

This prospectus was approved by the Swedish Financial Supervision Authority on 16 August 2021.



**Dentalum Operations AB (publ)**

**Prospectus regarding admission to trading on the corporate bond list of  
NASDAQ Stockholm of**

**SEK 300,000,000 Senior Secured Callable Fixed Rate Bonds  
ISIN: SE0013914462**

*Joint Bookrunners*



## Important information

In this prospectus, the “**Issuer**” means Dentalum Operations AB (publ). The “**Group**” means the Issuer with all its subsidiaries from time to time (each a “**Group Company**”). The “**Joint Bookrunners**” means Pareto Securities and Swedbank AB (publ).

“**Euroclear Sweden**” refers to Euroclear Sweden AB. “**SEK**” refers to Swedish kronor.

### Notice to investors

This prospectus (the “**Prospectus**”) has been prepared by Dentalum Operations AB (publ) with corporate identity no. 559136-4046 (“**Dentalum**”, the “**Company**” or the “**Issuer**”) in relation to the application for admission for trading of the Issuer’s SEK 300,000,000 senior secured fixed rate bonds 2020/2023 with ISIN SE0013914462 issued within a maximum amount of SEK 600,000,000 (the “**Bonds**”) on the corporate bond list on Nasdaq Stockholm or another regulated market. The Issuer issued a total of 240 bonds in the Total Nominal Amount of SEK 300,000,000 (the “**Bond Issue**”) on 2 October 2020 (the “**Issue Date**”) in accordance with the terms and conditions for the Bonds (the “**Terms and Conditions**”). The Issuer may at one or more occasions after the Issue Date issue Subsequent Bonds under the Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Bond Issue equals SEK 600,000,000.

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**SFSA**”) pursuant to Article 20 in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the Prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Prospectus is correct and complete. This Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Bonds.

This Prospectus has been prepared in English only and is governed by Swedish law. The courts of Sweden, with the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance, have exclusive jurisdiction to settle any dispute arising out of or in connection with this Prospectus. The Prospectus is available at the SFSA’s website ([www.fi.se](http://www.fi.se)) and the Issuer’s website ([www.dentalum.com](http://www.dentalum.com)).

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

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

Any decision to invest in the Bonds should be based on consideration of the Prospectus as a whole by the investor. In making an investment decision, investors are advised to read carefully, and should rely solely on, the detailed information in this Prospectus and related documents referred to herein. Each investor should consult with its own advisors as to the legal, tax, business, financial and related aspects of the investment in the Bonds.

### Forward-looking statements and market data

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

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

The Prospectus contains market data and industry forecasts, including information related to the sizes of the markets in which the Group participates. The information has been extracted from a number of sources. Although the Issuer regards these sources as reliable, the information contained in them has not been independently verified and therefore it cannot be guaranteed that this information is accurate and complete. However, as far as the Issuer is aware and can assure by comparison with other information made public by these sources, no information has been omitted in such a way as to render the information reproduced incorrect or misleading. In addition to the above, certain data in the Prospectus is also derived from estimates made by the Issuer.

### Presentation of financial information

This Prospectus incorporates the Issuer’s consolidated historical financial statements for 2019 and 2020, the interim reports for January 2021-March 2021 and historical financial statements of the Guarantors. The Issuer’s consolidated historical financial statements for 2019 and 2020 and the interim reports for January 2021-March 2021 have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as adopted by the EU and in accordance with the Swedish Annual Report Act (*årsredovisningslag (1995:1554)*). The Guarantors’ historical financial statements have been prepared in accordance with the Swedish Annual Report Act and the accounting rules BFNAR 2016:10 (K2). The historical financial statements, but not the interim reports for January 2021-March 2021, have been audited by the Issuer’s auditor. Certain financial and other information presented in this Prospectus has been rounded off for the purpose of making this Prospectus more easily accessible for the reader. As a result, the figures in tables may not tally with the stated totals.

With the exception of the Issuer’s consolidated historical financial statements for 2019 and 2020 and the Guarantors’ historical financial statements, no information in this Prospectus has been audited or reviewed by the Issuer’s or any Guarantor’s auditor. Financial data in this Prospectus that have not been audited stem from internal accounting and reporting systems.

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## RISK FACTORS

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*In this section, material risk factors are illustrated and discussed, including risks relating to the Group's business and operations, legal risks, financial risks as well as risks relating to the Bonds. The Issuer's assessment of the materiality of each risk factor is based on the probability of their occurrence and the expected magnitude of their negative impact. The description of the risk factors below is based on information available and estimates made on the date of this Prospectus. The risk factors are presented in categories where the most material risk factors in a category are presented first under that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.*

*Terms defined in the terms and conditions of the Bonds (the "Terms and Conditions") have the same meaning when used in this section (Risk factors), unless otherwise defined or set out in this Prospectus.*

### Risks relating to the Issuer and the Group

#### Market risks

##### ***Risks relating to competition***

The competitive landscape in which the Group operates comprises of a number of private actors and one public actor. The Group's ability to compete varies according to the geographical location of its acquired dental clinics, the number of competitors and the services offered in these markets. Other such factors affecting the Group's ability to compete are the reputation of the Group, the commitment and expertise from the Group's trained medical staff in these local markets, including the Group's ability to conclude acquisitions of external clinics and the Group's ability to start clinics from scratch. Furthermore, the Group is exposed to competition from public and private actors as regards to patients' demand for services, such as the possibility to book appointments online, accessibility, longer opening hours and short waiting times. If the Group is unable to compete with public and private actors this may lead to patient churn and a decrease in the demand for the Group's services, which in turn could have a material adverse effect on the Group's operations and financial position.

It is the Issuer's assessment that the probability of increasing competition in the private dental health care sector occurring, is medium. If the risk were to occur, the Issuer considers the potential negative impact to be medium to low.

#### Risks relating to the Group's business activities and industry

##### ***Risks relating to acquisitions***

The Group intends to accelerate and grow its business through selective acquisitions of suitable dental clinics in the private sector and to consolidate such dental clinics into a dental service organisation, *i.e.*, a so-called DSO. Furthermore, in some cases the Group is given the opportunity to start clinics from scratch through so-called "greenfield opportunities". The Group's ability to complete acquisitions is subject to risks and uncertainties. The Group may be unable to identify suitable acquisition targets in the private dental care segment and reach an agreement on acceptable terms with the clinic owners. Even if the Group has managed to complete acquisitions, the Group is dependent on its ability to successfully integrate its acquired targets. The acquired targets may not generate the revenue and profitability the Group has anticipated. Furthermore, the acquired targets may not achieve the expected synergies with the Group's business as regards, *e.g.*, procurement distribution, resource allocation, marketing and accounting, and the Group may be unable to improve the operation efficiencies of the acquired targets in the manner expected by the Group. The acquired targets may also be subject to unforeseen liabilities.

Furthermore, there is a risk that potential and future acquisitions may be delayed or affected by unexpected or increased costs as a result of factors within or outside the control of the Group. If such circumstances occur, it could result in acquisitions not being completed before loans are due, or that such increased costs are not covered by the Group's financing at that time.

Accordingly, if the Group fails to successfully identify suitable targets or effectively integrate its acquired targets, the Group's operations, financial position and earnings could be negatively affected.

It is the Issuer's assessment that the probability of the risk occurring is low. If the risk were to occur, the Issuer considers the potential negative impact to be high.

### ***The effect of the Covid-19 pandemic on business and operations***

The COVID-19 pandemic is still affecting business globally in the form of *e.g.* reduced production, disrupted value and logistic chains, lay-offs, unemployment, lower demand etc. The Group can be forced into write-downs of their portfolio companies in their impairment tests as a consequence of lower profits. Furthermore, the Group's access to necessary financing may be deteriorated.

For some clinics, sales have dropped notably during COVID-19 and although many clinics have seen a positive trend since then, sales, on a consolidated level, are not yet back at the same levels as before COVID-19. Until the majority of the population have received the vaccination against COVID-19, there is a risk that the Group's business is continued to be affected due to its customers hesitating to schedule physical appointments.

If the pandemic continues over a prolonged period of time or further viruses emerge that give rise to similar effects, the adverse impact on the global economy could deepen and result in adverse effects on the Group's operations, financial position and earnings as well as overall future prospects.

The Issuer assesses the probability of the occurrence of the abovementioned risks to be medium. If the risk were to occur, the Issuer considers the potential negative impact to be high.

### ***Risks relating to key personnel and employees***

The Group's success depends to a significant extent on the continued services of its key personnel and key employees, which include the senior management of the Company and the clinic owners, as well as the Group's ability to attract, retain and motivate such key personnel and employees. Furthermore, the Group is dependent on its personnel working within the dental care sector (such as licensed dentists and dental nurses) and to retain such personnel. Should key personnel with certain expertise and skill set leave the Group, and the Group is unable to recruit additional key personnel or licensed personnel working with dental care services within the Group to replace such competence, there is a risk that the Group will be unable to provide such services related to that particular skill set, which could adversely affect the Group's competitiveness and growth and cause patient dissatisfaction, which in turn could have an adverse effect on the Group's operations, financial position and earnings.

The Issuer assesses the probability of the occurrence of the abovementioned risks to be low. If the risk were to occur, the Issuer considers the potential negative impact to be medium.

### ***Risks relating to IT, technology systems and infrastructure***

In order to carry out critical business activities and to respond to patients', authorities' and other parties' growing demands for, *e.g.*, transparency, patient security and level of service, the Group is highly dependent on the functionality, stability, performance and integrity of its technology systems, such as medical case records, servers and databases and the interface with the Swedish Insurance Office (Sw. *Försäkringskassan*). Without fully functioning medical records, the dental clinic is out of operations until such interruption has been diminished. In addition, the Group's technology systems must meet the evolution of its services and solutions in the future.

Consequently, disruptions or interference with the Group's technology systems and infrastructure, including such disruptions or interferences caused by sabotage, virus, software breakdowns and/or termination of contracts regarding technology systems would interrupt the Group's business and/or ability to process patient data, communications and/or production. Furthermore, the Group's inability to develop its technology systems in order to meet the growing demand from patients and other parties, as described above, could have an adverse effect on the Group's operations. The aforementioned could result in loss of earnings and current and potential patients, which would have a material adverse effect on the Group's operations, financial position and earnings.

It is the Issuer's assessment that the probability of the risk occurring is low. If the risk were to occur, even if it is temporary, the Issuer considers the potential negative impact to be high.

### ***Insurance risk***

The Group's business is exposed to risks, such as potential damage to its facilities, damage to equipment and inventory and injuries sustained by patients during dental treatments. The Group maintains insurance coverage as regards property and inventory damage and insurance to cover damages caused by medical errors, which is deemed to be sufficient and in accordance with applicable laws and regulations. According to the Swedish Patient Injury Insurance Act (Sw. *patientskadelagen (1996:799)*), a health care provider is obliged to obtain insurance cover as regards liability for damages caused by, *e.g.*, medical errors or transmission of infections. Should a health care provider not obtain such insurance in accordance with the applicable law, the health care

provider may be obliged to pay an insurance charge in order to compensate for the time period during which such insurance was not maintained. Should such insurance not be obtained and/or maintained, there is a risk that the Group could be obliged to pay an insurance charge, which may be higher than the insurance premium. The Group may also be exposed to an increased number of insurance claims. Claims against the Group may, regardless of the Group's insurance cover, result in an increase in premiums paid by the Group according to its insurance agreements. There is a risk that the Group's insurance coverage may not be sufficient to cover potential claims or losses or that the Group will not be able to renew or maintain existing insurance coverage at commercially reasonable terms or at all. Insufficient insurance coverage or material increases of insurance premiums, could adversely affect the Group's operations, financial position and earnings.

It is the Issuer's assessment that the probability of insurance risks occurring is low. If the risk were to occur, the Issuer considers the potential negative impact to be high.

### ***Dependence on rental agreements and access to premises***

The dental services offered by the Group are normally performed in premises rented by the Group from external property owners. The expiry dates for such lease agreements vary, but are in general between three to five years. Should an external property owner amend the terms of rental agreements during or after the maturity of such agreements it could result in increased expenses for the Group. Furthermore, should a property owner choose to terminate or not renew a rental agreement it could have an adverse effect on the Group's operations and financial position. In such case, there is also a risk that a private or public competitor acquires control of the premises previously occupied by the Group. Amendments and loss of rental agreements or loss of control of any premises could have an adverse effect on the Group's operations, financial position and earnings.

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.

## **Legal and regulatory risks**

### ***Risks relating to, permits, laws and regulations***

The business of the Group is subject to a number of other laws and regulations, such as the Swedish Patient Security Act (Sw. *patientsäkerhetslagen (2010:659)*) and the Swedish Patient Data Protection Act (Sw. *patientdatalagen (2008:355)*), including the General Data Protection Regulation ("GDPR").

According to the Swedish Patient Security Act, a qualified dentist (and dental nurses) must have a licence awarded by the National Swedish Board of Health and Welfare (Sw. *Socialstyrelsen*). As mentioned in Section "Risks relating to the Group's business activities and industry – Risks relating to key personnel and employees" above, the Group is dependent on its ability to recruit and retain licensed personnel in order to offer its dental care services and compete in the private dental care market. Furthermore, an unauthorised person carrying out the dental profession is subject to fines or may also be imprisoned. In Sweden, the Health and Social Care Inspectorate (Sw. *Inspektionen för vård och omsorg ("IVO")*) supervises the health and medical care sector and monitors that the public receives safe and good quality health care. A dental care provider is obliged to notify IVO if any business operations are changed or moved before any dental services are carried out, including if the business is closed. Any failures to submit such notifications could result in fines. Furthermore, IVO has the authority to issue injunctions and impose fines if a dental care provider does not comply with its obligations according to the aforementioned law and there is a risk for patients' safety. In addition to potential reprisals issued by IVO, the Swedish Social Insurance Agency (Sw. *Försäkringskassan*), the government agency responsible for administrating and paying reimbursement to dental care providers for patients covered by the Swedish social insurance, may demand repayments of paid out reimbursements should the dental care provided or documentation fail to comply with relevant laws, regulations and guidelines. If the error is of significance, the Swedish Social Insurance Agency may revoke the right to reimbursement at all. Any failures of the Group to comply with the Patient Security Act or other relevant guidelines, regulations or laws could result in business interruptions, fines and imprisonment (as regards individual dental care providers), damage to the Group's reputation and loss of current or future patients, which would have a material adverse effect on the Group's operations, financial position and earnings.

As regards patient data protection, the Swedish Patient Data Protection Act complements GDPR and governs such matters subject to specific regulation, *i.e.*, the general principles of GDPR still applies, which means that non-compliance with GDPR could lead to significant administrative fines. Consequently, if the Group is not in line with patient data protection regulations, the Group could be subject to fines or other sanctions, including negative publicity or increases of operational expenditures as a result of operational changes in order to comply

with any patient data protection regulations. The aforementioned could adversely affect the Group's operations, financial position and earnings.

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.

### ***Environmental risks***

The business of the Group is subject to environmental laws and regulations, for example, the Swedish Environmental Code (Sw. *miljöbalken*). The Group does not conduct any licensable activities according to the Swedish Environmental Code except for activities under radiation protection legislation. Notwithstanding this, dental clinics are subject to their own control (Sw. *egenkontroll*) and obliged to take all necessary precautions in order to prevent or mitigate that the business causes harm to human health or the environment. By way of example, chemical products which may cause harm to the environment or human health shall be replaced with such products assumed to be less hazardous. Furthermore, a business operator, either the current or a former, is responsible for environmental contamination, until such contamination have ceased or been remedied in a way satisfactory according to the Swedish Environmental Code. If the business operator is unable to perform or pay for remediation of a contaminated property, the party who has acquired the property is responsible for the remediation, if the party knew of, or at the time ought to have discovered the contaminations. Consequently, operations where a dental practice operates or has operated could cause environmental risks and claims could be directed against the Group for environmental contamination. There is a risk that the Group will be charged for the cost for environmental remediation and that such responsibility may not fall within the scope of insurance coverage, which could have an adverse impact on the Group's operations, financial position and earnings.

The Group's business is as well subject to other environmental regulations, as regards, *e.g.*, the handling of special and biological waste generated from the Group's ordinary operating activities (such as chemicals and infectious substances). If the Group is not in line with such environmental regulations, there is a risk for environmental damages, including harm to patients and co-workers, which could have an adverse impact on the Group's operations, financial position and earnings.

It is the Issuer's assessment that the probability of the risks occurring as described above is low. If the risk were to occur, the Issuer considers the potential negative impact to be low.

## **Political, reputational and environmental risks**

### ***Political risks***

As mentioned above, a part of the Group's business model is to consolidate dental clinics in the private sector. The possibility for private dental care providers to conduct its business in order to profit is dependent on political decisions, both on a national and a local level. This means that the Group's prospects for future growth depends on the political view as regards the possibility for private actors to provide dental care services with the aim to profit. For example, some bills (Sw. *motion*) have been submitted concerning dental clinics' ability to charge their patients without any governmental restrictions/thresholds.

Political decisions leading to changes in applicable laws and regulations or a different view as regards the possibility for private actors to act in a local market could result in a number of consequences for the Group. In particular, the lack of possibilities for private dental care providers to cover their costs with no or with a very limited profit could jeopardize the Group's future growth and profitability. The Group may also, as a consequence, have to change its business model, which may lead to a decrease of the Group's market share in the markets in which the Group operates, which in turn may negatively affect the Group's operations, financial position and earnings. Furthermore, any political decisions leading to the withdrawal of public funding of private dental care may negatively affect the Group's operations and financial position. It is uncertain whether any reform measures regulating the private dental care segment will be adopted in the future.

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

### ***Reputational risks***

The Group's reputation and customer perceptions of its brands are critical to its business, and in order to maintain good relations with current and potential patients and partners, including local and regional authorities. Also, business carried out by private care providers is to a large extent reviewed by media. The Group's reputation could be harmed by one or several severe incidents committed intentionally or through negligence by employees or other persons, or due to, for example, failures or inadequacies by suppliers of material necessary

for the Group's business or medical errors. Such incidents and inadequacies could harm patients and, in turn, the Group's reputation. In addition, lawsuits or regulatory investigations relating to the services provided could be instituted against the Group, which could harm the Group's reputation and impair the Group's probabilities to get access to public procurement contracts from local and regional authorities or have such contracts renewed. Any harm to the Group's reputation could also affect its ability to attract potential acquisition targets, partners and patients, including retain current partners and patients. In turn, this could also reduce the Group's ability to compete in the private dental care market. Any negative publicity or other harm to the Group's brand and reputation and failure to maintain and further enhance its reputation and brand recognition would have a material adverse effect on the Group's operations and financial position.

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

## **Risks relating to financing**

### ***Refinancing risk***

The Group finances its business, by way of equity from investors, cash generated from the business and, following the issue of the Bonds, market loans. In the future and in addition to the Group's current debt obligations, the Group may finance its business by way of, e.g., bank loan financing, such as a Super Senior RCF. The Group is required to refinance its outstanding debt, including the Bonds, e.g., when such debt is to fall due. The refinancing risk is defined as the risk of not being able to obtain sufficient financing or any financing at all, or only to significantly higher costs.

The Group's ability to successfully refinance its debt obligations is dependent upon the conditions of the private dental care market, the capital and loan markets as well as the Group's financial position at such time. The Group's ability to refinance the Bonds or other debt is also restricted by that the Terms and Conditions allow incurrence of additional debt only provided that certain covenants are met (incurrence test), stipulating a maximum permitted Net Interest Bearing Debt to EBITDA level. Such restrictions could have a material adverse effect on the Group's ability to borrow funds. Accordingly, there is a risk that refinancing possibilities could be limited or non-existent when debt owed by the Group falls due and needs to be refinanced. This, in turn, could affect the Group's liquidity and consequently affect the possibility to repay debt as it falls due (including the Bonds), which would have an adverse effect on the Group's operations and financial position.

If the Group is unable to obtain financing with respect to acquisitions, increase of its existing financing (e.g., by way of an issue of Subsequent Bonds), refinance in the future, or is only able to obtain financing on terms that are disadvantageous, it could have a material negative impact on the Group's operations, result and financial position.

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.

### ***Dependence on subsidiaries***

The Issuer is a holding company and the Group's operations are mainly run through its subsidiaries. The Issuer's ability to make required payments of interest on its debts and funding is affected by the ability of its subsidiaries to transfer available funds to it and hence, the Issuer is dependent on its subsidiaries to fulfil its obligations under the Bonds. The transfer of funds to the Issuer from its subsidiaries may be restricted or prohibited by financial legal and tax regulations applicable to the respective subsidiary. Furthermore, the Group's subsidiaries are legally separate entities and distinct from the Issuer, and have no obligation to fulfil the Issuer's obligations with regard to its creditors. If the subsidiaries do not generate liquidity, or due to other circumstances, conditions, laws or regulations are prevented from generating liquidity to the Issuer, there is a risk that the Issuer will not be able to fulfil its obligations under the Bonds.

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.

## **Risk factors specific and material to the Bonds**

### **Risks relating to the nature of the Bonds**

#### ***Insolvency of subsidiaries and structural subordination***

As mentioned in Section "*Risks relating to financing – Dependence on subsidiaries*" above, the Group is dependent on the receipt of dividends and other distributions from the Issuer's subsidiaries. The Issuer's



subsidiaries are legally separated from the Issuer and the subsidiaries' ability to make payments to the Issuer is restricted by, among others, the availability of funds, corporate and legal restrictions. In the event of insolvency, liquidation or a similar event relating to one or several of the Issuer's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Issuer, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of such subsidiaries. Defaults by, or the insolvency of, certain subsidiaries of the Issuer may result in the obligation for the Issuer to make payments under financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Issuer and its assets would not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise.

There are restrictions in the Terms and Conditions relating to the incurrence of additional financial indebtedness in the form of a threshold for Leverage Ratio (as defined in the Terms and Conditions) of a maximum of 4.00:1. If the Leverage Ratio is in compliance with this threshold, there is however no restriction in the Terms and Conditions in relation to incurring and issuing financial indebtedness ranking *pari passu* with the Bonds and subordinated to the obligations of the Issuer under the Finance Documents. In addition, security may be provided for certain financial indebtedness as set out in the Terms and Conditions. Accordingly, the Issuer and its subsidiaries may incur additional indebtedness and provide further security and guarantees for such indebtedness. Incurring such additional indebtedness and the provision of security and guarantees may reduce the amount (if any) recoverable by Bondholders if the Issuer is subject to any dissolution, winding-up, liquidation, restructuring (Sw. *företagsrekonstruktion*), administrative or other bankruptcy or insolvency proceedings.

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

### ***Risks relating to the Transaction Security and the Guarantees***

The obligations under the Bonds to the Bondholders and certain other obligations of the Group to certain other creditors will be secured by the Transaction Security and the Guarantees.

If the Issuer issues Subsequent Bonds, the security position of the current Bondholders may be impaired, since the Bondholders of Subsequent Bonds will become Secured Parties and entitled to share the Transaction Security and Guarantees granted to the existing Bondholders. According to the Terms and Conditions, the Issuer may also incur new debt and provide security and guarantees for such debt. Accordingly, the issue of Subsequent Bonds or the granting of security or guarantees for any new debt may have an adverse effect on the security position of the Bondholders and, consequently, the Bondholders recovery in connection with an enforcement of the Transaction Security and Guarantees.

The Issuer considers that the probability of the risk above occurring is low. If the effects would materialise, the Issuer considers the potential negative impact as high.

### ***Risks relating to enforcement of the Transaction Security***

If a subsidiary, which shares are pledged in favour of the Secured Parties, is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares that are subject to such share pledge may then have limited value because all of the subsidiary's obligations must first be satisfied, potentially leaving little or no remaining assets in the subsidiary for the Secured Parties. As a result, the Secured Parties may not recover full or any value in the case of an enforcement sale of such pledged shares. In addition, the value of the shares subject to the pledge may decline over time. Accordingly, there is a risk that the proceeds of any enforcement sale of the Transaction Security or enforcement of Guarantees will not be sufficient to satisfy all, or any amounts, owed to the Secured Parties, or the amounts then due in respect of the Bonds. If the proceeds of an enforcement are not sufficient to repay all amounts due under or in respect of the Bonds, then the Bondholders will only have an unsecured claim against the remaining assets (if any) of the Issuer for the amounts which remain outstanding under or in respect of the Bonds.

Finally, the Bondholders will receive proceeds from an enforcement of the Transaction Security and the Guarantees only after obligations of other Secured Parties secured on a super senior basis have been repaid in full.

The Issuer considers that the probability of the risk as regards the enforceability of the Transaction Security is low. If the effects would materialise, the Issuer considers the potential negative impact as high.

**Risks relating to the admission of the Bonds to trading on a regulated market*****Liquidity risks and secondary market***

Subject to the Terms and Conditions, the Issuer shall ensure that the Bonds issued in the Initial Bond Issue are admitted to trading on the corporate bond list of Nasdaq Stockholm within twelve months of the First Issue Date (or if such admission to trading is not possible to obtain or maintain, that such Bonds are admitted to trading on any other regulated market within twelve months after the First Issue Date).

There is a risk that the Bonds will not be admitted to trading within the aforementioned timeframe, or at all, and, that the Issuer will not be able to maintain the listing of its Bonds. Even if 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. In particular with regard to that the Bonds are traded over-the-counter (OTC), there is a risk for smaller volume of trades. If a liquid market for trading in the Bonds will not exist or not be maintained, this may result in that the Bondholders cannot 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.

Furthermore, if the Issuer fails to procure listing in time, investors holding Bonds on an investment savings account (Sw. *ISK* or *IS-konto*) will no longer be able to hold the Bonds on such account, thus affecting such investor's tax situation.

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, for example, 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 medium.

## DESCRIPTION OF THE BONDS AND USE OF PROCEEDS

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*This section (Description of the Bonds and use of proceeds) is only intended to serve as an introduction to the Bonds. Any decision to invest in the Bonds shall be based on an assessment of all information contained in this Prospectus as well as all documents incorporate herein by reference. The Terms and Conditions of the Bonds are found in a separate section (Terms and Conditions) below. Terms defined in the Terms and Conditions have the same meaning when used in this section (Description of the Bonds and Use of proceeds), unless otherwise defined or set out in this Prospectus.*

### The Bonds

The Bonds are senior secured fixed rate bonds issued 2 October 2020 on a fully paid basis in accordance with the Terms and Conditions. The Bonds have a nominal amount of 1,250,000 each and are denominated in Swedish kronor. The aggregate nominal amount of the Bonds was SEK 300,000,000 on the Issue Date. In total, 240 Bonds have been issued and all 240 Bonds will be admitted to trading.

### Resolutions, authorisations and approvals

The issuance of the Bonds on 2 October 2020 was authorised by a resolution of the board of the Issuer on 28 September 2020.

### ISIN and trading code

The Bonds have been allocated the ISIN code SE0013914462. The Bonds will also be allocated a trading code upon admission to trading. Such trading code has not been allocated at the date of this Prospectus.

### Form of the Bonds

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

The Bonds are freely transferable, without any restrictions in transferability, but the Bondholders may be subject to purchase or transfer restrictions with regards to the Bonds, as applicable, under local laws to which a Bondholder may be subject.

### Status of the Bonds

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank, without any preference among them, 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, and without any preference among them and except for the obligations under a Super Senior RCF and which, following the entering into of the Intercreditor Agreement, shall rank super senior to the Bonds.

### Issuance, repurchase and redemption

#### Issue Date and Final Redemption Date

The Bonds were issued on 2 October 2020. Unless previously redeemed or repurchased and cancelled in accordance with the Terms and Conditions, the Issuer shall redeem all, but not some only, of the outstanding Bonds in full with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on 2 October 2023 (the “**Final Redemption Date**”).

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

**Early voluntary total redemption (call option)**

The Issuer may redeem early all, but not some only, of the outstanding 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.

**Early voluntary total redemption due to illegality (call option)**

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

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

Upon the occurrence of a Change of Control, De-listing or Listing Failure 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 thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control.

**Payments in respect of the Bonds**

Any payment or repayment under the 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 central securities depository (initially Euroclear Sweden) on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.

**Interest and default interest****Interest**

The Initial Bonds will bear interest at the interest rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.

Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made semi-annually in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.

Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).

The interest rate applicable to the Bonds is 7.75 per cent. *per annum*.

**Default interest**

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 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 Trustee or the CSD, in which case the interest rate shall apply instead.

**Undertakings**

The Issuer makes certain undertakings in the Terms and Conditions. These include undertakings and limitations relating to:

- (a) distributions;
- (b) admission to trading of Bonds;
- (c) nature of business;
- (d) financial indebtedness;

- (e) loans out;
- (f) negative pledge;
- (g) conditions subsequent;
- (h) minimum equity investment;
- (i) equity commitments;
- (j) mergers and demergers;
- (k) additional security and guarantees;
- (l) disposals of assets;
- (m) clean down period;
- (n) dealings with related parties; and
- (o) compliance with laws and authorisations.

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

### **Decisions by Bondholders**

A request by the Trustee for a decision by the Bondholders on a matter relating to the Terms and Conditions shall (at the option of the Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.

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 Trustee and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Trustee.

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.

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 Trustee, 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 Trustee, as applicable.

### **No direct action by Bondholders**

Subject to certain exemptions set out in the Terms and Conditions, a Bondholder may not take any steps whatsoever against 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 or bankruptcy in any jurisdiction of any Group Company in relation to any of the obligations and liabilities of any Group Company under the Finance Documents. Such steps may only be taken by the Trustee.

### **Transaction Security and Guarantees**

Subject to the Intercreditor Agreement, as continuing security for the due and punctual fulfilment of the Secured Obligations, the Issuer and other Group Companies (as applicable) has granted first ranking security to the Secured Parties as represented by the Trustee in respect of:

- (a) the shares in the Issuer;
- (b) the shares in each of Dentalum Tandvårdsteam AB, Ludvikatandläkarna AB, Kungsfors Tandvård AB, Moberg – Stenberg Aktiebolag, STHLM Dental Clinics AB, City Dental i Stockholm AB and Vesalis Dental AB;
- (c) the rights under a capital call rights assignment agreement;
- (d) all present and future Permitted Leaver Loans; and

- (e) all present and future Material Intragroup Loans.

Further, the Issuer, Dentalum Tandvårdsteam AB, Lundvikatandläkarna AB, Kungsfors Tandvård AB, Moberg – Stenberg Aktiebolag, STHLM Dental Clinics AB, City Dental i Stockholm AB and Vesalis Dental AB have, subject to the terms of the Intercreditor Agreement, guaranteed irrevocably and unconditionally, in accordance with Swedish law, as principal obligor (Sw. *proprieborgen*), to the Trustee and the Bondholders the punctual performance of the Secured Obligations in accordance and subject to a guarantee and adherence agreement.

Moberg – Stenberg Aktiebolag will resign as guarantor and the pledge over the shares in Moberg – Stenberg Aktiebolag will be released in accordance with the Term and Conditions.

## Admission to trading

Application for admission to trading of the Bonds on the corporate bond list of Nasdaq Stockholm will be filed in connection with the SFSA's approval of this Prospectus. The latest date for admitting the Bonds to trading on Nasdaq Stockholm will fall on 2 October 2021. The total expenses of the admission to trading of the Bonds are estimated to amount to approximately SEK 200,000.

## 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 three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.

## Governing law

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

## The CSD

Euroclear Sweden, Swedish Reg. No. 556112-8074, is initially acting as Central Securities Depository (CSD) and registrar in respect of the Bonds.

## The Trustee

Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, is initially acting as Trustee on behalf of the Bondholders in accordance with the Terms and Conditions. The Terms and Conditions are available at the website of the Issuer ([www.dentalum.com](http://www.dentalum.com)).

## The Issuing Agent

Pareto Securities AB, Swedish Reg. No. 556206-8956, is initially acting as Issuing Agent in respect of the Bonds.

## Use of proceeds

The net proceeds of the issue of the Bonds after deducting fees, costs and expenses in connection with the issue and admission to trading of the Bonds are expected to amount to approximately SEK 292,000,000 and have been, or shall be, used to:

- (a) refinance the Existing Debt;
- (b) finance the Initial Acquisitions (including any earn-outs in respect of the Initial Acquisitions);
- (c) provided that the Initial Acquisitions have been completed, finance Add-on Acquisitions and payments of any earn-out obligations in respect of any acquisitions; and
- (d) finance general corporate purposes of the Group (including capital expenditures).

The purpose of any Subsequent Bond Issue is to:

- (a) finance Add-on Acquisitions and payments of any earn-out obligations in respect of any acquisitions; and
- (b) finance general corporate purposes of the Group (including capital expenditures).

## DESCRIPTION OF THE ISSUER AND OF THE GROUP

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All competitive statements made in this section in terms of the Group, are based on information included in publicly available financial statements, analyst reports, news media and certain internal Group estimates.

### History and development of the Issuer

The Issuer's legal and commercial name is Dentalum Operations AB (publ). The Issuer was incorporated in Sweden on 20 November 2017 and was registered with the Swedish Companies Registration Office (*Bolagsverket*) with registration number 559136-4046 on 30 November 2017. Its Legal Entity Identified (LEI) Code is 54930084CNTY1XCHRX88. The Issuer is a public limited liability company regulated by the Swedish Companies Act (*aktiebolagslag (2005:551)*). The Issuer is headquartered and has its registered office in Stockholm, Sweden and its principal offices are located at C/O CONVENDUM, Nybrogatan 17, 114 39, Sweden. The Issuer's website is [www.dentalum.com](http://www.dentalum.com). The information on the website or any other website is not part of this Prospectus and has not been scrutinised or approved by the SFSA unless that information is explicitly incorporated by reference into this Prospectus.

The Issuer is the parent company of the Group.

The Issuer operates, develops, and acquires dental clinics with the objective to create a market-leading dental service chain in the Nordics. The Issuer incorporates the head office of the Group and serves as the acquisition entity, focusing on acquiring high-quality, profitable and sustainable dental clinics. The Issuer started its operations in the second half of 2019, when the first acquisition was completed. Dentalum Group's dental care philosophy is long-term, dedicated to create sustainable dental care with excellent service and quality to our patients, built on the local heritage, where the acquired clinics have a high degree of independence. Dentalum's operational model drives continuous improvement by involving and encouraging the clinics to share best practice within the group.

During 2020 the Issuer acquired eleven additional dental clinics and as of the date of this Prospectus, acquisition of additional three clinics in Q2 of 2021 has been executed.

- April 2020: Ludvikatandläkarna AB, operating two dental clinics
- June 2020: Dentalum Tandvårdsteam AB
- August 2020:
  - Kungsfors Tandvård AB
  - Borås Tandvård AB
  - Kinna Tandvård AB
- November 2020: STHLM Dental Clinics AB, operating three dental clinics
- December 2020:
  - City Dental i Stockholm AB
  - Vesalis Dental AB
- May 2021: Tareqs Klinik AB
- June 2021:
  - Solna Dental AB
  - Solna Dental Arenatandläkarna AB

At the date of this Prospectus, the Group has fifteen clinics operating in six regions of Sweden.

### History and development of the Guarantors

#### Ludvikatandläkarna AB

The company's legal and commercial name is Ludvikatandläkarna AB. The company is a private limited liability company regulated by the Swedish Companies Act, incorporated in Sweden on 5 February 2019 and registered with the Swedish Companies Registration Office with registration number 559199-3463 on 20 March 2019. Its registered office is in Dalarna, Ludvika, Sweden with address Storgatan 34 B, SE-771 30 Ludvika.

Ludvikatandläkarna AB, operates two clinics in the Region of Dalarna. According to its articles of association its business is dentistry and dental care.

#### Dentalum Tandvårdsteam AB

The company's legal and commercial name is Dentalum Tandvårdsteam AB. The company is a private limited liability company regulated by the Swedish Companies Act, incorporated in Sweden on 18 February 2015 and



registered with the Swedish Companies Registration Office with registration number 559007-1063 on 12 March 2015. Its registered office is in Stockholm, Sweden with address Telefonstigen 2, SE-131 39 Nacka.

According to its articles of association its business is dental care.

### **Kungsfors Tandvård AB**

The company's legal and commercial name is Kungsfors Tandvård AB. The company is a private limited liability company regulated by the Swedish Companies Act, incorporated in Sweden on 18 April 2016 and registered with the Swedish Companies Registration Office with registration number 559060-7684 on 27 April 2016. Its registered office is in Västra Götaland, Mark, Sweden with address Industrigatan 2, SE-511 62 Skene.

According to its articles of association its business is to operate dental practice and activities related thereto.

### **Moberg – Stenberg Aktiebolag**

The company's legal and commercial name is Moberg – Stenberg Aktiebolag. The company is a private limited liability company regulated by the Swedish Companies Act, incorporated in Sweden on 3 June 1988 and registered with the Swedish Companies Registration Office with registration number 556328-3414 on 22 June 1988. Its registered office is in Halland, Falkenberg, Sweden with address Hamngatan 1 A, SE-311 31 Falkenberg.

According to its articles of association its business is dental care and activities related thereto.

### **STHLM Dental Clinics AB**

The company's legal and commercial name is STHLM Dental Clinics AB. The company is a private limited liability company regulated by the Swedish Companies Act, incorporated in Sweden on 11 December 2015 and registered with the Swedish Companies Registration Office with registration number 559040-7374 on 29 February 2016. Its registered office is in Stockholm, Sweden with address Kistagången 20B, SE-164 40 Kista.

According to its articles of association its business is to operate dental practice and activities related thereto.

### **City Dental i Stockholm AB**

The company's legal and commercial name is City Dental i Stockholm AB. The company is a private limited liability company regulated by the Swedish Companies Act, incorporated in Sweden on 13 May 2005 and registered with the Swedish Companies Registration Office with registration number 556680-5478 on 15 June 2005. Its registered office is in Stockholm, Sweden with address Box 16156, SE-103 24 Stockholm.

According to its articles of association its business is to operate dental practice and activities related thereto.

### **Vesalis Dental AB**

The company's legal and commercial name is Vesalis Dental AB. The company is a private limited liability company regulated by the Swedish Companies Act, incorporated in Sweden on 3 March 2020 and registered with the Swedish Companies Registration Office with registration number 559245-8284 on 3 March 2020. Its registered office is in Jönköpings län, Jönköpings kommun, Sweden with address Östra Storgatan 6, SE-553 21 Jönköping.

Its business is to operate dental practice and activities related thereto.

## **Organisational structure**

The Issuer is the parent company of the Group, and its assets are substantially comprised of shares in its subsidiaries. The Group is composed of the Issuer and 13 subsidiaries. Excluding one dormant holding company, all of the subsidiaries are dental care clinics. All Guarantors are subsidiaries of the Issuer and are part of the Group. The Issuer's revenues are comprised of the consolidated net earnings to be up streamed as dividends or group contributions from its subsidiaries. The Issuer is thus dependent upon such subsidiaries ability to generate sufficient net earnings from their operations to fulfil the Issuer's obligations.

## **Business overview**

The Issuer is a full-service dental service organisation (a so-called DSO) performing general aesthetic-, cosmetic-, general- and specialist dentistry. The business model of the Group is to acquire profitable dental clinics in the private sector, driving continuous improvements by involving and encouraging the clinics to share best practice within the group, and to centralise certain support functions to increase efficiency and maintain a

sustainable revenue stream. The Group currently consists of fifteen clinics acquired in 2019, 2020 and 2021. Although the Group is a newly formed group, the clinics have long history of profitable operations with 3-30 years in business. After acquiring new clinics, the clinics initially continue to operate, to a large extent, on an independent basis. Over time, the clinics will be more integrated to Dentalum the Group, however always remaining fairly independent. Services offered by the Group to the clinics include Marketing, Procurement, Accounting, Financing, Tax, HR, Legal and IT.

The Issuer serves the general population in smaller cities, suburbs as well as larger cities in the Stockholm, Dalarna, Västra Götaland, Kalmar and Halland regions. As at 31 December 2020, the Group had 155 employees whereof six employees provide group level services and support functions.

## **Boards of directors, group management and auditors**

The board of directors of the Issuer shall, according to the articles of association of the Issuer, comprise a minimum of three and a maximum of ten board members, with a maximum of three deputies. The board members are elected each year at the annual general meeting for the period up to the end of the next annual general meeting.

The board of directors currently comprises of three board members, including the chairman.

The address of the boards of directors and group management is Dentalum Operations AB, C/O CONVENDUM, Nybrogatan 17, 114 39 Stockholm, Sweden.

### **Board of directors of the Issuer as at the date of this Prospectus**

*Robin Rutili*

Chairman, Board member since 2019

Born 1973

Other on-going principal assignments: Vincero AB, Netmore Group and Doktor.se

*Saeid Esmaeilzadeh*

Board member since 2019

Born 1974

Other on-going principal assignments: Dr Saeid AB, Serendipity Group AB, Spartacus Partners AB

*Marcus Ladow*

Board member since 2019

Born 1988

### **Boards of directors of the Guarantors as at the date of this Prospectus**

#### ***Ludvikatandläkarna AB***

Marcus Ladow

*Chairman, board member*

Max Dorthé Ladow

*Board member*

Sofi Eriksson

*Board member*

#### ***Dentalum Tandvårdsteam AB***

Marcus Ladow

*Chairman, board member*

Max Dorthé Ladow

*Board member*

Sofi Eriksson

*Board member*

#### ***Kungsfors Tandvård AB***

Marcus Ladow

*Chairman, board member*

Max Dorthé Ladow  
*Board member*

Sofi Eriksson  
*Board member*

Arash Rezazadeh  
*Board member*

**Moberg – Stenberg Aktiefbolag**

Marcus Ladow  
*Chairman, board member*

Max Dorthé Ladow  
*Board member*

Sofi Eriksson  
*Board member*

**STHLM Dental Clinics AB**

Marcus Ladow  
*Chairman, board member*

Max Dorthé Ladow  
*Board member*

Sofi Eriksson  
*Board member*

**City Dental i Stockholm AB**

Marcus Ladow  
*Chairman, board member*

Max Dorthé Ladow  
*Board member*

Sofi Eriksson  
*Board member*

**Vesalis Dental AB**

Marcus Ladow  
*Chairman, board member*

Max Dorthé Ladow  
*Board member*

Sofi Eriksson  
*Board member*

**Group management as at the date of this Prospectus**

*Max Dorthé Ladow*  
Chief Executive Officer and Co-founder  
Born 1990  
Employed since 2019

*Marcus Ladow*  
General Counsel and Co-founder  
Born 1988  
Employed since 2019

*Sofi Eriksson*  
Chief Financial Officer  
Born 1961  
Employed since 2020

*Jörgen Stattin*  
 Chief Operation Officer  
 Born 1972  
 Employed since 2020

*Marianne Forsell*  
 CDO  
 Born 1960  
 Employed since 2021

### **Auditors**

Ernst & Young Aktiebolag (Box 7850, 103 99 Stockholm, Sweden) (“**EY**”) is the auditor of the Issuer, Ludvika Tandläkarna AB and Moberg – Stenberg Aktiebolag since 2019 and of Dentalum Tandvårdsteam AB, Kungsfors Tandvård AB, STHLM Dental Clinics AB, City Dental i Stockholm AB and Vesalis Dental AB since 2020. Christian Borg is auditor in charge since 2020, while Carlos Esterling was auditor from 2019 to 2020. Both Christian Borg and Carlos Esterling are authorised accountants and members of FAR, the professional institute for accountants in Sweden.

Jörgen Sivertsson (Mandolinvägen 8, 732 32 Arboga, Sweden) was the auditor of Dentalum Tandvårdsteam AB in 2019 and 2020.

Rikard Johelid (Nils Jakobsonsgatan 5 D, 504 30 Borås, Sweden) was the auditor of Kungsfors Tandvård AB in 2019.

Kenneth Elton (Båtsmansgatan 3, 761 40 Norrtälje) was the auditor of STHLM Dental Clinics AB in 2019.

Maire Kivila (c/o MK Revision & Rådgivning AB, Tjärhovsgatan 18, 116 21 Stockholm) was the auditor of City Dental i Stockholm AB in 2019.

Each of Jörgen Sivertsson, Rikard Johelid, Kenneth Elton and Maire Kivila is authorised accountant and member of FAR, the professional institute for accountants in Sweden.

### **Conflicts of interests**

To the best of the Issuer's and each Guarantors' knowledge there are no conflicts of interest between the duties to the Issuer of the members of the boards of directors or the group management and their private interests or other duties.

### **Major shareholders**

The Issuer is, indirectly, fully owned by Dentalum Group AB through Dentalum AB. Dentalum Group AB's major shareholders are MML Partners AB (founders and management, 20 per cent.), Stuzzicadente AB (financial investors, 78 per cent.) and other members of management (2 per cent.).

As far as the Issuer is aware, no person exercises any direct or indirect control over the Issuer and there are no agreements or other arrangements that will or may result in a change of control over the Issuer.

## LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

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### Information about the Prospectus

The Prospectus has been approved by the SFSA as competent authority under Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. 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 subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

This Prospectus is valid for up to twelve months after the date of the approval of the Prospectus. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Prospectus is no longer valid.

### Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Bonds and the performance of its obligations relating thereto. The issuance of the Bonds on 2 October 2020 was authorised by a resolution of the board of the Issuer on 28 September 2020.

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

### Material contracts

None of the Issuer, the Guarantors nor any other Group Company, other than as described below, have concluded 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 Bondholders.

### Guarantee and Adherence Agreement

The Issuer and the Guarantors, amongst others, have entered into the Guarantee and Adherence Agreement (as defined in the Terms and Conditions), pursuant to which the Guarantors, amongst other things, have agreed to, subject to certain limitations, unconditionally and irrevocably, jointly and severally (Sw. *solidariskt*), guarantee to each secured party, as represented by the security agent, as for its own debt (Sw. *såsom för egen skuld*) the full and punctual payment and performance by the Issuer and the Guarantors of the secured obligations (including the Issuer’s obligations under the Terms and Conditions) all liabilities due, owing or incurred from time to time by any Group Company to any secured party under the Finance Documents (as defined in the Terms and Conditions) or other document evidencing such liabilities. The Guarantee and Adherence Agreement is subject to the Intercreditor Agreement (as defined in the Terms and Conditions).

Further, the Issuer has undertaken to provide or procure that the relevant Group Companies provide additional guarantees in accordance with the Terms and Conditions.

### Transaction Security Documents and Escrow Account Pledge Agreement

The current Transaction Security (as defined in the Terms and Conditions) are subject to the Intercreditor Agreement and the below agreements (the “**Transaction Security Agreements**”):

- Pledge agreement regarding all shares in the Issuer
- Pledge agreement regarding all shares in certain Group Companies
- Pledge agreement regarding the Issuer’s right to demand an equity injection in the Issuer
- Pledge agreement regarding certain loans granted by the Issuer

Further, the Issuer has entered into the Escrow Account Pledge Agreement (as defined in the Terms and Conditions).

Pursuant to the Transaction Security Agreements and the Escrow Account Pledge Agreement each pledgor has agreed to irrevocably and unconditionally pledge to the secured parties all its title, right and interest in the respective pledged assets as continuing security for the due and punctual fulfilment of the liabilities of the Issuer and the Guarantors under the Finance Documents and other documents evidencing such liabilities. The Transaction Security Documents and the Escrow Account Pledge Agreement are subject to the Intercreditor Agreement.

Further, the Issuer has undertaken to provide or procure that the relevant Group Companies provide additional security in accordance with the Terms and Conditions.

### **The Intercreditor Agreement**

The Issuer has entered into the Intercreditor Agreement. The Intercreditor Agreement sets out, amongst other things: (i) the ranking of certain indebtedness of the debtors; (ii) the ranking of certain security granted by the debtors; (iii) when payments can be made in respect of certain indebtedness of the debtors; (iv) when enforcement actions can be taken in respect of the indebtedness; (v) the terms pursuant to which that indebtedness will be subordinated upon the occurrence of certain insolvency events; (vi) turnover provisions; and (vii) when security and guarantees will be released to permit a sale of any assets subject to security.

### **Legal and arbitration proceedings**

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

### **Certain material interests**

Pareto Securities and Swedbank AB (publ) are Joint Bookrunners in conjunction with the issuance of the Bonds. The Joint Bookrunners (and closely related companies) have provided, and may in the future provide, certain investment banking and/or commercial banking and other services to the Issuer and the Group for which they have received, or will receive, remuneration. Accordingly, conflicts of interest may exist or may arise as a result of the Joint Bookrunners having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties.

### **Significant change and trend information**

There has been no material adverse change in the prospects of the Issuer or any of the Guarantors since the date of publication of its last audited financial information and no significant change in the financial performance of the Issuer or any of the Guarantors, or financial position of the Group or any of the Guarantors since the end of the last financial period for which financial information has been published.

### **Incorporation by reference**

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

#### **The Issuer's Annual Report for 2019**

(<https://www.dentalum.com/assets/pdf/2019-dentalum-operations-ab.PDF>)

as regards the audited consolidated financial information on

- page 8 (*Koncernens resultaträkning*);
- page 9 (*Koncernens rapport över totalresultat*)
- page 10 (*Balansräkning*);
- page 11 (*Förändring av Eget Kapital*);
- page 11 (*Kassaflödesanalys*);
- page 15-30 (*Tilläggsupplysningar - Noter*); and
- page 32-33 (*Revisionsberättelse*).

#### **The Issuer's Annual Report for 2020**

([dentalum-arsredovisning-2020.pdf](https://www.dentalum.com/assets/pdf/2020-dentalum-arsredovisning-2020.pdf))

as regards the audited consolidated financial information on

- page 14 (*Koncernens resultaträkning*);
- page 14 (*Koncernens rapport över totalresultat*)
- page 15 (*Koncernens balansräkning*);

**The Issuer's 2021 Q1 Interim Report**

([dentalum-operations-interim-report-q1-2021.pdf](https://www.dentalum.com/assets/pdf/2021-dentalum-operations-interim-report-q1-2021.pdf))

- page 16 (*Koncernens rapoort över förändringar i eget kapital*);
- page 17 (*Koncernens kassaflödesanalys*);
- page 22-43 (*Noter*); and
- page 44-45 (*Revisionsberättelse*).

as regards the unaudited consolidated financial information for the period from January to March 2021 on

- page 8 (*Condensed consolidated income statements*);
- page 9 (*Condensed consolidated balance sheets*);
- page 9 (*Condensed consolidated statements of change in shareholder's equity*);
- page 10 (*Condensed consolidated statements of cash flow*); and
- page 14 (*Accounting and valuation principles*).

**Ludvikatandläkarna AB's Annual Report for the financial year ending on 31 August 2020**

(<https://www.dentalum.com/assets/pdf/2019-2020-ludvikatandlakarna-ab.PDF>)

as regards the audited financial information on

- page 1 (*Förändringar av eget kapital*);
- page 3 (*Resultaträkning*);
- page 4-5 (*Balansräkning*);
- page 6-7 (*Noter*); and
- page 8-9 (*Revisionsberättelse*).

**Ludvikatandläkarna AB's Annual Report for the financial year ending on 31 December 2020**

(<https://www.dentalum.com/assets/pdf/2020-ludvikatandlakarna-ab.PDF>)

as regards the audited financial information on

- page 2 (*Förändringar av eget kapital*);
- page 3 (*Resultaträkning*);
- page 4-5 (*Balansräkning*);
- page 6-7 (*Noter*); and
- page 9-10 (*Revisionsberättelse*).

**Dentalum Tandvårdsteam AB's Annual Report for the financial year ending on 31 March 2019**

(<https://www.dentalum.com/assets/pdf/2018-2019-dentalum-tandvardsteam-ab.PDF>)

as regards the audited financial information on

- page 1 (*Förändringar i eget kapital*);
- page 2 (*Resultaträkning*);
- page 3-4 (*Balansräkning*);
- page 5-6 (*Noter*); and
- page 9-12 (*Revisionsberättelse*).

**Dentalum Tandvårdsteam AB's Annual Report for the financial year ending on 31 March 2020**

(<https://www.dentalum.com/assets/pdf/2020-dentalum-tandvardsteam-ab.PDF>)

as regards the audited financial information on

- page 1 (*Förändringar i eget kapital*);
- page 2 (*Resultaträkning*);
- page 3-4 (*Balansräkning*);
- page 5-6 (*Noter*); and
- page 8-11 (*Revisionsberättelse*).

**Dentalum Tandvårdsteam AB's Annual Report for the financial year ending on 31 December 2020**

(<https://www.dentalum.com/assets/pdf/2020-dentalum-tandvardsteam-ab.PDF>)

as regards the audited financial information on

- page 2 (*Förändring av eget kapital*);
- page 3 (*Resultaträkning*);
- page 4-5 (*Balansräkning*);
- page 6-7 (*Noter*); and
- page 9-10 (*Revisionsberättelse*).

**Kungsfors Tandvård AB's Annual Report for the financial year ending on 30 June 2019**

as regards the audited financial information on

- page 1 (*Förändring av eget kapital*);
- page 3 (*Resultaträkning*);



<https://www.dentalum.com/assets/pdf/2018-2019-kungsfors-tandvard-ab.PDF>

- page 4-5 (*Balansräkning*);
- page 6-7 (*Noter*); and
- page 9-11 (*Revisionsberättelse*).

**Kungsfors Tandvård AB's Annual Report for the financial year ending on 30 June 2020**

as regards the audited financial information on

<https://www.dentalum.com/assets/pdf/2019-2020-kungsfors-tandvard-ab.PDF>

- page 1 (*Förändring av eget kapital*);
- page 3 (*Resultaträkning*);
- page 4-5 (*Balansräkning*);
- page 6-7 (*Noter*); and
- page 11-12 (*Revisionsberättelse*).

**Kungsfors Tandvård AB's Annual Report for the financial year ending on 31 December 2020**

as regards the audited financial information on

<https://www.dentalum.com/assets/pdf/2020-kungsfors-tandvard-ab.PDF>

- page 2 (*Förändring av eget kapital*);
- page 3 (*Resultaträkning*);
- page 4-5 (*Balansräkning*);
- page 6-7 (*Noter*); and
- page 9-10 (*Revisionsberättelse*).

**Moberg – Stenberg Aktiebolag's Annual Report for the financial year ending on 31 December 2019**

- page 1 (*Förändringar i eget kapital*);
- page 2 (*Resultaträkning*);
- page 3-4 (*Balansräkning*);
- page 5-6 (*Noter*); and
- page 7-8 (*Revisionsberättelse*).

<https://www.dentalum.com/assets/pdf/2019-moberg-stenberg-aktiebolag.PDF>

**Moberg – Stenberg Aktiebolag's Annual Report for the financial year ending on 31 December 2020**

- page 1 (*Förändringar i eget kapital*);
- page 2 (*Resultaträkning*);
- page 3-4 (*Balansräkning*);
- page 5-6 (*Noter*); and
- page 7-8 (*Revisionsberättelse*).

<https://www.dentalum.com/assets/pdf/2020-moberg-stenberg-aktiebolag.PDF>

**STHLM Dental Clinics AB's Annual Report for the financial year ending on 31 December 2019**

- page 1 (*Förändringar i eget kapital*);
- page 2 (*Resultaträkning*);
- page 3-4 (*Balansräkning*);
- page 5-6 (*Noter*); and
- page 8-10 (*Revisionsberättelse*).

<https://www.dentalum.com/assets/pdf/2019-sthlm-dental-clinics-ab.PDF>

**STHLM Dental Clinics AB's Annual Report for the financial year ending on 31 December 2020**

- page 2 (*Förändring av eget kapital*);
- page 4 (*Resultaträkning*);
- page 5-6 (*Balansräkning*);
- page 7-8 (*Noter*); and
- page 9-10 (*Revisionsberättelse*).

<https://www.dentalum.com/assets/pdf/2020-sthlm-dental-clinic-ab.PDF>

**City Dental i Stockholm AB's Annual Report for the financial year ending on 31 December 2019**

- page 3 (*Förändring av eget kapital*);
- page 5 (*Resultaträkning*);
- page 6-7 (*Balansräkning*);
- page 8 (*Kassaflödesanalys*);
- page 9-18 (*Noter*); and
- page 20-21 (*Revisionsberättelse*).

<https://www.dentalum.com/assets/pdf/2019-city-dental-i-stockholm-ab.PDF>

**City Dental i Stockholm AB's Annual Report for the financial year ending on 31 December 2020**

- page 2 (*Förändring av eget kapital*);
- page 4 (*Resultaträkning*);
- page 5-6 (*Balansräkning*);
- page 7 (*Kassaflödesanalys*);
- page 8-12 (*Noter*); and
- page 13-14 (*Revisionsberättelse*).

<https://www.dentalum.com/assets/pdf/2020-city-dental-i-stockholm-ab.PDF>



**Vesalis Dental AB's Annual Report for the financial year ending on 31 December 2020**

(<https://www.dentalum.com/assets/pdf/2020-vesalis-dental-ab.PDF>)

as regards the audited financial information on

- page 1 (*Förändringar i eget kapital*);
- page 2 (*Resultaträkning*);
- page 3-4 (*Balansräkning*);
- page 5-6 (*Noter*); and
- page 7-8 (*Revisionsberättelse*).

Information in the above documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in the Bonds or is covered elsewhere in the Prospectus.

The Issuer's Annual Reports for 2019, 2020 and 2021 Q1 Interim Report have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with the Swedish Annual Report Act (*årsredovisningslag (1995:1554)*) and the Issuer's 2021 Q1 Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting. The Guarantors' Annual Reports for the financial years ended on 31 August 2020, 31 March 2019, 31 March 2020, 31 December 2020, 30 June 2019, 31 December 2019 and 30 June 2020 respectively, have been prepared in accordance with the Swedish Annual Report Act and the accounting rules BFNAR 2016:10 (K2), except for City Dental i Stockholm AB's annual reports for the financial years ending on 31 December 2019 and 31 December 2020 which have been prepared in accordance with the Swedish Annual Report Act and the accounting rules BFNAR 2012:1 (K3). With the exception of the Annual Reports, no information in this Prospectus has been audited or reviewed by the Issuer's auditor.

### **Documents on display**

Copies of the articles of association and certificates of registration of the Issuer and the Guarantors and the Guarantee and Adherence Agreement are available at the Issuer's website ([www.dentalum.com](http://www.dentalum.com)).

**TERMS AND CONDITIONS**

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*Execution version*

# TERMS AND CONDITIONS



**Dentalum Operations AB (publ)**  
**Maximum SEK 600,000,000**  
**Senior Secured Callable Fixed Rate Bonds**  
**2020/2023**

ISIN: SE0013914462

First Issue Date: 2 October 2020

## SELLING RESTRICTIONS

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

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

## PRIVACY STATEMENT

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Each of the Issuer, the Trustee 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 Trustee 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 Trustee 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 Trustee 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 Trustee 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 Trustee'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.nordictrustee.com](http://www.nordictrustee.com), [www.dentalum.com](http://www.dentalum.com) and [www.paretosec.com](http://www.paretosec.com).

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# TERMS AND CONDITIONS

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## 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).

“**Add-on Acquisition**” means an acquisition or acquisitions by a Group Company of all (but not only part) of the shares or equivalent ownership interests of an entity, business or undertaking funded in whole or in part with proceeds from the Escrow Account or a Proceeds Account (each a “**Proposed Target**”), provided that:

- (a) the business of the Proposed Target is similar or complementary to that of the Group; and
- (b) the Proposed Target is incorporated (or equivalent) in the Nordics; and
- (c) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of the entity, business or undertaking to be acquired is positive for the twelve month period ending on the relevant date immediately preceding the closing date of the acquisition; and
- (d) at least twenty-five (25) per cent. of the consideration is or will be subject to a Reinvestment or an Equity Injection for the purpose of funding the Add-on Acquisition; and
- (e) no Event of Default is continuing and no Event of Default would occur on the date of or result from the acquisition.

For the avoidance of doubt, an acquisition that is not financed, in whole or in part, with proceeds from the Escrow Account or a Proceeds Account shall not constitute an Add-on Acquisition.

“**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 the Issuer, a Group Company or an Affiliate of the Issuer or a Group Company, irrespective of whether such Person is directly registered as owner of such Bonds.

“**Advance Purchase Agreement**” means:

- (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than one hundred and twenty (120) calendar days after the date of supply; or

(b) 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.

“**Agreed Security Principles**” has the meaning ascribed to it in the Intercreditor Agreement.

“**Annual Report**” means the annual audited consolidated Financial Statements of the Group.

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

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

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

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

“**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 be deemed to be public holidays.

“**Business Day Convention**” means the first following day that is a Business Day.

“**Call Option Amount**” means:

- (a) if the Call Option is exercised on or after the First Issue Date to, but not including, the First Call Date, an amount equivalent to the sum of:
  - (i) 103.875 per cent. of the Nominal Amount; and
  - (ii) the remaining interest payments to, but not including, the First Call Date;
- (b) 103.875 per cent. of the Nominal Amount, together with accrued but unpaid interest, 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 First Issue Date;
- (c) 102.325 per cent. of the Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling twenty-four (24) months after the First Issue Date to, but not including, the date falling thirty (30) months after the First Issue Date; and
- (d) 100.775 per cent. of the Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling thirty (30) months after the First Issue Date to, but not including, the Final Redemption Date.

“**Capital Call Rights Assignment Agreement**” means the security assignment agreement in respect of the Issuer’s right to demand an equity injection in the Issuer under the Equity Commitments Letter.

“**Cash and Cash Equivalents**” means cash and cash equivalents of the Group in accordance with the Accounting Principles as set forth in the latest Financial Statement, including, for the avoidance of doubt, any amounts standing to the credit on the Escrow Account and a Proceeds Account from time to time.

“**Change of Control**” means the occurrence of an event or series of events whereby:

- (a) the Main Shareholders cease to control the Parent, where “**control**” means (i) controlling, directly or indirectly, more than fifty (50.00) per cent. of the total number of voting shares of the Parent, 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 Parent; or
- (b) the Parent ceases to own and control one hundred (100.00) per cent. of the shares and voting rights in the Issuer.

“**Clean Down Period**” has the meaning set forth in Clause 16.13 (*Clean Down Period*).

“**Compliance Certificate**” means a certificate substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*), unless otherwise agreed between the Trustee and the Issuer.

“**Consolidated EBITDA**” means, in respect of the Reference Period, the consolidated profit of the Group from ordinary activities according to 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 Net Finance Charges;
- (c) *before taking into account* any extraordinary items and any non-recurring items which are not in line with the ordinary course of business of the Group (“**Exceptional Items**”), in an aggregate amount not exceeding 10.00 per cent. of Consolidated EBITDA of the relevant Reference Period (prior to any adjustments for Exceptional Items);
- (d) *before taking into account* any Transaction Costs;
- (e) *not including* any accrued interest on Intragroup Loans;
- (f) *not including* any accrued interest on Shareholder Debt;
- (g) *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);
- (h) *after adding back or deducting*, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary



course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;

- (i) *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;
- (j) *plus or minus* the Group's share of the profits or losses of entities which are not part of the Group; and
- (k) *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).

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

“**Debt Register**” means the debt register (Sw. *skuldbok*) 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**” means:

- (a) unless the Bonds have been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, once the Bonds are admitted to trading on the Open Market of the Frankfurt Stock Exchange, that 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 Open Market of the Frankfurt Stock Exchange and the CSD preventing trading in the Bonds in close connection to the redemption of the Bonds); or
- (b) once the Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, that 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).

“**Equity Commitments**” means equity commitments in a minimum amount of SEK 30,000,000 to be issued by the Sponsors jointly and severally (Sw. *solidariskt*) in favour of the Issuer, callable by the Issuer immediately following an Equity Commitments Trigger Event to the extent such equity commitments have not already been voluntarily injected in the Issuer (through the Parent) by the Sponsors.

“**Equity Commitments Letter**” means an equity commitment letter evidencing the Equity Commitments, duly executed by the Sponsors, the Parent and the Issuer.

“**Equity Commitments Trigger Event**” means that the Leverage Ratio, as certified in a Compliance Certificate delivered pursuant to Clause 14.3.1(a), exceeds:

- (a) 6.50:1 on any Reference Date falling within the period from and including the First Issue Date to and including the date falling one (1) year after the First Issue Date;

- (b) 6.00:1 on any Reference Date falling within the period from but excluding the date falling one (1) year after the First Issue Date to and including the date falling two (2) years after the First Issue Date; or
- (c) 5.50:1 on any Reference Date falling within the period from but excluding the date falling two (2) years after the First Issue Date to and including the Final Redemption Date.

“**Equity Injection**” means an equity contribution in the form of a share issue, an unconditional shareholder contribution or Shareholder Debt made by the Parent to the Issuer.

“**Escrow Account**” means a bank account:

- (a) held by the of the Issuer with a reputable bank in Sweden;
- (b) subject to perfected Security in favour of the Trustee and the Bondholders (represented by the Trustee) under the Escrow Account Pledge Agreement;
- (c) from which no withdrawals may be made by any member of the Group except as contemplated by the Finance Documents; and
- (d) to which only Net Proceeds of the Initial Bond Issue or any Subsequent Bond Issue may be transferred by the Issuer.

“**Escrow Account Pledge**” means the first priority pledge over the Escrow Account granted by the Issuer in favour of the Trustee (on behalf of the Bondholders).

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

“**Event of Default**” means an event or circumstance specified as such in Clause 17 (*Termination of the Bonds*).

“**Existing Debt**” means the debt in an aggregate amount of approximately SEK 32,000,000 incurred under the working capital facility for the Issuer provided by Swedbank AB (publ) in connection with the Group’s acquisition of each of Dentalum Tandvårdsteam AB (reg. no. 559007-1063), Ludvikatandläkarna AB (reg. no. 559199-3463), Kungsfors Tandvård AB (reg. no. 559060-7684), Kinna Tandvård AB (reg. no. 559081-3746), Borås Tandvård AB (reg. no. 559134-4097) and Moberg - Stenberg AB (reg. no. 556328-3414).

“**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).

“**Final Redemption Date**” means 2 October 2023 (three (3) years after the First Issue Date), at which date each Bond shall be redeemed at a price equal to 100.00 per cent. of the Nominal Amount.

“**Finance Charges**” means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any

Group Company according to the latest Financial Statements (calculated on a consolidated basis) other than Transaction Costs and any interest on Shareholder Debt, and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

**“Finance Documents”** means the Terms and Conditions, the Escrow Account Pledge Agreement, the Transaction Security Documents, the Equity Commitments Letter, the Guarantee and Adherence Agreement, the Intercreditor Agreement and any other document designated by the Issuer and the Trustee 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 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);
- (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 Statements”** means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to paragraphs (a) and (b) of Clause 14.1 (*Financial Statements*), in each case prepared in accordance with the Accounting Principles.

**“First Call Date”** means the date falling eighteen (18) months after the First Issue Date.

**“First Issue Date”** means 2 October 2020 or such other date as is agreed between the Issuing Agent and the Issuer.

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

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

**“Group Company”** means the Issuer or any of its Subsidiaries.

“**Guarantee**” means the guarantees provided by the Guarantors under the Guarantee and Adherence Agreement.

“**Guarantee and Adherence Agreement**” means the guarantee and adherence agreement entered into or to be entered into between the Issuer, each Guarantor and the Trustee pursuant to which the Secured Obligations will be guaranteed by the Guarantors.

“**Guarantor**” means:

- (a) the Initial Guarantors; and
- (b) any other Group Company which has entered into or acceded to the Guarantee and Adherence Agreement following the First Issue Date.

“**Guarantor Coverage**” has the meaning set out in paragraph (a)(iii) of Clause 16.11 (*Additional Security and Guarantees*).

“**Half-Year Report**” means the unaudited consolidated Financial Statements of the Group for the financial period ending 30 June each year.

“**Hedge Counterparty**” has the meaning ascribed to it in the Intercreditor Agreement.

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

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

“**Incurrence Test**” has the meaning set forth in Clause 15.1 (*Incurrence Test*).

“**Initial Acquisition**” means the acquisition by the Issuer of a Target Group.

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

“**Initial Bond Issue**” has the meaning set forth in Clause 3.3.

“**Initial Guarantors**” means Dentalum Tandvårdsteam AB (reg. no. 559007-1063), Ludvikatandläkarna AB (reg. no. 559199-3463), Kungsfors Tandvård AB (reg. no. 559060-7684) and Moberg - Stenberg AB (reg. no. 556328-3414).

“**Intercreditor Agreement**” means the intercreditor agreement entered into between, amongst others, the Issuer, the Parent, the Trustee and the Initial Guarantors on or about the First Issue Date.

“**Interest Payment Date**” means 2 April and 2 October each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date on 2 April 2021 and the last Interest Payment Date being the Final Redemption Date (or any final Redemption Date prior thereto)).

“**Interest Period**” means each period beginning on (but excluding) the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant) and, in respect of Subsequent Bonds, each period beginning on (but excluding) the Interest Payment Date falling immediately prior to their issuance and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant). An Interest Period shall not be adjusted due to an application of the Business Day Convention.

“**Interest Rate**” means 7.75 per cent. *per annum*.

“**Intragroup Loan**” has the meaning ascribed to it in the Intercreditor Agreement.

“**Issue Date**” means the First Issue Date or any date when Subsequent Bonds are issued.

“**Issuer**” means Dentalum Operations AB (publ), a limited liability company incorporated in Sweden with reg. no. 559136-4046.

“**Issuing Agent**” means Pareto Securities AB (reg. no. 556206-8956) or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Issuer Share Pledge Agreement**” means the pledge agreement entered into by Dentalum AB (as pledgor) and the Trustee (on behalf of itself and the Bondholders) in respect of a first priority pledge of all shares in the Issuer, granted in favour of the Trustee and the Bondholders (represented by the Trustee).

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

“**Listing Failure**” means a situation where:

- (a) the Initial Bonds have not been admitted to trading on the Open Market of the Frankfurt Stock Exchange within sixty (60) days after the First Issue Date; or
- (b) unless the Bonds have been admitted to trading on the corporate bond list of Nasdaq Stockholm or any other Regulated Market, any Subsequent Bonds have not been admitted to trading on the Open Market of the Frankfurt Stock Exchange within sixty (60) days after the relevant Issue Date.

“**Main Shareholder**” means each of MML Partners AB (reg. no. 559210-8772) and Stuzzicadenti AB (reg. no. 559210-7501).

“**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, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a recognised unregulated 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; and
- (b) any other Group Company with earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) representing five (5.00) per cent or more of Consolidated EBITDA.

in each case calculated on a consolidated basis according to the latest Financial Statements.

“**Material Intragroup Loan**” means any intra-group loan provided by the Issuer to any of its Subsidiaries where:

- (a) the term is at least twelve (12) months; and
- (b) the principal amount, when aggregated with all other intra-group loans with a term of at least 12 months between the Issuer as creditor and the same Subsidiary as debtor exceeds SEK 5,000,000.

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

“**Net Finance Charges**” means, for the Reference Period, the Finance Charges according to the latest Financial Statements:

- (a) *after deducting* any interest payable for that Reference Period to any Group Company; and
- (b) *after deducting* any interest income of the Group relating to Cash and Cash Equivalents.

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

- (a) *excluding* guarantees;
- (b) *excluding* any Shareholder Debt and other claims subordinated to the Bonds pursuant to the Intercreditor Agreement or another subordination agreement;
- (c) *excluding* any interest bearing Financial Indebtedness borrowed from any Group Company;
- (d) *including* any earn-out liabilities treated as debt in the latest consolidated Financial Statements of the Group (whether or not interest bearing) incurred pursuant to paragraph (p) of the definition of Permitted Debt *minus* the amount of any such earn-outs subject to a Reinvestment; and
- (e) *less* Cash and Cash Equivalents (*excluding*, for the purpose of an Incurrence Test for disbursement of funds from the Escrow Account or a Proceeds Account, the amount to be disbursed being subject to the relevant Incurrence Test).

“**Net Proceeds**” means the proceeds from the Initial Bond Issue or any Subsequent Bond Issue after deduction has been made for any Transaction Costs in respect of the relevant Bond Issue.

“**New Senior Debt**” has the meaning ascribed to it in the Intercreditor Agreement.

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

“**Obligor**” means the Issuer or a Guarantor.

“**Parent**” means Dentalum AB (reg. no. 559212-9745), the direct and sole shareholder of the Issuer.

“**Permitted Acquisition**” means an Initial Acquisition or an Add-on Acquisition.

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

- (a) incurred under the Finance Documents (save for any Subsequent Bonds);
- (b) up until the date of the first disbursement from the Escrow Account, incurred under the Existing Debt;
- (c) incurred by the Issuer if such Financial Indebtedness:
  - (i) is incurred as a result of a Subsequent Bond Issue and meets the Incurrence Test on a *pro forma* basis; or
  - (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents, meets the Incurrence Test on a *pro forma* basis and has a final maturity date or final redemption date and, when applicable, early redemption dates or instalment dates which occur on or after the Final Redemption Date; or
- (d) incurred by the Issuer, or any other member of the Group, under any revolving credit facility for working capital and general corporate purposes of the Group (and any refinancing, amendment or replacements thereof), amended from time to time (as the case may be), in an aggregate amount not exceeding ten (10) per cent. of the total outstanding nominal amount of the Bonds from time to time (or its equivalent in any other currency or currencies) (the “**Super Senior RCF**”);
- (e) incurred under any Shareholder Debt;
- (f) taken up from a Group Company;
- (g) in the form of 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 in respect of an underlying liability in the ordinary course of business of a Group Company;
- (h) arising under any Hedging Obligations;
- (i) incurred in the ordinary course of business of the Group under an Advance Purchase Agreement;
- (j) under any pension liabilities incurred in the ordinary course of business;
- (k) related to any agreements under which a Group Company leases office space (Sw. *kontorshyresavtal*) or dental clinics or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company’s business;
- (l) arising under any Finance Lease entered into in the ordinary course of the Group’s business;
- (m) arising under any guarantee for the purposes of securing obligations to the CSD in relation to the Bond Issue;

- (n) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (o) to the extent covered by a letter of credit, guarantee or indemnity issued under the Super Senior RCF or any ancillary facility relating thereto;
- (p) arising under any earn-out obligations or obligation to pay any deferred purchase price;
- (q) incurred for the purpose of accomplishing a Reinvestment, and the debt is set-off (or similar) and converted into equity no later than five (5) Business Days following the incurrence; and
- (r) any other Financial Indebtedness not otherwise permitted by paragraphs (a) to (q) above, in an aggregate amount at any time not exceeding the higher of (i) SEK 5,000,000 (or its equivalent in any other currency or currencies) or (ii) 10.00 per cent. of Consolidated EBITDA as shown in the most recent consolidated Financial Statements of the Group (whether audited or unaudited), provided that such amount may never exceed SEK 10,000,000 (or its equivalent in any other currency or currencies).

“**Permitted Distribution**” means a payment (whether directly or indirectly):

- (a) by a Group Company to another Group Company, provided that if such payment is made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, the payment is made on a *pro rata* basis;
- (b) if it is made as a group contribution (Sw. *koncernbidrag*) provided that no cash is transferred and that the Group Company or the Parent receiving the group contribution makes a shareholders' contribution (Sw. *ovillkorat aktieägartillskott*) in the same amount, and simultaneously with the group contribution, to the grantor of the group contribution;
- (c) by a Group Company for regulatory costs, audit fees, administrative costs and any other expenses required to maintain the corporate existence of the Parent or to fund its operating costs or to pay their taxes, in a maximum aggregate amount of SEK 500,000 (or its equivalent in any other currency or currencies) in any financial year;
- (d) of any earn-out obligation or deferred purchase price which has been incurred pursuant to paragraph (p) of the definition of Permitted Debt; or
- (e) of a Permitted Leaver Loan, provided that the Incurrence Test (calculated *pro forma* including the relevant transaction) is met,

and, in each case, *provided that*:

- (i) such transaction is permitted by law; and



- (ii) no Event of Default is continuing or would result from such transaction.

“**Permitted Leaver Loan**” means a loan from the Issuer to the Parent for the purpose of funding a repayment of a Reinvestment in accordance with the Group’s incentive programme.

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

- (a) provided in accordance with the Finance Documents;
- (b) provided in respect of the Existing Debt;
- (c) provided in respect of the Super Senior RCF or any Hedging Obligations in accordance with the Intercreditor Agreement;
- (d) arising under any netting or set off arrangements under bank account arrangements, including cash pool arrangements;
- (e) provided in relation to any agreement under which a Group Company leases office space (Sw. *kontorshyresavtal*) or other premises provided such lease constitutes Permitted Financial Indebtedness;
- (f) 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);
- (g) created for the purposes of securing obligations to the CSD in relation to the Bond Issue;
- (h) provided in relation to any Finance Lease permitted pursuant to paragraph (l) of the definition of Permitted Debt;
- (i) provided in relation to any New Senior Debt in accordance with the Intercreditor Agreement;
- (j) (i) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds are to be transferred or (ii) agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full (a “**Refinancing**”), provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full;
- (k) created for the benefit of the financing providers in relation to a Refinancing, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Bonds in full; or
- (l) securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of security given by any member of the Group other than any permitted under paragraphs (a) to (k) above) does not exceed the higher of (i) SEK 5,000,000 (or its equivalent in any other currency or currencies) or (ii) ten (10.00) per cent. of Consolidated EBITDA as shown in the most recent consolidated Financial Statements of the Group (whether audited or unaudited), provided that such amount

may never exceed SEK 10,000,000 (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.

“**Primary Creditor Documents**” has the meaning ascribed to it in the Intercreditor Agreement.

“**Proceeds Account**” has the meaning ascribed to it in the Intercreditor Agreement.

“**Quotation Day**” means (i) 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 First Issue Date), or (ii) 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 (5<sup>th</sup>) Business Day prior to (i) an Interest Payment Date, (ii) Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 17.10 (*Distribution of proceeds*), (iv) the date of a Bondholders’ Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 12 (*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).

“**Reinvestment**” means a re-investment by a vendor pursuant to the Group’s incentive programme, whereby up to twenty-five (25) per cent. of the consideration payable by the Group to the vendor in respect of an acquisition is re-invested by the vendor in the Parent, the gross proceeds of which shall promptly be on-lent by the Parent to the Issuer in full by way of Shareholder Debt and/or contributed in full through an Equity Injection.

“**Secured Obligations**” means all present and future obligations and liabilities of the Issuer to the Bondholders and the other Secured Parties under the Primary Creditor Documents, plus accrued interest, costs, fees and expenses.

“**Secured Parties**” means the creditors under the Primary Creditor Documents and their agents (as applicable).

“**Securities Account**” means the account for dematerialised securities (Sw. *avstämningsregister*) maintained by the CSD pursuant to the Financial Instruments Accounts

Act in which an owner of such securities is directly registered or an owner's holding of securities is registered in the name of a nominee.

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

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

“**Shareholder Debt**” means all present and future moneys, debts and liabilities due, owing or incurred from time to time by the Issuer as debtor from the Parent, if such debt:

- (a) is subordinated to the obligations of the Issuer under the Finance Documents under the Intercreditor Agreement or another subordination agreement entered into between the Issuer, the Parent and the Trustee;
- (b) according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (c) according to its terms yield only payment-in-kind interest and/or cash interest that is payable after the Final Redemption Date (unless a Permitted Distribution is permitted under the Finance Documents).

“**Sponsors**” means Vincero AB (reg. no. 559005-1131), David Ghanbari Fastighetsbyrå AB (reg. no. 556673-3118), Litore Invest AB (reg. no. 559066-3042), F. Holmströmgruppen AB (reg. no. 556696-3590), Hållbar AB (reg. no. 556972-6762) and Spartacus Partners AB (reg. no. 559244-3757) (each a “**Sponsor**”).

“**SSRCF Creditor**” means any creditor under a Super Senior RCF.

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

“**Subsequent Bond Issue**” means any issue of Subsequent Bonds.

“**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.

“**Super Senior RCF**” has the meaning set forth in paragraph (d) of the definition of Permitted Debt.

“**Targets**” means Sthlm Dental Clinics AB (reg. no. 559040-7374) and City Dental i Stockholm AB (reg. no. 556680-5478) (each a “**Target**”).

“**Target Groups**” means the Targets and each of their respective Subsidiaries from time to time (each Target and its Subsidiaries, a “**Target Group**”).

“**Transaction Costs**” means all fees, costs and expenses incurred by the Issuer or any other Group Company directly or indirectly in connection with (i) the Initial Bond Issue, any Subsequent Bond Issue and any Super Senior RCF, (ii) the admission to trading of the Bonds or (iii) any Permitted Acquisition.

“**Transaction Security**” means:

- (a) security in respect of all shares in the Issuer in accordance with the Issuer Share Pledge Agreement;
- (b) security in respect of all shares in each Material Group Company and/or Guarantor (as applicable);
- (c) security over the Issuer’s right to demand an equity injection in the Issuer under the Equity Commitments Letter;
- (d) security in respect of all present and future Permitted Leaver Loans; and
- (e) security over Material Intragroup Loans.

“**Transaction Security Documents**” means the security documents pursuant to which the Transaction Security is created.

“**Trustee**” means the Bondholders’ 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.

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

“**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 (*Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- 1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.
- 1.2.5 No delay or omission of the Trustee 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 Trustee (save for the privacy statement insofar it relates to the Trustee).

## 2. STATUS OF THE BONDS

Subject to the Intercreditor Agreement, the Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank, without any preference among them, 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, and without any preference among them and except for the obligations under the Super Senior RCF and the Hedging Obligations which, following the entering into of the Intercreditor Agreement, shall rank super senior to the Bonds.

## 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 aggregate amount of the bond loan will be an amount of up to SEK 600,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Nominal Amount**”). The total aggregate nominal amount of the Initial Bonds is SEK 300,000,000 (“**Initial Bond Issue**”).
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount. The price of Subsequent Bonds may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount.

- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The ISIN for the Bonds is SE0013914462.
- 3.7 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 600,000,000, provided that (i) the Issuer meets the Incurrence Test (tested on a *pro forma* basis with the new debt being incurred) and (ii) 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 Subsequent Bond Issue. Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds.

#### **4. USE OF PROCEEDS**

- 4.1 The Issuer shall use the Net Proceeds from the Initial Bond Issue to:
- (a) refinance the Existing Debt;
  - (b) finance the Initial Acquisitions (including any earn-outs in respect of the Initial Acquisitions);
  - (c) provided that the Initial Acquisitions have been completed, finance Add-on Acquisitions and payments of any earn-out obligations in respect of any acquisitions; and
  - (d) finance general corporate purposes of the Group (including capital expenditures).
- 4.2 The purpose of any Subsequent Bond Issue is to:
- (a) finance Add-on Acquisitions and payments of any earn-out obligations in respect of any acquisitions; and
  - (b) finance general corporate purposes of the Group (including capital expenditures).

#### **5. ESCROW OF PROCEEDS**

- 5.1 The Net Proceeds of the Initial Bond Issue and any Subsequent Bond Issue shall be deposited on the Escrow Account pending application in accordance with Clause 4 (*Use of Proceeds*) above.
- 5.2 If the Trustee determines that it has not received the conditions precedent set out in Part 2 (*Conditions precedent for Disbursement – Initial Bond Issue*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*) within ninety (90) Business Days from the First Issue Date (in respect of all the Initial Acquisitions and not only some) and the Trustee has not amended or waived such conditions in accordance with Clause 19 (*Amendments and waivers*), the Issuer shall redeem all, but not some only, of the outstanding Bonds in full at a price equal to one hundred (100) per cent. of the Nominal Amount, together with any

accrued but unpaid interest (a “**Mandatory Redemption**”). The Mandatory Redemption shall fall no later than thirty (30) Business Days after the ending of the ninety (90) Business Days period referred to above. Any shortfall shall be covered by the Issuer.

- 5.3 A Mandatory Redemption shall be made by the Issuer giving notice to the Bondholders and the Trustee 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 AND CONDITIONS SUBSEQUENT**

### **6.1 Conditions Precedent for Settlement – Initial Bond Issue**

- 6.1.1 The settlement of the Initial Bond Issue is subject to the Trustee being satisfied it has received all of the documents and other evidence listed in Part 1 (*Conditions Precedent for Settlement – Initial Bond Issue*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*).
- 6.1.2 The Trustee shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 6.1.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)). The First Issue Date shall not occur (i) unless the Trustee makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Day prior to the First Issue Date (or later, if the Issuing Agent so agrees) or (ii) if the Issuing Agent and the Issuer agree to postpone the First Issue Date.
- 6.1.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 6.1.2, the Issuing Agent shall settle the issuance of the Initial Bonds and pay the Net Proceeds of the Initial Bond Issue to the Escrow Account on the First Issue Date.

### **6.2 Conditions Precedent for Settlement – Subsequent Bond Issue**

- 6.2.1 The settlement of any Subsequent Bond Issue is subject to the Trustee being satisfied it has received all of the documents and other evidence listed in Part 2 (*Conditions Precedent for Settlement – Subsequent Bond Issue*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*).
- 6.2.2 The Trustee shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 6.2.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)). The relevant Issue Date shall not occur (i) unless the Trustee makes such confirmation to the Issuing Agent no later than 11.00 a.m. one (1) Business Day prior to the relevant Issue Date (or later, if the Issuing Agent so agrees) or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.
- 6.2.3 Following receipt by the Issuing Agent of the confirmations in accordance with Clauses 6.2.2, the Issuing Agent shall settle the issuance of the Subsequent Bonds and pay the Net Proceeds of such Subsequent Bond Issue to the Escrow Account on the relevant Issue Date.

### 6.3 **Conditions Precedent for Disbursement – Initial Acquisitions and General Corporate Purposes**

- 6.3.1 Following fulfilment of the conditions precedent set forth in Part 3 (*Conditions precedent for Disbursement – Initial Bond Issue*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*) (save for paragraph (a) of Section 3 (*Miscellaneous*) thereof), ten (10) per cent. of the Net Proceeds of the Initial Bond Issue may upon request by the Issuer be transferred from the Escrow Account to another account designated by the Issuer and may thereafter be applied towards general corporate purposes of the Group (including capital expenditures).
- 6.3.2 Following fulfilment of the conditions precedent set forth in each of Part 2 (*Conditions precedent for Settlement – Subsequent Bond Issue*) and Part 3 (*Conditions precedent for Disbursement – Initial Bond Issue*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*), ten (10) per cent. of the Net Proceeds of any Subsequent Bond Issue may upon request by the Issuer be transferred from the Escrow Account to another account designated by the Issuer and may thereafter be applied towards general corporate purposes of the Group (including capital expenditures).
- 6.3.3 Without prejudice to Clause 6.3.1, the Trustee’s approval of the disbursement of any further Net Proceeds from the Escrow Account for the purpose of an Initial Acquisition or refinancing of the Existing Debt is subject to the Trustee being satisfied it has received all of the documents and other evidence listed in Part 3 (*Conditions precedent for Disbursement – Initial Bond Issue*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*), save for that paragraph (a) of Section 3 (*Miscellaneous*) thereof shall only apply in case of an Initial Acquisition.
- 6.3.4 The Trustee shall promptly confirm to the Issuer when it is satisfied that the conditions in Clause 6.3.1 have been fulfilled (or amended or waived in accordance with Clause 19 (*Amendments and waivers*)).
- 6.3.5 When the applicable Conditions Precedent have been fulfilled in respect of the relevant disbursement from the Escrow Account, the Trustee shall without delay instruct the relevant account bank to transfer funds from the Escrow Account in accordance with the relevant disbursement request for the relevant Initial Acquisition.

### 6.4 **Conditions Precedent for Disbursement – Add-on Acquisitions and Earn-Outs**

- 6.4.1 Provided that the conditions precedent set forth under Clause 6.2 (*Conditions Precedent for Disbursement – Initial Bond Issue*) have been satisfied and each of the Initial Acquisitions have been completed, the Issuer may request a disbursement of funds from the Escrow Account or a Proceeds Account for the purpose of carrying out an Add-on Acquisition or making a payment of earn-out obligations in respect of any acquisition.
- 6.4.2 The Trustee’s approval of the disbursement of any amounts from the Escrow Account or a Proceeds Account is subject to the Trustee being satisfied (acting in its sole discretion) it has received all of the documents and other evidence listed in Part 4 (*Conditions Precedent for Disbursement – Add-on Acquisitions and Earn-Outs*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*).



6.4.3 When the applicable Conditions Precedent have been fulfilled in respect of the relevant disbursement from the Escrow Account, the Trustee shall without delay instruct the relevant account bank to transfer funds from the Escrow Account in accordance with the relevant disbursement request.

#### 6.5 **Conditions Subsequent**

The Issuer shall no later than five (5) Business Days following an Initial Acquisition provide the Trustee with the documents and evidence listed in Part 5 (*Conditions Subsequent*) of Schedule 1 (*Conditions Precedent and Conditions Subsequent*).

#### 6.6 **No responsibility for documentation**

The Trustee 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 Trustee does not have to verify or assess the contents of any such documentation or evidence. Neither the conditions precedent nor the conditions subsequent are reviewed by the Trustee from a legal or commercial perspective of the Bondholders.

### 7. **THE BONDS AND TRANSFERABILITY**

7.1 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.

7.2 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.

7.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.

7.4 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.

7.5 The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended. 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.

7.6 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.

## **8. BONDS IN BOOK-ENTRY FORM**

- 8.1 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.
- 8.2 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.
- 8.3 The Issuer (and the Trustee when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the Debt Register. At the request of the Trustee, the Issuer shall promptly obtain such information and provide it to the Trustee.
- 8.4 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. If the Trustee does not otherwise obtain information from such Debt Register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Trustee obtain information from the Debt Register and provide it to the Trustee.
- 8.5 At the request of the Trustee, the Issuer shall promptly obtain information from the Debt Register and provide it to the Trustee.
- 8.6 The Issuer shall issue any necessary power of attorney to such persons employed by the Trustee, as notified by the Trustee, 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 Trustee or unless consent thereto is given by the Bondholders.
- 8.7 The Issuer (and the Trustee when permitted under the CSD's applicable regulations) may use the information referred to in Clause 8.3 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.

## **9. RIGHT TO ACT ON BEHALF OF A BONDHOLDER**

- 9.1 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.
- 9.2 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.

- 9.3 The Trustee shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 9.1 and 9.2 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 Trustee has actual knowledge to the contrary.
- 9.4 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.

## **10. PAYMENTS IN RESPECT OF THE BONDS**

- 10.1 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.
- 10.2 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. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 10.3 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 11.4 during such postponement.
- 10.4 If payment or repayment is made in accordance with this Clause 10, 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.
- 10.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Initial Bond Issue or a Subsequent 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, public levy or similar.

## **11. INTEREST**

- 11.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 11.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made semi-annually in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 11.3 Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).
- 11.4 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 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 Trustee or the CSD, in which case the Interest Rate shall apply instead.

## **12. REDEMPTION AND REPURCHASE OF THE BONDS**

### **12.1 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's applicable regulations occur on the Business Day following from an application of the Business Day Convention or, if not permitted under the CSD's applicable regulations, on the first following Business Day.

### **12.2 Purchase of Bonds by Group Companies**

- 12.2.1 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 in connection with a redemption of the Bonds in full.

### **12.3 Early voluntary total redemption (call option)**

- 12.3.1 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.
- 12.3.2 Redemption in accordance with Clause 12.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Trustee. 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.

#### **12.4 Early voluntary total redemption due to illegality (call option)**

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

12.4.2 The applicability of Clause 12.4.1 shall be supported by a legal opinion issued by a reputable law firm.

12.4.3 The Issuer may give notice of redemption pursuant to Clause 12.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a Person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

12.5.1 Upon the occurrence of a Change of Control, De-listing or Listing Failure 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 thirty (30) calendar days following a notice from the Issuer of the Change of Control, De-listing or Listing Failure (as applicable) pursuant to paragraph (b) of Clause 14.4. The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control.

12.5.2 The notice from the Issuer pursuant to paragraph (b) of Clause 14.4 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 (b) 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 12.5.1.

12.5.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Bonds. To the extent that the provisions of such regulations conflict with the provisions in this Clause 12.5, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 12.5 by virtue of the conflict.

- 12.5.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 12.4, if a third party in connection with the occurrence of a Change of Control, a De-listing or a Listing Failure offers to purchase all Bonds in the manner and on the terms set out in this Clause 12.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If the Bonds tendered are not purchased within the time limits stipulated in this Clause 12.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 12.5.5 Any Bonds repurchased by the Issuer pursuant to this Clause 12.5 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. TRANSACTION SECURITY AND GUARANTEES**

- 13.1.1 Subject to the Intercreditor Agreement, as continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants, and shall procure that each other Group Company (as applicable) grants, the Transaction Security as first ranking Security to the Secured Parties as represented by the Trustee 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.
- 13.1.2 The Trustee shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents and the Intercreditor Agreement.
- 13.1.3 Subject to the Agreed Security Principles, the Issuer shall ensure that first ranking Security is granted in favour of the Secured Parties in accordance with and at the times stipulated in Clause 6 (*Conditions precedent and conditions subsequent*) and Clause 16.11 (*Additional Security and Guarantees*) in respect of:
- (a) the shares in the Issuer;
  - (b) the shares in each Material Group Company and/or Guarantor (as applicable);
  - (c) the rights under the Capital Call Rights Assignment Agreement;
  - (d) all present and future Permitted Leaver Loans; and
  - (e) all present and future Material Intragroup Loans.
- 13.1.4 Subject to the terms of the Intercreditor Agreement, unless and until the Trustee has received instructions from the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*), the Trustee shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Trustee's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.
- 13.1.5 Subject to the terms of the Intercreditor Agreement, each Guarantor shall, at the time set out in these Terms and Conditions, irrevocably and unconditionally, in accordance with Swedish law, as principal obligor (Sw. *proprieborgen*), guarantee to the Trustee and the Bondholders

the punctual performance of the Secured Obligations in accordance with and subject to the Guarantee and Adherence Agreement.

### 13.2 **Miscellaneous**

13.2.1 For the purpose of exercising the rights of the Secured Parties, the Trustee 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 Trustee provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee and the CSD), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 13.

### 13.3 **Further assurance**

13.3.1 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 the Trustee may reasonably specify (and in such form as the Trustee may reasonably require in favour of the Trustee 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 Finance 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.

13.3.2 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 Finance Parties by or pursuant to the Finance Documents.

### 13.4 **Enforcement**

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

13.4.2 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 Trustee 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 Trustee shall not enforce the Transaction Security. If the Bondholders, without any prior initiative from the Trustee 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 Trustee shall promptly declare the Bonds terminated and enforce the Transaction Security. The Trustee is however not liable to take action if the Trustee considers cause for termination and/or acceleration not to be at hand, unless the instructing Bondholders in writing commit to holding the Trustee indemnified and, at the Trustee's own discretion, grant sufficient security for the obligation.

13.4.3 For the purpose of exercising the rights of the Bondholders and the Trustee 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 Trustee 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 13.4.2 above. To the extent permissible by law, the powers set out in this Clause 13.4.3 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Trustee provide the Trustee with any such documents, including a written power of attorney, which the Trustee deems necessary for the purpose of carrying out its duties under Clause 17.10.3 below (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Trustee's request, provide the Trustee with a written power of attorney empowering the Trustee to change the bank account registered with the CSD to a bank account in the name of the Trustee and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 13.4.2 above to the Bondholders through the CSD.

### 13.5 **Release of Transaction Security and Guarantees**

13.5.1 Subject to the Intercreditor Agreement, the Trustee shall be entitled to release the Transaction Security and Guarantees in accordance with the terms of the Transaction Security Documents and the Guarantee and Adherence Agreement.

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

## 14. **INFORMATION UNDERTAKINGS**

### 14.1 **Financial Statements**

The Issuer shall prepare and make available to the Trustee and on its website:

- (a) not later than four (4) months after the expiry of each financial year:
  - (i) the annual audited consolidated financial statements of the Group (in English); and
  - (ii) the annual audited unconsolidated financial statements of the Issuer; and
- (b) not later than two (2) months after the expiry of each quarter of each of its financial years starting with the quarter ending 31 December 2020:



- (i) the quarterly interim unaudited consolidated financial statements or year-end report of the Group (in English); and
- (ii) the quarterly interim unaudited unconsolidated financial statements or year-end report of the Issuer.

## 14.2 Requirements as to Financial Statements

14.2.1 The Issuer shall prepare the Financial Statements in accordance with the Accounting Principles 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 Each of the Financial Statements shall include a profit and loss account and a balance sheet. In addition, each of the consolidated Financial Statements shall include a cash flow statement and a management commentary or report from the Issuer's board of directors.

## 14.3 Compliance Certificate

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

- (a) in connection with the delivery of Financial Statements in accordance with Clause 14.1 (*Financial Statements*);
- (b) in connection with the testing of an Incurrence Test;
- (c) within twenty (20) Business Days of completing a Clean Down Period; and
- (d) at the Trustee's reasonable request, within twenty (20) 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, 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 testing of the Incurrence Test, certify that the Incurrence Test is met and including calculations and figures in respect of the Incurrence Test;
- (c) if provided in connection with any Financial Statements, including calculations and figures in respect of the Leverage Ratio for the relevant Reference Period;
- (d) if provided in connection with an Annual Report or a Half-Year Report, provide information on any new Material Group Companies and confirmation of compliance with the Guarantor Coverage; and
- (e) if provided in connection with the completion of a Clean Down Period, certify that a Clean Down Period has been completed, including calculations and figures in respect of the Clean Down Period, and the relevant dates of the Clean Down Period.

#### 14.4 **Miscellaneous**

The Issuer shall:

- (a) keep the latest version of the Terms and Conditions (including documents amending the Terms and Conditions) available on its website; and
- (b) promptly notify the Trustee (and, as regards a Change of Control, De-listing or Listing Failure, the Bondholders) upon becoming aware of the occurrence of a Change of Control, De-listing, Listing Failure or an Event of Default, and shall provide the Trustee with such further information as the Trustee may request (acting reasonably) following receipt of such notice.

### 15. **FINANCIAL COVENANTS**

#### 15.1 **Incurrence Test**

15.1.1 The Incurrence Test is met if:

- (a) when tested in relation to the release of the Net Proceeds from the Escrow Account or a Proceeds Account for the purpose of carrying out an Add-on Acquisition or making a payment of earn-out obligations, the ratio of Leverage Ratio is less than:
  - (i) 5.50:1 if tested from, and including, the First Issue Date to, but not including, the date falling twelve (12) months after the First Issue Date;
  - (ii) 4.50:1 if tested on or after the date falling twelve (12) months after the First Issue Date to, but not including the date falling twenty-four (24) months after the First Issue Date; and
  - (iii) 3.50:1 if tested on or after the date falling twenty-four (24) months after the First Issue Date to, and including, the Final Redemption Date;
- (b) when tested in relation to the incurrence of Financial Indebtedness in accordance with paragraphs (c)(i) or (ii) of the definition of Permitted Debt, the Leverage Ratio is less than:
  - (i) 4.00:1 if tested from, and including, the First Issue Date to, but not including, the date falling eighteen (18) months after the First Issue Date; and
  - (ii) 3.50:1 if tested on or after the date falling eighteen (18) months after the First Issue Date to, and including, the Final Redemption Date;
- (c) when tested in relation to the granting of a Permitted Leaver Loan, the Leverage Ratio is less than 4.00:1; and
- (d) no Event of Default is continuing or would occur upon making the relevant Permitted Distribution or the incurrence of Financial Indebtedness (as applicable),  
in each case calculated in accordance with Clause 15.2 (*Calculation principles*).

## 15.2 Calculation principles

- 15.2.1 The calculation of the Leverage Ratio shall be made as per a testing date determined by the Issuer, falling no more than three (3) months prior to the relevant incurrence, disbursement or payment.
- 15.2.2 The figures for Consolidated EBITDA for the Reference Period ending on the last day of the period covered by the most recent Financial Statements shall be used for the Incurrence Test (as applicable), but adjusted so that:
- (a) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entities acquired by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be included, *pro forma*, for the entire Reference Period;
  - (b) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entities disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be excluded, *pro forma*, for the entire Reference Period; and
  - (c) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entity to be acquired with the proceeds of new Financial Indebtedness shall be included, *pro forma*, for the entire Reference Period.
- 15.2.3 The figures for Net Interest Bearing Debt and Finance Charges for the Reference Period ending on the last day of the period covered by the most recent Financial Statements shall be used for the Incurrence Test (as applicable), but shall be:
- (a) reduced to reflect any Net Interest Bearing Debt attributable to a disposed entity or which has been repaid, repurchased or otherwise discharged as a result of or in connection with a disposal of an entity (to the extent such Net Interest Bearing Debt is included in the relevant financial statements);
  - (b) increased on a *pro forma* basis by an amount equal to the Net Interest Bearing Debt directly attributable to (i) any Financial Indebtedness owed by acquired entities, and (ii) any Financial Indebtedness incurred to finance the acquisition of entities, in each case calculated as if all such debt had been incurred at the beginning of the relevant Reference Period;
  - (c) increased on a *pro forma* basis by an amount equal to the Net Interest Bearing Debt directly attributable to any Financial Indebtedness incurred, calculated as if such debt had been incurred at the beginning of the relevant Reference Period; and
  - (d) as regards Net Interest Bearing Debt, reduced on a *pro forma* basis by the amount of any part of the Equity Commitments actually contributed to the Issuer after the last day of the period covered by the most recent Financial Statements.

- 15.2.4 When calculating compliance with the Incurrence Test for the purpose of incurring new Financial Indebtedness, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce Net Interest Bearing Debt.

## **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**

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

- (a) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);
- (b) redeem, repurchase, defease, retire or repay any of its share capital, or resolve to do so;
- (c) make any payments of principal or interest under any Shareholder Debt; or
- (d) make any other similar distributions or transfers of value (Sw. *värdeöverföringar*) to the Issuer's or its Subsidiaries' direct and indirect shareholders or the Affiliates of such direct and indirect shareholders,

unless such transaction is a Permitted Distribution.

### **16.2 Admission to trading of Bonds**

The Issuer shall ensure that:

- (a) the Initial Bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm within twelve (12) months of the First Issue Date or, if such admission to trading is not possible to obtain or maintain, that such Bonds are admitted to trading on any other Regulated Market within twelve (12) months after the First Issue Date; and
- (b) any Subsequent Bonds are admitted to trading on the same Regulated Market as the Initial Bonds within sixty (60) days of the later to occur of:
  - (i) the Issue Date of the relevant Subsequent Bond Issue; and
  - (ii) the date of admission to trading of the Initial Bonds on the Regulated Market, or, in each case, within any shorter period of time required by law, regulation or applicable stock exchange regulations.

### **16.3 Nature of business**

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Target Groups as of the First Issue Date if such change would have a Material Adverse Effect.

#### 16.4 **Financial Indebtedness**

The Issuer shall not, and shall procure that no other Group Company will, incur, prolong, renew or extend any Financial Indebtedness, save for Permitted Debt.

#### 16.5 **Loans out**

The Issuer shall not, and shall procure that no other Group Company will, extend any loans in any form to any other party, save for (subject to the Intercreditor Agreement):

- (a) to other Group Companies;
- (b) in the ordinary course of business of the relevant Group Company; or
- (c) Permitted Leaver Loans, provided that the aggregate amount of Permitted Leaver Loans made in any financial year of the Issuer does not exceed twenty-five (25) per cent. of the Group's Consolidated EBITDA for the previous financial year but adjusted so that:
  - (i) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entities acquired by the Group after the beginning of such financial year, shall be included, *pro forma* for the entire financial year; and
  - (ii) the consolidated earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of any entities divested by the Group after the beginning of such financial year, shall be excluded, *pro forma* for the entire financial year.

#### 16.6 **Negative Pledge**

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

#### 16.7 **Conditions Subsequent**

The Issuer shall procure that the Conditions Subsequent set out in Clause 6.5 (*Conditions Subsequent*) is complied with.

#### 16.8 **Minimum Equity Investment**

The Issuer shall procure that, immediately following the final payment of the consideration for any Add-on Acquisition, at least twenty-five (25) per cent. of the total consideration (including, for the avoidance of doubt, the full amount of any earn-outs and any other deferred consideration finally determined in respect of the relevant Add-on Acquisition) for the relevant Add-on Acquisition is funded by a Reinvestment or an Equity Injection.

#### 16.9 **Equity Commitments**

If an Equity Commitments Trigger Event occurs in respect of any Reference Date, the Issuer shall promptly demand payment of the then available Equity Commitments in accordance with the Equity Commitments Letter.

## 16.10 Mergers and demergers

Subject to the terms of the Intercreditor Agreement, the Issuer shall not enter into any amalgamation, demerger, merger or reconstruction otherwise than under an intra-Group re-organisation on a solvent basis where the Issuer is the surviving entity.

## 16.11 Additional Security and Guarantees

- (a) The Issuer shall, or shall procure that the relevant Group Companies will, no later than forty (40) Business Days following the publication of each of the Group's Half-Year Reports and Annual Reports, provide the Trustee with the following documents and evidence:
- (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the relevant Finance Documents) for each acceding Guarantor and its shareholder(s) evidencing that the Finance Documents set out in paragraphs (ii) and (iv) below have been duly executed;
  - (ii) evidence that each Group Company identified as a Material Group Company in the Compliance Certificate delivered together with the relevant Half-Year Report or Annual Report has entered into or acceded to:
    - (A) the Guarantee and Adherence Agreement as a Guarantor;
    - (B) the Intercreditor Agreement as an ICA Group Company or a subordination agreement with corresponding provisions regarding subordination of Intragroup Loans; and
    - (C) a pledge agreement in respect of all present and future Material Intragroup Loans granted by the Material Group Company;
  - (iii) evidence in the form of a certificate signed by the Issuer that the aggregate of earnings before interest, tax, depreciation and amortisation (calculated on the same basis as Consolidated EBITDA) of the Guarantors represents not less than eighty-five (85) per cent. of Consolidated EBITDA (the "**Guarantor Coverage**");
  - (iv) copies of Transaction Security Documents in respect of the shares in each Guarantor, duly executed by the relevant shareholder, and evidence that the documents, notices and other evidences to be delivered pursuant to such Transaction Security Documents have been delivered and satisfied; and
  - (v) in relation to any Guarantor not incorporated in Sweden or any Transaction Security Document governed by non-Swedish law, a legal opinion on due execution and enforceability issued to the Trustee by a reputable law firm and in form and substance satisfactory to the Trustee.
- (b) Prior to a Third Party Disposal (as defined in the Intercreditor Agreement) the Issuer shall, or shall procure that the relevant Group Company will, provide perfected Security in favour of the Secured Parties in respect of (i) the relevant Proceeds

Account and (ii) a Substitute Company, subject to and in accordance with the Intercreditor Agreement.

- (c) In connection with a Share Disposal or Merger (as defined in the Intercreditor Agreement), the Issuer shall, or shall procure that the relevant Group Company will, provide Security in favour of the Secured Parties in accordance with the Intercreditor Agreement.

#### 16.12 **Disposals of assets**

Subject to the terms of the Intercreditor Agreement, the Issuer shall not, and shall procure that no other Group Company will, sell or otherwise dispose of any shares in any Group Company or of any substantial assets or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction 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.

#### 16.13 **Clean Down Period**

The Issuer shall procure that during each calendar year there shall be a period of five (5) consecutive days during which the aggregate of:

- (a) all outstanding revolving facility loans;  
*plus*
- (b) any cash loan element of any ancillary outstandings under any ancillary facilities and any cash loans covered by a letter of credit or guarantee issued under an ancillary facility (for the avoidance of doubt, not including any ancillary facilities other than cash loans or bank guarantees or letters of credit covering cash loans);  
*less*
- (c) Cash and Cash Equivalents (excluding any cash standing to credit on the Escrow Account or any Proceeds Account),

amounts to zero or less (a “**Clean Down Period**”). Not less than three (3) months shall elapse between two Clean Down Periods. Compliance shall be confirmed in a Compliance Certificate delivered to the Trustee within twenty (20) Business Days of each Clean Down Period.

#### 16.14 **Dealings with related parties**

The Issuer shall, and shall procure that each other Group Company will, conduct all dealings (other than Permitted Distributions) with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm’s length terms (other than contributions to wholly owned Subsidiaries).

#### 16.15 **Compliance with laws and authorisations**

The Issuer shall, and shall make sure that each other Group Company will, (i) comply with all laws and regulations applicable to the Group from time to time and (ii) 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.

## **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 17.9 (*Termination*) and Clause 17.10 (*Distribution of proceeds*)).

### **17.1 Non-payment**

An Obligor 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 Other obligations**

An Obligor does not comply with its obligations under the Finance Documents in any other way than as set out under paragraph Clause 17.1 (*Non-payment*) above, unless the non-compliance is:

- (a) capable of being remedied; and
- (b) is remedied within fifteen (15) Business Days of the earlier of:
  - (i) the Trustee giving notice; and
  - (ii) the Issuer becoming aware of the non-compliance.

### **17.3 Cross-acceleration**

Any Financial Indebtedness of a Material 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), provided that no Event of Default will occur under this Clause 17.3 unless the amount of Financial Indebtedness individually or in the aggregate exceeds an amount corresponding to SEK 5,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

### **17.4 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 (other than under the Terms and Conditions) 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.



## 17.5 **Insolvency proceedings**

- (a) Any corporate action, legal proceedings or other procedures are taken in relation to:
  - (i) the suspension of payments, winding-up, dissolution, bankruptcy (Sw. *konkurs*), administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company;
  - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets; or
  - (iii) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company.
- (b) Paragraph (a) above shall not apply to:
  - (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised; or
  - (ii) in relation to Subsidiaries of the Issuer, solvent liquidations.

## 17.6 **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 5,000,000 and is not discharged within sixty (60) calendar days.

## 17.7 **Impossibility or illegality**

It is or becomes impossible or unlawful for the Obligors 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.

## 17.8 **Cessation of business**

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

## 17.9 **Termination**

- 17.9.1 If an Event of Default has occurred and is continuing, the Trustee 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 17.9.3 or 17.9.5, 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 Trustee determines (such later date not falling later than twenty (20)

Business Days from the date on which the Trustee made such declaration) and exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

- 17.9.2 The Trustee may not terminate the Bonds in accordance with Clause 17.9.1 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 17.9.1.
- 17.9.3 The Trustee shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Trustee received notice of or gained actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Trustee 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 17.9.4 for as long as, in the reasonable opinion of the Trustee such postponement is in the interests of the Bondholders as a group. The Trustee shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 17.9.4 The Trustee shall, within twenty (20) Business Days of the date on which the Trustee 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 accelerated. If the Trustee has decided not to terminate the Bonds, the Trustee 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 Trustee to terminate the Bonds, the Trustee shall promptly declare the Bonds terminated. However, if the cause for termination according to the Trustee's appraisal has ceased before the termination, the Trustee shall not terminate the Bonds. The Trustee shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Trustee shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 17.9.5 If the Bondholders, without any prior initiative to decision from the Trustee or the Issuer, have made a decision regarding termination in accordance with Clause 18 (*Decisions by Bondholders*), the Trustee shall promptly declare the Bonds terminated. The Trustee is however not liable to take action if the Trustee considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Trustee harmless from any loss or liability and, if requested by the Trustee in its discretion, grant sufficient security for such indemnity.
- 17.9.6 If the Bonds are declared due and payable in accordance with the provisions in this Clause 17, the Trustee shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 17.9.7 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.

17.9.8 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 Trustee or following instructions from the Bondholders' pursuant to Clause 18 (*Decisions by Bondholders*).

17.9.9 If the Bonds are declared due and payable in accordance with this Clause 17, the Issuer shall redeem all Bonds with an amount per Bond equal to the applicable Call Option Amount for the relevant period (plus accrued but unpaid Interest).

#### 17.10 **Distribution of proceeds**

17.10.1 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 any proceeds received from an enforcement of the Transaction Security or the Guarantees shall be distributed in accordance with the Intercreditor Agreement and shall, prior to the entering into of an Intercreditor Agreement, be made and/or distributed in the following order of priority, in accordance with the instructions of the Trustee:

- (a) *firstly*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee, (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 Trustee for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Trustee 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 Finance Documents.

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

17.10.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 17.10.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 17.10.1.

17.10.3 Funds that the Trustee 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 Trustee shall arrange for payments of such funds in accordance with this Clause 17.10 as soon as reasonably practicable.

17.10.4 If the Issuer or the Trustee shall make any payment under this Clause 17.10, the Issuer or the Trustee, 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 10.1 shall apply.

## **18. DECISIONS BY BONDHOLDERS**

### **18.1 Request for a decision**

18.1.1 A request by the Trustee for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Trustee) 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 Trustee and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Trustee. The Person requesting the decision may suggest the form for decision making, but if it is in the Trustee'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 Trustee 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 Trustee that an approval will not be given or the suggested decision is not in accordance with applicable regulations.

18.1.4 The Trustee 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 Trustee.

18.1.5 Should the Trustee 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 Trustee 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 Trustee, 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 20.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 18.2.1. The Issuer shall inform

the Trustee before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Trustee is proposed to be replaced is sent and supply to the Trustee a copy of the dispatched notice or communication.

## 18.2 **Bondholders' Meeting**

18.2.1 The Trustee 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 Trustee 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) a 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 Trustee 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 Trustee may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Trustee 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 Trustee 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 Trustee 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 (*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.

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 or Guarantee, in whole or in part;

- (c) a mandatory exchange of the Bonds for other securities;
  - (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
  - (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
  - (f) amend the provisions in this Clause 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 (d) 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 Trustee 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 twenty (20) per cent. of the Adjusted Nominal Amount:
- (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 Trustee 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 Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Trustee, under these Terms and Conditions shall be subject to the Issuer's or the Trustee'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 Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, 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 Trustee provide the Trustee 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 Trustee 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 Trustee, 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 Trustee, as applicable.

## **19. AMENDMENTS AND WAIVERS**

- 19.1 The Issuer and the Trustee (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 Trustee 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; or
  - (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.



- 19.2 The Trustee 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 Trustee. 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 Trustee, as the case may be.

## **20. THE TRUSTEE**

### **20.1 Appointment of Trustee**

- 20.1.1 By subscribing for Bonds, each initial Bondholder appoints the Trustee to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Trustee 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 Trustee to act on its behalf.
- 20.1.2 Each Bondholder shall immediately upon request provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), as the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Trustee is under no obligation to represent a Bondholder which does not comply with such request.
- 20.1.3 The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents and the Trustee Agreement.
- 20.1.4 The Trustee 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 Trustee Agreement and the Trustee's obligations as Trustee under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 20.1.5 The Trustee 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.

### **20.2 Duties of the Trustee**

- 20.2.1 The trustee shall represent the Bondholders in accordance with the Finance Documents.
- 20.2.2 When acting pursuant to the Finance Documents, the Trustee is always acting with binding effect on behalf of the Bondholders. The Trustee is never acting as an advisor to the

Bondholders or the Issuer. Any advice or opinion from the Trustee does not bind the Bondholders or the Issuer.

- 20.2.3 When acting pursuant to the Finance Documents, the Trustee shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 20.2.4 The Trustee 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.
- 20.2.5 The Trustee 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 Trustee shall however remain liable for any actions of such parties if such parties are performing duties of the Trustee under the Finance Documents.
- 20.2.6 The Issuer shall on demand by the Trustee 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 which the Trustee 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 Trustee 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;
  - (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 Trustee from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 17.10 (*Distribution of proceeds*).

- 20.2.7 The Trustee shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Trustee, as may be necessary in order for the Trustee to carry out its duties under the Finance Documents.
- 20.2.8 Other than as specifically set out in the Finance Documents, the Trustee 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 Trustee not receive such information, the Trustee is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Trustee does not have actual knowledge of such event or circumstance.

20.2.9 The Trustee shall:

- (a) review each Compliance Certificate delivered to it to determine that it meets the requirements set out herein and as otherwise agreed between the Issuer and the Trustee; and
- (b) verify that the Issuer according to its reporting in the Compliance Certificate meets the relevant financial covenant(s) or tests.

The Issuer shall promptly upon request provide the Trustee with such information as the Trustee reasonably considers necessary for the purpose of being able to comply with this Clause 20.2.9.

20.2.10 Notwithstanding any other provision of the Finance Documents to the contrary, the Trustee 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.

20.2.11 If in the Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

20.2.12 The Trustee 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 Trustee under the Finance Documents or the Trustee Agreement or if it refrains from acting for any reason described in Clause 20.2.11.

### 20.3 **Limited liability for the Trustee**

20.3.1 The Trustee 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 Trustee shall never be responsible for indirect or consequential loss.

20.3.2 The Trustee 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 Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.

20.3.3 The Trustee 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 Trustee to the Bondholders, provided that the Trustee 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 Trustee for that purpose.

20.3.4 The Trustee shall have no liability to the Issuer or the Bondholders for damage caused by the Trustee acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.

20.3.5 Any liability towards the Issuer which is incurred by the Trustee 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

## 20.4 **Replacement of the Trustee**

20.4.1 Subject to Clause 20.4.6, the Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.

20.4.2 Subject to Clause 20.4.6, if the Trustee is insolvent or becomes subject to bankruptcy proceedings, the Trustee shall be deemed to resign as Trustee and the Issuer shall within ten (10) Business Days appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

20.4.3 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 Trustee and appointing a new Trustee. 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 Trustee be dismissed and a new Trustee appointed.

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

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

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

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

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

20.4.6 The Trustee's resignation or dismissal shall only take effect upon the earlier of:

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

(b) the period pursuant to paragraph (b) of Clause 20.4.4.

20.4.7 Upon the appointment of a successor, the retiring Trustee 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 Trustee. 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 Trustee.

- 20.4.8 In the event that there is a change of the Trustee in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents and the Trustee Agreement. Unless the Issuer and the new Trustee agree otherwise, the new Trustee shall be entitled to the same fees and the same indemnities as the retiring Trustee.

## **21. THE ISSUING AGENT**

- 21.1 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.
- 21.2 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.
- 21.3 The Issuing Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.
- 21.4 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## **22. THE CSD**

- 22.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.
- 22.2 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 corporate 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.

## **23. NO DIRECT ACTIONS BY BONDHOLDERS**

- 23.1 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 liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Trustee.
- 23.2 Clause 23.1 shall not apply if the Trustee 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 20.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or the Trustee Agreement or by any reason described in Clause 20.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.12 before a Bondholder may take any action referred to in Clause 23.1.
- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 12.4 (*Mandatory repurchase due to a Change of Control Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## **24. TIME-BAR**

- 24.1 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.
- 24.2 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.

## **25. NOTICES AND PRESS RELEASES**

### **25.1 Notices**

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

- (a) if to the Trustee, 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 Trustee to the Issuer from time to time or, if sent by e-mail by the Issuer, to such e-mail address notified by the Trustee 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 Trustee by not less than five (5) Business Days' notice from time to time, or, if sent by e-mail by the Trustee, to such e-mail address as notified by the Issuer to the Trustee 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 Trustee.

25.1.2 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 Trustee and the Issuer, by e-mail) and will only be effective:

- (d) in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1.1;
- (e) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1; or
- (f) in case of e-mail to the Trustee or the Issuer, when received in legible form by the e-mail address specified in Clause 25.1.1.

25.1.3 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.

### **25.2 Press releases**

25.2.1 Any notice that the Issuer or the Trustee shall send to the Bondholders pursuant to Clause 12.3 (*Early voluntary total redemption (call option)*), Clause 12.4 (*Early voluntary total redemption due to illegality (call option)*), paragraph (b) of Clause 14.4 or Clauses 17.9.3, 17.10.4, 18.4.13, 18.2.1, 18.3.1, 19.2, 20.2.12 or 20.4.1 shall also be published by way of press release by the Issuer or the Trustee, as applicable.

25.2.2 In addition to Clause 25.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Trustee may send to the Bondholders under these Terms and

Conditions has not already been made public by way of a press release, the Trustee 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 Trustee 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 Trustee shall be entitled, but not obligated to issue such press release.

## **26. FORCE MAJEURE**

- 26.1 Neither the Trustee 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 Trustee or the Issuing Agent itself takes such measures, or is subject to such measures.
- 26.2 Should a Force Majeure Event arise which prevents the Trustee or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 26.3 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **27. ADMISSION TO TRADING**

- 27.1 The Issuer shall use its reasonable endeavours to procure that the Initial Bonds are listed on the Open Market of the Frankfurt Stock Exchange within 30 days after the First Issue Date and remain listed on such exchange until the Bonds have been admitted to trading on a Regulated Market.
- 27.2 The Issuer has in accordance with Clause 16.2 (*Admission to trading of Bonds*) undertaken to have the Initial Bonds admitted to trading within twelve (12) months after the First Issue Date on the corporate 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 twelve (12) months after the First Issue Date).
- 27.3 The Issuer shall ensure that the Bonds, once admitted to trading on a Regulated Market continue being listed thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

## **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 Trustee (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.
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# **SCHEDULE 1**

## **CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT**

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### **Part 1**

#### **Conditions Precedent for Settlement – Initial Bond Issue**

##### **1. The Issuer**

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) 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;
  - (ii) authorising a specified person or persons to execute the Finance Documents on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it under or in connection with the Finance Documents to which it is a party.

##### **2. Finance Documents**

- (a) A duly executed copy of the Terms and Conditions.
- (b) A duly executed copy of the Trustee Agreement.
- (c) A duly executed copy of the Escrow Account Pledge Agreement, including evidence that the security purported to be created under the Escrow Account Pledge Agreement in respect of the Escrow Account has been duly perfected.

## **Part 2**

### **Conditions Precedent for Settlement – Subsequent Bond Issue**

#### **1. The Issuer**

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

#### **2. Miscellaneous**

- (a) A Compliance Certificate from the Issuer confirming that the Incurrence Test is met and that 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 from the Subsequent Bond Issue.
- (b) Such other documents and evidence as is agreed between the Trustee and the Issuer.

## **Part 3**

### **Conditions Precedent for Disbursement – Initial Bond Issue**

#### **1. The Issuer, the Parent, the Initial Guarantors and the Sponsors**

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) of the Issuer, the Parent, each Initial Guarantor and each Sponsor.
- (b) A copy of a resolution of the board of directors of the Issuer, the Parent, each Initial Guarantor and each Sponsor:
  - (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;
  - (ii) authorising a specified person or persons to execute the Finance Documents on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it under or in connection with the Finance Documents to which it is a party.

#### **2. Finance Documents**

- (a) A duly executed copy of the Issuer Share Pledge Agreement.
- (b) A duly executed copy of the pledge agreement in respect of the shares in each Initial Guarantor.
- (c) A duly executed copy of a pledge agreement in respect of all present and future Material Intragroup Loans and Permitted Leaver Loans granted by the Issuer.
- (d) A duly executed copy of the Capital Call Rights Assignment Agreement.
- (e) Evidence that all documents that shall be delivered to the Trustee pursuant to the Transaction Security Documents set out in paragraphs 2(a) to (d) above and all perfection requirements thereunder have been delivered in accordance with the terms of such Transaction Security Document.
- (f) A duly executed copy of the Equity Commitments Letter.
- (g) Evidence that the Issuer, the Parent and each Initial Guarantor have entered into or acceded to the Intercreditor Agreement and due execution of the relevant documents.
- (h) Evidence that the Issuer and each Initial Guarantor have entered into or acceded to the Guarantee and Adherence Agreement and due execution of the relevant documents.

#### **3. Miscellaneous**

- (a) If the amount disbursed shall be applied towards an Initial Acquisition, a closing certificate issued by the Issuer confirming that:
  - (i) the Net Proceeds to be released will be applied towards an Initial Acquisition;

- (ii) all closing conditions for the Initial Acquisition (except for the payment of the purchase price) have been satisfied or waived;
  - (iii) that the Initial Acquisition will be consummated immediately upon disbursement of funds from the Escrow Account; and
  - (iv) any existing Financial Indebtedness and/or existing Security not constituting Permitted Debt or Permitted Security, as applicable, incurred or granted by or over the relevant Target Group will be repaid or released, as applicable, promptly in connection with the completion of the relevant Initial Acquisition.
- (b) Evidence that the Issuer has received an unconditional equity contribution in an amount of at least SEK 20,000,000.
- (c) The documents set forth under Part 1 (*Conditions Precedent for Settlement – Initial Bond Issue*).

## Part 4

### Conditions Precedent for Disbursement – Add-on Acquisitions and Earn-Outs

#### 1. Miscellaneous

A certificate issued by the Issuer confirming that:

- (a) the Net Proceeds to be released will be applied towards an Add-on Acquisition or a payment of earn-outs obligations in respect of an Add-on Acquisition (as applicable); and
- (b) if the Net Proceeds to be released will be applied towards an Add-on Acquisition:
  - (i) that the Incurrence Test is met (including the Net Interest Bearing Debt and EBITDA of the relevant target(s) of the Add-on Acquisition on a *pro forma* basis);
  - (ii) all closing conditions for the relevant Add-on Acquisition (except for the payment of the purchase price) have been satisfied or waived;
  - (iii) that such Add-on Acquisition will be consummated immediately upon disbursement of funds from the Escrow Account or Proceeds Account (as applicable); and
  - (iv) any existing Financial Indebtedness and/or existing Security not constituting Permitted Debt or Permitted Security, as applicable, incurred or granted by or over the relevant target group will be repaid or released, as applicable, promptly in connection with the completion of the Add-on Acquisition; and
- (c) if the Net Proceeds to be released will be applied towards the payment of earn-out obligations, that the Incurrence Test is met (including the payment on a *pro forma* basis).

## Part 5

### Conditions Subsequent

#### 1. The Issuer

- (a) Copies of the certificate of registration (Sw. *registreringsbevis*) and articles of association (Sw. *bolagsordning*) for the relevant Target and the Group Company which acquired it (the “**Purchaser**”).
- (b) A copy of a resolution from the board of directors of the relevant Target and Purchaser.
  - (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;
  - (ii) authorising a specified person or persons to execute the Finance Documents on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to execute all documents and notices to be executed by it under or in connection with the Finance Documents to which it is a party.

#### 2. Finance Documents

A copy of a Transaction Security Document in respect of the shares in the relevant target company, duly executed by the relevant Group Companies, and evidence that the bearer documents, notices and other evidences to be delivered pursuant to such Transaction Security Documents have been delivered and satisfied.

## SCHEDULE 2 FORM OF COMPLIANCE CERTIFICATE

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### COMPLIANCE CERTIFICATE

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

From: Dentalum Operations AB (publ) as Issuer

Date: [date]

Dear Sir or Madam,

**Dentalum Operations AB (publ)**  
**Maximum SEK [♦] senior secured callable fixed rate bonds 2020/2023 with ISIN:**  
**SE0013914462**  
**(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) **Equity Commitments Trigger Event**

We confirm that, in respect of the Relevant Period ended [*Reference Date*], the Net Interest Bearing Debt was SEK [♦], Consolidated EBITDA was SEK [♦] and therefore the Leverage Ratio was [♦]. Therefore, an Equity Commitments Trigger Event [has]/[has not] occurred[, and we will demand payment in full of the available Equity Commitments]<sup>1</sup>.

[(3) **Incurrence Test**

We confirm that the Incurrence Test is met and that in respect of the date of the Incurrence Test, [date] (falling no more than three (3) months prior to the incurrence of the new Financial Indebtedness:

(a) the Net Interest Bearing Debt was SEK [♦], Consolidated EBITDA was SEK [♦] and therefore the Leverage Ratio was less than [♦]; and

(b) no Event of Default is continuing or would occur upon the Incurrence.

in each case including the Incurrence on a *pro forma* basis and otherwise calculated in accordance with Clause 15.2 (*Calculation principles*).

Computations as to compliance with the Incurrence Test are attached hereto.<sup>2]3</sup>

[(3/4)] [We confirm that, so far as we are aware, no Event of Default is continuing.]<sup>4</sup>

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<sup>1</sup> If an Equity Commitments Trigger Event has occurred.

<sup>2</sup> To include calculations of the Incurrence Test and any adjustments pursuant to Clause 15.1 (*Incurrence Test*).

<sup>3</sup> This section to be used if the Compliance Certificate is delivered in connection with an Incurrence Test.



**Dentalum Operations AB (publ)**

\_\_\_\_\_  
Name:  
*Authorised signatory*

\_\_\_\_\_  
Name:  
*Authorised signatory*

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<sup>4</sup> 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.

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

**The Issuer**

Dentalum Operations AB (publ)

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Name:

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

**The Trustee**

Nordic Trustee & Agency AB (publ)

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Name:

## ADDRESSES

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