development than otherwise necessary or expected. Further, there is a risk that a need for unforeseen environmental actions could affect the Issuer's development of the property. Such environmental actions may require substantial efforts and resources. In addition to the risk related to the property itself, there could be risks related to the business and operations of the relevant property holding company, *e.g.* by way of material agreements which have been or is at risk being terminated or if the acquired company has had insufficient financial reporting, bookkeeping and tax procedures.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

Risks related to purchasing and the Issuer's code of conduct

The Group's business involves purchasing large volumes of goods and several services related to the Group's projects. The Issuer has actively decided to limit the number of personnel employed by the Group and instead to purchase services through its subcontractors so that the personnel needs can be adapted and tailored to each individual project and in relation to the relevant phase of each project. Due to the purchases of external goods and services being a large part of the Group's operations, the Issuer must closely monitor that such activities are carried out on arm's length terms. The Issuer applies a strict attest and control structure and strives to maintain an internal culture discouraging personal gain and corruption, among other things by way of implementing and maintaining a code of conduct. However, there is a risk that any sales persons and purchasers, internal or external, may act in deviation from the Issuer's

guidelines, which, among other things, may expose the Group to reputational damage, which in turn could render unexpected losses thereby adversely affecting the Group's results of operation.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

Risks related to sustainability within the Issuer's operations

As a consequence of the Issuer's use of subcontractors and suppliers, there is a risk that the Issuer may not be able to deliver on its sustainability targets in every aspect. Such risks could for instance arise due to the subcontractors' and suppliers' lack of knowledge in respect of the requirements and standards set out in the Issuer's codes of conduct, but could also be related to a lack of resources to follow up on and evaluate the sustainability standards and requirements. Such deficiencies could result in the need for extra resources, and consequently increased costs, in the projects in order to meet the purchasers' requirements on certification and other sustainability related requirements.

There is further a risk that, if the Issuer does not meet its sustainability targets, a Bondholder would be in breach of any investment strategy relating to sustainable and/or green investments. Further, the Issuer's default not to meet its sustainability targets would not result in an Event of Default occurring under the terms and conditions for the Bonds. Hence, in such case, even though the Issuer does not fulfil its obligations, the Bondholders would not be entitled to early repayment or repurchase of Bonds or any other compensation and there is further a risk that the Bondholder in turn breaches any investment strategy and in that way becomes obliged to compensate for such error.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

Risks related to the Group's clients

The composition of the Issuer's client base varies from year to year, as the ongoing projects determine which clients the Issuer maintains from time to time. In addition, the composition of the Issuer's client portfolio varies with the magnitude of the ongoing projects and the amount of projects ongoing from time to time. Hence, there is a risk that the client base is concentrated and centred around a few larger clients during certain periods. Consequently, the client concentration is determined by the order backlog of the Issuer from time to time. The dense client concentration which may arise, and which has arisen in the past, could lead to that a loss of one or only a limited number of clients could have a material adverse effect on the Issuer's turnover and results of operation.

Furthermore, there is a risk that the priorities of the Group's clients change over time, due to various factors, which may lead to a decreased demand for investing in the property and construction market. This has primarily been the case in the residential business area, where the clients are individuals and thus are generally more cost sensitive and prone to changes of macro-economic conditions for example relating to higher interest rates etc. as described in the risk factor "*Volatile, negative or uncertain macro-economic or geopolitical conditions may negatively affect the Group's operations and financial performance*". Since residential properties, such as condominiums, generally constitute some of the largest investments for individuals, the demand for such property tend to decrease during uncertain times and especially during interest rates peaks given the effect such an interest rate increase may have on individual's disposable income. The Group has accordingly noticed a decline in the demand for residential buildings, whereby the revenue for the residential business area was SEK 1,376 million in 2023, compared to

SEK 1,778 million in 2022, and the operating loss amounted to SEK -361 million in 2023, compared to an operation profit amounting to SEK 50 million in 2022.¹

In addition, the other business areas of the Group, logistics and industry as well as commercial, may be subject to lower demand, since large corporations are also affected by the macro-economic situation. This is especially true since construction projects and properties constitute even larger invested amounts for large corporations than individuals. Furthermore, the businesses of corporations and authorities are sensitive to changes in political views on laws and regulations. As an example, a member of the Group, Inwita Fastigheter AB, which primarily focused on self-developed properties within education and health care, turned out to not be as profitable as planned due to a decrease in demand as a result of stricter regulations imposed on its potential clients. This resulted in the decision to cease the Group's concentration on such properties, and Inwita Fastigheter AB is expected to be divested during 2024 or 2025.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *medium*.

II. Legal risks

Regulatory risks

The Group's business is subject to a number of rules, regulations and governmental instructions, such as environmental laws, planning and building laws, taxation laws and construction regulations. Laws and regulations related to the property market and/or any other market in which the Group operates are often guided by political incentives, and could therefore be amended on short notice, which could affect the daily operations of the Issuer in various manners. Any future changes in legislation and regulations could impose new requirements on the Group in order to ensure compliance with such regulations. For example, changes have been made in political views on laws and regulations regarding education and health care, which led to that the Group's investments in self-developed properties within education and health care ceased as set out in the risk factor "*Risk related to the Group's clients*".

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *high*.

Risks related to processes and permits from municipalities and governments

The Issuer's business operations involve construction and development of existing properties for which exploitation and implementation agreements may need to be entered into with the relevant municipalities. The process of obtaining the relevant agreements, as well as other preconditions in order to carry out the Issuer's planned development, could involve certain risks, since the planned operations and development could be dependent on reaching agreements with third parties such as municipalities. In addition, there is a risk that rulings and permits, such as building permits, may be appealed or delayed, which could lead to the Issuer being unable to keep its intended time schedule, resulting in delays and increased costs as well as renegotiations or terminations of planned sales, all of which could adversely affect the Group's results of operation.

¹ The information is derived from the Group's audited annual financial statements for 2023, in relation to the residential business area.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

Risks related to disputes and litigation

Within the ordinary course of its business operations, the Issuer may be subject to disputes with its subcontractors and clients where the Issuer has acted as a contractor or sub-contractor. Relative to the size of the business segments, legal disputes are most common within the construction business, and are usually related to one single sub-contracting arrangement. Legal disputes could also arise in relation to acquisitions or disposals of properties or companies. In connection with such disputes, there is a risk that the Issuer is held liable for damages or that any remuneration for contract variations or penalty fees may be withheld or even if the Issuer at present is not, and has not during 2023 or, to this date, 2024 been, involved in any material disputes or legal proceedings, the Issuer has historically been involved in such disputes and legal proceedings. As an example, during 2019, the Issuer was involved in two disputes with subcontractors and one dispute with a purchaser, which resulted in an aggregate negative effect on the Issuer's result of approximately 2.5 per cent.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *medium*.

III. Financial risks

Financial effects within one of the Issuer's market segments

The Issuer operates on a market where market participants continuously seek external financing. The Group's business is financed through equity as well as through external bank loans, and as of 30 June 2024, the Group's interest bearing long and short term interest bearing debt owed to credit institutions amounted to SEK 92 million.² The extent to which new development projects are initiated is determined by the availability of equity, or alternatively external financing may be raised temporarily while awaiting the sale of the projects. No projects are initiated for speculative purposes only, and financing is secured prior to the initiation of the development work. The business operations in each of the group companies finance the Group's operations within all business segments as a whole, and a material deterioration of one of the Group's market segments could result in a negative cash flow and hence risk a decrease of available financing for the other market segments or a need for increased external financing. Further, certain of the group companies' construction projects are subject to guarantees granted by the Issuer on behalf of the relevant performing entity, which could also lead to one market segment affecting the other market segments of the Group. Further, a potential lowered margin on the Issuer's development projects as a result of a decreased market valuation of such projects could adversely affect the Group's future development, growth and profitability due to rescheduling and reduction of future, not yet commenced, development projects. This, in turn, could negatively affect the Group's financial position.

The Issuer considers the probability of the above risks occurring to be *medium*. If the risk were to occur, the Issuer considers the potential negative impact to be *medium*.

² The information is derived from the Group's unaudited segment reporting for the financial period 1 January – 30 June 2024.

Risks related to the terms of certain financing agreements

The Group's financing agreements contain certain undertakings and financial covenants, such as those related to the debt to equity ratio of the Group. In addition, as a consequence of the issuance of the Bonds, the Issuer will be subject to further financial covenants, being the Maintenance Test (as defined in the terms and conditions for the Bonds), which is tested on quarterly basis, as well as the Incurrence Test (as defined in the terms and conditions for the Bonds), which is tested upon the Issuer incurring certain new financial indebtedness. Such financial covenants will, to a certain extent, limit the Group's financing operations and there is a risk that the Group cannot obtain necessary financing at favourable terms or at all, when necessary to pursue profitable growth of the Group. In addition, the Group's financing arrangements (including the Bonds) contain certain information undertakings related to the Group's business and operations and any changes thereto, requiring the Group to make public certain information. If the Issuer is not able to comply with these undertakings, there is a risk that the lenders may terminate the financing agreements. If the financing agreements or any other financial arrangements with any member of the Group are terminated, the Issuer could be required to seek other external financing to ongoing projects, which may not be obtained on favourable terms or at all. Lack of necessary financing opportunities could lead to delays and related delay fees, as well as increased costs for financing, which could adversely affect the Group's profitability and hence financial position. For example, the Issuer was not able to comply with its financial covenants under its existing bond loan during 2023. A written procedure in accordance with the terms and conditions for the existing bonds was therefore initiated, which concluded on 31 August 2023, whereby the holders of the existing bonds approved to amend the financial covenants in order for the Issuer to be able to comply. As a consequence, the Issuer prepaid SEK 100 million of the outstanding amount under the existing bonds. There is thus a risk that the Issuer may, also under the Bonds, be unable to comply with the financial covenants or other undertakings.

There is also a risk that the Group initially is provided financing, apart from the Bonds, for a certain project in certain amounts, but that the project shows to be more costly than first expected at a later stage. This may lead to the Group not being able to secure further financing due to the increased costs. Such scenario could lead to a situation where the Group is unable to fulfil its obligations under the relevant project due lack of funding.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *low*.

Risk factors specific and material to the Bonds

I. Risks related to the nature of the Bonds

Refinancing risk and incurrence of additional debt

The Group's operations are partly financed by way of external interest bearing bank loans, as well as the existing bond loan. Taking into account a successful placing of the Bonds in an amount of SEK 400 million and redemption of the Issuer's previously outstanding bonds with ISIN SE0016798227 in an outstanding nominal amount of SEK 400 million, the Group's interest bearing debt amounts to approximately SEK 667 million based on the quarterly financial statements for the period ending 30 June 2024, of which approximately SEK 578 million constitutes long term debt, and as of the same date, the Group has two revolving credit facilities, amounting to SEK 150 million, which have been

utilised in an amount of approximately SEK 19 million.³ Consequently, the Group may be required to refinance its outstanding debt, including the Bonds, from time to time.

The Group's ability to refinance the Bonds at maturity depends on a number of factors, such as market conditions, the availability of cash flows from operations and access to additional debt and equity financing. The terms and conditions for the Bonds impose certain restrictions in relation to the Group's incurrence of certain debt such as Market Loans (as defined in the terms and conditions for the Bonds). Such restrictions, as well as adverse developments in the credit markets and other future adverse developments, such as the further deterioration of the overall financial markets or a worsening of general economic conditions, could have a material adverse effect on the Group's ability to borrow as well as the cost and other terms of funding. There can be no assurance that such funds will be available at a commercially reasonable cost, or at all and consequently, there can be no assurance that the Group will be able to refinance the Bonds when they mature.

On the other hand, there are very few limitations imposed on the Issuer's ability to maintain and incur any additional debt from other creditors (other than Market Loans as mentioned above). The Group may thus incur additional debt for other purposes than refinancing the Bonds. Besides the effect that additional debt as such may have on the Group's financial situation, such additional debt may mature prior to the Bonds. Hence, certain other creditors may have a right to recourse to the Group's assets in an enforcement scenario before the bondholders and the bondholders' recovery from an enforcement may therefore be reduced.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

Risks related to the use of proceeds from the Bond Issue

An amount equal to the net proceeds of the Bond Issue shall be used in accordance with the Green Finance Framework. There is a risk that an amount equal to the net proceeds from the Bonds can only partially or not at all be used to finance or refinance projects that fulfil the conditions under the Green Finance Framework due to circumstances beyond the Issuer's control. If an asset is disposed of that has been financed with net proceeds from the Bonds, the Issuer may reinvest an amount equal to the funds originally allocated to such asset if such reinvestment fulfils the criteria of the Green Finance Framework. There is a risk that funds for such reinvestment can only partially or not at all be used to finance assets that at that time fulfil the criteria of the Green Finance Framework on terms that are financially favourable to the Issuer.

Regardless of whether or not all net proceeds from the Bonds can be used to finance or refinance projects according to the Green Finance Framework, interest will continue to accrue. If the Issuer is incapable of using the entire net proceeds from the Bonds for such financing or refinancing, it may have a negative impact on the Issuer's ability to pay interest. There is also a risk that projects financed by the net proceeds from the Bonds only partially or not at all achieve the environmental benefits that motivated the investment, which risks deteriorating the Issuer's reputation and may contravene the purpose of an investment in the Bonds. Further, a failure to apply the proceeds in accordance with the Green Finance Framework could result in Bondholders being in breach of investment criteria or guidelines with which

³ The information is derived from the Group's unaudited segment reporting for the financial period 1 January – 30 June 2024.

an investor is required to comply, which could result in remedies under the relevant investment criteria or guidelines, leading to claims or reputational damage.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *medium*.

Security arrangements

As continuing security for the due and punctual fulfilment of the Issuer's obligations under the Bonds, security is provided over all the shares in one of the Issuer's direct subsidiary (the "**SPV**"). In addition, the net proceeds from the first issue date of the Bonds, being the cash proceeds of such issue after deduction for applicable transaction costs and settlement of the offer to holders of the Issuer's existing bonds to tender any and all of their existing bond, was transferred to an escrow account, over which security is provided (the "**Escrow Account**").

The security interest granted is limited in scope to comply with limitations on financial assistance, capital maintenance rules or similar restrictions under applicable law. Furthermore, there is a risk that the Group has not or does not properly fulfil its obligations in terms of perfecting or maintaining the security. The transaction security may thus not be enforceable, or only be enforceable in part, which may limit the recovery of the bondholders. Further, although the SPV holds the shares of certain of the Issuer's indirect subsidiaries and other assets of the Group, the transaction security does not include the assets held by or shares in any other member of the Group besides the SPV. Even if the transaction security is perfected and maintained properly there is consequently a risk that other creditors may claim better security positions in the assets not directly pledged in favour of the bondholders and the bondholders' recovery from an enforcement may therefore be substantially reduced.

Certain security may be granted only after the issue date or will be perfected only at a later point in time and may consequently be subject to applicable hardening periods following perfection of the security. During such periods of time, the bondholders' security position could be limited as the security may not be enforceable until such hardening periods (if any) have ceased to apply. Moreover, there is a risk that the proceeds from any enforcement of the security assets would not be sufficient to satisfy all amounts due on or in respect of the Bonds. For example, there is a risk that the security assets provide for only limited repayment of the Bonds, in part because such assets prove to be illiquid or less valuable to other persons than to the Group. There is also a risk that it will not be possible to sell the security assets in an enforcement proceeding, or, even if such sale is possible, that there will be delays in the realisation of the value of the security assets.

Furthermore, although the terms and conditions for the Bonds impose restrictions on the amount of debt the Group may incur in relation to the SPV's and its subsidiaries' assets (such as *loan to value*), the value of the assets and even the assets as such may differ from time to time during the tenor of the Bonds. The SPV may dispose or transfer any of its assets provided that certain conditions are met (as described in the terms and conditions for the Bonds). One such condition is that if assets are disposed in exchange for other assets, such other assets shall be comparable or superior in value as shown by a valuation not older than six months. Since the type and nature of the assets disposed may differ from the assets replacing the disposed assets, the method for valuation of the assets may differ as well due to, e.g., accounting standards. Such difference may lead to uncertainty whether the assets are equivalent in terms of value and there is a risk that the real value, however determined, of the asset disposed may be higher than that of the asset exchanging such disposed asset. There is hence a risk that the security will not cover the value of the

nominal amount and accrued but unpaid interest of the outstanding Bonds upon an enforcement. Any amount which is not recovered in an enforcement sale will constitute an unprioritised claim on the Issuer and the bondholders will normally receive payment for such claims after any priority creditors have been paid in full.

Save for the security over the shares in the SPV, the Bonds represent unsecured obligations of the Issuer. This means that in the event of bankruptcy, reorganisation or winding-up of the Issuer, the bondholders normally receive payment after any prioritised creditors have been paid in full. Further, although the terms and conditions for the Bonds impose certain restrictions on which type of security the SPV and its subsidiaries may provide, the terms and conditions for the Bonds do not impose any such restrictions on the Issuer or any other members of the Group which are not the SPV or its subsidiaries.

Each investor should be aware that there is a risk that an investor in the Bonds may lose all or part of their investment if the Issuer or the Group is declared bankrupt, carries out a reorganisation or is wound-up.

The Issuer considers the probability of the above risks occurring to be *low*. If the risk were to occur, the Issuer considers the potential negative impact to be *medium*.

Ability to service debt and credit risk

The Issuer's ability to service its debt under the Bonds will depend on the Issuer's ability to have liquid funds in order to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors; some of which have been mentioned above, such as prevailing economic conditions and financial, business, regulatory and other factors.

If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital.

An increased credit risk for investors will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' secondary market value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds, as it may cause the Issuer's credit rating to decrease, and consequently affect the Issuer's ability to repay the Bonds and maturity.

The Issuer considers that the probability of the risk that the Group will not be able to service debt or affect any of these remedies on satisfactory terms, or at all, is *low*. If the risks would occur, the Issuer considers the potential negative impact to be *medium*.

Reliance on other Group Companies

A significant part of the Group's revenue is derived from other members of the Group than the Issuer and in order to make payments under the Bonds, the Issuer is dependent on the receipt of distributions and payments from other members of the Group. However, other members of the Group are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the other members of the Group to make such payments to the Issuer is subject to, among others, the availability of funds and rules on financial assistance in the relevant jurisdictions in which such members of the Group are incorporated. Should the Issuer for any reason not receive sufficient income

from other members of the Group, the investors' ability to receive payment under the terms and conditions for the Bonds may be adversely affected.

Further, in the event of insolvency, liquidation or a similar event relating to another members of the Group, all creditors of such company would be entitled to payment in full out of the assets of such company before another member of the Group (as shareholder) would be entitled to any payments. For example, the terms and conditions for the Bonds will allow for incurrence of certain additional financial indebtedness in members of the Group besides the SPV and its subsidiaries following issuance of the Bonds and if such member of the Group incur debt, the right to payment under the Bonds may be structurally subordinated to the right of payment relating to debt incurred by members of the Group.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

Interest rate risks

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

The determining interest rate benchmarks, such as STIBOR has been subject to regulatory changes such as the Benchmarks Regulation (Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds) (the "**BMR**"). The implementation of the BMR will lead to that certain previously used benchmarks, including STIBOR, may be discontinued. In accordance with the terms and conditions for the Bonds, STIBOR may be replaced following certain events, *e.g.* if STIBOR ceases to be administrated. Increased or altered regulatory requirements and risks associated with a replacement of STIBOR involve inherent risks, as the effects cannot be fully assessed at this point in time which could result in an adverse effect on an investment in the Bonds.

The Issuer considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *low*.

II. Risks related to the admission of the Bonds to trading on a regulated market

Risks related to the labelling of the Bonds

The Issuer intends to use the proceeds of the Bonds to refinance existing debt and in accordance with the Issuer's green finance framework (the "**Green Finance Framework**") in force as of the relevant Issue Date, and which is based on the Green Bond Principles and the Green Loan Principles issued by the International Capital Markets Association. As there is currently unequivocal definition of, legal or otherwise, or market consensus as to what constitutes a "green" or an equivalently-labelled project, there is a risk that any projects, asset or uses defined in the Green Finance Framework will not meet current or future investor expectations regarding such "green" or other equivalently-labelled performance objectives.

The European Commission has adopted the taxonomy regulation (Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment) which entered into force in full on 1 January 2023 (the “**Taxonomy Regulation**”). The Taxonomy Regulation entails stricter requirements in terms of assessing sustainable investments. The Taxonomy Regulation may affect the assessment of whether the Bonds are “green”, and the Issuer’s non-compliance with the requirements under the Taxonomy Regulation may cause the Bonds ceasing to be defined as “green”.

Due to the rapidly changing market conditions for green securities, there is a risk that current or future investor expectations will not be met which could negatively affect the secondary trading of the Bonds. If issuance and secondary trading of European green bonds (pursuant to regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds) would become more widespread in the market, it could affect the standard of the definitions of “green” and render the eligible projects for the Bonds, as described in the Green Finance Framework, obsolete. This could lead to that present or future investor expectations or requirements as regards any investment criteria or guidelines whether according to applicable law or regulations or by such investor’s own by-laws, governing rules or investment portfolio mandates cannot be satisfied. Furthermore, should such market conditions significantly change, there is a risk that an investor of the Bonds cannot trade its Bonds at attractive terms, or at all, or that any possession of Bonds is connected to reputational damage.

Furthermore, a failure to apply the proceeds in accordance with the Green Finance Framework could result in investors being in breach of its own investment criteria or guidelines with which an investor is required to comply which could result in remedies under the relevant investment criteria or guidelines, leading to claims or reputational damage.

The Issuer has appointed Shades of Green, a subsidiary of S&P Global (“**S&P**”) for an independent, research-based evaluation of the Issuer’s Green Finance Framework, which has resulted in a second opinion. S&P is neither responsible for how the Green Finance Framework is implemented and followed up by investors, authorities (as applicable) or other stakeholders, nor is S&P responsible for the outcome of investments in projects described as eligible projects in the Green Finance Framework. There is a risk that the suitability or reliability of any opinions issued by S&P or any other third party made available in connection with the first or subsequent issue of Bonds are challenged by the Issuer, a potential investor, the bondholder, or any third party. Furthermore, S&P is currently not subject to any regulatory regime or oversight and there is a significant risk that such providers will be deemed as not being reliable or objective in the future as the requirements on certification and approval through regulatory regime or oversight may be implemented.

The Issuer considers that the probability of the Issuer facing adverse effects relating to the labelling of the Bonds as “green” is *low*. If the effects would materialise, the Issuer considers the potential negative impact as *medium*.

Risks related to admission to trading

The Issuer has undertaken to ensure that the Bonds are listed on the Sustainable Bond List of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within certain stipulated time periods, as defined in the terms and conditions for the Bonds, and the failure to do so provides each bondholder with a right of prepayment (put option) of its Bonds.

In order to be eligible for listing on the Sustainable Bond List of Nasdaq Stockholm, certain commercial criteria have to be met during the lifetime of the Bonds. The non-fulfilment of such criteria does not result in a de-listing but will result in the Bonds being re-listed on the Corporate Bond List of Nasdaq Stockholm instead of the Sustainable Bond List of Nasdaq Stockholm. Should such change of lists occur, there is a risk that the expectations of investors are not met, which in turn could impair the secondary trading in the Bonds, since certain investors may not allocate investments to non-green investments.

When the Bonds are admitted to trading, active trading in the securities may not always occur and thus, there can be no assurance that a liquid market for trading in the Bonds will exist or be maintained. If a liquid market for trading in the Bonds does not exist or cannot be maintained, for example due to severe price fluctuations, trading restrictions or a complete shutdown of the relevant market, it may lead to bondholders being unable to sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market, or can only sell their Bonds at a loss. Consequently, lack of liquidity in the market may have a negative impact on the market value of the Bonds.

It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to e.g. severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

The Issuer considers that the probability of the secondary trading in the Bonds being impacted as described above is *low*. If the effects would materialise, the Issuer considers the potential negative impact as *low*.

III. Risks related to the bondholders' rights and representation

Risks relating to bondholders' meetings and written procedures

The terms and conditions for the Bonds include certain provisions regarding bondholders' meetings and written procedures. Such meetings and procedures may be held in order to resolve on matters relating to the bondholders' interests. The terms and conditions for the Bonds allow for certain majorities, subject to a quorum requirement of 50 per cent., to bind all bondholders, including bondholders who have not taken part in the meeting or procedure and those who have voted differently from the required majority in a written procedure or at a duly convened and conducted bondholders' meeting. A bondholder may, for instance, be bound by a majority's decision to accept a change of the interest rate, decision to accept a change of the final maturity date or decision to accept a change of the transaction security. Consequently, there is a risk that the actions in accordance with a bondholders' decision in such matters will impact a bondholder's rights in a manner that is undesirable for some of the bondholders.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

Risks relating to actions against the Issuer and bondholders' representation

In accordance with the terms and conditions for the Bonds, the agent will represent all bondholders in all matters relating to the Bonds and the bondholders are prevented from taking actions on their own against the Issuer. Consequently, individual bondholders do not have the right to take legal actions to declare any default by claiming any payment from the Issuer and may therefore lack effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that an individual bondholder, in certain situations, could bring its own action against the Issuer (in breach of the

terms and conditions for the Bonds), which could negatively impact an acceleration of the Bonds or other action against the Issuer.

Furthermore, the agent's right to represent bondholders in formal court proceedings in Sweden (such as bankruptcies, company reorganisations or upon in-court enforcement of security) has recently been questioned and there has been a case where a court has held that such right does not exist, meaning that the bondholders, through the agent, were unable to take actions in court against the issuer. Although the relevant case law on this subject is, as of now, non-precedential, if such judgments should continue to be upheld by the justice system and/or if the regulators should not intervene and include the agent's right to represent bondholders in relevant legislation, it may become more difficult for bondholders to protect their rights under the terms of the Bonds in formal court proceedings.

The Issuer considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Issuer considers the potential negative impact to be *high*.

Risks relating to early redemption and put option

Under the terms and conditions for the Bonds, the Issuer has the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the bondholders will have the right to receive an early redemption amount which exceeds the nominal amount. However, there is a risk that the market value of the Bonds will be higher than the early redemption amount and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds.

Furthermore, the Bonds are subject to repurchase at the option of each bondholder (put options) upon a Change of Control Event or De-Listing Event (each as defined in the terms and conditions for the Bonds). In addition, if the Group does not fulfil its obligations in relation to the set-up and perfection of the security arrangement as described in the risk factor "*Security arrangements*" within 60 business days after the first issue date of the Bonds, the Issuer shall redeem all Bonds at 101 per cent. of the nominal amount plus any accrued but unpaid interest. Such redemption shall be made with funds from the Escrow Account and any shortfall shall be covered by the Issuer. There is a risk that the Issuer will not have sufficient funds at such time to make the required repurchase of the Bonds, partly because net proceeds from the issuance of the Bonds will be used to repay existing bondholders who have tendered existing bonds prior to such net proceeds from the issuance of the Bonds will be deposited on the Escrow Account. Consequently the net proceeds deposited on the Escrow Account may be substantially lower than the nominal amount of the Bonds.

In addition, an early redemption of the Bonds could affect the Issuer's ability to maintain its Green Finance Framework, since the net proceeds to be used to finance projects in-line with the Green Finance Framework would be repaid to the Bondholders. The Issuer's liquidity would become worse and the Issuer could need to deviate from initial plans on sustainable investment in favour of cheaper alternatives in order to not become economically distressed. In such case, a Bondholder's investment in the Bonds could lead to that the sustainability performance of the investment is undermined, since the sustainability purpose of the investment would no longer be fulfilled.

The Issuer considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Issuer considers the potential negative impact to be *medium*.

RESPONSIBLE FOR THE INFORMATION IN THE PROSPECTUS

The Company has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 27 September 2024 has been authorised by resolutions taken by the board of directors of the Issuer on 30 August 2024, authorising certain representatives of the Company to execute, deliver and perform the documents contemplated by the issue of the Bonds, including this Prospectus.

The information in the Prospectus and in the documents incorporated by reference which derive from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Company is the source of all company specific information contained in this Prospectus and the Joint Bookrunners have conducted no efforts to confirm or verify the information provided by the Company.

The board of directors is responsible for the information given in this Prospectus only under the conditions and to the extent set forth in Swedish law. The board of directors confirms that, having taken all reasonable care to ensure that such is the case, the information in this Prospectus is, to the best of the board of directors' knowledge, in accordance with facts and contains no omissions likely to affect its import.

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

Gothenburg in October 2024

Wästbygg Gruppen AB (publ)

The board of directors

THE BONDS IN BRIEF

This section contains a general and broad description of the Bonds. It does not claim to be comprehensive or cover all details of the Bonds. Potential investors should therefore carefully consider this Prospectus as a whole, including the documents incorporated by reference, and the full Terms and Conditions for the Bonds included under Section “*Terms and Conditions for the Bonds*”, before a decision is made to invest in the Bonds.

General

| | |
|---|--|
| Issuer | Wästbygg Gruppen AB (publ), Swedish reg. no. 556878-5538. |
| Resolutions, authorisations and approvals | The Issuer’s board of directors resolved to issue the Bonds on 30 August 2024. |
| The Bonds offered..... | SEK 400,000,000 in an aggregate principal amount of senior secured callable floating rate bonds due 27 September 2024. As of the date of this Prospectus, Bonds in an amount of SEK 400,000,000 are outstanding under the Terms and Conditions. The Prospectus is only valid for the Bonds in an amount of SEK 400,000,000 issued on the Issue Date, 27 September 2024. |
| Nature of the Bonds | The Bonds constitute debt instruments (Sw. <i>skuldförbindelser</i>), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i>). |
| Number of Bonds | As of the date of this Prospectus, a total of 320 Bonds have been issued. This Prospectus is only valid for the 320 Bonds issued on the Issue Date, 27 September 2024. |
| ISIN..... | SE0022747440. |
| Issue Date..... | 27 September 2024. |
| Price | All Bonds issued on the Issue Date have been issued at an issue price of 100.00 per cent. of the Nominal Amount. |
| Interest Rate | Interest on the Bonds is paid at a rate equal to the sum of three (3) months STIBOR plus 625 basis points. Interest will accrue from, but excluding, the Issue Date. |
| Use of benchmark | Interest payable for the Bonds issued under the Terms and Conditions is calculated by reference to STIBOR. |
| Interest Payment Dates..... | Quarterly in arrears on 27 March, 27 June, 27 September and 27 December each year (with the first Interest Payment Date being on 27 December 2024 and the last Interest Payment Date being the relevant Redemption Date). Interest will accrue from, but excluding, the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant). |
| Final Redemption Date | 27 September 2027. |
| Nominal Amount..... | The initial nominal amount of each Bond is SEK 1,250,000 and the minimum permissible investment upon issuance of the Bonds was SEK 1,250,000. |

| | |
|-----------------------------------|---|
| Denomination..... | The Bonds are denominated in SEK. |
| Status of the Bonds | The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank <i>pari passu</i> and (i) without any preference among them and (ii) at least <i>pari passu</i> with all direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law. |
| Transaction Security..... | Security is provided for the Secured Obligations pursuant to the Transaction Security Documents, initially being: <ul style="list-style-type: none"> (a) security in respect of all the shares in the Holding Company; and (b) security over the Escrow Account. |
| Ranking of Transaction Security.. | As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants, and shall procure that each other relevant Group Company (as applicable) grants, the Transaction Security as first ranking Security to the Secured Parties as represented by the Agent at the times set out in the Terms and Conditions. The Transaction Security shall be provided and perfected pursuant to, and subject to the terms of, the Transaction Security Documents. |
| Use of Proceeds..... | The proceeds from the Bond Issue will be used in accordance with the principles set out in the Issuer’s Green Finance Framework, including finance or re-finance projects or assets providing distinct environmental benefits and will be applied towards: <ul style="list-style-type: none"> (a) refinancing the Existing Bonds (including for the avoidance of doubt financing the Tender Offer); and (b) financing Transaction Costs. |
| Green Bonds | <p>The Bonds are issued in accordance with the Issuer’s Green Finance Framework dated August 2024. Changes in the Green Finance Framework that occur after the Issue Date will not benefit the Bondholders. If the Issuer does not meet the terms set out in the Green Finance Framework as per the Issue Date, such as failure to meet any of the green components or principles or failure to obtain an evaluation by independent analysts, it does not constitute an Event of Default under the Terms and Conditions. The Bondholders are in such case not entitled to early repayment or repurchase of Bonds or other compensation.</p> <p>To enable Bondholders and other stakeholders to follow the development of the projects funded by the Bonds, green finance reports will be published as long as there are any Bonds outstanding. The green finance reports include an allocation report and an impact report and are available at www.wbgr.se/sv/sektion/investerare.</p> <p>The Green Finance Framework is aligned with, <i>inter alia</i>, the 2021 ICMA Green Bond Principles (“ICMA GBP”), and include five recommended components, being: use of proceeds; process for project evaluation and selection; management of proceeds; reporting; and external review. ICMA GBP are voluntary guidelines for issuing green bonds and have been established by the International Capital Market Association. The Green Finance Framework was found to be in alignment with the components of</p> |

ICMA GBP and was rated as “Light Green” by Shades of Green, formerly part of CICERO, now a part of S&P Global, on 4 September 2024.

An amount equal to the net proceeds from the Bonds will be used to finance a portfolio of assets and projects, in whole or in part, providing distinct environmental benefits (“**Green Projects**”). Green Projects must relate to one of the following categories:

- (i) all new construction, existing and acquired buildings built after 31 December 2020 that either have or with the objective to receive (a) Primary Energy Demand at least 20% lower than the nearly zero-energy building (NZEB) threshold, as defined by local standards, or (b) at least one of the following certifications (design-stage or post-construction): Miljöbyggnad Silver or Gold, Nordic Swan Ecolabel, BREEAM Excellent, LEED Gold, or meeting equal or higher requirements via other certification schemes or contractual agreements;
- (ii) all existing and acquired buildings built before 31 December 2020 that either have or with the objective to receive (a) Energy Performance Certificate of A or within the top 15% of the national building stock in terms of Primary Energy Demand, as defined by local standards, or (b) at least one of the following certifications (design-stage or post-construction): Miljöbyggnad Silver or Gold, Nordic Swan Ecolabel, BREEAM Very Good, LEED Gold, or meeting equal or higher requirements via other certification schemes or contractual agreements;
- (iii) major renovations of buildings resulting in, or upon completion expected to result in, a reduction of Primary Energy Demand of at least 30%; or
- (iv) acquisition of land for future construction of buildings expected to meet, upon completion, the above criteria for buildings built after 31 December 2020, where construction must commence within three years of acquisition.

The net proceeds may not be used to finance fossil energy generation, nuclear energy generation, research and/or development within weapons and defence, potentially environmentally negative resource extraction, gambling, or tobacco.

The selection of Green Projects is managed by a committee consisting of the CEO, CFO and Head of Sustainability. All committee decisions are made in consensus and to ensure traceability, all decisions made by the committee will be documented and filed. The Bonds will be managed on a portfolio level. Any unallocated proceeds may be held in the Issuer’s ordinary bank account or invested in the short-term money market.

Call Option

Early voluntary total redemption.. The Issuer may redeem early all, but not only some, of the Bonds on any Business Day before the Final Redemption Date. Each Bond shall be redeemed at the applicable Call Option Amount together with accrued but

unpaid Interest in accordance with Clause 13.3 (*Early voluntary total redemption (call option)*) of the Terms and Conditions.

Put Option

| | |
|----------------------------|---|
| Put Option | Upon the occurrence of a Change of Control Event, a De-listing Event or a Listing Failure Event, each Bondholder 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 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 a notice of the relevant event, in accordance with Clause 13.4 (<i>Mandatory repurchase due to a Change of Control Event, De-listing Event or Listing Failure Event (put option)</i>) of the Terms and Conditions. |
| Change of Control | A Change of Control Event means the occurrence of an event or series of events whereby one or more Persons (other than any Main Shareholder) acting together, acquire control over the Issuer and where “ control ” means (i) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer. |
| De-listing Event | A De-listing Event occurs where <ul style="list-style-type: none">(a) the Issuer’s shares are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market or trading of the Issuer’s shares on the aforementioned stock exchanges is suspended for a period of fifteen (15) consecutive Business Days; or(b) a situation where, once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, the Bonds are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds). |
| Listing Failure Event..... | A Listing Failure Event means a situation where the Bonds are not admitted to trading on the sustainable bond list of Nasdaq Stockholm or another Regulated Market within sixty (60) calendar days from the Issue Date. In each case, with an intention to complete such admission to trading within thirty (30) calendar days from the relevant Issue Date (or, in each case, any shorter period required by law or applicable stock exchange regulations). |

Undertakings

| | |
|----------------------------|---|
| Certain undertakings | <p>The Terms and Conditions contain a number of undertakings that restrict the ability of the Issuer and other Group Companies, including, among others:</p> <ul style="list-style-type: none">• restrictions on making certain distributions;• restrictions on making any substantial changes to the general nature of the business carried out by the Group;• restrictions in relation to issuing certain Market Loans including to provide, prolong or renew any security over any of its assets (present or future) to secure any Market Loan;• undertaking to at all times meet the Maintenance Test;• restrictions on disposals of assets;• restrictions in relation to certain mergers and demergers;• undertaking to keep the Properties in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice;• undertaking to maintain a Green Finance Framework and ensure that the proceeds from any Bonds issued are used in accordance with the Green Finance Framework applicable from time to time; and• undertaking to ensure that the principles applied for the Management Reporting during the financial year 2023 shall be consistently applied to the Management Reporting until the Final Redemption Date. |
|----------------------------|---|

Each of these covenants is subject to significant exceptions and qualifications. See the Terms and Conditions of the Bonds for more information.

Miscellaneous

| | |
|---|--|
| Transfer restrictions | <p>The Bonds are freely transferable. The Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds under local laws to which such Bondholder may be subject (due to, <i>e.g.</i>, its nationality, its residency, its registered address or its place(s) of business). The Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction.</p> |
| Credit rating | <p>No credit rating has been assigned to the Bonds.</p> |
| Admission to trading | <p>Application for admission to trading of the Bonds on the sustainable bond list of Nasdaq Stockholm will be filed in connection with the SFSA's approval of this Prospectus. The date for admitting the Bonds to trading on Nasdaq Stockholm will fall on or about 5 November 2024. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 125,000.</p> |
| Representation of the Bondholders | <p>Nordic Trustee & Agency AB (publ), Swedish reg. no. 556882-1879, is acting as Agent and for the Bondholders in all matters relation to the Bonds and any other matter within its authority or duty in accordance with the Terms and Conditions. By acquiring Bonds, each Bondholder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms,</p> |

including rights and obligations of the Agent, set out in the Terms and Conditions (see further Clause 21 (*The Agent*) of the Terms and Conditions.

The Terms and Conditions are available at the Agent's office address, Norrlandsgatan 23, SE-111 43 Stockholm, Sweden, during normal business hours as well as at the Agent's website, www.nordictrustee.com. The Terms and Conditions are also included into this Prospectus, which Prospectus is available at the Issuer's website www.wbgr.se.

| | |
|------------------------------|---|
| Governing law..... | The Bonds are governed by Swedish law. |
| Time-bar..... | The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void 3 years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been time-barred and has become void. |
| Clearing and settlement..... | The Bonds are connected to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Bonds are registered on behalf of the Bondholders on a securities account (Sw. <i>VP-konto</i>). No physical Bonds have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system. |
| Risk factors | Investing in the Bonds involves substantial risks and prospective investors should refer to Section " <i>Risk Factors</i> " for a discussion of certain factors that they should carefully consider before deciding to invest in the Bonds. |

DESCRIPTION OF THE ISSUER AND THE GROUP

Overview of the Issuer

| | |
|--|--|
| Legal and commercial name..... | Wästbygg Gruppen AB (publ). |
| Corporate reg. no | 556878-5538. |
| LEI-code..... | 5493005C147NU3KD0M89. |
| Date and place of registration..... | 23 December 2011, Sweden, with the Swedish Companies Registration Office (Sw. <i>Bolagsverket</i>). |
| Date of incorporation | 23 December 2011. |
| Legal form..... | Swedish public limited liability company. |
| Jurisdiction and laws | The Issuer is registered with the Swedish Companies Registration Office and operates under the laws of Sweden including, but not limited to, the Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i>) and the Swedish Annual Accounts Act (Sw. <i>årsredovisningslagen (1995:1554)</i>). |
| Registered office | Gothenburg municipality, Västra Götalands County. |
| Postal adress | Box 912, SE-501 10, Borås, Sweden. |
| Head office and visiting address | Johan Willins Gata 6, SE- 416 64 Gothenburg, Sweden |
| Phone number..... | +46 (0)31-733 23 00 |
| Website..... | www.wbgr.se (the information provided at the Issuer’s website does not form part of this Prospectus unless explicitly incorporated by reference into the Prospectus). |

History and development

The events described in the table below aims at providing a brief description of the history and development of the Issuer and the Group since it was founded.

| Year | Event |
|------|--|
| 1981 | <ul style="list-style-type: none">The Company was founded. |
| 1992 | <ul style="list-style-type: none">The turnover exceeded SEK 100 million. |
| 2001 | <ul style="list-style-type: none">The office in Gothenburg was established. |
| 2004 | <ul style="list-style-type: none">Logistic Contractor AB (“Logistic Contractor”) was founded and the first logistics premises were built.The operations within own project development of properties were initiated. |
| 2006 | <ul style="list-style-type: none">Turnover exceeded SEK 1 billion. |
| 2009 | <ul style="list-style-type: none">The office in Varberg was established.The first environmentally certified buildings were completed. |

- 2012**
 - The ownership base was broadened as current Group CEO became partner.
 - The office in Stockholm was established.
- 2013**
 - M2 Holding AB (“**M2 Holding**”) became main shareholder in the Company and the original owners left the Group.
- 2015**
 - The Group’s local office in Malmö was established.
 - A local office in Jönköping was established.
 - The Norwegian and Danish subsidiaries of Logistic Contractor were established and the Group’s first project outside of Sweden.
- 2017**
 - The Group determined that the operations are to be conducted as fossil free by 2030, within the area electricity, heat, transports and waste management.
- 2019**
 - The Group’s first project in Denmark was completed.
- 2019**
 - The Finnish subsidiary of Logistic Contractor AB was established.
- 2020**
 - The Group Company Inwita Fastigheter AB (“**Inwita**”) was established.
 - The Issuer’s shares were listed on Nasdaq Stockholm.
- 2021**
 - The Issuer’s shares obtained the Nasdaq Green Equity Designation.
 - Rekab Entreprenad was acquired and the Group thereby reached local presence in Norrland, Sweden.
 - The Issuer issued senior unsecured bonds 2021/2024 in the amount of SEK 500 million under a total framework of SEK 800 million.
- 2023**
 - The Group implemented a programme of measures to restore profitability, which involved laying off part of the workforce and ceasing the investments in Inwita.
 - The Issuer initiated a written procedure under its outstanding bonds 2021/2024 whereby a total amortisation of SEK 100 million was agreed with the bondholders.
- 2024**
 - The Issuer announced early redemption of its outstanding bonds 2021/2024.
 - The Issuer issued SEK 400 million senior secured callable floating rate green bonds 2024/2027.

Business and operations

General

The Issuer is a construction and project development company that has long been well established in expansive markets in Sweden. The Group has its own offices in Gothenburg, Malmö, Borås, Jönköping, Västerås, Sundsvall, Örnsköldvik, Umeå, Luleå and Skellefteå. Via the Group Company Logistic Contractor and its subsidiaries the Issuer operates also in Norway and Finland. The business focus is around housing, commercial real estate and community purpose properties as well as logistics and industrial buildings.

Business concept and business model

The Group’s business concept is to develop and build sustainable, modern and efficient homes, commercial properties and logistics and industrial properties in mutual trust with the Group’s customers. The Group works with construction contracts and its own project development in the three business segments Residential, Commercial as well as Logistics and Industry. The goal is to have a proper balance between construction contracts and its own development projects and a stable revenue flow and steady production rate. The Group’s project development organisation has broad competence across the whole chain from acquisition of land via relevant authorisations and

up until project completion. By way of close collaboration with construction operators the Group gain experience and can have synergies both within its own project development as well as within construction.

Business segments

The Issuer is mainly focused on construction and project development, which operations are carried out within three business segments Residential, Commercial and Logistics and Industry.

Residential

Within the Residential business segment, the Group develops and produces multi-dwelling buildings. The housing production is primarily concentrated around the regions where the Group's offices are situated. Clients range from both municipal and private housing companies as well as local and nationwide housing developers. Many projects are carried out as collaborative contracts, *i.e.* clients, contractors, architects and other consultants design the project together from an early planning stage with a common focus on creating the best possible product.

Commercial

The activities in the Commercial business segment currently have a strong emphasis on construction contracts and mainly include commercial properties, community service properties, office buildings and hotel. The term retail properties includes both shopping malls and independent retail premises. Retail properties also include facilities for the sale and service of vehicles. Customers are mainly major property owners who in turn sign agreements with their respective clients who are to utilise the premises. The premises are usually designed based on the business that is to be carried out there, meaning that the collaboration during the contract period involves both the client and the client's tenant. The term community service properties includes preschools, schools, nursing homes, care homes and other building included for other types of activities carried out in connection to care.

Logistics and Industry

The business segment Logistics and Industry is constituted by the Group Company Logistic Contractor which for many years has been a well-established player in the development and construction of logistics and industrial properties. Logistic Contractor has clients and operates throughout the Nordic region and has subsidiaries in Norway and Finland.

Material agreements

Neither the Issuer nor any other Group Company has entered into any material agreements that are not entered into in the ordinary course of its business, which could result in any Group Company being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Bondholders under the Terms and Conditions.

Overview of the Group

The Issuer, whose Series B shares are publicly traded on Nasdaq Stockholm, is the parent and holding company of the operating companies within the Group. The Issuer is the sole owner of Logistic Contractor AB (556938-6963), Wästbygg AB (556943-4847), Rekab Entreprenad AB (556520-7007), Inwita Fastigheter AB (559236-1058) and Bäckasol Holding AB (559402-6766). Logistic Contractor AB is in turn the sole owner of six Nordic operating subsidiaries, whereof LC Development AB (556949-0674), Logistic Contractor Norge AS (915448879) and Logistic Contractor Finland Oy (3087265-1) in turn are the owners of a group of operating companies and Logistic Contractor Danmark A/S (36940255) is the owner of a property owning subsidiary. Wästbygg AB is the sole owner of two subsidiaries, whereof one, Wästbygg Projektutveckling AB, is the sole owner of several operating companies. Rekab Entreprenad AB is the sole owner of three subsidiaries, of which all own one or more subsidiary, and is direct part-owner of one additional company and indirect part-owner of one additional company. Inwita Fastigheter AB is the owner of one subsidiary.

The Group's operations are conducted through, and the majority of revenues of the Issuer emanates from, the Issuer's operational subsidiaries. The Issuer is thus dependent on its subsidiaries in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.

Recent events particular to the Issuer

During the second quarter of 2024, the Issuer's management team has undergone restructuring and the Issuer has appointed a new CFO. Furthermore, as part of a programme of initiatives to restore profitability to the Wästbygg Group, the Group plans for staff reductions affecting approximately 65 people.

The Issuer announced on 4 September 2024 that it will redeem in full all the Existing Bonds and on 27 September 2024 the Issuer announced that the condition for the early redemption of Existing Bonds has been fulfilled.

Except for the above and the issuance of the Bonds, there have been no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

Material adverse changes, significant changes and trend information

There has been no material adverse change in the prospects of the Issuer since the date of publication of its last audited financial report.

There have been no significant changes in the financial performance of the Group since the end of the last financial period for which financial information has been published (*i.e.* 30 June 2024) up until the date of this Prospectus and there have been no significant changes in the financial position of the Group which has occurred since the end of the last financial period for which the Group has published interim financial information.

There have been no particular trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for the current financial year. However, the recently high inflation and high interest rates have to some extent been, and may continue to be, a concern to the Group and the markets in which the Group operates. The future economic impact is difficult to fully predict due to the high degree of uncertainty surrounding the current situation and it cannot be ruled out that it may have a material effect on the Group.

Governmental, legal or arbitration proceedings

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

Credit rating

No credit rating has been assigned to the Issuer.

OWNERSHIP STRUCTURE

Ownership structure

The Issuer's shares of series B have been listed on Nasdaq Stockholm, mid cap, since 13 October 2020 under the ticker "WBGR" and ISIN SE0014453874. The ownership structure as of 29 September 2024, including the ten (10) largest shareholders, is set out in the table below.

| Shareholders | Number of shares | | Share capital (%) | Votes (%) |
|------------------------------------|------------------|-------------------|-------------------|-----------|
| | Series A | Series B | | |
| M2 Holding AB ⁽¹⁾ | 117,500 | 16,853,586 | 52.48% | 47.54% |
| Svolder | 110,000 | 3,204,548 | 10.25% | 11.35% |
| Gårdarike Invest AB | 110,000 | 2,819,326 | 9.06% | 10.34% |
| Fino Förvaltning AB ⁽²⁾ | 282,500 | 1,762,000 | 6.32% | 12.10% |
| Wipunen varainhallinta Oy | | 1,437,937 | 4.45% | 3.79% |
| Wästbygg Gruppen AB (Publ) | | 424,687 | 1.31% | 1.12% |
| Avanza Pension | | 305,937 | 0.95% | 0.81% |
| Drumbo Oy | | 300,000 | 0.93% | 0.79% |
| Carnegie Fonder | | 273,387 | 0.85% | 0.72% |
| Handelsbanken Fonder | | 193,538 | 0.60% | 0.51% |
| Total | 620,000 | 31,720,165 | | |

⁽¹⁾ Owned and controlled by Rutger Arnhult.

⁽²⁾ Owned and controlled by Jörgen Andersson.

According to the Issuer's articles of association, the share capital shall be no less than SEK 2,000,000 and no more than 8,000,000, divided among no less than 20,000,000 and no more than 80,000,000 shares. As of the date of this Prospectus, the Group's share capital amounted to SEK 3,593,351.67, divided among 32,340,165 shares, whereof 620,000 shares of series A and 31,720,165 shares of series B.

The shareholders' influence is exercised through active participation in the decisions made at the general meetings of the Issuer. To ensure that the control over the Issuer is not abused, the Issuer complies with the relevant laws in Sweden including among others the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). In addition, the Issuer complies with the Swedish Corporate Governance Code (Sw. *Koden för svensk bolagsstyrning*) as the Series B shares are listed on Nasdaq Stockholm.

Shareholders' agreements

As far as the Issuer is aware, there are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

General

The division of duties between the board of directors and the CEO follows Swedish law and is set out in the rules of procedure for the board of directors and instructions for the CEO. The CEO and the CFO are responsible for the Issuer's ongoing management and operations, reports to the board of directors and are required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials. The board of directors and the executive management may be contacted through the Issuer at its head office at Johan Willins Gata 6, SE-416 64 Gothenburg, Sweden.

Board of directors

The section below presents the members of the board of directors, their position, including the year of their initial election, their significant assignments outside the Issuer, which are relevant for the Issuer, and their shareholdings in the Issuer.

Overview

| Name | Position | Independent ⁽¹⁾ | Shareholdings ⁽²⁾ |
|------------------|--------------------|----------------------------|------------------------------|
| Cecilia Marlow | Chair of the board | Yes | 6,934 |
| Jörgen Andersson | Board member | No | 2,044,500 |
| Lennart Ekelund | Board member | Yes | 18,000 |
| Jakob Mörndal | Board member | No | - |

(1) Independent in relation to the Issuer, its executive management and major shareholders of the Issuer.

(2) Shareholdings as of 29 September 2024.

Members of the board of directors

Cecilia Marlow

Cecilia Marlow, born 1960, has been chairman of the board of directors since 2019. *Other current assignments outside the Group:* Board member in SJ AB, Alligo AB, Bokusgruppen AB (publ), NCS Colour Aktiebolag and Mordin AB.

Jörgen Andersson

Jörgen Andersson, born 1973, has been a member of the board of directors since 2013 and Group CEO since 2015. *Other current assignments outside the Group:* Board member in Varbergs Sparbank, Fino Förvaltning AB and some of the Company's joint ventures.

Lennart Ekelund

Lennart Ekelund, born 1959, has been a member of the board of directors since 2018. *Other current assignments outside the Group:* Chairman in Venture Fastigheter AB. Board member in Lennart Ekelund AB and GUL Förvaltning AB.

Jakob Mörndal

Jakob Mörndal, born 1983, has been a member of the board of directors since 2023. *Other current assignments outside the Group:* CEO of M2 Group. Board member in Everysport Group AB (publ), Footway Group AB and Servistore AB.

Executive management

The section below presents the members of the executive management, including the year each person became a member of the executive management and their shareholdings in the Issuer.

Overview

| Name | Position | Shareholdings ⁽¹⁾ |
|-------------------|-------------------------|------------------------------|
| Jonas Jönehall | Group CEO | 10,196 |
| Peter Bryng | CFO | - |
| Robin Sundin | COO | 1,457 |
| Joakim Efraimsson | CEO of Wästbygg AB | 2,400 |
| Anton Johansson | CEO of Rekab | 93,693 |
| Magnus Björkander | Vice CEO of Wästbygg AB | 3,496 |
| Malin Bjurström | Head of HR | 1,244 |

⁽¹⁾ Shareholdings as of 29 September 2024.

Members of the executive management

Jonas Jönehall

Jonas Jönehall, born 1976, has been Group CEO since 2022 and acting CEO of Logistic Contractor AB since 2024. *Other current assignments outside the Group:* None outside the Group.

Peter Bryng

Peter Bryng, born 1962, has been acting CFO 2024. *Other current assignments outside the Group:* Board member in Peter Bryng Management AB.

Robin Sundin

Robin Sundin, born 1990, has been COO since 2024. *Other current assignments outside the Group:* None outside the Group.

Joakim Efraimsson

Joakim Efraimsson, born 1985, has been CEO of Wästbygg AB since 2021. *Other current assignments outside the Group:* None outside the Group.

Anton Johansson

Anton Johansson, born 1974, has been CEO of Rekab since 2018. *Other current assignments outside the Group:* None outside the Group.

Magnus Björkander

Magnus Björkander, born 1973, has been Vice CEO of Wästbygg AB since 2021. *Other current assignments outside the Group:* None outside the Group.

Malin Bjurström

Malin Bjurström, born 1974, has been Head of HR since 2021. *Other current assignments outside the Group:* None outside the Group.

Conflicts of interests within administrative, management and control bodies

None of the members of the board of directors or the executive management of the Issuer has a private interest that may be in conflict with the interests of the Issuer except as described below. However and as described above, certain members of the board of directors or the executive management of the Issuer have financial interests in the Issuer as a consequence of their holdings of shares in the Issuer. Nevertheless, it cannot be excluded that other conflicts of interest

may arise in the future between companies, in which members of the board of directors or the executive management of the Issuer have duties, and the Issuer.

Auditor

The Group's current auditor is Grant Thornton Sweden AB with Lars Kjellgren as the auditor in charge. Lars Kjellgren is a member of FAR (the professional institute for authorised public accountants in Sweden). Grant Thornton Sweden AB with Lars Kjellgren as auditor in charge, has been the Issuer's auditor for the period covering the historical financial information for the financial periods 1 January – 31 December 2022 and 1 January – 31 December 2023, which is incorporated by reference into this Prospectus.

The postal address of the Issuer's current auditor is Grant Thornton Sweden AB, Box 7623, SE-103 94 Stockholm.

SUPPLEMENTARY INFORMATION

Information about the Prospectus

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

Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 27 September 2024 was resolved upon by the board of directors of the Issuer on 30 August 2024.

The board of directors of the Issuer is responsible for the information contained in the Prospectus. The board of directors of the Issuer declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The board of directors of the Issuer is responsible for the information given in the Prospectus only under the conditions and to the extent set forth in Swedish law.

Information from third parties

Any information in this Prospectus which has been sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Interest of natural and legal persons involved in the bond issue

Swedbank AB (publ) and its affiliates have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of Swedbank AB (publ) and/or its affiliates having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Documents available for inspection

Copies of the following documents are available at the Issuer’s head office in paper format during the validity period of this Prospectus and also available in electronic format at the Issuer’s website, www.wbgr.se.

- The Issuer’s articles of association.
- The Issuer’s certificate of registration.
- The Group’s consolidated audited annual report for the financial year ended 31 December 2022, including the applicable audit report.
- The Group’s consolidated audited annual report for the financial year ended 31 December 2023, including the applicable audit report.

FINANCIAL INFORMATION

Historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2022 and 31 December 2023 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the financial period 1 January – 31 December 2023 or as of 31 December 2023 derives from the Groups consolidated audited annual reports for the financial years ended 31 December 2023. All financial information in this Prospectus relating to the financial period 1 January – 30 June 2024 or as of 30 June 2024 derives from the Groups consolidated unaudited interim report for the financial period 1 January – 30 June 2024 and has not been audited or reviewed by the Issuer's auditor.

Accounting standards

The consolidated financial information for the financial years ended 31 December 2022 and 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as adopted by the European Union.

In addition, the financial information for the financial years ending 2022 and 2023 have been prepared in accordance with the Swedish Annual Accounts Act (*Sw. årsredovisningslagen (1995:1554)*) and the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups as well as statements from the Swedish Financial Reporting Board (*Sw. Rådet för finansiell Rapportering*).

Auditing of the historical financial information

The Group's consolidated audited annual reports for the financial years ended 31 December 2022 and 31 December 2023 have been audited by Grant Thornton Sweden AB with Lars Kjellgren as auditor in charge. Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor. The auditor's reports have been incorporated by reference into this Prospectus through the consolidated audited annual reports for the financial years ended 31 December 2022 and 31 December 2023.

Incorporation by reference

The following information in the Group's consolidated audited annual reports for the financial years 2022 and 2023 is incorporated in this Prospectus by reference and is available at the Issuer's website, www.wbgr.se. For the financial information incorporated by reference, please refer to the pages set out below.

| Reference | Pages |
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⁴ <https://wbgr.se/sv/wp-content/uploads/sites/3/2024/04/wastbygg-gruppen-publicerar-ars-och-hallbarhetsredovisning-for-2023-240404.pdf>

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The Group's consolidated annual report 2022⁵

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⁵ <https://wbgr.se/sv/wp-content/uploads/sites/3/2020/05/wastbygg-gruppen-publicerar-ars-och-hallbarhetsredovisning-for-2022-230329.pdf>

TERMS AND CONDITIONS FOR THE BONDS

TERMS AND CONDITIONS

WÄSTBYGG
GROUP

Wästbygg Gruppen AB (publ)

Maximum SEK 400,000,000

Senior Secured Callable Floating Rate Green Bonds
2024/2027

ISIN: SE0022747440

Issue Date: 27 September 2024

SELLING RESTRICTIONS

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 (as such terms are defined in regulations), except for “Qualified Institutional Buyers” within the meaning of Rule 144A under the U.S. Securities Act.

PRIVACY STATEMENT

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

The personal data collected will be processed by the Issuer, the Agent and the Issuing Agent for the following purposes (i) to exercise their respective rights and fulfil their respective obligations under the Finance Documents, (ii) to manage the administration of the Bonds and payments under the Bonds, (iii) to enable the Bondholders to exercise their rights under the Finance Documents and (iv) 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 items (i) to (iii) 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 item (iv), 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 (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format.

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

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

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TERMS AND CONDITIONS

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

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

“**Adjusted Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time less the aggregate Nominal Amount of all Bonds owned by a Group Company, an Affiliate of a Group Company or any other person or entity owning any Bonds that has undertaken towards a Group Company or an Affiliate of a Group Company to vote for such Bonds in accordance with the instructions given by a Group Company or an Affiliate of a Group Company, in each case irrespective of whether such Person is directly registered as owner of such Bonds.

“**Advance Purchase Agreement**” means an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due with credit periods which are normal for the relevant type of contracts; or any other trade credit incurred in the ordinary course of business.

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

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

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

“**Base Rate**” means three (3) months STIBOR or any reference rate replacing three (3) months STIBOR in accordance with Clause 20 (*Base Rate Replacement*).

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

“**Bond Issue**” means the issuance of the Bonds on the Issue Date.

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 18.2 (*Bondholders’ Meeting*).

“**Bonds**” means the debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*), issued by the Issuer under the Terms and Conditions.

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

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

“**Call Option Amount**” means:

- (a) an amount equivalent to the sum of (i) 103.125 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 Issue Date to, but not including, the First Call Date;
- (b) 103.125 per cent. of the Nominal Amount, if the call option is exercised on or after the First Call Date to, but not including, the date falling twenty-four (24) months after the Issue Date;
- (c) 101.5625 per cent. of the Nominal Amount, if the call option is exercised on or after the date falling twenty-four (24) months after the Issue Date to, but not including, the date falling thirty (30) months after the Issue Date; and
- (d) 100.78125 per cent. of the Nominal Amount, if the call option is exercised on or after the date falling thirty (30) months after the Issue Date to, but not including, the Final Redemption Date.

For the purpose of calculating the remaining interest payments pursuant to paragraph (a) above it shall be assumed that the Interest Rate for the period from the relevant record date to, but not including, the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant record date shall be agreed upon between the Issuer, the CSD and the Agent in connection with such repayment.

“**Cash and Cash Equivalents**” means cash and cash equivalents in accordance with the Accounting Principles as set forth in the latest financial statements of the relevant Group Company.

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more Persons (other than any Main Shareholder) acting together, acquire control over the Issuer and where “**control**” means:

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

“**Compliance Certificate**” means a certificate, in the form set out in Schedule 2 (*Form of Compliance Certificate*) unless otherwise agreed between the Agent and the Issuer, signed by the Issuer certifying:

- (a) that, so far as it is aware, no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if provided in connection with the quarterly consolidated interim Financial Statements, that the Maintenance Test is met as per the last day of the quarter to which the Compliance Certificate refers to, including calculations and figures in respect of the Maintenance Test; and
- (c) if provided in connection with the testing of the Incurrence Test, that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time; initially Euroclear Sweden AB (reg. no. 556112-8074).

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

“**Debt Register**” means the debt register kept by the CSD in respect of the Bonds in which an owner of Bonds is directly registered or an owner’s holding of Bonds is registered in the name of a nominee.

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

- (a) the Issuer’s shares are not listed and admitted to trading on Nasdaq Stockholm or any other Regulated Market or if trading of the Issuer’s shares on the aforementioned stock exchanges is suspended for a period of fifteen (15) consecutive Business Days; or
- (b) the Bonds, once the Bonds are admitted to trading on the sustainable bond list of Nasdaq Stockholm or any other Regulated Market, are no longer admitted to trading or listed thereon (however, taking into account the rules and regulations (as amended from time to time) of the relevant Regulated Market, and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds).

“**Disbursement Date**” has the meaning set forth in Clause 6.2.1.

“**EBITDA**” means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to the Management Reporting as set out in the latest Financial Statements (without double counting):

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

- (b) *before deducting* any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any Group Company (calculated on a consolidated basis);
- (c) *before taking into account* any Transaction Costs;
- (d) *not including* any accrued interest owing to any Group Company;
- (e) *before taking into account* any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (f) *after adding back or deducting*, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (in each case, other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset or liability;
- (g) *after deducting* the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (h) *plus or minus* the Group's share of the profits or losses of entities which are not part of the Group; and
- (i) *after adding back* any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group (including any amortisation or impairment of any goodwill arising on any acquisition).

“Employee Ownership Program” means any employee ownership program approved by the general meeting of the Issuer, whereby the Issuer has an obligation to deliver shares to participating employees under the program and where the Issuer's obligations are secured by the Issuer repurchasing own shares which may subsequently be transferred to participants in the program or applied towards hedging or financing of costs attributable to such program.

“Equity Ratio” means, at any time, the Total Equity expressed as a percentage of Total Assets.

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

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

“Event of Default” means an event or circumstance specified as such in Clause 17 (*Termination of the Bonds*) except for Clauses 17.10 and 17.11.

“Existing Bonds” means the outstanding nominal SEK 400,000,000 senior unsecured callable floating rate green bonds with ISIN SE0016798227 issued by the Issuer pursuant to the terms and conditions originally dated 23 November 2021 and as amended and restated on 31 August 2023.

“Final Redemption Date” 27 September 2027 (three (3) years after the Issue Date).

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

“**Finance Lease**” means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability.

“**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 Finance Lease;
- (c) receivables sold or discounted (other than receivables to the extent sold on a non-recourse basis);
- (d) any amount raised under any other transaction having the commercial effect of a borrowing (including forward sale or purchase arrangements and earn-outs);
- (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 paragraphs (a) to (f) above.

“**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*).

“**Financial Statements**” means the Group’s annual audited consolidated financial statements or the Group’s quarterly interim unaudited consolidated reports, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 14.1 (*Financial Statements*), in each case prepared in accordance with the Accounting Principles.

“**First Call Date**” means the date eighteen (18) months after the Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“**Force Majeure Event**” has the meaning set forth in Clause 27.1.

“**Green Finance Framework**” means the Issuer’s green finance framework, as it is worded on the Issue Date of the relevant Bonds.

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

“**Holding Company**” means Kommstart 3844 AB (u.n.c.t. WBGR Assets AB), reg. no. 559493-5917.

“**Hybrid Instrument**” means any subordinated (according to its terms) debt instruments issued by the Issuer which are, entirely or partly permitted to be accounted for as equity in accordance with the Accounting Principles at the date of issuance of the relevant subordinated debt instrument(s).

“**Incurrence Test**” has the meaning set forth in Clause 15.2.1.

“**Initial Nominal Amount**” has the meaning set forth in Clause 3.3.

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 12.1 to 12.3.

“**Interest Payment Dates**” 27 March, 27 June, 27 September and 27 December each year (with the first Interest Payment Date being 27 December 2024 and the last Interest Payment Date being the Final Redemption Date or any applicable final redemption date prior thereto), or to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

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

“**Interest Rate**” means the Base Rate plus 625 basis points *per annum*. For the avoidance of doubt, if STIBOR is less than zero (0), STIBOR shall be deemed to be zero (0).

“**Issue Date**” means 27 September 2024.

“**Issuer**” means Wästbygg Gruppen AB (publ), reg. no. 556878-5538, a public limited liability company incorporated in Sweden.

“**Issuing Agent**” means DNB Markets, a part of DNB Bank ASA, filial Sverige or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Listing Failure Event**” means a situation where the Bonds are not admitted to trading on the sustainable bond list of Nasdaq Stockholm or another Regulated Market within sixty (60) calendar days from the Issue Date.

“**Loan to Value**” means the ratio of Net SPV Debt to Value.

“**LSEG Benchmark**” means the London Stock Exchange Group, provider of financial information and interest rate benchmarks formerly provided under the brand Refinitiv and Thomson Reuters.

“**Main Shareholders**” means Rutger Arnhult (personal identity no. 19670508-3936) or his spouse or any of their direct heirs, by way of direct or indirect ownership of shares, and their respective Affiliates.

“**Maintenance Test**” has the meaning set forth in Clause 15.1.1.

“**Management Reporting**” means the Group’s management reporting, including the reporting of revenue recognition and non-consolidation of tenant-ownership projects, in accordance with IFRS 8 (Operating Segment) (Sw. *segmentsredovisning*) subject to adjustments in accordance with the Accounting Principles applicable from time to time.

“**Mandatory Partial Repayment**” has the meaning set forth in Clause 13.5 (*Mandatory Partial Repayment*).

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial papers, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, under medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trading on Nasdaq Stockholm or any other regulated or unregulated recognised market place.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the Group’s ability to perform and comply with its obligations under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

“**Material Group Company**” means:

- (a) the Issuer;
- (b) any Restricted Group Company; and
- (c) any other Group Company with earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) representing five (5.00) per cent. or more of EBITDA.

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

“**Net Proceeds**” means the cash proceeds from the Bond Issue after deduction has been made for (a) any Transaction Costs and (b) cash proceeds used to settle the Tender Offer.

“**Net SPV Debt**” means all amounts owed by any Group Company to any other Person (other than a Group Company) under the Finance Documents and any other Financial Indebtedness owed by any Restricted Group Company (other than Financial Indebtedness owed to another Restricted Group Company) from time to time including accrued but unpaid interest under such Financial Indebtedness less the aggregate Cash and Cash Equivalents of the Restricted Group Companies.

“**Nominal Amount**” means the Initial Nominal Amount less the amount of any repayments and amortisations made in accordance with the Terms and Conditions including any Mandatory Partial Repayment.

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

- (a) taken up from a Restricted Group Company;

- (b) arising under any guarantee provided for the obligations or liabilities of any Restricted Group Company in the ordinary course of business;
- (c) incurred under an Advance Purchase Agreement in the ordinary course of business;
- (d) under any tax or pension liabilities incurred in the ordinary course of business; and
- (e) any other Financial Indebtedness not otherwise permitted by paragraphs (a) to (d) above, in an aggregate amount not at any time exceeding SEK 5,000,000 (or its equivalent in any other currency or currencies).

“Permitted Restricted Group Security” means any Security:

- (a) arising by operation of law or in the ordinary course of business of the Group (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (b) of the Group under any pension and tax liabilities incurred in the ordinary course of business; and
- (c) not otherwise permitted by paragraphs (a) or (b) above, in an aggregate amount at any time not exceeding SEK 5,000,000 (or its equivalent in any other currency or currencies).

“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.

“Quotation Day” means:

- (a) in relation to 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 Issue Date); or
- (b) in relation to 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:

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 17.11 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“Redemption Date” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 13 (*Redemption and repurchase of the Bonds*).

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

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

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

“**Repayment Period**” means each period beginning on (and including) the date falling five (5) Business Days prior to the Record Date for any Interest Payment Date (or in respect of the first Repayment Period, the Issue Date) until (but excluding) the date falling five (5) Business Days prior to the Record Date for the next succeeding Interest Payment Date.

“**Restricted Group Company**” means each of the Holding Company and its Subsidiaries from time to time.

“**Restricted Payment**” has the meaning set out in Clause 16.1.1.

“**Secured Obligations**” means all present and future actual and contingent obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents.

“**Secured Parties**” means the Agent and the Bondholders.

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

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

“**Security Assets**” means (without double counting) all assets including real properties owned by the Restricted Group Companies from time to time excluding Cash and Cash Equivalents and land without zoning plans, as of the Disbursement Date being:

- (a) certain condominiums originally acquired (directly or indirectly) from:
 - (i) BRF Cityterrassen i Malmö with an aggregate value of approximately SEK 317,000,000;
 - (ii) BRF Tjärnan with an aggregate value of approximately SEK 138,000,000;
 - (iii) BRF Slottshusen with an aggregate value of approximately SEK 58,000,000;
and
 - (iv) BRF Glashytta with an aggregate value of approximately SEK 30,000,000;
- (b) certain investment properties of Wästbygg Ledamoten 2 AB with an aggregate value of approximately SEK 76,000,000; and
- (c) certain land owned by:

- (i) Ekonomiska föreningen WB Fiskeläget 1 with an aggregate value of approximately SEK 9,000,000;
- (ii) Ekonomiska föreningen Norrtälje kvarteret Leken with an aggregate value of approximately SEK 150,000,000;
- (iii) Wästbygg Nämnden 1 AB with an aggregate value of approximately SEK 24,000,000;
- (iv) Rikshem Protokollet 1 AB with an aggregate value of approximately SEK 18,000,000; and
- (v) Skogome 7:26 ekonomisk förening with an aggregate value of approximately SEK 20,000,000.

“SEK” denotes the lawful currency of Sweden.

“STIBOR” means:

- (a) the Stockholm interbank offered rate administered by Swedish Financial Benchmark Facility AB (or any other person which takes over the administration of that rate) for a period equal to the relevant Interest Period, as displayed on the relevant page of the LSEG Benchmark screen (or any replacement LSEG Benchmark page which displays that rate) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no rate as described in paragraph (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on the relevant page of the LSEG Benchmark screen (or any replacement LSEG Benchmark page which displays that rate) as of or around 11.00 a.m. on the Quotation Day for Swedish Kronor;
- (c) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

“**Subsidiary**” means, in relation to any Person, any legal entity (whether incorporated or not), in respect of which such Person, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50.00) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50.00) per cent. of the total number of votes held by the owners;

- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body; or
- (d) exercises control as determined in accordance with the Accounting Principles.

“**Tender Offer**” means the offer from the Issuer to repurchase the Existing Bonds from the holders of Existing Bonds in connection with the Issue Date.

“**Total Assets**” means, at any time, the aggregate book value of the Group’s total assets calculated on a consolidated basis, in each case according to the Management Reporting set out in the latest Financial Statements.

“**Total Equity**” means, at any time, the sum of the total equity of the Group calculated on a consolidated basis, in each case according to the Management Reporting as set out in the latest Financial Statements.

“**Transaction Costs**” means all fees, costs and expenses, stamp, registration and other taxes incurred by a Group Company directly or indirectly in connection with (a) the Bond Issue, (b) the admission to trading of the Bonds on the relevant Regulated Market, (c) any acquisition or divestment made by the Group (for the avoidance of doubt, excluding any payment of purchase price and earn-out payments), (d) any rights issue or directed share issue by the Issuer, or (e) the establishment or update of the Green Finance Framework.

“**Transaction Security**” means the Security provided for the Secured Obligations pursuant to the Transaction Security Documents, initially being:

- (a) security in respect of all the shares in the Holding Company; and
- (b) security over the Escrow Account.

“**Transaction Security Documents**” means the security documents pursuant to which the Transaction Security is created and any other document designated as a Transaction Security Document by the Issuer and the Agent.

“**Valuation**” means a valuation of the Security Assets prepared and issued by Newsec, Cushman and Wakefield, Colliers, Svefa, Catella, Savills, CBRE or any other independent and reputable property appraiser acceptable to the Agent, specifying the Value of the Security Assets.

“**Value**” means the aggregate appraised market value of the Security Assets (without double counting) pursuant to the most recent Valuation(s) or until (but excluding) 31 March 2025, pursuant to the Management Reporting as set out in the latest consolidated Financial Statements, provided that the value of any land with a zoning plan for the purpose of determining Value shall be eighty (80) per cent. of such appraised market value.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18.3 (*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 law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (d) a provision of regulation is a reference to that provision as amended or re-enacted; and
- (e) a time of day is a reference to Stockholm time.

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

1.2.3 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, any 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 Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

1.2.6 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of the Terms and Conditions and may be updated without the consent of the Bondholders and the Agent (save for the privacy statement insofar it relates to the Agent).

1.2.7 Any Hybrid Instrument which is fully treated as equity in the balance sheet of the Issuer in accordance with the Accounting Principles shall, for the avoidance of doubt, not be deemed to constitute Financial Indebtedness or a Market Loan.

2. STATUS OF THE BONDS

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

3. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS

3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.

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

- 3.3 The maximum aggregate nominal amount of the Bonds will be an amount of up to SEK 400,000,000 which will be represented by Bonds, each of an initial nominal amount of SEK 1,250,000 or full multiples thereof (the “**Initial Nominal Amount**”). The total nominal amount of the Bonds issued on the Issue Date is SEK 400,000,000.
- 3.4 All Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0022747440.

4. USE OF PROCEEDS

The proceeds from the Bond Issue will be used in accordance with the principles set out in the Issuer’s Green Finance Framework, including finance or re-finance projects or assets providing distinct environmental benefits and will be applied towards:

- (a) refinancing the Existing Bonds (including for the avoidance of doubt financing the Tender Offer); and
- (b) financing Transaction Costs .

5. ESCROW OF PROCEEDS

- 5.1 The Net Proceeds from the Bond Issue shall be transferred to the Escrow Account pending application in accordance with Clause 4 (*Use of proceeds*) above.
- 5.2 If the conditions referred to in Clause 6.2.1 have not been fulfilled within sixty (60) Business Days from the Issue Date, the Issuer shall redeem all Bonds at 101.00 per cent. of the Nominal Amount together with any accrued but unpaid interest and the funds on the Escrow Account or, if the conditions referred to in Clause 6.1.1 have not been fulfilled, held by the Issuing Agent, shall in such case be applied towards redemption of the Bonds on behalf of the Issuer (a “**Mandatory Redemption**”). Any shortfall shall be covered by the Issuer. The Redemption Date of the Mandatory Redemption shall fall no later than thirty (30) calendar days after the ending of the period referred to above.
- 5.3 A Mandatory Redemption shall be made by the Issuer giving notice to the Bondholders and the Agent promptly following the date when the Mandatory Redemption is triggered pursuant to Clause 5.2 above. Any such notice shall state the Redemption Date and the relevant Record Date.

6. CONDITIONS PRECEDENT

6.1 Conditions Precedent to the Issue Date

- 6.1.1 The Issuer shall provide to the Agent, as soon as reasonably possible but in any event no later than 11.00 a.m. three (3) Business Days prior to the Issue Date (or such later time as agreed by the Agent), all of the documents and other evidence listed in Part 1 (*Conditions precedent to the*

Issue Date) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).

6.1.2 The Agent shall promptly confirm to the Issuing Agent when the conditions in Clause 6.1.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)). The Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 11.00 a.m. two (2) Business Days prior to the Issue Date (or later, if the Issuing Agent so agrees).

6.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clause 6.1.2, the Issuing Agent shall settle the issuance of the Bonds and pay the Net Proceeds of the Bond Issue to the Escrow Account on the Issue Date.

6.2 **Conditions Precedent for Disbursement**

6.2.1 The Agent's approval of the release of any Net Proceeds from the Bond Issue from the Escrow Account (the "**Disbursement Date**") is subject to the Agent being satisfied it has received all of the applicable documents and other evidence listed in Part 2 (*Conditions precedent for Disbursement*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Agent (acting reasonably).

6.2.2 When the conditions in Clause 6.2.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)) in respect of the release of Net Proceeds from the Bond Issue from the Escrow Account, the Agent shall (a) promptly confirm such fulfilment to the Issuer and (b) without delay release the pledge over the Escrow Account and instruct the account bank to release and transfer funds from the Escrow Account in accordance with the Issuer's instructions.

6.3 **No responsibility for documentation**

The Agent may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation. The conditions precedent or conditions subsequent are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.

7. **TRANSACTION SECURITY**

7.1 **Transaction Security**

7.1.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants, and shall procure that each other relevant Group Company (as applicable) grants, the Transaction Security as first ranking Security to the Secured Parties as represented by the Agent at the times set out in these Terms and Conditions. The Transaction Security shall be provided and perfected pursuant to, and subject to the terms of, the Transaction Security Documents.

7.1.2 The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents.

7.1.3 Except if otherwise decided by the Bondholders according to the procedures set out in Clause 18 (*Decisions by Bondholders*), the Agent is, without first having to obtain the Bondholders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the various Bondholders' relative rights to the Transaction Security. The Agent is entitled to take all measures available to it according to the Transaction Security Documents.

7.1.4 All Transaction Security shall be subject to, and limited as required by, corporate benefit and financial assistance regulations and other applicable corporate law limitations.

7.2 **Miscellaneous**

For the purpose of exercising the rights of the Secured Parties, the Agent may instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD and from which payments under the Bonds are made to another bank account. The Issuer shall immediately upon request by the Agent provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent and the CSD), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under this.

7.3 **Further assurance**

7.3.1 Subject to the Transaction Security Documents, the Issuer shall, and shall ensure that each other Group Company will, promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as may be necessary (and in such form as the Agent may reasonably require in favour of the Agent or its nominee(s)):

(a) to perfect the Transaction Security created or intended to be created or for the exercise of any rights, powers and remedies of the Secured Parties provided by or pursuant to the Finance Documents or by law; and/or

(b) to (after the Transaction Security has become enforceable) facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.

7.3.2 Subject to the Transaction Security Documents, the Issuer shall (and shall ensure that each other member of the Group will) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Transaction Security conferred or intended to be conferred on the Secured Parties by or pursuant to the Finance Documents.

7.4 **Enforcement of Transaction Security**

7.4.1 If the Bonds are declared due and payable according to Clause 17 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Bondholders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Transaction Security Documents).

7.4.2 If a Bondholders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security, the Agent is obligated to take actions in accordance with the Bondholders' decision regarding the Transaction Security. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in the Finance Documents, the Agent shall not enforce the Transaction Security. If the Bondholders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security in accordance with the procedures set out in Clause 18 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction Security. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Bondholders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.

7.4.3 Funds that the Agent receives (directly or indirectly) on behalf of Secured Parties in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Secured Parties. The Agent shall promptly arrange for payments to be made to the Bondholders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 17.11 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with this Clause 7.4.3, instruct the CSD to arrange for payment to the Bondholders.

7.4.4 For the purpose of exercising the rights of the Bondholders and the Agent under the Finance Documents and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Bondholders in accordance with Clause 7.4.3 above. To the extent permissible by law, the powers set out in this Clause 7.4.4 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney, which the Agent deems necessary for the purpose of carrying out its duties under Clause 7.4.3 above (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Agent's request, provide the Agent with a written power of attorney empowering the Agent to change the bank account registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 7.4.3 above to the Bondholders through the CSD.

7.5 **Release of the Transaction Security**

7.5.1 The Agent may release the Transaction Security in accordance with the terms of the Transaction Security Documents.

7.5.2 The Agent shall be entitled to release the security over the Escrow Account in accordance with the Escrow Account Pledge Agreement and in order to fund a Mandatory Redemption in accordance with Clause 5.2.

8. THE BONDS AND TRANSFERABILITY

- 8.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 8.2 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.
- 8.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 8.4 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 Bondholder 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 Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 8.5 For the avoidance of doubt and notwithstanding the above, a Bondholder 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 Bondholder hereunder in each case until such allegations have been resolved.

9. BONDS IN BOOK-ENTRY FORM

- 9.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds at the relevant point of time.
- 9.2 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 Financial Instruments Accounts Act.
- 9.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall at all times be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 9.4 For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 9.5 At the request of the Agent, the Issuer shall promptly obtain information from the Debt Register and provide it to the Agent.
- 9.6 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information

directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

- 9.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 9.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

10. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 10.1 If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Bondholder or, if applicable, a coherent chain of powers of attorney or authorisations, a certificate from the authorised nominee or other sufficient authorisation for such Person.
- 10.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 10.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 10.1 and 10.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.
- 10.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (*Sw. förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

11. PAYMENTS IN RESPECT OF THE BONDS

- 11.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 11.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- 11.3 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 12.4 during such postponement.

- 11.4 If payment or repayment is made in accordance with this Clause 11, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.
- 11.5 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.

12. INTEREST

- 12.1 The Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.
- 12.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 12.3 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 12.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to and including the date of actual payment at a rate which is two hundred (200) basis points higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

13. REDEMPTION AND REPURCHASE OF THE BONDS

13.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the Bonds in full on the Final Redemption Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Redemption Date is not a Business Day, the redemption shall to the extent permitted under the CSD Regulations occur on the Business Day following from an application of the Business Day Convention.

13.2 Purchase of Bonds by Group Companies

Each Group Company may, subject to applicable regulations, at any time and at any price purchase Bonds on the market or in any other way. Any Bonds held by a Group Company may at such Group Company's discretion be retained or sold, but not cancelled, except for cancellation in connection with a redemption of the Bonds in full.

13.3 Early voluntary total redemption (call option)

13.3.1 The Issuer may redeem early all, but not only some, of the Bonds on any Business Day before the Final Redemption Date. Each Bond shall be redeemed at the applicable Call Option Amount together with accrued but unpaid Interest.

13.3.2 Redemption in accordance with Clause 13.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date. Such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

13.4.1 Upon the occurrence of a Change of Control Event, a De-listing Event or a Listing Failure Event, each Bondholder 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 and 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 a notice from the Issuer of the Change of Control Event, De-listing Event or Listing Failure Event (as applicable) pursuant to paragraph (a)(i) of Clause 14.4 (*Information: miscellaneous*). The fifteen (15) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, De-listing Event or Listing Failure Event.

13.4.2 The notice from the Issuer pursuant to paragraph (a)(i) of Clause 14.4 (*Information: miscellaneous*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (a)(i) of Clause 14.4. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 13.4.1.

13.4.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 13.4, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 13.4 by virtue of the conflict.

13.4.4 Any Bonds repurchased by the Issuer pursuant to this Clause 13.4 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a redemption of the Bonds in full.

13.5 **Mandatory Partial Repayment**

- 13.5.1 The Issuer shall, until the aggregate Nominal Amount partially repaid equals SEK 200,000,000, on each Interest Payment Date, partially repay the Bonds in an amount equal to the net cash proceeds (rounded down to the amount required to reduce the aggregate Nominal Amount to the nearest increment of SEK 16,000,000), received by a Restricted Group Company as a result of a sale of Security Assets to any Person not being a Group Company consummated during the Repayment Period preceding the relevant Interest Payment Date, provided that such net cash proceeds, together with cash proceeds accumulated from previous Repayment Periods, is equal to or higher than SEK 16,640,000,
- 13.5.2 Any net cash proceeds received from a sale of Security Assets during the relevant Repayment Period exceeding the amount repaid on the relevant Interest Payment Date shall, until utilised for a Mandatory Partial Repayment, be accumulated to subsequent Repayment Periods for the purpose of calculating the amount to be repaid under this Clause 13.5 on subsequent Interest Payment Dates.
- 13.5.3 The repayment price shall equal one-hundred and four (104.00) per cent. of the Nominal Amount (rounded down and in accordance with the procedures of the CSD) plus accrued but unpaid interest. All outstanding Bonds shall be partially repaid by way of *pro rata* payments to the Bondholders in accordance with the applicable regulations of the CSD.

14. **INFORMATION UNDERTAKINGS**

14.1 **Financial Statements**

The Issuer shall:

- (a) prepare and make available the annual Financial Statements, 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, to the Agent and on its website not later than four (4) months after the expiry of each financial year; and
- (b) prepare and make available the quarterly interim Financial Statements, 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, to the Agent and on its website not later than two (2) months after the expiry of each relevant interim period.

14.2 **Requirements as to Financial Statements**

- 14.2.1 The Issuer shall prepare the Financial Statements in accordance with the Accounting Principles and the Management Reporting and make them available in accordance with the rules and regulations of Nasdaq Stockholm (or any other Regulated Market, as applicable) (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (as amended from time to time).
- 14.2.2 The Issuer shall procure that the Management Reporting as set out in the annual audited consolidated Financial Statements shall be reviewed and its relevance and that it has been consistently applied in accordance with the principles applied for the financial year 2023 (subject to adjustments in accordance with the Accounting Principles applicable from time to

time) confirmed by the Group's auditor in the auditor's report in respect of the annual audited consolidated Financial Statements prepared in accordance with the Accounting Principles.

14.3 **Compliance Certificate**

14.3.1 The Issuer shall issue a Compliance Certificate to the Agent signed by the Issuer:

- (a) in connection with the delivery of a Financial Statement in accordance with paragraph (a) or (b) of Clause 14.1 (*Financial Statements*) above;
- (b) in connection with the testing of the Incurrence Test; and
- (c) at the Agent's reasonable request, within ten (10) Business Days from such request.

14.3.2 In each Compliance Certificate, the Issuer shall:

- (a) certify that, so far as it is aware, no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if provided in connection with the quarterly consolidated interim Financial Statements, certify that the Maintenance Test is met as per the last day of the quarter to which the Compliance Certificate refers to, including calculations and figures in respect of the Maintenance Test; and
- (c) if provided in connection with the testing of the Incurrence Test, certify that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test.

14.4 **Information: miscellaneous**

The Issuer shall:

- (a) promptly notify:
 - (i) *the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event, a De-listing Event or a Listing Failure Event; and*
 - (ii) *the Agent upon becoming aware that an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing) constitute an Event of Default has occurred,*

and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice;
- (b) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions) and the Green Finance Framework and the second opinion relating to its Green Finance Framework available on its website; and
- (c) make available a report of the use of proceeds of the Bonds in accordance with the Issuer's Green Finance Framework to the Agent and on its website in connection with the publication of the annual Financial Statements.

14.5 **Restrictions**

The Issuer is only obliged to provide any information to the Agent and/or the Bondholders pursuant to this Clause 14 if providing such information to the Agent and/or the Bondholders would not conflict with any applicable laws or the Issuer's registration contract with Nasdaq Stockholm (or any other Regulated Market, as applicable). If such conflict would exist pursuant to the listing contract with a Regulated Market, the Issuer shall however be obliged to either seek approval from that Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 14.

15. **FINANCIAL COVENANTS**

15.1 **Maintenance Test**

15.1.1 The Maintenance Test is met if:

- (a) the Equity Ratio is equal to or higher than twenty-five (25) per cent.;
- (b) the Loan to Value is less than or equal to sixty-five (65) per cent.; and
- (c) Cash and Cash Equivalents of the Issuer is equal to or higher than an amount corresponding to the sum of the interest payments to be made under the Bonds on the next two (2) Interest Payment Dates (assuming that the interest payments to be made on each of the next two (2) Interest Payment Dates will be equal to the interest payment made on the most recent Interest Payment Date).

15.1.2 The Maintenance Test shall be tested quarterly on each Reference Date on the basis of the Management Reporting as set out in the interim Financial Statements for the Reference Period ending on such Reference Date and be included in the Compliance Certificate delivered in connection therewith. The first Reference Date for the Maintenance Test shall be 30 September 2024.

15.2 **Incurrence Test**

15.2.1 The Incurrence Test is met if:

- (a) the Loan to Value is less than or equal to fifty (50) per cent.; and
- (b) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the relevant incurrence, distribution or payment,

in each case calculated in accordance with the calculation principles set out in Clause 15.3 (*Calculation Principles*).

15.2.2 The calculation of the Loan to Value shall be made as per a testing date determined by the Issuer, falling no more than one (1) month prior to the relevant incurrence, distribution or payment which requires that the Incurrence Test is met (but in any event after the Issue Date).

15.3 **Calculation Principles**

15.3.1 The figures for Net SPV Debt on the relevant test date shall be used for the Incurrence Test.

15.3.2 Value shall, for the purpose of the Incurrence Test and the Maintenance Test, be calculated as of the relevant test date based on the most recently delivered Valuation, provided that, in respect of the Maintenance Test only, Value may until (but excluding) the Reference Date falling on 31 March 2025, be calculated based on the Management Reporting as set out in the latest consolidated Financial Statements.

16. SPECIAL UNDERTAKINGS

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 16.

16.1 Distributions

16.1.1 The Issuer shall not, and shall procure that no other Group Company will:

- (a) pay any dividend on its shares;
- (b) repurchase or redeem any of its own shares;
- (c) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
- (d) repay principal or pay interest under any shareholder loan or Hybrid Instrument; or
- (e) make any other similar distribution or transfers of value to the direct or indirect shareholders of the Issuer, or any Affiliates of the Issuer,

((a) to (e) each being a “**Restricted Payment**”).

16.1.2 Notwithstanding Clause 16.1.1, a Restricted Payment may be made:

- (a) by a Group Company which is not a Restricted Group Company, to the Issuer or a direct or indirect Subsidiary of the Issuer but, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis;
- (b) by a Restricted Group Company (i) to another Restricted Group Company, (ii) to any Group Company, provided that no Event of Default is continuing and the Loan to Value (tested on a *pro forma* basis in connection with and including the relevant distribution) is less than or equal to forty (40) per cent. and provided further that the Issuer has prior thereto partially repaid Bonds in an aggregate Nominal Amount of SEK 200,000,000, or (iii) for the purpose of making a Mandatory Partial Repayment;
- (c) by the Issuer if (i) the Incurrence Test (calculated *pro forma* including the relevant Restricted Payment) is met, and (ii) such Restricted Payment (when aggregated with all other Restricted Payments made by the Issuer that financial year, save for any Restricted Payments made in accordance with paragraph (d), (f) or (g) below) does not exceed fifty (50) per cent. of the Group’s consolidated profit before unrealised changes in property value and derivatives (calculated net of paid taxes) according to the Management Reporting as set out in the annual audited consolidated Financial Statements for the previous financial year (and without accumulation of profits from previous financial years);

- (d) by the Issuer if such Restricted Payment constitutes repurchase and transfer of any of its own shares for the purpose of financing share considerations in connection with actual acquisitions of companies and/or businesses for which purchase agreements or similar have been entered into, provided that such repurchase and transfer of shares have been duly resolved upon at the general meeting of the Issuer or that such general meeting has authorised the board of directors of the Issuer to perform such repurchase and transfer of shares;
- (e) by the Issuer if such Restricted Payment constitutes repurchase of any of its own shares for the purpose of securing any of its obligations or costs under any Employee Ownership Program;
- (f) by the Issuer if (i) the Incurrence Test is met (calculated *pro forma* including the relevant Restricted Payment) and (ii) such Restricted Payment is a payment of accrued interest under any Hybrid Instrument;
- (g) by the Issuer if such Restricted Payment is a payment of principal or interest under any Hybrid Instrument in connection with a refinancing in part or in full of such Hybrid Instrument financed by the issuance by the Issuer of new Hybrid Instruments or any other instrument accounted for as equity in accordance with the Accounting Principles; or
- (h) if required pursuant to mandatory law.

16.2 **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 (taken as a whole) as of the Issue Date.

16.3 **Market Loans**

16.3.1 The Issuer shall not, and shall procure that no other Group Company will, issue, prolong, maintain, renew or extend any Market Loans, save for the Bonds and, until repaid in full, the Existing Bonds.

16.3.2 Clause 16.3.1 above, shall not apply to any Market Loan provided that such Market Loan:

- (a) ranks *pari passu* with or is subordinated to the obligations of the Issuer under the Bonds; and
- (b) has a final redemption date or instalment dates which occur after the Final Redemption Date.

16.3.3 The Issuer shall not, and shall procure that no other Group Company will, provide, prolong, retain or renew any Security over any of its assets (present or future) to secure any Market Loan other than the Bonds, save for customary escrow arrangements in connection with the refinancing of a Market Loan.

16.3.4 Notwithstanding anything to the contrary herein, a Market Loan incurred by a Group Company other than a Restricted Group Company prior to the acquisition by the Group of such Group Company may remain outstanding until maturity provided that the relevant Group Company

may not extend the maturity date for such Market Loan beyond the original maturity date or increase the amount outstanding under such Market Loan.

16.4 **Disposals of assets**

The Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of shares or ownership rights in any Group Company or of any substantial assets or operations of any Group Company to any Person not being the Issuer or any of the wholly-owned Subsidiaries of the Issuer, unless the transaction (taken as a whole, also taking into account any transaction ancillary or related thereto) is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect. No asset that is subject to Transaction Security may be disposed of.

16.5 **Assets of the Holding Company**

16.5.1 Without prejudice to Clause 16.4 above, the Issuer shall procure that no Restricted Group Company will sell, transfer or otherwise dispose of any shares or ownership rights in any Restricted Group Company or of any assets or operations of any Restricted Group Company to any person not being a Restricted Group Company, unless no Event of Default is continuing and the transaction (taken as a whole, also taking into account any transaction ancillary or related thereto):

- (a) subject to Clause 13.5 (*Mandatory Partial Repayment*), is carried out at fair market value, paid in cash and on terms and conditions customary for such transaction; or
- (b) is in respect of assets in exchange for other assets provided that the Loan to Value (tested on a *pro forma* basis in connection with and including the relevant sale, transfer or disposal) based on a Valuation which is not older than six (6) months is less than or equal to fifty (50) per cent.; or
- (c) is in respect of a sale, transfer or disposal of assets to another Group Company provided that the Loan to Value (tested on a *pro forma* basis in connection with and including the relevant sale, transfer or disposal) is less than or equal to forty (40) per cent., and provided further that the Issuer has prior thereto partially repaid Bonds pursuant to Clause 13.5 (*Mandatory Partial Repayment*) in an aggregate Nominal Amount of SEK 200,000,000,

in each case provided that it does not have a Material Adverse Effect.

16.5.2 The Issuer shall procure that no Restricted Group Company consummates a transaction referred to in Clauses 16.5.1(b) and/or (c) above unless such transaction is:

- (a) made on the last day of each calendar month;
- (b) the change of the Security Assets resulting from such transaction is published on the Issuer's website; and
- (c) is not a sale, transfer or disposal of the condominiums originally acquired (directly or indirectly) by the relevant Restricted Group Company prior to or in connection with the Disbursement Date from:

- (i) BRF Cityterassen i Malmö with an aggregate value of approximately SEK 317,000,000;
 - (ii) BRF Tjären with an aggregate value of approximately SEK 138,000,000;
 - (iii) BRF Slottshuset with an aggregate value of approximately SEK 58,000,000; or
 - (iv) BRF Glashytta with an aggregate value of approximately SEK 30,000,000,
- in each case constituting Security Assets as of the Disbursement Date.

16.6 **Dealings with related parties**

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

16.7 **Compliance with laws and authorisations**

The Issuer shall, and shall make sure that each other Group Company will:

- (a) comply with all laws and regulations applicable from time to time; and
- (b) obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence, registration or other permit required for the business carried out by a Group Company, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

16.8 **Mergers and demergers**

The Issuer shall not, and shall procure that no Group Company will, merge or demerge any Group Company, into a company which is not a Group Company, unless such merger or demerger is likely to not have a Material Adverse Effect, provided however that a merger or demerger with the effect that the Issuer is not the surviving entity shall not be permitted and that if the transferor Group Company is a Restricted Group Company, the transferee Group Company shall also be a Restricted Group Company.

16.9 **Maintenance of Properties**

The Issuer shall, and shall procure that each other Group Company will, keep all its real properties and condominiums in a good state of repair and maintenance subject to normal wear and tear and in accordance with normal market practice.

16.10 **Insurance**

The Issuer shall, and shall procure that each other Group Company will, keep all its real properties and condominiums insured to the extent customary for similar properties on the relevant geographical market with one or more reputable insurers.

16.11 **Green Finance Framework**

The Issuer shall maintain a Green Finance Framework and shall ensure that the proceeds from any Bonds issued are used in accordance with the Green Finance Framework applicable from time to time.

16.12 **Financial Indebtedness (Restricted Group Companies)**

The Issuer shall procure that no other Restricted Group Company will, incur, prolong, maintain, renew or extend any Financial Indebtedness, save for Permitted Restricted Group Debt.

16.13 **Negative Pledge (Restricted Group Companies)**

The Issuer shall procure that no Restricted Group Company will create or allow to subsist, retain, provide, prolong or renew any security over any of its assets (present or future) to secure any Financial Indebtedness, save for Permitted Restricted Group Security.

16.14 **Loans out (Restricted Group Companies)**

The Issuer shall procure that no Restricted Group Company will, extend any loans in any form to any other party, save for:

- (a) to other Restricted Group Companies; or
- (b) in the ordinary course of business of the relevant Restricted Group Company.

16.15 **Valuation of the Security Assets**

The Issuer shall procure that a Valuation in respect of the Security Assets is prepared and delivered to the Agent no later than 31 March 2025 and thereafter once in every twelve (12) months' period. In addition, the Agent may at any time request a Valuation if the Agent has reason to believe that the Loan to Value covenant is breached in which case the Issuer shall promptly procure that a Valuation is prepared and delivered to the Agent. All costs for the Valuation(s) shall be borne by the Issuer.

16.16 **Principles for Management Reporting**

The Issuer shall ensure that the principles applied for the Management Reporting during the financial year 2023 shall be consistently applied to the Management Reporting until the Final Redemption Date, subject to adjustments in accordance with the Accounting Principles applicable from time to time.

17. TERMINATION OF THE BONDS

Each of the events or circumstances set out in this Clause 17 is an Event of Default (save for Clause 17.10 (*Termination*) and Clause 17.11 (*Distribution of proceeds*)).

17.1 **Non-payment**

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

17.2 **Maintenance Test**

The Issuer has failed to comply with the Maintenance Test on any Reference Date.

17.3 **Other obligations**

The Issuer does not comply with its obligations under the Finance Documents, in any other way than as set out under Clause 17.1 (*Non-payment*) or 17.2 (*Maintenance Test*) above, with the exception of a breach of the Green Finance Framework or the use of Net Proceeds from the Bond Issue in breach of the Green Finance Framework, unless the non-compliance is (a) capable of being remedied and (b) 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).

17.4 **Cross-payment default and cross-acceleration**

- (a) Any Financial Indebtedness of a Group Company is not paid when due nor within 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); or
- (b) any security interest securing Financial Indebtedness over any asset of any Group Company is enforced,

provided however that the amount of Financial Indebtedness referred to in this Clause 17.4, individually or in the aggregate exceeds an amount corresponding to SEK 25,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

17.5 **Insolvency**

- (a) Any Material Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors generally (other than under the Finance Documents) with a view to rescheduling its Financial Indebtedness; or
- (b) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.

17.6 **Insolvency proceedings**

17.6.1 Any corporate action, legal proceedings or other procedures are taken in relation to:

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

17.6.2 Clause 17.6.1 above shall not apply to:

- (a) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised;
- (b) proceedings or petitions concerning a claim which is less than an amount corresponding to SEK 25,000,000; or
- (c) in relation to Subsidiaries of the Issuer (other than Restricted Group Companies), solvent liquidations.

17.7 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value equal to or exceeding SEK 25,000,000 and is not discharged within thirty (30) calendar days.

17.8 **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 which has a detrimental effect on the interests of the Bondholders or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.

17.9 **Cessation of business**

A Group Company ceases to carry on its business and such discontinuation is likely to have a Material Adverse Effect.

17.10 **Termination**

17.10.1 If an Event of Default has occurred and is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 17.10.3 or 17.10.5, on behalf of the Bondholders, by notice to the Issuer terminate the Bonds and to declare all, but not some only, 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) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

17.10.2 The Agent may not terminate the Bonds in accordance with Clause 17.10.1 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 grounds mentioned under Clause 17.10.1.

17.10.3 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received notice of or gained actual knowledge of that an Event of

Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to Clause 17.1 (*Non-payment*)) up until the time stipulated in Clause 17.10.4 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.

- 17.10.4 The Agent shall, within twenty (20) Business Days of the date on which the Agent received notice of or otherwise gained actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 18 (*Decisions by Bondholders*). If the Bondholders 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 Bondholders 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.
- 17.10.5 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 18 (*Decisions by Bondholders*), 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 Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 17.10.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 17, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 17.10.7 If the right to terminate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 17.10.8 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 17 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 18 (*Decisions by Bondholders*).
- 17.10.9 If the Bonds are declared due and payable in accordance with Clause 17.10.1, 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 and, shall for the period until the First Call Date be the price set out in paragraph (b) of the definition of Call Option Amount (plus accrued and unpaid interest).

17.11 Distribution of proceeds

17.11.1 If the Bonds have been declared due and payable in accordance with this Clause 17, all payments by the Issuer relating to the Bonds and proceeds received from an enforcement of any Transaction Security Document shall be made and/or distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *firstly*, in or towards payment *pro rata* of:
 - (i) *all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent;*
 - (ii) *other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights;*
 - (iii) *any non-reimbursed costs incurred by the Agent for external experts; and*
 - (iv) *any non-reimbursed costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure;*
- (b) *secondly*, in or towards payment *pro rata* of 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 Terms and Conditions.

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 Bondholders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

17.11.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 17.11.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 17.11.1.

17.11.3 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 bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 17.11 as soon as reasonably practicable.

17.11.4 If the Issuer or the Agent shall make any payment under this Clause 17.11, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 12.1 shall apply.

18. DECISIONS BY BONDHOLDERS

18.1 Request for a decision

- 18.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 18.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Bondholders' 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 Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 18.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given or the suggested decision is not in accordance with applicable regulations.
- 18.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 18.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 18.1.3 being applicable, the Person requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Bondholders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 18.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 18.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 18.3.1. After a request from the Bondholders pursuant to Clause 21.4.3, 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 Bondholders' Meeting in accordance with Clause 18.2.1. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

18.2 **Bondholders' Meeting**

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

18.2.2 The notice pursuant to Clause 18.2.1 shall include:

- (a) the time for the meeting;
- (b) the place for the meeting;
- (c) an agenda for the meeting (including each request for a decision by the Bondholders);
- (d) a form of power of attorney; and
- (e) should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting.

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

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

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

18.3 **Written Procedure**

18.3.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.

18.3.2 A communication pursuant to Clause 18.3.1 shall include:

- (a) each request for a decision by the Bondholders;

- (b) a description of the reasons for each request;
- (c) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (d) 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;
- (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but no more than twenty (20) Business Days from the communication pursuant to Clause 18.3.1); and
- (f) if the voting shall be made electronically, instructions for such voting.

18.3.3 When the requisite majority consents of the aggregate Adjusted Nominal Amount pursuant to Clause 18.4.2 and 18.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 18.4.2 or 18.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

18.4 **Majority, quorum and other provisions**

18.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 9.1 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:

- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 18.3.2, in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount. Bonds held by any Group Company or its Affiliates shall not be considered when calculating whether the necessary quorum has been achieved and shall not carry any voting right.

18.4.2 The following matters shall require consent of Bondholders representing at least sixty-six and two thirds ($66\frac{2}{3}$) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2:

- (a) waive a breach of or amend an undertaking set out in Clause 16 (*Special undertakings*);
- (b) except as expressly regulated elsewhere in the relevant Finance Document, release any Transaction Security, in whole or in part;
- (c) waive a failure to meet the Maintenance Test or the Incurrence Test or an amendment to the definitions relating to the Maintenance Test or the Incurrence Test;
- (d) a mandatory exchange of the Bonds for other securities;
- (e) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;

- (f) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
 - (g) amend the provisions in this Clause 18.4.2 or in Clause 18.4.3.
- 18.4.3 Any matter not covered by Clause 18.4.2 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3.2. 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 paragraphs (a) to (e) of Clause 19.1) or a termination of the Bonds.
- 18.4.4 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 18.4.3.
- 18.4.5 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount in respect of matters set out in Clause 18.4.2 above and at least twenty (20.00) per cent. of the Adjusted Nominal Amount in respect of matters set out in Clause 18.4.3 above:
- (a) if at a Bondholders' 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.
- 18.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18.2.1) or initiate a second Written Procedure (in accordance with Clause 18.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 18.4.5 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 18.4.7 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.
- 18.4.8 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 18.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 18.4.10 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at

the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.

- 18.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 18.4.12 If a decision shall be taken by the Bondholders 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.
- 18.4.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

19. AMENDMENTS AND WAIVERS

- 19.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend the Finance Documents or waive any provision in the Finance Documents, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders;
 - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
 - (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
 - (d) is necessary for the purpose of having the Bonds admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Bondholders;
 - (e) has been duly approved by the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders; or
 - (f) the Agent is satisfied that such amendment or waiver is made pursuant to Clause 20 (*Base Rate Replacement*).
- 19.2 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19.1, 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.

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

20. BASE RATE REPLACEMENT

20.1 General

20.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 20 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.

20.1.2 If a Base Rate Event has occurred, this Clause 20 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

20.2 Definitions

20.2.1 In this Clause 20:

"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 20.3.4.

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

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and

the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;

- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy Agent of the Base Rate Administrator or by the Agent under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*) containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

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

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

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

“**Successor Base Rate**” means:

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

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

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

- 20.3.1 Without prejudice to Clause 20.3.2, 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 20.3.2.

- 20.3.2 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.
- 20.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 20.3.2, 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 20.3.2. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clauses 20.3 to 20.6, the Agent (acting on the instructions of the Bondholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer's cooperation.
- 20.3.4 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**").
- 20.3.5 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.
- 20.4 **Interim measures**
- 20.4.1 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the definition of Base Rate Event 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.
- 20.4.2 For the avoidance of doubt, Clause 20.4.1 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 20. This will however not limit the application of Clause 20.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 20 have been taken, but without success.

20.5 **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 26 (*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.

20.6 **Variation upon replacement of Base Rate**

20.6.1 No later than giving the Agent notice pursuant to Clause 20.5, 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 20.3.3) 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 20. 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.

20.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 20.6.1, 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 20.

20.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 20. 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.

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

Any Independent Adviser appointed pursuant to Clause 20.3 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.

21. **THE AGENT**

21.1 **Appointment of the Agent**

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

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

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

21.2 **Duties of the Agent**

- 21.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents.
- 21.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 21.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 21.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 21.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.
- 21.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:
 - (a) after the occurrence of an Event of Default;
 - (b) for the purpose of investigating or considering:
 - (i) *an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default; or*

- (ii) *a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;*
- (c) in connection with any Bondholders' Meeting or Written Procedure; and
- (d) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents.

Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 17.11 (*Distribution of proceeds*).

21.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.

21.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor:

- (a) whether an Event of Default has occurred;
- (b) the financial condition of the Issuer and the Group;
- (c) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents; or
- (d) whether any other event specified in any Finance Document has occurred or is expected to occur.

Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

21.2.9 The Agent shall review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 14.3.2 and as otherwise agreed between the Issuer and the Agent. The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 21.2.9.

21.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 21.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

21.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.

- 21.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 21.2.13 The Agent shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or if it refrains from acting for any reason described in Clause 21.2.12.
- 21.2.14 Upon the reasonable request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Bondholder 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 Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.
- 21.2.15 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default, which event shall be governed by Clause 17.10.3).
- 21.3 Liability for the Agent**
- 21.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 21.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 21.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 21.3.4 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.

21.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

21.4 **Replacement of the Agent**

21.4.1 Subject to Clause 21.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

21.4.2 Subject to Clause 21.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

21.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.

21.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:

(a) the earlier of the notice of resignation was given or the resignation otherwise took place;
or

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

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

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

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

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

(b) the period pursuant to paragraph (b) of Clause 21.4.4 having lapsed.

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

- 21.4.8 In the event that there is a change of the Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

22. THE ISSUING AGENT

- 22.1 The Issuer shall when necessary appoint an Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.
- 22.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 22.3 The Issuing Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

23. THE CSD

- 23.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- 23.2 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 Bondholder or the admission to trading of the Bonds on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

24. NO DIRECT ACTIONS BY BONDHOLDERS

- 24.1 A Bondholder may not take any action or legal steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or their equivalents in any other jurisdiction) of any Group Company in relation to any of the obligations or liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 24.2 Clause 24.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable

to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 21.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 21.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2.13 before a Bondholder may take any action referred to in Clause 24.1.

- 24.3 The provisions of Clause 24.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 13.4 (*Mandatory repurchase due to a Change of Control Event, De-listing Event or Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

25. TIME-BAR

- 25.1 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 Bondholders' right to receive payment has been time-barred and has become void.

- 25.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to 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.

26. NOTICES AND PRESS RELEASES

26.1 Notices

- 26.1.1 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 to such address as notified by the Agent to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Agent to the Issuer from time to time;
 - (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or to such address as notified by the Issuer to the Agent by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Agent, to such e-mail address as notified by the Issuer to the Agent from time to time; and
 - (c) if to the Bondholders, 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 Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

- 26.1.2 Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter (or, if between the Agent and the Issuer, by e-mail) and will only be effective:
- (a) in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1.1;
 - (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 26.1.1; or
 - (c) in case of e-mail to the Agent or the Issuer, when received in legible form by the e-mail address specified in Clause 26.1.1.
- 26.1.3 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

26.2 **Press releases**

- 26.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clause 13.3 (*Early voluntary total redemption (call option)*), paragraph (a)(i) of Clause 14.4 (*Information: miscellaneous*) or Clauses 17.10.3, 17.11.4, 18.4.13, 18.2.1, 18.3.1, 19.2, 21.2.13 or 21.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 26.2.2 In addition to Clause 26.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

27. **FORCE MAJEURE**

- 27.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 27.2 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 27.3 The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the CSD Regulations which provisions shall take precedence.

28. GOVERNING LAW AND JURISDICTION

- 28.1 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.
- 28.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 28.3, be determined by Swedish courts and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 28.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
-

SCHEDULE 1

CONDITIONS PRECEDENT

Part 1

Conditions precedent to the Issue Date

- (a) Copies of the constitutional documents of the Issuer.
- (b) A copy of a resolution of the board of directors of the Issuer:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party; and
 - (ii) authorising a specified person or persons to, on its behalf, execute the Finance Documents and to sign and/or despatch all other 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.
- (c) A copy of the duly executed Terms and Conditions (including an agreed form Compliance Certificate).
- (d) A copy of the duly executed Agency Agreement.
- (e) The Escrow Account Pledge Agreement duly executed by all parties thereto and evidence that the security purported to be created under the Escrow Account Pledge Agreement has been duly perfected in accordance with the terms of the Escrow Account Pledge Agreement.
- (f) Evidence that all documentation and other evidence to be delivered to the Agent in accordance with Part 2 (*Conditions precedent for Disbursement*) of this Schedule 1 are in agreed form between the Issuer and the Agent.

Part 2

Conditions Precedent for Disbursement

- (a) Constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute such Finance Documents) for each party (for the avoidance of doubt, being a Group Company) other than the Agent being part to the Finance Documents, together constituting evidence that the relevant Finance Documents have been duly executed.
- (b) Evidence in the form of an unconditional redemption notice that the Existing Bonds will be redeemed in full within one (1) Business Day following the Disbursement Date.
- (c) A certificate, signed by the Issuer, confirming that the Loan to Value as of the Disbursement Date, or immediately following the Disbursement Date, is less than or equal to 65 per cent.
- (d) Evidence that a security agreement in respect of all the shares in the Holding Company have been, or will within one (1) Business Day following disbursement from the Escrow Account be, duly executed, together with evidence that all documents that shall be delivered to the Agent pursuant to such Transaction Security Document and all perfection requirements thereunder have been, or will be, delivered in accordance with the terms of such Transaction Security Document.

SCHEDULE 2 FORM OF COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

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

From: Wästbygg Gruppen AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

Wästbygg Gruppen AB (publ)

Maximum SEK 400,000,000 senior secured callable fixed rate green bonds 2024/2027 with ISIN: SE0022747440 (the “Bonds”)

(1) We refer to the terms and conditions for the Bonds (the “**Terms and Conditions**”). This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

[(2) **Maintenance Test**

We confirm that in relation to the Reference Period ending on [Reference Date], the Total Equity amounted to SEK [●] and the Total Assets amounted to SEK [●] and therefore the Equity Ratio was [●]. Further, the Net SPV Debt was SEK [●] and the Value amounted to SEK [●] and therefore the Loan to Value was [●]. Hence, the Maintenance Test is [met]/[not met].

Computations as to compliance with the Maintenance Test are attached hereto.⁶⁷

[(3) **Incurrence Test**

We refer to [describe incurrence] (the “**Incurrence**”). We confirm that the Incurrence Test is met in relation to the Incurrence and that in respect of the date of the Incurrence Test, [date]:

- (a) the Net SPV Debt was SEK [●] and the Value amounted to SEK [●] and therefore the Loan to Value was [●]; and
- (b) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the Incurrence,

in each case including the Incurrence on a *pro forma* basis and otherwise calculated in accordance with Clause 15.3 (*Calculation principles*).

⁶ To include calculations of the Maintenance Test and any adjustments pursuant to Clause 15.1 (*Maintenance Test*).

⁷ This section to be used if the Compliance Certificate is delivered in connection with Financial Statements.

Computations as to compliance with the Incurrence Test are attached hereto.⁸⁹

(4) [We confirm that, so far as we are aware, no Event of Default is continuing.]¹⁰

Wästbygg Gruppen AB (publ)

Name:

Authorised signatory

⁸ To include calculations of the Incurrence Test and any adjustments pursuant to Clause 15.2 (*Incurrence Test*).

⁹ This section to be used if the Compliance Certificate is delivered in connection with an Incurrence Test.

¹⁰ Should be included in each Compliance Certificate. If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

ADDRESSES

Issuer

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Website: www.wbgr.se

Joint Bookrunner

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Website: www.swedbank.se

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Website: www.grantthornton.se

Legal advisor

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Issuing agent and Joint Bookrunner

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