



## **Catella AB (publ)**

relating to the listing of

**SEK 1,250,000,000 Senior Unsecured Floating Rate Bonds due 2025**

ISIN: SE0015660444

### **Joint Bookrunners**



**Prospectus dated 10 May 2021 and valid up until 10 May 2022. The Issuer's obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this Prospectus is no long valid**

## IMPORTANT NOTICE:

This prospectus (the "**Prospectus**") has been prepared by Catella AB (publ) (the "**Issuer**", the "**Company**" or "**Catella**" or together with its direct and indirect subsidiaries unless otherwise indicated by the context, the "**Group**"), a public limited liability company incorporated in Sweden, having its headquarters located at the address, Birger Jarlsgatan 6, 114 34 Stockholm, Sweden, with reg. no. 556079-1419, in relation to the application for the listing of the senior unsecured floating rate bonds denominated in SEK (the "**Bonds**") on the corporate bond list on Nasdaq Stockholm Aktiebolag, reg. no. 556420-8394 ("**Nasdaq Stockholm**"). ABG Sundal Collier AB and Nordea Bank Abp, filial i Sverige have acted as joint bookrunners in connection with the issue of the Bonds (the "**Joint Bookrunners**"). This Prospectus has been prepared in accordance with the standards and requirements of Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council (the "**Regulation**") and the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 and repealing Commission Regulation (EC) No 809/2004.

The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") as the competent authority under the Regulation. The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the bonds that are subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 31 (the "**Terms and Conditions**") shall have the same meaning when used in this Prospectus.

Except where expressly stated otherwise, no information in this Prospectus has been reviewed or audited by the Company's auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents incorporated by reference in, and any supplements to, this Prospectus. In this Prospectus, references to "**EUR**" refer to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, and references to "**SEK**" refer to Swedish krona.

Investing in bonds is not appropriate for all investors. Each investor should therefore evaluate the suitability of an investment in the Bonds in light of its own circumstances. In particular, each investor should:

- (a) have sufficient knowledge and experience to carry out an effective evaluation of (i) the Bonds, (ii) the merits and risks of investing in the Bonds, and (iii) the information contained or incorporated by reference in the Prospectus or any supplements;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate in the context of its particular financial situation the investment in the Bonds and the impact that such investment will have on the investor's overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks resulting from an investment in the Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the investor's own currency;
- (d) understand thoroughly the Terms and Conditions and the other Finance Documents and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios relating to the economy, interest rates and other factors that may affect the investment and the investor's ability to bear the risks.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Bonds in any jurisdiction. It has been prepared solely for the purpose of listing the Bonds on the corporate bond list on Nasdaq Stockholm. This Prospectus may not be distributed in or into any country where such distribution or disposal would require any additional prospectus, registration or additional measures or contrary to the rules and regulations of such jurisdiction. Persons into whose possession this Prospectus comes or persons who acquire the Bonds are therefore required to inform themselves about, and to observe, such restrictions. The Bonds have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold outside the United States to purchasers who are not, or are not purchasing for the account of, U.S. persons in reliance upon Regulation S under the Securities Act. In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Bonds within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the Securities Act.

The offering is not made to individuals domiciled in Australia, Japan, Canada, Hong Kong, the Italian Republic, New Zealand, the Republic of Cyprus, the Republic of South Africa, the United Kingdom, the United States (or to any U.S. person), or in any other country where the offering, sale and delivery of the Bonds may be restricted by law.

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

Interest payable on the Bonds will be calculated by reference to STIBOR. As at the date of this Prospectus no administrator of STIBOR appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (the "**ESMA**") pursuant to Article 36 of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

This Prospectus shall be read together with all documents that are incorporated by reference, see subsection "**Documents incorporated by reference**" under section "**Other information**" below, and possible supplements to this Prospectus.

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## Risk Factors

*Risk factors deemed to be of importance for Catella AB (publ), reg. no. 556079-1419 (the "Issuer"), and its subsidiaries (together with the Issuer the "Group" and each a "Group Company") the Group's business and future development and risks relating to the Issuer's senior secured floating rate bonds with ISIN SE0015660444 (the "Bonds") are described below. The risk factors presented below are categorised as "RISKS RELATING TO THE GROUP" or "RISKS RELATING TO THE BONDS" on the basis of whether they pertain to the Group or to the Bonds. The risk factors categorised as "RISKS RELATING TO THE GROUP", are categorised as risk factors pertaining to the Group and not as risk factors pertaining to the Issuer, as the major part of the business operations of the Group are conducted by the Issuer's subsidiaries. The materiality of the risk factors is disclosed by the use of a qualitative ordinal scale of low, medium or high. The assessment of the materiality of the risk factors have been based on the probability of their occurrence and the expected magnitude of their negative impact.*

### RISKS RELATING TO THE GROUP

#### Risk relating to the Issuer

##### ***Risks related to the Issuer's dependency on other companies in the Group***

High level risk

A significant part of the Group's assets and revenues relate to the Issuer's direct and indirect subsidiaries. The Issuer is thus dependent upon receipt of sufficient income and cash flow related to the operations of the subsidiaries and consequently on the subsidiaries' availability of cash and their legal ability to pay management fees and make dividends which may from time to time be restricted by corporate restrictions and law. Should the Issuer not receive sufficient income from its subsidiaries, there is a risk that a material adverse effect on the Issuer's financial condition occurs which may subsequently impact the Issuer's ability to repay the Bonds.

##### ***Risk related to macroeconomic factors***

High level risk

The Group operates in thirteen jurisdictions in Europe and is exposed to macroeconomic factors in general and property related macroeconomic factors in specific. Factors that could have an adverse effect on the general conditions on the markets and reduce economic activity in Europe and globally include a decline in the rate of employment, confidence of consumers and businesses in the future, household disposable income, household debt, house prices, currency markets, inflation, the availability of loans and cost of borrowing, liquidity on the financial markets, and market interest rates. The real estate market in particular is to a large extent affected by macroeconomic factors such as, *inter alia*, the general economic development, growth, employment trends, level of production of new premises and residential properties, changes in infrastructure, population growth, inflation and interest rate levels. The aforementioned macroeconomic factors, also affects the climate for investments and investors' appetite for risk.

If one or more of these factors would have a negative development, this could have a material negative impact on the Group's operations, earnings and financial position.

The *Corporate Finance* operating segment is primarily affected by the willingness of the real estate market participants to enter into transactions, which, in turn, is determined by macroeconomic developments and access to debt financing. A decline in the general economic climate as well as in investors risk and bank lending appetite, may cause investors to avoid making the investments in assets which the Group provide services for, thus affecting the Group's future operations and ability to earn revenue for the Group.

The operating segment *Asset management* is affected by market developments of the real estate markets in the jurisdictions in which the Group conducts business. There is a risk that poorer market conditions and a decline in economic activity reduces the demand for the Group's products and services, which subsequently may have an adverse effect on the Group's business, financial position and results of operations. Further, the *Asset management* business area accounted for sixty-five (65) per cent of the Group's total earnings for the financial year 2020. A decline in market conditions or other factors that make it more difficult for this business area to retain current or future profit margins could have an adverse effect on the Group's business, financial position and results of operations.

The operating segment *Principal Investments* is affected by the general economic development, growth, property prices, level of production of new premises and residential properties, changes in infrastructure, population growth, inflation and interest rate levels. An increase in general property valuations risks making it harder for the Group to invest in new profitable property development projects and decreases in general property valuations risks making the Group's existing investment less profitable upon divestment.

The business conducted by IPM Informed Portfolio Management AB ("**IPM**"), a subsidiary of the Issuer, have had a decline in assets under management and revenues due to macroeconomic factors and fierce competition within the systematic fund services market. Further, the negative development of IPM was accelerated by the Covid-19 pandemic when a considerable amount of IPM's customers, due to the uncertainty and volatility of the market caused by the pandemic, choose to draw their investments out the services provided by IPM. The Issuer has as a consequence of the downward trend of IPM declared an recommendation to cease the operations of IPM and a majority of IPM's owners are expected to support this recommendation at an upcoming extraordinary general meeting of IPM where it will be decided if IPM will cease its operations. The Group estimates that the closure of the IPM business will have a negative effect on the Group's earnings of approximately SEK 102,500,000. If the costs related to the intended closure of IPM exceeds the Group's estimates or if it is decided at the extraordinary general meeting to not cease the business conducted by IPM and the current performance or the negative trend of IPM continues resulting in a decline in revenues and overall profitability of IPM it would have an adverse effect on the financial condition of the Group.

### ***Risks related to the Coronavirus disease (COVID-19)***

Medium level risk

The 2019 novel coronavirus ("**COVID-19**") outbreak is currently having an indeterminable adverse impact on the world economy. COVID-19 was reportedly first discovered in Wuhan, Hubei Province, China, in 2019, and the World Health Organization declared COVID-19 a pandemic on 11 March 2020. The COVID-19 outbreak has become a widespread health crisis, which may in turn result in protracted volatility in international markets and/or result in a global recession as a consequence of disruptions to travel and retail segments, tourism, and manufacturing supply chains. In particular,

in February to April 2020 the COVID-19 outbreak caused stock markets worldwide to lose significant value and impacted economic activity worldwide. This affects the volume of transactions and hence the transaction advisory business of the Group conducted by its *Corporate Finance* operations. In addition to this, the business of the Group is directly exposed to the real estate market which is also experiencing volatility due to Covid-19. This may lead to difficulties, such as fewer customers, cancelled contracts and delays in the acquisition and development of properties, the selling or leasing of existing properties under management.

Any of the foregoing factors may have a material adverse effect on the Group's operations and subsequently the financial conditions of the Group.

### ***Risks related to the business segment Principal Investments***

Medium level risk

The value of the property investments made by the group under its business segment *Principal Investments* is affected by several factors, such as property price developments, supply and demand, vacancy rate, rental levels and operational costs of the underlying property. Further the value of the properties in which the Group invests tends to correlate with interest fluctuations. If interest rates go down the value of properties tend to increase and if interest rates go up the value of properties tend to decrease.

Part of the Group's *Principal Investment* strategy is to acquire and develop properties. The properties are acquired in various stages of the process of developing and made with different partners, co-investors or occasionally alone. The projects invested in by the Group can involve, *inter alia*, acquisition of properties, processed of adopting new zoning plans allowing the construction of buildings for the above-mentioned purposes, potential environmental remediation, procurement of building permits and other necessary government approvals, procurement of the construction contract, eviction of current tenants, the completion of the constructions, etc. Property development projects are always subject to significant risks and the acquisition of the expected value depends upon the successful implementation of the property development projects and good market conditions upon divestment. There is a risk that property development projects are delayed for various reasons or that the cost of the property development projects may overrun the estimated budget. Such delays, increases in costs or changes in the market conditions as described above may adversely affect the results of operations of the *Principal Investment* segment which subsequently may affect the Issuer's ability to fulfil its payment obligations under the Bonds.

### ***Risks related to the business segment Corporate Finance***

Medium level risk

The Group's *Corporate Finance* operating segment is exposed to seasonal variations, resulting in variable sales and earnings during the year. In the *Corporate Finance* operating segment, the transaction volumes are generally at their highest during the fourth quarter, followed by the second quarter, followed by the third and first quarter. Therefore, earnings during an individual quarter are not necessarily representative of the performance of the *Corporate Finance* operating segment. The *Corporate Finance* operating segment is also dependent on the credit market functioning effectively. In turn, the credit market affects the real estate transactions market, which is the Group's primary market in the area of *Corporate Finance*. Therefore, there is a risk for disruptions to the credit market and the resulting decline in opportunities for various parties to raise loans,

having an adverse effect on the Group's sales and earnings which subsequently pose a risk on the Issuer's ability to fulfil its payment obligations under the Bonds.

### ***Risks related to valuation of assets***

Medium level risk

The Group makes estimates and assumptions about the future that form the basis for valuing certain assets. The valuations for accounting purposes that result from these estimates and assumptions will, by definition, rarely correspond to the actual results. Therefore, there is a risk that, in the future, assets will be appraised at a lower value than their written-down value.

Since the Issuer and most of its subsidiaries presents its financial statements in SEK, the Group must translate the assets, liabilities, revenue and expenses of all of its operations with functional currencies other than SEK into SEK at the applicable exchange rates. Consequently, increases or decreases in the value of the currency SEK may affect the value of these items with respect to the Group's non-SEK businesses in its consolidated financial statements, even if their values have not changed in their original currency. These translations could significantly affect the comparability of the Group's results between financial periods or result in significant changes to the carrying value of the Group's assets, liabilities and equity.

There is also a risk that the ongoing COVID-19 pandemic could have a negative effect on the value of the Group's properties. If the valuation of the Group's properties changes, the Group may be forced to write down the value of one or several of its properties, which could have a material adverse effect on the Group's operating profit.

### ***Risks related to employees and use of consultants***

Medium level risk

Significant aspects of the business carried on by the Group, such as in the *Corporate Finance*, *Principal Investments* and *Asset Management* services divisions, rely on there being confidence in the Group as a partner or an operator or in the employee with whom the customer primarily communicates. Therefore, the Group's reputation is key to its ability to retain and develop relationships with existing and potential customers, but also in respect of employees, public authorities and other parties with whom the Group cooperates and conducts business. The Group's employees or external consultants could perform their work in such a way that has an adverse effect on the Group's reputation or business. Accusations that the Group's employees have failed to perform their work correctly, or established or alleged misconduct by the employees or hired external professionals could damage the Group's reputation. Mismanagement or misconduct by the Group's employees or other external parties could result in supervisory authorities claiming or establishing (based on such mismanagement or misconduct) that the Group has failed to implement satisfactory supervisory systems and procedures to inform employees and external professionals about applicable rules, or to detect and manage infringements of such rules. There is a risk that the measures taken by the Group to detect and prevent mismanagement and misconduct could be, or could have been, insufficient. If the Group's reputation is damaged, this could adversely affect the Group's ability to attract new customers and partners, retain existing customers, maintain relationships with partners and external parties, and obtain financing, which could lead to future shortfalls in revenue or increased costs which in turn could have an adverse effect on the Group's business, financial position and results of operations.

### ***Risks related to inability to recruit and retain key employees and senior management***

Medium level risk

The Group's performance and future growth are dependent on the work that is performed, and the knowledge and expertise possessed, by the Group's senior management and employees.

The dependency on employees is particular evident in the Group's employee-intensive *Corporate Finance* business area, the *Principal Investment* business area and *Property Asset Management* services segment within the *Property Investment Management* business area. The ability for the Group to continue to compete effectively and develop new areas is dependent on its ability to attract new employees and retain and motivate existing employees.

There is a risk that a loss of key employees who contribute significantly to the Group's business or sales, and difficulties in recruiting and retaining good employees in the future could have an adverse effect on the Group's business, both in the short-term and the long-term, hence having an adverse effect on the Group's business, financial position and results of operations which in turn can adversely affect the Issuer's possibility to fulfil its payment obligations under the Bonds.

### **Legal Risks**

#### ***Risks related to changes to tax legislation or compliance requirements, or their practical interpretation and application***

Low level risk

The Group conducts business and is subject to taxation in a number of countries with different fiscal rules and regulations. There is a risk that the Issuer's interpretation and application of applicable legislation, tax treaties and rules, as well as case law of the courts and tax authorities, is incorrect or changes, potentially with retroactive effect. There is a risk that the Issuer's tax situation could change based on decisions from relevant public authorities, which would have an adverse effect on the Group's financial position and results of operations. Tax authorities could have a different opinion to that of the Issuer, particularly with respect to transactions between Group companies in different countries (referred to as "transfer pricing issues") or, for example, concerning the application of the VAT exemption in the finance sector. There is a risk that tax losses from previous years in several countries are reduced and/or frozen in the event of, for example, a change of ownership or regulatory changes that restrict the right to make tax deductions. Furthermore, in several countries, discussions are ongoing in relation to the perceived beneficial taxation of companies in the finance sector based on the VAT exemption for financial services within the EU, and the need to increase the tax rates in the sector in general. There is a risk that introduction of new taxes and/or changes to existing tax legislation applicable to the Issuer's business could result in unexpected costs which would have a material effect on the Group's earnings and ultimately have an adverse effect on the Group's financial condition.



## Financial Risks

### ***Risks related to financing and liquidity***

Low level risk

Liquidity risk is the risk that a company within the Group will not be able to fulfil its payment obligations, both foreseen and unforeseen, at the due date without increasing the cost of obtaining the necessary liquidity. As per 31 December 2020, the Group had cash and cash equivalents (Sw. *likvida medel*) in the amount of approximately SEK 1 856 291 000. The Group needs access to liquidity to finance ongoing projects, operation of the business and pay interest and amortisation. Especially the Group's *Principal Investments* operations requires access to cash funds to such an extent that several investments can be made in parallel. There is a risk that the Group will not be able to obtain loans from lenders or that existing or future shareholders are not willing to invest capital in the Issuer through new share issues. If the liquidity in the Group does not prove to be sufficient, it can have a material adverse effect on the Group's growth and long-term profitability.

Further, the Issuer may be required to refinance certain or all of its outstanding debt, including the Bonds. The Issuer's ability to successfully refinance its debt depends, among other things, on the conditions of the debt capital markets and its financial condition at such time. There is a risk that the Issuer's access to financing sources will not be available on favourable terms, or at all. Should the Issuer be unable to refinance its debt obligations on favourable terms, or at all, it would have a material adverse effect on the Group's business, cash flow and financial condition and on the bondholders' recovery under the Bonds.

### ***Risks related to an increase of interest rates***

Low level risk

Interest rate risk refers to the risk of changes in the capital market that may affect the interest rate conditions and thus borrowing costs for the Group. Interest rate risk is expressed as the cost change for the interest-bearing liabilities, expressed in SEK. As per 31 December 2020, the Group's interest-bearing liabilities amounted to approximately SEK 1,303,000,000. If the interest rates on the Group's loans were to be increased by one per cent., the Group's interest expenses would increase by SEK 13,030,000 on an annual basis, albeit with a certain delay due to fixed interest periods. Since the much of Group's operations consist of asset management and property management subject to fierce competition from other market participants, transactional consultancy contingent on its customers willingness to make transactions and making investments of its own in property development projects, characterized by deploying a lot of capital in the beginning of the project and realising a profit once the development is complete, it may cause difficulties for the Group to swiftly increase revenues to compensate for higher interest costs. A higher interest expense also risks having an effect on profitability, which can negatively affect both the Group's liquidity and interest coverage ratio. Consequently, this could lead to the Group having less opportunities to pay interest and amortisation, which could lead to the risk of the Group breaching the Terms and Conditions of the Bonds or one or more loan agreements. Breach of financial conditions or covenants in the Terms and Conditions for the Bonds or any loan agreements may lead to early repayment of the Bonds, loans, and may force the Group to sell properties and other assets to facilitate such payment. If the prevailing interest rate levels were to change in a negative way for the Group, it could have a material adverse effect on the Group's operating income, balance sheet and cash flow.

## **RISKS RELATING TO THE BONDS**

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

#### ***Credit risks relating to the Bonds***

Medium level risk

Investors in the Bonds assume a credit risk towards the Issuer and indirectly the Group. An investor's prospects of receiving payment under the Bonds is therefore dependent on the Issuer's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The credit risk and the Group's financial position is affected by several factors of which some have been mentioned in the above category "Risks relating to the Group". One such aspect of credit risk is that there is a risk that a deteriorating financial position of the Group will force the Group to refinance the Bonds instead of redeeming them with cash generated by the Group, as described under Section "Risks related to financing and liquidity" above. In case of a deteriorating financial position of the Group, this will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds.

Furthermore, there is a risk that an increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' market value negatively. If the Company were to be unable to make repayment under the Bonds, there is a risk that the bondholders would find it difficult or impossible to recover the amounts owed to them under the Bonds.

#### ***Benchmark Regulation***

Low level risk

Interest payable on the Bonds is calculated by reference to STIBOR. The process for determining STIBOR and other interest-rate benchmarks is subject to an on-going reform process that has already resulted in a number of legislative acts and other regulations. Some of these acts and regulations have already been implemented whilst some are set to be implemented in the near future. The most extensive initiative in this respect to date is the Benchmark Regulation (Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014).

The Benchmark Regulation came into force on 1 January 2018. The Benchmark Regulation addresses the provision of benchmarks, the contribution of input data to benchmarks and the use of benchmarks within the European Union. The effect of the Benchmark Regulation cannot yet be fully determined. However, there is a risk that the Benchmark Regulation will affect how certain benchmarks are determined and how they develop in the future. This could, for example, lead to increased volatility regarding some benchmarks. A further potential risk is that increased administrative requirements, and resulting regulatory risk, may discourage stakeholders from participating in the production of benchmarks, or that some benchmarks cease to be provided.

Investors should be aware that, if a benchmark were discontinued or otherwise unavailable, the rate of interest for the Bonds would be determined for the relevant interest period in accordance with the relevant fallback provisions under the Terms and Conditions. The replacement of the

benchmark that is used for the Bonds could potentially have negative effects on the economic return of the bondholders compared to the applicable original benchmark rate.

### ***Ability to service debt***

Medium level risk

The Issuer's ability to service its debt under the Bonds will depend upon, among other things, the Group's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all. This would have a negative effect on the Group's operations, earnings, results and financial position.

### ***Risks relating to the Bonds being unsecured and security over assets granted to third parties***

Medium level risk

The Bonds represents an unsecured obligation of the Issuer. If the Issuer is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, all of the Issuer's secured obligations must first be satisfied, potentially leaving little or no remaining assets in the Issuer for the bondholders. As a result, the bondholders may not recover any or full value.

Subject to certain limitations from time to time, the Issuer has and may incur additional financial indebtedness and provide additional security and guarantees for such indebtedness. The Group has granted security and guarantees under certain current debt facilities including security over, *inter alia*, property mortgage certificates, shares and intra-group loans. As security has been granted in favour of a third-party debt provider, and may be provided to additional debt providers, the bondholders will, in the event of bankruptcy, re-organisation or winding-up of the Company, be subordinated in right of payment out of the assets being subject to security provided to such third-party debt providers. In addition, if any such third-party debt provider holding security provided by the Group were to enforce such security due to a default by any company within the Group under the relevant finance documents, such enforcement could have a material adverse effect on the Group's assets, operations and financial position, and the rights of the bondholders to receive payments under the Bonds.

### ***Majority owner***

Medium level risk

Following any potential change of control in the Issuer, the Issuer may be controlled by majority shareholder whose interest may conflict with those of the bondholders, particularly if the Group encounters difficulties or is unable to pay its debts as they fall due.

A majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, a majority shareholder will have the ability to elect the board of directors. Furthermore, a majority shareholder may also have an interest in pursuing

acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, although such transactions might involve risks to the bondholders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to arise, it could have a material negative impact on the Group's operations, earnings and financial position.

Following a change of control event in accordance with the Terms and Conditions, the bondholders have a right of prepayment of the Bonds (put option). There is thus a risk that the Issuer does not have enough liquidity to repurchase the Bonds if the bondholders use its right of prepayment, see further under Section "*Put options*" below.

### ***Risks related to early redemption of the Bonds***

Medium level risk

Under the Terms and Conditions for the Bonds, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the bondholders have the right to receive an early redemption amount which exceeds the nominal amount in accordance with the Terms and Conditions for the Bonds. However, there is a risk that the market value of the Bonds is higher than the early redemption amount (including the premium) and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

### ***Put options***

Medium level risk

According to the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder (put options) if:

- (i) an event or series of events occur whereby one or more persons, not being the Major Shareholders (as defined in the Term Sheet), acting together, acquire control over the Issuer and where control means (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer;
- (ii) an event occurs whereby the shares of the Issuer have ceased to be listed on the regulated market of Nasdaq Stockholm; or
- (iii) an event occurs whereby (a) the Initial Bonds have not been admitted to listing on a regulated market within sixty (60) days after the first issue date and/or (b) any Subsequent Bonds are not listed on a regulated market within sixty (60) days from the relevant issue date.

There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer, e.g. by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all bondholders and not only those that choose to exercise the put option.

### ***Subsidiaries, structural subordination and insolvency of subsidiaries***

Medium level risk

All assets (including investments in associate entities) are owned by, and all revenues are generated in, the subsidiaries of the Issuer. Accordingly, the Issuer is dependent upon receipt of sufficient income and cash flow related to the operation of and the ownership in the subsidiaries to enable it to make payments under the Bonds. Consequently, the Issuer is dependent on the subsidiaries' availability of cash, and their legal ability to make dividends. The subsidiaries are legally distinct from the Issuer and have no obligation to make payments to the Issuer of any profits generated from their business. The ability of the subsidiaries to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and legal restrictions (e.g. limitations on value transfers).

If the Issuer is not able to receive funds by way of dividends or value transfer from one or more subsidiary, this could affect the Issuer's ability to service its payment obligations under the Bonds which would have a material adverse effect on the Issuer's business, financial position, earnings and result.

The Group or its assets may not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries of the Group could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group.

### **Risks related to the bondholders' rights and representation**

#### ***No action against the Issuer and bondholders' representation***

Low level risk

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

To enable the Agent to represent bondholders in court, the bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions for the Bonds, the Agent have in some cases the right to make decisions and take measures that bind all bondholders. Consequently, there is a risk that the actions of the Agent in such matters will impact a bondholder's rights under the Terms and Conditions for the Bonds in a manner that is undesirable for some of the bondholders.

#### ***Bondholders' meetings and written procedures***

Low level risk

The Terms and Conditions for the Bonds include certain provisions regarding bondholders' meetings and written procedures. Such meetings or written procedures may be held in order to resolve on matters relating to the bondholders' interests. The Terms and Conditions for the Bonds allow for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting or written procedure and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting or written procedure. Consequently, there is a risk that the actions of the majority in such matters will impact a bondholder's rights in a manner that is undesirable for some of the bondholders.

## The Bonds in Brief

The following summary contains basic information about the Bonds. It is not intended to be complete and it is subject to important limitations and exceptions. Potential investors should therefore carefully consider this Prospectus as a whole, including documents incorporated by reference, before a decision is made to invest in the Bonds. For a more complete understanding of the Bonds, including certain definitions of terms used in this summary, see the Terms and Conditions.

Bonds issued under this Prospectus have STIBOR as interest rate. STIBOR constitutes a benchmark according to the regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). As at the date of this Prospectus, the administrator of STIBOR is not included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011.

<b>Issuer</b>	Catella AB (publ).
<b>Bonds Offered</b>	The aggregate amount of the bond loan will be an amount of up to a maximum of SEK 1,500,000,000. The Issuer may choose not to issue the full amount of Bonds on the First Issue Date and may choose to issue the remaining amount of Bonds at one or more subsequent dates. At the date of this Prospectus, an aggregate amount of Bonds of SEK 1,250,000,000 had been issued on the First Issue Date.
<b>Number of Bonds</b>	Maximum of 1,200 Bonds. At the date of this Prospectus 1,000 Bonds had been issued on the First Issue Date.
<b>ISIN</b>	SE0015660444.
<b>First Issue Date</b>	17 March 2021.
<b>Issue Price</b>	All bonds issued on the First Issue Date have been issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount. The issue price of the Subsequent Bonds may be at a discount or at a premium compared to the Nominal Amount.
<b>Interest Rates</b>	Interest on the Bonds will be paid at a floating rate of three-month STIBOR plus 4.75 per cent. per annum.
<b>Use of benchmark</b>	Interest payable on the Bonds will be calculated by reference to STIBOR. As at the date of this Prospectus, the administrator of STIBOR is not included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011.
<b>Interest Payment Dates</b>	17 March, 17 June, 17 September and 17 December of each year commencing on 17 June 2021. Interest will accrue from (but excluding) the First Issue Date.
<b>Nominal Amount</b>	The Bonds will have a nominal amount of SEK 1,250,000 and the minimum permissible investment in the Bonds is SEK 1,250,000.
<b>Status of the Bonds</b>	The Bonds are denominated in SEK and each Bond is constituted by the Terms and Conditions. The Issuer undertakes to make payments

in relation to the Bonds and to comply with the Terms and Conditions.

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, and:

- will at all times rank (i) without any preference among them and (ii) at least pari passu with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by regulation;
- are effectively subordinated to any existing or future indebtedness or obligation of the Issuer and its subsidiaries that is secured by property and assets that do not secure the Bonds, to the extent of the value of the property and assets securing such indebtedness; and
- are structurally subordinated to any existing or future indebtedness of the subsidiaries of the Issuer, including obligations to trade creditors.

**Call Option**

The Issuer has the right to redeem outstanding Bonds in full at any time at the applicable Call Option Amount in accordance with Clause 9.3 (*Voluntary Total Redemption*) of the Terms and Conditions.

**Call Option Amount**

Call Option Amount means:

- (a) any time from and including the First Call Date to, but excluding, the first Business Day falling fourthly two (42) months after the First Issue Date at an amount per Bond equal to 101.425 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (b) any time from and including the first Business Day falling fourthly two (42) months after the First Issue Date to, but excluding, the first Business Day falling fourthly five (45) months after the First Issue Date at an amount per Bond equal to 100.95 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (c) any time from and including the first Business Day falling fourthly five (45) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.475 per cent of the Nominal Amount, together with accrued but unpaid Interest; and
- (d) notwithstanding the above, provided that the redemption is financed to more than fifty (50) per cent. by way of one or several Market Loan issues, at any time from and including the date falling 45 months after the First Issue Date to, but not including, the Final Maturity Date at any amount per Bond equal to the Nominal Amount.

**First Call Date**

Means the date falling thirty-six (36) months after the First Issue Date.



<b>Final Maturity Date</b>	Means 17 March 2025.
<b>Redemption Clauses</b>	Upon a Change of Control Event, a Delisting Event or a Listing Failure Event, as applicable, occurring, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased in accordance with Clause 9.4 ( <i>Mandatory repurchase due to a Change of Control Event, a Delisting Event or a Listing Failure Event (put option)</i> ) of the Terms and Conditions.
<b>Change of Control Event</b>	Means the occurrence of an event or series of events whereby one or more persons, not being the Major Shareholders, acting together, acquire control over the Issuer and where "control" means (i) controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.
<b>Delisting Event</b>	Means the occurrence of an event or series of events whereby the shares of the Issuer have ceased to be listed on the Regulated Market of Nasdaq Stockholm.
<b>Listing Failure Event</b>	Means an event where (i) the Initial Bonds are not listed on a Regulated Market within 60 days from the First Issue Date, and/or (ii) any Subsequent Bonds are not listed on a Regulated Market within 60 days from the issuance of the Subsequent Bonds.
<b>Certain Covenants</b>	<p>The Terms and Conditions contain a number of covenants which restrict the ability of the Issuer and other Group Companies, including, inter alia:</p> <ul style="list-style-type: none"> <li>• restrictions on making any changes to the nature of their business;</li> <li>• a negative pledge, restricting (i) the granting of security of any Market Loans (as defined in the Terms and Conditions) (ii) Catella Property Fund Management AB, reg. no. 556660-8369, from granting security in relation to any agreement entered into by itself, or any of its Subsidiaries other than in the ordinary course of business and on normal commercial terms and (iii) the Issuer and any of its Subsidiaries from security over the shares in Catella Property Fund Management AB, reg. no. 556660-8369;</li> <li>• restrictions on the incurrence of Market Loans which have a final redemption date occurring before the Final Maturity Date of the Bonds (each as defined in the Terms and Conditions); and</li> <li>• limitations on the making of distributions and disposal of assets.</li> </ul>
<b>Use of Proceeds</b>	(a) The Issuer shall use the Net Proceeds from the issue of the Initial Bonds to refinance the Existing Bond Loan through settlement in cash, finance acquisitions, investments and business development and for general corporate purposes.

- (b) The Issuer shall use the proceeds from the issuance of any Subsequent Bonds, less the costs and expenses incurred by the Issuer in connection with the issue of such Subsequent Bonds, to finance acquisitions and business development and for general corporate purposes.

The Net Proceeds from the Bond Issue were in an approximate amount of SEK 479,000,000.

<b>Transfer Restrictions</b>	The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
<b>Listing</b>	Application has been made to list the 1,000 Bonds, issued on the First Issue Date, on Nasdaq Stockholm. The earliest date for admitting the 1,000 Bonds to trading on Nasdaq Stockholm is on or about 10 May 2021.
<b>Major Shareholders</b>	Means the persons and legal entities who, on the First Issue Date, directly and indirectly, through ownership or otherwise, individually or together, controlled, were controlled by, were under common control with, or were managed by CA Plusinvest AB reg. no. 556769-1588, as well as that entity itself.
<b>Agent</b>	Intertrust (Sweden) AB, Swedish Reg. No. 556625-5476
<b>Issuing Agent</b>	Nordea Bank Abp, filial i Sverige
<b>Governing Law of the Bonds</b>	Swedish law.
<b>Risk Factors</b>	Investing in the Bonds involves substantial risks and prospective investors should refer to the section " <i>Risk Factors</i> " for a description of certain factors that they should carefully consider before deciding to invest in the Bonds.

## **Statement of Responsibility**

The issuance of the Bonds was authorised by resolutions taken by the board of directors of the Issuer on 24 February 2021, and was subsequently issued by the Issuer on 17 March 2021. This Prospectus has been prepared in connection with the Issuer's application to list the Bonds on the corporate bond list of Nasdaq Stockholm, in accordance with the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council.

After the expiration date of this Prospectus, being 10 May 2022, the obligation to supplement the prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the prospectus is no longer valid.

The board of directors of the Company is, to the extent provided by law, responsible for the information set out 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 makes no omission likely to affect its import.

10 May 2021

Catella AB (publ)

*The board of directors*

## Description of Material Agreements

The following is a summary of the material terms of material agreements to which the Issuer is a party and considered as outside of the ordinary course of business. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements.

### Working Capital Financing

A company within the Group, Catella Holding AB (reg. no. 556064-2018), has entered into a cash pool facility agreement with Nordea Bank Abp, filial i SVIERGE, dated 20 December 2012 (the "**Cash Pool Facility**"). The commitment under the Cash Pool Facility amounts to SEK 30,000,000. The Cash Pool Facility has been provided to the members within the Group to be applied for general corporate purposes of the Group (and any refinancing, amendments or replacements thereof). The Cash Pool Facility is renewed automatically on one-year terms and can be terminated with three months prior notice.

## Description of The Group

### History and development

The Company's legal and commercial name is Catella AB (publ). The Company was incorporated on 19 June 1961 and is a *Swedish* public limited liability company operating under the laws of Sweden and registered with the Swedish Companies Registration Office with reg. no. 556079-1419. The Company's legal entity identifier (LEI) is 213800WNI4X4LCFHV831.

The registered office of the Company is Box 5894, 102 40 Stockholm and the Company's headquarters is located at Birger Jarlsgatan 6, 102 40 Stockholm, Sweden, with telephone number +46 (0) 8 463 33 10. The website of the Issuer is [catella.com](http://catella.com). The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

In accordance with the articles of association of the Company, adopted on 21 December 2020, the objects of the Company are to own and manage shares and participations in companies engaged in business administration, real estate or financial consultancy, securities operations, banking operations or fund operations and to engage in activities compatible with the foregoing. The Company's objects are further to manage securities, handle group-wide tasks and carry out the above-mentioned compatible activities.

Catella considers itself to be a leading specialist in real estate corporate finance, property investment management, with operations in 13 European countries. The Group has a diverse range of clients (both private and commercial) and had 579 employees as of 31 December 2020. Catella's operations comprise three business areas which are reported under two segments: *Corporate Finance* and *Asset Management*, where the latter includes Property Investment Management and Equity, Hedge and Fixed Income Funds

Catella was founded in 1987 and, at an early stage, offered property advisory services, which became the foundation for Catella's first operating segment, Corporate Finance. During the real estate and banking crisis Sweden experienced at the beginning of the 1990s, Catella built up a business that focused on restructuring needs within the real estate sector. This enabled Catella to establish itself rapidly on the Swedish market as an independent financial adviser in the real estate sector. Since then, the Corporate Finance business has expanded to include financing, valuations and analysis, alongside transaction advisory services. In the mid-1990s, Catella launched an asset management business and, a few years later, established the Swedish fund management business. This formed the basis for Catella's second operating segment, Asset Management and Banking, however the banking segment is currently in the process of winding down as Catella decided to wind down its banking operations in 2020 and Catella expects to return the banking license to the supervisory authority during the first half of 2021. In 2006 and 2007, the fund management business was expanded by the establishment of real estate funds in Germany and Finland. During the global financial crisis of 2007-2008, Catella was also affected, which, among other things, resulted in lower revenues and personnel cuts. In 2014 and 2015, Catella began offering asset management services in the real estate sector in France and Spain, services that had already been offered on a smaller scale in Germany, Denmark, Finland and the Baltics. In July 2014, the asset manager IPM became a subsidiary and Catella's offering within the business area equity, hedge and fixed income funds was complemented by systematic hedge fund and equity strategies. In autumn 2016, Catella established Property Investment Management operations in Norway and Luxembourg. Catella has further expanded its Property Investment Management operations with

establishments in the Netherlands in 2017 and in the UK in 2018. During the third quarter of 2020, 70 percent of the shares in Catella Fondförvaltning AB (Mutual Funds) were divested.

## **Business and operations**

Catella's operations are divided up into three business areas which are reported under two segments: Corporate Finance and Asset Management, where the latter includes Property Investment Management and Equity, Hedge and Fixed Income Funds.

### Corporate Finance

Within the Corporate Finance operating segment (and business area), Catella offers transaction advisory services and capital markets-related services in the real estate sector. Advisory services are provided to real estate companies, financial institutions, pension funds, real estate funds and other property owners. Catella combines property and investment banking expertise together with extensive knowledge of local property markets and access to global capital and the main objective is to create value and profitability for clients by offering customised financial solutions attuned to the ever-changing market. Operations are conducted in the Baltics, Denmark, Finland, France, Spain, Sweden and Germany, as well as being represented in the United Kingdom. In the Nordics, the focus is primarily on value-add and capital markets-related services, while value-add property-related services are more significant for the countries in Continental Europe. Catella has in total 23 offices in 10 European countries within its Corporate Finance-segment.

### Asset Management

Catella's operations in the Asset Management operating segment are conducted within a total of two business areas: Equity, Hedge and Fixed Income Funds and Property Investment Management.

### Property Investment Management

Catella deals with all phases of value creation in property through its Property Investment Management business area, from analysis and acquisition to financing, strategic management, and, finally, exit. Investments are carried out on instructions from financial institutions, pension funds, property funds and other property owners. Catella also creates value in proprietary property funds on instructions from institutional investors, and in property-related development projects. Operations are conducted in the Property Funds and Property Asset Management (including Project Management) service segments.

### *Property Funds*

As of 31 December 2020, Catella managed 19 open-ended, regulated property funds in Germany. The property funds have different investment strategies in terms of level of risk and return, type of properties and location on each market. The overall strategy is to invest in high-quality properties on selected markets and in locations in Europe, focusing on the Core/Core plus<sup>1</sup> segment. The funds are offered primarily to institutional investors in Germany and/or international investors.

### *Property Asset Management*

Through the Property Asset Management service segment, Catella offers asset management to property funds, other institutions, family offices and high net worth individuals. Catella has a strong local presence, with a solid network on the markets on which it operates. This enables Catella to

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<sup>1</sup> Core/Core-plus means high-quality properties with a number of tenants with a high credit standing and long-term leases with long remaining terms, the properties being located in metropolitan areas and constructed within the last five years or recently renovated.

understand the local business logic and gain access to interesting business opportunities. Catella is a complete asset management partner, primarily for international investors and funds seeking a solution for both acquisitions of properties and strategic management of the assets. Catella also offers services for banks, loan administrators and other financial institutions looking for an active, local asset management platform with good financing capabilities.

Catella's Property Asset Management segment also includes its Project Management services. In Germany, Catella offers clients development projects in the real estate sector. Catella creates value for investors by linking together demand from tenants, property developers and construction companies. Catella identifies land and development opportunities and arranges project financing, in which Catella is involved and co-finances, in order to further develop the land. When planning permission has been obtained, the project is sold on to final investors. This business model provides clients with access to high-quality investments with a somewhat higher return with limited risk.

### Equity, Hedge and Fixed Income Funds

Catella's offering in the Equity, Hedge and Fixed Income Funds business area consists of a number of alternative funds with different focuses and management methodologies. Operations are conducted in two service segments: Mutual Funds, which offer private and institutional investors equity, hedge and fixed income funds with a Nordic focus, and Systematic Funds, which manage systematic macro and equity strategies for institutional investors.

#### *Systematic Funds*

Catella manages systematic macro and equity strategies for institutional investors, such as life insurance companies and pension funds, worldwide. Catella adds value to institutions' investment portfolios by offering fund products that have a negative correlation to traditional and alternative investment strategies. The objective is to produce investment strategies by means of the systematic management of interest rate, currency and stock markets based on fundamental data. Sales primarily take place directly to institutions, but also via distribution platforms. Systematic funds are managed with the support of statistical models, where "big data" from all over the world are compiled and form the basis of strategies with historically profitable outcomes. The funds invest globally in liquid securities in the currency, fixed income and equity markets and have a scalable business model with large-volume capacity. The relative independence of the equity market and other asset classes enhance risk-adjusted return in client portfolios. As one of the pioneers in smart beta strategies, Catella generates added value via Systematic Funds through exposure to the equity market independently of companies' market capitalization – and thus offers a clear alternative to passively managed index mandates.

### **Share capital and ownership structure**

The shares of the Company are denominated in SEK. The ordinary shares of series A carry five votes each and the ordinary shares of series B carry one vote each. As of the date of this Prospectus, the Company had an issued share capital of SEK 176,697,144 divided into 2,530,555 shares of series A, and 85,818,017 shares of series B. The Company has issued a total of 88,348,572 shares carrying a total of 85,818,017 votes. The Company is listed on Nasdaq Stockholm's Mid Cap-list, trading under the ticker symbols CAT A and CAT B.

The following table sets forth the ownership structure in the Company as per 31 March 2021:

<b>Shareholder</b>	<b>No. of shares A-share</b>	<b>No. of shares B-share</b>	<b>Share capital</b>	<b>Voting Rights</b>
Claesson & Anderzén group (with related party)	1,100,910	42,563,838	49.4%	48.8%
SIX SIS AG, W8IMY	288,000	2,197,640	2.8%	3.7%
M2 Asset Management	128,936	2,901,079	3.4%	3.6%
Alcur Select	0	3,317,896	3.8%	3.3%
Strawberry Capital	143,334	2,386,000	2.9%	3.2%
Avanza Pension	3,755	2,721,786	3.1%	2.8%
Nordnet Pension	12,366	2,484,962	2.8%	2.6%
Nordea Investment Funds	0	1,538,929	1.7%	1.6%
Ålandsbanken behalf of clients	0	1,293,000	1.5%	1.5%
Thomas Andersson Borstam	0	1,018,461	1.2%	1.4%
Others	853,254	23,394,426	27.4%	28.1%
<b>Total</b>	<b>2,530,555</b>	<b>85,818,017</b>	<b>100.00 %</b>	<b>100.00 %</b>

Claesson & Anderzén group (with related party) holds 49.4% of the share capital and 48.8% of the voting rights of the Company

Claesson & Anderzén AB (together with its subsidiaries is generally known as the CA group) is a Swedish investment company. The CA group was founded in Kalmar, Sweden, in 1912. CA operates in two main lines of business, real estate and other investments. The real estate business, which is operated by the wholly owned subsidiary, CA Fastigheter AB, is the foundation of the CA group. Other investments are operated by the wholly owned subsidiary, CA Investment AB.

#### Management shareholders

Management shareholders include the following members of the Company's board of directors:

- Jan Roxendal: holds 129,554 shares of series B.
- Tobias Alsborger: holds 22,000 shares of series B.
- Johan Claesson: holds 1,100,910 shares of series A and 42,563,838 shares of series B.
- Johan Damne: holds 150,000 shares of series B.

#### **Shareholders' agreements**

The Issuer is not aware of the details of any provision in the arrangement between its shareholders, the operation of which may at a subsequent date result in a change in control of the Issuer.



## Overview of Group structure

As of the date of this Prospectus, the Issuer has, directly and indirectly, 52 subsidiaries and 2 associated companies.

Operations are conducted by the subsidiaries and the Issuer is thus dependent on its subsidiaries to generate revenues and profit in order to be able to fulfil its payment obligations under the Bonds.

The structure of the most important companies within the Group is set out below.

<b>Subsidiary</b>	<b>Country</b>	<b>Share of capital, %</b>	<b>Share of votes, %</b>
Catella Bank S.A.	Luxembourg	100	100
IPM Informed Portfolio Management AB <sup>2</sup>	Sweden	61	61
European Equity Trance Income Ltd	Guernsey	100	100
Catella Corporate Finance Stockholm AB	Sweden	60	60
Catella Corporate Finance Göteborg AB	Sweden	60	60
Catella Real Estate AG	Germany	95	95
Catella Property Oy	Finland	100	100
Catella Asset Management Oy	Finland	100	100
Catella Property Consultants GmbH	Germany	100	100
Catella Property Residential GmbH	Germany	100	100
Catella Property Denmark A/S	Denmark	54	54
Catella France SARL	France	100	100
Catella Valuation Advisors SAS	France	67	67
Catella Property Consultants SAS	France	100	100
Catella Residential Partners SAS	France	66	66
Catella Asset Management SAS	France	50	50
Catella Property Spain S.A.	Spain	90	90
Catella Corporate Finance Malmö AB	Sweden	60	60
Catella Fondförvaltning AB	Sweden	30	30

## Recent events

There has been no recent event particular to the Group which is to a material extent relevant to the evaluation of the Issuer's solvency.

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<sup>2</sup> The Issuer has announced that it intends to cease the operations of IPM Informed Portfolio Management AB and a majority of the owners of the owners of IPM Informed Portfolio Management AB are expected to support this recommendation at an upcoming extraordinary general meeting of IPM Informed Portfolio Management AB where it will be decided if IPM Informed Portfolio Management AB will cease its business and operations.

## **Significant change and trend information**

### **Significant change, trend information and financial performance**

There has been no material adverse change in the prospects of the Group since the date of its last audited annual accounts and no significant change in the financial or trading position of the Group or the Group's financial performance since the end of the last financial period for which audited financial information has been published to the date of this Prospectus.

### **Legal, governmental and arbitration proceedings**

Neither the Issuer nor the Group is, or has been over the past twelve months been, a party to any legal, governmental or arbitration proceedings that have had, or would have, a significant effect on the Group's financial position or profitability. Nor is the Issuer aware of any such proceedings which are pending or threatening and which could lead to the Issuer or any member of the Group becoming a party to such proceedings.

### **Credit rating**

No credit rating has been assigned to the Issuer, or its debt securities.

## Management

On the date of this Prospectus the board of directors of the Issuer consisted of six members which have been elected by the general meeting. The board of directors and the senior management can be contacted through the Issuer at its headquarters at Birger Jarlsgatan 6, 114 34 Stockholm, Sweden. Further information on the members of the board of directors and the senior management is set forth below.

### **Board of directors of the Issuer**

#### ***Jan Roxendal, chairman of the board since 2020 and board member since 2011.***

**Education:** Higher public education in banking.

**Current commitments:** Chairman of the board of Catella AB. Board member of Magnolia Bostad AB. Chairman of the Second Swedish National Pension Fund (AP2).

#### ***Tobias Alsborger, member of the board since 2020.***

**Education:** M.Sc. Real Estate Finance and Economics at Royal Institute of Technology, Stockholm 1997-2002.

**Current commitments:** Chairman of the board of Suburban Industrial Properties AB and board member of Pulsen Fastigheter AB, Enstar AB, Gale Holding AB and Terrace Road Holding AB.

#### ***Johan Claesson, member of the board since 2008.***

**Education:** University degree from Handelshögskolan Stockholm, August 1971 - June 1974.

**Current commitments:** Chairman of the board of Claesson & Anderzén Aktiebolag and Apodemus Aktiebolag. Board member and CEO of Bellvi Förvaltnings AB and Johan och Marianne Claesson Aktiebolag. Board member of Fastighetsaktiebolaget Bremia, Alufab PLC Ltd, K3Business Technology Group PLC, Leeds Group PLC and several companies within the Group.

#### ***Anna Ramel, member of the board since 2014.***

**Education:** LL.M., Stockholm University.

**Current commitments:** Board member of Erik Penser Bank AB (publ), Nordea Asset Management Holding AB and Nordea Investment Management AB.

#### ***Johan Damne, member of the board since 2014.***

**Education:** MBA.

**Current commitments:** Board member of Arise AB (publ) and Glasbtn 2 AB. CEO of Claesson & Anderzén Aktiebolag and board member and CEO assignments in other companies within the Claesson & Anderzén group.

***Joachim Gahm, member of the board since 2014.***

**Education:** MBA.

**Current commitments:** Chairman of the board of Arise AB (publ) and Odinviken AB. Board member of Catella Fondförvaltning AB, Förvaltnings AB Hanneborg and Tryggkredit Stockholm AB.

## **Management**

### **Christoffer Abramson, *Chief Executive Officer***

**Education:** M.S, Economics, Stockholm School of Economics.

**Current commitments:** Chairman of Catella Brand AB, Catella Corporate Finance AB, Catella Holding AB and CCF Holding AB. Board member of Aveca AB and CatWave AB.

### **Mattias Brodin, acting *Chief Financial Officer***

**Education:** Masters Degree in Economics, School of Business, University of Stockholm.

**Current commitments:** Member of the board of directors and chief executive officer of Octantis AB.

## **Conflicts of interest within administrative, management and control bodies**

Some members of the board of directors and management have private interests in the Issuer by their direct holding of shares in the Issuer. The members of the board of directors and the management may serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the members of the board of directors or the management may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a board meeting of the Issuer, a board member which has such a conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. In accordance with the laws of Sweden, the members of the board of directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer. Other than the aforementioned, none of the board members or the management has any private interests which may conflict with the interests of the Issuer.

## **Interest of natural and legal persons involved in the issue**

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

## Historical Financial Information

### Historical financial information

The Group's consolidated financial statements for the financial year ended 31 December 2020 and the figures for the financial year ended 31 December 2019 as set out below are incorporated into this Prospectus by reference (please see section "*Other Information*"). The information incorporated by reference is to be read as part of this Prospectus. All such information is available on the Issuer's website, <https://www.catella.com/en/>. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Bonds or is covered elsewhere in the Prospectus.

The Group's consolidated financial statements for the financial year ended 31 December 2020 and 31 December 2019 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU.

Other than the auditing of the Group's consolidated financial statements for the financial year ended 31 December 2020 and for the financial year ended 31 December 2019, the Group's auditor has not audited or reviewed any part of this Prospectus.

The Group's consolidated financial statements for the financial year ended 31 December 2020 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 51;
- consolidated balance sheet, page 52;
- consolidated cash flow statement, page 53;
- consolidated statement of changes in equity, page 54;
- notes, pages 55 – 105; and
- the audit report, page 107-109.

The Group's consolidated financial statements for the financial year ended 31 December 2019 is incorporated into this Prospectus by reference. For particular financial figures, please refer to the pages set out below:

- consolidated income statement, page 61;
- consolidated balance sheet, page 62;
- consolidated cash flow statement, page 63;
- consolidated statement of changes in equity, page 64;
- notes, pages 65 – 109; and
- the audit report, pages 112 - 114.

## **Auditing of the annual historical financial information**

The Company's consolidated financial statements as at present and for the years 2018 to 2019 have been audited, as applicable, by PricewaterhouseCoopers AB, Torsgatan 21, 113 21 Stockholm, Sweden. PricewaterhouseCoopers AB has been the Company's auditor since 2011, and was re-elected for an additional year on the latest annual general meeting. Daniel Algotsson is the auditor who is responsible for the Company. Daniel Algotsson is an authorised auditor and is a member of the professional body FAR, the professional institute for the accountancy sector in Sweden.

The auditing of the consolidated financial statements was conducted in accordance with international standards on auditing and the audit reports were submitted without comment.

## **Age of the most recent financial information**

The most recent financial information has been taken from the consolidated financial statements for the financial year ended 31 December 2020, which was published on 21 April 2021 on the Issuer's website <https://www.catella.com/en/investor-relations/reports-and-presentations>.

## Other Information

### Approval of the Prospectus

This Prospectus has been approved by Finansinspektionen, as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council. Finansinspektionen only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and Regulation (EU) 2017/1129 of the European Parliament and of the Council. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this prospectus nor of the Issuer that is the subject of this prospectus and investors should make their own assessment as to the suitability of investing in the securities.

### Clearing and settlement

As of the date of this Prospectus, Bonds have been issued in an amount of SEK 1,250,000,000 and the Issuer may, subject to certain conditions set out in the Terms and Conditions, issue additional Bonds in a maximum aggregate amount of SEK 1,500,000,000. Each Bond has a nominal amount of SEK 1,250,000. The ISIN for the Bonds is SE0015660444.

The Bonds have been issued in accordance with Swedish law. The Bonds are connected to the account-based system of Euroclear Sweden AB. No physical notes have been or will be issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden AB's book-entry system.

### Representation of the Bondholders

The Terms and Conditions stipulates the provisions for the Agent's representation of the Bondholders and can be accessed on the Issuer's website: <https://www.catella.com/en>.

### Material contracts

Other than as described under the section entitled "*Description of Material Agreements*" herein, the Group has not entered into any material contracts not in the ordinary course of its business and which may affect the Group's ability to fulfil its obligations under the Bonds.

### Documents incorporated by reference

This Prospectus is, in addition to this document, comprised of information from the following documents which are incorporated by reference and available in electronic format on the Issuer's website at <https://www.catella.com/en>:

- the Group's consolidated financial statements and audit report for the financial year ended 31 December 2020; and
- the Group's consolidated financial statements and audit report for the financial year ended 31 December 2020.



## **Documents available for inspection**

The following documents are available at the Company's headquarters at Birger Jarlsgatan 6, 114 34 Stockholm, Sweden, on weekdays during the Company's regular office hours throughout the period of validity of this Prospectus.

- the Company's articles of association; and
- the Company's certificate of registration.

The following documents are also available in electronic form on the Company's website <https://www.catella.com/en/>:

- the Company's articles of association; and
- the Company's certificate of registration.

## **Listing costs**

The aggregate cost for the Bonds' admission to trading is estimated not to exceed SEK 180,000.

# Terms and Conditions of the Bonds

## 1. Definitions and Construction

### 1.1 Definitions

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

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

**"Accounting Principles"** means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time) as applied by the Issuer in preparing its annual financial statements).

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

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

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

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

**"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 19 (*Bondholders' Meeting*).

**"Bond"** means a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

**"Bond Issue"** means the Initial Bond Issue and any Subsequent Bond Issue.

**"Business Day"** means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New

Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

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

**"Catella Bank"** means Catella Bank S.A., reg. no. B 29962, P.O. box 2118, L-8308 Capellen, Luxembourg and its Swedish branch Catella Bank Filial, reg. no 516401-9910, P.O box 2015, 103 11, Stockholm Sweden.

**"Catella Bank Discontinuation"** means the cessation or disposal of all business in Catella Bank and any subsequent solvent liquidation, winding-up, dissolution or analogous procedure in any jurisdiction carried out in relation to Catella Bank.

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

**"Change of Control Event"** means the occurrence of an event or series of events whereby one or more persons, not being the Major Shareholders, acting together, acquire control over the Issuer and where **"control"** means (i) controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

**"Compliance Certificate"** means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the Event of Default and steps, if any, being taken to remedy it. If the Compliance Certificate is provided in connection with that a Financial Report is made available, the Compliance Certificate shall include calculations and figures in respect of the Equity.

**"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, P.O. Box 191, 101 23 Stockholm, Sweden.

**"Debt Instruments"** means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a multilateral trading facility (as defined in Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended).

**"Delisting Event"** means the occurrence of an event or series of events whereby the shares of the Issuer have ceased to be listed on the Regulated Market of Nasdaq Stockholm.

**"Existing Bond Redemption Date"** means the date when the Existing Bond Loan shall be redeemed and repaid in full in accordance with the early redemption notice delivered under the Existing Bond Loan in connection with the First Issue Date.

**"EBITDA"** means earnings of the Group, before interest, taxes, depreciation and amortisation (without double counting).

**"Equity"** means the consolidated book-value of the Group's total shareholders' equity according to the latest Financial Report.

**"Event of Default"** means an event or circumstance specified in any of the Clauses 15.1 (*Non-payment*) to and including 16.4 (*Continuation of the business*).

**"Existing Bond Loan"** means the up to SEK 750,000,000 senior unsecured bond loan with ISIN: SE0009994718, as issued by the Issuer on 15 June 2017.

**"Final Maturity Date"** means 17 March 2025.

**"Finance Documents"** means these Terms and Conditions, the Agency Agreement and any other document designated by the Issuer and the Agent as a Finance Document.

**"Financial Indebtedness"** means:

- (a) moneys borrowed or raised (including Market Loans);
- (b) the amount of any liability in respect of any finance leases;
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(f).

**"Financial Report"** means the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available pursuant to Clause 10.2(a)(i) and 10.2(a)(ii).

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

**"First Issue Date"** means 17 March 2021.

**"Force Majeure Event"** has the meaning set forth in Clause 27(a).

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

**"Initial Bonds"** means the Bonds issued on the First Issue Date.

**"Insolvent"** means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*Sw. konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Bondholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*Sw. lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

**"Interest"** means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

**"Interest Payment Date"** means 17 March, 17 June, 17 September and 17 December of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 17 June 2021 and the last Interest Payment Date shall be the relevant Redemption Date.

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

**"Interest Rate"** means STIBOR plus the Margin.

**"Issuer"** means Catella AB (publ), a public limited liability company incorporated under the laws of Sweden with reg. no. 556079-1419.

**"Issuing Agent"** means Nordea Bank Abp, filial i Sverige, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**"Joint Bookrunners"** means ABG Sundal Collier AB and Nordea Bank Abp.

**"Listing Failure Event"** means an event where (i) the Initial Bonds are not listed on a Regulated Market within 60 days from the First Issue Date, and/or (ii) any Subsequent Bonds are not listed on a Regulated Market within 60 days from the issuance of the Subsequent Bonds.

**"Major Shareholders"** means the persons and legal entities who, on the First Issue Date, directly and indirectly, through ownership or otherwise, individually or together, controlled, were controlled by, were under common control with, or were managed by CA Plusinvest AB reg. no. 556769-1588, as well as that entity itself.

**"Margin"** means 4.75 per cent. *per annum*.

**"Market Loan"** means any loan or other indebtedness where an entity issues commercial paper, certificates, subordinated debentures, bonds or any other debt securities (including,

for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on Nasdaq Stockholm or any other regulated or unregulated recognised market place, except that SPV Debentures shall not be considered Market Loans.

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

**"Material Group Company"** means the Issuer and/or any other Group Company representing 15 per cent. or more of Total Assets or EBITDA of the Group on a consolidated basis according to the latest Financial Report.

**"Net Proceeds"** means the proceeds from the relevant Bonds after deduction has been made for the Transaction Costs payable by the Issuer to the Joint Bookrunners (if the Joint Bookrunners have as requested that their respective fees and costs shall be deducted) and the Issuing for the services provided in relation to the placement and issuance of the relevant Bonds.

**"Nominal Amount"** has the meaning set forth in Clause 2(c).

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

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

**"Reference Period"** means each period of 12 consecutive calendar months.

**"Record Date"** means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 17 (*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 9 (*Redemption and Repurchase of the Bonds*).

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

**"Securities Account"** means the account for dematerialised securities maintained by the CSD pursuant to the Central Securities Depositories and Financial Instruments Accounts Act in which (i) an owner of such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

**"SPV"** mean an alternative investment fund or a holding company of an alternative investment fund.

**"SPV Debentures"** means any profit participating loans or profit participating notes issued by an SPV (i) which is not secured by the assets of any other Group Company, (ii) for which no other Group Company provides any guarantees and (iii) to which no other Group Company provides any other financial support, except for equity investments in the form of share capital, shareholders contributions or subordinated loans.

**"STIBOR"** means:

- (a) the applicable percentage rate per annum of the Stockholm interbank offered rate for STIBOR fixing administered and calculated by the Swedish Financial Benchmark Facility (or any other person which takes over the administration of that rate) and displayed on the appropriate Reuters screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period comparable to the relevant Interest Period; or
- (b) if no rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

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

**"Subsequent Bond Issue"** has the meaning set forth in Clause 2(d).

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

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

**"Total Assets"** means the total assets as reported in the Group's balance sheet in accordance with the applicable accounting principles of the Group from time to time.

**"Total Nominal Amount"** means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

**"Transaction Costs"** means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (i) the issuance of the Initial Bonds or any Subsequent Bonds, and (ii) the listing of the Initial Bonds or any Subsequent Bonds.

**"Written Procedure"** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 20 (*Written Procedure*).

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) "**assets**" includes present and future properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a "**regulation**" includes any regulation, law, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (iv) a "**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;
  - (v) an Event of Default is continuing if it has not been remedied or waived;
  - (vi) a provision of regulation is a reference to that provision as amended or re-enacted; and
  - (vii) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (*Sw. Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- (d) No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

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



- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The nominal amount of each Initial Bond is SEK 1,250,000 (the "**Nominal Amount**"). The maximum Total Nominal Amount of the Initial Bonds is SEK 1,250,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100) per cent. of the Nominal Amount.
- (d) The Issuer may, at one or several occasions after the First Issue Date, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the nominal amount and the final maturity applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at the Nominal Amount, a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed SEK 1,500,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 18(e)(iii). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.
- (e) The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by regulation.
- (f) The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local regulations to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (g) 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.

### 3. Use of Proceeds

- (a) The Issuer shall use the Net Proceeds from the issue of the Initial Bonds to refinance the Existing Bond Loan through settlement in cash, finance acquisitions, investments and business development and for general corporate purposes.
- (b) The Issuer shall use the proceeds from the issuance of any Subsequent Bonds, less the costs and expenses incurred by the Issuer in connection with the issue of such Subsequent Bonds, to finance acquisitions and business development and for general corporate purposes.

## 4. Conditions Precedent

- (a) The Issuer shall provide to the Agent, or procure the provision of, to the satisfaction of the Agent, no later than 9:00 on the First Issue Date (or such later time as agreed to by the Agent):
  - (i) certificate of registration, articles of association and copy of the relevant board minutes for the Issuer and each other Group Company being a party to a Finance Document;
  - (ii) evidence that the Finance Documents have been duly executed;
  - (iii) evidence that the redemption of the Existing Bond Loan in full has been made unconditional by the Issuer; and
  - (iv) a certificate addressed to the Agent certifying that no event of default exist under the Existing Bond Loan or would occur by issuance of the Initial Bonds.
  
- (b) The Issuer shall provide to the Agent, or procure the provision of, to the satisfaction of the Agent, no later than 9:00 on the date of the relevant Subsequent Bond Issue (or such later time as agreed to by the Agent), in respect of the Subsequent Bonds, the following:
  - (i) constitutional documents and corporate resolutions (approving the Subsequent Bond Issue and resolving to enter into documents necessary in connection therewith) for the Issuer; and
  - (ii) a certificate addressed to the Agent certifying that no event of default exist or would occur by issuance of the Subsequent Bonds.

Any Subsequent Bond Issue is further subject to the Agent's receipt of the documents and evidence referred to in Clause 4.1(a) in relation to the Initial Bond Issue.

- (c) The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions precedent set out in Clause 4(a) and Clause 4(b) (as applicable) have been fulfilled (or amended or waived). The Bond Issue shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent no later than 10 a.m. on the date of the relevant Bond Issue or (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent and the Issuer agree to postpone or cancel the relevant Bond Issue.
  
- (d) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4(a) and 4(b) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clause 4(a) and 4(b) above from a legal or commercial perspective of the Bondholders.

- (e) Following receipt by the Issuing Agent of the confirmation in accordance with the above, the Issuing Agent shall settle the Bond Issue on the applicable issue date (or later if applicable).

## **5. Bonds in Book-Entry Form**

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Central Securities Depositories and Financial Instruments Accounts Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

## **6. Right to Act on Behalf of a Bondholder**

- (a) 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 proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such person.
- (b) A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and may

assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **7. Payments in Respect of the Bonds**

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) If a Bondholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the 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 effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- (c) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 8(d) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 7, 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.
- (e) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## **8. Interest**

- (a) Each Initial Bond carries Interest at the Interest Rate calculated on 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 calculated on the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.

- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## **9. Redemption and Repurchase of the Bonds**

### **9.1 Redemption at maturity**

The Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

### **9.2 Issuer's purchase of Bonds**

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

### **9.3 Voluntary total redemption (call option)**

- (a) The Issuer may redeem all, but not some only, of the outstanding Bonds in full:
  - (i) any time from and including the First Call Date to, but excluding, the first Business Day falling fourthly two (42) months after the First Issue Date at an amount per Bond equal to 101.425 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (ii) any time from and including the first Business Day falling fourthly two (42) months after the First Issue Date to, but excluding, the first Business Day falling fourthly five (45) months after the First Issue Date at an amount per Bond equal to 100.95 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (iii) any time from and including the first Business Day falling fourthly five (45) months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.475 per cent of the Nominal Amount, together with accrued but unpaid Interest; and
  - (iv) notwithstanding the above, provided that the redemption is financed to more than fifty (50) per cent. by way of one or several Market Loan issues, at any time from and including the date falling 45 months after the First

Issue Date to, but not including, the Final Maturity Date at any amount per Bond equal to the Nominal Amount.

- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

#### **9.4 Mandatory repurchase due to a Change of Control Event, a Delisting Event or a Listing Failure Event (put option)**

- (a) Upon a Change of Control Event, a Delisting Event or a Listing Failure Event, as applicable, occurring, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased (whereby the Issuer shall have an obligation to repurchase such Bonds) at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of sixty (60) days following a notice from the Issuer of the Change of Control Event, the Delisting Event or a Listing Failure Event, as applicable, pursuant to Clause 10.1(c) (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event, the Delisting Event or the Listing Failure Event, as applicable.
- (b) The notice from the Issuer pursuant to Clause 10.1(c) shall specify the Redemption Date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 10.1(c). The Redemption Date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 9.4(a).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.4 by virtue of the conflict.
- (d) Any Bonds repurchased by the Issuer pursuant to this Clause 9.4 may at the Issuer's discretion be retained or sold but may not be cancelled.
- (e) The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 9.4, if a third party in connection with the occurrence of a Change of Control Event, a Delisting Event or a Listing Failure Event, as applicable, offers to purchase the Bonds in the manner and on the terms set out in this Clause 9.4 (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 9.4, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

## 10. Information to Bondholders

### 10.1 Information from the Issuer

- (a) The Issuer will make the following information available to the Bondholders by way of press release and by publication on the website of the Issuer:
  - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the annual audited consolidated financial statements of the Group for that financial year and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of each financial year, the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, each including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (iii) as soon as practicable following an acquisition or disposal of Bonds by a Group Company, the aggregate Nominal Amount held by Group Companies, or the amount of Bonds cancelled by the Issuer; and
  - (iv) any other information required by the Swedish Securities Markets Act (*Sw. lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.
- (b) The reports shall be prepared in accordance with IFRS and made available in accordance with the rules and regulations of Nasdaq Stockholm (as amended from time to time) and the Swedish Securities Market Act.
- (c) The Issuer shall promptly notify the Bondholders and the Agent upon becoming aware of the occurrence of a Change of Control Event, Delisting Event or Listing Failure Event. Such notice may be given in advance of the occurrence of a Change of Control Event, Delisting Event or Listing Failure Event, as applicable, conditioned upon the occurrence of such event, if a definitive agreement is in place providing for a Change of Control Event, Delisting Event or Listing Failure Event, as applicable.
- (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause 10.1(a), the Issuer shall send copies of such financial statements and other information to the Agent. The Issuer shall (i) together with each Financial Report, (ii) in connection with making a Restricted Payment and (iii) within twenty (20) days from the Agent's request, deliver to the Agent a duly executed Compliance Certificate together with copies of any notices

sent to the Regulated Market on which the Bonds are admitted to trading. The Compliance Certificate shall be in a form agreed between the Issuer and the Agent and include figures in respect of the relevant financial covenant and the basis on which it has been calculated.

- (e) The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- (f) The Issuer is only obliged to inform the Agent according to this Clause 10.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 10.1.
- (g) The Issuer shall notify the Agent of any transaction which is not within the ordinary course of business as referred to in Clause 12.5 (*Disposals of assets*) and the Issuer shall, upon request by the Agent, provide the Agent with (i) any information relating to such transaction which the Agent deems necessary (acting reasonably), and (ii) a certificate from the Issuer which states whether the transaction is carried out on an arm's length basis and on terms and conditions customary for such transaction or not and whether such transaction has a Material Adverse Effect or not.

## **10.2 Information from the Agent**

Subject to the restrictions of any applicable law and regulation, the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

## **10.3 Publication of Finance Documents**

- (a) The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.
- (b) The latest versions of the Finance Documents shall be available to the Bondholders at the office of the Agent during normal business hours.



## 11. Financial Undertakings

- (a) The Issuer shall on each Reference Date ensure that the Equity amounts to not less than SEK 1,000,000,000.
- (b) The financial covenant in paragraph (a) above shall be calculated in accordance with the accounting principles applicable to the Issuer and tested by reference to each of the Financial Reports on each Reference Date with respect to the Reference Period ending on such Reference Date. The first test date shall be 31 March 2021.

## 12. General Undertakings

### 12.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 12 for as long as any Bonds remain outstanding.

### 12.2 Distributions

The Issuer shall not, and shall procure that none of the Subsidiaries, (i) pay any dividend in respect of its shares, (ii) repurchase or redeem any of its own shares, (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders, (iv) make any other similar distribution or transfers of value to the Issuer's direct and indirect shareholders or (v) make any investments in funds held by SPVs which have issued SPV Debentures, other than set-up and administration costs (items (i)-(v) above are together and individually referred to as a "**Restricted Payment**").

Notwithstanding the above a Restricted Payment may be made:

- (a) by the Issuer if the aggregated amount of all Restricted Payments by the Issuer in any fiscal year does not exceed the higher of:
  - (i) SEK 80,000,000 (or the equivalent thereof in any other currency); or
  - (ii) 60 per cent. of the Group's consolidated net profits attributed to shareholder of the Issuer (Sw. *årets resultat hänförligt till emittentens aktieägare*) according to its latest adopted consolidated balance sheet;
- (b) to the Issuer or a direct or indirect Subsidiary of the Issuer but, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis; and
- (c) by the Issuer or a direct or indirect Subsidiary of the Issuer under any management incentive programs or management profit or valuation participation arrangements.

### 12.3 Nature of business

13. The Issuer shall procure that no substantial change is made that would have a negative impact on the general nature of the business carried on by the Group as of the

First Issue Date. For the avoidance of doubt, the Catella Bank Discontinuation shall not be considered a substantial change on the general nature of the business carried on by the Group.

### **13.1 Financial Indebtedness**

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries, incur any Financial Indebtedness under Market Loans (other than the Existing Bond Loan).
- (b) Notwithstanding paragraph (a) above, the Issuer may incur Financial Indebtedness under Market Loans which have a final redemption date occurring after the Final Maturity Date of the Bonds.

### **13.2 Disposal of assets**

The Issuer shall not, and shall procure that no Material Group Company, sell or otherwise dispose of all or a substantial part of its or that Material Group Company's 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. For the avoidance of doubt, the disposal of all of the assets and operations of Catella Bank shall be permitted in connection with the Catella Bank Discontinuation.

### **13.3 Dealings with related parties**

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

### **14.1 Negative pledge**

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries, provide, prolong or renew any security over any of its/their assets (present or future) to secure any Market Loans.
- (b) The Issuer shall ensure that Catella Property Fund Management AB, reg. no. 556660-8369, does not provide, prolong or renew any security over any of its assets (present or future) to secure any Financial Indebtedness of Catella Property Fund Management AB, or any of its Subsidiaries.
- (c) Notwithstanding paragraph (b) above, Catella Property Fund Management AB, may provide, prolong or renew security in relation to any agreement entered into by Catella Property Fund Management AB, or any of its Subsidiaries in the ordinary course of business and on normal commercial terms.
- (d) The Issuer shall not, and shall procure that none of its Subsidiaries, provide, prolong or renew any security over the shares in Catella Property Fund Management AB, reg. no. 556660-8369, to secure any Financial Indebtedness.

## **14.2 Listing**

The Issuer shall ensure that (i) the Initial Bonds are listed on the corporate bond list of Nasdaq Stockholm within 60 days after the First Issue Date and with an intention to complete such listing within 30 calendar days after the First Issue Date, and (ii) any Subsequent Bonds are listed on the corporate bond list of Nasdaq Stockholm within 60 days after the relevant issue date of such Subsequent Bonds and with an intention to complete such listing within 30 calendar days after the relevant subsequent issue date and (iii) that the Bonds, once admitted to trading on the corporate bond list of Nasdaq Stockholm, continue to be listed thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of Nasdaq Stockholm and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

For the avoidance of doubt, failure to complete listing within the intended aforementioned timeframe shall not constitute an Event of Default.

## **14.3 Compliance with laws**

The Issuer shall, and shall procure that all its Subsidiaries, (i) comply in all material respects with all laws and regulations applicable from time to time, including but not limited to the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed, and (ii) obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company.

## **14.4 Mergers and demergers**

The Issuer shall not, and shall procure that none of its Subsidiaries, enter into a merger or demerger if such merger or demerger is likely to have a Material Adverse Effect. The Issuer shall not enter into a merger where the Issuer is not the surviving entity and the Issuer may not be demerged.

## **14.5 Undertakings relating to the Agency Agreement**

- (a) The Issuer shall, in accordance with the Agency Agreement:
  - (i) pay fees to the Agent;
  - (ii) indemnify the Agent for costs, losses and liabilities;
  - (iii) furnish to the Agent all information requested by or otherwise required to be delivered to the Agent; and
  - (iv) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.
- (b) The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

## **15. Events of Default and Acceleration of the Bonds**

Each of the events or circumstances set out in this Clause 15 (other than Clause 16.5 (*Acceleration of the Bonds*)) is an Event of Default.

### **15.1 Non-payment**

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents, unless the non-payment:

- (a) is caused by administrative or technical error; and
- (b) is made within five (5) Business Days from the due date.

### **15.2 Financial undertakings**

The Issuer fails to comply with the financial covenant set out in Clause 11 (*Financial Undertakings*).

### **15.3 Other obligations**

The Issuer does not comply with the Finance Documents, in any other way than as set out under Clause 15.1 (*Non-payment*) to Clause 15.2 (*Financial undertakings*) above, provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within fifteen (15) Business Days from such request (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

### **15.4 Cross-acceleration**

Any Financial Indebtedness of a Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 15.4 if the aggregate amount of Financial Indebtedness that has fallen due is less than SEK 20,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

### **15.5 Insolvency**

- (a) Any Material Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors 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.

## **15.6 Insolvency proceedings**

16. With the exception of the Catella Bank Discontinuation, any corporate action, legal proceedings or other procedures are taken (other than 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) in relation to:

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

## **16.2 Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding SEK 20,000,000 and is not discharged within 60 days.

## **16.3 Impossibility or illegality**

It is or becomes impossible or unlawful for the Issuer to fulfill or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.

## **16.4 Continuation of the business**

The Issuer or another Material Group Company ceases to carry on its business (except through (i) a permitted merger or demerger in accordance with Clause 14.4 (*Mergers and demergers*) or (ii) the Catella Bank Discontinuation).

## **16.5 Acceleration of the Bonds**

- (a) Upon the occurrence of an Event of Default which is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 16.5(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines (such date to occur not more than twenty (20) Business Days from the

date of the notice) and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

- (b) The Agent may not accelerate the Bonds in accordance with Clause 16.5(a) 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, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) If the Bondholders instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) In the event of an acceleration of the Bonds in accordance with this Clause 16.5, up to, but excluding, the First Call Date the Issuer shall redeem all Bonds at an amount per Bond equal to the redemption amount set out in Clause 9.3(a)(i) and thereafter, as applicable considering when the acceleration occurs, the redemption amount specified in Clause 9.3 (*Voluntary total redemption (call option)*).

## 17. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 15 (*Events of Default and Acceleration of the Bonds*) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
  - (i) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in

accordance with Clause 22.2(e), and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 18(c);

- (ii) *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);
- (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (iv) *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 (i) to (iv) above shall be paid to the Issuer.

- (b) If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 17(a)(i) or ((a)(ii)), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 17(a)(i) or ((a)(ii)).
- (c) Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 17 as soon as reasonably practicable.
- (d) If the Issuer or the Agent shall make any payment under this Clause 17, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7(a) shall apply.

## **18. Decisions by Bondholders**

- (a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form

for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable regulations.
- (d) Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:
  - (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (ii) on the Business Day specified in the communication pursuant to Clause 20(c), 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.

- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 20(c):
  - (i) waive a breach of or amend an undertaking set out in Clause 12 (*General Undertakings*);
  - (ii) reduce the principal amount, interest rate or interest amount which shall be paid by the Issuer;
  - (iii) increase the maximum total nominal amount of the Bonds;
  - (iv) amend a redemption amount set out in Clause 9.3;
  - (v) amend any payment day for principal or interest amount or waive any breach of a payment undertaking, or
  - (vi) amend the provisions regarding the majority requirements under the Terms and Conditions.
- (f) Any matter not covered by Clause 18(e) shall require the consent of Bondholders representing more than 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 20(c). This includes, but is not limited to, any amendment to, or waiver of,



the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 21(a)(i) or (21(a)(ii))), an acceleration of the Bonds.

- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 18(e), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
  - (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 19(a)) or initiate a second Written Procedure (in accordance with Clause 20(a)), 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(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (j) 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.
- (k) 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.
- (l) 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.
- (m) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or

(to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.

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

## **19. Bondholders' Meeting**

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 19(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 22.4(c), 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 19(a).
- (c) The notice pursuant to Clause 19(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **20. Written Procedure**

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically in a manner determined by the Agent) 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.

- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 20(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 20(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 20(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 18(e) and 18(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 18(e) or 18(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 21. Amendments and Waivers

- (a) The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 21(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 10.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

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

## **22. Appointment and Replacement of the Agent**

### **22.1 Appointment of Agent**

- (a) By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent to act on its behalf, as set forth in Clause 22.1(a).
- (c) Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

### **22.2 Duties of the Agent**

- (a) The Agent shall represent the Bondholders in accordance with the Finance Documents. Except as specified in Clause 4 (*Conditions Precedent*), the Agent is not responsible for the execution or enforceability of the Finance Documents.
- (b) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.

- (c) The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- (d) The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders 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.
- (e) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 17 (*Distribution of Proceeds*).
- (f) Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (g) If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- (h) The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 22.2(g).

### **22.3 Limited liability for the Agent**

- (a) The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.

- (c) The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- (d) The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with Clause 18 (*Decisions by Bondholders*) or a demand by Bondholders given pursuant to Clause 16.5.
- (e) Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

#### **22.4 Replacement of the Agent**

- (a) Subject to Clause 22.4(f), the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 22.4(f), if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- (d) If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

- (f) The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- (g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- (h) In the event that there is a change of the Agent in accordance with this Clause 22.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

### **23. Appointment and Replacement of the Issuing Agent**

- (a) The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) 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.

### **24. No Direct Actions by Bondholders**

- (a) A Bondholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 24(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 22.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or

the Agency Agreement or by any reason described in Clause 22.2(g), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 22.2(h) before a Bondholder may take any action referred to in Clause 24(a).

- (c) The provisions of Clause 24(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.4 (*Mandatory repurchase due to a Change of Control Event, a Delisting Event or a Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## 25. Prescription

- (a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed 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.
- (b) 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 receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## 26. Notices and Press Releases

### 26.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch;
  - (ii) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch; and
  - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A Notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.
- (b) 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 and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1(a) or, in case of letter,



three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 26.1(a).

- (c) 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.
- (d) If an Event of Default is continuing, any notice or other communication made by the Agent to the Issuer under or in connection with the Finance Documents may, provided that the Agent deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the day of dispatch (unless a delivery failure message was received by the Agent), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day. Any notice or other communication to be sent by email by the Agent to the Issuer in accordance with this paragraph (c) shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Agent.

## 26.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3(b), 9.4(a), 10.1(b), 16.5(c), 18(o), 19(a), 20(a) and 21(c) shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to Clause 26.2(a), if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## 27. Force Majeure and Limitation of Liability

- (a) Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

- (d) The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

## **28. Governing Law and Jurisdiction**

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

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